



I.D.E.A. Industry Update - November 29, 2002

I.D.E.A. Fourth Annual General Meeting and Conference

Plans for the I.D.E.A. Fourth Annual General Meeting and Conference are underway. Our format will be similar to last year, with a host reception just prior to the CAAR convention on February 10, 2003, followed by our Annual General Meeting and Conference on February 11, 2003. Mark your calendars and plan to attend.

Wheat PROs Tumble

In the November Pool Return Outlook (PRO) from the Canadian Wheat Board, wheat values are down between \$11 and \$17 a tonne as compared to the October PRO. Durum is down \$5 to \$13 a tonne.

Meanwhile, two-row designated barley values are up by \$9 a tonne and six-row is up \$10. For feed barley sold through the CWB the PRO is unchanged, but nearly all of the feed barley will be sold in the domestic market.

The CWB says that over the past month, Kansas and Minneapolis nearby wheat futures have fallen between 33 and 60 cents U.S. Minor exporters continue to expand their market share. As well, seeding of a larger U.S. Hard Red Winter wheat areas is almost complete and with improved moisture conditions, the crop will head into dormancy in reasonably good shape.

In durum, strong competition from the EU and Syria is expected to keep pressure on prices even though North American supplies remain tight. The EU will have a near record crop. In North Africa, the major producing and consuming region for durum, good rains mean improved new crop moisture conditions.

In designated barley, the CWB says values continue to rise as buyers compete for very tight supplies.

New Soybean Crushing Plant in Manitoba

Jordan Mills is a new soybean crushing plant that aims to serve the local hog market with consistent and superior soybean meal and provide a market for a crop with growing acreage. A joint venture between Delmar Commodities and other local investors, the plant is going up on the Jordan Siding south of Carman at the junction of highways 3 and 23 right beside a Delmar elevator. The process is environmentally friendly. The cold press plant is similar to the Ste. Agathe plant that went into receivership in 1999.

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Good Seed in Short Supply

Seed suppliers exhibiting at Canadian Western Agribition in Regina are warning that good seed will be in short supply for the upcoming growing season.

A prime example can be seen within Agribition's pedigreed seed competition. Seed from 2001 and 2002 was eligible for the competition. On cereals, oilseeds and pulse crops, nearly all of the entries and every one of the grand champions came from 2001 production.

With drought, frost, second growth and poor harvest weather, seed from 2002 took a beating, particularly in Saskatchewan and Alberta. Seed testing labs say they're seeing lots of samples with low germination and even lower vigour.

Newer canola varieties are expected to be sold out soon. Some observers suggest there isn't enough canola seed available for a big increase in seeded acreage.

Oat seed is another that some suggest will be a problem. In many cases, a very high clean-out rate is needed on oats so that you're left with seed that has acceptable germination.

\$63,000 for Half Ownership in Angus Bull

One-half ownership of a Red Angus bull calf has sold for \$63,000 at Canadian Western Agribition in Regina.

The January calf was consigned to the Agribition sale by Geis Angus Farms Ltd, of Barrhead, AB. The purchaser, on a half ownership - half possession basis, was Soo Line Cattle Company of Midale, SK.

EU Ministers Reach Agreement on GM Labeling

European Union agriculture ministers have finally reached a political agreement on labeling requirements for genetically modified food and animal feed.

The Agriculture Council agreed by a majority decision that food containing more than 0.9% GM material will have to be labeled as containing genetically modified organisms. Seven EU nations had been hoping for the threshold to be changed to 0.5%, while others such as Britain were hoping for a 1% threshold.

The council also agreed that current legislation on the labeling of GM material in food should be extended to include food or ingredients produced from GM crops, for example soya or maize oil produced from GM-soya or GM-maize and biscuits produced using maize oil from GM-maize. The agreement also introduces for the first time requirements for the labeling of animal feed containing GM material.

The Agriculture Council's agreement will now go to the European Parliament, which will have to give its approval before any new legislation can come into effect.

EU commissioner for health and consumer protection, David Byrne, welcomed the agreement for enabling consumer choice but he also voiced his disapproval for so-called "scaremongering" about GMOs: "Every GMO authorised in the EU has been evaluated for its safety by independent scientists and there are no known adverse effects on human health from eating GMOs," Byrne said.