



## Bold action required

Canada’s food and beverage processors urgently need a national ecosystem Superfund for scale-up, research and innovation

*Peter Henderson*

The request for a Superfund for food and beverage processors is not new. It was proposed before the last federal election to help support what has been reported as Canada’s largest manufacturing sector by GDP, employment and shipments. Despite early indications of “action,” the Superfund concept has largely fallen through the cracks, likely inadvertently, despite reasonable efforts by the food and beverage processing industry to inform on the structure and size requirements of such a wise investment.

As the Minister of Innovation Navdeep Bains expressed on May 29 during innovation week, transformation is impacting everyone, and “we need bold action.”

But bold commitments and bold action can’t begin without a bold understanding.

It’s important to understand why a Superfund for food and beverage processors has not evolved. Is it wrong or competing voices being heard; dysfunction within government; greater complexities due in part to the climate crisis; weak lobbying efforts? The list of questions can go on, and it should be fully explored.

Possible reasons:

- The federal government’s intention, and that of the Economic Strategy Table advisory board, was superclusters would serve the needs of food and beverage processors (can Canada afford to wait for the roll out of more superclusters?).
- Canada’s food and beverage processing sector doesn’t fit neatly in agriculture, agri-food or advanced manufacturing, and government innovation programming experts can’t figure out how to decouple food and beverage processing from agriculture, it should be partially decoupled as Quebec has done.
- The internal government definition and metrics for “research and innovation” don’t fit the needs of the food and beverage processor sector. Ninety per cent of which are small and medium enterprises

with less than 100 employees, which need help with scaling up.

- The federal government see it as provincial jurisdiction, which is historically partially true, however, times have changed, and Canada would benefit from a new approach.
- Government can’t figure out how to make a splashy announcement as they could for the auto, aerospace, health, or digital industry (that can’t be that difficult).
- The fragmented nature of the food and beverage processing industry and its various trade associations. Yes this is a problem for industry, yet it doesn’t absolve the federal government of its governance responsibility.
- Federal government experts are getting conflicting advice.
- The threat of food security is not large enough.

The food and beverage processing industry is caught in the middle of dysfunction and global transformations, with immense pressure on margins. Food and beverage processing and related food ecosystems can be harmed disproportionately and immeasurably if Canada plays a waiting game while seeking to understand, and/or pondering the merits of making a very large strategic fund in support healthy and competitive food and beverage processing.

Canada, let’s come together to boldly ‘collaborate and innovate’ how Canada can best support food and beverage processors of all sizes: to invest in automating; scaling-up; developing the right healthy new products and environmentally responsible processes and packaging; attracting and retaining skilled labour/ talent; be a part of Canada’s brand; and so on! 🍓

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