



Agri-food
Innovation Council

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Conseil de l'innovation
agroalimentaire

House of Commons Standing Committee on Finance

Pre-Budget Consultations in Advance of the 2020 Budget

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Recommendations

Review criteria for existing government programming

Our industry recognizes that the federal government has limited resources, it is crucial to invest them with an eye to the greatest return-on-investment for the Canadian economy. AIC recommends:

- Taking steps to accommodate and incentivize partnerships between private sector, industry consortia, players from other sectors, academia, producer groups and more;
- Develop mechanisms for strategic long-term investments in areas that do not fit easily into short-term granting cycles, and which require a greater length of time to develop, test and bring to market; and
- Continued support for university-led agri-food research and innovation

Identification of priorities for government support

The agricultural sector is unique in that its research and innovation can have tangible effects on other industries. It is therefore critical that funding be targeted to cross-sectional programs that can be leveraged to maximize impact. AIC recommends:

- Funding be targeted to cross sectional programs; and
- Steps be taken to promote multidisciplinary and cross-sector research, and increased collaboration with other industries.

Recognizing the role that the agri-food sector plays in mitigating the effects of climate change

Our sector is often cited as one of the major emitters of greenhouse gases, however more attention needs to be paid to the role that agricultural science plays in mitigating the effects of climate change. AIC recommends:

- Incentivizing early adoption by producers (for example, by offering tax breaks for use of certain technologies);
- Using intelligent tax measures to create a favourable climate for investment; and
- Expanding rural broadband.



Agri-Food Sector and Climate Change

The agri-food sector is often highlighted as one of the major emitters of greenhouse gases. However, it is vital that the sector also be considered as part of the solution. Policy makers are quick to blame farmers and producers for their emissions, but slow to recognize the contribution of agri-food science.

Few other sectors are able to take concrete steps to mitigate the effects of climate change, as well as provide an opportunity for adaptation that can have a positive impact on Canada's economy.

Agricultural innovations and new technologies have the potential to revolutionize the way we produce and cultivate agriculture and agri-food products, as well as the products themselves. We are already seeing products that:

- Utilize fewer resources;
- Emit less carbon;
- Have higher crop yields;
- Have more nutritional value;
- and more.

With targeted and strategic support, the impact of these innovations would be felt on a greater scale.

Government support and incentives – from the research stage to the adoption by end user – have the potential to increase the use of clean technologies while simultaneously reducing the environmental impact and carbon footprint of the agricultural sector.

Taking strategic steps now, including encouraging collaboration between industry and academia, and creating incentives for early adoption, will help ensure that the positive effects are felt sooner, and on a larger scale.

Reviewing Government Programs

According to AAFC economists, the return-on-investment for agri-food research is one of the highest across the economy.

With this in mind, maximizing the impact of government support programs can have a profound impact on the sector as a whole. By identifying key priorities and making corresponding strategic investments, the value can be felt many times over.

Care should be taken to review the existing funding mechanisms to ensure that the granting cycles are not excluding potentially lucrative investments, such as plant-breeding. The research and development process for plant genomics does not fit easily within existing short-term granting cycles, and as a result, they are often excluded, despite the potential for these initiatives to help address global food shortages.

Add to this the high potential for cross-sectorial link value for agricultural science, specifically added benefits in health, manufacturing and the environment, and the return on investment for government support grows exponentially.



Examples of this cross-sectorial benefit include areas such as:

- Improvement of crop nutrition;
- Plants for advanced healthcare uses;
- Environmental remediation; and
- Development of manufacturing processes based on plants.

We also believe that existing government programs should be made more flexible to accommodate and incentivize more than the traditional partnerships between industry and academia. Different partners such as the private sector, “early adopter” producers, industry consortia (from within and outside the agricultural industry), can all work together to bring better products to market and expand the impact.

About the Agri-food Innovation Council

Founded in 1920, the Agri-food Innovation Council (AIC) is a unifying voice for cross-sectorial research and innovation in the Canadian agri-food sector.

Our mandate is to advocate on behalf of agri-food research and innovation.

For nearly 100 years, AIC has responded to the needs of its members in service to the agri-food community, playing a central role as a source of credible information and commentary for the Canadian agriculture and agri-food sector.

AIC is one of Canada’s foremost advocates for agri-food research and innovation as well as an important tool to facilitate its dissemination to industry stakeholders.

The Agri-food Innovation Council was previously known as the Agricultural Institute of Canada. In 2019, our organization rebranded to better reflect the nature of our work.

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