

Event Report Saint John's – June 12, 2002

1. Statistical Summary

1.1 Overview										
Number of Break-outs	2		Number of Participants			36	Number of Observers			12
Participants by Category	27 Producers	5 Processors	1 Distributor	0 Retailers	0 Trade	0 Consumers	1 Academic	0 Biotech	0 Environmental Representatives	2 Others

1.2 Break-out Session Attendance Summaries		
<p><u>Break-out # 1</u> 1. Business Risk Management 2. Renewal / Science and Innovation 3. Food Safety and Food Quality 4. Environment</p>	<p><u>18 participants</u> 13 producers 3 processors 1 distributor 1 other</p>	<p><u>6 observers</u> 5 federal 1 provincial</p>
<p><u>Break-out # 2</u> 1. Renewal 2. Science and Innovation 3. Food Safety and Food Quality 4. Environment 5. Business Risk Management</p>	<p><u>18 participants</u> 14 producers 2 processors 1 academic 1 other</p>	<p><u>6 observers</u> 5 federal 1 provincial</p>

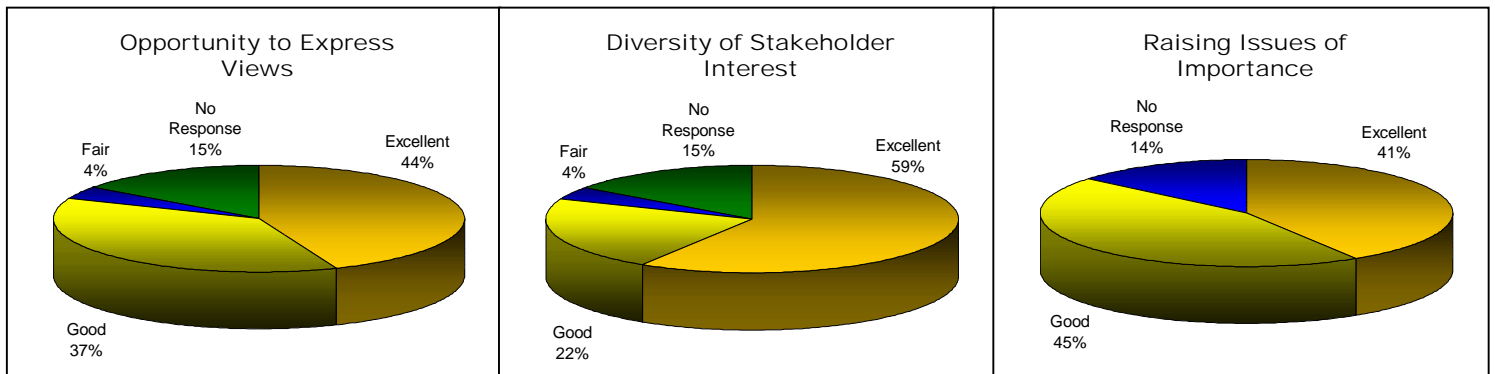
2. Participants’ Evaluation

2.1 Views on the Consultation Process

- Participants sought opportunities formally, informally and in the exit surveys to encourage governments to conduct further consultations as the Agricultural Policy Framework (APF) evolves. Participants welcomed the involvement of all sectors of the industry in the process.
- Participants indicated they found the consultation process and format useful and informative, although some would have liked more time to discuss each element.
- Participants said they are interested in seeing whether the views expressed in the meetings are considered when Ministers make their decisions.

2.2 Views on the Consultative Meeting

- Participants were asked to complete an Exit Survey at the end of the day, with the following results:
 - When asked to rate the value of the meeting:
 - 81% rated the event GOOD or EXCELLENT as an effective forum for providing them with an opportunity to express their views;
 - 81% rated the event GOOD or EXCELLENT as an effective forum for bringing together diverse stakeholder interests; and
 - 86% rated the event GOOD or EXCELLENT as an effective forum for raising issues of importance to them.



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. Sixty-seven percent indicated that their views changed “somewhat or a great deal”, with 15% indicating “not very much or not at all.” Nineteen percent of respondents did not answer the question.

3. Discussion Summary

3.1 Synthesis from the Chair	
Conclusions and Consensus	<ul style="list-style-type: none"> ▪ There was very constructive dialogue around the need for balance in terms of cost absorbed by consumers, industry and government. ▪ Participants indicated that national programs and policies must be flexible, both in terms of their implementation and in respect of their application to different commodities and regions. ▪ Industry participants believe that if the APF agenda is market-driven, customers should be well informed of risks, costs and benefits of the elements. In particular, consumers should be aware of likely cost increases for premium products. ▪ Questions were asked about how funding will be allocated among the five elements. Participants strongly indicated their desire to be consulted on an ongoing basis and urged that the process be transparent. ▪ Participants suggested that over the next five years the government report back annually on progress made implementing the APF; these reports should be based on a bottom-up approach which would involve ongoing consultation with stakeholders.

3.2 Business Risk Management

Participants were concerned that the APF had not given appropriate consideration to global trade issues and that proposed risk management measures could not be properly developed outside this context.

Principles and Goals

Participants were generally supportive of the goals outlined in the APF but were critical of some proposed implementation measures. Many called for greater “linkage” between goals and implementation.

Participants urged that the APF must better recognize the need for flexibility to ensure risk management programs and policies work within the Newfoundland and Labrador context, which is influenced by the province’s geography, its small population, and its earlier stage of economic development. They would like this concept incorporated into the goals of this element and reflected in implementation measures.

With respect to government support, participants felt that Newfoundland and Labrador farmers had been treated unfairly relative to farmers in the rest of the country. They felt that risk programs should be designed to bring local farmers up to a level playing field relative to other farmers.

Targets and Indicators

Participants supported the APF’s emphasis on targets and measuring progress, but noted the need for regionally based benchmarks.

There was a suggestion that tracking capital investment in the sector would provide a useful indicator.

Implementation Measures

Participants felt that the range of commodities covered by crop insurance should be expanded to include other crops, such as blueberries and forage. There was some discussion on changing crop insurance to serve as “commodity insurance.” This, it was felt, would reinforce the goal of greater diversification and better on-farm risk management options.

Proposed changes to Net Income Stabilization Account (NISA) were welcomed and there was support for investment incentives for new entrants.

The APF’s emphasis on improved administration and better coordination of programs was also welcomed. Participants felt strongly that governments should improve communication with stakeholders.

Ongoing contact, promotion and education regarding changes to risk management programs are needed because farmers often do not know all the rules and cannot take advantage of program changes as they occur. Many producers feel they are not well informed on how programs can work to their advantage.

3.3 Renewal

Principles and Goals

Participants were generally supportive of the principle of renewal. Emphasis in discussions was placed on the notion of profitability; if the industry becomes profitable, renewal take care of itself.

Some participants expressed concern that agriculture funding would be used to help farmers transfer out of the industry. They felt this approach would deplete funding from the core agriculture budget and undermine the objective of renewal, which is to keep farmers farming.

Implementation Measures

Participants placed some emphasis on skills development and training, both for current farmers and new entrants. Some participants questioned the ability of governments to properly implement agricultural training programs in Newfoundland and Labrador where access to appropriate educational facilities is limited. Participants noted that training programs require a regional focus to succeed.

Participants felt that the government should improve access to capital for young farmers. Generally, the APF should place its emphasis on “providing” access to capital rather than “promoting” access to capital.

Participants felt that capital gains incentives for intergenerational land transfers are needed to encourage young farmers to stay in the business.

Participants supported the APF's emphasis on improved access to public and private sector services that could help them with skills development and provide information that would help them assess their options on management of farm operations. They felt programs should be integrated with existing programs and government departments, such as Human Resources and Development Canada (HRDC).

Participants endorsed the emphasis on research and development but were skeptical of the government's resolve with respect to funding.

3.4 Food Safety and Food Quality

Participants felt that this is an important element of the framework. Branding Canada for quality and safety is essential to protect markets and encourage value-added production and marketing.

However, they were very concerned that new measures could impose unreasonable costs and put Canadian producers at a competitive disadvantage relative to foreign producers.

Principles and Goals

Participants were very supportive of the goals outlined in the APF and suggested that Canada's food quality and food safety systems are already of a very high standard.

Implementation Measures

Participants said that harmonization is needed across the country in terms of food safety policies, tracing, regulations and inspections. They felt that more resources for staff and staff training for the Canadian Food Inspection Agency (CFIA) are needed.

Participants felt strongly that domestic and imported produce should be subject to the same rules.

Participants expressed concerns about who would carry the cost of implementing new programs and said that transition periods will be necessary to allow for compliance. These concerns were raised because the APF proposals contain no specific indications about government funding.

Participants said that more needs to be done to educate the public about food safety and national standards that already exist. Education is also needed to prepare consumers for the high cost of food which will result from higher standards.

Some participants felt that price is the key market driver and were skeptical of a branding strategy focused on food quality and safety.

Assurances were also sought regarding who pays for implementation of HACCP-based (Hazard Analysis Critical Control Points) programs.

Participants said that governments must to be rigorous in applying food safety and traceability measures to all links in the chain, including retailers and food service companies.

3.5 Environment

Participants viewed themselves as environmental stewards. At many points, discussion focused on the “public good” that farmers perform through production practices. There was general agreement that farmers should not be required to carry the full cost of environmental measures.

Principles and Goals

Participants were generally supportive of the goals outlined in the APF.

Implementation Measures

Participants felt that the APF should provide assurances that government oversight programs will be based on sound science, rules will be applied consistently and that reasonable risk assessments will be undertaken. Assessments of affordability and risk must be balanced.

Some suggested that research and development on environmental impacts should be linked to business risk management strategies.

Participants felt that there should be recognition for farms that have already adopted environmental measures. This could be financial assistance or tax incentives. The focus should be on rewarding best practices. Some suggested that producers who do not comply by a certain date should not necessarily be penalized.

Concern was also expressed that if regulations are too expensive and onerous, smaller producers will be squeezed out. The issue of “who pays” was a major theme throughout discussions.

The view was expressed that if the environmental agenda is market driven, customers should be educated about agriculture. Correspondingly, if consumers set higher environmental standards, they need to know that there will be a cost.

3.6 Science and Innovation

Principles and Goals

Participants strongly endorsed the concept of public research being more widely available to industry. They felt that partnerships and networks are needed to build research capacity in the province and to ensure public research is directed where it is most useful.

Implementation Measures

Participants agreed that the first step should be an analysis on research priorities. Research facilities in the province at university and research stations are key assets. Research should address farm issues such as manure storage and handling and innovations in alternate uses for manure.

Participants would like to see more basic research on native species, which may provide additional opportunities.

Participants felt that more effort should be made to transfer technology and learning from the 19 research centers that already exist.

Because lab facilities do not exist in Newfoundland, participants would like to see government help defray the costs of having analysis done outside the province.