

## Weekly Report – Week of April 01, 2002

### 1. Statistical Summary

1.1 Overview										
<b>Number of Events</b>	11		<b>Number of Participants</b>			187		<b>Number of Observers</b>		85
<b>Participants by Category</b>	114 Producer	19 Processor	4 Distributor	3 Retailer	0 Consumer	5 Academic	9 ENGO	33 Other		

1.2 Event Summaries				
Cattle	<u>18 participants</u> 13 producers 2 processors 1 retailer 1 environmentalist 1 other stakeholder	<u>6 observers</u> 2 federal 3 provincial 1 portfolio	Moncton, NB	04 April 2002
Dairy	<u>13 participants</u> 8 producers 1 processor 1 academic 3 environmentalists	<u>9 observers</u> 3 federal 4 provincial 2 portfolio	Calgary, AB	04 April 2002
Fruits	<u>19 participants</u> 12 producers 3 processors 2 distributors 2 other stakeholders	<u>8 observers</u> 3 federal 3 provincial 2 portfolio	Kelowna, BC	03 April 2002
Pork	<u>14 participants</u> 9 producers 1 processor 4 other stakeholders	<u>9 observers</u> 3 federal 5 provincial 1 portfolio	Amherst, NS	02 April 2002

1.2 Event Summaries (cont'd)				
Grains & Oilseeds	<u>16 participants</u> 8 producers 1 academic 2 environmentalists 5 other stakeholders	<u>9 observers</u> 3 federal 5 provincial 1 portfolio	Dawson Creek, BC	02 April 2002
	<u>14 participants</u> 6 producers 2 processors 1 distributor 1 biotech 1 environmentalist 3 other stakeholders	<u>7 observers</u> 2 federal 4 provincial 1 federal MP	Charlottetown, PEI	04 April 2002
	<u>18 participants</u> 10 producers 3 processor/exporters 1 academic 4 other stakeholders	<u>10 observers</u> 3 federal 4 provincial 3 portfolio	Portage La Prairie, MB	05 April 2002
Pulse & Special Crops	<u>18 participants</u> 13 producers 1 retailer 1 biotech 1 environmentalist 2 other stakeholders	<u>8 observers</u> 3 federal 3 provincial 2 portfolio	London, ON	03 April 2002
	<u>30 participants</u> 15 producers 4 processors 1 distributor 2 academics 1 environmentalist 7 other stakeholders	<u>7 observers</u> 3 federal 2 provincial 1 portfolio 1 Senate staff	Saskatoon, SK	05 April 2002
Vegetables	<u>18 participants</u> 13 producers 2 processors 1 retailer 2 other stakeholders	<u>5 observers</u> 2 federal 3 provincial	Moncton, NB	05 April 2002
	<u>9 participants</u> 7 producers 1 processor 1 biotech	<u>7 observers</u> 4 federal 2 provincial 1 portfolio	Portage La Prairie, MB	04 April 2002

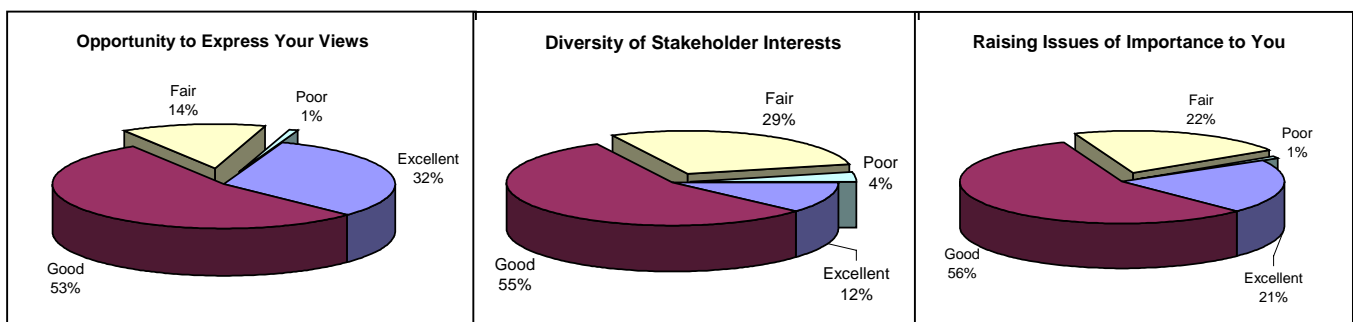
## 2. Participants’ Evaluation

### 2.1 Views on the Consultation Process

- Participants in seven of eleven events in this period expressed skepticism about the degree to which their views would be considered by decision-makers. There was a concern among these participants that the APF is already finalized and that governments are not interested in conducting open consultations. Participants in the other four events were either silent on this point or indicated that they were pleased to be consulted and to have an opportunity to contribute to policy development.
- Participants at nine events asked to be kept involved in the process and requested 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 industry have an opportunity to comment on the outcome from the current round of consultative meetings.
- Participants at seven events continued to express concerns regarding the insufficient notice about the consultations. The perception that the consultations are being rushed and timing issues such as the Easter long weekend were highlighted as contributing to lower than expected attendance and delays in receiving consultation information.

### 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:
  - 85% rated the event GOOD or EXCELLENT as an effective forum for providing them with an opportunity to express their views;
  - 67% rated the event GOOD or EXCELLENT as an effective forum for bringing together diverse stakeholder interests, and
  - 77% 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. Almost 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	
<b>Positive Observations (top three)</b>	<ul style="list-style-type: none"> <li>▪ Participants continue to be generally pleased to be consulted and many indicated that they welcomed the opportunity to comment on the APF.</li> <li>▪ Participants at almost all events agreed with the general direction outlined in the APF, although some indicated that additional effort is required while others preferred to focus on more immediate and pressing issues for producers.</li> <li>▪ Participants continued to express the view that industry is leading the way in many of the areas outlined in the APF and that it should continue to do so, although some were disappointed that the APF did not seem to recognize this.</li> </ul>
<b>Negative Observations (top three)</b>	<ul style="list-style-type: none"> <li>▪ There continues to be a general view that the consultation process has been rushed and that participants have not been given sufficient time to review the consultation material or make arrangements to attend events.</li> <li>▪ All groups in this period indicated that international trade should be given greater attention and prominence in the APF, with several groups suggesting that it should become a sixth component.</li> <li>▪ All groups raised a concern about three inter-related issues:                             <ul style="list-style-type: none"> <li>○ concerns about profitability of the agricultural sector;</li> <li>○ perception that the APF perpetuates a cheap food policy that is detrimental to producers; and</li> <li>○ questions about the cost of implementing the APF.</li> </ul> </li> </ul>

#### 3.1 Discussion Summary – Cattle

The cattle event in Moncton was predominantly attended by producers, with some processors, a retailer and some environmental representatives also in attendance. Participants ranged from slightly indifferent to generally supportive of the APF, agreeing that food safety and food quality, renewal, and business risk management are important issues for the industry. Participants identified a number of “serious problems” with the APF, expressing concern that the APF does not appear to provide a vision for the future of the cattle industry, particularly in the area of environmental protection. They also noted that the APF does not address international trade issues.

Producers, in particular, were concerned about human resources renewal in the cattle industry in Atlantic Canada. The industry is aging, with more producers between 45 and 50 expressing doubt about who would take over their business. There was a feeling that the APF does little to address this issue, with some arguing that it makes matters worse. There was a discussion about future non-food growth opportunities for the industry, but most participants felt that the APF did not sufficiently address these and other agricultural specialization strategies.

### 3.2 Discussion Summary – Dairy

The dairy event was attended largely by producers. Three environmental groups, one processor and one academic were also present. The discussion focused largely on supply management and sector-specific issues such as hormone-treated milk. Participants indicated that the five components of the APF were not comprehensive and in some cases were not relevant to dairy farmers. As in many other sessions, producers at the dairy event were concerned about the cost of implementing the APF and insisted that it should not be borne by producers.

Participants supported the concept of leadership in food safety and quality, but indicated that animal welfare should be included in the discussion and that labeling would be problematic, given the BST issue. They were generally supportive of the environmental component, highlighting that the dairy industry is already meeting the environmental goals outlined in the APF. There was no consensus among participants on the role of government in renewal, with some arguing that industry should lead and others calling for more comprehensive government programs to assist with skills training.

### 3.3 Discussion Summary – Fruit

Tree fruit producers from BC and the prairies were strongly represented at the fruit event, as were distributors and processors. Participants regarded the APF as ambitious, but indicated that the overall goals were worthwhile in an increasingly complex international trade environment. They supported the concept of branding Canadian products as safe, high quality and environmentally responsible, indicating that the fruit sector already has a strong environmental reputation. Participants were skeptical of the consultations, however, questioning the timing and invitation process and indicating that it appears to be more about communication than consultation.

Participants identified a number of aspects of the APF that require further attention, including: pesticide regulations in Canada need to be made less burdensome and should be harmonized with those in the US; governments should invest more heavily in food safety, particularly when compared to the US, and persistent issues such as GMOs and irradiation need to be resolved. Participants were also fairly supportive of Net Income Stabilization Account (NISA), commending it as a good program that promotes effective risk management. There was an overriding concern about who would pay for the APF and whether or not it would provide a market advantage for Canadian producers.

### 3.4 Discussion Summary – Pork

The pork event was largely represented by producers and regional or national farm organizations, with a single processor and a representative from one of Canada's chartered banks. There was general agreement with the elements outlined in the APF and a sense that they are necessary to sustain the industry in the future. Participants were supportive of the environmental protection and food safety and food quality components of the APF, highlighting that the pork industry has taken the lead in these areas and sets an example for the agricultural sector. Many participants indicated that they would have liked to have seen these efforts recognized by the APF and cautioned that new regulations should not be overly burdensome.

Participants identified risk management and profitability issues to be most important. There was a sense that an integrated approach to risk management, profitability and growth is needed. There was strong support for NISA and it was suggested that it should not be scrapped, just upgraded. Participants recognized that new programs would take time to evolve and stressed that governments must ensure that

transition programs are in place to allow producers enough time to understand and adapt before current funding mechanisms expire. Many participants agreed that these initiatives cost money and insisted that the sustainability of these efforts must be considered. The group defined sustainability as “environmentally sound, socially responsible and economically viable”.

### 3.5 Discussion Summary – Grains & Oilseeds

The three grains and oilseeds events had strong representation from producers, with some processors, distributors, exporters, academics and other stakeholders rounding out the sessions. Some groups were more skeptical about the APF process than others, but all groups agreed that the consultations appeared rushed and they would have preferred more time to review material and make arrangements. Key themes raised during the events included international trade, profitability and sustainability, government coordination and public education.

The importance of international trade to grains and oilseeds was highlighted in this period, with participants at two events agreeing that the APF should include a sixth component that deals specifically with trade issues. Participants were also very interested in the impact the APF would have on profitability. A number of producers were concerned that they would be forced to bear the costs of implementation without receiving any of the benefits. More generally, participants agreed that profitability and sustainability issues had to be addressed in order to allow producers to invest in their operations with confidence and to ease succession planning. Greater coordination between government and increased education and awareness among consumers were identified as important contributors to the future success of the APF. That said, participants at all events agreed that food safety and environmental protection are *public goods* whose costs should be paid by the public at large.

### 3.6 Discussion Summary – Pulse & Special Crops

Participants were a good mix of large established farms turning to new types of crops and small producers of emerging market crops such as medicinal herbs and culinary spices. Between the two sessions other stakeholders such as processors, distributors, and academics were present. There was some frustration voiced at the outset of the meetings regarding the level of detail and the short time frame for the consultations. However, while skeptical, participants seemed open to engaging in the process and generally supportive of the direction outlined in the APF documents. Interestingly, participants at the London event recommended adding a sixth component on international trade, while participants in Saskatoon were particularly concerned about producer sustainability, with one participant suggesting that farm profitability be considered its own component.

Both groups expressed concerns with the business risk management component of the APF, with London participants highlighting the importance of current programs in future policy deliberations and participants in Saskatoon describing the current approach as lacking, particularly in respect of the universality of the programs and the overall funding now being allocated to them. There was general support for the science and innovation component, with calls for more focus on emerging market trends. Most participants supported the development of stringent standards relating to food safety, quality and environmental management to be applied consistently across jurisdictions. Both groups, however, expressed concerns about the cost of these measures. There were a number of comments about the need to better educate the public on the benefits and safety of Canadian agriculture.

### 3.7 Discussion Summary – Vegetables

Producers' views were well-represented at both vegetables events in this period, with only a few processors, retailers or other stakeholders attending. While participants, in particular those attending the Moncton event, were skeptical about the process and the degree to which their views would be considered, both groups agreed that consultations should continue and that these meetings should represent the beginning of an iterative process. There was general support for the principles and direction of the APF, particularly in terms of moving agricultural production to a more consumer-driven model, however participants in Moncton were more critical of the specific components and did not reach consensus on most issues.

Key themes and issues raised at the two events included: the need for a level playing field in Canada and abroad, with participants demanding more streamlined and harmonized pesticide regulations; concern that none of the components of the APF adequately address economic development issues and access to investment capital, and agreement that the introduction of new programs should be done slowly, and only after successful pilot programs and cost/benefit analysis. Both groups raised concerns that the costs of the APF would not be borne by the market.