

Canary Seed News

News from the Canary Seed Development Commission of Saskatchewan (CSDCS)
& the Canary Seed Association of Canada (CSAC)



Message from the Chair

Darren Yungmann



Nearly seven years ago, Canary seed received approval to be used as a food in Canada and the United States. I was new to the Canary Seed Development Commission of Saskatchewan board and they were exciting times. There had been years of arduous work submitting paperwork to get to that point, and we soon discovered there were many more details that needed to be addressed to get “alpiste” on to the plates of consumers.

While jumping the many hurdles, our limited resources have been stretched. So, the board has made the decision to move to raise our levy. We haven't taken this decision lightly and believe the extra resources will help expand the Canary seed market. Join us at our AGM in Regina this December to help us plot the course for the future of Canary seed and alpiste!

CSDCS Board of Directors

Darren Yungmann, Chair
Cell: 306-231-8733
djyungmann@sasktel.net

Justin Korte, Vice-Chair
Cell: 306-231-8915
justinkorte1@hotmail.com

Jim Hale
Cell: 306-587-7011
hale.jim79@gmail.com

Chad Haskey
Cell: 306-338-9580
chadhaskey@sasktel.net

Stuart Lawrence
Cell: 306-831-7843
s.lawrence@sasktel.net

Richard Lindsay
Cell: 306-263-3269
r.lindsay@sasktel.net

David Nobbs
Cell: 306-460-9272
dmnobbbs@gmail.com

EXECUTIVE DIRECTOR

Kevin Hursh
Tel: 306-933-0138 - Cell: 306-222-0238
kevin@hursh.ca

CSDCS OFFICE

Adele Buettner, General Manager
AgriBiz Communications Corp.
Tel: 306-975-6624 - Fax: 306-244-4497
office@agribiz.ca

Two Vacancies on CSDCS Board

Nominations closed on September 30, 2022 for two open positions on the CSDCS board of directors. No nominations were received by Levy Central, the returning officer.

The terms for Chad Haskey and Stuart Lawrence end as of the AGM on December 14, 2022. After that time, there will be two vacancies on the seven-member board.

The board has the ability to appoint interested producers to serve as directors.

Canary Seed Development Commission of Saskatchewan Annual Meeting and Information Session

Wednesday, December 14, 2022

Ramada Plaza – 1818 Victoria Avenue, Regina

- | | |
|----------|---|
| 9:00 am | Doors open. Coffee and snacks provided. |
| 9:30 am | Opening comments from Chair Darren Yungmann |
| 9:45 am | Market outlook for Canary seed and competing crops – Chuck Penner (virtual) |
| 10:30 am | AGM |
| 11:00 am | New Canary seed varieties and potential for new herbicide options – Pierre Hucl, Canary seed breeder, Crop Development Centre |
| 11:30 am | Agronomy panel moderated by Kevin Hursh: <ul style="list-style-type: none"> • Darren Yungmann, Canary seed grower from St. Gregor • Brett Sinclair, Canary seed grower from Rosetown/ Agronomist Western Sales • Chris Brown, Canary seed grower from Indian Head • Bill May, Agriculture and Agri-Food Canada, Indian Head |
| 12:30 pm | Lunch featuring various alpiste foods |

Everyone is welcome and lunch will be provided at no cost. However, we ask that attendees pre-register so we know how much food to prepare. Those attending virtually need to pre-register so we can provide them with the Zoom link.

To pre-register, either for in-person or virtual attendance, please email office@agribiz.ca or call 306-975-6624 no later than Friday, December 9. We request:

- First and last name of each attendee
- State if you are a grower, researcher, industry, government or other
- In-person or virtual?
- Are you a registered Canary seed producer eligible to vote during the AGM?
(Submitted check-off within the last 3 years and not asked for a refund in the past year)

For those who would like to book a guest room at the Ramada Plaza, the number to call is 306-569-1666.

Notice of Resolution for December 14 CSDCS AGM

Be it resolved that the Canary Seed Development Commission of Saskatchewan (CSDCS) request a levy increase from the Saskatchewan Agri-Food Council. Whereas Saskatchewan Canary seed producers currently pay a levy of \$1.75 per tonne, the new levy would be \$2.50 a tonne effective August 1, 2023.

Rationale for requested increase:

Assuming an average yield of 1300 pounds per acre, the current levy of \$1.75 per tonne equates to \$1.03 per acre. An increase in levy to \$2.50 per tonne would equate to \$1.47 per acre on an average crop. This would be similar to the per acre levy cost for crops like barley and flax, but much less than the per acre cost for pulse crops and mustard.

The per acre cost of levy for crops like wheat, durum, canola and oats would be less than the increased Canary seed levy. However, those crops benefit from a much larger acreage base that includes check-off programs in neighboring provinces.

The levy of \$1.75 per tonne has been in place since the commission started operations back in 2006. Directors at the time decided to tie the levy to tonnes sold rather than a percentage of gross dollars the way some other levies are structured.

Over the years, the CSDCS has expended considerable resources in achieving human consumption approval for de-hulled Canary seed (alpiste) in both Canada and the U.S. as well as efforts to facilitate this alternative market. Progress has been slow and the vast majority of Canary seed is still for the birdseed market. Long term, the work and investment should pay dividends, but production, and therefore levy collection, has not increased.

Investment by the commission into human food uses is now minimal and strategic. However, it is increasingly difficult to cover investments into variety development, agronomic research, administration and communication to growers.

The budget for the current fiscal year projects a net loss even with very little expended on human food development. If losses continue, there will soon be a need to use reserve funds. For the future, either expenditures need to be reduced or the levy needs to be increased.

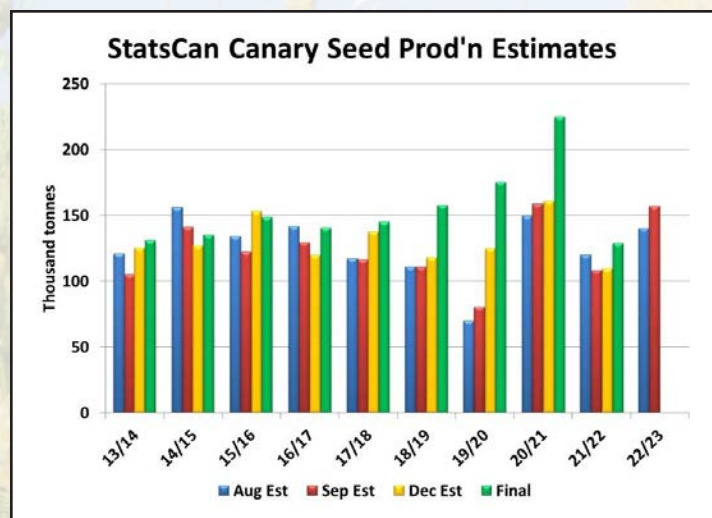
The Canary Seed News

Canary Seed Market Outlook

Chuck Penner, LeftField Commodity Research

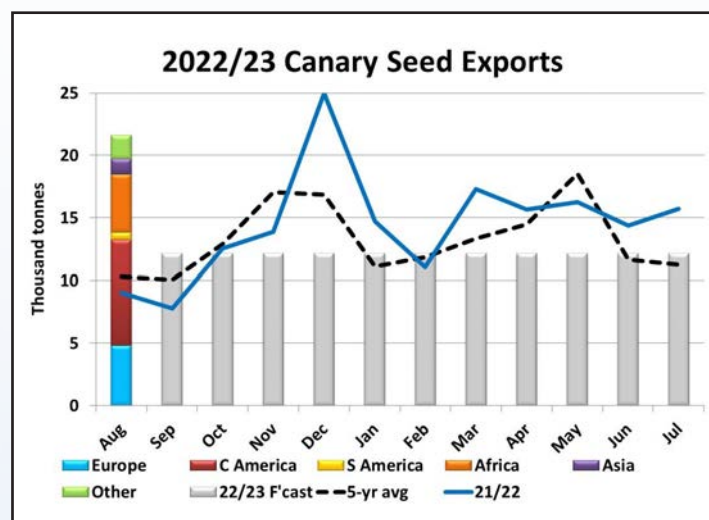
There are still plenty of questions about the size of the 2022 (and earlier) Canary seed crops. The September crop estimate from StatsCan pegged this year's yield at 1,314 lb/acre. The odd thing about this StatsCan crop estimate is that it showed harvested area at only 263,000 acres, compared to seeded area of 291,000 acres. Normally 3% of acres aren't harvested, a lot less than the 10% shown for 2022. In any case, StatsCan is reporting a crop of 157,000 tonnes, a pretty impressive recovery from 129,000 tonnes in 2021 but still lower than the pre-2021 average.

An alternate crop estimate can be calculated using Sask Ag's more cautious yield of 1,195 lb/acre. If we pencil in normal abandonment of 3%, the crop would end up just a hair over 150,000 tonnes, not that different than StatsCan. Most people (other than maybe me and David Nobbs) probably don't care much about the fine details. Suffice to say though, there will likely be sizable adjustments by StatsCan in its December estimates. After all, big changes to Canary seed estimates are nothing new. Because of the amazing export performance in recent months, StatsCan had to go back and make huge changes to Canary seed crop size for the last few years to simply allow for enough supplies.



In 2021/22, Canada exported 173,000 tonnes of Canary seed, the most since 2010/11. That's not bad for a drought-plagued 2021 crop of (supposedly) only 129,000 tonnes. What we find even more impressive is that

importers bought these large amounts even with Canary seed prices at record highs. That speaks volumes about how strong the demand really is, and is a positive sign for the outlook.



That strong export pace is continuing into the start of 2022/23. Even though the harvest didn't really get underway until September, exports of old-crop Canary seed in August were a record for the month at 21,600 tonnes. Again, there were supplies hiding somewhere to make that possible.

Since harvest began, Canary seed bids have hardly budged, with most buyers' bids in the low 40s. Typically, bids start rising about now in response to a late fall export program and we wouldn't be surprised. There can also be a seasonal price spike in late winter ahead of spring shipments, although that doesn't happen every year.

Regardless of the exact size of the 2022 crop, we expect farmers will hold their Canary seed with "strong hands". In part, that's because last year's extreme prices have been built into expectations. This would mean 40 cents (which was a record high at one point) could be the new floor for Canary seed. And with importers willing to pay those prices, it could signal a whole new price environment going forward.

The Canary Seed News



THE CANARY SEED DEVELOPMENT COMMISSION MISSION:

To coordinate research and market use expansion for the advancement of the Canary seed industry for the benefit of growers and other stakeholders.

The Canary Seed Development Commission of Saskatchewan was established in 2006 under the Agri-Food Act, 2004.

**CANARY SEED DEVELOPMENT COMMISSION OF SASKATCHEWAN (CSDCS)
& THE CANARY SEED ASSOCIATION OF CANADA (CSAC)**

Office Hours

Monday to Friday
8:30 a.m. to 4:00 p.m.

CSDCS Office

Bay 6A - 3602 Taylor Street East
Saskatoon, SK S7H 5H9

Kevin Hursh, Executive Director
Hursh Consulting & Communications
Tel: 306.933.0138
kevin@hursh.ca

Adele Buettner, General Manager
AgriBiz Communications Corp.
P: 306.975.6624
F: 306.244.4497
office@agribiz.ca

Return undeliverable Canadian address to the above address.
Canadian Publications Agreement Number 41379547

