

# ASTA ANNUAL MEETING

April 16-19, 2007



 CANADIAN SPICE ASSOCIATION

## The Canadian Market

**HOLLY BUCHANAN, PRESIDENT**

# CSA Focus

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Major regulatory issues of 2006-2007:

- ❑ Canadian Food & Drug Regulations
  - ❑ Revisiting Division 7 – reality check
  - ❑ Government standards vs. industry standards
  
- ❑ Canada's Pest Management Regulatory Agency (PMRA)
  - ❑ No maximum risk levels (MRLs) exist for spices in Canada
  - ❑ Default of <0.1 ppm
  - ❑ Canada not yet accepting CODEX MRLs
  
- ❑ Canada's Chemical Management Plan
  - ❑ Priority products, deemed high hazard to human health, include Propylene Oxide, BHA and Hexane
  - ❑ If >100 kgs manufactured or imported by a company, alone or in a mixture, mandatory survey to be completed
  - ❑ [www.chemicalsubstances.gc.ca](http://www.chemicalsubstances.gc.ca)

# Canadian Spice Export Factors

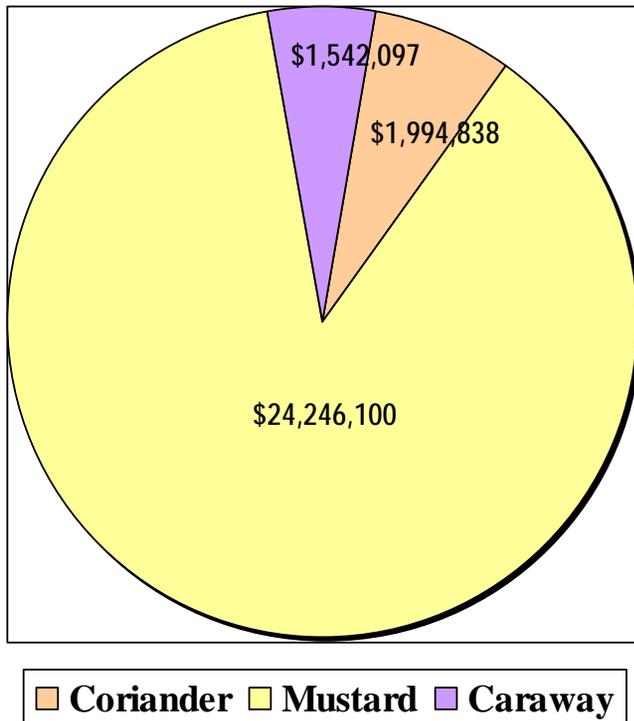
## April 18<sup>th</sup> Values

Year	Canadian Dollar
2007	\$1.14
2006	\$1.14
2005	\$1.25
2004	\$1.35
2003	\$1.45
2002	\$1.58
2001	\$1.57
2000	\$1.49
1999	\$1.49
1998	\$1.43

- During the past 7 years, the Canadian dollar has strengthened against the U.S. dollar.
- Current political discussion suggests the possibility of a federal minimum wage of CAD10.00/hour, equivalent of roughly USD 8.75/hr.
- The global market feels the impact of high gasoline prices. Additionally, the Canadian spice market is directly impacted by the growing demand for alternative fuels like biodiesel.

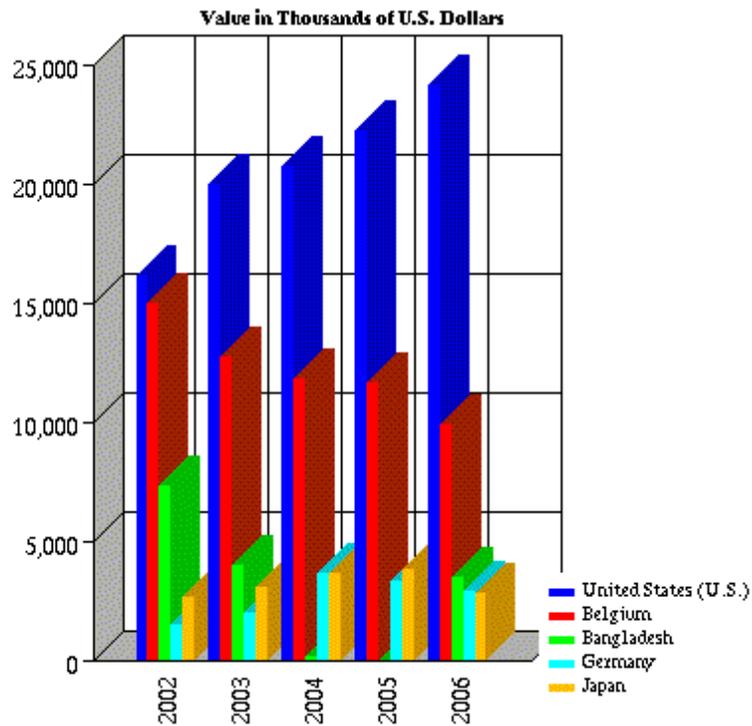


# Canadian Seed Exports to U.S.



- Canadian seed exports – Mustard, Coriander, Caraway, Dill, Cumin and Anise - all have significant importance to the U.S. spice industry.
- Canola prices have risen 45% in the past 6 months.
- Potential acreage for spice seeds is being replaced by Canola.

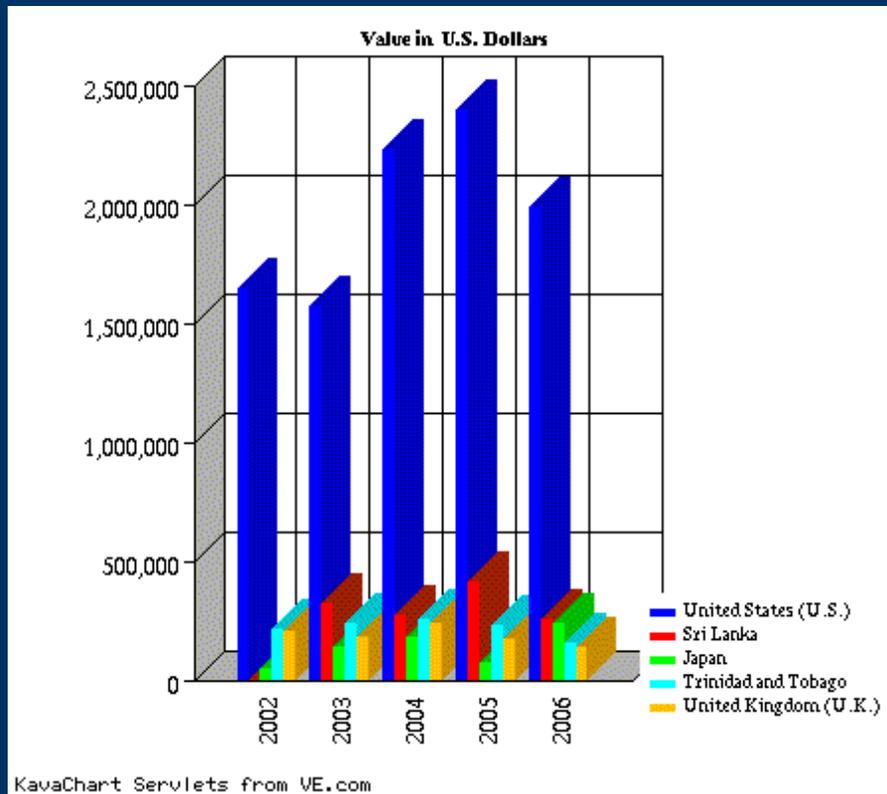
# Canadian Mustard Seed Exports



KavaChart Servlets from VE.com

- Higher prices in Mustard had been expected to hold the interest of Canadian farmers but so far Canola looks to be the displacing crop.
- Even with U.S. acreage of Mustard said to have doubled this year, the U.S. is still expected to have to import at least 60% of their requirements.

# Canadian Coriander Seed Exports



- The next 3 – 4 weeks is planting season in Canada and word is that Canola is the sure winner over Coriander.
- Canadian Coriander Seed makes up at least 2/3 of U.S. Coriander Seed imports.
- How will other origins react - Bulgaria, Russia, Romania, Morocco, India?

# Future CSA Issues

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- Continuing activity with:
  - Division 7
  - MRL discussion around pesticide residues
  - Canada's Chemical Management Plan
  
- Organics
  - Canada's new federal regulations for organic food (December 2006) reviewed and refined
  - Revisions coming out at end 2007 (internal review by CFIA)
  
- Good Importing Practices (GIP)
  - 'Voluntary regulations'
  - Auditing of importers has begun

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# THANK YOU!

## HOLLY BUCHANAN, PRESIDENT

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