
SMALL-SCALE FOOD PROCESSING IN CANADA

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LOCAL FOCUS. GLOBAL IMPACT.

Fostering Success
in a Competitive
Global Market

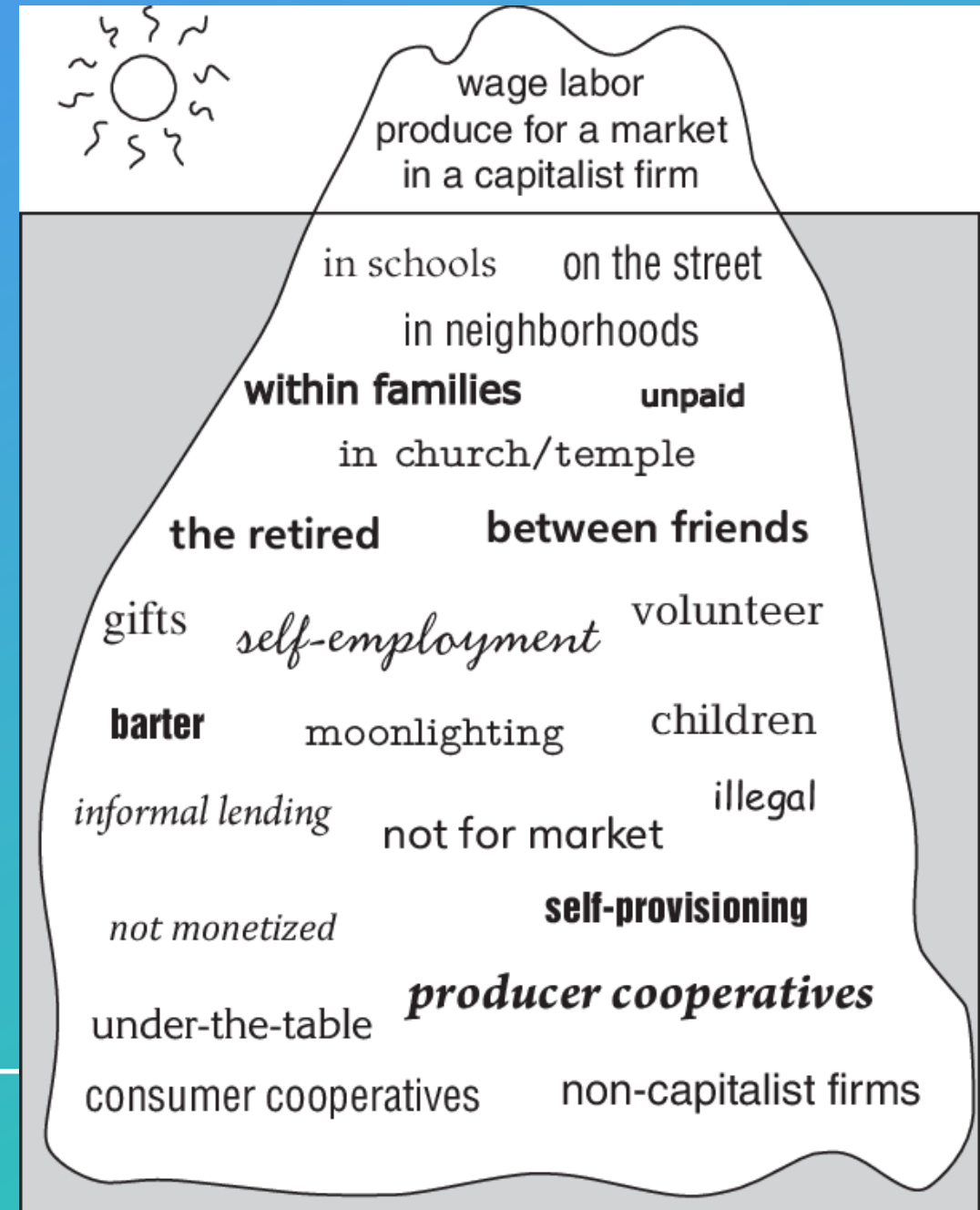
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COMMUNITY ECONOMIES

- Social Impact
- Informal Economy
- Environmental Remediation
- Social Capital



- In 2019 the SSFP sector was worth \$117.8 billion or 2% of the national GDP
- The sector employed 290,000 people
- In 2019 it exported nearly \$39 billion worth of goods

- There are roughly 7,800 food and beverage processing companies in Canada
- 91% of them considered small-scale (< 100 employees)
- Just 1% counting as large-scale, with more than 500 employees (AAFC, 2021)

- Value-added opportunities, specifically domestic processing, are essential for a robust agri-food sector (Agri-Food Economic Strategy Table, 2018, p. 2)

- SSFPA estimates that more than 2/3 of small-scale food processing entrepreneurs are women



We want to work with Partners and Government to institute a reliable ECOSYSTEM of SUPPORT. Thriving ecosystems have been shown to substantially benefit entrepreneurship in specific sectors. Each aspect of the ecosystem encompasses many components—watch as the SSFPA and our Partners work together as we build-out this ecosystem together.

(SSFPA Action Plan)



SECTOR SIGNIFICANCE

- Employment and income
- \$ to other local businesses
- Place-branding and tourism
- Local collaboration and promotional events
- Niche market demands
- Skill-sets for artisan production
- Educational opportunities

“In terms of jobs, these companies usually have one or two operators, and don’t have many employees, but they grow. Out of 1000s of companies I’ve dealt with, only 3 have folded. Most of them have grown into larger operations, or I have connected them to co-processors. And there are indirect employment benefits as they are buying from other companies.” (food safety specialist, Nova Scotia)

BARRIERS TO SUCCESS

- Financing
- Business development programs
- Market-access
- Distribution and availability of qualified labour
- Patchwork of regulations and agencies

“There is no education for processors to + prepare them for making safe food and attract more people into this sector. I think apprenticeships are essential for that. We need more apprenticeships for artisanal food making.” (cheesemaker, Ontario)

“Some of the rules are not about food safety, but about aligning the regulations with what the large slaughterhouses have to do for safety.” (farmer-microprocessor, Ontario)

SECTOR INNOVATION

- Product
- Process
- Equipment
- Materials (e.g., packaging)
- Environmental
- Social
- Technical
- Cultural

For example, a beverage processor from our study worked in conjunction with National Research Council Canada to run detailed microbiome laboratory testing on her non-dairy probiotic kombucha product, the first of its kind in Canada.

OPPORTUNITIES FOR GROWTH

- Collaboration
- Online marketing
- Community financing
- Streamlined regulation with supportive decision-makers
- “Concierge” services
- Incubator and accelerator programs

“It’s really both about what the regulations are and how they are implemented. The food hub has a nice, shared kitchen for processors, but the inspector said it could not be done, that they could not be there to inspect everyone all the time and it was too risky. So how can we build capacity to ensure food safety while also supporting development of small processing businesses?” (community developer, Nova Scotia)

GROWING DEMAND

“When we first got into this, local food was starting to be a buzzword, and now it's mainstream, it's the number one push even for grocery stores now is to bring in local producers and processors onto their shelves. The consumer is demanding it.” (berry producer, Alberta)



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

ROOM TO GROW: STRENGTHENING FOOD PROCESSING CAPACITY IN CANADA FOR FOOD SECURITY AND EXPORTS

Report of the Standing Committee on Agriculture and
Agri-Food

Recommendation 1 is to “invest in trade infrastructure... to improve access to markets and support a modern supply chain”;

Recommendation 2 is to “modernize... regulations and implement targeted programs.... to encourage the development of local processing businesses and regional small-scale abattoirs”;

Recommendation 3 is to “identify strategic funding opportunities to address regional processing capacity”;

Recommendation 4 is to “increase funding to the Local Food Infrastructure Fund and dedicate a specific stream + open to a broad group of regional agri-food businesses”;

Recommendation 6 is to “conduct an external review of its regulations in order to modernize them, streamline approvals and remove barriers to bringing new solutions to market, without compromising food safety”;

Recommendation 7 is to “seek further harmony between federal and provincial processing standards, so as to reduce barriers to inter-provincial and international trade,”; and

Recommendation 17 is to “encourage Canada’s banks and institutional investors to establish funds to provide capital to fast-growing small and medium-sized firms in the agri-food sector, including new entrants to the sector”.

SECTOR NEEDS



Development support



Gender and diversity



Innovation



Climate impact



Capital mobilization



Trade



Marketing



Training



THANK YOU!



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