

Canada

TIA LOFTSGARD¹

More Canadian land is becoming certified, yet decline in operators

The organic marketplace in Canada continues to expand, with Canada maintaining its position as the fifth largest country for consumer demand. The Canadian organic sector continued to experience some disruptions like most other regions of the world. Canada lost 3.84 percent (296) of the total certified operators since 2021, bringing the total to 7'702 certified operators at the end of 2022. Still, certified processors experienced a growth of 8 percent to increase from 1827 in 2021 to 1973 in 2022. The production sectors declined slightly—by 0.9 percent to 777 certified livestock operations and by 0.5 percent to 6'069 certified growers. Although Canada experienced a decrease in operators, more acres were converted to organic in 2022. Organic acreage increased by 23 percent to more than 3.8 million acres, nearly 1.51 million hectares.

Continued strong demand for Organics

The organic sector, including all other non-regulated products such as textiles and pet food, grew to 10.26 billion Canadian dollars in 2022. Organic food and beverage sales in 2022 topped 7.943 billion Canadian dollars, about 9.7 percent higher than that recorded in 2021. The non-food segments grew similarly to food and beverages (about 9.7 percent). Canadians are committed to organic in many sectors of the economy — as consumers, farmers, educators, exporters, researchers, and manufacturers. There is a shared recognition that the organic industry is not just about environmental stewardship, healthful eating choices, or supporting local farmers – it's about all those things. As per consumers, 60 percent of Canadians are willing to pay more for products that are organically sourced whereas 55 percent seek organically produced food when shopping or dining out.

Growing health consciousness is a key driver of demand for organic food. In 2022, more people were eating organic food than ever before, where 23 percent of Canadians are buying more organic than a year before.

Organic produce continues to be the gateway to organic, having 6.2 percent of the total market share. As organic produce has been made more readily available nationally in mainstream grocers, more consumers are entering the organic retail environment. In the packaged and prepared category, growth was driven by convenience, refrigeration and special diets and has 2.9 percent of total market share. However, organic meat has 0.7 percent of total market share.

¹ Tia Loftsgard, Executive Director, Canada Organic Trade Association, Ottawa, Canada, www.canada-organic.ca

Canada's position in the global marketplace

Canadian exports have experienced a large increase over 2021, with 2022 data showing organic exports at more than 554 million Canadian dollars, up from 417 million Canadian.

2022 Canadian organic imports totalled more than 935 million Canadian dollars in 2021, a growth of over 9 percent since 2021.

Quebec exports 38 percent of Canadian organic products having maple as the number 1 exported product in dollar value. Ontario imports almost 45 percent of Canada's organics, followed by British Columbia at 29 percent; however, both provinces are the points of entry for those products and not solely the regions of consumption. Unroasted coffee and bananas top Canada's organic import lists in both volume and dollar value.

Organic equivalency arrangements continue to provide smooth market access for both importers and exporters. In 2023, Canada signed new equivalency arrangements with Mexico and South Korea. Canada also expanded the scope of the Japan arrangement to include alcohol.

References

Canada Organic Trade Association publications: <https://canada-organic.myshopify.com/collections>
Statistics Canada: <https://www.statcan.gc.ca/eng/start>