

CANADA-US.



CANADA: NORTH AMERICA'S CHOICE INVESTMENT LOCATION

A Natural Choice for Agri-Food Processing

A Dynamic and Growing Sector

The agri-food industry – which includes agriculture, food and beverage processing, and the distribution, retail and food service component – enjoys a prominent place in the Canadian economy, accounting for 13 percent of the country's manufacturing GDP. More importantly, it is a major employer, accounting for 15 percent of all jobs in Canada.

The Canadian food and beverage processing industry is also a prime target for foreign investment. Over the past five years, international investment in the industry has grown by almost 30 percent, much faster than in any other part of the manufacturing sector.

A Record of Growth and Diversification

The Canadian processed food and beverage sector has experienced significant growth in the first half of the decade. Between 1990 and 1994, the value of annual industry shipments increased by an estimated \$3 billion. As a result, the value of annual shipments today is approaching \$50 billion.

As it grows, the sector also diversifies.

Nowhere is this more evident than in dairy products, which were second only to frozen foods in retail grocery sales

volume growth in 1994. Canadian consumers now can buy Canadian-made dairy products such as variety cheeses, yogurts and spreads that were previously available only as imported foods. Similar examples of diversification are to be found in the manufacture of sauces, preserves and condiments. Even industries previously considered to be "mature" have

witnessed dramatic change. For example, small, independent brewing companies have been launched throughout the country. Small firms in both the brewing and wine industries are now moving beyond local and regional markets into inter-provincial and international markets.

"In the food industry, we convinced our parent organization in the U.S. to award missions to Canada chiefly by passing our arguments on bottom-line costs and customer servicing"

**GEORDIE BEAL, VICE-PRESIDENT,
STRATEGY, DEVELOPMENT AND TOTAL QUALITY, KRAFT CANADA INC.**

Technological Excellence

Canadians have long been among the world's leaders in agricultural and food research. From the development of hardier strains of wheat in the 19th century to the more recent development of canola, varieties have been created that can take advantage of the unique char-

Continued on page 5

Inside:

Canada's
Advantages
in
Food
Processing

Canada

