

September 6, 2022

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Dear Commissioners,

As we enter the new crop year and the 2022 harvest is underway, it is prudent and timely to reach out and express farmers' ongoing concerns regarding their experience in-country and ability to receive a fair value for canola. Canadian Canola Growers Association and our members regularly hear farmer grading concerns and the disconnect between licensees and the *Official Grain Grading Guide* and Canadian Grain Commission (CGC) procedures has become a common refrain.

CCGA represents canola farmers on national and international issues, policies and programs that impact their farm's success. Canola is Canada's most widely seeded crop and is the largest farm cash receipt of any agricultural commodity earning farmers over \$12 billion in 2021. Annually the canola sector provides \$29.9 billion to the Canadian economy and provides for over 200,000 direct jobs nationwide. Core to this success is our ability to consistency produce and market high-quality canola domestically and internationally.

Canola farmers rely on the CGC-administered grain quality and quantity assurance framework to ensure a fair return for their canola. They are increasingly frustrated by the variability in practices and the seemingly lack of consistency between CGC licensees. Given that most grading now occurs behind closed doors, farmers have *limited choice* but to trust that their primary or process facility is following the established guidelines and that staff has been provided adequate training and instruction to do so. In-country, farmers don't see what activities the CGC or the licensee undertakes to ensure compliance or a clear line of accountability should an issue arise.

While canola farmers support changes being made to “Subject to” to increase its value, it cannot be a stand alone tool. The purpose of ‘Subject to’ is to provide an option for a second opinion; it is not a tool to ensure compliance with the *Official Grain Grading Guide* and CGC procedures. Additional processes are required to ensure common understanding by *all* parties of grading requirements and respect for producer rights at delivery, and to formally address and resolve issues of non-compliance. This is particularly important for canola farmers, as more than half of canola deliveries are not afforded the same rights at delivery as when delivered to a primary facility.

As CGC considers its 2022-2023 activities, CCGA provides the following recommendations.

- **Representative sampling.** There is an ongoing sentiment that probes and inadequate sampling procedures at delivery undermine the representativeness of the sample. As the most important step in the process, stronger licensee communication and farmer messaging on how to draw and what constitutes a representative sample *at delivery* is needed.
- **Dockage assessment.** Incidences of incorrect sieve use was brought to our attention in 2021. Choosing the right sieve is a key part of the dockage assessment process, and farmers rely on elevator operator’s *discretion* in choosing the correct size to minimize the loss of sound canola. Dockage has a significant impact on farmers’ bottom lines. At \$800 per tonne, every 1% increase in dockage costs a farmer roughly \$8 a tonne or \$800 for a 100-tonne contract. Licensees should fully comply with the established process to determine dockage and, if not, farmers should be aware of the process to register a concern with the Commission.
- **Physical barriers.** For various reasons (e.g., elevator design, COVID-19, biosecurity), farmers have limited access to primary and process facilities preventing them from participating in the sampling, dockage and grading process. To ensure transparency and build trust, licensees should encourage farmers’ involvement or ensure technology is in place to enable participation. The *Canada Grain Regulations*, including upcoming changes to “Subject to”, *require* primary elevators to accommodate farmers who ask to observe dockage assessment and for the sample to be considered representative by both the elevator operator and the person delivering the grain. As changes are communicated this fall, both licensees and farmers should be made aware of this right.

Dockage and grading should not be a black box for canola farmers. CCGA works closely with our provincial association members on grading-related issues and producer protections, and we would welcome the opportunity to further share farmers’ concerns and to work with the CGC to generate more trust and confidence in the quality and quantity assurance system.

Sincerely,

[Original Signed By]

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