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2023-2024 Strategic Issues Survey of Food and Beverage Processors (Wave IV)

Final Report

Prepared for Agriculture and Agri-Food Canada

Supplier Name: Environics Research

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Canada

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This public opinion research report presents the results of a survey conducted by Environics Research on behalf of Agriculture and Agri-Food Canada. The research was conducted from December 2023 to January 2024.

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Executive summary

Environics Research (Environics) is pleased to present this report to Agriculture and Agri-Food Canada with findings from the fourth wave of the Strategic Issues Survey of Food and Beverage Processors.

A. Background and objectives

The food and beverage processing sector is the largest manufacturing sector in Canada and is one of Agriculture and Agri-Food Canada's (AAFC) key stakeholder groups. Overall, this sector accounts for 2 percent of the national Gross Domestic Product (GDP), providing employment to approximately 323,000 Canadians.

This is the fourth wave of AAFC's Strategic Issues Survey of Food and Beverage Processors; previous waves were conducted in 2017-18, 2018-19 and 2021-22. The survey is intended to gain critical insights on the opinions, issues, and challenges faced by Canadian processors. The findings will be used in the development of policies, programs, and initiatives to better serve the sector.

This wave of the survey builds on tracking questions from previous study waves to identify trends over time but also provides insights on new and evolving areas of interest to AAFC. Areas of focus for this fourth wave of research include:

- Awareness of AAFC initiatives, such as collecting baseline data on awareness of the new Sustainable Canadian Agricultural Partnership;

- Prioritization and adaptation to challenges and barriers;

- Trends in plastic packaging reduction measures, motivators, and barriers;

- Views on food loss and waste contributors and reduction practices;

- Other emerging issues relating to environmental sustainability, as well as labour issues, and public trust.

This wave's questionnaire was also designed to gather firmographic information on company characteristics like region, company size, time in business, revenue, ownership, and organic certification. The contract value for this project was $94,835.25 including HST.

B. Methodology

To meet these objectives, Environics conducted a 15-minute telephone survey with 500 Canadian food or beverage processors or manufacturers, drawn from a sample list of 7,127 companies. The survey was conducted in English and French from December 18, 2023, to January 24, 2024. Specifically, the survey was conducted with Canadian adults, aged 18 and older, who are food or beverage processors and have responsibility for business strategy and/or operations. No quotas were set for any business characteristics. The final survey data were weighted to match company size and region proportions in the source list. The margin of error for this sample is +/-4.2%.

More information about the methodology for research is included in Appendix A.

C. Key findings

- Priorities for food and beverage processors have shifted somewhat over the past two years, with public trust and stabilizing food costs ranked at the top (67% and 66% of companies name each of these as a high priority). Following closely at third place, the importance of reducing food waste (65%, up 6 ppt) increased by six points from 2022. Supply chain issues (62%, down 4 ppt) and labour concerns (58%, down 2 ppt) are still considered a high priority for a majority of companies but do not carry the same urgency as in the previous wave.

- Asked about the initiatives they have in place, nearly all companies (92%, down 2 ppt) report implementing programs to enhance public trust, and nearly nine in ten (87%, up 4 ppt) have implemented at least one type of environmentally related initiative. Seven in ten have implemented at least one initiative to address labour issues (71%), and six in ten have food waste reduction measures in place (62%).

- More companies have implemented environmental initiatives (87%, up 4 ppt), increasing by four points overall compared to 2022. Sustainable packaging (57%, up 3 ppt) is the environmental measure mentioned most often, followed by water conservation (55%, up 7 ppt), which rose by seven points from 2022. For those who have implemented environmental stewardship measures in particular, one third (34%) say their businesses have seen economic benefits from them.

- In a new question asked this wave, half of companies (50%) say they are taking or planning plastic reduction measures. Looking at specific measures, over one third of companies (37%) mention switching to another packaging material. About half of companies (46%) say their main motivation for reducing plastic is to mitigate environmental impacts, doubling the proportion who are doing so to comply with requirements (22%). Companies point to the availability of alternative packaging (24%) and increased costs (21%) as the top barriers preventing them from further reducing plastic. More than half say they have no barriers (55%).

- Food waste is an area most processors are addressing to some degree (62% have implemented food loss and waste reduction programs), consistent with 2022. Looking at specific manufacturing types, reducing food waste is more of a high priority for those working in sugar/maple syrup/sauce/other (73%) and meat/poultry/seafood (70%). Companies point to equipment issues (60%) and item quality rejection (53%, down 8 ppt) as the main culprits (contributing a lot or a little) to food waste, though the latter has seen improvement since 2022. Most often, processors try to manage food waste by optimizing their processes and conducting waste assessments (35%, down 13 ppt), though one in five (21%) say they have not done anything to address this issue. The top barrier to further efforts to reduce food waste is financial (17%). For companies that have not done anything to manage food waste, more than three quarter (76%) say there is no need or food waste is not an issue.

- Awareness of the Sustainable Canadian Agricultural Partnership sits at 21 percent, consistent with 2022 (Canadian Agricultural Partnership). Over half (56%) of those who are aware of the Partnership have a positive perception of it; this marks a decline compared to 2022, when three in four (75%) said their impression about the program was positive. However, positive impressions remain elevated compared to results from 2019.

- The survey included a question to measure diversity in the ownership of Canadian processors. One third (35%) of companies responding to the survey are majority-owned by members of equity-seeking groups.

This includes companies owned by women (27%, down 2 ppt), members of racialized groups (7%), individuals who identify as 2SLGBTQI+ (3%), Indigenous people (2%) and people with disabilities (2%). These proportions are largely unchanged compared to 2022.

- The survey identified a segment of companies that are environmentally leaning, defined as those who report implementing two or more environmental initiatives. This group comprises over two thirds (67%) of companies, unchanged from 2022. While these companies are generally similar in their business characteristics compared to other companies, environmentally leaning companies are more likely to implement nearly all initiatives, including initiatives relating to public trust, labour issues, and food loss and waste, than other companies. This suggests that environmental initiatives likely go hand-in-hand with other business efficiency strategies and approaches. Further, environmentally leaning companies are also more likely to see food waste reduction (68%) as a high priority.

D. Political neutrality statement and contact information

Research Firm:

Environics Research (Environics)
Contract Number: CW2330863
Contract Award Date: September 20, 2023

I hereby certify as a senior officer of Environics Research that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Communications Policy of the Government of Canada, and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leaders.

Signed:

Date: February 26, 2024

Stephanie Coulter
Senior Research Associate, Corporate and Public Affairs
Environics Research

Introduction

Background

Environics Research (Environics) is pleased to present this report to Agriculture and Agri-Food Canada with findings from the fourth wave of the Strategic Issues Survey of Food and Beverage Processors.

The food and beverage processing sector is the largest manufacturing sector in Canada and is one of Agriculture and Agri-Food Canada's (AAFC) key stakeholder groups. Overall, this sector accounts for approximately 2% of the national Gross Domestic Product (GDP) and provides employment to approximately 323,000 Canadians. Around 7,800 food and beverage processing establishments with employees exist in Canada. Of these establishments, 91% have less than 100 employees, 8% have between 100 and 500 employees, and approximately 1% have more than 500 employees. This survey was previously conducted in 2017-2018, 2018-19 and 2021-22.

Research objectives

The fourth wave of AAFC's Strategic Issues Survey of Food and Beverage Processors is intended to gain critical insights on the opinions, issues and challenges faced by Canadian processors. The findings will be used in the development of policies, programs and initiatives to better serve the sector. This wave of the survey builds on tracking questions from previous study waves to identify trends over time but also provides insights on new and evolving areas of interest to AAFC. Areas of focus for this fourth wave of research include:

- Awareness of AAFC initiatives, such as collecting baseline data on awareness of the new Sustainable Canadian Agricultural Partnership;

- Prioritization and adaptation to challenges and barriers;

- Trends in plastic packaging reduction measures, motivators, and barriers;

- Views on food loss and waste contributors and reduction practices;

- Other emerging issues relating to environmental sustainability, as well as labour issues, and public trust.

This wave's questionnaire was also designed to gather firmographic information on company characteristics like region, company size, time in business, revenue, ownership, and organic certification. The contract value for this project was $94,835.25 including HST.

Methodology

Environics conducted a telephone survey of 500 Canadian adults who are food or beverage processors or manufacturers and have responsibility for business strategy and/or operations. This includes CEO, Owner/Operator, President, Vice President, Director, and Operations Manager. Conducted from December 18, 2023 to January 24, 2024, the survey took respondents an average of 15 minutes to complete.

The sampling frame for this survey was a list of businesses with relevant NAICS codes, purchased from a commercial supplier (Dun & Bradstreet) which maintains regularly updated lists of Canadian businesses. This is the same sample source used for previous waves. Data was weighted by region and company size to match the composition in the complete Dun & Bradstreet list used for sampling.

Because this is an attempted census of a known population (about 7,800 eligible businesses), a margin of error can be calculated. The margin of error for a sample of 500 on this population is plus or minus 4.2 percentage points (at the 95% confidence level).

This report begins with an executive summary outlining key findings and conclusions, followed by detailed analysis of the quantitative results. A detailed set of "banner tables" is provided under a separate cover; this presents results for all survey questions by company segments such as location of headquarters, business size, and type of business as well as individual respondent characteristics like gender and language.

Results may not add up to 100% due to rounding or multiple responses. Net results cited in the text may not exactly match individual results shown in the charts due to rounding. For "select all that apply" questions, categories with no responses are not shown. Tracking results, where shown, are based on previous waves of the survey conducted in 2018-19 (n=400) and 2021-22 (n=501). Year over year changes are reported in percentage points (ppt).

Additional details about the methodology can be found in Appendix A.

Notes on sub-group analysis

Companies implementing two or more environmental initiatives in question 6 (Which of the following programs or initiatives has your company implemented?) are defined as environmentally leaning for sub-group analysis.

Organic certified companies are combined with those currently in the process of seeking an organic certification for sub-group analysis, due to the limited sample in the latter group.

For the purposes of sub-group analysis, companies are organized into six broad categories by type of product. This grouping creates larger sample sizes that allow for some comparisons between the following groups:

1. Grain-based includes those processing animal foods, grain and oilseed milling, dough and noodle, and bakery products.

2. Fruit and vegetable.

3. Beverage includes alcoholic and non-alcoholic beverage processors.

4. Dairy.

5. Protein includes those processing meat, poultry, and seafood, including rendering.

6. Other products include sugar and confectionary products, maple syrup, sauce, and other miscellaneous products not covered by the other five categories.

II.   Detailed findings

1.   Business priorities and initiatives

Company priorities over the past two years - tracking

Public trust, largely unchanged from 2022, and stabilizing food costs are the top two priorities for companies over the past two years.

When asked to consider eight broad priorities, public trust and stabilizing food costs were the most frequently mentioned high priorities for food and beverage processors; two-thirds (67% and 66%) of companies name each of these as a high priority. The importance of reducing food waste (65%) increased by six points from 2022 (59%). Supply chain issues (62%, down 4 ppt) and labour concerns (58%, down 2 ppt) are also still considered a high priority for a majority of businesses, although the importance of these has softened since 2022. As in the previous wave, improving environmental sustainability (46%) and workplace equity (44%) ranked lowest of the eight issues.

Priority level over past two years

Priority	High priority	Medium priority	Low priority	Don't know / Prefer not to say	High priority 2022 (chg. ppt)
Addressing public perception, image, and trust	67%	18%	13%	2%	66% (+1)
Making an effort to stabilize food costs for consumers	66%	22%	9%	3%	New
Reducing food loss and waste created during processing	65%	20%	13%	2%	59% (+6)
Addressing supply chain issues	62%	24%	13%	2%	66% (-4)
Addressing labour issues, such as capacity and retention	58%	22%	18%	2%	60% (-2)
Addressing employee mental health	48%	31%	19%	2%	New
Improving environmental sustainability	46%	35%	17%	2%	47% (-1)
Improving equity, diversity, and inclusion	44%	31%	20%	5%	43% (+1)

Q5. Thinking about the past two years, please tell me if each of the following has been a high, medium or low priority for your company? Base: All respondents (2024 n=500; 2021 n=501).

Some sub-groups place more emphasis on some priorities compared to others:

- Public trust is more likely to be a high priority for companies working in sugar/maple syrup/sauce/other (73%).

- Stabilizing food costs is more likely to be considered a high priority for companies that are majority-owned by Indigenous people (96%), members of racialized groups (84%), and those

who identify as 2SLGBTQI+(84%), as well as companies working in sugar/maple syrup/sauce/other (77%).

- Reducing food waste is more of a high priority for companies working in the sugar/maple syrup/sauce/other (73%) and meat/poultry/seafood (70%) manufacturing sectors.

- Supply chain issues are more of a high priority for companies based in Ontario (66%), in operation for five or more years (64%), and majority-owned by those who identify as 2S2SLGBTQI+ (95%).

- Labour issues are more likely to be a high priority for companies with 10 or more employees (70%), in operation for five or more years (59%), have $1 million plus annual revenue (67%), and working in dairy (73%).

- Employee mental health is more of a priority for companies which are majority-owned by members of racialized groups (71%).

- Improving environmental sustainability is more likely to be a high priority for companies based in Quebec (59%), have $1 million to $5 million annual revenue (58%), and that are majority-owned by Indigenous people (90%).

- Workplace equity is more likely to be a high priority for companies that are majority-owned by Indigenous people (76%), and those who identify as 2SLGBTQI+ (73%).

Programs and initiatives

When asked about the initiatives they have in place, nearly all companies (92%) report implementing programs to enhance public trust. Nearly nine in ten (87%) have implemented at least one type of environmentally related initiative.

When asked if their company has implemented different programs and initiatives from a list provided, food safety communication (78%), traceability system (76%, down 4 ppt), food waste reduction (62%), and sustainable packing programs (60%, up 3 ppt) are the most frequent individual measures mentioned by food and beverage processors.

Grouped by topic, public trust measures overall are most common, with a vast majority of companies (92%) saying they have implemented at least one of these measures, largely unchanged from 2022. Compared to 2022, environmental initiatives (87%) were mentioned more often, increasing by four points overall; water conservation (55%) in particular rose by seven points. Consistent with 2022, seven in ten (71%) have implemented at least one initiative to address labour issues , and six in ten (62%) have food waste reduction measures in place.

Looking at specific items included under public trust and labour issues, there were some changes compared to 2022; notably, assurance systems (46%, down 8 ppt), traceability system (76%, down 4 ppt), and policies to address employee retention and absenteeism (54, down 4 ppt). Due to changes in the questionnaire, the public trust and labour issues group results cannot be directly compared to 2022.

Companies implementing two or more environmental initiatives are defined as "environmentally leaning" and discussed as a sub-group throughout this report; this group comprises over two thirds (67%) of companies, stable with 2022 (65%).

Iterations of the initiatives question were asked previously in the 2017 and 2018 waves of the survey; however, the list has expanded to include more initiatives, and in some instances, wording of list items has been revised. Tracking is indicated where possible.

Programs and initiatives implemented by company

Programs / initiatives	2024 (n = 500)	2022 (n = 501)	2019 (n=400)	2018 (n=376)
Public Trust	**92%**	**94%**	-	-
Food safety communication / messaging*	78%	-	-	-
Traceability System	76%	80%	-	-
Enhanced nutritional content/healthy ingredients	56%	59%	75%	-
Assurance systems like organic, kosher, or sustainably sourced	46%	54%	-	-
Enhanced animal welfare practices**	20%	24%	64%	26%
Environment	**87%**	**83%**	-	-
Sustainable packaging programs	60%	57%	58%	49%

Water conservation measures	55%	48%	62%	40%
Installing energy efficient technology, such as energy efficient chillers***	42%	43%	60%	49%
Environmental stewardship programs	37%	40%	60%	39%
Sustainable transportation programs	25%	22%	34%	27%
Climate adaptation strategy****	24%	22%	30%	22%
Using clean energy, like wind or solar, to power your operations	9%	9%	-	-
Labour Issues	**71%**	**71%**	-	-
Policies to address employee retention and absenteeism	54%	58%	-	-
Workforce diversity, equity and inclusion program*	45%	-	-	-
Workforce mental health initiatives*	45%	-	-	-
Food Loss and Waste	**62%**	**63%**	-	-
Food loss and waste reduction programs*****	62%	63%	58%	49%

Q6. Which of the following programs or initiatives has your company implemented? If something doesn't apply to your company, please say so.

*New initiatives in 2024

**Asked as "humane animal welfare practices" in 2017-2018.

***Asked as "more energy efficient/clean technologies, such as energy efficient chillers" in 2017-2018.

****Revised from "climate change strategy" in 2017-2018.

*****Revised from "food waste programs" in 2017-2018.

Several programs and initiatives differ by company revenue, with higher revenue companies (more than $1 million annually) more likely than lower revenue companies to implement them. This includes traceability systems, assurance systems, clean energy usage, and employee retention policies.

Additionally, company size had an impact on the likelihood of implementing certain programs and initiatives, with larger companies (having 10 plus employees) being more likely than smaller companies to implement initiatives like food safety communication, traceability system, employee retention policies, and workplace equity. Companies with 50 or more employees (57%) are more likely than companies with fewer employees to implement environmental stewardship programs. These patterns speak to the resources that larger companies can invest into these initiatives, but also their capacity to focus on issues that go beyond day-to-day operations.

Implementation of programs or initiatives differed by sub-groups in some other instances:

- Assurance systems (63%), and food loss and waste reduction programs (80%) are more commonly implemented among companies based in British Columbia.

- Enhanced animal welfare practices are more likely to be put in place by companies based in Manitoba and Saskatchewan (60%).

- Water conservation measures are more commonly implemented by companies working in beverage (63%).

- Environmental stewardship programs are more commonly implemented by companies which are majority-owned by racialized groups (60%); climate adaptation strategy is more commonly implemented among companies based in Quebec (33%).

- Policies to address employee retention and absenteeism are more likely to be put in place by companies in operation for longer than five years (56%), and that are majority-owned by racialized groups (70%).

- Environmentally leaning companies are more likely to implement all initiatives save for using clean energy, like wind or solar, to power operations than their non-environmentally leaning counterparts.

Economic benefits from environmental measures

One in three (34%) say their businesses have seen economic benefits to implementing environmental stewardship measures.

One third (34%) of businesses say they have seen economics benefits from implementing environmental stewardship measures, leaving three in five (60%) businesses who say they have not. With environmental initiatives generally increasing over the past two years (87%, up 4 ppt), it may be that many businesses have yet to see economic benefits to these capital investments. It is also possible that in some instances, businesses are implementing these initiatives due to public pressure or regulation, and do not expect to see direct economic benefits from them.

Economic benefits from environmental stewardship measures

Has business seen economic benefits?	2024 (n = 187)
Yes	34%
No	60%
Don't know/Prefer not to say	6%

Q17. [If Yes to Q6 01] Has your business seen any economic benefits to implementing environmental stewardship measures? (n=187)?

Sub-groups more likely to have seen economics benefits from implementing environmental stewardship measures include:

- Companies based in Ontario (43%).

- Companies with more than $500 thousand annual revenue (37%).

Plastic packaging reduction in action

Half of businesses (50%) are taking or planning plastic reduction measures.

While half of companies surveyed (50%) say they are taking or planning plastic reduction measures, more than one in four (27%) are not taking or planning such measures, while a slightly smaller proportion (22%) say they don't use plastic at all.

Taking or planning plastic packaging reduction measures

Taking or planning measures to reduce plastic	2024 (n = 500)
Yes	50%
No	27%
Doesn't use plastic	22%

Q7. Is your company taking or planning any measures to reduce or otherwise change your plastic packaging?

Companies that are more likely to say they don't use plastic include:

- Those based in Quebec (37%) and British Columbia (25%).

- Smaller companies with fewer than 25 employees (27%).

- Companies with less than $500 thousand annual revenue (37%).

- Newer companies with less than 20 years in business (30%).

- Companies working in the beverage manufacturing sector (40%).

Companies that are more likely to say they are taking or planning plastic reduction measures include:

- Companies with 10 to 24 employees (57%).

- Companies in operation for twenty years and longer (52%).

Plastic packaging reduction measures

Looking at specific plastic reduction measures planned or implemented, over one in three (37%) companies mention switching to another material.

Among those implementing or planning to reduce plastic packaging (50%), switching to another material is the most common measure, mentioned by more than a third (37%) of the companies surveyed. Three in ten (29%) mention switching to another type of plastic. Reducing the amount of plastic and eliminating plastic all together are each mentioned by one in five (21% and 18%).

Measures to reduce plastic packaging

Measures	2024 (n = 251)
Switch to another material	37%
Switch to another type of plastic	29%
Reduce the amount of plastic	21%
Eliminate plastic all together	18%
Introduce recycled content	12%
Introduce reusable packaging	12%
Other	10%
Don't know/no response	5%

Q8. [If Yes to Q7] What measures have you taken and or will be taking?

Some plastic reduction measures are more likely to be implemented by certain types of manufacturing than others. Switching to another material is more common for companies working in beverage manufacturing (46%), while reducing the amount of plastic is more common for companies working in meat/poultry/seafood (38%).

Implementation of plastic reduction measures differed by sub-group in some other instances:

- Eliminating plastic all together is more common for companies with 10 to 24 employees (26%), and environmentally leaning companies (22%).

- Introducing recycled content is more common among companies based in Quebec (23%).

Plastic packaging reduction motivators

Fewer than half (46%) say their main motivation for reducing plastic is to mitigate the environmental impact, doubling the proportion who say they are doing so to comply with requirements (22%).

The top motivator for reducing plastic is to mitigate the environmental impact with fewer than half of the companies (46%) mentioning it; this motivator stands alone at the top of the list, mentioned more than twice as often as any other motivator. One in five say that their motivators are to comply with government requirements (22%) and to reduce costs (21%). Other motivators include responding to public demands (15%) and feeling it's the right thing to do (15%).

Motivators to reduce plastic packaging

Motivators	2024 (n = 251)
To mitigate environmental impact	46%
To comply with government requirements	22%
To reduce costs	21%
To respond to public demands / pressure	15%
Because we feel it's the right thing to do	15%
To respond to buyer demands	6%
To align with a design guide / commitment	2%
To gain or maintain market access	2%
To gain an advantage over competitors	1%
Other	4%
Don't know/no response	4%

Q9. [If Yes to Q7] What were the primary motivators for planning or taking these measures?

Motivators to reduce plastic packaging differed by sub-group in instances such as:

- Mitigating environmental impact is more likely to be a motivator for companies working in beverages (57%).

- Complying with government requirements is more likely to be a motivator for companies with 25 to 49 employees (42%).

- Reducing costs is more likely to be a motivator for companies with $500 thousand to $1 million annual revenue (38%).

- Reducing plastic because it's the right thing to do is more likely to be a motivator for companies based in the Atlantic region (38%).

Plastic packaging reduction barriers

Nearly half (48%) of companies say there are no barriers when it comes to reducing plastic packaging.

Nearly half (48%) of companies say there are no barriers for reducing plastic packaging. One in four companies mention the availability of alternative packaging (24%) and one in five mention increased costs (21%). Only one in ten (10%) say availability of alternative packaging is a barrier.

Barriers to reduce plastic packaging

Barriers	2024 (n = 500)
Availability of alternative packaging that offers the same function	24%
Increased cost	21%
Availability of alternative materials	10%
Lack of ability to use alternative materials	6%
Retailer specifications for packaging	4%
Issues with trade	2%
Lack of reuse-refill systems at retail	1%
Labour capacity	1%
Other	4%
No barriers	48%

Q10. What, if any, barriers are there to reducing single use plastic packaging in your company?

Barriers to reduce plastic packaging differed by sub-group in instances such as:

- Availability of alternative packaging that offers the same function is more likely to be a barrier for companies in operation for 20 plus years (27%).

- Lack of ability to use alternative materials is more likely to be a barrier for companies with 10 to 24 employees (10%).

- Companies working in the beverage sector are more likely than others to say they face no barriers (61%).

Supply chain changes

More than half (55%) of companies couldn't name changes in the supply chain that could help them reduce plastic packaging.

When asked what changes in the supply chain could help reduce plastic packaging, over half (55%) of companies said they don't know or prefer not to say. Of specific changes mentioned, supply channels (15%), retailer policies and practices (13%), and transport, distribution and storage practices (12%) were the most frequently mentioned.

Changes in supply chain to help reduce plastic packaging

Changes in supply chain	2024 (n = 500)
Changes to supply channels	15%
Changes to retailer policies and practices	13%
Changes to transport, distribution and storage practices	12%
Implementation of standardized reuse-refill systems at scale	7%
Changes in consumer behaviour towards single-use packaging	6%
Changes to government regulations (for example laws, taxes)	3%
Other	1%
Don't know/Prefer not to say	55%

Q10B. What changes in the supply chain could help reduce single use packaging in the food processing sector?

Companies in business for less than five years are more likely to point to changes to retailer policies (26%) and implementation of standardized reuse-refill systems (21%). Companies in business for longer than five years (56%) are more likely to say they don't know or prefer not to say than newer companies.

Other sub-group differences included:

- Changes to supply channels are more likely to be mentioned by companies based in Ontario (20%).

- Changes to retailer policies and practices are more likely to be mentioned by companies with 10 to 24 employees (23%), or annual revenue between $1 million to $5 million (23%).

Food waste causes

The majority of companies say equipment (60%) and quality (53%, down 8 ppt) issues are the most common reasons for food waste in processing.

When asked to consider eight common causes of food waste that can occur in processing, three in five (60%) companies say equipment issues contribute to food waste (a little or a lot), consistent with 2022. Over half (53%, down 8 ppt) mention poor-quality items, though this has declined eight points from 2022. Inaccurate forecasting (40%, down 10 ppt) also saw a decline, which ranks at third for contributing a lot or a little together with inability to repurpose products (40%, down 4 ppt) and production line changes (40%).

These results could suggest that quality and forecasting issues, although still major contributors to food waste, are not felt as acutely in 2024 as they were during the peak of the COVID-19 pandemic.

Contribution of food waste causes

Causes of food waste	NET: Contributes a lot / a little	Contributes a lot	Contributes a little	Does not contribute	Don't know / prefer not to say	2022 NET: Contributes (chg. ppt)
Equipment issues or breakdowns	60%	14%	45%	39%	1%	59% (+1)
Poor quality item / rejection due to quality standards	53%	13%	40%	46%	2%	61% (-8)
Inaccurate supply and demand forecasting	40%	12%	28%	58%	2%	50% (-10)
Inability to repurpose or reincorporate off-spec products	40%	9%	31%	57%	3%	44% (-4)
Production line changes	40%	9%	31%	58%	2%	39% (+1)
Lack of workers or staffing issues	35%	12%	23%	63%	1%	New
Shipping delays	34%	9%	25%	64%	2%	New
Rejection due to regulatory issues	34%	7%	26%	65%	1%	New

Q11. I'm going to name some different causes of food waste that can occur in processing. For each one, tell me if it contributes a lot, contributes a little, or does not contribute to food loss and waste in your company's operations? Base: All respondents (2024 n=500; 2022 n=501).

Looking at causes that contribute a lot to food waste by sub-groups shows areas where some types of processors feel these causes more acutely:

- Equipment issues or breakdowns are more likely to be mentioned by companies based in Quebec (19%).

- Labour issues are more likely to contribute a lot to food waste for companies based in Ontario (19%).

- Inaccurate forecasting is noted more often by companies with an annual revenue of $1 million to $5 million (19%).

- Shipping delays are noted more often by companies working in animal food/grain/bakery/dough and noodle (15%).

Practices to reduce food loss and waste -

Process optimization or waste assessments are still the most common food waste reduction strategies mentioned by just over one in three companies (35%, down 13 ppt), though there is a notable decline compared to 2022.

Just over one in three companies (35%, down 13 ppt) say they use process optimization or waste assessments, when asked on an open-ended basis how they manage and reduce food waste in their operations. This is followed by development of new food products or ingredients (15%) and enhanced employee training (15%, up 10 ppt). Just over one in five (21%) say they have not done anything to manage or reduce food waste.

Most practices were consistent from 2022 to 2024; however, a notable decline by 13 points in measurement and optimization, and a similar increase by 10 points in employee training may signify a shift in attitudes and approach to this issue.

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Practices to reduce food loss and waste in operations

</div>

Practices	2024	2022 (chg. ppt)
Measurement/tracking, process optimization and/or waste assessments	35%	48% (-13)
Development of new food products or food ingredients (such as upcycling)	15%	New (Not applicable)
Enhanced employee training	15%	5% (+10)
Diversion to animal feed products	6%	8% (-2)
Donate extra food or product (for example, to shelters)	6%	New (Not applicable)
Composting	5%	6% (-1)
Implemented new technology (such as food traceability)	4%	6% (-2)
Optimizing supply chain (reducing transportation time)	3%	4% (-1)
Improved cold storage	3%	4% (-1)
Providing more information to consumers to avoid food waste (e.g., storage tips, recipes)	2%	New (Not applicable)
Sustainable packaging	2%	3% (-1)
Biofuels, biochemicals and biomaterial (includes biodigesters)	1%	<1% (0)
Other	4%	2% (+2)
Have not done anything to manage or reduce food waste	21%	21% (0)
Don't know/Prefer not to say	7%	7% (0)

Q12. What, if any, practices does your company have in place to manage or reduce food loss and waste? Base: All respondents (2024 n=500; 2021 n=501).

Several practices mentioned differ by company sizes, region, and revenue.

- Process optimization or waste assessments are more often noted by companies with 25 to 49 employees (57%), based in Manitoba or Saskatchewan (82%), and earn more than $1 million annually (43%).

- Companies with fewer than 25 employees (25%), based in Quebec (30%), and earn less than $250 thousand annually (33%), are more likely to have not done anything.

Two other practices are more often noted by certain types of manufacturing than others. Diversion to animal feed products is more likely to be practiced by companies working in beverage (11%), while donating extra food or product is more likely to be practiced by those working in animal food/grain/bakery/dough and noodle (13%).

Reasons for no food waste reduction measures

When asked why some companies haven't done anything to reduce food waste, three quarters (76%) say no need/food waste is not an issue.

Most companies that haven't done anything to reduce food waste say there is no need or that food waste is not an issue (76%). Less than one in ten (6%) say the size of their business is the reason they haven't done anything to reduce food waste.

Reasons for not implementing food waste reduction measures

Reasons	2024 (n = 98)
No need/food loss or waste is not an issue	76%
Size of company/small business	6%
Other	9%
Don't know/no response	9%

Q13. [If Q12 equals 98 Have not done anything] Why hasn't your company implemented any practices to manage food loss and waste?

There are very few significant differences between sub-groups:

- No need or not an issue is more likely to be the case for companies based in Quebec (83%), and those who process beverages (90%).

Barriers to food waste reduction measures

The top barrier to further efforts to reduce food waste is financial (17%), but over half companies say they have no barriers (55%).

Financial barriers (17%) and staffing issues (10%) are the barriers mentioned most often by companies when asked an open-ended question about what prevents them from implementing further practices to

manage food waste. Other barriers like lack of infrastructure (7%), lack of time (7%), and regulatory barriers (5%) are mentioned less often. Over half (55%) say they have no barriers.

Barriers to implementing food waste reduction measures

Barriers	2024 (n = 402)
Financial barriers / not enough money / high cost of investment	17%
Lack of workers / staffing issues	10%
Lack of infrastructure	7%
Lack of time / takes too long / no time to learn	7%
Regulatory barriers	5%
Inherent in nature of product or process / just doesn't create much waste	5%
Lack of corporate expertise / lack of knowledge / don't know how	3%
Other	4%
No barriers	55%
Don't know/no response	1%

Q14. [IF Q12 is not equal to 98] What, if any, are the barriers to implementing further practices in your company to manage and reduce food loss and waste?

While mentions of barriers to food waste management were relatively uniform across sub-groups, there are a few noteworthy differences:

- Financial barriers are noted more often by environmentally leaning companies (20%), and companies who process beverages (26%).

- Staffing issues are more often mentioned by companies with 25 to 49 employees (31%) and those based in Manitoba and Saskatchewan (53%).

2. Sustainable Canadian Agricultural Partnership

Awareness and impression of Sustainable Canadian Agricultural Partnership -

One in five (21%) companies are aware of the Sustainable Canadian Agricultural Partnership in 2024, consistent with 2022. Over half (56%, down 19 ppt) of those who are aware of the partnership have a positive perception of it in 2024.

The Sustainable Canadian Agricultural Partnership is a five-year investment by federal, provincial and territorial governments to strengthen the competitiveness, innovation, and resiliency of the agriculture, agri-food and agri-based products sector. One in five (21%) are aware of the Sustainable Canadian Agricultural Partnership in 2024; over half (56%, down 19 ppt) of those who are aware of the partnership have a positive perception of it. Overall awareness of the Sustainable Canadian Agricultural Partnership is consistent with 2022 (20%) even though the program changed names between study waves (Canadian Agricultural Partnership).

More than half (56%) say their impression of the program is very (12%, down 17 ppt) or somewhat (44%, down 2 ppt) positive, a decline since 2022, when three quarters (75%) said the same about the program. However, positive impressions remain elevated compared to results from 2019, when just over two in five (42%) said their impression of the partnership was positive. The 2022 report suggested that the steep increase in positive impressions seen at the time may have been due to confusion with assistance programs that were created to help companies cope with pandemic-related challenges. Now in 2024 and well past the peak of COVID-19 support measures, positive impressions may have declined in part because the programs that caused confusion are no longer top-of-mind.

Sustainable Canadian Agricultural Partnership awareness

Aware of Sustainable Canadian Agricultural Partnership	2024 (n = 500)	2022 (n = 501)	2019 (n = 400)
Yes	21%	20%	26%
No	78%	80%	74%

Q15. Have you seen, heard or read anything about the Sustainable Canadian Agricultural Partnership? Note: Don't know responses have been removed for comparison with past data.

Sustainable Canadian Agricultural Partnership impressions tracking

Impression of Sustainable Canadian Agricultural Partnership	2024 (n = 103)	2022 (n = 84)	2019 (n = 101)
NET: Positive	56%	75%	42%
Very positive	12%	29%	16%
Somewhat positive	44%	46%	26%
Neither positive or negative	35%	20%	37%
Somewhat negative	4%	5%	15%
Very negative	2%	0%	6%

Q16. What's your overall impression of the Sustainable Canadian Agricultural Partnership? Note: Don't know responses have been removed for comparison with past data.

Awareness of the Sustainable Canadian Agricultural Partnership were relatively uniform across sub-groups. The only notable subgroup difference is that awareness is higher in Quebec (25%). Among companies aware of the program, sample sizes preclude meaningful comparison of impressions between sub-groups.

3. Profile of food and beverage processors

Company location and size

Over three in five (63%) companies have their headquarters in Ontario or Quebec. Most are small operations; almost three in four (73%) have fewer than 25 full-time employees (or equivalent), consistent with 2022.

Results between waves are steady, because survey data in both years was weighted based on region and broad company size categories from the sample source.

Region

Location of headquarters	2024 (n = 500)	2022 (n = 501)	2019 (n = 400)	2018 (n = 376)
British Columbia	17%	17%	17%	17%
Alberta	8%	8%	6%	8%
Saskatchewan	2%	3%	4%	4%
Manitoba	3%	3%	2%	3%
Ontario	34%	36%	36%	36%
Quebec	29%	25%	27%	25%
Prince Edward Island	1%	1%	1%	1%
New Brunswick	2%	2%	2%	2%
Nova Scotia	3%	3%	4%	4%
Newfoundland	1%	1%	1%	2%

Q1. To start, in which province or territory is your company's headquarters located?

Company size

Employees in Canada	2024 (n = 500)	2022 (n = 501)	2019 (n = 400)	2018 (n = 376)
NET: Under 100	93%	94%	91%	86%
Up to 24	*73%*	*73%*	*-*	*-*
25 to 49	*14%*	*15%*	*-*	*-*
50 to 74	*5%*	*4%*	*-*	*-*
75 to 99	*2%*	*2%*	*-*	*-*
100 to 249	*2%*	*3%*	*5%*	*3%*
NET: 250+	2%	1%	2%	11%
250 to 499	*1%*	*1%*	*2%*	*-*
500 to 999	*<1%*	*<1%*	*<1%*	*-*
1000 or more	*<1%*	*<1%*	*<1%*	*-*
Don't know/no response	2%	2%	<1%	<1%

Q20. How many employees work for your company in Canada? Please include part-time employees as full-time equivalents.

Revenue and time in business

Most companies who reported their income earn less than $5 million per year. More than three quarters of companies (77%, up 10 ppt) have operated for 10 years or more.

In 2024, the revenue question was changed to be open-end, rather than having companies indicate their revenue from a list of categories. This year, almost half of companies said they don't know the revenue (45%). When the results from the response option of "don't know/no response" are removed from the analysis, results for 2024 are fairly similar to 2022, with more than half (52%) of companies earning less than $1 million per year.

More than three quarters of companies (77%, up 10 ppt) have been in business for 10 years or more while over half (53%, up 4 ppt) have operated for 20 years or longer. Companies working in beverage are more likely to have been in operation for five to twenty years than other manufacturing types (58%); meat/poultry/seafood companies are more likely to have been in operation for 30 or more years than other manufacturing types.

Annual revenue

Total revenues in last fiscal year	2024 (n = 500)	2022* (n = 501)	2024 (Don't know/no response removed)	2022* (Don't know/no response removed)
NET: Less than $1 million	30%	47%	52%	55%
Less than $250 thousand	*11%*	*18%*	*19%*	*21%*
$250 thousand to less than $500 thousand	*8%*	*12%*	*14%*	*14%*
$500 thousand to less than $750 thousand	*7%*	*10%*	*12%*	*12%*
$750 thousand to less than $1 million	*4%*	*7%*	*7%*	*8%*
NET: $1 million or more	27%	37%	48%	44%
$1 million to less than $5 million	*15%*	*24%*	*26%*	*29%*
$5 million to less than $10 million	*4%*	*5%*	*7%*	*6%*
$10 million to less than $25 million	*4%*	*4%*	*7%*	*5%*
$25 million to less than $50 million	*2%*	*2%*	*4%*	*2%*
$50 million to less than $100 million	*1%*	*1%*	*2%*	*1%*
$100 million or more	*1%*	*1%*	*2%*	*1%*
Don't know/no response	45%	17%	Not applicable	Not applicable

*Q21. In your last fiscal year, what were your company's total revenues? *Note: This question was changed to be open ended in 2024.*

Annual revenue – tracking (Don't know/no response category removed)

Total revenues in last fiscal year	2024 (n = 500)	2022* (n = 501)	2019* (n = 400)	2018* (n = 376)
Less than $10 million	85%	90%	86%	82%
$10 million or more	15%	10%	15%	19%

Q21. In your last fiscal year, what were your company's total revenues?

Years in business

Years in business	2024 (n = 500)	2022 (n = 501)	2019 (n = 400)	2018 (n = 376)
Less than 1 year	1%	1%	<1%	<1%
1 year to less than 5 years	7%	15%	11%	9%
5 years to less than 10 years	16%	17%	14%	11%
10 years to less than 20 years	24%	18%	23%	21%
20 years to less than 30 years	20%	19%	23%	25%

30+ years	33%	30%	29%	35%
Don't know/no response	0%	<1%	1%	0%

Q3. Approximately how long has your company been in the food or beverage processing business?

Type of processing facility

More than one in four (27%) companies are in alcoholic beverage manufacturing.

Companies responding to the survey operate in a wide range of areas, with alcoholic beverage manufacturing (27%) and fruit/vegetable preserving and specialty food (9%) as the most common.

The proportions of companies in most types of manufacturing are consistent from 2022 to 2024; changes from year to year may be due to the inclusion of some specific industry codes for maple syrup and grain processing that were not used in previous waves.

In the 2019 wave, half of all companies (50%) were in an unspecified "Other" category. Since the 2022 wave, categories were expanded, and companies saying "Other" were asked to specify what type of facility they operate. The relatively high proportion of companies in the alcoholic beverage category in 2022 and 2024 were likely contained within the unspecified "Other" category in 2019. This question was not asked in 2017.

Type of facility

Type of facility	2024 (n = 500)	2022* (n = 501)	2019* (n = 400)
Alcoholic Beverage Manufacturing	27%	25%	Not applicable
Fruit/vegetable preserving and specialty food	9%	5%	Not applicable
Sugar and Confectionary Product Manufacturing	8%	8%	8%
Bakeries and Tortilla Manufacturing	8%	11%	11%
Maple syrup products production	7%	3%	Not applicable
Animal Food Manufacturing	6%	6%	5%
Non-alcoholic Beverage Manufacturing	5%	5%	Not applicable
Grain and Oilseed Milling	5%	5%	9%
Animal (except poultry) Slaughtering	4%	6%	4%
Rendering and Meat Processing from Carcasses	4%	4%	3%
Seafood Product Preparation and Packaging	4%	6%	4%
Dairy Product Manufacturing	4%	5%	6%
Dough, Flour Mixes, Noodle and pasta manufacturing	3%	1%	Not applicable
Sauce manufacturing	3%	1%	Not applicable
Poultry Processing	3%	2%	1%
Other	7%	9%	50%

| Food processing or manufacturing (general) | 5% | 4% | Not applicable |

*Q4. What type of food or beverage does your company process or manufacture? *Note: Results for the two previous waves are shown for reference only as the types were updated slightly in 2024.*

Processor type is, predictably, dependent on geography, with grain products and animal feed largely processed in Alberta (37%), and seafood handled in the Atlantic provinces (36%). In addition, sugar, maple syrup and sauces are more concentrated in Quebec (36%), while beverage is more concentrated in British Columbia (37%) and the Atlantic provinces (43%).

For the purposes of sub-group analysis, these categories were combined into six broader categories: grain-based, fruit and vegetable, beverage, dairy, protein, and other products. These are defined in the about section of the report.

Organic certification

More than four in five (83%) companies are not organic certified or seeking certification.

Most companies are not organic certified (83%, up 3 ppt); few are in the process of getting that certification (3%) and just over one in ten (13%, down 3 ppt) are organic certified. Organic certification is stable since 2022.

Organic certified processing

Organic certified or in process of obtaining certification	2024 (n = 500)	2022 (n = 501)
Yes – organic certified	13%	16%
Yes – in process of obtaining organic certification	3%	3%
No	83%	80%
Don't Know/Prefer not to say	1%	1%

Q22. Is your processing operation organic certified or in the process of receiving organic certification?

Organic certification is more common in companies based in Quebec (27%), and among those earning $1 million to $5 million annually (19%).

Company ownership by members of equity-seeking groups

More than one third (35%) of Canadian food and beverage processors are majority owned by members of equity-seeking groups, most often women (27%).

In total, more than one third (35%) of businesses are majority-owned by an individual or individuals who identify as a member of at least one equity-seeking group. This includes companies owned by women

(27%, down 2 ppt), members of racialized groups (7%), individuals who identify as 2SLGBTQI+ (3%), Indigenous people (2%), and people with disabilities (2%). These proportions are consistent with 2022.

Ownership by identity / members of equity-seeking groups

Ownership identity	2024 (n = 500)	2022 (n = 501)
NET: Owned by a member of at least one equity-seeking group	35%	35%
Indigenous peoples, that is, First Nations, Metis, or Inuit	2%	1%
People with disabilities	2%	1%
Racialized groups	7%	8%
Women	27%	29%
Individuals who identify as 2SLGBTQI+	3%	2%
None of the above	61%	60%
Don't Know/Prefer not to say	4%	5%

Q23. Is this company majority-owned (51 percent or more) by an individual or individuals in any of the following groups?

Ownership by members of equity-seeking groups is more common in small companies with fewer than 25 employees (38%), and companies earning less than $5 million annually (42%).

4. Respondent profile

Characteristics of the individuals who responded to the survey are outlined below; the profile of respondents is generally consistent with results from the 2022 wave.

Survey language

Language of survey	2024 (n = 500)	2022 (n = 501)
English	73%	76%
French	27%	24%

Language of interview.

Position in company

Position	2024 (n = 500)	2022 (n = 501)
CEO/Owner/President (NET)	54%	56%
CEO	5%	4%
Owner/Operator	39%	38%
President	9%	13%
VP Level (NET)	2%	3%
VP, Operations	1%	3%
VP, Business Strategy	0%	<1%
VP, Marketing	1%	<1%
Director/Operations/Other (NET)	44%	41%
Director (for example, finance and marketing)	6%	11%
Operations (for example, supervisor and manager)	37%	28%
Other	1%	2%
Don't know/no response	0%	<1%

Q2. What is your position within the company?

III.   Conclusion

The results of this survey show that Canada's food and beverage processors continue to juggle competing priorities, with some noteworthy changes in results since 2022. Some issues that were especially acute during the previous wave, like supply chain issues and labour concerns, seem to have receded in importance as conditions surrounding the COVID-19 pandemic have subsided. In the meantime, stabilizing food costs and food waste reduction have become two of the top three priorities in 2024, which makes it clear that inflation is having a profound effect on these businesses and their customers.

New questions about plastic packaging this year suggest that while most companies intend to reduce their plastic packaging (or are already doing so), some struggle to identify viable means of doing so, and others are hindered by cost. As pressure on these companies mounts to reduce or eliminate plastic packaging, they may need support to succeed in this area.

These valuable survey results indicate how Canadian food and beverage processors are making key business decisions and balancing a range of priorities. The findings from this research could be illuminated by qualitative research to better understand what these decisions look like at the ground level, and could illuminate other issues not currently addressed by the survey methodology.

IV. Appendix A: Methodology

Environics Research conducted a telephone survey with 500 Canadian food or beverage processors or manufacturers, drawn from a sample list of 7,127 companies. Specifically, the survey was conducted with adults (18+) at these companies who have responsibility for business strategy and/or operations. The response rate for the survey was 10.3% and the margin of error for this sample is +/-4.2%.

Sample design, weighting and respondent profile

Environics conducted a 15-minute telephone survey from December 18, 2023, to January 24, 2024. The sampling method was designed to attain interviews with at least 500 companies based on predicted response rates.

The sample frame for this study was a list of food and beverage processors from Dun & Bradstreet Canada. Eligible processors were defined as companies with headquarters in Canada, operating under Standard Industrial Classification (SIC) Code 20. After cleaning the list to remove duplicates and defunct entries, the list contained 7,127 eligible records. A complete list of eligible SIC codes is shown below:

SIC Code	Description
3111	Animal Food Manufacturing
3112	Grain and Oilseed Milling
3113	Sugar and Confectionary Product Manufacturing
3114	Fruit and vegetable preserving and specialty food manufacturing
3121	Non-alcoholic Beverage Manufacturing
31212	Alcoholic Beverage Manufacturing [Breweries]
31213	Alcoholic Beverage Manufacturing [Wineries]
31214	Alcoholic Beverage Manufacturing [Distillers]
3115	Dairy Product Manufacturing
311611	Animal (except poultry) Slaughtering
311614	Rendering and Meat Processing from Carcasses
311615	Poultry Processing
3117	Seafood Product Preparation and Packaging
3118	Bakeries and Tortilla Manufacturing
111994	Maple syrup products production
311824	Dough, Flour Mixes, Noodle and pasta manufacturing
311941	Sauce manufacturing
3119	Other Food Manufacturing

No quotas were set for any business characteristics or region. While the survey was open to respondents from all regions of Canada, the sample did not obtain any respondents from the territories.

The final survey data were weighted to match company size and region proportions in the source list. Note that in the original list, the proportion of companies with no size data was over 15 percent, while

the unweighted sample was 2 percent. For weighting purposes, the "no data" proportion was kept at 2 percent and other proportions were adjusted accordingly.

The survey obtained the following distribution:

Variable	Percent of population (source list)	Percent of sample	Actual Unweighted	Actual Weighted*
Headquarters location				
Atlantic	8	9	43	36
Quebec	27	37	183	143
Ontario	36	32	160	170
Manitoba / Saskatchewan	6	4	22	25
Alberta	7	6	30	42
British Columbia	17	12	62	83
Canada	100	100	500	500
Company Size (number of employees)				
Under 100	93	89	446	468
100 to 249	3	5	27	11
250 to 499	1	1	7	5
500 to 999	<1	<1	1	2
1000+	<1	1	7	2
No Data	1	2	12	12
Total	100	100	500	500

*Results are weighted by region and company size to source list of 7,127 food and beverage manufacturers.

Questionnaire design

The Wave IV questionnaire was largely based on the questionnaire from Wave III. AAFC provided Environics with some new desired topic areas, which were incorporated into the questionnaire. Upon approval of the English questionnaire, Environics arranged for the questionnaire to be translated into French by professional translators.

Environics' data analysts programmed the questionnaires, then performed thorough testing to ensure accuracy in set-up and data collection. This validation ensured that the data entry process conformed to the surveys' basic logic. The data collection system handles sampling invitations, quotas, and questionnaire completion (skip patterns, branching, and valid ranges).

Prior to finalizing the survey for fieldwork, a pre-test (soft launch) was conducted in English and French. The pre-test assessed the questionnaires in terms of question wording and sequencing, respondent sensitivity to specific questions and to the survey overall, and survey length. Standard Government of Canada pre-testing questions were also asked. As no changes were required following the pre-test, the ten responses have been included in the final data set.

The final survey questionnaire is included in Appendix B.

Fieldwork

The survey was conducted by Environics using a secure, fully featured Computer Assisted Telephone Interviewing (CATI) environment. The average interview length was 14.6 minutes.

All respondents were offered the opportunity to complete the surveys in their official language of choice. All research work was conducted in accordance with the Standards for the Conduct of Government of Canada Public Opinion Research – Telephone Surveys and recognized industry standards, as well as applicable federal legislation (*Personal Information Protection and Electronic Documents Act*, or PIPEDA).

Following data collection, the data from this survey were statistically weighted by region and company size, to match proportions in the original source list.

Completion results

The completion results are presented in the following table.

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Contact disposition

Total Numbers Attempted	**7127**
Out-of-scope - Invalid	**1175**
Unresolved (U)	**3066**
No answer/answering machine	3066
In-scope - Non-responding (IS)	**736**
Language barrier	35
Incapable of completing	27
Callback (Respondent not available)	674
Total Asked	**2150**
Refusal	1506
Termination	29
In-scope – Responding	**615**
Completed interview	500
NQ - Not a company in the business of food or beverage processing	115
Refusal Rate	**71.40%**
Response Rate	**10.33%**
Incidence (Overall)	**81.30%**

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V. Appendix B: Questionnaire

2023-24 Strategic Issues Survey of Food and Beverage Processors (Wave IV)

Introduction

Hello/Bonjour, my name is **[Interviewer's name]**. I'm calling on behalf of Environics, a public opinion research company. Would you prefer that I continue in English or French? Préférez-vous que je continue en français ou en anglais? We're conducting a survey with food and beverage processors about important issues facing the Canadian agriculture and food sector, on behalf of Agriculture and Agri-Food Canada.

Language of interview – **[Record, do not ask]**

01. English
02. French

Just to confirm, is this company in the business of food or beverage processing or manufacturing?

- **If yes, continue. Repeat introduction if needed.**
- **If not, terminate.**

May I speak to the person in your company responsible for business strategy and/or operations. Would this be you or someone else?

- **If person is available, continue. Repeat introduction if needed.**
- **If not available, schedule call-back.**

The survey takes up to 15 minutes. Your participation is voluntary and your decision to participate or not will not affect any dealings you may have with the Government of Canada in any way. Your identity and individual answers will be kept strictly confidential. Any information you provide will be administered in accordance with the Privacy Act and other applicable privacy laws.

May I continue?

- Yes, now **[Continue]**
- No, call later. Specify date/time: Date: Time:
- Refused **[Thank/discontinue]**

INTERVIEWER NOTES:

NOTE: If a respondent asks you about the legitimacy of this project or if the respondent wants to make a complaint or a comment about this project, they may call 1-800-XXX-XXXX.

NOTE: If a respondent requests to speak with a study leader at Agriculture and Agri-Food Canada, please take his / her name and phone number and mention that Alexandra Bray of Agriculture and Agri-Food Canada will contact them.

Business Profile

To start,

1. In which province or territory is your company's headquarters located? **[Do not read list; accept 1 response]**
   01. Newfoundland and Labrador
   02. Nova Scotia
   03. Prince Edward Island
   04. New Brunswick
   05. Quebec
   06. Ontario
   07. Manitoba
   08. Saskatchewan
   09. Alberta
   10. British Columbia
   11. Northwest Territories
   12. Yukon
   13. Nunavut
   14. Headquarters are not in Canada   **Thank/terminate**
   99. Don't know/no response

2. What is your position within the company? **[Do not read list; accept 1 response]**
   01. VP, Operations
   02. VP, Business Strategy
   03. VP, Marketing
   04. CEO
   05. Owner/Operator
   06. President
   07. Director (for example, finance, marketing)
   08. Operations (for example, supervisor, manager)
   88. Other, please specify **[Interviewer type in]**

3. Approximately how long has your company been in the food or beverage processing business?
   [Do not read list; accept 1 response]
   01. Less than 1 year
   02. 1 year to less than 5 years
   03. 5 years to less than 10 years
   04. 10 years to less than 20 years
   05. 20 years to less than 30 years
   06. 30+ years
   99. Don't know/no response

4. What types of food or beverage does your company process or manufacture? **[Do not read list, multiple response]**

01. Animal Food Manufacturing (3111)
02. Grain and Oilseed Milling (3112)
03. Sugar and Confectionary Product Manufacturing (3113)
04. Fruit and vegetable preserving and specialty food manufacturing (3114)
05. Non-alcoholic Beverage Manufacturing (3121)
06. Alcoholic Beverage Manufacturing [Breweries] (31212)
07. Alcoholic Beverage Manufacturing [Wineries] (31213)
08. Alcoholic Beverage Manufacturing [Distillers] (31214)
09. Dairy Product Manufacturing (3115)
10. Animal (except poultry) Slaughtering (311611)
11. Rendering and Meat Processing from Carcasses (311614)
12. Poultry Processing (311615)
13. Seafood Product Preparation and Packaging (3117)
14. Bakeries and Tortilla Manufacturing (3118)
15. Maple syrup products production (111994)
16. Dough, Flour Mixes, Noodle and pasta manufacturing (311824)
17. Sauce manufacturing (311941)
88. Other Food Manufacturing (3119), Specify **[Interviewer type in]** _____
99. Don't know/no response

5. Thinking about the past two years, please tell me if each of the following has been a high, medium or low priority for your company. **[Randomize]**

a) Addressing public perception, image, and trust. Public trust refers to consumers' confidence on issues such as food safety, animal welfare, and the sector's reliability and competence.
b) Addressing supply chain issues
c) Addressing labour issues, such as capacity and retention
d) Reducing food loss and waste created during processing
e) Improving environmental sustainability
f) Improving equity, diversity, and inclusion
g) Addressing employee mental health
h) Making an effort to stabilize food costs for consumers

01. Low Priority
02. Medium Priority
03. High Priority
99. Don't know/Prefer not to say (Volunteered)

Public Trust

6. Which of the following programs or initiatives has your company implemented? If something doesn't apply to your company, please say so. **[Randomize and read list]**

Environment [Do not read]
     01. Environmental stewardship programs
     02. Water conservation measures
     03. Sustainable packaging or reduced plastic programs
     04. Installing energy efficient technology, such as energy efficient chillers
     05. Using clean energy, like wind or solar, to power your operations
     06. Sustainable transportation programs
     07. Climate adaptation strategy

Food Loss and Waste [Do not read]
     08. Food loss and waste reduction programs

Labour Issues [Do not read]
     09. Workforce diversity, equity and inclusion program
     10. Policies to address employee retention and absenteeism
     11. Workforce mental health initiatives

Public Trust [Do not read]
     12. Enhanced animal welfare practices
     13. Enhanced nutritional content/healthy ingredients
     14. Traceability System
     15. Assurance systems or certifications like organic, kosher, or sustainably sourced
     16. Food safety communication / messaging

     01. Yes
     02. No
     99. Not applicable

Plastic packaging

7. Is your company taking or planning any measures to reduce or otherwise change your plastic packaging?
     01. Yes
     02. No
     03. Company doesn't use plastic [DO NOT READ]

8. **[If yes to Q7]** What measures have you taken and or will be taking? **[Do not read list, multiple response]**
     01. Reduce the amount of plastic
     02. Eliminate plastic all together
     03. Switch to another material
     04. Switch to another type of plastic (for example, more recyclable, more biobased or compostable)
     05. Introduce recycled content
     06. Introduce reusable packaging (regardless of material)
     88. Other **[Interviewer type in]**

9. **[If yes to Q7]** What were the primary motivators for planning or taking these measures? **[Do not read list, multiple response]**
   01. To respond to consumer demands or public pressure
   02. To respond to demands from the buyers you supply
   03. To gain or maintain market access
   04. Because we feel it's the right thing to do
   05. To avoid backlash, negative media or otherwise harmful public exposure
   06. To gain an advantage over competitors in your sector
   07. To mitigate environmental impact
   08. To reduce costs
   09. To align with a design guide or multi-stakeholder commitment (for example, Canada Plastics Pact)
   10. To comply with government requirements
   11. Because current design does not allow for effective recycling of our packaging
   88. Other **[Interviewer type in]**

10. What, if any, barriers are there to reducing single use plastic packaging in your company? **[Do not read list, multiple response]**
    1. Availability of alternative packaging that offers the same function (for example, food preservation)
    2. Increased cost
    3. Lack of reuse-refill systems at retail (for example, for bulk/dry goods)
    4. Retailer specifications for packaging
    5. Lack of ability to use alternative materials
    6. Availability of alternative materials
    7. Labour capacity
    8. Issues with trade
    9. Other **[Interviewer type in]**
    10. No barriers **[Exclusive]**

    10B. What changes in the supply chain could help reduce single use packaging in the food processing sector? **[Do not read list, multiple response]**
    1. Implementation of standardized reuse-refill systems at scale
    2. Changes to transport, distribution and storage practices
    3. Changes to supply channels (for example shorter supply chains)
    4. Changes in consumer behaviour towards single-use packaging
    5. Changes to retailer policies and practices (for example, fees, packaging specifications, supplier-retailer relations)
    6. Other **[Interviewer type in]**
    7. Don't know/Prefer not to say (Volunteered)

Food Waste

We'd like to know a bit about how your company thinks about and addresses food waste issues.

11. I'm going to name some different causes of food waste that can occur in processing. For each one, tell me if it contributes a lot, contributes a little, or does not contribute to food loss and waste in your company's operations? **[Randomize]**

a) Shipping or other transportation delays
b) Equipment issues or breakdowns
c) Inability to repurpose or reincorporate off-spec products
d) Inaccurate supply and demand forecasting
e) Production line changes
g) Lack of workers or staffing issues
h) Poor quality item / rejection due to quality standards
i) Rejection due to regulatory issues (for example, improper labelling, recalls)

    01. Contributes a lot
    02. Contributes a little
    03. Does not contribute to food waste
    99. Don't know/Prefer not to say (Volunteered)

12. What, if any, practices does your company have in place to manage or reduce food loss and waste? **[Do not read list, multiple response]**

    01. Composting
    02. Development of new food products or food ingredients (such as upcycling)
    03. Diversion to animal feed products
    04. Biofuels, biochemicals and biomaterial (includes biodigesters)
    05. Measurement/tracking, process optimization and/or waste assessments
    06. Implemented new technology (such as food traceability)
    07. Sustainable packaging
    08. Optimizing supply chain (reducing transportation time)
    09. Improved cold storage
    10. Enhanced employee training
    11. Donate extra food or product (for example, to shelters)
    12. Providing more information to consumers to avoid food waste (for example,, storage tips, recipes)
    88. Other **[Interviewer type in]** _____
    98. Have not done anything to manage or reduce food loss and waste.

13. **[If q12 equals 98 have not done anything]** Why hasn't your company implemented any practices to manage food loss and waste? **[Open end]**

14. **[If q12 is not equal to 98]** What, if any, are the barriers to implementing further practices in your company to manage and reduce food loss and waste? **[Do not read, multiple response]**

      01. Financial barriers / not enough money / high cost of investment
      02. Lack of infrastructure
      03. Lack of workers / staffing issues
      04. Lack of corporate expertise / lack of knowledge / don't know how
      05. Lack of time / takes too long / no time to learn
      06. It's just not a priority at this time
      07. Regulatory barriers
      08. Inherent in nature of product or process / just doesn't create much waste
      98. No barriers
      88. Other **[Interviewer type in]** _____

AAFC Initiatives

Changing topics,

15. Have you seen, heard or read anything about the Sustainable Canadian Agricultural Partnership?

      01. Yes
      02. No   **[Skip to q17]**
      03. Not sure   **[Skip to q17]**
      99. No response   **[Skip to q17]**

16. What's your overall impression of the Sustainable Canadian Agricultural Partnership? **[Read list]**

      01. Very positive
      02. Somewhat positive
      03. Neither positive or negative
      04. Somewhat negative
      05. Very negative
      99. **[Do not read]**: Don't know/prefer not to say

17. *[Only ask to those who said yes to q6 01]* Has your business seen any economic benefits to implementing environmental stewardship measures?
      1. Yes
      2. No
      3. Don't know/Prefer not to say

Firmographic Characteristics

Lastly, we have a few questions about your company.

20. How many employees work for your company in Canada? Please include part-time employees as full-time equivalents.

[Enter number]
99. Don't know/no response

21. In your last fiscal year, what were your company's total revenues?
    [Enter number]
    99. Don't know/no response

22. Is your processing operation organic certified or in the process of receiving organic certification?
    [Code one response]
    01. Yes – organic certified
    02. Yes – in process of obtaining organic certification
    03. No
    99. Don't Know/Prefer not to say

23. Is this company majority-owned (51 percent or more) by an individual or individuals in any of the following groups? **[Read list, multiple response]**

    1. Indigenous Peoples, that is, First Nations, Inuit, or Métis
    2. People with disabilities
    3. Racialized Groups
    4. Women
    5. Youth (Age 35 and under)
    6. Individuals who identify as 2SLGBTQ2I+
    7. No (Volunteered, exclusive)
    99. Don't Know/Prefer not to say

Thank you very much for your time and participation. The results of the research will be available to the general public, on the Library and Archives website, in the coming months.