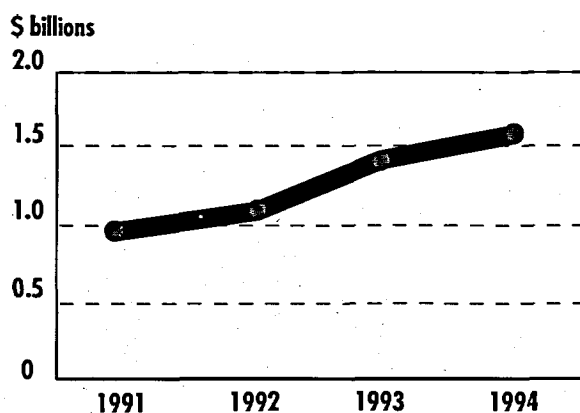


Figure 12.
Growth in Canadian Meat Exports,
1991-1994 (total exports in \$billions)



Source: Agriculture and Agri-Food Canada,
International Markets Bureau.

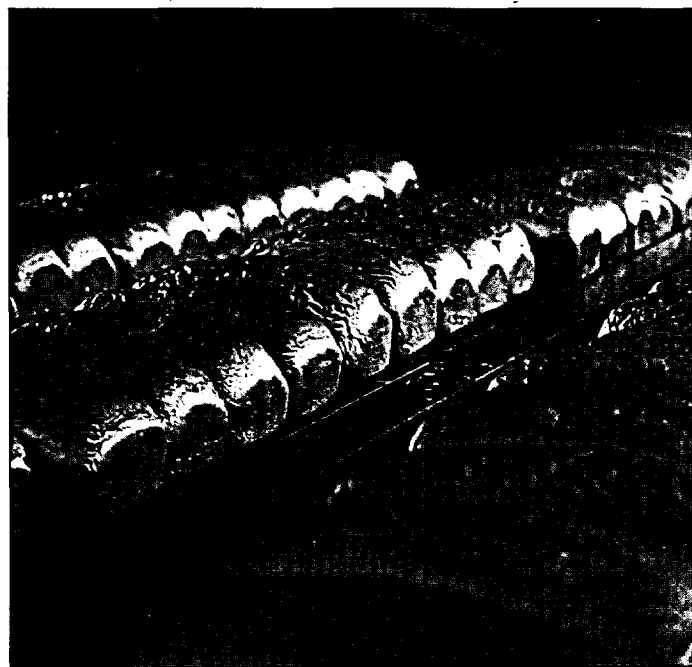
CEREAL GRAIN PRODUCTS

Canadian-based processors already produce a wide range of cereal grain-based products. These include wheat flour and bakery mixes, pasta, biscuits, bakery products and breakfast cereals. Per capita consumption of cereal grain products is increasing in Canada and the United States, driven by increased recognition of the nutritional benefits of grains, especially in terms of dietary fibre. In addition to these traditional products for which additional manufacturing capacity will be required to meet market growth, current research is leading the way to new investment opportunities in high-value food ingredients. It is also acknowledging the contribution of functional foods to improved nutrition and health. These new products will have immediate international markets and will offer joint venture opportunities between established and newly emerging Canadian-based firms.

BIO-INGREDIENTS

Canada is a world leader in food-related biotechnologies, including those derived from genetically modified crops and cultured plants. Food bio-ingredients are already

widely in use in Canada, the United States, Japan and Europe, particularly in the manufacture of dairy and fermented food products and beverages. Bio-engineered yeasts, enzymes, natural flavours and colours, natural preservatives and emulsifiers are under development at research institutions across Canada. Canadian-based food biotechnology firms are actively seeking investment partners to become better positioned to serve world markets.



SNACK FOODS

Canadians, like their counterparts in the United States, are enjoying increasing quantities of snack foods. These are available in traditional forms such as potato chips and pretzels as well as an increasing number of new varieties. Moreover, given the current emphasis on health and fitness, a new generation of nutritious snack crackers, nut products, nut mixes and grain-based snack foods are finding favour with North American consumers. This is an area of food processing where new firms and new products have been able to enter the Canadian market successfully.