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Genetically Modified Food Fears Seen Hurting Canada

By STEVEN CHASE

OTTAWA -- Growing consumer anxiety over genetically engineered foods threatens to sideswipe Canada's multibillion-dollar agri-food industry, an internal federal government paper marked "secret" warns.

"Consumers are becoming more worried that they can't distinguish between GE [genetically engineered] and non-GE products," says the March, 2003, paper prepared for the Department of Agriculture and Agri-Food.

"These concerns could precipitate a loss of confidence in the integrity of the Canadian food system, which could be very disruptive to the domestic system as well as Canada's ability to export to demanding markets."

Canada is the third-largest producer of genetically modified crops, such as canola, in the world after the U.S. and Argentina.

"There is a pressing need to immediately address these concerns to maintain Canada's markets and to uphold the Canada brand," says the paper, recently declassified.

Department officials were unavailable for comment. It is unclear who wrote the report, which was obtained under the Access to Information law by Ottawa researcher Ken Rubin.

The internal government warning about possible consumer backlash over genetically modified foods is at odds with Ottawa's public stance on the issue.

The Canadian government is a major cheerleader for genetically engineered foods and has even launched a challenge before the World Trade Organization, along with the Americans, to try to pry open European markets for these products.

The European Union has moved slowly on approving imports of genetically modified organisms.

Ottawa has also resisted an international trend toward mandatory labelling of genetically modified foods, preferring to leave it to industry to try to come up with a voluntary system — which has so far failed to bear fruit in three years.

The paper warns that Canada's regulatory regime has fallen behind in ensuring that the public and export markets trust genetically engineered products, the document says.

It says Ottawa must realize that the majority of consumers at home and abroad are still leery of these products. "Biotechnology has made important advances, but there is no broad market acceptance (domestic and international) of genetically engineered (GE) products."

It says consumer awareness and concern about genetic engineering is growing and that Ottawa had better be prepared to address it.

"The first generation of products were commercially introduced with minimal consumer interest . . . but now these products are being more closely scrutinized at home and abroad."

The lack of segregation and labelling of GE products means that both genetically engineered and conventional foods are used interchangeably — a growing source of anxiety for consumers and producers.

"Producers are becoming worried about losing markets and losing choice over what they can produce," the paper said.

"The production of GE canola is currently adversely affecting the value of non-GE canola in some markets."

The worry has already cost canola producers export markets in Europe. Since the European Union began restricting GE imports in 1998, Canada's annual sales of canola to Europe have dwindled to about \$1.5-million a year from \$185-million.

In Canada, more than 60 per cent of canola crops, 27 per cent of corn crops and 17 per cent of soybeans are genetically engineered.

The paper warns Ottawa that it must come up with a policy of "responsible introduction" of GE products.