

Grown-in-Canada Label: Marketing Alberta's Agri-Food Industry

Issue

The agriculture industry significantly contributes to Alberta's economy and enhancing the strength of the sector is an important priority. It is particularly important for Alberta's agri-food industry to market their products in a way that reflects the link between 'Grown-in-Canada' product and a supply chain, environment, standard, and identity that is uniquely and 100% Canadian.

Background

Country of Origin (COO) labelling is regulated by the Government of Canada and labelling standards must comply with the World Trade Organization Technical Barriers to Trade Rules¹ and Codex standards which serves to prevent protectionist agendas and technical barriers to trade. Within this regulatory framework, it is particularly important for Alberta's agri-food industry to champion a voluntary 'Made in Canada' brand in order to increase value and to provide a marketing link between grown-in-Canada product and the strong Canadian standards for food safety and environmental stewardship.

COO labelling is viewed as a critical mechanism to help ensure consumers can correctly connect with products, enable producers to adapt production to meet consumer demands and expectations and promote social or political economic objectives (e.g. health outcomes, growth in desirable sectors, increased exports).² Informing consumers of the origin of food products via labelling is motivated by the recognition that geography is often correlated with a product's overall quality, or, in the stronger case, geography may even be a determinant of a product's ultimate realized quality.³

'Canada's Economic Strategy Tables' on Agri-food reports that Canada has the opportunity to be "recognized as the most trusted, competitive and reliable supplier of safe, sustainable, high-quality agri-food products and an innovator in value-added products to feed the dynamic global consumer" but requires a unified campaign focused on marketing the agri-food industry both domestically and internationally.⁴ The agri-food industry also includes value-added agriculture and agri-food processing which are often forgotten as a vital part of the industry. With the agri-food industry target set to increase by over 27% to \$225 billion dollars in 2025⁵, all sectors must be given the opportunity to reach their full potential through a unified COO brand.

There is robust support from all levels of the supply chain for a unified 'Grown in Canada Brand'. In a report by MNP on consumer demands for a Canadian Label, over 90 per cent of Canadian consumers felt Canadian-grown product should be easily identifiable in stores and 95 per cent of consumers would

¹ https://www.wto.org/english/tratop_e/tbt_e/tbt_e.htm

² Consumers' Preferences for Geographical Origin Labels: Evidence from the Canadian Olive Oil Market

³ (Barham, 2003; Josling, 2006). In consumers preference

⁴ Canada's Economic Strategy Table: Agri-food': 2 [https://www.ic.gc.ca/eic/site/098.nsf/vwapi/ISED_C Agri-Food_E.pdf/\\$file/ISED_C Agri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapi/ISED_C Agri-Food_E.pdf/$file/ISED_C Agri-Food_E.pdf)

⁵ Canada's Economic Strategy Table: Agri-food': 3 [https://www.ic.gc.ca/eic/site/098.nsf/vwapi/ISED_C Agri-Food_E.pdf/\\$file/ISED_C Agri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapi/ISED_C Agri-Food_E.pdf/$file/ISED_C Agri-Food_E.pdf)

prefer to buy Canadian-grown product that is competitively priced. Similarly, in a report from the Next Agriculture Policy Framework (NAPF), there is also strong support from the agri-food industry in Alberta to enhance public perceptions about the quality, safety, and sustainability of the agriculture sector. Industry indicated that a priority for the NAPF should be to enable market access and develop market opportunities to foster growth.⁶ Given the importance of market development to the agri-food industry and the key priority set forth by the NAPF of “expanding domestic and international markets to seize key opportunities and address emerging needs” and “improving the growth of the value-added agriculture and agri-food processing sector”⁷, marketing the agri-food industry should be a priority for the Government of Alberta.

There are currently opportunities for marketing the agri-food industry. The Government of Canada is preparing a five year, multi-million-dollar advertising campaign to better connect Canadians with their food.⁸ This includes between \$1.5 million - \$4 million dollars to refresh branding and developing ways to increase product of Canada stickers.

Given the size of the agriculture industry in Alberta, the provincial government should be partnering to promote locally grown and processed agriculture products to position the Alberta agriculture industry as a leading force in Canada. The NAPF also includes the AgriMarketing program, a federal-only program, which provides funding for market development and promotion activities.⁹ In 2019, the Federal government unveiled the ‘Canada Brand’ which includes a suite of tools including graphics, images and messaging that can help you brand your products and leverage consumers' positive perceptions of Canada. However, the qualifications for the brand include even more lax qualifications than “Made in Canada” and “Product of Canada” labels.¹⁰ While this is a step in the right direction, products that are ‘grown in Canada’ signify a supply chain, environment, standard, and identity that is uniquely and 100% Canadian.

The Alberta government has a responsibility to market Alberta’s agriculture, particularly when there is a very clear mandate from the agriculture industry in Alberta to promote locally grown, sourced, and produced food and demand for easily identified Canadian products. However, while there are various opportunities for marketing the agri-food industry, there is no distinct, recognizable, and unified brand. Products with a regulated COO can command between 21% - 39% higher price premiums compared with non-regulated regional labels.¹¹ This serves to reinforce the importance of a distinct, recognizable, and unified ‘Grown in Canada Brand’. Therefore, because of the prominence of the agri-food industry in Alberta, Alberta is uniquely positioned to take the lead on creating a ‘Grown in Canada brand’ that reflects the safe, sustainable and high quality agri-food products.

⁶ Next Agricultural Policy Framework: What We Heard Report – 2

<https://cap.alberta.ca/CAP/download/AGUCMINT-4795873>

⁷ Calgary Statement <http://www.agr.gc.ca/eng/about-our-department/public-opinion-research-and-consultations/consulting-on-the-next-agricultural-policy-framework/calgary-statement-towards-the-next-policy-framework/?id=1468864509649>

⁸ <https://globalnews.ca/news/6435463/buy-canadian-promotional-campaign/>

⁹ NAPF report

<https://www.ourcommons.ca/Content/Committee/421/AGRI/Reports/RP8717216/agrip05/agrip05-e.pdf>

¹⁰ <https://marquecanadabrand.agr.gc.ca/intro/index-eng.html>

¹¹ A Meta-Analysis of Geographical Indication Food Valuation Studies - 214

Not only will an Alberta led 'Grown in Canada' brand advocate for a prominent industry in Alberta, it provides the opportunity to expand the domestic market, increase awareness among the public of the high standards in the agri-food industry, and signify products that are 100% Canadian.

The Alberta Chambers of Commerce recommends the Government of Alberta:

1. Work with the Government of Canada to expand on "Canada Brand" to create a voluntary, "Grown-in-Canada" label that would identify with 100% Canadian-grown product that would include a single unified label, logo, image, and theme;
2. Ensure the Next Agricultural Policy Framework works to develop branding skills, knowledge and awareness of opportunities in the agri-food industry; and
3. Work with the Government of Canada to develop a unified public education strategy showcasing the agri-food industry's practice of environmental stewardship resulting in reliable, sustainable and high-quality agri-food and value-added products.