

Canada's two leading red meat sectors are beef and pork — with pork exports totalling \$1.3 billion in 1999 and representing 40 percent of Canadian production, Canada is the world's largest pork exporter outside of the European Union. With \$1.7 billion in exports in 1999, Canada is the fourth-largest beef exporter in the world outside of the European Union. These considerable sales are a result of efficient production methods, access to economical feed supplies, modern technology, strict inspection standards and Canada's superior breeding stock.

The development of superior dairy, beef and swine genetic material has translated into sales of over \$253 million in 1998 to more than 70 countries.

## PROCESSED FOODS AND BEVERAGES

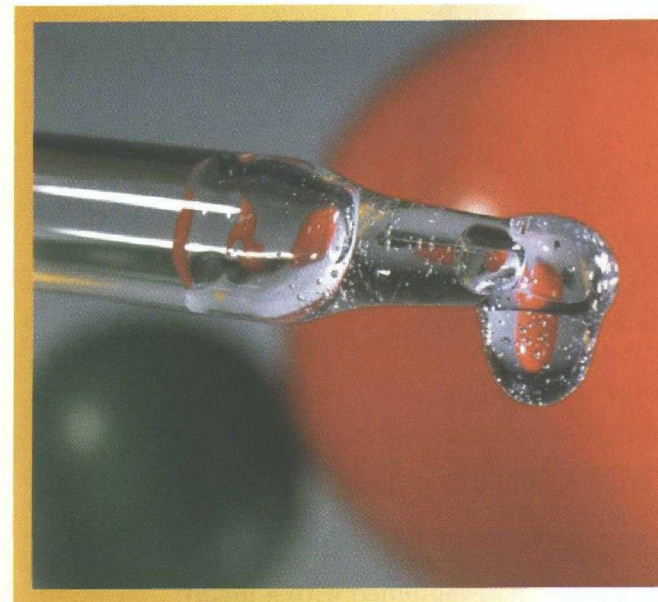
Canadian exports of consumer-oriented agri-food products have grown significantly over the last few years, from \$6.8 billion in 1996 to \$10.2 billion in 1999. Meat and poultry products top the list. Canada's meat processors specialize in red meats, including beef, veal, pork, lamb and horse, as well as a wide variety of other products ranging from fresh and frozen meats, to processed, smoked, canned and cooked meats, to sausage and deli meats. Following meat products in importance are dairy and cereal products, which include flour, baked goods, breakfast cereals, feeds and pasta. Other important exports are wines and spirits, fruits and vegetables, seafood products, soft drinks, confectioneries, vegetable oils and snack foods.

Canadian processed-food and beverage companies make good international partners. While Canada's larger processors ship a wide variety of foods, many smaller firms have become competitive by using flexible processing equipment and production facilities, allowing them to produce an attractive array of products. By adapting their production facilities, smaller firms can process private-label brands for retailers and other manufacturers under co-packing agreements and respond more quickly to specialized product and market opportunities.

## CANADA'S R&D ADVANCES IN FOOD AND BEVERAGE PROCESSING ARE SECOND TO NONE.

## RESEARCH AND DEVELOPMENT

Canada's research and development (R&D) advances in food and beverage processing are second to none, and R&D costs in Canada are highly competitive. Canada's academic and government research institutions house an impressive network of research professionals in food sciences and related disciplines. These institutions, comprising 11 universities and 18 federal agri-food research centres, work together to create multi-disciplinary research teams that collaborate with industry clients.



Canadians are clearly the main beneficiaries of this dedicated approach to technological innovation in the processed-food and beverage industry. The industry, however, welcomes investment in Canada and partnerships abroad, and entrepreneurs and consumers in other countries are taking advantage of Canadian advances in this field.

## BIOTECHNOLOGY

Canada's long-standing history of agricultural research expertise has made it a world leader in agricultural biotechnology. The new Canadian Biotechnology Strategy is designed to ensure that Canada remains a responsible provider and user of biotechnology products and services. In practice,

this means more product choices for farmers and consumers, improved food quality and safety, as well as environmental benefits. It also means careful management of biotechnology products and services, with regulations based on sound scientific procedures and data.

Forty-four percent of all biotechnology product and service revenue in Canada now comes from agricultural biotechnology — from both major multinational firms and small, innovative Canadian companies, which bring the results of their research to markets around the world. The Canadian government has already assessed and approved more than 30 agricultural biotechnology products, and thousands of controlled product field trials are now under way.

The agricultural biotechnology field also benefits from Canada's impressive R&D environment, which includes tax incentives and a large base of highly skilled workers. Canada's many centres of agricultural biotechnology excellence are enjoying the fruits of valuable partnerships between universities, governments and business, enabling Canada to continue to use its expertise to meet the world's food needs.

