

26. Supporting a Stronger, More Secure, and Sustainable Canadian Fruits and Vegetables Market

DESCRIPTION

The Canadian fruits and vegetables fresh produce market is highly dependent on imports from the USA, Mexico and other international markets. The problem is that because of this dependence Canadians are vulnerable in terms of access to and the cost of fresh produce. Price volatility and the impact of increased border restrictions have already proven to be an issue and due to the COVID-19 pandemic the situation has become more precarious. This policy proposal recommends options on how to strengthen the Canadian market and consumer environment.

BACKGROUND

Canada's fruit and vegetable market and pricing is largely dependent on its trading relationship with the United States and Mexico. Much of the produce sold in Canada is imported, in 2018 total retail sales of fresh fruits and vegetables produced domestically averaged about \$125 million (CDN) per month, while imports averaged approximately seven times that amount. Canada imports approximately \$2 billion in fruits and vegetables from Mexico and approximately 25% of all fresh fruits and vegetable imports into Canada come from Mexico. There is a strong integration between horticultural supply chains in Mexico, the United States and Canada, through the flow of Mexican food products from Mexico to Canada through the United States (Somogyi, Nixon and Thomas-Francois 2019). This makes the Canadian market susceptible to the impacts of related dynamics in each trading partner's markets.

Import Dependency

Price volatility of fruits and vegetables in Canada has been at risk in the past due to trade dependencies and factors such as the availability of temporary foreign workers which implicate supply and demand. Traditionally food production at its source, a strong logistics chain and demand have not been issues. The United States however, has over recent years been strengthening protectionist measures and moving to undermine trade deals with both Canada and Mexico, including inhibiting labour market mobility and immigration as well as cross border movements. The further tightening of the US-Mexico border would have a major impact on our fruit and vegetable prices. Some estimates from the US suggest for fruit and vegetables prices would increase by 20 to 40 percent in the US and the impact in Canada worse with less supply from US retailers absorbing American fruit production that would otherwise be bound for Canada (Somogyi et al. 2019). It may seem as if the family-controlled grocery and retail stores have the advantage but there is a looming threat in our food-retail sector related to US policy vulnerability (Somogy et al. 2019) and this includes the fruits and vegetables fresh produce sector.

Borders have remained open to commercial traffic well into the COVID-19 crisis however, further restrictions on cross-border movement (including truck crossing delays) will dramatically affect trade dependent firms, like those in the fruit and vegetable industries (Richards and Rickard 2020). Losing access to US imports will clearly limit Canadian retail sales, impact pricing and a reduction of the variety of fresh items that Canadian consumers have become accustomed to (Richards and Rickard 2020). Due to our import dependency, availability will be determined by conditions in the US fresh fruit and vegetable supply chain (Richards and Rickard 2020). Also, changes in consumption patterns will be felt by importers, wholesalers, distributors, and retailers (Richards and Rickard 2020).

Strained Retail Distribution Chain

Further implications for pricing have been brought on by COVID-19 for businesses in foodservice and retailers and ultimately for consumers of fresh produce. In the short-term, closing restaurants and schools has resulted in the near complete loss of an entire distribution channel (Richards and Rickard 2020). "By March 24 volumes of fresh produce in the retail channel were up 23.2% over the previous year. Unit prices in the food service sector tend to be higher than retail but expenditure in each channel is roughly the same, so this means a roughly 25% shift in volume across supply chains that differ in fundamental ways" (Richards and Rickard 2020:2). Wholesale distributors for the foodservice sector is not always the same as the set that services retail accounts, and many retail accounts are served directly by grower-shippers (Richards and Rickard 2020). Food service distributors will clearly see an almost complete loss of demand, retail distributors need to be more efficient in packing, have more trucks in place, and move greater volumes (Richards and Rickard 2020). For the short-term distribution infrastructure specific to retail will remain strained through the spread of the disease and will test supply-chain relationships for some time (Richards and Rickard 2020).

Non-perishable fruits and vegetables - Stock piling; potential retailer and consumer response impacts on pricing

Non-perishable fruits and vegetables (representing \$7 billion in Canadian production) further undermines the fresh produce sector. There are many reasons why fresh produce shelves remain relatively well stocked while non-perishables (frozen and canned) disappear quickly reflecting differences in both supply and demand:

Although, most notably in recent months non-perishable fruits and vegetables have been stockpiled due to consumer behavior response to COVID-19. This has the potential to dampen current and future sales of fresh produce and impact demand and pricing (Richards and Rickard 2020).

Although there are no reports of retailer's price gouging hoarded-item categories, it is conceivable that higher retail prices for these items could, in turn, generate higher demand for fresh produce as the spread of the virus worsens or if the situation deteriorates (Richards and Rickard 2020). An outcome not favouring the consumer.

Moreover, if households substitute between nonperishable products that were stockpiled and stored during late winter and the spring of 2020, this could have considerable effects in the fruit and vegetable markets and lead to a range of market responses in mid to late 2020 (Richards and Rickard 2020). For example, the consumption of stockpiled items could be to occur at the same time that harvest seasons begin for many Canadian-produced fruits and vegetables and this would place downward pressure on the prices of fresh produce markets (Richards and Rickard 2020). This scenario would be particularly difficult for small and medium sized fruit and vegetable producers who rely more heavily on local and regional markets for their products (Richards and Rickard 2020). An outcome not favouring the SME producers.

Increased online sales impact for local independent fresh produce retailers

The movement to online food sales has surged as the pandemic spread. Prior to the spread only 1.5% of groceries were sold online in Canada, that number had grown to over 9.0% by the third week of March. Grocery chains were reporting online orders of up to 300%. For fresh produce retailers this could be a transformational point that moves fresh food delivery beyond regular online purchasers that are tech savvy to the mass food buying public. Small independent neighborhood stores may not be able to compete in a world in which consumers demand online grocery options and compete with Grocery chains bought by large firms such as Amazon's purchase of Whole Foods (Richards and Rickard 2020). The growth of small business in the produce sector during the 2009-2020 recovery and boom period was fueled by debt so they were vulnerable to begin with (Richards and Rickard 2020). In periods of financial instability only large stable firms with the ability to service interest payments and sustain business relationships through cash shortages survive (Richards and Rickard 2020). It is undeniable that the potential for margin expansion by large retailers on the consumer side, powerful packers and distributors on the wholesale-buying side, and exporters selling into the Canadian market will be much greater in the absence of a strong, competitive fringe of small firms (Richards and Rickard 2020).

The case for intensifying domestic and local fresh produce market development

There is a strong case for Canada to invest in opportunities and supports to enable domestic and local production in fresh produce to meet consumer demand gaps and put downward pressure on potential pricing and access issues. For example, the development of related technology and R&D will address supply and pricing as well as serve the additional benefit of helping re-build the Canadian economy on the road to recover post pandemic. The impact of an unsecure food source chain on modest and middle class earning Canadians during a time of economic turmoil from a pandemic and the economic ripple effects cannot be forgotten.

Food policy experts are recommending the transformation of Canada's food production system into a more sustainable model. Food Secure Canada Executive Director Gisele Yasmeen said that governments should invest in local infrastructures to help Canada meet social and environmental goals while boosting the economy, post-coronavirus. "...The are things happening on the ground that are putting more control into the hands of people, small producers, processors," said Yasmeen. "That's what we need to build on for the kind of resilience that we need" (Emmanuel 2020). Simon Somogyi, Chair in the Business of Food at the Arrell Food Institute at the University of Guelph recommends that the Canadian government should encourage more people to grow fruits and vegetables at home by incentivizing greenhouse production.

He says that fruit and vegetable prices fluctuate the most each year and that the current downturn in cannabis production provides opportunity for empty greenhouses to be repurposed (Emmanuel 2020b).

RECOMMENDATIONS

That the Government of Canada:

1. Incentivize local SME and independent retailers of fresh produce through financial tax breaks for small businesses in the produce sector;
2. Support farmers markets and “food hubs” through working with industry stakeholders like Food Secure Canada to develop focused policy to support business growth, infrastructure and logistic chains needed
3. Explore a framework to support and enable capacity building for the food supply chain, including retail distribution chain
4. Invest in technology and research and development to make local production more efficient, competitive, and attractive to the workforce;
5. Support skills and training development for local food production employment;
6. Ensure trade agreements are supportive of our fresh produce sector; and
7. Work with the greenhouse and indoor farming sector to determine what further supports may be required to enhance local food production.

NOTES

⁷⁵, ⁷⁶, ⁷⁷, ⁷⁸, ⁷⁹, ⁸⁰, ⁸¹

⁷⁵ iPolitics. Emmanuel, Rachel. 2020b. "WTO's agri-food commitment will help safeguard Canada's food security, says expert." Retrieved June. 10, 2020 (<https://ipolitics.ca/2020/04/24/wtos-agri-food-commitment-will-help-safeguard-canadas-food-security-says-expert/>)

⁷⁶ iPolitics. Emmanuel, Rachel. 2020. "Opportunity to re-think food production in Canada amid COVID-19: report." Retrieved June. 10, 2020 (<https://ipolitics.ca/2020/05/15/opportunity-to-re-think-food-production-in-canada-amid-covid-19-report>).

⁷⁷ Richards, Timothy J., and Rickard, Bradley. COVID-19 impact on fruit and vegetable markets. *Can J Agr Econ.* 2020; 1-6. <https://doi.org/10.1111/cjag.12231>

⁷⁸ Richards, Timothy J., and Rickard, Bradley. COVID-19 impact on fruit and vegetable markets. *Can J Agr Econ.* 2020; 1-6. <https://doi.org/10.1111/cjag.12231>

⁷⁹ Richards, Timothy J., and Rickard, Bradley. COVID-19 impact on fruit and vegetable markets. *Can J Agr Econ.* 2020; 1-6. <https://doi.org/10.1111/cjag.12231>

⁸⁰ Globe and Mail Opinion Editorial. Somogi, Simon, Nixon, Andrew, and Thomas-Francois, Kimberly. 2019. "US-Mexico border dispute threatens Canadian food supply, grocery prices." Retrieved June. 10, 2020 (<https://www.theglobeandmail.com/business/commentary/article-us-mexico-border-dispute-threatens-canadian-food-supply-grocery/>).

⁸¹ Richards, Timothy J., and Rickard, Bradley. COVID-19 impact on fruit and vegetable markets. *Can J Agr Econ.* 2020; 1-6. <https://doi.org/10.1111/cjag.12231>

27. Securing and Stabilizing Canada's Agriculture and Agri-food Industry for Long-term Prosperity after Covid-19

DESCRIPTION

The COVID-19 pandemic has had a detrimental effect on the Canadian agriculture and agri-food industry. From producers to processors and everywhere in between, businesses have been forced to either dramatically scale back or shut down operations entirely due to measures taken to prevent the spread of the disease. As Canada's economy moves toward the recovery phase, the industry will require further support to guarantee its long-term competitiveness and prosperity. Among other measures, the agriculture and agri-food industry will require a robust and transparent regulatory process to enhance its long-term environmental and economic sustainability.

BACKGROUND

Canada's agriculture and agri-food sector is a key player in the Canadian economy. It employs over 2.3 million people in all regions across Canada, accounts for 7.4% of the Canadian GDP, and provides 1-in-8 Canadian jobs. Throughout the COVID-19 pandemic, the industry deserves praise for its efforts to keep Canadians fed in safe, healthy, and secure ways. From farmers to retailers and all segments of the supply chain in between, the sector has demonstrated a seemingly infinite capacity for creativity, adaptability, and hard work. We are appreciative of government engagement and coordination through mechanisms such as regular supply chain roundtables and ongoing consultations.

Following on the Minister of Finance's Advisory Council on Economic Growth's recommendations, the 2018 Economic Strategy Table on Agri-Food identified the sector poised to be key driver of economic growth by 2025. It set ambitious targets of \$85 billion in exports and \$140 billion in domestic sales in the same timeframe⁸². From producers to processors and everywhere in between, the sector is poised to become a world leader in its productivity, but certain regulatory and non-regulatory barriers must be dismantled in the process.

The measures implemented during the COVID-19 pandemic, though necessary and appropriate given the widespread transmission of the disease, have significantly affected the ability of the industry to meet these objectives. Business supports announced by the federal government have been beneficial however there remain significant gaps which need to be addressed. As all orders of government in Canada look to reopening and recovery efforts, there must be a coordinated and balanced approach to doing so. The federal government can take the lead on this process by providing clear guidelines to provincial governments that benefit the entire supply chain, from farm to fork. With a vaccine likely at least a year away, these guidelines should be set against the backdrop of food security and safety without imposing extraneous regulations that inhibit economic prosperity and competitiveness.

⁸² Agri-food Economy Strategy Table, The Innovation and Competitiveness Imperative: Seizing Opportunities for Growth, September 2018, [https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISED_C_Agri-Food_E.pdf/\\$file/ISED_C_Agri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISED_C_Agri-Food_E.pdf/$file/ISED_C_Agri-Food_E.pdf)

Given the precarious nature of the industry due to COVID-19 and other externalities, it is vital that governments act quickly to provide further supports and take the following action to help guarantee its long-term success and stability after the pandemic is over. In addition to these supports, more government programming is needed to coordinate the supply chain response in the medium to long-term, while mitigating ongoing challenges. Governments will need to focus their attention on re-establishing food value chains on not only a domestic scale, but also globally, which includes addressing impediments to market access.

RECOMMENDATIONS

That the Government of Canada:

1. Expand credit access beyond Farm Credit Canada programs to include other lenders, which complements the expansion of the Canadian Emergency Bank Account.
2. Undertake a review of existing regulations that impose an administrative burden on business while ensuring the health and safety of the agriculture and agri-food supply chain.
3. Promote access to international markets by making better use of existing trade agreements by addressing non-tariff trade barriers. Encourage Canada to be a leader in rules-based international trade to encourage open movement of people, goods, and services. As Canada seeks new trade agreements, the government must ensure it keeps its commitments regarding further concessions to Canada's supply management sector.

28. Improving Risk Management for Agriculture Producers

DESCRIPTION

Current risk management programs are not meeting the changing needs and requirements within agriculture. Furthermore, the lack of education and awareness around risk management strategies is limiting the growth and success of agriculture producers.

BACKGROUND

Less than 1% of Canadians are farm operators, with the number of farms in Canada declining and the land base of each farm increasing. Add to this the increases to average inputs per acre, increased labour and fixed costs and a declining net income and the result is that the dollar value for risk is substantially more than it used to be⁸³. As a result, producers require risk management solutions to create greater certainty and mitigate risk in order to improve farming options and opportunities. However, both government and producers groups have identified that improvements to agricultural risk management solutions and tools are needed. With federal priorities focused on agriculture and agri-food, there is a need to work directly with agriculture producers and industry stakeholder groups to help meet the outcomes and objectives desired and to hear first-hand about potential opportunities and areas for improvement.

Government's Role

A December 2019 news report from Food in Canada, stated that federal, provincial, and territorial Ministers of Agriculture met face-to-face to initiate action on a number of key proposals to improve support to Canadian producers, following what has been a difficult year for many producers due to a series of impacts including bad weather, the CN work stoppage, and market access issues. Further compounding the agriculture sector is the COVID-19 pandemic which has also added pressures on the agriculture industry with the need to modify work processes and address processing shortages and supply chain challenges.

Ministers recognized that the risks facing producers have changed, particularly with respect to climate and international trade, and that current programs may need to evolve to meet their needs. To start to address these changing risks, Ministers made targeted improvements to the AgriStability program and Ministers asked officials to change the treatment of private insurance for the 2020 program year.

In addition, understanding that administrative burden is an issue for many, in particular for smaller producers, Ministers agreed to launch a pilot in select jurisdictions to make applying for support easier, by using tax return information to simplify the application process.

⁸³ <https://www.agric.gov.ab.ca/app21/farminputprices>; <https://www150.statcan.gc.ca/n1/ca-ra2006/articles/snapshot-portrait-eng.htm>

Ministers' engagement on key business risk management programs signaled a direct response to the changing risks faced by producers. The business risk management programs aim to provide producers with tools to ensure the viability of their operations and to manage risks largely beyond their control. As a result, officials are to develop options to make the programs more effective, agile, timely, and equitable for producers. In particular, officials are to evaluate the impact of changes to the reference margin limit and changes to eligible expenses under AgriStability.

In the mandate letter of the Federal Minister of Agriculture and Agri-food⁸⁴, there was specific guidance to work in collaboration with the provinces and territories to undertake a review of risk management programs, with a special focus on AgriStability in order to help producers manage environmental and business risks by providing faster and better adapted support, drawing from lessons from recent trade disputes and evidence-based research.

Producer Concerns

Producers require risk management solutions to create greater certainty and mitigate risk in order to improve farming options and opportunities. However, there is much needed improvement required to agricultural risk management solutions and tools offered, as identified by both government and producer groups.

Current programs are limiting and don't allow for new opportunities such as the ability to expand intercropping. As there is a lack of insurance coverage for these opportunities, it prevents diversification through new cropping opportunities.

In addition, current programs often require specific fertility, seed treatment and irrigation levels, without taking into account the producers management practices. Modern farming practices and management systems often require lower inputs to produce a crop than more traditional practices. By having minimum input levels built into the program without consideration of the producers farming practices, it can mean higher costs, and restricts the producers' ability to follow best practice farming methodology.

Limiting of the reference margin under AgriStability has also left collateral damage because liabilities were going up and the Government's concerns over costs resulted in significant impacts to producers.

In addition, there have been significant changes to weather patterns, incidences of drought, amount of moisture and extreme weather events, requiring a need to adjust with them, taking into consideration seasonality and length of time drought happens, along with overall impacts of rain and whether there are benefits or negative implications as a result. While clients may choose one, two or three weather stations to best represent conditions on their farm, and within proximity of their land base, weather station information may be subject to change and weather systems are also changing.

⁸⁴ Ministers outline improvements for AgriStability program, December 18, 2019: <https://www.foodincanada.com/food-in-canada/ministers-outline-improvements-to-agristability-program-143373/>

Therefore, more emphasis should be placed on the use of various technology tools to assess crops and pastureland to increase accuracy in the assessment and assist producers in addressing weather events.

Since AgriStability is a margin-based program that provides whole farm protection, there are also limits to this. Under the Canadian Agriculture Program, there have been improvements to the Margin Limit with it being adjusted now to ensure a more equitable level of support for participants impacted by the limit. However, participants are subject to limiting of at least 70 per cent of their calculated Olympic Average Reference Margin, known as the Adjusted Reference Margin Limit. The reference margin limit impacts about one third of participants to varying degrees. The reference margin used to calculate benefits (the applied reference margin) is the lower of the Olympic and the average adjusted expenses for the same three picked years as the Olympic. Therefore, if a producer's average adjusted expense for those three years was \$200,000, the applied reference margin (used for calculating benefits) would be \$200,000, which may only actually end up being 40% of their Olympic average. This type of example may seem extreme, but we have seen situations where limiting has impacted producers by a substantial amount. Operations that have reference margin limiting applied require an extensive, if not devastating, drop in their program year revenue in order to trigger benefits. This significantly decreases the value of AgriStability to many producers, especially those with low cost structures such as cow-calf producers who typically produce their own feed and have minimal eligible labour expenses. The removal of the RML will make the program predictable, bankable and ultimately more equitable for Canada's cattle producers, especially the cow-calf sector.

Another limit is livestock price insurance. Currently, there are few truly effective risk management instruments that allow Western Canadian livestock producers to manage their risk. Cattle and hog producers in western Canada face volatile market prices and the Western Livestock Price Insurance Program is designed to be market driven to reflect the risks a producer in Western Canada faces when selling livestock. Livestock producers are typically 'price takers', with prices varying greatly year to year, due to many factors impacting the market. Having a tool available to help protect against the unknowns of the market and associated price volatility can assist a producer with being more profitable. While the current program helps with the risk at the time of selling, there is currently no program to help protect the producer against the unknowns of the market at the time of purchase. A reverse of the current program, allowing producers to lock in a ceiling price at the time of purchase, would go a long way to help alleviate the impacts of market volatility throughout the livestock ownership period.

There is also concern over claims processing, timelines for claims, adequate and educated staff resources for processing claims and the often long window of time from application to reimbursement, which often has an impact on financial yearend timelines for producers.

Another impact affecting availability of alternate risk management solutions is the application of a premium tax and fire prevention tax, which is applied by the provincial government on private agriculture risk management insurance products, exempting provincial agriculture insurance and AgriStability programs. This tax treatment is inequitable and creates an unfair playing field and disincentive for producers to obtain the best risk management solutions available to them.

With federal and provincial priorities focused on agriculture and agri-food, there is a need to work directly with agriculture producers and industry stakeholder groups to help meet the outcomes and objectives desired and to hear first-hand about potential opportunities and areas for improvement.

RECOMMENDATIONS

That the Government of Canada:

1. Consult with industry and stakeholder organizations to determine improvements and solutions for all agriculture risk management options;
2. Create greater simplicity in risk management programs and ensure equitable coverage across all producer types;
3. Work with Provinces and Territories to provide education tools for the creation of risk management strategies through toolkits, workshops, webinars and online sessions;
4. Work with Provinces and Territories to provide education on the cost of production per acre by providing a cost of production toolkit to producers;
5. Provide transparency in risk management solutions and budgets, disclosing how much is made available for claims;
6. Provide more flexibility and options in risk management solutions to allow for new cropping and diversification opportunities;
7. As producers adopt new technologies, treatment plans for various crops need to be flexible reflecting the Best Management Practices (BMP) common to the area and/or production method that ensure adequate fertility, weed, disease and pest control, etc.;
8. Utilize various technology methods to assess crops and pastureland in a more localized method in order to create greater accuracy in assessments;
9. Remove the reference margin limit provision on the AgriStability program or increase the reference margin up to 85% for all crops and cattle and increase the payment cap;
10. Provide livestock producers with an insurance tool similar to the Western Livestock Price Insurance Program to lock in a ceiling price when purchasing livestock.
11. Re-evaluate pasture and perennial programs to create equity in the crop insurance programs available;
12. Provide better response time in assessments, claims and processing through service level agreements, ensuring adequate staffing levels and contracting third party adjusters and verifiers to assist where needed;
13. In order to minimize year end impacts resulting from payments at the end of a fiscal year, take into consideration financial requirements of producers and year end timelines when processing payments, providing the option to defer insurance claims and AgriStability payments to the next fiscal year;
14. Remove the premium tax on private insurance to create a level playing field in risk management options.

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⁸⁵ Western Livestock Price Insurance Program Handbook: <https://afsc.ca/wp-nfs/wp-content/uploads/2020/01/WLPIP-Handbook-2019.pdf>

⁸⁶ AgriStability program: <https://afsc.ca/income-stabilization/agristability/>

⁸⁷ Agriculture Adaptation to Climate Change in Alberta Focus Group Results, 2005: <https://www.canadianfga.ca/wp-content/uploads/2013/12/AAFRDAdaptationfinalreport.pdf>

⁸⁸ Minister of Agriculture and Agri-Food Mandate Letter <https://pm.gc.ca/en/mandate-letters/2019/12/13/minister-agriculture-and-agri-food-mandate-letter>

29. Promoting Canada's Agriculture Industry

DESCRIPTION

With greater attention around food sustainability and the environmental foot print of agriculture, there is a need to raise awareness and provide fact-based education focused on where our food comes from, recognizing the sustainability of agribusiness and its vitally important role in our economy as a natural resource.

BACKGROUND

Greater awareness around food sustainability and the environmental footprint of agriculture has become progressively more important. As a result, there is an ever-increasing need to provide fact based education in order to bridge the information gap between agriculture producers and consumers. Educating Canadians about the agriculture industry ensures citizens of all ages are informed about where food comes from, the importance of agriculture to our economy and the future sustainability of our food.

The 2016 Census of Agriculture found less than 1% of Canadians are farm operators, yet all Canadians participate in the agri-food sector when they go grocery shopping and make food choices.⁸⁹ The disconnect between the producers who grow the food we eat and consumers is widening due to urbanization,⁹⁰ growing misperceptions and a lack of factual information around this vitally important industry.

Farmers and ranchers feel increasingly under attack because of the public scrutiny and misinformation around the industry. In a report from the Next Agriculture Policy Framework (NAPF), there is strong support from the agriculture industry to enhance public perceptions about the quality, safety, and sustainability of the agriculture sector.⁹¹

Even though the agriculture industry plays a critical role in our eco-system, there is no requirement to educate the public about the role the industry plays in our economy or give the facts and information around the sustainability of our agri-food sector. A Canada-wide public education campaign can ensure that Canadians not only understand the industry's practice of environmental stewardship resulting in reliable, sustainable and high-quality agri-food but also recognize the economic impact of the agriculture industry.

⁸⁹ Canadian Agriculture at a Glance, Statistics Canada: <https://www150.statcan.gc.ca/n1/pub/96-325-x/96-325-x2019001-eng.htm>

⁹⁰ Demand for Convenience, Government of Alberta: <https://open.alberta.ca/dataset/b5d936eb-2127-424e-b1b8-818c486d12aa/resource/5d7a504d-ab10-4f1c-843c-79801cf0d412/download/af-consumer-corner-54-demand-for-convenience-2019-11.pdf>

⁹¹ Next Agricultural Policy Framework: What We Heard Report – 2 <https://cap.alberta.ca/CAP/download/AGUCMINT-4795873>

'Canada's Economic Strategy Tables' on Agri-food reports that Canada has the opportunity to be "recognized as the most trusted, competitive and reliable supplier of safe, sustainable, high-quality agri-food products and an innovator in value-added products to feed the dynamic global consumer" but requires a unified campaign focused on marketing the agri-food industry both domestically and internationally.⁹² With the agri-food industry target set to increase by over 27% to \$225 billion dollars in 2025,⁹³ all sectors must be given the opportunity to reach their full potential through a unified public education campaign.

The 'Canada Brand' program provides a good start for the agriculture industry to market their products and practices but is not yet widely used. A unified label, logo, image, and theme, will show Canadian consumers the depth of the role of the agriculture industry in the food we consume and the products we use. Additionally, it can educate the public through larger media networks such as television and radio with factual information from a distinct, recognizable and unified source.

Finally, it provides the opportunity to expand the domestic market, increase awareness among the public of the high standards in the agri-food industry, and signify products that are 100% Canadian.

However, a public education campaign would also be incomplete without informing the next generation of the importance of the agriculture industry and their role in our Canadian ecosystem. Many studies have highlighted the looming skills and labour crisis in Canada's agriculture and food industry.⁹⁴ Therefore in order for Canada to remain competitive, and to lead the way globally, we need to ensure that the next generation's best and brightest minds are knowledgeable about agri-food.

We recognize the Federal government does not have jurisdiction over education. But through grants and programming, the Federal government can influence the direction and opportunities of agriculture education for students. By educating the next generation with current fact based information, we can further educate the public by embedding this into our everyday conversations at school and at home.

In the world of misinformation, a factual public education campaign can help to dispel incorrect beliefs and inform Canadians about an industry that passes the highest ethical and sustainable standards. Now, more than ever, it is important that the education gap between producers and consumers is bridged so that the agriculture industry can continue to champion reliable, sustainable, and high-quality practices.

⁹² Canada's Economic Strategy Table: Agri-food': 2 [https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISEDCAgri-Food_E.pdf/\\$file/ISEDCAgri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISEDCAgri-Food_E.pdf/$file/ISEDCAgri-Food_E.pdf)

⁹³ Canada's Economic Strategy Table: Agri-food': 3 [https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISEDCAgri-Food_E.pdf/\\$file/ISEDCAgri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISEDCAgri-Food_E.pdf/$file/ISEDCAgri-Food_E.pdf)

⁹⁴ Canada's farm labour shortage is costing billions and expected to rise: report <https://business.financialpost.com/commodities/agriculture/canadas-farm-labor-shortage-is-costing-billions-and-expected-to-rise-report>

RECOMMENDATIONS

That the Government of Canada:

1. Develop a unified public education campaign showcasing the agriculture industry's practice of environmental stewardship resulting in reliable, sustainable and high-quality agri-food and value added products.
2. Expand on the "Canada Brand" program to create a single unified label, logo, image, and theme.
3. Ensure the next Agricultural Policy Framework works to develop branding skills, knowledge and awareness of opportunities within the agriculture industry.
4. Facilitate fact-based agriculture education learning opportunities, resources and connections through grant programming, such as the Canadian Agriculture Partnership.

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⁹⁵, ⁹⁶, ⁹⁷

⁹⁵ A Meta-Analysis of Geographical Indication Food Valuation Studies - 214

⁹⁶ (Barham, 2003; Josling, 2006). In consumers preference

⁹⁷ Consumers' Preferences for Geographical Origin Labels: Evidence from the Canadian Olive Oil Market