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Global Agricultural Information Network

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Report Highlights:

Canada Announces New Approach to Regulating Energy Drinks * Statistics Canada Releases Grains and Oilseeds September Production Estimates * Potatoes and Potato Products Annual Report: Modest Growth Forecast for 2012 * New Pasta and Pulse Processing and Logistics Complex Planned for Saskatchewan

This Week in Canadian Agriculture is a review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives.

Disclaimer: Any press article summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

Canada Announces New Approach to Regulating Energy Drinks

The Canadian government announced plans to take a new approach to regulating caffeinated energy drinks. This comes after Health Canada made the determination, based on consumption patterns, history of use, representation to consumers, and its guidance documents on the "*Classification of Products at the Food-Natural Health Product interface: Products in Food Formats*," that products known as "energy drinks" fit the definition of food and must be regulated as such. The move to classify energy drinks as food is consistent with how Canada's other major trading partners (including the United States) regulate energy drinks. The change in classification from "Natural Food Product" or NFP to "food" means that energy drinks will now be required to provide nutritional facts tables. Canada also plans to introduce additional measures to mitigate potential risks associated with the over-consumption of these products. Additional formulation and labeling requirements are being considered, as well increased consumer education efforts, and continued research and monitoring of long-term effects of the consumption of these products. The comment period for the additional measures under consideration is open until **November 15, 2011**. Health Canada expects regulations to be coming into force within 18 to 24 months.

The media release of these new proposed measures is available at the following URL address:
<http://www.hc-sc.gc.ca/ahc-asc/media/nr-cp/2011/2011-132-eng.php>

A detailed explanation of Health Canada's proposed approach to managing caffeinated energy drinks and how to submit comments is available at the following URL address:
<http://www.hc-sc.gc.ca/fn-an/legislation/pol/energy-drinks-boissons-energisantes-eng.php>

Statistics Canada Releases Grains and Oilseeds September Production Estimates

Statistics Canada released its September production estimates for grains and oilseeds on October 4, 2011. The numbers were a little lower than anticipated and industry expects the number to rise in the next production release scheduled for December 6, 2011, when harvest has been completed. These most recent estimates were generated from surveys conducted from September 1st to September 9th, when little had yet been combined. Total wheat production for 2011/2012 is estimated to reach 21.7 million metric tons (MMT), up 3.0% from 2010/2011 levels. The rise is attributed mainly to a 30.2% increase in durum wheat production from year 2010/2011 levels. This increase to 3.9 MMT in durum

is due to better growing conditions in 2011. Good mid-summer weather conditions and increased area harvested are also expected to boost 2011/2012 barley production by 3.8% over 2010/2011 levels to reach 7.9 MMT. Corn production is expected to fall in Quebec and Ontario due mainly to a return to more average yields. Corn production for 2011/2012 is estimated at 10.1 MMT. Oat production is expect to rise 16% from 2010/2011 production levels due to increased area seeded, which is in part due to a very soggy spring. Oat production in 2011/2012 is estimated at 2.9 MMT.

Statistics Canada's *Field Crop Reporting Series: September Estimates of Production of Principal Crops* is available at the following URL address: <http://www.statcan.gc.ca/pub/22-002-x/22-002-x2011007-eng.pdf>.

Potatoes and Potato Products: Modest Growth Forecast for 2012

The 2011 Potato and Potato Products Annual Report for Canada is now available on the Foreign Agricultural Service's Global Analysis Information Network (GAIN). The forecast is for modest growth. As a result of increased volume in potato processing, contract growers have expanded the planted areas. The estimated seeded acreage for the 2011/2012 marketing year is up 1.6 percent compared to the previous year, but lower yields are expected due to an excessively wet spring. Nevertheless, the forecast is for a modest increase in production, as well as a decline in exports back to more traditional levels. Production, exports and consumption of frozen fries are all forecast to increase.

The complete report is available at the following URL address: [http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Potatoes%20and%20Potato%20Products%20Annual Ottawa Canada 09-30-2011.pdf](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Potatoes%20and%20Potato%20Products%20Annual%20Ottawa%20Canada%2009-30-2011.pdf)

New Pasta and Pulse Processing and Logistics Complex Planned for Saskatchewan

Prime Minister Stephen Harper and the Canadian Minister of Agriculture, Gerry Ritz, were on hand in Regina, Saskatchewan, to attend the announcement of plans for the construction of a new pasta and pulse processing and logistic complex. Alliance Grain Traders, a pulse, staple food and ingredient processor and exporter, announced its intention to invest up to \$50 million dollars towards the construction of the complex. President and CEO of Alliance Grain Traders Inc, Mr. Murad Al-Katib, stated that he feels that the expansion is an important step in ensuring a strong foundation for the company's future by solidifying the pasta milling capacity in Canada and moving the company further up the value chain in the pulses platform. Construction is slated to begin in 2012.

Exchange Rate: Noon rate, October 7, 2011 (Bank of Canada): U.S. Dollar = C\$1.0328

Most Recent Reports from FAS/Ottawa:

Report #	Name of Report	Date Submitted
CA11053	Potatoes Annual	09/30/2011

CA11051	This Week in Canadian Agriculture, Issue 19	09/30/2011
CA11050	This Week in Canadian Agriculture – Issue 18	09/22/2011
CA11048	Northern Trends – Fall Edition	09/15/2011
CA11047	This Week in Canadian Agriculture – Issue 17	09/09/2011
CA11046	Poultry Annual	08/17/2011
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CA11042	This Week in Canadian Agriculture – Issue 16	07/28/2011
CA11040	This Week in Canadian Agriculture – Issue 15	07/15/2011
CA11039	Biotechnology Annual Report	07/15/2011
CA11037	This Week in Canadian Agriculture – Issue 14	07/07/2011
CA11036	Biofuels Annual Report	07/05/2011
CA11035	This Week in Canadian Agriculture – Issue 13	06/17/2011
CA11033	Northern Trends – Spring Edition	06/02/2011