

AN INDUSTRY INSPIRED

2016 ANNUAL REPORT



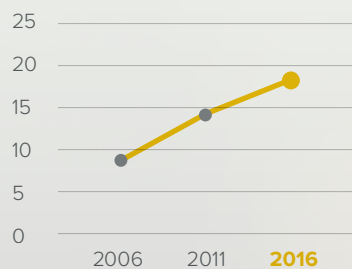
Canada's canola industry is inspired.
 By potential.
 By progress.
 To persevere.

A DECADE OF INSPIRED GROWTH

100%
more canola
 produced*



**Production
 (MMT)**

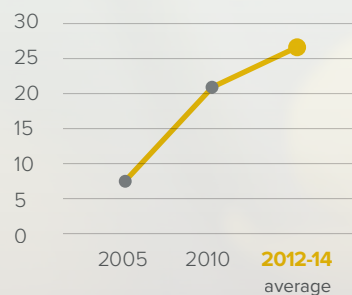


*Source: Statistics Canada, CANSIM Table 001-0010

250%
more impact
 on the Canadian
 economy**



**Economic Impact
 (\$ Billion)**

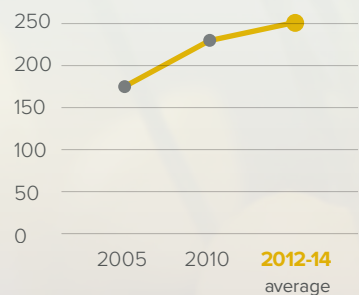


**Source: "The Economic Impact of Canola on the Canadian Economy" report prepared for the Canola Council of Canada by LMC International, 2016

41%
more jobs
 supported by the
 canola value chain**



**Employment Impact
 (Thousand Jobs)**



Canadian-grown canola contributes
\$26.7 billion to the economy each year,
 including **250,000 jobs** and
\$11.2 billion in wages.

2016

AT A GLANCE

	2016 RESULTS	2025 TARGET
Exported Seed	10.3 MMT ¹	12 MMT
Domestic Processing	8.8 MMT	14 MMT
Acres	20.4 million	22 million
Yield	42.3 bu/acre	52 bu/acre
Production	18.4 MMT	26 MMT
High Oleic and Specialty Oil	12% of canola acres ²	33% of canola acres
Oil Content (average of No. 1 Grade)	44.6% ³	Maintain global competitiveness in oil content (10 yr average = 44.3%)
Saturated Fat Content	6.8% ³	Global leadership position in oil saturated fat content
Meal Crude Protein Content (oil-free, 12% moisture basis)	37.8% ³	Increase protein availability by target species (10 yr average = 38.3%)

MMT= Million Metric Tonnes
All statistics are for 2016 calendar year.

- 1 Based on preliminary Canadian Grain Commission data
2 Industry estimate
3 Canadian Grain Commission preliminary quality report

STRATEGIC PRIORITIES

The vision inspiring us is *Keep it Coming 2025*, the Canola Council's strategic plan for the industry. We are focused on three priorities for the decade ahead:

- 1 SUSTAINABLE, RELIABLE SUPPLY
- 2 DIFFERENTIATED VALUE
- 3 STABLE AND OPEN TRADE

MESSAGE FROM THE CHAIRMAN



The past year demonstrated once again how much we can achieve in difficult circumstances when we leverage the three special qualities that set this industry apart:

- our willingness to work as a team throughout the value chain,
- the value we create in so many different ways, both here in Canada and for our customers, and
- the enthusiasm, commitment and drive that has inspired success in all parts of our industry.

This third strength – the pride and motivation that drives our industry – is the theme of our 2016 annual report. It's a powerful strength we have all felt, particularly in the year behind us, and it's what has made my job as chairman so fulfilling.

Thank you for the opportunity to accomplish so much together.

A handwritten signature in black ink, appearing to read 'B Conn'.

Brian Conn
Chairman

MESSAGE FROM THE PRESIDENT



One of the key strengths of our industry is the way we keep moving toward new solutions and possibilities, even as we tackle the immediate challenges at hand. Once again in 2016, we saw how far this inspired attitude can take us.

Despite extremely uncooperative weather in many areas, growers across the Prairies were able to achieve a new record in average yield. More canola was processed domestically than ever before, and we were able to overcome difficult trade issues and reach record levels for export sales.

We also continued to invest in our future, working together to discover new uses for canola and new solutions to agronomic challenges. Our capacity for profitability continued to grow, both on the farm and throughout the value chain.

It has been an honour to work with the growers, business leaders, scientists and government allies who have made this progress possible. Most of all, I appreciate the guidance of the Canola Council board and the support of our talented and energetic team. Thank you for the opportunity to be part of this outstanding organization.

A handwritten signature in black ink, appearing to read 'P Miller'.

Patti Miller
President

2016 BOARD OF DIRECTORS

(from left to right)



Aaron Anderson
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Neil Arbuckle
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Charlene Bradley
SaskCanola

Brian Chorney
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Conor Dobson
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Bunge Canada

Brett Halstead
Canadian Canola Growers Association

Michael Irons
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Dean McQueen
Viterra

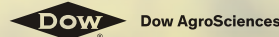
Jeff Pleskach
Cargill Ltd.

James Rea
Richardson Oilseed Ltd.

Greg Sears
Alberta Canola

Greg Stokke
DuPont Pioneer

OUR CORE FUNDERS



INSPIRED BY POTENTIAL

Our *Keep it Coming* target is to achieve an **average yield of 52 bu/acre by 2025**. Through genetic and agronomic advances, we are growing in a sustainable and profitable way.

INSPIRED BY PROGRESS

Canadian growers achieved **record yields** and **one of the biggest canola crops ever** in 2016, despite disease and moisture challenges and a very difficult harvest.

INSPIRED TO PERSEVERE

All parts of the value chain work together through the Canola Council to **manage challenges in the field**. In 2016 we focused on:

- Persistent problems like sclerotinia, blackleg, flea beetles, lygus bugs, cleavers and herbicide resistance
- Newer challenges like clubroot, swede midge and verticillium stripe
- The transition to more efficient, profit-building practices like straight-cut combining and precision agriculture

20-Year Canola Yield Trend



Source: Statistics Canada

DISCOVERING NEW PATHS TO HIGHER YIELDS

A collaborative, can-do spirit inspires our industry to produce more profit from every acre. In 2016, the Canola Council continued to bring all partners together to overcome agronomic challenges using every tool available.

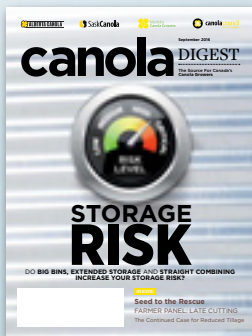
More opportunities to share knowledge

Every year, the Canola Council and provincial grower groups expand the range of opportunities for the industry to connect.

In 2016, we added **CanolaPALOOZA** to our roster of events in Manitoba and Alberta, drawing more than 660 participants and 80 speakers. In total, about 6,900 people participated in our three **CanoLABs**, another packed **Canola Discovery Forum**, and hundreds of other meetings and events where our agronomy team played a role.



Bubbles were used at CanolaPALOOZA to help producers visualize how spray droplets behave in changing environmental conditions.



Canola Digest was redesigned to better tie into online tools while still equipping growers with sound and helpful information.

We also created more ways for the industry to learn online. We added a **new video** on harvest management to our video library, expanded and streamlined content

on our web-based **Canola Encyclopedia**, and added award-winning **Canola Watch** podcasts. Connections continued to grow, with 20% more subscribers to the **Canola Watch** e-newsletter and 26% more visits to the Canola Encyclopedia over 2015. **Canola Digest** magazine was redesigned to more fully integrate these online tools.

Research focused on our priorities

In February 2016, the federal government and three provincial canola growers associations announced a \$1.9 million investment in agronomic research through **Growing Forward 2 (GF2)**. The Canola Council provides

program management and is coordinating priorities for the next agricultural policy framework to keep the momentum going for canola research in the years ahead.

These investments need to be focused on areas of greatest opportunity. To point the way, the Canola Council developed a new **Innovation Strategy** in consultation with the canola value chain. In 2016 we began rolling out the strategy to all major research funders, scientists, institutions and advisors to create a shared vision of where new discoveries can provide the greatest benefits.

Our Innovation Strategy encourages collaborative research that will reduce production risk while increasing yield, profitability and sustainability, as well as improve end-use functionality of oil and meal. **Agronomic research priorities** include:

- Climate change adaptation, including soil, water and air conservation and resiliency through biodiversity
- Optimization of nutrient use efficiency and carbon sequestration
- Development of predictive models for enhanced insect and disease management

Refining the ways we make recommendations

Not all fields have the same nutrient profile, microclimate and pest problems – and that means one-size-fits-all recommendations don't always work. Using local data and the targeting ability of digital media, our agronomy team is building its ability to define agronomic profiles and **pinpoint advice** to the unique conditions of every canola-growing area.

We are putting this approach to work in our **Canola Watch** e-bulletin. By using predictive models, pest surveillance and weather alerts, we can tailor our messages to regions where management decisions and actions are required.

Finding sustainable solutions

In support of the Canadian Roundtable for Sustainable Crops, the Canola Council is **benchmarking production practices** with both sustainability and profitability metrics. We are establishing a valuation method for impacts on beneficial insects, biodiversity and habitat conservation. Profitability measures are being developed using provincial agriculture and Statistics Canada data. Eventually, we plan to track the profitability and biodiversity impacts of production practices by location.



The Canola Council also continues to play an active role in many national and international **agroecology groups**, including the Honeybee Health Coalition, Bees Matter initiative, the Pollinator Partnership, the Habitat Conservation Working Group and the Soil Conservation Council of Canada.

Ushering in new varieties

The Canola Council continues to coordinate industry screening of new varieties and independent trials in the field. In 2016, the WCC/RRC recommended **registration of 97 new canola varieties**, including the first hybrid canola cultivar with double resistance to clubroot strains.

The **Canola Performance Trials** continued to improve with the addition of 52 field-scale trials supplementing small demonstration plots. This year, the technical committee's quality assurance system included the use of drone images of small plot trials to provide additional insurance for a high quality dataset.

INSPIRED LEADERSHIP IN 2016: COLLABORATING IN A CONNECTED CANOLA COMMUNITY

Our industry recognizes that innovation has never been the exclusive domain of scientists. That is why we are expanding opportunities for all parts of the value chain to move forward together, sharing ideas, knowledge and enthusiasm.

Since 2013, growers have directly participated in research through the **Ultimate Canola Challenge**. We encourage growers to carry out their own field-scale trials, sharing knowledge on how to capture good-quality data and interpret results. Through this approach, we are exploring our potential to harness the power of "big data" by enabling every canola field to supplement data from demonstration plots.

In 2016, growers were invited to join researchers and agronomists at the annual **Canola Discovery Forum**. At this three-day idea incubator, the industry comes together to review the latest research, identify priorities and focus on management knowledge and technology transfer for each of our production pillars.



The Canola Research Hub translates agronomy research findings into tangible on-farm practices.
canolaresearch.ca

One of our most important tools for collaboration is the **Canola Research Hub**, a searchable website that helps growers transform research findings into tangible on-farm practices. This year the online library expanded to include a total of 113 project summaries funded by Growing Forward, GF2 and the Canola Agronomic Research Program (CARP), with more researcher videos and new database query functions in development. In 2016, the Hub was cited by the Agricultural Institute of Canada as an example of best practices in technology transfer.



Drone images like this one are adding a fresh perspective to our field trials and industry events. We also help growers see the big picture by gathering, analyzing and sharing big data in new ways.

INSPIRED BY POTENTIAL

Our Keep it Coming target is to create **global demand of 26 MMT by 2025** by promoting the superior attributes of canola, plus the consistent quality and reliability of Canadian supply.

INSPIRED BY PROGRESS

In 2016, our industry was on course to reach **export highs**.

INSPIRED TO PERSEVERE

By expanding into **new markets and building product value**, we are strengthening our ability to withstand market disruptions.



Oil tastings are a way of demonstrating how canola oil allows other recipe ingredients to shine.

ENERGIZED BY MARKET OPPORTUNITIES

Inspired by canola's many advantages, our industry is building the value of our products in more markets around the world. In 2016, we continued to grow our customer base while strengthening relationships with our most important buyers.

Growing the value of canola meal

Through research and education, we are replacing outdated notions with a better understanding of canola meal's proven advantages as a feed ingredient, particularly for dairy production. In this way, we are adding another important dimension to the value of the crop we grow.

One of our best tools for driving this trend is the updated **Canola Meal Feeding Guide**, which in 2016 was translated into Mandarin and Spanish for distribution to livestock nutritionists and producers in key markets. We continued to spread the word through **webinars, industry events, media articles, trade visits** and our **Canolamazing.com** website, and by providing seed importers with **promotional training and technical support** so they can promote the value of canola meal to their own customers.



The Canola Meal Feeding Guide, now published in three languages, is changing the way the world uses our products.

Results suggest the message on canola meal value is getting through. Following one **webinar** presented by a University of Nevada researcher, 87% of attendees said they would change the way they use canola meal in dairy cow diets and recommendations.

The foundation for all of this activity is our investment in **research** demonstrating the superior value of canola meal for specific types of livestock production. Research to date has demonstrated a one litre per day increase in milk production for *mid-lactation* cows fed canola meal as the main protein source. In 2016, research at the USDA in Madison demonstrated that *early lactation* cows fed canola meal produce 4.45 litres more milk per day than cows fed soybean meal. Future research will look to replicate these findings.

Through seed genetics, the industry is also continuing to improve the attributes of canola meal. Private sector investments have been made in the development of a canola meal with high levels of protein and low fibre, thus reflecting a near match to soybean meal. A high protein product will create more opportunities for canola in the feed market.



Chairman Lui of Tongwei Group, one of China's largest aquaculture companies, examines canola meal. Face-to-face visits help us build and maintain trust with key export customers around the globe.

Leveraging heart-healthy benefits

The growing global movement toward healthier oils has been a major driver of opportunity for canola oil – both in the home kitchen and in commercial food production. We reinforce these positive associations in our key markets by building **alliances with respected organizations** dedicated to healthy living, diabetes prevention and cardiovascular health. We then join forces with **in-market chefs and nutrition experts** to demonstrate how well this healthy oil fits into traditional cuisine.

This strategy inspired our 2016 “Lightening Up Diwali” promotion in India, where chefs demonstrated how favourite dishes enjoyed during the Hindu festival of lights could be healthier when cooked with canola oil. The media event attracted 80 journalists and bloggers, whose stories resulted in 2.3 million impressions in traditional and social media. In Mexico, a similar promotion linked to Mexican Independence Day generated 3.1 million impressions.

One of our most impactful partnerships in 2016 was a media event where the **Chinese Nutrition Society** presented its new dietary guidelines. This single event generated 500 million media impressions.

Using research as a powerful marketing tool

Once again in 2016, we saw how our investment in research can generate extensive media coverage on the health benefits of canola oil.

In October, *Obesity* journal published the results of one of our most exciting studies, the **Canola Oil Multicentre Intervention Trial**, which found that consuming canola oil can help to decrease belly fat and improve metabolic syndrome. The results were also presented to more than 5,000 attendees from 56 countries at the ObesityWeek 2016 conference in New Orleans. The tremendous media uptake included 121 news and social media posts in Korea alone.



Lawrence MacAulay, Canada's Minister of Agriculture and Agri-Food, participated in a canola oil demo with Chef Yuanjun Yang in Beijing at an event celebrating a Sino-Canadian working relationship.

Arming our allies with information

Since 1998, we have also built relationships with hundreds of dietitians, food writers and chefs from around the world at our annual **Canola Camp** in Saskatoon. Many alumni have gone on to incorporate canola oil into their recipes and to promote its health and culinary benefits through blogs and articles.

We also sponsored the **Food Communicators Workshop** once again in partnership with the Institute of Food Technologists. At this one-day workshop in Chicago, young science professionals learned how to use media to disseminate accurate information about food science issues. Participants in the inaugural event in 2015 have been active in social media, forming a Facebook group called “Don't Eat the Pseudoscience,” which has gained the attention of mainstream media like *The Washington Post*.



Our annual Canola Camp is one of the ways we build the knowledge of trusted food and health professionals.



Through our oil promotion program CanolaInfo, we're continuing to show the world that healthy food tastes great when prepared with canola oil. In 2016 we launched 12 new recipe collections in Canada, the U.S. and Mexico, which generated a total of 378 million media impressions.

**INSPIRED LEADERSHIP IN 2016:
DIVERSIFYING MARKETS
TO STABILIZE DEMAND**

Our industry is proud of the strong relationships we enjoy in Japan, Mexico, the U.S. and China – the four nations that created the first wave of export demand for our products. But we know we can be vulnerable to sudden market changes when we rely too heavily on a few large customers.

That’s why we are exploring new markets for canola as Canadian production grows. Our goal is to increase second-wave markets to 20% of total demand while continuing to increase our sales in established markets.

Export statistics for the past four years show we’re close to achieving that balance. In 2012/13, second-wave markets consumed just 5% of our canola export, and now they account for 17%.

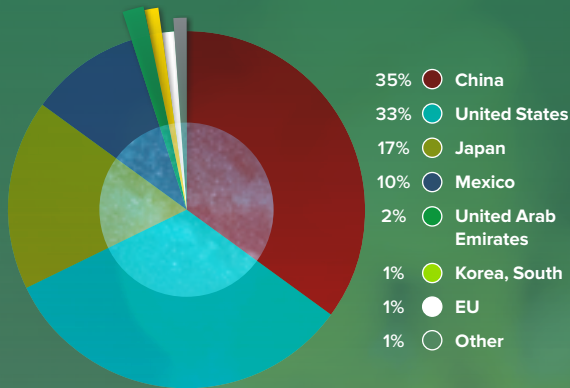
We’re also seeing a more balanced market for our processed products, particularly canola meal. At one time, 95% of the meal exported from Canada was purchased by the U.S., mostly for the California dairy industry. But in 2015/16, China once again became a major purchaser of canola meal, thanks in part to the Canadian industry’s diligence in meeting China’s standards for processing plant certification. Demand was also spurred on by our demonstration projects showing how canola meal fits into the livestock and aquaculture rations of Chinese producers.

**GROWTH IN SHARE OF EXPORT VALUE:
First-Wave vs. Second-Wave Markets**

As these charts show, our industry is becoming significantly less dependent on our traditional top four export markets – the U.S., China, Japan and Mexico. In 2012/13, these countries consumed 95% of our canola exports. By 2015/16, the proportion of Canadian canola exports bound for these markets decreased to 83%.

**Share of Export Value by Market
2012-13 Crop Year**

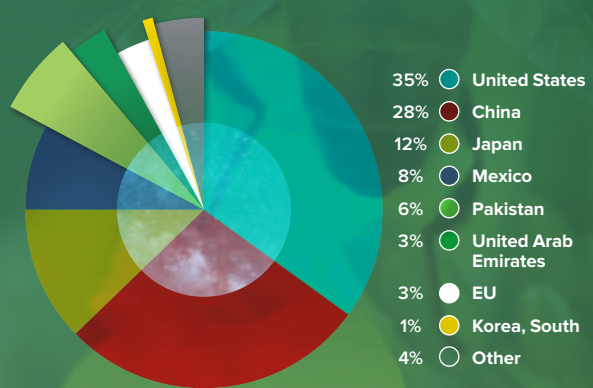
Source: Statistics Canada, CIMTD



Export Value (2012-2013)
= \$9,090,109,876

**Share of Export Value by Market
2015-16 Crop Year**

Source: Statistics Canada, CIMTD



Export Value (2015-2016)
= \$9,772,946,173



MARKET DEVELOPMENT HIGHLIGHTS

FIRST-WAVE MARKETS

U.S.

- Increased engagement with Hispanic community through *Corazón Canola* media campaign
- *Step Up to the Plate* media campaign in English and Spanish linked to Men's Health Month
- Meal promotion at major dairy and animal nutrition conferences, and distribution of the *Canola Meal Feeding Guide* to 575 dairy nutritionists in the Upper Midwest

China

- Media event in Beijing on canola oil's fit with new Chinese dietary guidelines
- Distribution of Mandarin-language *Canola Meal Feeding Guide*
- Trade visits with top feed, dairy and processing companies
- New research trial initiated on grower-finisher pigs

Canada

- Five new seasonal recipe collections in partnership with Heart & Stroke
- Healthy Living Calendar in partnership with Canadian Diabetes Association
- Meal promotion at Eastern and Western Nutrition Conference and distribution of *Canola Meal Feeding Guide*
- Market study on livestock nutritionists attitudes toward canola meal

Japan

- 40th anniversary of twice-yearly Canada-Japan Canola Consultations with processors and importers

Mexico

- Mexican Independence Day and "Chef to Chef" promotions
- Inclusion of canola oil in culinary school curriculum
- Training for crushers and bottlers
- Distribution of Spanish-language *Canola Meal Feeding Guide*

SECOND-WAVE MARKETS

India

- Oil promotion linked to Diwali
- Facebook followers nearly tripled to over 55,000 followers

South Korea

- Launch of CanolaInfo website and Facebook page
- Outreach to media and influencers

Vietnam

- Meal trial demonstrating excellent growth performance in grower/finisher pigs
- Market study on opportunities to expand use in aquaculture production

INSPIRED BY POTENTIAL

Our *Keep it Coming* goal is to **attain maximum value for canola products** by overcoming tariff and non-tariff trade barriers.

INSPIRED BY PROGRESS

In 2016, we signed a **memorandum of understanding with China** that underscored the importance of science-based trading rules and will help stabilize \$2 billion in export business until 2020.

INSPIRED TO PERSEVERE

Despite a rise in protectionist sentiments in 2016, **trade agreements** with Europe and Asia were signed. Although the future of the TPP is uncertain, the agreement with Europe is on track to be implemented in 2017.

DRIVEN TO OVERCOME BARRIERS

The need for predictable and profitable trade inspires our industry to push for import rules based on sound scientific evidence. In 2016, we faced difficult new challenges in the world's increasingly complex marketplace.

Pushing for trade agreements that deliver value

In 2016, we welcomed the signing of the **Canada-Europe Comprehensive Economic and Trade Agreement (CETA)**, which will eliminate tariffs on canola oil entering the EU and potentially improve the timeliness of biotech product approvals, science-based policies and low level presence policies.

The Canola Council was also a strong advocate for the **Trans-Pacific Partnership (TPP)** during the negotiations and in the lead-up to the signing in February 2016. We continue to stand up for the industry's interests by emphasizing the positive impact the TPP would have on the Canadian economy and the need for competitive access to Asia-Pacific markets, despite uncertainty created by the new U.S. administration.



Sorting out MRLs and export requirements

Keeping up with the world's varying **limits on pesticide residues** is becoming a much bigger challenge. To help our industry meet customer requirements, we monitor Maximum Residue Limits (MRLs) in our key markets and promote the responsible commercialization of new crop protection products. Whenever we see the potential for serious disconnects, we work with suppliers, exporters, regulators and grower groups to ensure unacceptable residues will not put our trade relationships at risk.

In 2016, we helped growers understand their role in meeting export standards through a more extensive **Keep it Clean awareness campaign**, which increased traffic to our online information tools by 109%.

Behind the scenes, we worked intensively with other industry groups and government to find long-term solutions to MRL uncertainties. The Canola Council played a leading role in working groups that are encouraging common approaches across the industry, as well as a more influential role for Canada with international standard-setting bodies.

Keeping government officials informed

The Canola Council's office in Ottawa maintains ongoing contact with the federal government to ensure policy-makers understand the canola industry's contributions to Canada and how those positive impacts can be affected by government decisions.

In 2016, our outreach to government included:

- Our sixth annual **Senior Government Working Group meeting**, which shines the spotlight on market access priorities
- Briefing the House of Commons **standing committees** on Agriculture, International Trade and Finance on canola's role in federal issues like innovation, biodiesel, trade agreements and the next agricultural policy framework
- More than **140 meetings** with senior government representatives, MPs and political staff to share the canola industry's priorities

DID YOU KNOW?

CANADA EXPORTS 90% OF THE CANOLA WE PRODUCE.

Keep it Clean!

www.keepingitclean.ca/canola

Graphics shared on Twitter are part of the campaign to raise awareness of best management practices to get canola ready for export.

Leading the way to sector-wide solutions

In 2016, the Canola Council was active in many of the most influential organizations tackling cross-commodity issues. President Patti Miller chaired the Canada Grains Council and our vice president of government relations, Brian Innes, was president of the Canadian Agri-Food Trade Alliance. Through these alliances, we are helping to set directions and find answers that benefit Canada's larger agri-food sector.

One of the barriers we continue to face is misconceptions about GMOs, which can lead to slow approval of biotech traits in some export markets as well as impacts surrounding GM labelling and importing regulations. In 2016 we launched a new website, canolastory.ca, to help our stakeholders and partners bring reliable facts to the public discussion. The interactive site includes science-based information on the benefits of biotech canola to the environment, consumers, farmers and economies, both in Canada and in global markets. Shareable resources include infographics, a glossary, links to key studies and a **Canadian Canola Biotechnology report** summarizing the history and research on biotech canola.

The industry's voice on all trade issues

The Canola Council continually **monitors regulatory changes and market access issues** that could affect any part of the value chain, then works with members to analyze the potential impact. When warranted, we encourage improvements and resolve issues through actions ranging from providing detailed feedback to working in cooperation with the Government of Canada.

Among the trade issues we engaged in during 2016 were:

- The U.S. government's genetically modified organism labeling bill
- New food safety and feed regulations in China and the U.S.
- Biotech approvals and low level presence in export markets
- Colombian oil tariffs
- Vietnam's requirement for Vitamin A fortification in vegetable oils
- The California Air Resources Board's sustainability certification system for biofuels

REDUCED ENVIRONMENTAL IMPACT

The reduction in herbicide use is only part of the story. To assess and compare the environmental impact of pesticides, including herbicides, researchers use a measure called the Environmental Impact Quotient or EQ₁₀₀. The EQ₁₀₀ averages the impact of a substance on farmers, consumers and the environment. The EQ₁₀₀ takes into account the amount of pesticide used and the toxicity of these pesticides for animals, fish, birds, non-target insects, bees, farm workers and consumers. Between 1995 and 2006, the environmental impact per hectare of canola seeds by 20% for farmers, 50% for consumers and 50% for the ecology.

ENVIRONMENTAL IMPACT PER HA FOR HERBICIDES APPLIED TO CANOLA, 1995 - 2006

Year	Herbicide Use (kg/ha)	Environmental Impact (EQ ₁₀₀)
1995	~15,000	~15,000
2006	~10,500	~10,500

ENVIRONMENTAL IMPACT REDUCED BY 30%

In 2015, the use of herbicide-tolerant canola reduced the environmental impact of farming, as measured by the EQ₁₀₀ indicator of 31.5%.

Canadian biotech canola HAS AN AMAZING STORY TO TELL.

Help us share it →

canola council OF CANADA

The clear, credible resources on canolastory.ca explain how biotechnology has contributed to one of Canada's healthiest food products.

INSPIRED LEADERSHIP IN 2016: SEEKING A STABLE RELATIONSHIP WITH CHINA



Canola Council president Patti Miller (left) and Trade Minister Chrystia Freeland (right) in China with canola seed from Freeland's father's farm near Peace River, Alberta.

After years of steadily growing sales to Asia, our industry encountered a serious roadblock in 2016 when China announced plans to impose a severe dockage limit on canola seed imports. For most of the year, more than \$2 billion of annual canola exports hung in the balance.

Trade terms returned to normal by the end of 2016, but only after hundreds of hours of effort by the Canola Council and the intervention of the federal government at the highest levels. As the dispute unfolded over more than nine months, we intervened to help eight canola shipments worth \$250 million unload in China after being stuck in limbo at port. We hosted two

delegations from China – one that spent two weeks touring Canada's grain-handling system, and another group involved with additional research on dockage. Our president made several trips to Beijing for negotiations and was in daily discussions with officials from both countries for months at a time.

At the time, some media commentators wondered why our industry was not simply complying with China's new dockage limit. Our board could not accept China's unsupported claim that dockage increased

the risk of blackleg transfer to Chinese fields. We felt a responsibility to stay true to the principle of trade rules based on scientific evidence, and to not allow a precedent that could harm our industry, or Canadian agriculture, in the future.

Finally, on September 22, our two countries announced that they had reached an agreement to continue to trade canola on existing terms until 2020.

The crisis has passed for the moment but we still have much to do over the next three years. We will continue working toward a long-term solution of stable trade and science-based policies, supported by research to deepen understand of blackleg in both of our countries.



A Chinese delegation tours Canada's grain-handling system.

INNOVATIVE. SUSTAINABLE. RESILIENT.
CREATING SUPERIOR VALUE FOR A HEALTHIER WORLD.



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