

Weekly Report – Week of April 08, 2002

1. Statistical Summary

1.1 Overview								
Number of Events	15	Number of Participants			254	Number of Observers		126
Participants by Category	158 Producer	28 Processor/ Exporter	2 Distributor	3 Retailer	0 Consumer	11 Academic	4 ENGO	48 Other

1.2 Event Summaries				
Cattle	<u>18 participants</u> 9 producers 1 processor 1 academic 7 other stakeholders	<u>10 observers</u> 4 federal 5 provincial 1 portfolio	Saskatoon, SK	10 April 2002
Dairy	<u>14 participants</u> 10 producers 2 academics 1 environmentalist 1 other stakeholder	<u>12 observers</u> 5 federal 6 provincial 1 portfolio	Truro, NS	08 April 2002
	<u>14 participants</u> 10 producers 2 processors 1 academic 1 other stakeholders	<u>8 observers</u> 3 federal 4 provincial 1 portfolio	St. John's, Nfld	10 April 2002
Floriculture	<u>9 participants</u> 5 producers 2 academic 2 other stakeholder	<u>5 observers</u> 3 federal 1 provincial 1 portfolio	Richmond, BC	08 April 2002
Fruits	<u>13 participants</u> 10 producers 1 exporter 1 academic 1 other stakeholder	<u>8 observers</u> 3 federal 3 provincial 2 portfolio	Niagara-on-the-Lake, ON	08 April 2002

1.2 Event Summaries				
Grains & Oilseeds	<u>34 participants</u> 14 producers 2 processors 1 academic 1 environmentalist 1 biotech 15 other stakeholders	<u>8 observers</u> 4 federal 2 provincial 2 portfolio	Saskatoon, SK	09 April 2002
Pork	<u>11 participants</u> 7 producers 1 exporter 1 academic 2 other stakeholders	<u>12 observers</u> 6 federal 4 provincial 2 portfolio	Winnipeg, MB	08 April 2002
	<u>13 participants</u> 7 producers 2 processors 1 exporter 1 environmentalist 2 biotech	<u>10 observers</u> 5 federal 3 provincial 2 portfolio	Waterloo, ON	11 April 2002
Poultry	<u>39 participants</u> 27 producers 1 processor 1 distributor 4 exporters 1 environmentalist 1 biotech/research 4 other stakeholders	<u>7 observers</u> 2 federal 4 provincial 1 portfolio	Edmonton, AB	11 April 2002
	<u>19 participants</u> 11 producers 4 processors 1 retailer 1 academic 2 other stakeholders	<u>12 observers</u> 6 federal 3 provincial 3 portfolio	Toronto, ON	12 April 2002
Pulse & Special Crops	<u>14 participants</u> 9 producers 2 processor 1 retailer 1 academic 1 other stakeholder	<u>11 observers</u> 5 federal 3 provincial 3 portfolio	Winnipeg, MB	09 April 2002

1.2 Event Summaries (cont'd)				
Vegetables	<u>14 participants</u> 9 producers 5 other stakeholders	<u>5 observers</u> 2 federal 1 provincial 2 portfolio	Richmond, BC	09 April 2002
	<u>8 participants</u> 5 producers 2 processors 1 retailer	<u>8 observers</u> 3 federal 4 provincial 1 portfolio	London, ON	10 April 2002
	<u>24 participants</u> 20 producers 2 processors 1 distributor 1 other stakeholder	<u>4 observers</u> 3 federal 1 provincial	Charlottetown, PEI	11 April 2002
	<u>10 participants</u> 5 producers 3 processors 2 other stakeholders	<u>6 observers</u> 3 federal 2 provincial 1 portfolio	Lethbridge, AB	12 April 2002

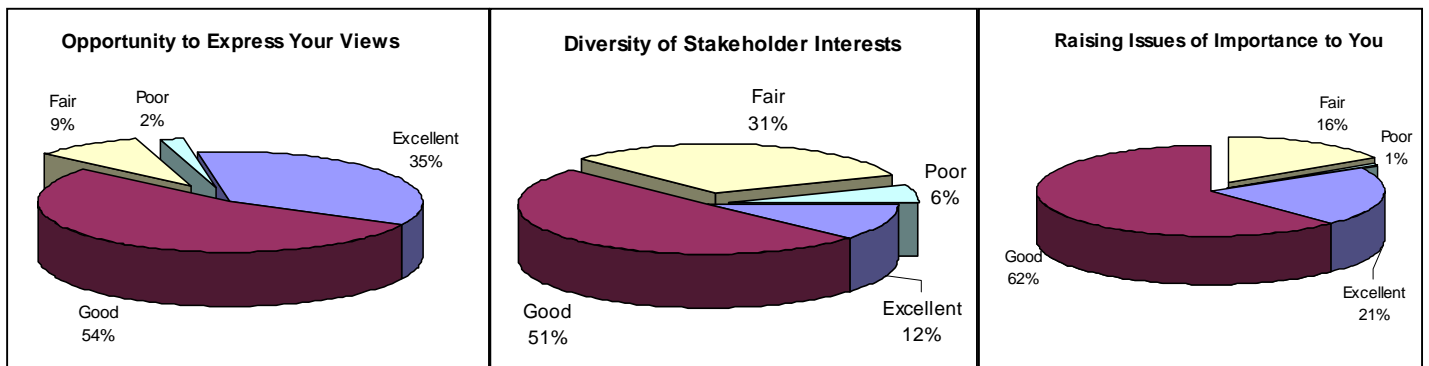
2. Participants’ Evaluation

2.1 Views on the Consultation Process

- Participants were clearly engaged in the consultation process in this period, with a number of organizations submitting position papers on the APF for consideration. Twelve of fifteen events ended with participants asking to be kept involved in the process and requesting copies of the reports from their events and from the consultations as a whole. Most of these also requested that consultations continue throughout the policy development process and that they have opportunities to comment on the outcomes from the current round of consultative meetings.
- Participants at eleven events continued to express concerns regarding the insufficient notice about the consultations. Perception that the consultations were being rushed contributed to skepticism about the degree to which participants’ views would be considered by decision-makers. There was a concern among some participants that the APF was already finalized and that governments were not interested in conducting open consultations.

2.2 Views on the Consultative Meeting

- Participants were asked to complete an Exit Survey at the end of the day. Despite some initial concerns and criticism of the process, respondents rated the consultative meetings very positively, with the following results:
- When asked to rate the value of the workshop:
 - 89% rated the event GOOD or EXCELLENT as an effective forum for providing them with an opportunity to express their views;
 - 63% rated the event GOOD or EXCELLENT as an effective forum for bringing together diverse stakeholder interests, and
 - 83% rated the event GOOD or EXCELLENT as an effective forum for raising issues of importance to them.



2.3 Changing Views on the APF

- Participants were asked to indicate to what degree their views on the APF had changed as a result of the consultation. Over half of the participants in this period indicated that their views changed “somewhat or a great deal”, with the other half indicating “not very much or not at all.”

3. Discussion Summary

3.1 General Comments	
Positive Observations (top three)	<ul style="list-style-type: none"> ▪ Participants regarded the consultations positively, providing an opportunity to voice their opinions and contribute to the APF. ▪ Participants agreed with the general direction of the APF, and noted that in many cases industry practices already reflected the policy direction suggested in the framework. ▪ Participants were particularly supportive of the food safety and food quality and environmental components .
Negative Observations (top three)	<ul style="list-style-type: none"> ▪ Despite agreement on APF principles, there was a relatively strong sense, particularly among grains and oilseeds participants, that too little attention was being paid to the immediate needs of producers. ▪ Participants commented that greater representation from non-traditional stakeholders (e.g., retailers, consumers, and environmentalists) would have improved the discussions. ▪ Many participants raised concerns regarding: <ul style="list-style-type: none"> ○ how the APF would be funded; and ○ whether or not the economic return to producers from the framework would justify the expenditures.

3.1 Discussion Summary – Cattle

The majority of participants at the Saskatoon cattle event were producers, however there were also academics and First Nations representatives present. In general, participants were positive in their view of the APF and entered into a very constructive discussion on the components of the framework.

Participants identified food safety and food quality as the predominant issue to maintaining the cattle sector’s global competitiveness, indicating that all links in the sectoral chain had important responsibilities for implementing appropriate measures. Participants strongly supported a government role in food safety and food quality as described in the APF and thought that this would provide Canada with a trade advantage.

A recurring theme throughout the discussions was that the programs and policies arising from the APF needed to be responsive to market demand and should result in added value for producers. Participants raised concerns regarding the lack of harmonization of regulatory requirements with the U.S., regulatory duplication between jurisdictions, and the way money was spent on research. Also, concern was expressed about the lack of attention in the APF towards animal welfare issues.

3.2 Discussion Summary – Dairy

The dairy events were reasonably well attended by representatives from across the sectoral chain, with the exception of retailers and consumers. Discussion at both sessions was positive, with participants indicating that they would like to continue to be involved in the policy development process. In general, participants were supportive of the APF, but insisted that it should not compromise the supply management system for Canadian dairy.

Many participants stressed that the dairy industry was already leading the way in areas such as food safety but, further work was required to ensure that Hazard Analysis at Critical Control Points (HACCP) is consistently implemented across the chain and that consumers are sufficiently educated about food safety and food quality issues. Participants supported the integrated nature of the components of the APF and called for national programs that have enough flexibility to account for regional and commodity differences.

Many participants raised concerns regarding funding for the APF, with some recommending greater use of tax credits/incentives to encourage producers to make necessary changes. Other concerns included the environmental impact of intensive agricultural operations, urban encroachment, and the fact that research monies requiring matching funds from industry tended not to have a high record of success in the Atlantic provinces.

3.3 Discussion Summary – Floriculture

The Richmond floriculture event had representation from most of the sectoral chain, with the exception of consumer and environmental organizations. Participants were very positive about the focus of the APF on restoring and growing the agriculture sector. They indicated that the floriculture sector is facing a shortage of new entrants and would benefit from the renewal component of the framework. Participants were also supportive of the APF objective to brand Canada and felt that this too, would have a positive impact on attracting and retaining producers.

The question of how APF programs would be funded was a recurring theme. The need for harmonization of regulatory requirements between provinces and with the U.S. was also raised. In this context, Pest Management Regulatory Agency (PMRA) was seen as a hindrance to the sector's competitiveness and as contrary the science and innovation principles of the APF. Participants felt that the issue of preserving agricultural land from urban encroachment should have been addressed in the APF.

3.4 Discussion Summary – Fruit

The Niagara fruit event was attended primarily by regional fruit producers, with a lack of representation from the processor and retailer segments. In general, participants felt they would have been better prepared for the discussion if they had been given more notice and indicated an interest in future opportunities to provide input.

The potential for national and international branding strategies received strong support, with the safety, quality and environmental record of the fruit sector being communicated to Canadians and the international marketplace. Participants strongly supported the approach in the APF to develop national programs but cautioned that all programs will need flexibility to account for regional differences and differences between commodity groups.

There was an overriding concern about who would pay for the APF with many participants stressing that new programs must come with new money. It was felt that resources for current programs are insufficient and should not be diverted to implement the framework. Additional concerns were raised regarding the PMRA and the need for standardization of regulatory requirements with the U.S., the importance of improved communication to consumers on the quality and safety of Canadian food products, and the lack of harmonization and innovative funding approaches (e.g. tax incentives) concerning research.

3.5 Discussion Summary – Grains & Oilseeds

The grains and oilseeds event had representation from most of the links in the sectoral chain. With participants frequently expressing their despair over the eroding financial situation of the farm community in Saskatchewan, the discussion took on a more personal and emotional tone than has generally been the case. Many producers viewed the APF as doing little to improve the urgent financial crisis facing the sector.

Concern as to how the APF would be funded was expressed during the discussion of each of the framework's components. In particular, producers worried that money would be taken away from the true priority areas of risk management and safety nets. Additional concerns raised included the need for harmonization of regulations with other countries, the need for national programs to be flexible in order to recognize regional and commodity differences, and the need to address trade issues facing the sector. Positive feedback was received on the Net Income Stabilization Account (NISA) but additional top-up for trade injury was called for to improve the program.

3.6 Discussion Summary – Pork

The two pork events, held in Waterloo and Winnipeg, had strong representation from producers, with some processors, environmentalists, academics and exporters. Participants in both sessions felt that the discussions would have benefited from the attendance of distributors, retailers and consumers. Both sessions were positive about the direction of the APF in general but underlined the importance of an effective business risk management program as the prerequisite for the framework's success.

Concerns about branding were raised, with participants expressing skepticism about whether a branding exercise would go far enough to be effective and whether the benefits would be realized by producers. Many participants reinforced the need to add trade as an element of the APF. Participants at both sessions stressed the need for incentives rather than regulations in the areas of research and environmental protection. Participants also highlighted the need for integration and better coordination between governments, as well as the need for improved harmonization with international standards.

3.7 Discussion Summary – Poultry

The poultry events in Toronto and Edmonton were well attended, with the latter reaching almost 40 participants. Producers were strongly represented at both events and processors, distributors and academics participated as well. While many (particularly in Edmonton) were critical of the notice for the meeting and the time and details available to discuss the issues, participants at both sessions were very supportive of the direction outlined in the APF, describing it as a solid base from which a strategy can grow. They also expressed a desire to be involved in further consultations around the framework.

Producers were concerned that the issue of supply management was omitted from the APF and called on governments to clearly support supply management in the framework and in international trade negotiations at the World Trade Organization (WTO). In fact, many suggested that trade issues should be included more broadly as a component in the APF. Food safety was also a key theme and while industry stressed that they were implementing much of what is proposed in the APF, they highlighted the need for government to play a larger role in enforcing safety and quality throughout the distribution chain and in educating consumers.

Participants were also supportive of existing product innovation research, with some commenting on the need to distinguish research and development (R&D) priorities that target immediate needs from those that are focussed on longer-term objectives. Other topics discussed included the need to include animal welfare issues in the APF and the importance of rural development. There was no consensus on branding Canada.

3.8 Discussion Summary – Pulse & Special Crops

Participants at the Manitoba pulse and special crops event, comprising of producers, with some representation from processors and retailers, felt that the APF consultation process was worthwhile but were frustrated by the short notice provided. Participants felt there was not enough emphasis on trade in the APF and recommended adding it as a separate component.

Business risk management received considerable attention at the session, with participants calling for a tool kit of programs that would be market neutral, tax deductible and which would take account of succession planning. Participants supported NISA but indicated enhancements were required. In respect of the food safety and food quality and the environment components, participants supported a more incentive-based approach rather than regulations to meet the objectives of these elements.

Participants felt that investment in research, innovation and renewal should be industry-driven. Participants expressed skepticism of branding Canada as the best supplier in every market; furthermore they felt they could only support branding if it meant more revenue for producers. They did, however feel that it was critical for the public to understand the benefits and safety of Canadian agriculture.

3.9 Discussion Summary – Vegetables

The four vegetable events had strong representation from both small and large producers, with some processors, retailers, and other stakeholders. All sessions were supportive of the direction of the APF, although participants expressed concern that its scope was too broad to implement in a reasonable timeframe. Participants were concerned about the availability of financial resources for implementation.

Business risk management was seen as the most important element to ensure the future success of the APF. Furthermore, participants felt that the framework must be responsive to market demand and contribute to the overall competitiveness of the sector. There was agreement at all events that a coordinated branding approach was necessary and would contribute to the agriculture sector's economic viability. Participants frequently raised the trade implications associated with many of the APF elements.

Participants called for changes to address the inefficiencies of the PMRA, which create competitive disadvantages for the Canadian sector. Participants also raised concerns about the lack of harmonization of international, federal and provincial standards and the need for flexibility within the APF to address regional differences.