

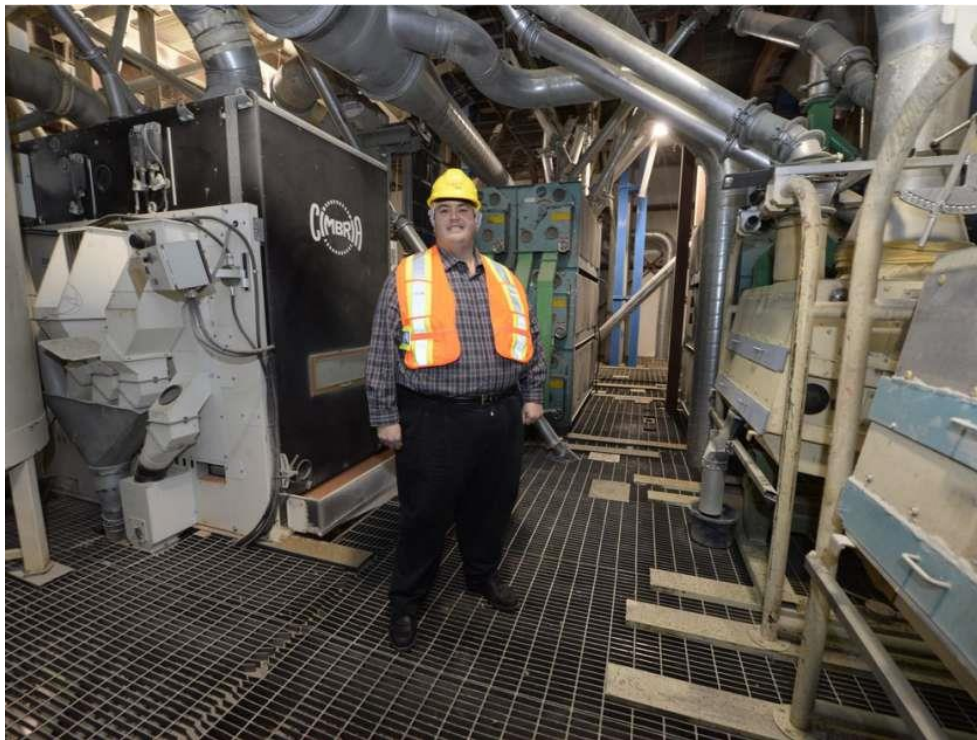
Turkey allegedly dumping pasta onto Canadian market, but one Saskatchewan manufacturer says it's much ado about nothing



BRUCE JOHNSTONE

[More from Bruce Johnstone](#)

Published on: February 2, 2016 | Last Updated: February 2, 2016 3:53 PM CST



Murad Al-Katib, president and CEO of AGT Food, says allegations of Turkey dumping pasta in Canada are "ridiculous." TROY FLEECE / REGINA LEADER-POST

A 'pasta war' is heating up as more than 10 millions of pounds of Turkish pasta are allegedly being 'dumped' in Canada, but one Saskatchewan-based pasta manufacturer says the allegations are a tempest in a teapot.

The Canadian Pasta Manufacturers Association (CPMA) says it has found "substantial evidence" that Turkish pasta is being dumped in Canada — a predatory trade practice in which manufacturers sell excess, often government-subsidized, goods into a foreign market at or below cost.

“Canada is becoming the North American dumping ground for cheap Turkish pasta,” said Don Jarvis, executive director of CPMA, the national trade association representing Canadian pasta manufacturers. “We are extremely concerned about the impacts that subsidized and dumped pasta will have on local Canadian businesses.”

According to Statistics Canada, more than five million kilograms of uncooked pasta were imported into Canada from Turkey between January and November 2015, almost tripling the total quantity imported for all of 2014. The same report also shows a dramatic price disparity with other imports — 50 per cent less than Italian pasta and 40 per cent less than U.S. pasta imports.

Unless importers take “immediate action to stop the importation of subsidized and dumped pasta into the Canadian market,” CPMA says it will initiate a complaint with the Canadian Border Services Agency and the Canadian International Trade Tribunal.

Under international trade agreements, Canada can impose anti-dumping and countervailing measures to protect Canadian industries against injurious dumping and subsidization and unfairly trading those goods, CPMA said.

But one Saskatchewan-based pasta manufacturer and pulse crop processor called CPMA’s allegation of dumping “ridiculous.” “I see the reference to five million kilograms (of dumped pasta in CPMA’s news release),” said Murad Al-Katib, president and CEO of AGT Food and Ingredients of Regina. “That’s less than tiny.”

“Canadian manufacturers are basically saying they’re having trouble competing,” said Al-Katib, noting the association launched a similar action in 1996 against Italian pasta and lost.

Turkey is a “major market for Canadian agri-products. Canadian durum exports to Turkey are growing quickly,” Al-Katib said, adding that Turkey’s exports of 5,000 tonnes of pasta to Canada are worth less than \$5 million, while Saskatchewan exports 150,000 tonnes of durum to Turkey are worth about \$500 million.

“I would take the position that nearly \$500 million of trade with Turkey puts a huge Saskatchewan benefit to a two-way trade relationship.”

Al-Katib’s company has close ties to Turkey. In 2009, AGT acquired the Arbel Group, owner of the Arbella Pasta brand, the third-largest selling domestic brand of pasta in Turkey, and the largest bulgur and durum wheat and semolina milling facilities in Turkey.

Western Canadian Wheat Growers, which represent wheat and durum producers in the three Prairie provinces, said its members “support open competition and new markets for prairie grain farmers.” “Wheat Growers are happy when pasta manufacturers buy our durum, whether it’s in Canada, Turkey, or any other key market,” said Wheat Growers president Levi Wood of Pense. Far from erecting trade barriers, the Wheat Growers would like to see a “Canada-Turkey free trade deal,” Wood said. “We should be working together to remove tariffs on Canadian crops and other goods and services in both countries, not increase them.”
bjohnstone@postmedia.com