

Grown-in-Canada Label: Marketing Alberta's Agri-Food Industry (2023)

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 Rules¹⁶ 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).¹⁷ 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.¹⁸

The What We Heard Report (2021) released as a result of the consultation held on the Next Agricultural Policy Framework stated Public Trust as a current and emerging challenge facing the sector (p.9). "Respondents conveyed that educating the public and promoting the great work that occurs across the value chain is very important for the success of the industry, now and for years to come."¹⁹ A unified campaign focused on marketing the agri-food industry both domestically and internationally is required to educate the public and promote Alberta and Canada's agri-food industry.

The agri-food industry includes value-added agriculture and agri-food processing which are often forgotten as a vital part of the industry. The same What We Heard Report noted "Value-Added Growth and Attracting Business to Alberta" (p.8) as a significant growth opportunity for the industry.

¹⁶ https://www.wto.org/english/tratop_e/tbt_e/tbt_e.htm

¹⁷ Consumers' Preferences for Geographical Origin Labels: Evidence from the Canadian Olive Oil Market

¹⁸ Barham E. (2003) "Translating Terroir: The Global Challenge of French AOC Labelling," *Journal of Rural Studies* Josling T. (2006) "The War on Terroir: Geographical Indications as a Transatlantic Trade Conflict" *Journal of Agricultural Economics*

¹⁹ Government of Alberta. 2021. What We Heard Report. <https://www.alberta.ca/assets/documents/afred-what-we-heard-report-next-policy-framework.pdf>

With the agri-food industry target set to increase by over 27% to \$225 billion dollars in 2025,²⁰ all sectors must be given the opportunity to reach their full potential through a unified COO brand.

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 Next Agricultural Policy Framework (NAPF) also includes the Agri- Marketing program, a federal-only program, which provides funding for market development and promotion activities.²¹ In 2019, the Federal government unveiled the 'Canada Brand' which is currently undergoing a brand refresh. This branding toolbox has included a suite of graphics, images and messaging that can help brand 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.²² 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.²³ 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.

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 Chamber 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. 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.

²⁰ Canada's Economic Strategy Table: Agri-food': 3 [https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISED_C_Agri-Food_E.pdf/\\$file/ISED_C_Agri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISED_C_Agri-Food_E.pdf/$file/ISED_C_Agri-Food_E.pdf)

²¹ NAPF report <https://www.ourcommons.ca/Content/Committee/421/AGRI/Reports/RP8717216/agrip05/agrip05-e.pdf>

²² <https://marquecanadabrand.agr.gc.ca/intro/index-eng.html>

²³ A Meta-Analysis of Geographical Indication Food Valuation Studies - 214