

2. Current Access Constraints

Food products face a variety of trade constraints including prohibition of imports (e.g. certain Caribbean countries), foreign exchange controls (South America), quotas (E.E.C., Japan) and minimum import prices (E.E.C., Japan). Indirect constraints include phytosanitary, veterinary and labelling regulations, cultural requirements (e.g. halal slaughter for meat to Moslem countries) and subsidized exports by certain countries (E.E.C.).

In the agriculture sector, veterinary health regulations restrict exports of breeding animals to several markets, e.g. the E.E.C., U.S.S.R. and China. Some individual U.S. states also impose requirements that differ from national regulations. Phytosanitary access for seed potatoes to the E.E.C. is a continuing problem with implications for us in third markets where the E.E.C. is a competing supplier. Apples face an import ban in Japan, officially for plant health protection reasons. Variety testing and licensing represents an increasing barrier to Canadian forage seeds in Europe and other markets. Dehydrated alfalfa cannot compete freely with U.S.A. products in South Korea; other feed ingredients encounter import bans - South and Central American countries for technical or foreign exchange reasons.

3. Canadian Export Capabilities

Food processing is well developed in Canada with plants located in all regions. Approximately 12% of production is exported, but industries in the sector have adequate capacity to expand output to meet additional demands. However, Canada's competitiveness is reduced by a number of domestic influences, notably actions of marketing boards and relatively high labour costs in some industries. Currently, the high value of the Canadian dollar vis-à-vis other currencies is also reducing our competitiveness.

Except for limitations imposed by annual crop or animal reproduction cycles, exportable supplies of most of the primary agricultural products are adequate. Size and experience of individual exporters or producing organizations are more likely to be limiting factors.

4. Proposed Promotional Activities

Activities in the livestock sector include participation in 7 major international livestock shows (Europe, Asia, Latin America) and sponsorship of technical seminars, incoming and outgoing missions and visiting buyers. Support will be increased for horticultural product organizations to promote exports on a generic basis. The Department will sponsor participation in 3 nursery trade shows in the U.S.A. and host several incoming missions for specific horticultural commodities in 1985. Sales missions to specific markets are planned for pulses and tobacco. Food product promotion activities will include participation in 6 major international food exhibitions, 5 regional shows in the U.S.A., 8 solo food shows, plus retail promotions in stores and restaurants, and various missions.

Our continued support for exporters and industry associations will emphasize information and counselling on markets, judicious use of the PEMD program, and improved coordination of marketing efforts between the federal and provincial agencies involved.