

Canola: Building Our Canadian Advantage



Canola, a made-in-Canada crop, is a powerful driver of the Canadian economy, creating jobs and adding value.



- **40,000 farmers** produce an average of **19 million tonnes of canola** annually; more than half is processed in Canada as value-added oil and meal
- Canola is the **#1 source of farm revenue** from crops, earning **\$12.1 billion** in 2025 farm cash receipts
- Canola contributes **\$43.7 billion** per year to the economy
- Canola industry **supports over 200,000 jobs**
- Canola exports were valued at **\$12.6 billion** in 2025



2026-27

TRADE & MARKET DIVERSIFICATION

BIOFUELS

TRANSPORTATION

FARM BUSINESS MANAGEMENT

INNOVATION & SUSTAINABILITY



GROWTH OPPORTUNITIES:

Enable farmers' access to innovation through funding research and delivering a regulatory framework that facilitates the timely approval of new products.

Innovation & Sustainability

Canadian farmers prosper when regulations, policies, and programs support innovations that enhance on-farm efficiencies, increase productivity, and drive global competitiveness.

Developed by Canadian scientists in the 1970s, canola is a leading example of how science and innovation can enhance crop productivity, strengthen the Canadian economy, and advance sustainable farming practices.

On-Farm Innovation & Sustainability

For decades, innovation and technology have helped Canadian canola farmers feed and fuel the world, while improving efficiency, reducing costs, and advancing sustainability. For example:

- Crop protection products: New chemistries allow farmers to control weeds without cultivating the soil, keeping carbon sequestered in the ground.
- Plant breeding: Improvements in seed genetics continue to make farmers more productive and resilient to weather variability, pests, and diseases.
- Precision agriculture: GPS technology helps farmers use crop inputs more accurately which reduces waste and improves efficiency.

Future environmental and production benefits for canola will require sustained investment in research and a regulatory system that encourages innovation in plant breeding, as well as crop protection products and production practices that advance sustainable intensification, strengthen climate resilience, and keep farmers competitive.



Regulatory Modernization Supporting Innovation

Canada's position as an agricultural superpower and the world's largest canola supplier relies on farmers having access to modern and innovative pest control products. Bill C-30, *An Act to implement certain provisions of the spring economic update*, will add food and economic security considerations to Pesticides Regulatory Directorate's (PRD) regulation and decision-making about pest-control products. If implemented appropriately, the mandate change to the PRD can:

- Improve predictability of farmer access to pest control products
- Preserve access to effective pest management tools
- Support a resilient and competitive Canadian food system

When it comes to farmer access to innovative pest control products, CCGA is committed to supporting regulatory decisions that prioritize competitiveness, while maintaining human and environmental health considerations.



An aerial photograph of a farm. In the foreground, there are several large metal silos. One is a tall, cylindrical metal silo with a corrugated surface. To its right are two white plastic silos with 'AVIDIR' written on them. A dirt road curves through the farm. In the background, there are green and yellow fields under a clear sky. A red maple leaf is superimposed on the bottom left of the image.

GROWTH OPPORTUNITIES:

Ensure Business Risk Management (BRM) programs are predictable, timely, accessible, and responsive to the evolving risks farmers face. Create tax policies that enable investment and support intergenerational farms.

Managing Risk on Farm

Farmers prosper when effective BRM programs provide the confidence to manage risk, invest in their operations, and plan for the next generation.

Farmers face uncontrollable risks that affect the production, price, and payment of their crops. Risks such as weather extremes, rising input costs, market volatility, pests, and supply-chain interruptions are becoming more complex and interconnected. BRM programs are a cornerstone of Canadian agriculture, helping farmers manage severe income and production losses and maintain the financial resilience needed to keep operating.

The 2026-27 period will be critical as governments develop the Next Policy Framework and its farmer-facing programs. Farmers need continued and meaningful access to AgriInsurance (crop insurance),

AgriStability (farm income loss), AgriInvest, and AgriRecovery (disaster recovery). These programs must remain adequately funded, practical, responsive, and focused on risk management, without conditions unrelated to farm financial resilience.

Grain farming is a highly capital-intensive industry. Tax policy plays a critical role in supporting farmers' ability to invest in their operations, facilitating farm succession to maintain the long-term viability of family farms in Canada.

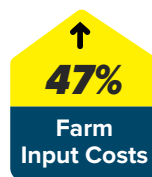




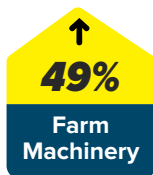
The Cost of Farming Continues to Rise



A 49% increase compared to 2020. **Farm operating expenses continue to reach all-time highs.**



From 2020 to 2025, farm input costs index jumped 47%.² Prices have not kept pace with the increase.



Farm machinery costs index increased by 49% from 2020-2025.³ A new large four-wheel-drive tractor is estimated at approximately \$775,000.⁴ The ability to keep up with new machinery and technology continues to be a challenge for farmers.



Farmland values have more than doubled since 2012, creating a barrier for young farmers to enter and making the intergenerational transfer of land more difficult at a time when **40%** of farm operators are set to retire by 2033.⁵

¹ Statistics Canada. Table 32-10-0049-01 Farm Operating Expenses and Depreciation Charges (x 1,000)

² Statistics Canada. Table 18-10-0258-01 Farm input price index, quarterly

³ Statistics Canada. Table 18-10-0258-01 Farm input price index, quarterly

⁴ 2026/2027 Cost of Production Farm Machinery Manitoba Custom and rental guide

⁵ Royal Bank of Canada. Farmers wanted: The labour renewal Canada needs to build the Next Green Revolution.

<https://thoughtleadership.rbc.com/farmers-wanted-the-labour-renewal-canadaneeds-to-build-the-next-green-revolution/>

GROWTH OPPORTUNITIES:

Keep grain moving reliably by investing in resilient trade infrastructure and effective labour policies.



From Farm to Port to Customer



Farmers prosper when there is a reliable transportation network to ship their product.

Reliable transportation keeps Canadian canola competitive. When the system performs well, farmers capture the best value for their crop. When it is disrupted, costs increase, sales opportunities are lost, and Canada's reputation as a reliable supplier is at stake - with impacts quickly reaching the farm gate.

- Over 90% of Canadian grain moves by rail.
- 70% of Canada's total annual grain production is exported.
- Over 80% of canola is exported as seed, oil or meal.

What happens when transportation stops?

- A one-week shutdown of Canada's two major railways can cost the industry approximately **\$507 million**.
- More than **90%** of the economic impact comes from lost export sales, which often cannot be recovered.
- Grain movement slows before a work stoppage begins, leading up to approximately **\$112 million** in lost sales.
- Without rail service, elevators and processors reach capacity, limiting farmers' ability to sell canola and manage cash flow.



"It is clear labour disputes are costing farmers and the grain sector money. We now have an opportunity to influence policy to reduce the frequency of these disputes and keep grain moving."

Brittany Wood, Senior Manager, Transportation & Trade Policy, CCGA.

Reducing the impact of labour disruptions on canola farmers

CCGA has called for labour policy reforms to reduce transportation disruptions and strengthen Canada's reputation as a reliable supplier of high-quality canola:

1. **Appoint a Special Mediator** to oversee the collective bargaining process and keep negotiations on track.
2. **Amend the Canada Labour Code** to give the Minister authority to consider broader economic impacts and refer disputes to binding arbitration when negotiations reach an impasse.

Strengthening critical infrastructure

CCGA has identified the need for improvements to the Second Narrows Rail Bridge at the Port of Vancouver. This single-track bridge is a critical link to Canada's largest export gateway. Improving its capacity and resiliency will help keep canola moving to global markets.



DID YOU KNOW?

The average tonne of Canadian-grown canola travels 1,560 km to reach a Canadian port.

GROWTH OPPORTUNITIES:

Expand the use of Canadian canola in biofuels to strengthen domestic demand, increase Canada's value-added processing, diversify markets, support farm profitability, and reduce greenhouse gas emissions.



Biofuels

Farmers prosper from biofuel policies that support investment in domestic processing and market diversification for canola.

Biofuels: Driving Demand and Market Diversification for Canola

As demand for biofuels continues to grow, so does the opportunity for Canadian canola. Canola oil is an ideal feedstock for biofuels, and in 2025, it is estimated that well over 600,000 tonnes of canola oil were used for biofuel production domestically, making Canada the second largest market for canola oil.

North American and European biofuel markets create strong demand signals for canola and must be supported by policies that minimize market access barriers. Recent commitments by federal, provincial and territorial governments to work towards meeting 60% of domestic biofuel demand through Canadian production by 2030 is encouraging for canola farmers.

What does a growing domestic biofuel industry mean for canola farmers?

It is estimated the federal Clean Fuel Regulations contributed nearly \$600 million in value to the price of canola in the 2025-26 crop year; an additional \$27/tonne for canola farmers. And there is more that can be achieved. Canola accounts for roughly 25% of the feedstock used to produce biodiesel and renewable diesel in Canada. Positioning feedstocks like canola as the first leg in Canada's low carbon

fuel supply chain has potential to drive even more value and help secure a prosperous domestic market that reduces risks for farmers.

The canola sector has responded to growing biofuel demand by investing in domestic processing capacity. Today, Canada has the capacity to process 75% of its canola crop, creating stable domestic demand for canola farmers, bringing well-paid jobs to rural communities, and increasing value-added exports.





GOOD FOR FARMERS

- Stronger prices and real returns.
- Proximity to crushers means better prices.
- Diversifying markets for canola.



Canola farmers are advocating for federal and provincial biofuel policies that:

1. **Prioritize North American feedstocks** for eligibility for new domestic biofuel support programs. This would strengthen Canadian production and reduce the risk of fuels made from potentially fraudulent foreign used cooking oil entering Canada's clean fuels market.
2. **Provide a strong market signal** that expands domestic biofuel production volumes, resulting in increased demand for feedstocks like canola.

Canada's current federal biofuels policy is estimated to add nearly

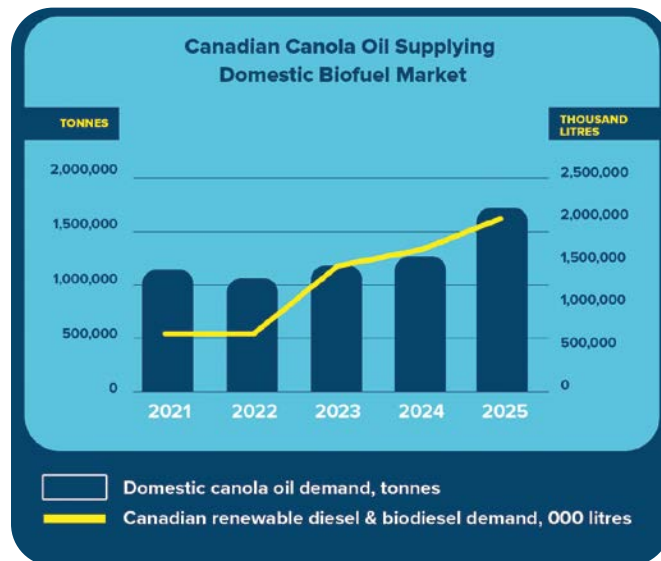
\$600 M

to the farmgate value of canola in 2025/26

62

cents/bushel

Canadian canola oil demand has more than tripled in less than a decade as a result of federal and provincial biofuel policies and global mandates.



1 in 3 acres of Canadian canola goes into biofuel markets



GROWTH OPPORTUNITIES:

Pursue policies and trade agendas that position Canada as a top supplier of canola for food, fuel, and feed.



Trade & Market Diversification

Farmers prosper from free trade, clear and predictable rules, and diverse markets.

Trade is key to the competitiveness and growth of the canola sector. Canadian farmers provide high-quality canola to the world, but they need science-based trade rules to maintain, expand, and diversify markets. Securing reliable and mutually beneficial trade relations with canola's biggest trading partners is a key priority for farmers.

As Canada engages with the U.S. on the Canada-United States-Mexico Agreement (CUSMA), canola farmers urge the government to preserve tariff-free trade of canola seed, oil, and meal as well as tariff-free imports of necessary crop inputs

and farm machinery. In 2025, over 80% of canola products were exported to five markets, including the U.S. and Mexico. Canola exports to the U.S. were valued at \$5.7 billion, representing 45% of the total canola trade value.

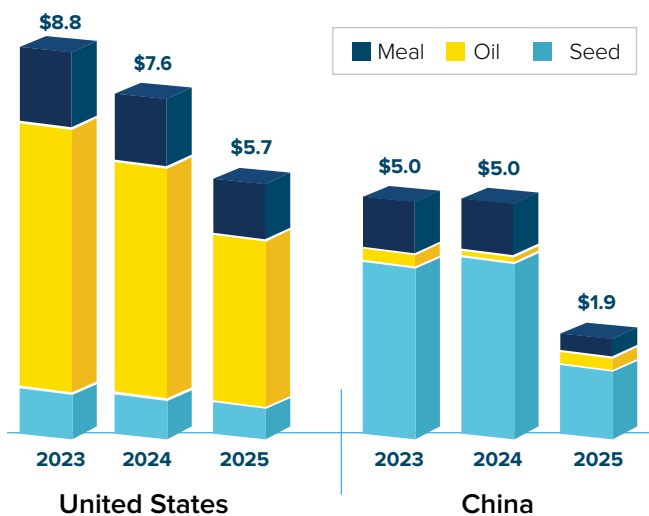
With China being Canada's second-largest canola market, the resumption of canola seed and meal exports to China in March of 2026 provided greater market certainty for farmers. While the trading relationship has improved, further work is needed to ensure long term stability.

The EU became Canada's third-largest canola market in 2025, primarily importing seed for use in biofuel production. With potential for increasing market access barriers in the EU, Canada must leverage the Canada-EU Trade Agreement to ensure meaningful trade can continue.

Continuing to diversify canola exports through implementation of trade agreements with countries like Thailand, United Arab Emirates and Indonesia, as well as improved market access in countries like Pakistan will help canola farmers manage trade risks and generate opportunities in the region.



Yearly Changes in Canola's Top Two Markets (\$Billions)



Canola's Top 5 Export Markets 2025



U.S.:

\$5.7 billion



China:

\$1.9 billion



European Union:

\$1.4 billion



Japan:

\$1.3 billion



Mexico:

\$1.1 billion



Helping farmers succeed since 1984

Canadian Canola Growers Association (CCGA) exists for farmers. We are farmer-founded and farmer-led, representing approximately 40,000 canola farmers across Canada. CCGA works to advocate for canola farmers and bring their interests to the forefront of national policy discussions that impact their competitiveness and profitability. CCGA is governed by 10 farmer directors who represent Canada's provincial canola associations from British Columbia to Ontario.

CCGA is a leading administrator of the Advance Payments Program, providing cash advances to help over 10,000 Western Canadian farmers better market crops and finance their operations. The Advance Payments Program is a federal loan program administered by CCGA. It offers Canadian farmers marketing flexibility through interest-free and low-interest cash advances.



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