

1982 SPECIAL CROP SYNOPSIS

Paul C. Dribnenki
Special Crop Agronomist
Saskatchewan Department of Agriculture
Regina

The spring of 1982 was generally cool and moist. This was especially so in the Regina heavy clay area. Cool, moist conditions followed for the entire growing season in most of the province. The extreme southeast of the province was an exception where a drought was experienced during June and July. On August 27 the first general frost covered the northeast half of the province causing extensive damage. As a result, record yields of lower quality seed were produced.

Canary seed (Phalaris canariensis)

The Saskatchewan acreage of canary seed in 1982 was estimated at 120,000 (48,500 ha) compared to 59,000 (23,900 ha) in 1981. Yields in 1982 are estimated to be about 115% of 1981. Frost and delayed maturity resulting in harvest problems seemed to have been the major obstacles in production.

Canary seed production was concentrated in the Eston-Elrose area. However, scattered acreages were grown widely throughout the province. Canary seed is widely adapted to the dark brown, black and grey-wooded soil zone where an adequate growing season permits. It does not tolerate drought well.

Market outlook: The 1982 Canadian acreage increased about 100% over 1981. The large increase in acreage seemed to have been the result of high noncontract preharvest spot prices. These prices were as high as \$661.00 - 772.00/tonne (30 - 35¢/lb). These abnormally high spot prices seem to occur once every ten years.

Argentina appears to have just completed harvesting a record volume of canary seed. The crop is estimated to be between 80,000 and 85,000 tonnes. Argentina seems to be willing to sell at a low price. Anticipation of the Argentina crop caused a crash of the canary market. In 1982, initial contract prices were between \$308.00 and 352.00/tonne (14 - 16¢/lb). In 1983, these prices are in the range of \$154.00 to 198.00/tonne (7 - 9¢/lb). In Saskatchewan, large carryovers of the 1982 crop exist. A severe reduction in noncontracted acreage will likely occur.

Recommendations: The severe downturn of canary seed prices should remind all concerned of the extreme volatility of special crop markets. Noncontract production of special crops can be a risky venture.

Lentils (Lens culinaris)

The acreage of lentils in Saskatchewan in 1982 was estimated at 110,000 (44,500). Yield was probably 115 - 120% greater than 1981. There were two major problems associated with lentil production in 1982.

They were frost and Ascochyta. The cool, moist weather conditions prolonged the maturation of the crop. As a result, the lentil crop was damaged by the August 27 frost. It is estimated that about 20% of the crop was damaged this way. The cool, moist weather was also ideal for the spread of Ascochyta. The variety Eston and the line, Common Chilean were extensively damaged by this disease. Laird proved to have a moderate amount of field resistance to this disease.

Laird, Commercial Chilean and Eston occupied 66%, 32% and 2%, respectively. Eston is expected to compete with Commercial Chilean in 1983 for second place. Lentils are best adapted to the northern part of the brown soil zone, the dark brown soil zone and the southern part of the black soil zone. Lentil production was concentrated in the Regina-Moose Jaw area, the Eston-Elrose area and the Rosthern area.

Market outlook: Initial contract prices for lentils in 1983 will be lower than 1982. In 1982, lentils were being contracted for \$397.00 - 440.00/tonne (18 - 20¢/lb). This spring the price seems to be in the range of \$309.00 - 352.00/tonne (14 - 16¢/lb).

Why are lentils going down in price? The major factor depressing lentil prices is Turkey. According to Dr. F. Muehlbauer, lentil geneticist at Washington State University, Turkey has increased lentil acreage from about 150,000 acres (61,000 ha) to about 1,000,000 acres (404,000 ha) in the last five years. The Turks are interested in lentils since they fit into their wheat/fallow rotation well. The wheat/fallow rotation has caused extensive erosion problems in Turkey and as a result a wheat/lentil rotation has been adopted. There is a potential for 8,000,000 acres (3,238,800 ha) for the wheat/lentil rotation. The Turks can compete well with Canada in lentils because of its obvious transportation advantage. I believe the Turks will continue to dominate the lentil export market as importers are satisfied with the improved quality of their lentils. The fact that USA production in 1982 was down about 15% from 1981 seems insignificant when the Turkish explosion in acreage is considered.

Recommendations: 1982 was a year which was hard on producers who strayed from agronomic recommendations. Planting out of the area of adaptation (northeast Saskatchewan), late planting, planting on fallow, planting on lentil stubble and applying excess nitrogen were penalized by nature. The most severe ascochyta infestations occurred where lentils were planted on lentil stubble. In extreme cases, fields were worked under due to this disease.

Field peas (Pisum sativum)

The acreage of field peas in Saskatchewan in 1982 was estimated at 50,000 (20,000 ha). In 1981, 39,000 acres (16,000 ha) were grown. Most of the peas graded #3 or better. The frost did not seem to cause much damage since the peas were near or at harvest position at time of the August frost.

Peas are best adapted to the black soil zone. Most of the peas were produced in northeastern Saskatchewan. Trapper, Tara, Century and Rondo greens occupied 48%, 27%, 23% and 2% of the acreage, respectively.

The variety Tara does not seem to be doing well in the trade due to its square seed shape.

Market outlook: In response to the strong demand for Prairie peas in 1981-1982, Western Canadian acreage increased by 17% in 1982. Cuba purchased almost half of Prairie pea production in 1981-1982. This was an estimated 60,000 tonnes. However, so far Cuba has only purchased 9,000 tonnes from Western Canada and is rumored to be about to purchase another 10,000 tonnes. If this rumor is true this will still only place Cuba's 1982-1983 pea demand at about one-third of last years. The reason for the decreased pea demand from Cuba is that they purchased black beans from Mexico to partially fulfill its pulse requirements.

Due to the present oversupply of peas in Canada, initial contracts will most likely be between \$147.00 - 184.00/tonne (\$4.00 - 5.00/bushel). The contracted acreage will also likely decline in 1983.

Recommendations: Many farmers in the northeast region are inoculating and then applying large quantities of nitrogen. Inoculation is recommended but applying nitrogen to soils testing more than 30 kg NO₂-N/ha (25lbs/acre) is not. Excess soil nitrate-nitrogen inhibits nodulation and nitrogen fixation.

The use of a sticker solution (syrup or reconstituted milk) is recommended when inoculating. Some producers still sprinkle the inoculum on the pulse seed in the drill box. However, this way the inoculum quickly settles out and as such only a handful of plants will form nodules and fix nitrogen.

Mustard (Brassica hirta and Brassica juncea)

Approximately 100,000 acres (40,500 ha) of mustard were grown in Saskatchewan in 1982. This represents a sharp decline from 129,000 acres (52,000 ha) grown in 1981. The reason for the decline was the baseball strike in 1981. This substantially reduced demand for "hot dog" mustard and therefore increased carryover into 1982. The contractors responded by reducing the number and size of contracts. Frost and green kernels were two major production problems associated with mustard production in 1982.

Mustard seed production was concentrated in the black soil zone especially in the eastern half of the province. In 1982, brown, yellow and oriental mustards accounted for 55%, 33% and 12% of the acreage, respectively.

Market outlook: Much of the carryover stocks seem to have been depleted in 1982. The 1982 production seemed to have been in parity with demand. As a result, the market seems stable for mustard. Initial contract prices range from \$231.00 - 253.00/tonne (10.5 - 11.5¢/lb) for brown and oriental varieties and \$264.00 - 297.00/tonne (12 - 13.5¢/lb) for yellow mustard. Mustard acreage is forecast to increase slightly over 1982.

Recommendations: Green kernels is generally a major production problem in mustard production. There are several agronomic practices

which minimize the risk of green kernels in mustard. They are:

1. sow early
2. sow at the higher end of the seeding rate range
3. avoid low spots in the field
4. possibly harvest the crop in such a way as to separately handle the ripe mustard from areas with immature plants
5. do not swath until the lower siliques are near shattering or when 75% of the seeds have reached their mature color for brown and oriental mustards. For yellow mustard, only harvest when fully ripe.

Sunflowers (Helianthus annuus)

The 1982 estimated sunflower acreage in Saskatchewan was 17,500 (7,100 ha). This was similar to the 1981 acreage. The average yield was 1,100kg/ha (1,000 lbs/acre). The major varieties grown were IS8994, D704, IS894, 7101, D844, Cargill 204 and Cargill 205. The large majority of the seed graded # 1 or # 2. The major production obstacles were the drought stress in southeastern Saskatchewan during June and July of 1982 and the frost in August.

Sunflower seed production was concentrated in the extreme southeast of the province and in the Outlook Irrigation area.

Market outlook: Canadian sunflower seed production in 1982 was about 43% lower than in 1981. However, world sunflower production increased by 14.5% over 1981. Major production increases occurred in USA, France, Argentina and the USSR. Soybean carryover (a competitive oilseed) was estimated as 68% greater now than in 1981-1982. Sunflower spot prices are depressed over a year ago by about \$20.00/tonne (1¢/lb). As a result similar or slightly reduced acreage will likely occur in 1983 compared to 1982.

Recommendations: No major recommendations are proposed for 1983. It seems like the core of producers left in sunflowers are doing a good job of production.

Market synopsis as of February 15, 1983:

A fair to poor market outlook seems to be on the 1983 special crop horizon. High interest rates, a deep world recession and generally good world crop yields and quality for the last few years has resulted in soft markets for special crops. Another major potential factor which may influence special crop market prices is the American Payment-in-Kind (PIK) program. Under this program, if farmers divert 10 - 30% of their acreage base from wheat they will receive a per acre subsidy of 95% of their 1983 average wheat yield. Other grains covered in the PIK program include corn and sorghum. The farmers must then divert this idle acreage to an approved conservation use. It appears that special crops may be deemed an approved conservation use. For example, contracted safflower production in Montana and the Dakota's was about 85,000 acres (34,000 ha) in 1982 whereas it is already at 140,000 acres (57,000 ha) now and is expected to exceed 200,000 acres

(81,000 ha). The possibility exists for the skyrocketing of acreage for other specialty crops in the USA. Therefore, based on this information I would recommend that farmers look seriously at contracting instead of noncontract production for 1983. It may even be an advantage to get fixed price contract where available, as this will guarantee a fixed price to the farmer. Depending on the USA program as well as the world production year in 1983, the situation could change dramatically.

Reference information:

1. Farm Market Week Published at 226-167 Lombard Avenue, Winnipeg Manitoba.
2. Manitoba Markets - Quarterly Report Carol Nachtigall, Economic Analyst, Economics Branch, 903 Norquay Bldg, Winnipeg, Manitoba.
3. RoyFarm Business Review Royal Bank, Agricultural Department.
4. Many contracting companies working in Saskatchewan. Personal comm.
5. Paul C. Dribnenki Unpublished information.
6. Fred Muehlbauer, Research Geneticist, USDA-ARS. Pullman, Wash. Personal communication.
7. Canadian Pulses Report Agriculture Canada, Marketing & Economics Branch, Ottawa. Bryan West & Dave Durksen.