

Chapter 6: Province Wide Initiatives

Irena Knezevic and Alison Blay-Palmer

Summary

- Complex goals that commonly include economic sustainability
- Pronounced concern with health and consumer knowledge
- Characterized by creative ways of promoting Ontario foods

Background and Participants

Initiatives with provincial focus tend to have more broad definitions of “local” food, with Ontario food being the default definition of local, or at the very least clearly identified as the much preferred second choice – i.e. if something is not available in a particular locality, then that product from elsewhere in Ontario was seen as the next most desirable choice. Otherwise, as seen below, the motivations, successes, and challenges identified were quite similar to what our more localized interviews demonstrated (see regional chapters for more detail).

Eight interviews were conducted for this section of our report and they included initiatives supported by the provincial government, food industry, and non-profit and grassroots sectors.

Common Motivations, Accomplishments, and Challenges

As with more localized initiatives (see regional chapters for more detail), these province-wide efforts were motivated by a range of factors. However, they all, in one way or another, allude at significant problems with the conventional food system. Hannah Renglich with the Ontario Natural Food Co-op (see the case study section) noted:

With food's increasing commodification and industrialization, the things people have to eat are not necessarily safe or nutritious, and may contribute greatly to ill health. Lack of access to food is a source of shame and indignity, bringing Canadians to food banks or soup kitchens, to dumpster diving, begging, and chronic hunger... Social justice is a natural extension of the right to food belief I have, though I'm working on building communities with regard to food and environmental justice.

She added: “Unsustainable agricultural practices contribute tremendously to pollution and carbon emissions and global warming, while landgrabbing, biofuel production, and 'development' contribute to unsustainable land use on prime agricultural land.” But the growing efforts to build sustainable local food systems may offer many positive outcomes: “If we hope to encourage others to pursue alternatives in sustainable

production, co-production, processing, distribution, consumption, etc, it must be because it is empowering, enriching, and fulfilling.”

Ravenna Nuaimy-Barker from Sustain Ontario stated: “I think it's simply the love of good food that motivates many of the groups,” adding “The reason my work is about food is that food has the potential to be holistic – it encompasses environmental, economic and social aspects.”

Recognitions of local, small-scale initiatives are becoming more prominent. One of our interviewees argued that small farms could be very efficient and that it was often a matter of deciding on the right varieties that well-suited for the area. He also argued that we need more comprehensive understanding of local food pointing out that local is not always sustainable nor is it always efficient. He further underscored that different communities need different solutions – some will benefit from farmers' markets, other could do better with European-style community stores that feature local products. One thing he was adamant about, however, is that food production needs to be reasonably profitable “no-one should work for free to make a local food system work.”

Franco Naccarato (Ontariofresh) highlighted the importance of authenticity and indicated that Ontariofresh has been following Foodland Ontario definitions, but he suggested that food processing would have a more difficult time complying with the Foodland Ontario definitions. He alluded that consumers have certain expectations when they see items branded with Ontario identifiers – he suggests if you have chocolate milk where the milk is from Ontario but chocolate is not, it should be labelled “Ontario milk flavoured with chocolate.” Naccarato repeatedly mentioned the importance of collaboration and partnerships – ensuring that various actors are not working at cross-purposes and also gaining strength and clout through numbers and wide-spread presence. He also pointed to the problems of the distribution networks that are set up to support economies of scale, which is a major barrier to shifting food paradigms effectively.

Naccarato was enthusiastic about communication technologies that have made it easier for North Americans to share thoughts about food with one another. He also expressed enthusiasm around culinary work that emphasizes freshness and quality, as well as culinary tourism initiatives. He noted that some are more ready than others to really turn to local food. He felt that most people think that local food is a great idea but getting them there may be more difficult – many have the misperception that local food costs more and are apprehensive to change because of the difficulty in identifying and sourcing local products. He also identified problems around proper labelling – if a cow comes from Alberta but is processed in Ontario, is that an Ontario product?

Elizabeth Smith (Nutrition Resource Centre) indicated that taste and trust were also important, that local food is fresher and tastier and “it's nice to buy food produced by someone you also say hi to, and I think Canadian farmers are quite savvy in producing good and safe food.”

Barriers to success of local efforts, however, are many. One of the study participants indicated that producer groups could really benefit from more detailed sales data for the

province, but that those numbers are difficult to obtain. Another participant was greatly concerned with labelling and traceability and pointed to the shortcomings of certain grading and labelling practices. He indicated that if beef is labelled as Canadian beef, it can be beef from anywhere in Canada, and in case of ground beef it is likely mix of beef from all over the place. He also described that “angus beef” merely means dark-hide cattle beef, and is not a reference to the genetic heritage of the cattle. He was very adamant about the importance of honesty in the food systems and how disappointing he found mislabelled foods – ones that make false or half-truth claims about origin, production and such. Integrated food value chains that are sustainable and honest are what he works towards. He explained that we have to be realistic about things like convenience food – that is not going away. But consumers want local food because international food supply is showing its weaknesses. Yet, local food has to be good – quality, fresh foods is what consumers are looking for, they won't buy bad product and pay premium for it just because it's local. He also warned against assuming that local is automatically sustainable – he gave the example of every farmer driving a truck to a market versus a partnered and streamlined distribution solutions.

Another barrier identified by Rebecca LeHeup (Ontario Culinary Tourism Alliance) was the absence of real enthusiasm for collaboration and sharing “there are too many fingers in the pie. Organizations need to bring their 'ingredients' and help make the pie bigger.” She also noted that the ageing farmer population in Ontario is a food security concern.

Nuaimy-Barker would add: “Our supply management policy is really good for some farmers, but it works against others. I don't think it's a system that we should do away with... I think it's a system that should be modified.”

Yet, our participants seemed optimistic about possibilities that lie ahead. Renglich and Whittaker (Ontario Natural Food Co-op) noted the need for rethinking institutional structures at governmental levels, and creation of such things as Ministry of “good food” and/or co-op secretariat – arguing that, while ambitious, those ideas are not unrealistic and Brazil is one example where implementation of such ideas has been quite successful.

But the solutions may not be the same everywhere and how successes are understood may vary as well: Sustain Ontario is working on evaluation indicators and as that is work in progress Nuaimy-Barker was hesitant to identify ways to measure effectiveness but indicated that sustainability over time needed to be a big part of that. “I am interested in numbers of new farmers, but also in knowing how many of them are still farming three years later, for example.” LeHeup identified the cultural component of food as critical to strengthening the Ontario food system, “there are a lot of amazing treasures across this province in terms of food culture and how the different places can be experienced through food.” Those varying conditions may mean varying approaches: “How regional hubs will develop will have to differ from community to community... In the North, we may see that we need more freezer space and more places where meat that is hunted can be butchered and prepared... whereas in Toronto, that would not be concern” (Nuaimy-Barker).

Case Study 1: Local Organic Food Co-ops (LOFC) / Ontario Natural Food Co-op (ONFC)

Interviewees: Hannah Renglich, LOFC Animator, with Randy Whitteker, ONFC General Manager

In person interview and site visit May 25, 2011 (Irena Knezevic), phone interview September 1, 2011 (Irena Knezevic), photos courtesy of ONFC

Summary

- In existence for 35 years, ONFC is a model of a sustainable operation that has over the years managed to resist being absorbed by transnational distribution giants
- While relatively large, ONFC continues to work based on principles of cooperation and sustainability (economic, social and environmental)
- The Local Organic Food Co-operatives, as one of the ONFC projects, is aiming to create collaborative networks and one of its mandate's pillars is the creation of regional food hubs

Overview

History

ONFC was founded in 1976 as the Ontario Federation of Food Co-ops and Clubs, Inc (OFFCC). The organization's vision is “Living in a sustainable world from seed to plate.” The Local Organic Food Co-operatives emerged in February 2009 at a meeting co-hosted by Russ Christianson and Denyse Guy on behalf of the Ontario Co-op Association (this is one of the four strategic directions of the Ontario Co-op Association’s work). The initial meeting brought together several local organic food co-ops who decided to work together – whether the group will interact as a loosely affiliated network, a membership category at ONFC, or as a co-op of co-ops is yet to be determined. Within months of launching, the LOFCs came under the umbrella of ONFC and became one of ONFC's nine strategic initiatives. In March 2010 baseline market research was completed followed by the second meeting in April of that year. This meeting helped create shared vision, mission, values and purpose documents. Shortly after, the research results report, and business and marketing plan, both developed by Russ Christianson, were published.

The Co-op

ONFC is not-for-profit, consumer co-op. There are 1400 members “across eastern Canada (Winnipeg to the Maritimes).” Most of the member/customers are independently owned retailers or foodservice establishments, but the co-op also sells to almost 400 food buying clubs and a number of food co-operatives. ONFC also has a private label, 'Ontario Natural', which is produced and distributed only in Ontario. Renglich and Whitteker also identified a “wide range of affiliations, memberships and linkages in the co-op, organic food, food security and local food communities.” ONFC is also somewhat of a hybrid as it still very much focuses on small-scale initiatives, but also distributes to chains like Whole Foods and Loblaws.

Context

ONFC is one of two remaining independent natural food co-ops in North America, as most have demutualized or been absorbed by UNFI (United Natural Foods). With the continued trend of ownership concentration, ONFC is increasingly concerned with preserving and supporting independent initiatives and small-scale production. The overarching goals of ONFC are to support and scale up the existing organizations, create synergies to foster values-based supply chains, create local food hubs, and create awareness and education. ONFC is in favour of thinking of local as trusting relationships (e.g. fair trade) in addition to geographical distance. ONFC emphasizes the ethic of co-operation and collaboration, and is involved with many groups while also seeking to expand the networks. However, it sometimes has to rely on products from outside of Ontario and it ultimately has no overarching limitations on products. Instead, their affiliates create their own rules and the ONFC carries products that align with its values.

The LOFC project is intended as support to those small-scale and independent initiatives. Right now, it is a loosely linked network of co-ops (see complete list below). Its purpose is to create a strong network, to educate about and promote sustainable farming and food co-ops, and to connect and scale-up local and regional food hubs. In terms of food hubs, their purpose is to both support existing initiatives¹, and to assist in creation of new regional hubs. Creating incubator kitchens and clusters of producers and processors is also being considered by the ONFC as a part of the LOFC work.

Whitteker also added that creating a community of thought around sustainable food was one of the underlying aspects of ONFC's work and its LOFC project, in addition to facilitating creation of actual physical hubs.

Human Resources

ONFC has 90 employees and 9 volunteer directors on their Board. Whitteker explained that those numbers also include “a strong, long term core group of employees and board members.” LOFC has one Animator (Renglich) in a temporary full-time position. However, the coordination team for LOFC includes support from ONFC – with the general manager, purchasing manager and member relations and education manager all on the team – as well as representation from the Ontario Co-op Association, and Russ Christianson as an independent consultant. The two dozen individual co-ops that are officially participating all have a contact person who also provides input and support. Additionally, there is an advisory panel forming in the larger community with people like Mary Lou Morgan from the Carrot Cache, representation from Sustain Ontario, Everdale, and others, as well as participation from universities in the Greater Toronto Area and beyond (including a link to St Mary's University's Co-operatives program).

¹ ONFC is also supporting existing initiatives through other activities – e.g. Organic Central in Eastern Ontario (<http://www.organiccentral.ca/>).

Physical Infrastructure

ONFC has a 53 000 sq ft warehouse located in Mississauga, ON, and it uses 7 trucks as well as some common carriers. Those resources will be made available to the LOFC project as needed.

Natural Resources

While ONFC has no natural resources, the land of LOFC partners can be considered natural resources that matter to the organization and the project. Hence, dedication to the agroecological principles is more than just a moral statement for LOFC.

Financial Resources

With 4000 products carried by the ONFC, the projected sales for 2011 are at \$37 million “generating about \$800,000 in operating surplus that is allocated to carry out the initiatives identified in our operational plan for 2010-2012. Members contribute an additional \$140,000 in equity, in the form of a member loan, based on 1% of invoice.

These financial resources, coupled with the occasional grant program are generally sufficient to help us achieve our operational objectives. Surplus does fluctuate from year to year depending on a number of factors” (Whitteker). Whitteker also added: “We seem to have adequate resources to carry out the occasional grant application, but are fortunate that we are very self-reliant.

In addition to the financial support from ONFC, the LOFC project has received seed funding from the Carrot Cache, Ontario Market Investment Fund, ICP (Innovative Co-op Project through the Co-op Development Institute), and the Co-operators. The Ontario Co-operative Association (through the Co-operative Internship and Experience Program) is partly funding Renglich's position for several months. They are still trying to figure out how to make LOFC economically sustainable: “Most of the groups we work with are assets rich but not cash rich, so membership fees are not the most feasible way of creating revenue.” Instead, LOFC will be looking to create a values-based supply chain with groups funnelling their raw product through LOFC, where LOFC could be participating as processors and distributors and either creating a new LOFC label, or working with the existing ONFC label. So far, producers are very receptive of these ideas.

Community Resources

In addition to the wealth of community resources already noted under “human resources,” Renglich pointed out that the LOFC project has been fortunate to draw on the knowledge and experience of those working with the Organic Council of Ontario and Local Food Plus. Moreover, the work of FoodShare has been instrumental in this work, albeit in more indirect ways.

Policy and Program Resources

Outside of the OMIF grant, there seemed to be few government programs or policies that could be identified as resources. Nevertheless, Renglich pointed out that there was a palpable growth in attention to local food: “General public policy embracing of local food in Ontario has sort of normalized it, it's more mainstream, it is now more recognized

as important and valuable... I can't tie that to a specific policy but in general the trends are changing.”

Desired Assets

Renglich indicated that she would like to see more representation in OMAFRA of small scale production that straddles both environmental and social sustainability. More public education around co-ops, local and organic food, and labour practices was also needed. Renglich also noted that the continued success of ONFC was necessary for LOFC to flourish: “ONFC is one of the last remaining co-op distributors in North America and it definitely feels the pressure of the big natural food distributor, UNFI and its subsidiaries...” She also indicated wanting to see government put their support behind small innovative initiatives, and pay attention to community/grassroots work, and not just the already recognized and/or commercial initiatives.

Whitaker added: “We need to invest more in developing a strong group of volunteer board and committee members and could benefit by governments of all levels supporting co-ops throughout Ontario and beyond” and also noted that “we have a well developed network within the 'alternative' food system, but could benefit from wider public knowledge.”

Constraints/Overcoming Them

Despite ONFC's continued success, Whitaker was humble about its non-material assets: “Though we continue to grow and adapt both professionally and personally, we are constrained somewhat by skills and training challenges at all levels of the co-op. We are steadily increasing budgets to address these areas.”

With respect to LOFC, Renglich identified several current challenges: “The geography we are working with sometimes makes it difficult to connect the groups with the limited time and money for in-person meetings.” She also added that part of the challenge was “working with groups that have difficulty thinking about profitability... to accept that making initiatives economically sustainable does not have to include compromising values.”

Whitaker added one more concern – a sense that Canada Revenue Agency is “preoccupied with searching out not for profits that they may challenge for legitimacy of status.” ONFC has already dealt with that on the municipal level when their status was unsuccessfully challenged by the City of Etobicoke in the mid 1990s.

More generally, in terms of local food initiatives as whole, Renglich identified the following barriers: lack of local processing and distribution capacity, lack of government support, divided resources, loss of farmland, zoning, and access to appropriate space (for processing, warehousing etc).

Successes

ONFC's longevity and success gives it a reputation that is an asset in itself, but it also provides an example that co-operative food work can be economically viable while still upholding environmental and social justice principles. This despite operating in the

shadow of UNFI (United Natural Foods), which has over the years absorbed nearly all natural food co-ops in North America. Whitteker also noted “Our structure makes us unique amongst privately owned distributors. Our triple bottom line and social entrepreneurial approach to the market is also a differentiating factor.”

Renglich added that “the fact that local organic food is being recognized as a priority for ONFC is a success in itself... the ONFC's desire to support farmers directly and play a role in strengthening small-scale production [should be recognized as a success].” Renglich also thought that the scale of engagement with LOFC is already a success as was LOFC's ability to already bring all the different groups together, “to be able to reach out to isolated groups and say 'you are not alone in what you are doing, there are 25 other groups in other communities doing what you are doing!'.”

Relevance

ONFC's continued success and province-wide reach makes it uniquely positioned to assist in the development of a 'local organic co-op value chain' in Ontario. As Renglich explains “Through co-operative development and network-building, I think it's possible to create an alternative affordable system in support of local food procurement and access.” The LOFC project has already created connections and clusters of producers and other food initiatives: “These clusters are then able to link into similar clusters in other locales, strengthening and scaling up the local food programs and activities into networks with larger reach and influence, but which still maintain their 'small is beautiful' principles/operations.”

On a more ideological level, Renglich thought that both the ONFC and the LOFC project carried a great deal of relevance to communities across Ontario: “It's just this basic thing of co-operation. We are all in this together, so we should be sharing resources and connecting around ideas and willing to bring other people in with us, rather than protecting our individual projects.” ONFC is in the process of putting together a set of co-op related resources including a toolkit on how to start a co-op.

More information about ONFC can be found at www.onfc.ca

The LOFC member co-ops:

Worker-Owned Co-ops: The Big Carrot, Toronto; La Siembra, Ottawa; Agri-Cultural Renewal Co-op, Durham; Your Local Market, Stratford

Eater-Owned Co-ops: The London Co-op Store, London; Karma Food Co-op, Toronto; ONFC, Mississauga; Eat Local Sudbury, Sudbury

Farmer-Owned Co-ops: Organic Meadow, Guelph; Fitzroy Beef Farmers Co-op, Fitzroy Harbour; Quinte Organic Farmers Co-op, Picton; Sexsmith Farm Co-op, Ridgeway

Solidarity Co-ops (Multistakeholder): Ottawa Valley Food Co-op, Pembroke; Niagara Local Food Co-op, Niagara Falls; West End Food Co-op, Toronto; By the Bushel Community Food Co-op, Peterborough; True North Community Co-op, Thunder Bay; Eastern Ontario Local Food Co-op, Hawkesbury; The Village Co-op, Kington

Co-ops on the Horizon: On the Move Organics, London; Karma Marketplace, Penetanguishene; Lunik Co-operative Café, Glendon College, Toronto; Sustainable Business Co-op Café, York University; Campus Co-op Food Co-op, University of Toronto; 123 Farm! Co-op, Hamilton; Wellesley Mill Redevelopment Project, Wellesley

Figure 6.1: James (left) and Obasuyi (right) at the ONFC warehouse (photos courtesy of Adriana Zylinski)



Figure 6.2: Randy in front of the ONFC Mississauga facility; Jadzia at the ONFC warehouse (Photos courtesy of Adriana Zylinski)