

# CMD 500

## 500 - The Linkages between Canadian Agricultural Policy and Demand for Food Products: Cases Meat and Fats and Oils

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### Research Summary

A major influence on dietary choices is the availability of foods within a particular country or region. The foods available are affected by a variety of government policies. These policies are often created as parts of social agendas that may have little to do with health and nutrition. In any industrialized country dietary choices can be directly affected by agricultural policies. Most countries fail to consider health, dietary, and nutrition outcomes in the design and implementation of agricultural policies such as those aimed toward increasing and stabilizing farm incomes (Goddard, Cash, and Lerohl, 2004). In Canada, a longstanding policy instrument has been the use of supply management. This system uses production and import quotas to raise market level prices for farmers. The outcome of such policy instruments could be positive for health if the consumer products affected are priced at high levels and the products are not 'healthy' choices, or negative if access to healthy products is reduced through higher prices. Stabilization programs in Canada have not historically been commodity neutral – production and profitability in certain commodity sectors have benefited at the expense of others.

Other types of agricultural policies also influence consumer dietary behaviour. The government has long been involved with generic advertising programs, either directly through funding or indirectly by allowing advertising to be considered a 'cost of production' in regulated sectors, passing the costs on to consumers and processors. There are inconsistencies in the messages associated with generic advertising and those associated with Canada's Food Guide to Healthy Eating, produced and disseminated by Health Canada. Consumer response to these mixed messages may have contributed to poor nutritional choices. Agricultural research programs, which may have contributed to increasing production of certain commodities (such as the Canadian development of canola), appear to have been funded without a health and nutrition filter being part of the benefit/cost analysis. Grading and standards have been developed throughout the agri-food system, usually with a focus on consumer-visible features, and tend to emphasize perceived consumer preferences rather than dietary imperatives. Trade agreements have lessened domestic trade barriers for some commodities (potentially meats and fruits and vegetables) making certain products more accessible. Other major programs such as irrigation subsidies may have contributed to dietary choices through enhancing production of beef and dairy on irrigated lands.

This research attempts to establish direct links between agricultural policies and consumption of foods in two groups; meats and fats and oils.

### Significance of Research

Trends in Europe suggest the need for tighter alliances between agricultural policy and health implications. To date this has not been a major focus in North America. This research will provide some indication, for two food groups, of whether the health ramifications of agricultural policy should be an additional impact assessment criteria informing the Canadian agricultural policy framework.