

International Market Access for Quebec Grain

William Van Tassel, First Vice-President, Producteurs de grains du Québec

Quebec's grain sector has annual production of over 5 million tonnes. The main crops are grain corn and soy, followed by cereals (wheat, barley, oats) and canola. The grain is destined for the Quebec market, of course, but also for foreign users. This is especially true of soy production – 1 million tonnes (Mt) in 2015, with an estimated value of more than \$500 million Canadian – which is destined primarily for export markets. Identity-preserved soybeans – commonly called IP soybeans – are sold to Southeast Asia, where Japan is a key market. The Asian markets are high value-added markets and demand top quality. Soybeans that are not genetically modified are also sold to European importers, who pay a premium for a certified non-GM product.

Quebec's corn crop is destined mainly for the local market for animal feed and the production of ethanol and spirits. However, when Quebec has a bumper crop, as it did in 2015, with a yield of 3.76 Mt, then export markets are needed for the surplus corn. As our immediate neighbours – Ontario and the United States – also have large surpluses to sell, significant quantities of Quebec corn (500,000 tonnes?) will have to be marketed overseas, mainly in Europe, in the coming months.

We must not forget cereals. The United States has attractive and profitable markets for Quebec oats, whether for human consumption or horse feed.

Quebec's grain sector operates in a competitive North American and international market. Access to these markets is vital to our sector. That access must be free, without interference by the authorities in other countries, and in compliance with international phytosanitary regulations (Codex). However, we are afraid that that access will be restricted or even threatened. One example is sustainable agriculture in Europe. There is no doubt that agricultural producers in Quebec have adopted the best agronomic practices in this regard. The problem could arise in the certification of these practices, which European countries could soon require. No consensus has been reached on the certification of sustainable agriculture, as there are several competing systems. That is creating confusion and uncertainty.

Because it is strategically located in relation to the ports along the St. Lawrence, Quebec is particularly well placed to take advantage of international market opportunities. Producteurs de grains du Québec is therefore asking that foreign market access rules be based on clearly defined scientific principles on which there is consensus. Otherwise, the flow of international trade will suffer.

Producteurs de grains du Québec would also like to take this opportunity to underscore the importance of maintaining and bolstering public research in the grain sector. A number of research projects and fields (such as crop breeding) have led to improvements in Canadian farms' productivity and competitiveness, and these advances were facilitated thanks to a greater commitment to and better funding for public research.

To protect and improve the position of Canadian agriculture, it is crucial to make appropriate public efforts and investments in order to maintain an infrastructure and a level of knowledge that meet international standards.