

# THE FUTURE OF FARMS & FOOD IN CANADA

*First Annual Canadian Agriculture Policy Conference*

JANUARY 13-14, 2011 • CHATEAU LAURIER • OTTAWA, ON

## **Growing Forward I and II: Business Risk Management Programs – Successes, Failures and Opportunities**

Alan Ker

Department of Food, Agricultural and Resource Economics  
University of Guelph

### **Abstract**

Canadian producers face a number of production (e.g. weather, disease, etc.) and price (e.g. exchange rate, etc.) risks. Growing Forward was partially intended to mitigate some of those risks as well as support farm income. Understanding the effectiveness of Growing Forward is necessary as a number of policy alternatives appear to be under consideration (e.g. cost of production insurance, etc.) for Growing Forward II.

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## **The Drivers of Change in Agriculture and Their Impacts on Financial Risk**

Jean-Phillipe Gervais  
Farm Credit Canada

### **Abstract**

Fundamental trends in domestic and world markets are shaping future challenges and opportunities for Canadian agriculture. Understanding the impact of these market drivers on financial risks is critical to position Canadian agriculture for the future. Product innovation and productivity gains along the entire agri-food supply chain remain key determinants of competitiveness in the current environment.

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## **The State of the Global Crop Innovation System**

Julian Alston  
University of California-Davis

### **Abstract**

Worldwide agricultural productivity growth has slowed generally over the past 20 years, especially in higher-income countries. Brazil and China are significant exceptions. This productivity slowdown may be attributable to slower growth in total public spending on agricultural R&D and a smaller share of that total spent on research related to farm productivity enhancement.

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## **The Future of Crop Innovation in Canada – Options and Consequences**

Richard Gray

Department of Bioresource Policy, Business and Economics,  
University of Saskatchewan

### **Abstract**

Increased investments in crop research can pay off handsomely for the Canadian agriculture. We can learn from other countries to shape an innovation system that increases investment while aligning incentives to use the dollars invested efficiently. Failure to “take the fork in the road”, would leave a research system chronically underfunded.

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## **Communicating Safety, Plus**

Neal Hooker

Saint Joseph's University, Philadelphia PA

### **Abstract**

Increasing consumer interest in food safety, sustainability, source verification and other ethical quality attributes are being responded to by food marketers. A better understanding of the opportunities and challenges provided by this environment is based on quality management, product differentiation, traceability, and communication strategies. These are discussed in the context of risk analysis and trust through agri-food supply chains.

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## **Consumers, Food Values and Changing Markets**

Ellen Goddard

University of Alberta, Department of Rural Economy

### **Abstract**

Canadian food consumers are becoming more concerned about the types and forms of foods that they purchase. Local, fair and animal welfare or environmentally friendly are all attributes that consumers are looking for in where and how they purchase foods. Two new approaches – hierarchy of food values and food technology neophobia – are examined in the context of Canadian consumer food preferences and used to compare Canadians to Americans and Europeans. How these approaches are relevant in characterizing Canadian willingness to purchase meat and milk from cloned animals will be presented.

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## **Prospects for a Low-Carb Economy: Climate Change, Agriculture and the Rest**

G. Cornelis van Kooten  
University of Victoria

### **Abstract**

The presentation will illustrate why agricultural activities such as carbon sequestration and biofuels cannot and should not be relied upon for mitigating global warming. Focus needs to be on adaptation, which will require (1) greater focus on the relationship between climate variables and yields (e.g., impact of fast-moving climate factors, such as ENSO and PDO, and slow-moving average changes in climate factors related to warming), and (2) the development of financial instruments relating to climate and weather. Some illustrations will be provided.

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## **Payments for Ecosystem Services Provided by Agriculture**

David Zilberman  
Department of Agricultural and Resource Economics  
University of California at Berkeley

### **Abstract**

Payment for ecosystem services (PES) can provide a new means to reduce pollution, conserve resources, and provide new amenities. The PES provides new earning opportunities to agriculture and rural communities. Successful PES programs target activities that, with the highest benefits per dollar spent, control against unintended side effects—slippage. The programs can address global and regional problems and integrate with other financial incentives for improved environmental quality.

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## **Global Economic Forces and the Outlook for Agriculture**

Alex McCalla  
Professor Emeritus, University of California-Davis

### **Abstract**

World population did not reach one billion until 1825. It doubled to 2 billion 102 years later in 1927. It took another 33 years (1960) to get to 3 billion. Most of the increased production to feed the increasing world population came from expanded area under production.

Population then doubled to 6 billion in 39 years in 1999 - it took 15 years to reach 4 billion; 11 years to hit 5 billion and 13 years to reach 6 billion people. Almost all of the doubling of food supply came from increases in productivity (i.e. yield).

Population is expected to reach 9 billion by 2050. One third of those 9 billion will live in two countries – India and China. Where will increased food supplies come from? FAO and others say the vast majority will need to come from yield increases as new land area is limited. And we will have to do it with less water. The reason being, we are losing arable land base to urbanization, degradation and salinity at a rate faster than new land is becoming available.

We face an enormous challenge as the rate of increase in productivity- i.e. yields- has slowed significantly in the last two decades; the rate is lower than the rate of increase in demand. But challenges are also potential opportunities especially for agricultural exporting countries like Canada.