A Food Policy for Canada: Toward a Balanced Dialogue

Independent Agri-Food Policy Note December 2017 Al Mussell



The Issue

The Government of Canada launched a process of public dialogue and consultation on a Food Policy for Canada in the spring of 2017.¹ This initiative has as its stated objectives to improve access to affordable food, to improve food safety, to conserve soil, water, and air, and to produce more high-quality foods. It is consistent with initiatives undertaken elsewhere, such as in the UK,² and aims to improve the performance of the Canadian food system, broadly defined. As such, it presents the prospect that a wide range of groups with an interest can come forward and work together in broad areas of common interest in ways that they commonly do not. The purpose and objectives are tangible (and some perhaps obvious), and beneficial to all. It presents the prospect of improving the alignment of the agri-food system with the values of Canadians.

At the same time, a meaningful dialogue on food policy presents challenges. Food is an exceptionally complex topic to deal with in a single policy initiative, as it encompasses science, culture, social organization, markets and economics, health and wellness, personal taste and preference, and individual philosophy. Many individuals, in different ways, define themselves in an intimate connection with food- from farmers to vegetarians, environmentalists, and social justice advocates- each with deeply held perspectives on the food system. There are also "camps" that coalesce around specific tightly held views, rallying their followers around themes or ideologies that they represent. The cohesiveness and unity of views among camps is often exaggerated. As such, the dialogue on a food policy

could easily become fragmented and mired in reductionist topic-by-topic discussions, retreating from the attempt to link the dialogue within a system and how the various participants can work better together. If this occurs, some groups could tempted to disengage, leaving the food policy discussion to a subset of others, perhaps advocating simplistic or extreme ideas relating to food. This would be unfortunate, and an important opportunity lost.

This policy note provides some perspective on a more balanced dialogue that is possible in advancing a food policy for Canada.

Standing and Scope

By nature, standing in a food policy dialogue will be broad and inclusive. In his book *In Defense of Food*, Michael Pollan makes reference to an "Eater's Manifesto"- we are all eaters, so all have a stake in a dialogue on food. One of the challenges will be to manage the scope of a food policy dialogue to be both sufficiently focused to be meaningful, and to be inclusive. Some tradeoff between standing and focus in scope will need to occur, simply because food branches extensively into so many broad areas of public policy- and life.

This is likely to lead to a protracted process, with considerable patience, anxiety, and tolerance for difference of views among groups required. It requires structure for focus, but structure seen as narrowing the legitimate dialogue will only punt difficult issues forward into the future and with the prospect for renewal of conflict. The complexity of

¹ https://www.canada.ca/en/campaign/food-policy.html

² http://www.fcrn.org.uk/research-library/food-2030-defrapublishes-new-food-strategy





the issues heightens the difficulties. Take three examples- health, poverty, and rural social policy.

Food and Health Outcomes

It is increasingly recognized that improved nutrition has important benefits in terms of promoting wellness and mitigating many of the risks of chronic disease. Thus, there is a temptation to hold out improvements in health outcomes as a metric for food policy- encourage the production and consumption of healthier foods, and rates of metabolic-related illness should decrease. Some feel that the agri-food system should be held accountable for specific health outcomes. Clearly the connection is a plausible one.

However, it is simplistic. Just because people should eat healthier doesn't mean that they will. People make "wrong" food choices all the time, for any number of reasons. Food choices are heavily influenced by psychology and cravings- a desire for comfort obtained through food, not all of which is healthy. For example, some view a post-exercise treat as a reward justified by exercise; for others, comforting foods ward off loneliness or anxiety. Food can also become an aspect of imbalanced and perverse personal behaviour, resulting in potentially serious unintended consequences.

Foods are important elements of celebration and sacrament and an expression of culture, and foods consumed on these occasions may not be among the healthiest of choices. Available time for preparation of healthier foods, or the perception thereof, can constrain the food choices made by individuals and families. Food costs and personal tastes and preferences also play an important role.

The Canadian diet has moved from an historic north European style to much more cosmopolitan fare, with imports and exports valuable across wide range of groups. We have to import products that are only grown outside of the northern temperate climate, such as oranges and rice, for example. 70 years ago,

these were rarely available year 'round at reasonable prices. Today they are staples and elements of our nutrition lexicon, and open trade and trade agreements are fundamentally needed to assure availability of such a wide range of foods.

It is likely that agricultural production and processing/distribution systems in Canada could be further developed to suit increased production of certain fruits and vegetables (as examples of relatively healthy foods) but the profitability incentive for farmers may not currently exist to increase the supply. Just because we can produce healthier foods does not mean there will be a market for it, and producers would need to see increased profitability over and above the farm products they currently produce. Existing producers of more healthy farm products might not appreciate a surge of new production competing with their own, especially when the output is highly perishable.

Moreover, the agri-food industry perceives that it has a stake in the food-health continuum- witness, for example, the concerns voiced by agri-food industry groups with regard to the structure of the new Canada's Food Guide, especially with regard to recommendations for animal proteins.

Imagining that people will mechanically or reliably eat healthier if healthier food is made more available or at reduced cost, or that greater production of these products will suddenly occur in Canada just because products are good for you, is simplistic- even as it is acknowledged that food and diet has a crucial role to play in health promotion.

Food and Poverty in Canada

In the lower income tier of households, the costs associated with obtaining food represent a highly significant share of budget, and for those in this group even small increases in food prices can limit access to a healthy diet. Reducing food prices and improving access to healthier food to help alleviate poverty



might reasonably be held out as a metric for a food policy.

However, the problems of poverty in Canada are complex. For example, especially in large urban areas in Canada, the costs of housing have been a rapidly increasing share of household budgets; retaining access to housing pressures budgets available for food for both working and non-working low-income households. For example, a report by the Ontario Association of Food Banks highlights that the costs of rent alone in many Ontario cities exceeds social assistance rates.³

Poverty also introduces critical time constraints as individuals and families must search for opportunities to meet basic necessities under a strictly limited budget. This can push some in the lower income strata toward more convenience-oriented and more processed foods that are less costly, but commonly lack the health characteristics of other foods.

For people enmeshed in this situation, policies that help to reduce food costs and improve availability are of benefit. However, this will not solve the problem of poverty in Canada, and may not result in major changes in healthier food being consumed among those in the lower income strata.

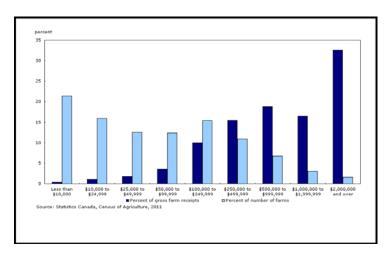
Agriculture, Food, and Rural Social Policy

Farms are getting larger, and the proportion of farm cash receipts accounted for by a relatively small number of very large farms is very high. This is shown in Figure 1 below from the 2011 census (similar data from the most recent census is not yet available). It shows that previously less than 10% of farms accounted for more than 50% of farm output. The largest 2% of farms alone, with cash receipts in excess of \$2 million, accounted for about one-third of the value of output. Conversely, the preponderance of farms are relatively insignificant in terms of

generating farm output. It can be anticipated that these trends will only be accentuated when the information for the 2016 census becomes available.

This evolution has been socially disruptive in many areas of rural Canada, and some view it as an outcome of an industrialized food agri-system. They long for an agrarian social-economic structure that existed in the past, and look for a unified food policy to restore more of this structure and reduce the incidence of what they regard as industrialized farming. Others take great pride in technological and management improvements that allow farms to operate profitably at increased scale and specialization.

Figure 1 Share of Farms vs Share of Farm Cash Receipts



Agricultural policy in Canada developed to facilitate rural settlement and to support farm households in operating effectively in a free-enterprise environment. Consistent with this, Canadian agricultural policy has supported research to provide farmers with technical tools that can address Canadian conditions, stabilization programming that supports efficient investment under volatile costs and returns, inspection resources that help maintain the

³ <u>https://oafb.ca/a-housing-benefit-would-reduce-the-need-for-food-banks/</u>





integrity of farm and food products, and marketing regulations that support farmers as an integral part of the supply chain.

Under these policies delivered by federal, provincial and territorial governments, Canadian agriculture has expanded and grown many fold since Confederation-largely through improvements in agricultural technology and management efficiency, rather than increases in the land base under cultivation. At the same time, the number of farms in Canada continues to decline, as it has ever since the 1931 census. As the land base has not decreased concomitantly, the scale of farms continues to increase- to an average exceeding 800 acres/farm according to the 2016 census.

The evolution toward fewer larger farms has come with benefits in increased efficiency and output; it has also been disruptive for rural communities. Historically farms were viewed as synonymous with households and families, and the core elements of rural communities and society. As farms evolve into fewer and larger, with many smaller farms part-time or hobby enterprises, it weakens the connection between farms and households, and the role of commercial farms and farmers in rural communities has changed. As such, some of the assumptions and motivations for agricultural policy could be stressed going forward. One size will not fit all in terms of policy, and issues such as appropriate municipal property tax burdens, and municipal rules regarding severance or demolition of unused farm dwellings from expanding farms versus smaller farms will continue to be a source of active debate.

However, a national food policy will not simply turn the clock back on Canadian agricultural development-nor should it. Attempting to do so would come at great costs in terms of efficiency and competitiveness to the Canadian agri-food sector, the cost impacts reverberating throughout the food system. Rural communities will need to continue to adjust to changes in farm structure, understanding that the prospect for policy influences exist, but only at the

margins. For example, the scale of some farms in the US greatly exceed that in Canada, particularly in livestock. While this has created some concerns regarding comparative cost competitiveness in Canada, it also lends itself toward relatively more farms operating independently on the landscape in Canada- even as they have grown in size over timewith positive effects on retention and enhancement of rural communities.

The Prospects and Risks of Food Partisanship

Consistent with the above examples, the nature of public dialogue on food can be sorted into what amounts to three identifiable "camps". One advances the view that the agri-food system has been shaped to supply large amounts of cheap, poor quality food at high costs to human health and the environment. A second camp emphasizes a view that the agri-food system has organized itself to favour the upper and middle class and restrict access to good food on behalf of the poor. A third is ensconced in the achievements of technology and management in increasing food availability and agri-food system profitability, without being broadly inflationary. There is varied overlap in views between the groups. The first two camps find agreement in their views that the current food system appears to be hopelessly broken (but for very different reasons). The third group is largely in a defensive tack, fending off criticisms by the other two.

The first camp most is most closely tied to the culinary and environmentalist communities. Its intellectual leaders are Michael Pollan and Mark Bittman, both food journalists. It emphasizes concerns relating to the health of foods- both from a nutritional perspective and the use of artificial ingredients and prospective effects- and environmental concerns, especially the use of fossil fuel energy in food production, fertilizers, pesticides, other synthetic inputs, and some technologies such as genetic modification. It associates these with

A Food Policy for Canada: Toward a Balanced Dialogue



industrialization of agriculture. Broadly speaking, this camp advocates for less intensive farm production, renewal of a more pastoral rural landscape, and local-sourced, natural, and higher quality foods.

The second camp has links to the social justice movement. It is concerned with the role that food companies have in limiting access to food for people in lower income situations, and fragmented across different racial, cultural, gender identity, and perhaps other groups. It highlights the problems of access to affordable food- due to food prices, the problem of "food deserts" in large urban areas, and the costs/availability/quality of healthy foods- notably fresh produce. This camp views with suspicion food retailers and distributors that it sees as discriminating against its constituency, and worries that food manufacturers and agricultural producers have been complicit in this discrimination.

The third camp broadly contains mainstream agricultural producers, input suppliers, food manufacturers, and elements of feed retail and distribution. However, there are important factions within the camp. For example, farmers and processors find common ground on many issues, but retain long-term suspicion of one another on others, especially in farm products marketing. The factions also split as some members in retail and processing adopt selected positions of the culinaryenvironmentalist camp, such as voluntary labeling of products from genetic modification, over the objections of others within the camp. A frequent error is to imagine that this camp broadly sings from the same song sheet, although they often represent themselves in this way.

This camp has generally coordinated around a positive message that the food system is safe, environmentally friendly, economically important, and that agriculture is cool. It tends to view its critics as outsiders, or as uninformed. Alternatively, it could be viewed as historically leaving too many other stakeholders out of the agri-food policy process or

only paying lip service to their concerns, and now reaping what it has sowed.

This segmentation into camps risks a fragmented dialogue, rather than one based on a commonly recognized central core agenda that the groups can agree on and debate, or on an informed researched basis for tradeoff and compromise. Many positions staked on food by the camps reek of purist fallacies-extreme estimates of benefits (pure and clean environment, complete and full nutrition for all) or what amount to infinite costs placed on "bads" (pesticides in the environment, public health and obesity, fewer small farms).

As a hypothetical example, the first camp may raise the issue of pesticides as an absolute- seeking complete removal from the food system based on an environmental perspective; the second camp cares about the costs that it perceives that pesticides may contribute to the costs of food; the third camp promotes the thorough review and improving safety of pesticides in foods, and stokes fear on the costs and implications of removal of any pesticide. This type of dialogue would be unlikely to produce much real progress on pesticides- or any other issue.

At its worst, one of the camps may be successful in raising an issue to the level of a parable or critical indicator from which to rally around, and crowd out evidence in so doing. The current, misplaced dialogue and priority on the renewal of glyphosate as a herbicide in the EU would appear to be an example of this.

Toward a More Balanced Dialogue

The potential difficulty, and opportunity in the Food Policy discussion, is thus to bring stakeholders together in such a manner that they will be prepared to depart from camp orthodoxy and see the value in compromise. This will require an acknowledgement of the complexity of the matters discussed, and a belief that compromise could lead to something worthwhile. Some of this falls to clever dialogue





facilitation structure and format. But it also speaks to fundamental aspects that require addressing.

Provincial and territorial governments need to be involved intimately in the dialogue, with federal and provincial governments creating policy space for change and committed to a Food Policy. Agriculture is fundamentally federal-provincial-territorial in orientation, and practically little can happen unless the provinces are committed. Provinces and territories, for their part, should be motivated by the prospect of increased federal authority as Section 121 of the Constitution Act is interpreted under the New Brunswick beer dispute, with hearings being held by the Supreme Court of Canada in December 2017. But for now, federal authority in agriculture is limited, and requires extensive coordination with provinces and territories in order for significant changes to occur.

Moreover, even within the federal government, many interests are involved. This includes the Ministries of Health, Natural Resources, Environment and Climate Change, Transportation, and Infrastructure and Communities (and perhaps others). Among most of these, Agriculture and Agri-Food Canada would correctly be seen as a more junior ministry, and the initiatives advanced in the Food Policy will need to engage their priorities.

The dialogue will need to get past the dichotomy in which the food system is seen as either hopelessly broken (the first two camps) or working just fine (the third camp). The contrast in views seems to assume that there is either a refusal to address problems in the food system, or conversely that there are no problems to address.

But extensive work is ongoing dealing with food industry problems, and gaps and needs for changes in policy. For example:

- Ministers of agriculture agreed to conduct a review of business risk management programming at their summer 2017 meeting
- Work is ongoing with the industry and the Pest Management Regulatory Agency regarding approvals for certain classes of pesticides
- The Canadian Grain Commission is reviewing its grading standards
- Canada's Food Guide is undergoing a significant revision
- Policy initiatives to greenhouse gas emissions and runoff from agriculture are an ongoing interest, especially among provincial governments

More generally, as Lusk (2017)⁴ has argued for the US, some of the views of groups simply lack awareness of context or policy work already being undertaken. The point is that there are important problems in the Canadian agri-food system, as there always has been, and that work is in progress on many of them. With this acknowledged, it is entirely possible that existing work is not broad enough to meet growing demands and increased standards.

Expectations of the parties in terms of outcomes from the Food Policy dialogue need to be realistic, and probably modest in the short term. In particular, if some see the process as an opportunity for redress from historic inequities, or seek a fundamental change in policy, they will likely be disappointed. Because of the nature of federal-provincial authorities and inherent complexity of the topics, there will be no stunning policy outcome here that sends the Canadian food system in some bold new direction. Rather, what could occur is mutual recognition of standing among the participating parties and a commitment to

⁴ Jayson L Lusk. "Evaluating the Policy Proposals of the Food Movement" Applied Economic Perspectives and Policy (2017) volume 39, number 3, pp. 387–406





identify and work together in issues in policy development over time, guided by direction and aspirational statements agreed to in a Canadian Food Policy.

With this in mind, a National Food Policy Council has been proposed as a coordinator for ongoing development of a National Food Policy. It would address "the lack of a specialized agency to monitor and improve coordination across departments and levels of government involved in food, and a lack of inclusivity in food policy-making". If constituted, the council could provide a cohesive platform from which to discuss issues, and a means to overcome the potential risks of the dialogue. But the logic of the council is one of process over time and an evolving food policy, and not a push toward a short-term outcome and policy document to be celebrated but then set in stone, and not to be revisited for some number of years.

Conclusion

The Food Policy dialogue in Canada presents an opportunity to better align interests in the Canadian agri-food system. New voices are present at the table to join established groups to understand how we can work better, together. It will be important to focus the dialogue and set reasonable expectations for this to be a reality.

The agri-food system is sufficiently complex and knowledge segmented that no single group can have all of the answers. This both underscores the need to work together and raises the danger of parties working autonomously and at odds, advocating for simplistic policy prescriptions seen as in the interest of their supporters. The food policy discussion is complex and should be complex, and that complexity should be embraced in an ongoing and patient policy development process, rather than lame or politically

correct attempts to somehow correct for poor analysis by some, or weak science by others. It is not consistent with "quick wins" often sought to placate specific groups or to fulfill campaign promises.

If the camps represented use the Food Policy to solidify their base, at the expense of others involved, it will not lead to future cooperation, and could lead some to step away from the process completely- with others encouraging government to take up their cause. Food Policy organizers need to be attuned to this possibility and prudent in their efforts to get the groups to a common agenda and working together, with realistic ambitions for what can occur, and what the real time frame should be.

⁵ *The Case for a National Food Policy Council* Report by the ad hoc Working Group on Food Policy Governance Oct. 2, 2017 https://arrellfoodinstitute.ca/policy-council/