

Building Trust and Transparency

A Discussion Paper

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Introduction

Social license is a term that can be difficult to define, as it often consists of different concepts depending on industry, sector and commodity. Generally, social license can be defined as the ongoing level of stakeholder acceptance and approval for a particular project or industry to conduct operations. Within an agricultural producers' context, social license can be defined as **the ongoing level of acceptance, approval and trust of consumers regarding how food is produced** and generally includes the following themes and issues which are presented in no particular order:

- Economics and Affordability
- Environment
- Labour
- Health
- Biotechnology
- Animal Welfare

Each one of these six themes can be broken down further into the below non-exhaustive list of issues, which in turn, have their own considerations that must be addressed. Some or all of these themes may contribute to an individual's overall approval of how their food is produced. Inevitably, there are diversities of opinion and not everyone will be able to agree on what constitutes "acceptable agricultural practices." The agricultural industry will not be able to appease each and every individual's concerns, which is why it is the societal perceptions on specific themes and issues that must be the focus of social license. The six themes of social license for agriculture have been broken down into the following set of issues for illustrative purposes and again are presented in no particular order:

Economics & Affordability	<ul style="list-style-type: none"> • Consumer prices • Availability • Profitability
Environment	<ul style="list-style-type: none"> • Water quality • Water use • Biodiversity • Fertilizer/Pesticide use • Reduction of greenhouse gasses and carbon sequestration • Soil health • Odour • Bioproducts • Manure management • Food waste
Labour	<ul style="list-style-type: none"> • Workers' safety • Labour conditions • Training and workforce investment • Use of migrant workers

Health	<ul style="list-style-type: none"> • Nutrition • Food safety <ul style="list-style-type: none"> - Traceability - Bacteriological safety - Chemical contamination • Anti-bacterial resistance
Biotechnology	<ul style="list-style-type: none"> • Market acceptance of genetic modification • Other non-traditional breeding techniques • Labelling/Transparency
Animal Welfare	<ul style="list-style-type: none"> • Acceptance of animals in agriculture • Living conditions and on-farm treatment for livestock • Treatment of livestock post-farm gate

Challenges

Increasingly, the agricultural industry is facing scrutiny, criticism and value judgements across many areas, affecting its social license with consumers. As advocates for Canadian agriculture, producers, industry and governments need to come together and continue to work closely in supporting efforts that broadly promote Canadian agriculture, provide specific supports for each of the themes and underlying issues to bolster public trust in agriculture and strengthen its social license. **Collectively, we must bridge the divide that is widening between consumer values and expectations and actual farming practices.**

The nebulous nature of social license, even within an agricultural context, makes the issue difficult to compartmentalize and address through existing structures. Social license can be difficult to build, but can fall apart very easily if a single practice loses its acceptability to consumers and significant media attention is attracted. **Social license is granted based upon perceptions of society towards agricultural production in Canada and originates from sections of society which are increasingly distant from farming and Canada's rural way of life.**

Unfortunately, it may only take one well publicized incident or one laggard on any of the themes mentioned above to tarnish the public's perception of the industry as a whole. Producers who, in their mind, are doing everything "right" feel pressured to demonstrate this to their value chain partners and more broadly to the Canadian and international public. Addressing social license requires approaches capable of communicating to consumers about agriculture and agri-food, while maintaining and building upon targeted efforts to better document continuous improvement along the six social license themes identified earlier.

To date, the Canadian agricultural sector has been responding to consumer concerns and issues regarding food production through communications, the development and improvement of assurance systems and by changing farming practices. However, the actions and related efforts to communicate to the public on these issues impose costs on producers and industry as a whole. Pressure is also exerted on producers by value chain stakeholders, such as retailers, in attempts to respond to consumer trends and demands. Producers assuming responsibility for costs associated with meeting social license expectations may jeopardize export potential and affect the industry's long-term competitiveness. Increasingly, producers are also experiencing the impacts of social license from export markets, whether they be divergent maximum residue limits set by individual countries, low-level presence policies or land use under the European Union's biofuel directive.

Proposed Approach

In addressing these challenges, we propose a structure that supports broad-based communications to the Canadian public. As well as maintaining and building public trust and support, **social license should be considered during development of the next agriculture policy framework**. Government and industry together must develop programs to support producers in their efforts to illustrate continuous improvement in the themes and issues that impact agriculture's social license.

The following section includes a series of brief proposals for discussion purposes that begin to develop the structures and policy environment required to support industry, stakeholders and governments in addressing agriculture's social license.

Social License Roundtable

Recognizing the success that the AAFC Value Chain Roundtables have had for many agriculture sectors, the value chain roundtable is a model that could be built upon in order to specifically address social license. As noted previously with the six components of social license, there are many themes that together make up social license, but social license itself can quickly erode if public perception in one of these areas changes. The CFA vision for a Social License Roundtable would include growers, processors and retailers from all commodity sectors, alongside representatives of federal and provincial governments, and civil society representatives on an ad hoc basis to address specific sectors. The Social License Roundtable would provide an interface to identify and direct specific issues to other current or future roundtables for their consideration and subsequent response, as needed.

The Social License Roundtable would differ from the All Chairs Forum as it would not be a collection of the existing 13 roundtables. Instead, it would be an overarching forum tasked with exploring pertinent issues confronting agriculture's social license. This roundtable would create a collaborative forum dedicated to exploring and addressing societal perceptions of where food comes from. The mandate of such a roundtable would be to encourage societal perceptions to converge with Canadian farming practices and realities through education and continued dialogue. This fundamentally requires a more responsive and transparent forum than the current roundtables and would likely require more frequent meetings. The need for greater transparency in this roundtable could be achieved through live webcasting, seating for public observers, opportunities for observers to question members of the roundtable or additional means of public engagement. Ensuring that representatives in the Social License Roundtable are key stakeholders within industry organization may also help to raise awareness of the new forum, garner media reports and build public interest.

To date, approaches have been segmented and fractured as no overarching and coherent process or structure to address social license currently exists. By its very nature, the Social License Roundtable would need to encompass a broad spectrum of participants in order to ensure a coordinated approach. As other Value Chain Roundtables have done, working groups could then be tasked to undertake specific work as directed by the Social License Roundtable where needed or have particular issues raised to other existing roundtables.

Would a value chain roundtable on social license be effective to begin to address in a broad fashion the themes and issues that sustain agriculture's social license?

What other public opportunities exist to build public trust and engage directly with governments, the agricultural industry and value chain partners to address social license?

Governments have instituted different requirements to consider within programming, funding allocation and other decision-making processes such as red tape reduction, a small business lens, gender balance, regional diversification etc. **In this light, we would propose a *social license lens* be applied to the development of programs, program evaluation and funding opportunities within the next agricultural policy framework.** Federal/provincial/territorial agreements, such as Growing Forward 2, influence agriculture's social license both directly and indirectly through supporting programs that contribute to the future direction of the industry and to a variety of specific agricultural practices. As governments are considering what should constitute the next agricultural policy framework, now is the time to leverage this opportunity and ensure that a sustainable and overarching focus will remain on maintaining and building public trust in Canadian agriculture and promoting our products.

Communications Structure

Agriculture and Agri-food is one of the largest industry sectors in Canada whether measured by revenue, exports, employees or number of businesses. There are more than 200,000 farms in Canada, yet this is within a national population of over 35 million. When coupled with the continued urbanization of the country, it is no wonder that many people are no longer familiar with agricultural practices and develop their understanding of the industry through media reports and their own social networks. Increasingly, consumers are receiving their information and interpreting how a product was produced from labels and packaging in the end product. As a country with a large immigrant population, many people may also have an image or understanding of agriculture based in their own experiences which may vary drastically from the current accepted practice in Canada. Many urban individuals may have never even stepped foot on a farm in their lives. It is these realities that call for additional support to educate and engage broader society in a dialogue that would effectively address social license in agriculture.

With the immediacy and prevalence of social media, communications efforts need not only be coordinated amongst all stakeholders but developed in a variety of formats that easily attract and engage consumers.

There are currently a number of campaigns in existence that look to effectively engage the public and speak to public perspectives on behalf of Canada's agricultural producers. Farm Credit Canada's *Ag More Than Ever* campaign is widely supported, but its target audience is primarily prospective agricultural producers and those already engaged in the industry. *Farm to Table* magazine and web platform, developed in conjunction with the *Globe and Mail*, strives to take a direct approach in engaging consumers by developing compelling content that responds directly to issues that consumers have identified to tell agriculture's side of the story.

Is applying a social license lens to the next agricultural policy framework the most effective means to ensure coordinated policy support for addressing agriculture's social license?

A similar approach aimed to directly answer questions posed by consumers about agriculture is *The Real Dirt on Farming* magazine by Farm and Food Care Ontario. Its approach started with asking consumers what their concerns were and what questions they had about Canadian agriculture. Through the magazine, they proceeded to answer those very questions. There is now a plan to formalize the collection of consumer perceptions on a regular basis and respond to the questions that the public posits to agriculture through the establishment of a Canadian Centre for Food Integrity. This represents another approach that is proving effective in communicating directly to the public about Canadian agriculture.

Likely, there will need to be a diverse set of communication tools that use different approaches to reach large swaths of the public in order to maintain and build Canadian agriculture's social license. Examples of other successful and popular programs that seek to connect consumers to farming include: Ag in the Classroom; Open Farm days; breakfast on the farm; the advocacy efforts of general farm organizations; and the everyday work agricultural producers do in their personal lives, whether directly with individuals, speaking at events or using social media.

Summary

Canadian agricultural needs a concerted, broadly inclusive and transparent process that brings together all stakeholders to begin to address the issues in a meaningful manner. **Social license can be defended by agricultural producers and their organizations, but to build and maintain social license requires a two-way communication between producers, processors, retailers and consumers with a strong role for governments to facilitate.**

As a first point of discussion, we'd like to propose the following steps in order to address the multi-faceted aspects of Canadian agriculture's social license:

- Develop a communications structure that provides federal/provincial and territorial funding support for agriculture to communicate more effectively with consumers to build agriculture's social license through two-way communication and better public understanding and trust of agriculture.
- Develop a Social License Roundtable as a means to discuss and direct implementation of actions that will strengthen agriculture's social license through a transparent process that builds public trust.
- Leverage the opportunity posed by the next agriculture policy framework to include a social license lens within programs and funding decisions taken within the next framework.

What information is currently available on consumer perceptions that could be used to inform a social license roundtable? What data gathering and means for consumer input are needed? How would prioritization occur?

If no one campaign or approach can single handedly build social license, what is the best communications structure to support the multifaceted need to address social license - both targetedly on specific issues and more broadly.