

Agriculture and Agri-food



Canada is a leading producer and exporter in the increasingly sophisticated international food and beverage marketplace. Not only is it the perfect place to shop for competitively priced products and technologies, but it also offers enticing investment opportunities and strategic alliance partnerships.

Capital investment in Canadian-based food and beverage processing now totals more than \$2 billion a year. Offering an internationally respected agri-food inspection system, Canada is highly committed to food safety and quality. It also welcomes and encourages investment in its food and beverage sector through policies that promote investment and growth. Over three quarters of the world's leading companies have already invested in Canadian processing facilities, confirming Canada's reputation as the most lucrative investment location in North America.

Under the North American Free Trade Agreement, Canadian agri-food companies have gained preferential access to the U.S. and Mexican markets of close to 370 million consumers. In 1999, Canadian agri-food companies recorded \$21.7 billion in sales, mostly to customers in the United States, Japan, the European Union, China and Mexico. The secret to Canada's success in this area has been a combination of high-quality foodstuffs and dramatically improved efficiency.



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Canadian companies are committed to the international marketplace, where demand for value-added foods and beverages is booming, especially in emerging economies. Sectors in which Canadian agri-food interests are internationally competitive include cereal grains, seafood and aquaculture, vegetable oils, meat and animal genetics, and processed food and beverages.

GRAINS AND OILSEEDS

With international sales of \$8.2 billion in 1999, Canada has an undisputed reputation as a reliable supplier of high-quality grains and oilseeds. Canada produces a wide range of grains, including wheat, barley, corn, oats and rye, and oilseeds including canola, flax and soybean. Canada's leading-edge research has developed many varieties of grains and oilseeds with superior protein composition and processing characteristics as well as desirable agronomic characteristics. The development of canola oil is an excellent example. It has become a popular vegetable oil worldwide, both for direct consumption and for use as an ingredient in processed food.

Canadian grain and oilseed processing industries include wheat, corn and oat milling, malting, canola and soybean crushing for meal and oil, and the production of biscuit, breakfast cereal, pasta, gluten and starch.

SEAFOOD AND AQUACULTURE

New processing technologies and product innovations are transforming Canada's seafood processing and export industries. Canada is now a world leader in processing seafood such as salmon, roe, prawns, lobster, surf clams, geoduck, scallops, crabs, herring, black cod, and other groundfish and shellfish species. It also leads in the processing of by-products for new food ingredients and industrial commodities such as chitin, chitosan and bi-polymer chemicals used in a wide range of industries, from pharmaceuticals to water treatment.

The effects of the decline of some groundfish stocks has been partially offset by innovative processing management and advanced technology. The industry has combined new overseas product sources and a greater emphasis on aquaculture products and services to strengthen its position in the marketplace — sales are now over \$3 billion annually. Often, alliances forged with foreign firms have created new supply sources and market opportunities.

MEAT AND ANIMAL GENETICS

Canada is a major supplier of high-quality meats to world markets. The experience of Canadian livestock producers and meat processors and their state-of-the-art technology have forged Canada's excellent reputation in this area. Canada continues to develop new processing technologies in the handling, preservation and packaging of finished products.

