CANADIAN CANOLA GROWERS ASSOCIATION

Helping Farmers Succeed

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Competition Bureau
Place du Portage I
50 Victoria Street, Room C-114
Gatineau, Quebec
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Via online portal

Re: Behind the price tag: Examining the food supply chain

Canadian Canola Growers Association (CCGA) welcomes the opportunity to provide comments to the Competition Bureau's examination of competition in Canada's food supply chain.

CCGA represents approximately 40,000 canola farmers on national and international issues, policies and programs that affect their farm success. Canola is Canada's most valuable field crop and an export-oriented commodity. More than 80% of Canadian canola production is exported. The competitiveness of the sector therefore depends on farmers being able to purchase essential inputs, market their crops, use modern technology and access transportation and export infrastructure on fair and competitive terms.

CCGA's submission focuses primarily on the Bureau's questions concerning production and processing and transportation and distribution. It examines competition in agricultural inputs and machinery, local grain-buying markets, transportation, equipment repair and interoperability, and access to timely grain-market information.

The submission's central theme is that farmers need meaningful choice on both sides of the farmgate. Competition should be assessed from the farmer's practical perspective, including the regional alternatives available to purchase inputs, repair and replace equipment, sell crops and access transportation and market information.

Core position: Competition should be assessed from the farmer's practical perspective. The relevant question is not simply how many firms operate in Canada, but whether a farmer in a particular region has economically viable alternatives when purchasing inputs, selling canola, selecting equipment and repair services, or accessing transportation and processing.

Meaningful competition also depends on farmers having access to the information needed to exercise those choices. In agricultural equipment, this includes practical access to machine-generated operational and diagnostic information and sufficient interoperability to use competing repair and service providers or switch suppliers. In grain marketing, it includes reasonable

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access to timely market information needed to make informed selling decisions. Competition policy should therefore consider how concentration, vertical integration, control of essential infrastructure, information asymmetries and cumulative consolidation affect farmer choice, switching costs, barriers to entry and bargaining power over time.

Executive summary

Canola farmers operate between highly concentrated markets. They purchase essential seed, crop-protection products, fertilizer and machinery from a limited number of suppliers, while selling crops into localized grain-buying and processing markets where there may also be relatively few economically viable alternatives.

Concentration is not inherently unlawful and can create efficiencies, investment and innovation. However, concentration when coupled with vertical integration, cross-ownership, bundled offerings, territorial restrictions and control of essential infrastructure can increase switching costs, raise barriers to entry and weaken the competitive discipline experienced by farmers.

Modern farm equipment adds another dimension to competition. Where access to machine data, diagnostic functions or electronic repair tools is restricted, farmers may be less able to use independent repair providers or switch equipment brands and service providers. Practical interoperability and access to the information required to operate and repair equipment can therefore be important to preserving farmer choice.

Effective competition throughout the food supply chain is also important to food affordability. Ongoing oversight of agricultural inputs, grain purchasing, processing and transportation can help ensure competitive forces avoid unreasonable cost increases, encourage productivity-enhancing investment and ensure that farmers and other businesses have meaningful alternatives. Improved competition will not by itself determine retail food prices, but it can reduce the risk that market concentration, barriers to entry or restrictive business practices add unnecessary costs throughout the supply chain.

CCGA recommends the Competition Bureau:

1. Identify grain and oilseeds as a priority supply chain for deeper examination and oversight, including crop inputs and machinery, grain purchasing, market information, transportation and port access.
2. Assess competition in economically relevant regional markets, based on farmers' actual alternatives, including trucking distance, local buyer density, delivery opportunities, processing access, switching costs and the availability of independent suppliers and service providers.
3. Strengthen scrutiny of mergers, vertical integration, minority interests, joint ventures and shared assets across agricultural input, grain handling, processing and terminal markets.
4. Establish permanent agricultural competition monitoring and public reporting, including regional ownership and concentration, input-price dispersion, elevator density, transportation performance, equipment repair and interoperability, and barriers to entry.
5. Examine whether restrictions on access to farm-equipment diagnostics, operational data and interoperable systems limit independent repair, increase switching costs or otherwise reduce competition among equipment manufacturers, dealers and service providers.
6. Preserve and improve regulatory tools that protect grain shippers and farmers from the consequences of market power in rail transportation, including the Maximum Revenue Entitlement and effective competitive-access mechanisms.

1. Production and processing

Response to Questions 1–5: barriers to competition, regulatory requirements, concentration, business practices and access to inputs and technology.

1.1 A regional lens on competition on both sides of the farm gate

Canola farmers are generally price-takers. Their competitiveness depends not only on global commodity prices, but also on the degree of competition in the regional markets in which they purchase inputs and sell their crops. Farmers cannot readily relocate production, and transportation costs limit how far they can economically travel to purchase inputs or deliver grain. National market shares may therefore obscure the conditions faced by farmers in particular communities or regions.

The Bureau should assess whether farmers have meaningful alternatives within economically relevant regional markets. Relevant evidence includes the number and ownership of nearby input retailers and grain buyers, trucking distances, posted bids, basis levels, delivery windows, storage constraints, grading practices, contract terms, access to independent products and the cost of switching suppliers or buyers.

1.2 Agricultural equipment repair and service competition

Competition in farm equipment repair and replacement parts should be examined as an aftermarket competition issue. Once a farmer purchases a machine, the practical alternatives for maintaining it can be constrained by dealer concentration, proprietary parts, limited aftermarket supply, and restrictions that prevent independent repair providers from completing certain repairs. These conditions can reduce price competition and leave farmers dependent on a single authorized dealer for parts and service.

Parts pricing and availability are central concerns. Where generic or locally fabricated alternatives exist, farmers may be able to obtain the same functional component at a substantially lower cost. Where no aftermarket alternative exists, the manufacturer or authorized dealer may be the only practical source, leaving no space for competition to keep prices in check. Farmers have also reported situations in which a small component is unavailable separately, and an entire assembly must be replaced, significantly increasing the cost of repair. Delays in obtaining parts can be equally consequential because seeding, spraying, harvest and haying occur within short, weather-dependent windows.

Dealer consolidation has further weakened competition. A farmer may have only one practical dealer for a particular equipment brand within a reasonable distance. In rural and remote regions, the next repair option is often hours away. The relevant market should therefore be assessed regionally and should reflect the actual alternatives available to farmers, not simply the national number of dealers or manufacturers.

Restrictions on diagnostic software and electronic repair functions are important where they prevent independent technicians from competing, but they are one element of a broader repair-market problem. The central competition question is whether farmers can obtain parts and repair services from competing providers on reasonable terms

On the purchase of new equipment, geographic sales or service restrictions also erode or weaken competition. Territorial franchise agreements discourage dealers outside of already consolidated large regions from competing for farmers' business (see farmer interviews for details on franchise restrictions).

Interoperability is also relevant to competition in agricultural equipment. Modern machinery generates operational and diagnostic information that may be needed to maintain equipment, move between service providers, or integrate machinery with farm-management and precision-agriculture systems. If that information cannot be accessed or transferred in a practical format, farmers may face higher switching costs and become dependent on a particular manufacturer, dealer or technology ecosystem.

The competition issue is not a general claim about ownership of agricultural data. It is whether equipment manufacturers or dealers use technical or contractual restrictions in ways that prevent farmers and authorized independent service providers from obtaining the machine information and functionality required to repair equipment, use competing services or switch suppliers.

The Bureau should examine:

- regional concentration and common ownership among farm equipment dealers and the effect of dealer consolidation on repair and part prices, service rates and farmer choice;
- territorial, franchise or manufacturer incentive arrangements that restrict or discourage dealers from selling new equipment to farmers outside designated areas;
- manufacturer and dealer control over proprietary replacement parts, the availability of aftermarket or generic alternatives, and whether farmers are required to replace complete assemblies when lower-cost component repairs are technically feasible;
- parts pricing, availability and delivery times, particularly where a manufacturer or authorized dealer is the only practical source;
- whether independent repair businesses have timely access, on fair and reasonable terms, to the parts, tools, service information, diagnostic functions and programming capabilities needed to complete lawful repairs; and
- whether warranty terms, service contracts, software requirements or other business practices unnecessarily steer farmers toward authorized dealers or raise the cost of using independent repair providers.
- whether restricted access to diagnostics, fault codes, calibration information and repair tools can reduce repair options and lengthen downtime during short seeding, spraying and harvesting windows.
- whether restrictions on access to machine-generated operational data, data portability or interoperability unnecessarily increase switching costs, tie farmers to a particular equipment ecosystem, or prevent independent service providers from competing.

CCGA conducted farmer interviews to illustrate how agricultural equipment repair and service competition issues arise in practice. The following testimonials are based on these interviews.

Limited Competition in Farm Equipment Sales and Repair – Saskatchewan

Farmer A is a third-generation farmer in Saskatchewan, where he farms approximately 5,000 acres of canola and wheat. Farmer A is concerned about limited competition in agricultural machinery sales. He says there are only two or three manufacturers and only two or three dealers for each manufacturer across the province. He also points to geographic restrictions that are designed to discourage farmers from purchasing new equipment from a dealer outside their assigned area.

Repair costs are another significant concern. Farmer A says proprietary parts can be marked up substantially compared with generic alternatives. As one example, he paid $82 for a header bearing from his local John Deere dealership when the same part was available from a local

machinist for $27. He adds that, when there are no differences in quality, he always tries to source the cheapest part available. The larger problem, he says, is that many parts have no third-party or after-market supplier, leaving farmers with no alternative source. In his view, if farmers are charged substantially more for parts where alternatives are available, it raises the question of how high the markups may be where no alternatives exist. He notes that increasingly complex and technology-dependent equipment uses more proprietary components and leaves fewer generic options.

Farmer A also points to the cost and complexity of software-dependent repairs. He says a replacement nozzle for his John Deere sprayer costs approximately $650 for the part alone, but the total repair can reach about $1,500 because the software must be programmed through a service call that includes travel. In his view, the physical replacement itself is simple and could be performed with basic tools, but software requirements make the repair considerably more expensive.

Older equipment, according to Farmer A, gave farmers more opportunities to make repairs themselves or use local tradespeople. He described a 2010 hydraulic block that needed only an O-ring replacement, but the O-ring was no longer available. The dealer instead proposed replacing the entire hydraulic block at a cost of approximately $5,000. He also notes that after-hours service includes a 10% surcharge, which can be difficult to avoid because farming does not operate on a nine-to-five schedule.

Farmer A believes right-to-repair measures could help farmers handle basic or nuisance repairs themselves, while recognizing that specialized expertise would still be required for significant work such as engine reprogramming. He sees the issue as one of gaining basic access rather than eliminating the need for specialized dealer service. He also says the cumulative price of proprietary parts is so high that, if a new machine were assembled at individual parts prices, it could cost two to three times as much as buying the machine new.

Geographic restrictions on dealerships further limit farmers' ability to shop around. According to Farmer A, when a John Deere dealership is purchased, the dealer effectively buys a defined territory. He says John Deere corporate does not explicitly prohibit a dealer from selling into another territory or a farmer from buying from a dealer outside the assigned area. Instead, the system discourages those transactions through the way new equipment discounts are administered. A dealer may not receive the corporate discount on a new equipment purchase when the farmer is from outside that dealer's territory. Farmer A says that discount can be as much as 10% of the purchase price, which could amount to approximately $100,000 on a combine or other large machine. In his view, this financial incentive is the tool used to enforce the "geofencing" arrangement.

For Farmer A, these restrictions are particularly significant given the number of farmers relying on a small dealer network. He notes that roughly 20,000 Saskatchewan canola farmers have only five John Deere dealers to deal with and are economically discouraged from purchasing new equipment outside the dealer serving their area because of the potential loss of the corporate discount. This system effectively eliminates competition between dealerships. He emphasized that he does not see the individual dealers as the problem, but rather the corporate franchise system and discount structure that create the geographic incentive. Used equipment is different: he says there is more competition because the same geographic restrictions do not apply in the same way.

Limited Competition in Farm Equipment Sales and Repair – Alberta

Farmer B is a fourth-generation farmer from Alberta, where he farms approximately 5,000 acres of canola and wheat. Like many farmers, he depends on increasingly sophisticated farm equipment during narrow and time-sensitive seeding and harvest windows.

Farmer B is concerned that limited competition in farm equipment sales and repair is increasing farmers' costs and reducing their choices. In particular, he points to high dealer service rates, restrictions on independent repair providers, delays in obtaining parts, and growing concentration among farm equipment retailers.

One of his principal concerns is the cost of equipment repair. According to Farmer B, his John Deere dealer charges approximately $250 per hour for a technician, compared with approximately $150 per hour for an independent technician. However, independent technicians may be unable to perform certain repairs because they do not have access to the diagnostic software required to service the equipment. In practice, this can leave farmers with a less expensive repair option that they are unable to use.

Farmer B sees access to diagnostic software as an important "right to repair" issue. Although the issue has been addressed at the federal level, he believes provincial action is also required to give farmers meaningful access to independent repair services.

Parts availability creates an additional challenge. Farmer B says dealers can take as long as two weeks to obtain replacement parts from manufacturers. For farmers, such delays can be particularly costly during critical operating periods, such as spring seeding and fall harvest, when even a short period of equipment downtime can have significant consequences.

Farmer B is also concerned about growing concentration among farm equipment retailers in Alberta. He estimates that farm equipment retail outlets in the province are now controlled by only three or four companies. In his view, consolidation among dealers has reduced competition, restricted access to certain equipment lines, and contributed to higher equipment prices.

Geographic sales restrictions can further limit farmers' ability to shop around. According to Farmer B, dealers are restricted from selling new equipment to farmers outside their designated regions. As a result, a farmer purchasing new equipment may effectively be required to buy from the local dealer rather than seeking a better price or service from a competing dealer elsewhere. These restrictions do not apply in the same way to used equipment, where farmers are able to purchase from dealers outside their region.

For Farmer B, these issues are connected. Dealer consolidation, territorial sales restrictions, limits on access to diagnostic software, and delays in obtaining parts can all reduce the competitive options available to farmers. The result can be higher repair and equipment costs, fewer choices among service providers, and greater equipment downtime during some of the most important periods of the farming year.

Limited Competition in Farm Equipment Sales and Repair – Peace River, B.C.

Farmer C is a first-generation canola farmer who operates a 10,000-acre farm in the Peace River region of B.C. Agriculture is a major part of the regional economy: the Peace River Census Agriculture Region has 1,419 farms covering approximately 1.84 million acres of farmland, with an average farm size of about 1,295 acres.

For farmers like Farmer C, access to reliable farm equipment, replacement parts, and timely repairs is essential. A breakdown during a short planting, harvesting, or haying window can

quickly translate into lost production and income. Yet Farmer C says farmers in his region have increasingly limited choices when they need equipment or repairs.

This summer, Farmer C's MacDon harvesting implement broke down. He approached his local equipment dealer for a replacement but was told the part was unavailable and that the entire motor unit would have to be replaced at a cost of approximately $13,000. Seeking an alternative, Farmer C contacted another dealer for the same manufacturer. He says that dealer told him it could not provide the part or service.

With no practical competing dealer available nearby, Farmer C faced a choice between paying $13,000 for a full replacement unit or finding his own solution. He ultimately hired a local machinist to fabricate the required replacement part for approximately $2,700. The nearest other repair option was about 3.5 hours away. Fabricating the part took roughly two weeks, during which the equipment remained out of service and Farmer C lost valuable operating time that ultimately required him to hire another farmer to help finish his harvesting.

Farmer C's experience illustrates how limited competition can leave farmers with few realistic alternatives when equipment breaks down. The problem can be especially acute for farmers operating older equipment. Farmer C says some dealers no longer stock parts for equipment that is only seven years old or older, which can make repairing otherwise serviceable machinery more difficult and can put additional pressure on farmers to purchase newer equipment.

Farmer C has also seen the number of independent equipment businesses in the region decline over time. As he puts it: "15 years ago there were a lot of mom-and-pop stores offering farm equipment. Consolidation of farm equipment manufacturers is limiting farmer choice."

For farmers in rural and remote agricultural regions, competition is not an abstract issue. Fewer dealers and repair options can mean higher costs, longer travel distances, longer equipment downtime, and fewer choices at precisely the time when farmers can least afford delays.

1.3 Agricultural inputs: seed, traits, crop protection and fertilizer

Farmers have expressed concerns about consolidation among seed developers, genetic trait owners, crop-protection manufacturers, fertilizer suppliers and agricultural retailers. These products are essential to modern canola production, and the availability of practical substitutes can be limited by agronomic conditions, pest and disease pressures, product registrations, intellectual-property arrangements and regional distribution networks.

CCGA does not suggest that high prices or concentration alone establish a violation of the Competition Act. However, the structure of these markets warrants closer examination because farmers may have limited bargaining power, products may be offered through linked packages, and access to independent or lower-cost alternatives can be constrained.

The Bureau should examine:

- regional concentration among manufacturers, distributors and agricultural retailers;
- whether rebates, loyalty programs or volume thresholds make it difficult for retailers or farmers to use competing products;
- whether seed, traits, seed treatments, crop-protection products, agronomic advice and digital services are bundled in ways that increase switching costs or foreclose competitors;
- whether independent retailers and new entrants receive access to products on comparable terms;

- whether older seed varieties or traits remain available as lower-cost alternatives where agronomically appropriate; and
- whether farmers receive sufficiently clear information to compare the total cost and conditions of bundled offerings.
- Fertilizer pricing and supply have also been identified by farmers as areas where greater transparency would be valuable. The Bureau should distinguish legitimate changes in global supply, energy costs, transportation and seasonal demand from pricing outcomes that may be associated with weak regional competition. The objective should be evidence-based examination and transparency, not an assumption that price increases are necessarily anti-competitive.

1.4 Local grain-buying markets and vertical integration across the grain handling system

The Western Canadian grain-handling system has become more efficient but also more consolidated. The number of licensed primary elevators in British Columbia, Alberta, Saskatchewan and Manitoba declined from 888 in crop year 1999–2000 to 336 in crop year 2024–25, while total storage capacity increased. The transition to larger, high-throughput facilities has improved handling efficiency, but it has also required many farmers to haul grain farther and has reduced the number of delivery points in some regions.

The cost of transporting grain from the farm to the buyer is borne by the farmer. A buyer located outside an economic trucking radius may not provide a meaningful competitive alternative, even if it contributes to a national count of grain companies or elevators. For this reason, the Bureau should analyze local purchasing markets rather than relying principally on national concentration measures.

Many agricultural businesses operate across multiple stages of the value chain. A firm may participate in retail crop input, grain buying, processing, export terminals, logistics, digital platforms or other related activities. Vertical integration can create efficiencies, but it can also affect access to infrastructure, information flows, incentives to deal with rivals and the ability of independent firms to enter or expand.

The Bureau should examine agricultural mergers as connected supply-chain transactions rather than solely as isolated asset purchases. Reviews should consider local purchasing markets, cumulative consolidation over time, minority and common ownership, access to shared infrastructure and whether remedies preserve durable rivalry. Post-merger monitoring should assess whether divestitures or behavioural remedies produce lasting competition in the affected regional markets.

1.5 Grain export sales reporting

The absence of timely grain export sales reporting creates an important information imbalance. Canadian grain farmers face a structural information disadvantage when marketing their crops. Grain companies and exporters have direct knowledge of export sales and forward demand commitments, while farmers largely rely on posted bids and public statistics that describe grain movements after shipments have occurred. Statistics Canada and Canadian Grain Commission export data are useful for understanding historical flows, but they do not provide farmers with a timely signal of current export demand. In concentrated grain-buying markets, this information asymmetry can weaken price discovery and farmers' ability to assess whether local bids and basis levels reflect underlying demand.

The United States addresses this information gap through the USDA Export Sales Reporting Program. Exporters report agricultural export sales by commodity, quantity, marketing year and

destination, with weekly public reporting and expedited reporting for large transactions. Individual company reports remain confidential, and information is released in aggregated form. The result is that farmers, traders and other market participants receive timely information about foreign demand without disclosure of individual commercial contracts.

Canada does not provide farmers with an equivalent source of current export sales information. The October 2025 Mercantile Consulting study on export-sales transparency found that export-sales variables contain meaningful information about grain basis and concluded that timely access to these data could improve farmers' marketing decisions. Its modelling estimated that a 2–5% improvement in basis timing could generate approximately $22.7 million to $56.6 million in additional annual revenue for Canadian grain and oilseed producers. The study also identified broader benefits from better demand visibility, including more predictable grain flows, improved logistics planning and more efficient allocation of transportation and handling capacity.

The competition concern is not that grain companies possess information generated through their own commercial activities. It is that a persistent gap in access to basic market-wide demand information can reinforce the bargaining advantage of large buyers over individual farmers. This is particularly relevant where the same firms participate across grain purchasing, handling, processing, export terminals and international trading, and where farmers have relatively few economically viable buyers within trucking distance.

Improved export sales reporting would provide a common public information baseline from which all market participants can make decisions. Timely reporting could help farmers compare local bids against changes in export demand, make better-informed storage and sales decisions, and respond more quickly to changing international market conditions.

CCGA recommends that the Bureau examine the lack of timely grain export sales information as a competition and market-transparency issue and recommend the establishment of a Canadian export sales reporting framework. The framework should:

- provide timely public reporting of grain export sales by commodity, volume, marketing year and destination, where known;
- include more rapid reporting of large sales or significant cumulative sales that could materially affect market expectations;
- publish information in aggregated form that protects the confidentiality of individual contracts and licensees;
- use consistent, machine-readable formats so the information can be incorporated into farm-management, market-analysis and supply-chain planning tools; and
- be designed so that farmers receive information early enough to use it in marketing decisions, rather than only after grain has been shipped.

Existing reporting authorities may provide a practical route to implementation. CCGA has proposed that the Canadian Grain Commission use its existing authority to obtain relevant export information and that the Canada Grain Regulations be amended to require timely publication of aggregated statistical summaries. The objective should be a durable public reporting system that narrows the information gap between grain buyers and farmers while preserving legitimate commercial confidentiality.

2. Transportation and distribution

Response to Questions 1–5: barriers to competition, concentration, business practices and spillover effects in transportation and distribution.

2.1 Rail market structure and farmers' direct interest

The Canadian grain sector relies heavily on Canada's two Class I railways to move canola and other grains to domestic processors and export ports. For many origins and destinations, no economically viable alternatives exist. This market structure gives railways significant market power over grain shippers and creates a need for a balanced regulatory framework.

Farmers have a direct financial interest in rail performance and freight costs. The price offered by a grain buyer incorporates freight and other logistical costs through the basis (the difference between a grain buyer's local cash price and the relevant futures-market price.) Once grain is delivered and ownership transfers to the buyer, the farmer has effectively borne these costs through a lower farmgate price. Rail service failures, congestion, demurrage and terminal constraints can therefore reduce bids, delay deliveries and weaken farmers' marketing options.

CCGA supports a regulatory approach that allows railways to recover their costs and invest in economically viable infrastructure while protecting shippers and farmers from uncompetitive pricing and inadequate service. The Maximum Revenue Entitlement remains an important pricing-moderation mechanism for regulated grain movements and should be preserved.

CCGA recommends preserving the Maximum Revenue Entitlement and strengthening competitive-access mechanisms where evidence shows that shippers lack practical alternatives. Policy should also maintain effective competition in rail, port and terminal services and prevent anti-competitive information sharing or exclusionary access practices.

3. Permanent agricultural competition monitoring

The Agriculture and Agri-Food sector contributed $150.8 billion to the national economy in 2024, representing 6.7% of GDP. Primary agriculture alone contributed $31.7 billion, or 1.4% of GDP.

The Bureau's examination should result not only in a snapshot of current conditions, but also in a durable capacity to identify emerging competition risks. Agricultural markets change through mergers, closures, new processing investments, changes in distribution, equipment technology and evolving business practices.

CCGA recommends that the federal government establish an agricultural competition data and monitoring function led by the Competition Bureau, Statistics Canada, Agriculture and Agri-Food Canada, or a coordinated partnership among these institutions. Regular public reporting should include:

- market concentration by region and product;
- input-price dispersion and, where feasible, margins;
- local elevator ownership, delivery-point density and buyer availability;
- processing capacity, ownership and utilization;
- mergers, minority stakes, joint ventures and shared assets;
- posted bids, basis levels and delivery opportunities;
- rail performance and access to terminal infrastructure;
- farm-equipment dealer concentration, access to independent repair, and material restrictions on equipment interoperability or access to diagnostic and operational information;

- barriers experienced by new entrants, independent retailers, cooperatives and technology providers.

Better information would allow policymakers to distinguish legitimate cost increases from outcomes associated with weak competition, establish a baseline for merger analysis and evaluate whether remedies produce lasting benefits.

4. Competition, food affordability and farm viability

Effective competition can contribute to food affordability by restraining avoidable costs, encouraging productivity and innovation, and improving the resilience of production, processing and transportation. Stronger oversight can also make it easier for new businesses, cooperatives, regional processors, independent retailers and repair providers to enter and expand.

The relationship between farm costs and grocery prices is not automatic. Retail prices reflect processing, packaging, transportation, labour, energy, exchange rates, retailer margins and global market conditions, in addition to the value of agricultural commodities. CCGA therefore does not suggest that any single competition measure will directly or immediately reduce consumer prices. Rather, competitive discipline throughout the chain can reduce unnecessary costs and make it more likely that efficiencies are reflected in market outcomes.

Competition policy should not treat lower farmgate returns as a strategy for reducing food prices. Sustainable food affordability depends on an efficient and competitive supply chain in which farmers can remain profitable, invest in productivity and continue producing food and agricultural commodities for Canadian and international markets.

5. Conclusion

CCGA recommends that the Competition Bureau identify grain and oilseeds as a priority supply chain for deeper study. The examination should include agricultural inputs, equipment parts and repair, equipment interoperability, local grain-purchasing markets, vertical integration, grain-market transparency, and rail and port logistics.

The objective is not to penalize successful agricultural businesses or to assume that concentration is inherently unlawful. It is to ensure that farmers benefit from genuine choice, competitive pricing, transparent terms, innovation and fair access to markets and essential infrastructure. Competition should be assessed using regional, farmer-centred evidence and should take account of cumulative consolidation, vertical integration, minority ownership, switching costs and barriers to entry. In agricultural equipment, this should include whether restrictions on repair, diagnostics or interoperability materially reduce the practical alternatives available to farmers.

CCGA would welcome the opportunity to participate in the Bureau’s planned consultations and market calls and to provide further evidence from canola farmers regarding regional competition, input purchasing, grain marketing, equipment sales and repair, transportation and market transparency. To that effect, we would be happy to bring together a group of Western Canadian grain farmers to discuss the issues raised herein with the Competition Bureau, as well as any other matters relevant to the Examination.