Rural Caucus



For a Canadian Food Security Strategy

A. Agricultural and Food Processing Development

- 1. Enhance Domestic Processing Facilities: Establish incentives for building and upgrading food processing facilities across Canada to reduce the export of raw agricultural products and increase domestic value-added processing. This initiative could support projects like the Yukon government's mobile slaughter facility, which is fully licensed, inspected, and certified to meet the seasonal and year-round needs of the local livestock sector, thereby increasing local meat processing capacity.
- 2. **Invest in Research and Development:** Fund research initiatives focused on sustainable agricultural practices, precision agriculture, and advanced food processing technologies to drive innovation in the sector. For example, Canadian farms using automated guidance steering systems for planting field crops have seen improved productivity. More farms could benefit with increased funding directed to programs like the <u>AgriScience Program</u> and the <u>AgriInnovate Program</u>, which support similar innovations by funding research that facilitates the adoption of precision agriculture technologies.
- 3. **Streamline Regulatory Processes:** Simplify and harmonize regulations across provinces to remove barriers that hinder the development and expansion of agricultural and food processing businesses. For example, the regulatory challenges faced by plant breeding

techniques using gene editing, which experience commercialization lags in Canada compared to other countries, illustrate the need for a streamlined approach. By harmonizing provincial regulations and establishing a national framework, these regulatory lags could be eliminated, accelerating the approval and adoption of innovative agricultural technologies.

- 4. **Support Rural Infrastructure Development:** Invest in rural infrastructure, including transportation and broadband internet, to enable efficient food processing and distribution in remote areas and resolve transportation bottlenecks. For example, expanding "cold chain" infrastructure to improve the transportation of fresh produce across Canada is key one change that could significantly enhance the efficiency of food processing and distribution in rural areas.
- 5. **Promote Public-Private Partnerships:** Encourage partnerships between government, academia, and the private sector to foster innovation and development in agricultural technology and food processing. For instance, the Council recommends leveraging public procurement policies, like the proposed National School Food Program, to work with local producers and private companies, ensuring schools receive fresh, locally sourced foods while supporting local agriculture.

B. Role of Temporary Foreign Workers (TFW)

- 1. Enhance Flexibility and Efficiency in the Temporary Foreign Worker Program: Improve the Temporary Foreign Worker Program to better address labor shortages in rural communities. This could include making the Recognized Employer Pilot (REP) a permanent program after 2026, as it streamlines the hiring process for trusted employers, and implementing a regional approach that allows multiple employers to share the costs and responsibilities of hiring temporary foreign workers. These measures would ensure a stable labor supply, particularly in seasonal agriculture, which is vital for maintaining food security in rural areas.
- 2. **Improve Worker Protections:** Implement stronger legal protections and oversight to ensure that Temporary Foreign Workers (TFWs) receive fair wages, safe working conditions, and access to healthcare. The <u>Agri-Food Pilot</u> program already enforces strict guidelines for worker safety and fair wages. Extending these standards across all TFW programs would ensure that all TFWs benefit from enhanced protections and access to essential services.
- 3. **Expand Pathways to Permanent Residency:** Develop more accessible and transparent pathways for Temporary Foreign Workers (TFWs) to transition to permanent residency, particularly for those in high-demand agricultural roles. Expanding the <u>Agri-Food Pilot</u>, which prioritizes specific roles in meat product manufacturing and greenhouse production

for permanent residency, to include other high-demand agricultural positions would help retain skilled workers in key agricultural sectors.

C. Promoting Local Consumption:

- Implement 'Buy Local' Campaigns: Launch nationwide and regional campaigns to
 raise awareness about the benefits of purchasing locally-produced food, emphasizing
 environmental, economic, and health impacts. For example, the Ontario Local Food Act
 encourages public sector organizations to set goals for buying local food, and a similar
 nationwide campaign could leverage public procurement policies to boost demand for
 local products.
- 2. **Integrate Local Food into School Programs:** Introduce policies that require or incentivize schools to source a significant portion of their food locally while integrating local food education into the curriculum. For example, Canada's National School Food Program could be modeled after the U.S. Department of Agriculture's <u>National School Lunch Program</u>, which prioritizes domestically grown food, ensuring that schools source a significant portion of their food locally.
- 3. Subsidize Farmers' Markets: Provide financial support and logistical assistance to farmers' markets, especially in underserved areas, to increase access to local foods. This could draw on models like the federal <u>Local Food Infrastructure Fund</u>, which provides grants to organizations working to enhance access to healthy, local foods in these regions.

D. Fair Profit Distribution

- 1. **Establish a Fair Trading Code:** It is important for all five major grocery chains to adopt and implement the Grocery Code of Conduct, as it plays a vital role in ensuring transparency and fairness in dealings between grocery retailers and suppliers. The code's effectiveness in protecting small and medium-sized producers from unfair practices and fostering a more equitable trading environment depends on the commitment of these major chains.
- 2. **Introduce Profit-Sharing Models:** Encourage profit-sharing initiatives between retailers and producers to ensure that profits are distributed more equitably across the supply chain. By implementing these models, particularly in sectors where large retailers dominate, the balance of power can be more evenly distributed, ensuring that smaller producers receive a fairer share of the profits.
- 3. **Support Cooperative Models:** Promote the formation of producer cooperatives in various agricultural sectors beyond dairy, empowering farmers to negotiate better terms with retailers and processors, thereby improving their bargaining power and profitability.

The government could provide financial incentives, such as grants or low-interest loans, to help farmers cover the initial costs of establishing and maintaining these cooperatives, making it easier for them to collaborate and succeed in the market.

E. Impact of Free Trade Agreements:

- 1. **Conduct Impact Assessments:** Regularly assess the impact of existing and proposed free trade agreements on domestic agriculture, ensuring that they do not disproportionately harm Canadian producers, similar to how global food security strategies are assessed.
- 2. **Negotiate Protective Clauses:** In future trade agreements, include clauses that protect sensitive sectors like dairy, poultry, and other supply-managed industries from unfair competition. These clauses could establish import quotas, tariff adjustments, or require that foreign goods meet Canadian standards, ensuring that domestic producers are not disadvantaged by lower-cost imports.
- 3. Ensure Compliance and Efficiency in Trade under Free Trade Agreements:

 Leverage the recommendations from the National Supply Chain Task Force by adopting automation technologies and innovations within the Canadian Food Inspection Agency (CFIA) to provide 24/7 inspection and monitoring services at key ports of entry. This will ensure that Canadian goods can efficiently meet the standards and requirements set out in free trade agreements, thereby enhancing the resilience and competitiveness of Canadian exports in global markets.

F. Protecting Supply Management Systems:

- 1. **Support Innovation within Supply Management:** Provide targeted funding for research and development in supply-managed sectors, such as dairy, poultry, and eggs, to drive innovation that improves efficiency and product quality while maintaining market stability. For example, the adoption of robotic milkers in the dairy sector has enhanced productivity, and similar innovations, like automated egg collection systems in poultry farming, could further strengthen these industries.
- 2. **Promote Public Awareness:** Educate the public on the benefits of supply management systems, including their role in stabilizing prices, ensuring food security, and supporting local economies. Highlight how innovations, such as robotic milkers and precision feeding technologies, enhance quality standards and sustainability. By increasing public understanding, these campaigns can build stronger support for protecting supply management systems against policy changes or trade pressures.

3. **Foster Collaboration within the Sector:** Encourage collaboration between supplymanaged producers, local distributors, and other stakeholders to explore new markets and products that enhance sector sustainability and profitability. For example, building partnerships to develop shorter, more local supply chains can help reduce greenhouse gas emissions, prevent food loss and waste, and increase the resilience of supply-managed sectors. This kind of collaboration could ensure that the sector can better withstand global disruptions like those experienced during the COVID-19 pandemic.

G. Future of Fisheries and Food Security:

- Support Sustainable Fisheries Management: Implement policies that ensure sustainable fishing practices, including stricter quotas and better monitoring, to protect fish stocks and ensure long-term food security. Eliminate harmful subsidies that drive overfishing, and redirect those funds toward public investments in sustainable fisheries, as outlined in the 2014 <u>High Level Panel of Experts on Food Security and Nutrition</u> report.
- 2. **Invest in Sustainable and Environmental Aquaculture Development:** Provide funding and technical support for **sustainable** aquaculture projects that can increase domestic seafood production while minimizing environmental impacts. For example, Samonix is a new enterprise with the goal of growing land-based aquaculture of Atlantic salmon in the Outaouais. It aligns with Quebec's bio-food policy, using tank culture technology with recirculation and water treatment (RAS Systems). It uses the principles of the circular economy.
- 3. **Enhance Fisheries Infrastructure:** Invest in infrastructure improvements for fishing communities, such as modernized ports, processing facilities, and cold storage, to increase efficiency and reduce post-harvest losses. By upgrading local infrastructure, fishing communities can better preserve and process their catch, reducing waste and increasing the availability of fresh, high-quality seafood.

These recommendations are designed to be practical and actionable, addressing key challenges while supporting the long-term sustainability and prosperity of Canada's agriculture, food processing, and fisheries sectors.

ANNEX

OTHER RECOMMENDATIONS FOR EACH THEME

A. Agricultural and Food Processing Development

B. Role of Temporary Foreign Workers (TFW)

- 1. **Enhance Employer Accountability:** Introduce stricter enforcement mechanisms to hold employers accountable for mistreatment of TFWs, including penalties and the possibility of losing their eligibility to participate in the TFW program.
- 2. **Increase Support Services for TFWs:** Expand support services such as language training, legal assistance, and cultural orientation programs to help TFWs integrate and protect their rights, leveraging successful elements of the Agri-Food Pilot to enhance their integration into Canadian society.

C. Promoting Local Consumption

- 1. **Support Local Food Hubs:** Establish and fund local food hubs that aggregate, distribute, and market locally-produced foods to consumers, schools, and other institutions. (Note: local infrastructure food fund already renewed and expanded in Budget 2024.)
- 2. **Develop Local Food Certification:** Create a certification program that highlights products grown, processed, and sold within local regions, helping consumers easily identify and choose local foods.

D. Fair Profit Distribution

- 1. **Legislate Fair Pricing Mechanisms:** Develop and enforce fair pricing legislation that prevents predatory pricing practices and ensures that producers receive a fair price for their goods.
- 2. **Facilitate Access to Direct-to-Consumer Markets:** Support the development of online platforms and logistical networks that allow producers to sell directly to consumers, reducing reliance on intermediaries and improving profit margins.

E. Impact of Free Trade Agreements

- 1. **Monitor Compliance with Trade Agreements:** Establish a robust monitoring system to ensure that trading partners comply with agreed-upon standards, particularly in areas like food safety and environmental protection.
- 2. **Promote Diversification of Export Markets:** Encourage Canadian producers to diversify their export markets to reduce reliance on a few countries, thereby enhancing resilience against global market fluctuations.

F. Protecting Supply Management Systems

- 1. **Defend Supply Management in Trade Negotiations:** Maintain strong advocacy for supply management systems in all trade negotiations to ensure that these systems remain intact and are not undermined by external pressures.
- 2. **Ensure Fair Compensation for Quota Reductions:** If any reductions in production quotas are necessary due to trade agreements or other factors, ensure that producers are fairly compensated to mitigate financial losses.

G. Future of Fisheries and Food Security

- 1. **Promote Marine Conservation:** Collaborate with environmental organizations and fishers to establish and maintain marine protected areas, balancing conservation efforts with the needs of fishing communities to sustain food security.
- 2. **Expand Market Access for Small-Scale Fishers:** Develop programs that enhance market access for small-scale and Indigenous fishers by focusing on direct-to-consumer sales and local processing facilities. Supporting local market arrangements, such as procurement for school meal programs, could integrate fish into national food security policies while boosting local economies, in line with recommendations outlined in the 2014 report by the High Level Panel of Experts on Food Security and Nutrition.