December 2025

Agri-Food Risk Report Phase 1

CAPI
THE CANADIAN AGRI-FOOD POLICY INSTITUTE

The Canadian Agri-Food Policy Institute's mission is to lead policy development, collaborate with partners and advance policy solutions within agriculture and food

Sustainable Canadian Agricultural Partnership   RDAR   Canada
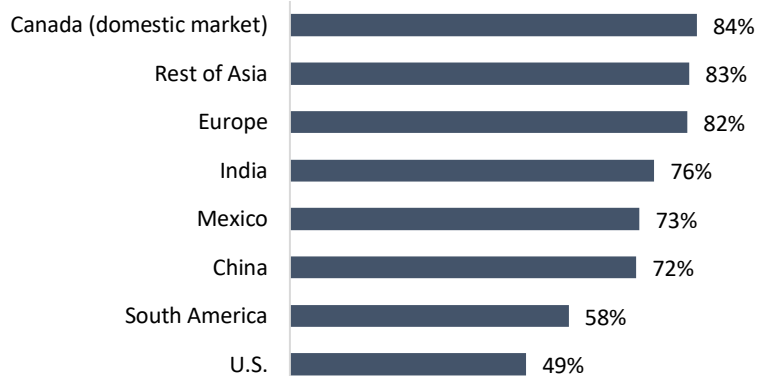
Opposition, Optimism and Opportunity: Canada's agriculture industry looks inward and beyond the U.S. for growth

Four-in-five pessimistic about industry dealing with Trump, but seven-in-10 optimistic overall

December 2, 2025 – Much like the rest of the Canadian economy in 2025, the agriculture and agri-food sector has had significant concerns about the Canada-U.S. relationship. In the second iteration of the Angus Reid Institute and Canadian Agri-Food Policy Institute (CAPI) annual threat assessment, we find these challenges top of mind but hope for many rooted in the opportunities other markets, and the Canadians market itself, present to the industry.

In a survey of more than 500 agriculture and agri-food stakeholders, two-thirds (64%) say the U.S. now represents too large a concentration of industry trade, and that diversification should be a key priority going forward. Fully half (53%) are confident that Canada can make up losses from the U.S. in other markets, though two-in-five show more trepidation (43%). As for where the industry should focus, four-in-five say the domestic Canadian market (84%), Asia (outside of China and India) (83%), and Europe (82%) are significant growth opportunities.

How much of a growth opportunity do these markets/regions represent for Canadian agriculture and agri-food over the next 10 years? (Percentage viewing each as an opportunity shown)

Market/Region	Percentage
Canada (domestic market)	84%
Rest of Asia	83%
Europe	82%
India	76%
Mexico	73%
China	72%
South America	58%
U.S.	49%

METHODOLOGY:

The Angus Reid Institute in partnership with the Canadian Agri-Food Policy Institute conducted an online survey from February 19 – April 1, 2025 among a sample of 508 Canadian adults who are members of Angus Reid Forum (259) or surveyed online by CAPI (249). For comparison purposes only, a probability sample of this size would carry a margin of error of +/- 4 percentage points, 19 times out of 20. Discrepancies in or between totals are due to rounding. The survey was self-commissioned and paid for by ARI. Detailed tables are found at the end of this release.

Comparing the industry's perceived threats from this year to last, trade barriers and protectionism remain top of mind (66% in 2024, 69% in 2025) while extreme weather and climate change both land in the top 10 again. Increasing this year in perceived risk is the political dynamic of the United States, from 32 to 57 per cent. Also rising are concerns over input affordability and commodity price volatility.

The industry clearly perceives challenges but also remains optimistic. Seven-in-10 (70%) say this of the future of agriculture in Canada, though notably, farmers (59%) are less optimistic than those working in government (80%) and civil society (85%).

More Key Findings:

- Views of confidence in government to help either improve or mitigate the top ten challenges shows a trend that is positive compared to 2024, but still largely negative. One-quarter or fewer have confidence across all ten areas

- The top priorities for government according to the industry are improving interprovincial trade (42%), international market access (40%) and trade policy and advocacy (34%). The proportion prioritizing interprovincial trade has risen from 15 per cent last year.

About ARI

*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research foundation established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

About CAPI

The Canadian Agri-food Policy Institute is an independent, nonpartisan not for profit organization for agri-food leaders to come together, share insights, and advance ideas on emerging issues facing this important sector.

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CONTACT:
Elise Bigley, Director, Strategic Projects for CAPI bigleye@capi-icpa.ca
Dave Korzinski, Research Director: 250.899.0821 dave.korzinski@angusreid.org

Introduction:

This is the second study in partnership between Angus Reid Institute and Canadian Agri-Food Policy Institute. The goal of this research is to understand and inform the priorities, risks, and perspectives involved in the Canadian agriculture and agri-food sector. In order to understand the challenges and opportunities going forward, ARI and CAPI conducted a survey of 508 individuals working in the agriculture sector. This includes 198 farmers 60 members of government, as well as others across the industry. Note that in some cases smaller sample sizes are valuable but should be interpreted with caution.

Part One: The Elephant in the Room: The U.S. relationship

The Canadian economy has faced historic levels of uncertainty during 2025, with threats and implementation of tariffs on Canadian goods. Consumers and producers alike have been on pins and needles seemingly every month, waiting to see what Donald Trump's whims will trigger. Canada's supply management system has been in the American crosshairs for years and continues to garner scrutiny. Meanwhile, with rising costs for inputs and equipment, agriculture workers on both sides of the border voice anxiety and frustration.

Asked about their views for the four-year term of Trump, four-in-five (78%) agriculture and agrifood stakeholders are pessimistic, with one-in-five (22%) voicing optimism:

Thinking of the second term of U.S. President Donald Trump and the impact his policies may have on agriculture and agrifood in Canada, are you generally hopeful or pessimistic for the next four years?

Very hopeful	Hopeful	Pessimistic	Very pessimistic
6%	17%	41%	37%
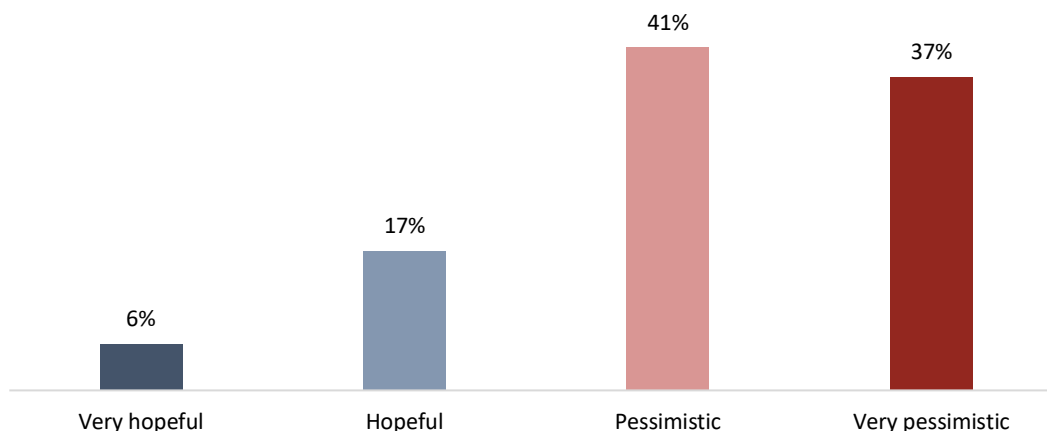
Three-in-10 within the industry say these tariffs aren't really a concern for them as they feel insulated from any potential tariff action. A similar group (27%) say they are exposed but would be able to weather it for the full term if it lasts that long. Others, however, are less confident, including farmers and those across the industry, whose livelihoods are threatened:


Assuming there are tariffs imposed on exports and imports for goods in Canada, including in agriculture and agrifood. How long do you think you and/or your company/organization will be able to maintain operations in this environment?		Agriculture sector				
	Total (n=508)	Farmers	Non-Farmer Industry	Govt.	Civil Society	Other
I'm insulated from it	29%	17%	23%	45%	50%	39%
Only a few months	7%	8%	6%	7%	4%	9%
Six months or so	6%	6%	7%	8%	7%	1%
A year or so	15%	19%	14%	7%	10%	21%
A couple of years	15%	21%	13%	12%	9%	12%
The full four years	27%	29%	37%	22%	19%	18%

Perhaps unsurprisingly, the mood of the sector is that U.S. market concentration is too high. Two-thirds (64%) say this, while one-quarter (25%) are comfortable, and few would work to increase trade in this market.

Based on whatever you know about Canadian agriculture and agri-food and/or your experiences, how do you feel about the level of trade Canada does with the United States in this industry.
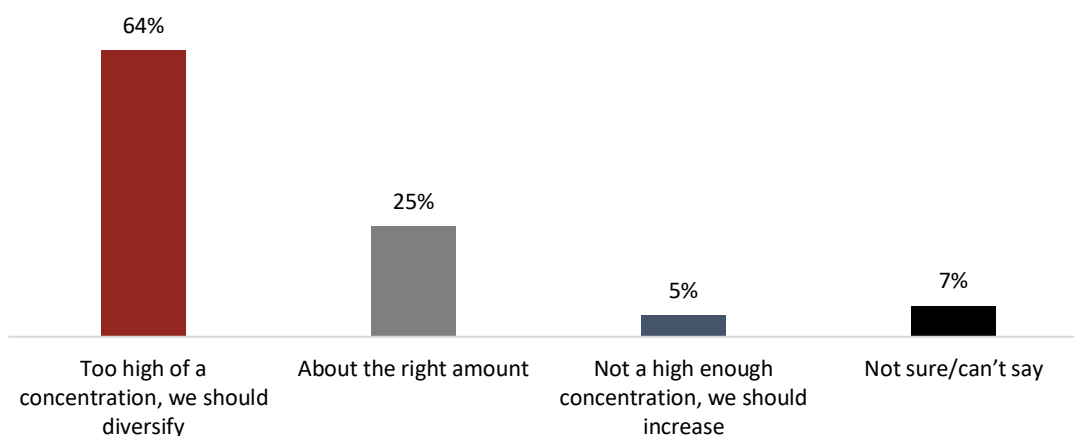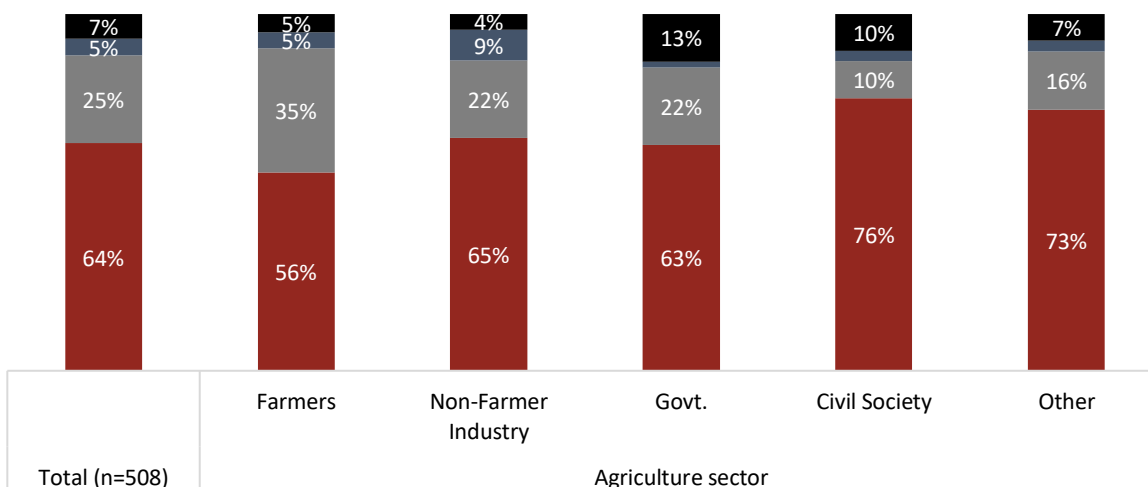

Farmers are most comfortable with the current market dynamics between the two countries, though 56 agree that the concentration in the U.S. is too high.

Based on whatever you know about Canadian agriculture and agri-food and/or your experiences, how do you feel about the level of trade Canada does with the United States in this industry.

- ■ Not sure/can't say
- ■ Not a high enough concentration, we should increase
- ■ About the right amount
- ■ Too high of a concentration, we should diversify

Supposing that Canada <u>did</u> try to concentrate less in the United States, moving elsewhere to make up the difference, stakeholders are divided about how successful this would be. Half (53%) are confident that these losses could be made up, while 43 per cent are not confident:

Regardless of whether you feel the agriculture and agrifood industry should concentrate less in the United States, how confident are you that the industry could concentrate less in the United States, and make up that loss elsewhere?
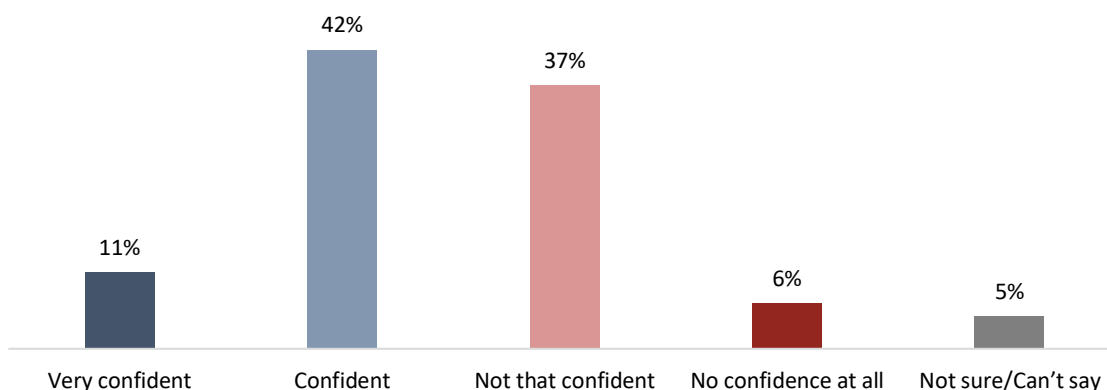
Canadians look abroad, but see opportunity at home, too

The domestic market does hold considerable appeal within the industry, as the focus on interprovincial trade barriers has elucidated in recent months. Two-in-five (41%) say they would prefer to focus on building the market at home rather than international relationships, though trade abroad is still seen as preferable by the majority:

Where do you think Canada should focus its agrifood efforts in the coming years? Expanding trade outward, or building up the domestic market?

Expanding trade at home is seen as among the most significant opportunities over the next decade. Similar numbers within the industry say this, along with the rest of Asia (outside of China and India), and Europe, represent the highest level of opportunity. India, Mexico, and China are also chosen by more than seven-in-10, while the United States, once the nation's largest ally, is seen as an opportunity by half.
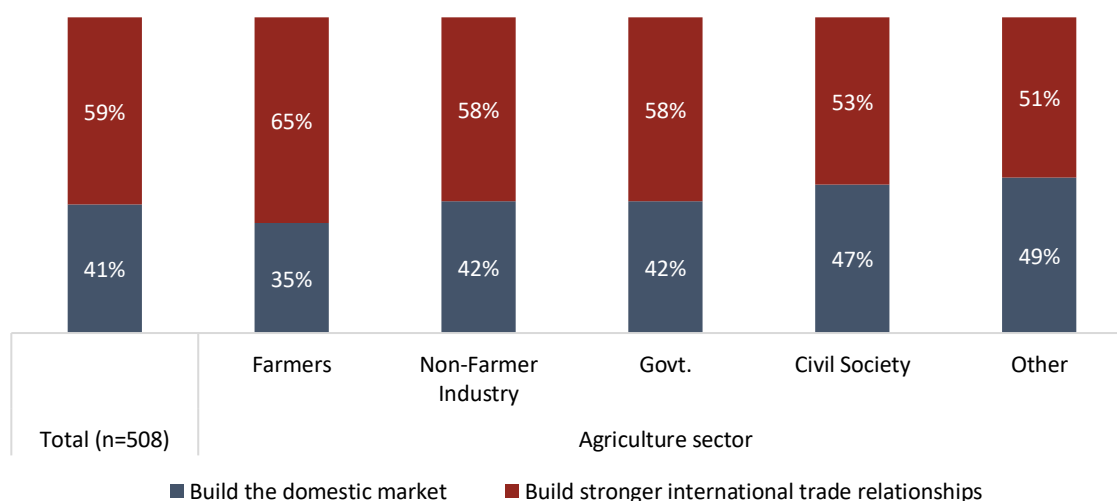
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Dave Korzinski, Research Director: 250.899.0821 dave.korzinski@angusreid.org

**How much of a growth opportunity do these markets/regions represent
for Canadian agriculture and agri-food over the next 10 years?
(Percentage viewing each as an opportunity shown)**

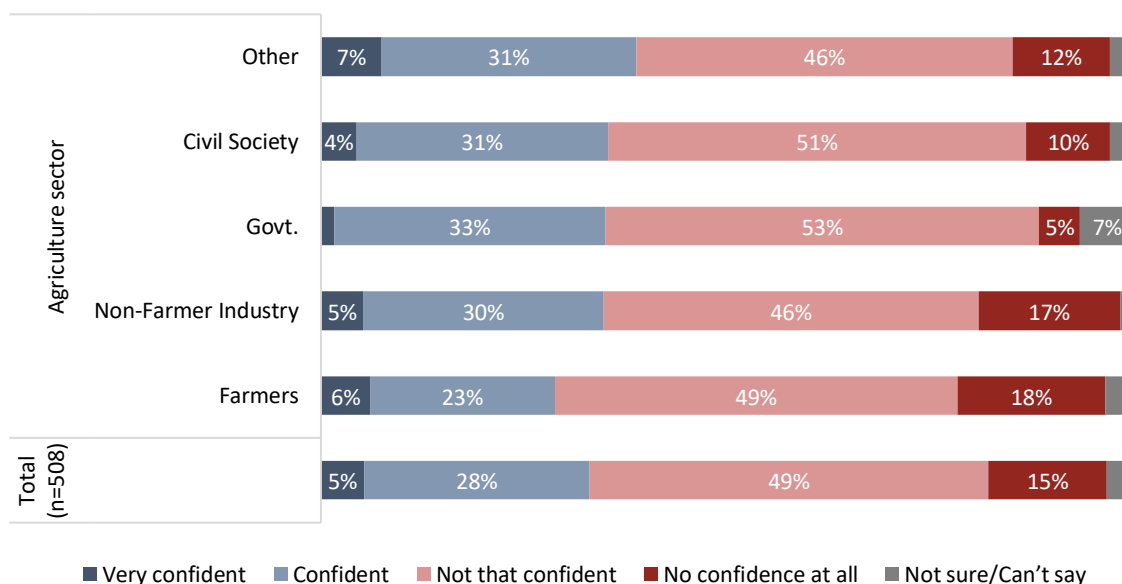| Market/Region	Percentage
Canada (domestic market)	84%
Rest of Asia	83%
Europe	82%
India	76%
Mexico	73%
China	72%
South America	58%
U.S.	49%
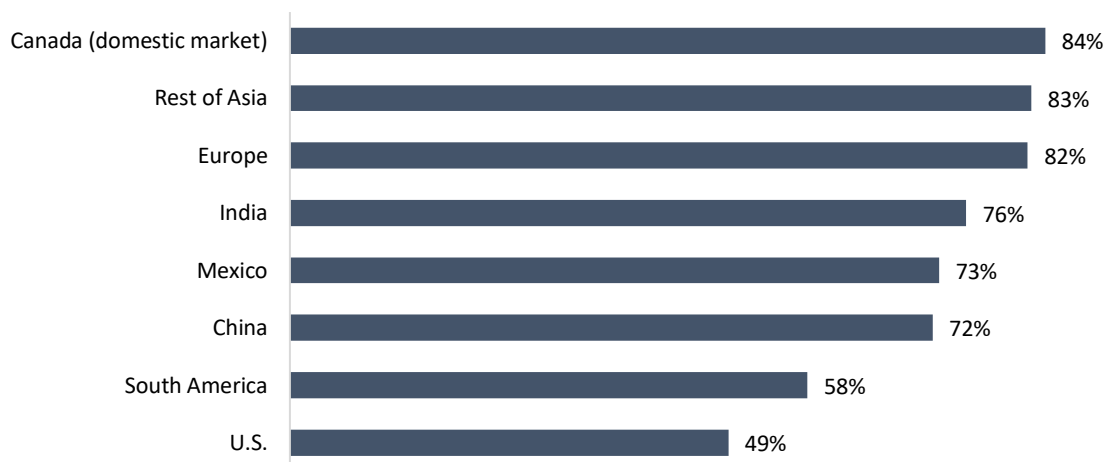
Supposing there is a disruption in agriculture and agrifood between the two countries, just one-in-three (33%) are confident that Canada can mitigate these impacts. Others have little or no confidence, feeling much more at the mercy of the U.S. administration:

**Re: tariffs - How confident are you that Canada can mitigate the impacts of
potential disruptions in agriculture and agrifood with the U.S.?**

Agriculture sector	Very confident	Confident	Not that confident	No confidence at all	Not sure/Can't say
Other	7%	31%	46%	12%	
Civil Society	4%	31%	51%	10%	
Govt.		33%	53%	5%	7%
Non-Farmer Industry	5%	30%	46%	17%	
Farmers	6%	23%	49%	18%	
Total (n=508)	5%	28%	49%	15%	

■ Very confident   ■ Confident   ■ Not that confident   ■ No confidence at all   ■ Not sure/Can't say

Part Two: Threats to the sector

In order to establish tiers of risk, given the robust nature of the agriculture and agri-food industry in Canada, respondents were given lists separated into five distinct categories:

- Environmental
- Financial/Economic
- Domestic
- Production
- International

Top 10 Threats in 2025 overall

From a list of 35 different potential risks, eight were chosen by more than half of stakeholders, with trade barriers and protectionism, as well as extreme weather taking the top two positions. One recent study found that more than three-quarters of farmers and ranchers in Canada had experienced "drought, heat waves, floods, wildfires, hail, tornadoes, or new pests and diseases in the past five years." Meantime, trade barriers and protectionism have been a nationwide, in fact worldwide, discussion in 2025 with the Trump administration implementing tariffs. This only adds to the tariff tit-for-tat between Canada and China, which has seen the latter put a tariff on Canadian canola meal and oil in response to Canada's electric vehicle tariff.

The policy and regulatory environment is still a top concern, but has been reduced, perhaps given the expectation of a new government. Note this survey was fielded during the federal election campaign but before the result was known:

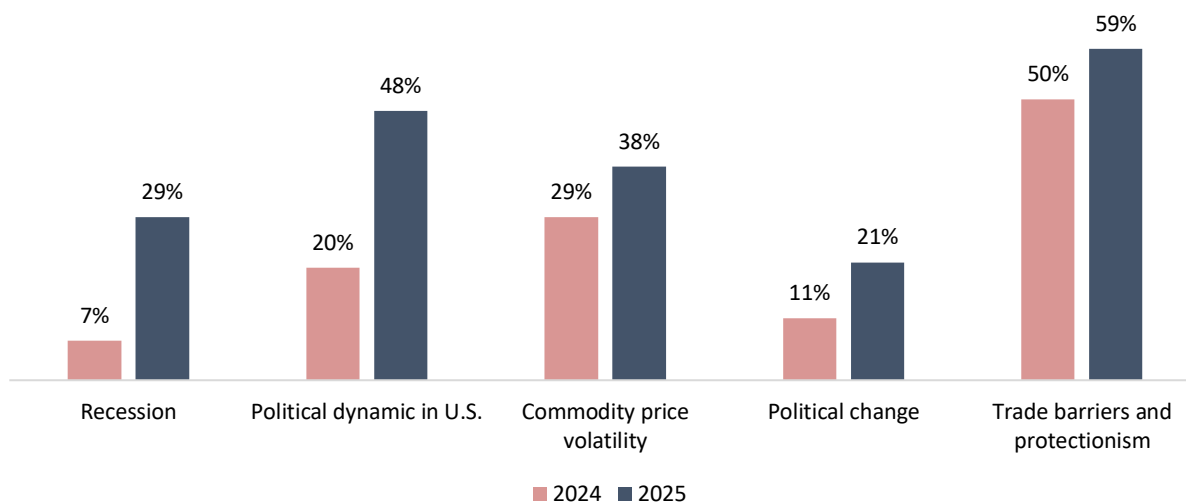| Top ten choices for most significant threats to the Canadian agriculture and food system within the next 10 years.		
	2024	**2025**
Trade barriers and protectionism	50%	59%
Extreme weather (drought, floods, wildfires)	52%	52%
Political dynamic in the United States	20%	48%
Policy and regulatory environment	61%	47%
Input affordability	39%	43%
Farm income and debt	36%	39%
Commodity price volatility	29%	38%
Climate change	34%	37%
Infrastructure/Supply chains	29%	33%
Loss of farmland	32%	30%

Largest increases

This year has seen the elevation of two key issues into the risk-profile perceived by stakeholders over the next 10 years – recession and the political dynamic in the United States. These two are clearly intertwined given the risk of recession has risen considerably since Donald Trump took office in January. Last year 16 per cent were concerned about recession while this year 42 per cent say the same. There has also been a 25-point increase on risk posed from dynamics south of the border:

Largest Increase
Percentage saying each is one of the most significant threats to the Canadian agriculture and food system within the next 10 years.

Recession: 2024 7%, 2025 29%
Political dynamic in U.S.: 2024 20%, 2025 48%
Commodity price volatility: 2024 29%, 2025 38%
Political change: 2024 11%, 2025 21%
Trade barriers and protectionism: 2024 50%, 2025 59%

■ 2024 ■ 2025

Largest decreases

Some threats are going in the opposite direction, foremost, the concern over interest rates, which have been cut by the Bank of Canada seven times since last May. The threat of poor public trust in agri-food has also dropped by nine points, from 29 to 20:
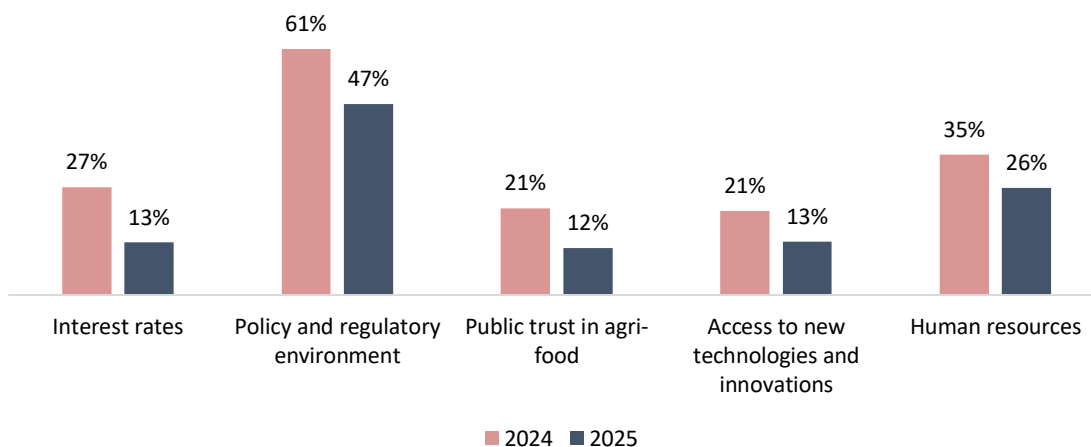
Largest Decrease
Percentage saying each is one of the most significant threats to the Canadian agriculture and food system within the next 10 years.

Interest rates: 2024 27%, 2025 13%
Policy and regulatory environment: 2024 61%, 2025 47%
Public trust in agri-food: 2024 21%, 2025 12%
Access to new technologies and innovations: 2024 21%, 2025 13%
Human resources: 2024 35%, 2025 26%

■ 2024 ■ 2025

How manageable are these top challenges?

Nearly all of these top threats are seen as "already a problem" ([see detailed tables](#)) as opposed to threatening the sector further down the line, but there is some variance in how many are viewed as manageable. Climate change and the U.S. political dynamic are both most likely to be viewed as extremely difficult to overcome, while infrastructure is seen as the most manageable.

How would you describe the level or severity of challenge each of these same risks poses for Canada's agri-food system?	Manageable	Difficult	Extreme
Trade barriers and protectionism	21%	59%	20%
Extreme weather (drought, floods, wildfires)	12%	52%	37%
Input affordability	30%	52%	18%
Policy and regulatory environment	23%	48%	29%
Commodity price volatility	28%	61%	11%
Political dynamic in the United States	8%	46%	45%
Infrastructure/Supply chains	37%	50%	13%
Farm income and debt	23%	60%	17%
Climate change	6%	48%	46%
Inflation	16%	58%	26%

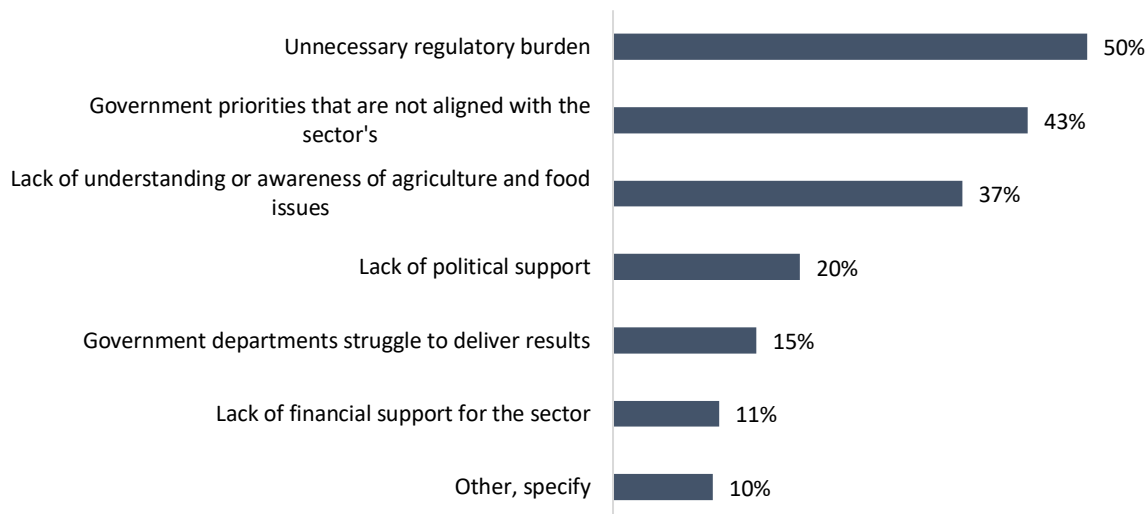## Policy and regulatory follow-up

Among those stakeholders who said that the policy and regulatory environment was a concern (60%), a follow-up question was posed about the factors driving this concern. Half say that there is an unnecessary regulatory burden to overcome, while two-in-five said that a misalignment of government and sector priorities make this a challenge. Close to two-in-five (37%) also said that agriculture and agrifood are just not understood by those working outside of production:

You mentioned you're concerned about the policy and regulatory environment in Canada. What factors are driving this concern?

Factor	Percentage
Unnecessary regulatory burden	50%
Government priorities that are not aligned with the sector's	43%
Lack of understanding or awareness of agriculture and food issues	37%
Lack of political support	20%
Government departments struggle to deliver results	15%
Lack of financial support for the sector	11%
Other, specify	10%

Part Three: Top priorities for government have shifted

While threats are one aspect of the conversation, priorities are another. In 2024, trade policy and advocacy was the top priority from agriculture stakeholders when they considered where the government should focus its efforts. This, followed closely by taxation, research and development, and climate change adaptation. This year, ARI and CAPI decided to add two other priorities, given the significant disruption caused by President Trump. Both of those items – interprovincial trade and international market access - are chosen by two-in-five stakeholders, putting them atop the list.

From the list below, which of the following would you highlight as top priorities for governments to address?	2024	2025
Interprovincial trade	15%	42%
International market access	-	40%
Trade Policy/Advocacy	37%	34%
Taxes	31%	27%
Domestic regulations	28%	27%
Natural resources (soil, water, biodiversity)	25%	23%
Climate change adaption	31%	23%
R&D and innovation	31%	22%
Infrastructure	25%	22%
Governance/Federal-Provincial-Territorial relations	18%	21%
Labour supply	23%	20%
Competitiveness	25%	19%

Domestic value-added	17%	18%
Farm succession	19%	17%
Productivity growth	18%	15%
BRM (Business Risk Management) programs	19%	13%
Immigration	10%	12%
Public trust	14%	11%
Access to credit/availability of credit	10%	10%

Thinking about the next 10 years, the issue of internal trade barriers and interprovincial trade again shows its importance. Tearing down internal trade barriers is the to issues for farmers (31%) aside from simply making farmers and food processors more profitable (32%). Growing domestic food processing and valued-add is also key in the minds of many. Exports of food and beverage processing have been growing steadily in recent years, though face significant uncertainty in this current tariff-intensive environment:

Over the next 10 years, Canadian agriculture policy should focus on:						
	Total (n=508)	**Agriculture sector**				
		Farmers	**Non-Farmer Industry**	**Govt.**	**Civil Society**	**Other**
Tearing down internal trade barriers	28%	31%	25%	27%	18%	33%
Growing domestic food processing and value-add	26%	29%	26%	17%	22%	25%
Diversifying into new international markets	25%	24%	24%	30%	28%	19%
Improving trade infrastructure and supply chain reliability	22%	20%	31%	17%	13%	25%
Making farmers and food processors more profitable	21%	32%	17%	13%	10%	13%
Increasing productivity growth through research and innovation	17%	12%	17%	23%	26%	18%
Encouraging the adoption of more sustainable, resilient farming practices	16%	12%	14%	22%	26%	13%
Supporting more local and regional food systems	16%	18%	15%	12%	12%	18%
Mitigating climate change and protecting the environment	13%	7%	12%	15%	21%	21%
Meeting the human resource and labour needs of the sector	8%	8%	7%	10%	6%	7%
Developing, commercializing, and adopting new ag tech	7%	5%	7%	10%	15%	6%

## Despite challenges, optimism remains high in the industry

One of the most notable findings in this year's data is the same as last year's, that is, that the industry remains optimistic, even while being pessimistic about Trump. Asked about their views of the future of the sector, 70 per cent are optimistic, an increase from last year. One-in-seven (15%) are very positive, while others are more muted but still feeling optimistic:

Overall, would you say you are optimistic or pessimistic about the future of Canadian agriculture and the agri-food sector?
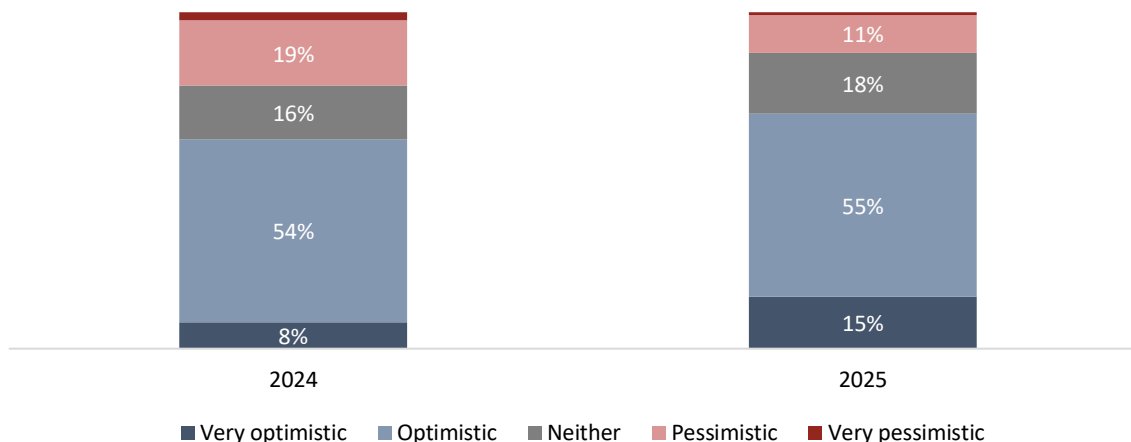
These views put the agriculture and agri-food sector in line with the rest of the population, both last year and this year, in terms of their overall optimism.
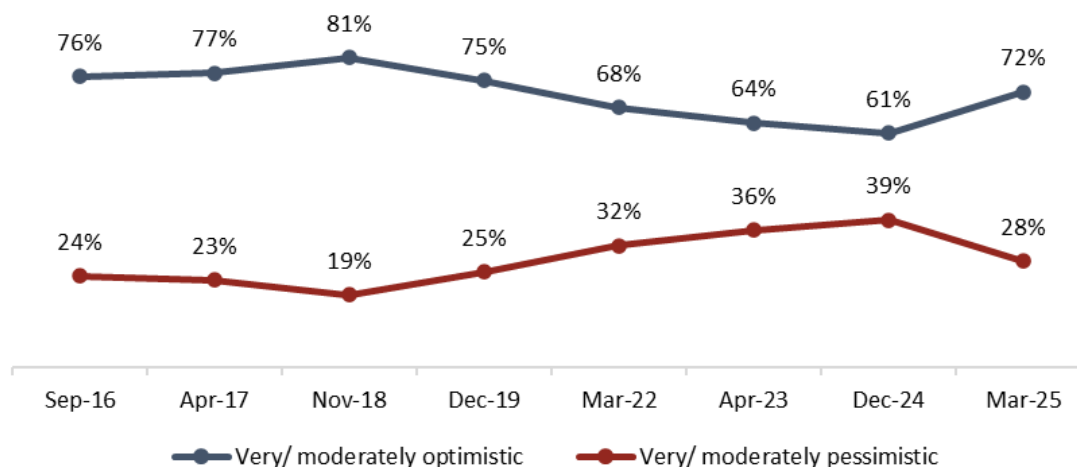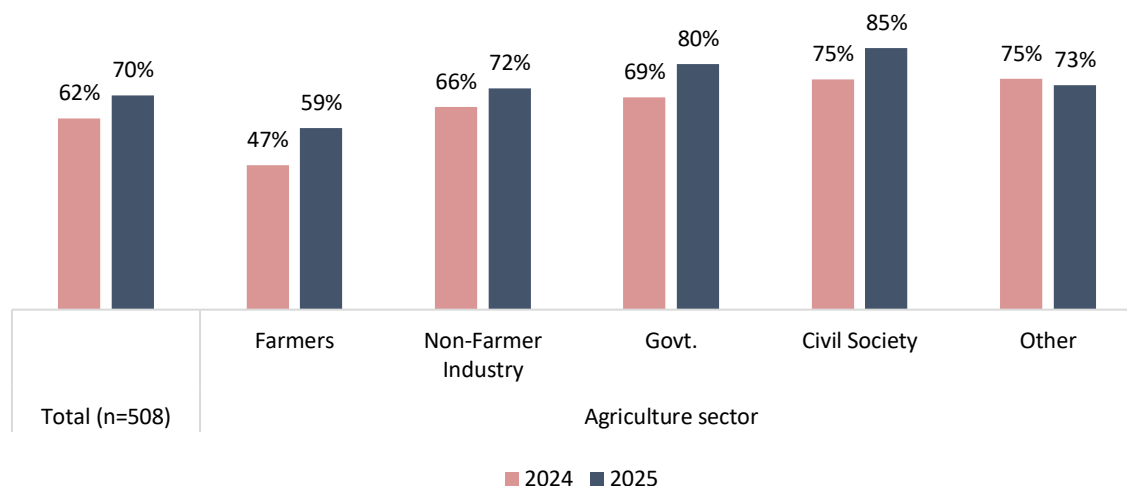

Positive sentiments are lower among farmers than other working in the sector, as was the case in 2024. That said, optimism among all groups has either improved or remained steady:

Percentage saying they're Optimistic about the future of agriculture and agri-food in Canada:

Total (n=508)   Agriculture sector

■ 2024   ■ 2025

The optimistic see opportunity

Some of this optimism may be credited to the opportunity that Canadian agriculture and agri-food workers perceive available to them. Opportunities in other markets are viewed as widespread among most and even more so among those who have a positive view about the future:

Percentage who see an opportunity in each market for Canadian agriculture and agri-food over the next 10 years?				
	Total (n=508)	Optimism vs Pessimism		
		Optimistic	Neither	Pessimistic
Canada (domestic market)	84%	88%	79%	74%
Rest of Asia	83%	85%	83%	70%
Europe	82%	85%	85%	66%
India	76%	78%	75%	61%
Mexico	73%	74%	72%	67%
China	72%	74%	68%	62%
South America	58%	62%	47%	51%
US	49%	50%	43%	52%

Confidence in government and private sector has risen but is still very low

Views of confidence in government show a trend that is positive, but still overall negative. The proportion of those in the industry feeling that the current policy framework will help the industry to overcome these challenges has increased for most threat areas but remains well below the majority mark. The sector shows the most hope for government assistance in overcoming trade barriers and infrastructure challenges, but in both cases does not surpass one-in-four:

Percentage who have confidence in the current policy framework in Canada will effectively reduce or mitigate each of these challenges?		
	2024	**2025**
Trade barriers and protectionism	15%	27%
Extreme weather (drought, floods, wildfires)	9%	11%
Input affordability	10%	11%
Policy and regulatory environment	8%	13%
Commodity price volatility	13%	15%
Political dynamic in the United States	13%	19%
Infrastructure/Supply chains	14%	26%
Farm income and debt	17%	15%
Climate change	9%	15%
Inflation	16%	12%

The private sector is in most cases viewed as more suited to help reduce or mitigate challenges, but again, assessments are hardly rosy:

Percentage who have confidence in the private sector Canada will effectively reduce or mitigate each of these challenges?		
	2024	**2025**
Trade barriers and protectionism	22%	26%
Extreme weather (drought, floods, wildfires)	12%	11%
Input affordability	19%	16%
Policy and regulatory environment	17%	14%
Commodity price volatility	21%	18%
Political dynamic in the United States	17%	17%
Infrastructure/Supply chains	39%	43%
Farm income and debt	17%	19%
Climate change	9%	13%
Inflation	17%	16%

Even among the optimistic, confidence in government does not increase beyond three-in-10. Interestingly, those who work *in* government are much more optimistic about their ability to help:

		Agriculture Sector					Optimistic or Pessimistic		
Confidence in Government	**Total**	**Farmers**	**Non-farmer Industry**	**Govt**	**Civil Society**	**Other**	**Opt.**	**Neither**	**Pess.**
Trade barriers and protectionism	27%	20%	26%	39%	29%	33%	31%	15%	16%
Extreme weather (drought, floods, wildfires)	11%	13%	8%	13%	10%	14%	10%	17%	5%
Input affordability	11%	3%	21%	15%	24%	18%	11%	8%	11%
Policy and regulatory environment	13%	5%	13%	44%	19%	19%	16%	7%	0%
Commodity price volatility	15%	8%	13%	21%	40%	25%	19%	4%	14%
Political dynamic in the United States	19%	8%	21%	27%	29%	26%	24%	14%	0%
Infrastructure/ Supply chains	26%	19%	20%	50%	18%	43%	31%	21%	5%
Farm income and debt	15%	15%	18%	20%	22%	4%	19%	8%	10%
Climate change	15%	9%	19%	17%	12%	21%	11%	35%	14%
Inflation	12%	10%	10%	25%	25%	13%	16%	3%	12%

For detailed results by age, gender, region, education, and other demographics, click here.