

# Feasibility Study 2009

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## Assessing Saskatoon's Local Organic Production and Potential Institutional Market

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## **Introduction**

The Saskatchewan Organic Directorate (SOD) supports the production of healthy organic foods in Saskatchewan. In its effort to support organic production, SOD began its Food Miles campaign in 2008. The Campaign is aimed at strengthening the link between consumers and local food producers, and it is supported, in part, by Saskatchewan Environment's *Go Green* initiative and the Canadian Organic Growers, as part of their *Growing Up Organic* initiative. *Growing Up Organic* is a national campaign launched in early 2007 to explore ways to increase the amount of organically grown food served in Canadian institutions.

SOD is pursuing its Food Miles campaign in order to strengthen the link between local organic producers' consumers and institutions. The initiative is expected to:

- Strengthen regional economies and support local jobs,
- Minimize our carbon footprint and our reliance on oil-based farm chemicals, and
- Encourage both sustainable consumerism and organic agricultural practices.

As a component of the Food Miles Campaign, SOD has partnered with the CHEP Good Food Inc., to assist with the feasibility study described below. CHEP is a Saskatoon non-profit organization whose mission is to work with children, families and communities to improve access to good food. The feasibility study from SOD/CHEP explores the opportunity for local organic producers to supply major institutions with food and food products that are grown in Saskatchewan.

## **Organic Production and Processing in Saskatchewan**

The 2008 Census of Agriculture identified 44,329 farms in operation in Saskatchewan, a decrease of 12.4% since 2006. Of these farms, the number reporting organic production was 2,197 or about 5 % of all farms in the province. Of these organic producers, about 1,230 (56%) report organic certification through a third party certifier.

The predominant crops grown on organic farms in Saskatchewan are field crops and hay, which comprise 86% of total organic production<sup>1</sup>. Over half of all organic grain and oilseed producers in Canada are located in Saskatchewan and the total value of organic production in Saskatchewan exceeds \$51 million.

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<sup>1</sup> Statistics Canada (2008) Census of Agriculture counts 44,329 farms in Saskatchewan.  
<http://www.statcan.gc.ca/ca-ra2006/analysis-analyses/sask-eng.htm>

In addition to farms producing field crops and hay, the Saskatchewan government identifies twelve organic vegetable producers and three organic orchards in the province (2005 data)<sup>2</sup>. Fruit production within Saskatchewan has expanded in the last 20 years. At present, cherries and apples are among the most popular organic fruits to grown commercially, followed by haskap (see figure 6 for details), which is a bush that produces an elongated blue-coloured berry. The Saskatchewan Agri-Business Development Branch states that there are more than 100 acres of apples in commercial production within the province<sup>3</sup>, but data for other fruit is not yet available.

Beyond primary producers, the Saskatchewan government also states that in 2007 there were over 90 organic processors and handlers in the province<sup>4</sup>. These processors are engaged in a variety of value-added activities, including flour milling, oil pressing, and packaging of products such as muffins, breads and cereals. These processors range in size from large international companies like Dawn Food Products, to on-farm producers with small facilities.

Organic meat producers are also active in the province; however, few meat processors remain active and even fewer have certified organic facilities. At this point, there is no federally inspected facility with organic certification for beef and no facilities for small animals, organic or otherwise. The facilities that do exist are provincially inspected, extremely busy and very few have organic certification. As a result producers can raise and certify their animals organic but will lose certification if the animal is slaughtered in a facility that does not have organic status.

### **Is it Feasible for Local Organic Producers and Processors to Supply Local Institutional Buyers?**

This study consists of two main components. The first explores the potential demand for Saskatchewan organic products among four major institutions that serve the Saskatoon area. The second part evaluates the capacity to fulfil this demand by profiling fifteen organic producers who agreed to participate in the research project.

The City of Saskatoon has adopted in principle the Saskatoon Food Charter (see Appendix A) that articulates Canada's national commitment to food security at the community level. The charter recognizes the importance of local agriculture and encourages initiatives that "will preserve local

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<sup>2</sup> Saskatchewan Organic Processors Directory, Saskatchewan Agriculture and Food (Feb 2007) <http://www.agriculture.gov.sk.ca/Default.aspx?DN=c2ebf687-9958-43ec-8776-073404197ddc>

<sup>3</sup> History of Commercial Apple Production on the Prairie. University of Saskatchewan, Plant Sciences Department. [http://www.usask.ca/agriculture/plantsci/dom\\_fruit/articles/apple\\_history.pdf](http://www.usask.ca/agriculture/plantsci/dom_fruit/articles/apple_history.pdf)

<sup>4</sup> Saskatchewan Organic Processors Directory, Saskatchewan Agriculture and Food (Feb 2007) <http://www.agriculture.gov.sk.ca/Default.aspx?DN=c2ebf687-9958-43ec-8776-073404197ddc>

agricultural production, and build on the mutual interdependence of producers and consumers.”<sup>5</sup> The Food Charter also recognizes the importance of food that is produced in an environmentally sound and socially just manner. The city of Saskatoon therefore, would be in a good position to support SOD and CHEP in efforts to implement recommendations of this feasibility study.

The results of this research will be used as a resource during the implementation of SOD’s Food Miles campaign, and by the Canadian Organic Growers (COG). SOD has made a commitment to make this report available on request to participants who volunteered for the research project.

### **1.1 Scope:**

The city of Saskatoon was chosen as the market region for this project. Within Saskatoon, the study focuses on four main institutional buyers: (1) childcare centres, (2) post-secondary institutions, (3) the Saskatoon Health Region, and (4) the Public and Catholic School Boards.

Organic producers based in Saskatchewan were interviewed to determine the available supply of local organic products in the province. (“Local food” for Saskatoon was defined as food that is produced in the province.)

Although this report describes the demand for organic products among particular buyers within Saskatoon, it includes information about producers all across the province. Thus, the study could be used as template to investigate market feasibility in other communities and with other institutions in Saskatchewan.

### **1.2 The Goal**

This project explores three major questions:

- i. What do institutions already consume in terms of organic products? (i.e., what is the market demand for local organics?)
- ii. What are local producers already growing? (i.e., what is the available supply?)
- iii. What obstacles or barriers affect producers who want to supply their local institutions, and what barriers prevent those institutions from buying locally?

### **1.3 How the Study was Conducted**

For this study CHEP provided a research assistant who surveyed the institutions identified for participation in this study. In addition, CHEP provided insight into its own efforts to source local

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<sup>5</sup> Food Secure Saskatchewan. Saskatoon Food Charter.  
<http://www.fooddemocracy.org/docs/SaskatoonFoodCharter.pdf>

products for its Good Food Box, collective kitchens and various CHEP events. The combined activities of CHEP result in purchasing of more than 200,000 pounds of fruits and vegetables each year in Saskatoon, including approximately 25% from local organic and non-organic producers. As a leader in food security work, and as a major buyer, CHEP offers a unique perspective that reveals some of the barriers for institutional buyers who want to buy local organics.

A contact list of local organic producers and processors was generated by SOD, as it is developing an online directory of all organic producers in the province. This list was expanded with information from the main organic certification associations, and with information from CHEP, who provided a list of their suppliers.

For this study, twenty-four producers were invited to participate in a telephone survey, including fourteen fruit producers, five meat processors, thirteen grain processors and one honey producer. Producers who agreed to participate included one honey producer, thirteen fruit and vegetable growers, one lamb producer, two meat processors and two grain processors. For the purpose of this project, processors were defined as “processors” if their marketing activity extended beyond farm gate consumers. The grain and meat processors who agreed to participate in this project prepare several value-added products and market them under brand names.

All participants were asked questions about their farm size, scale of production, their markets and distribution. Small scale processing locations were also documented along with existing storage facilities. In addition, producers were asked about barriers to marketing their products within the province. Each interview took approximately thirty minutes to complete.

## 2. Institutions

### 2.1 Saskatoon School Division

There are two school divisions in Saskatoon: The Greater Saskatoon Catholic Schools (GSCS),<sup>6</sup> and the Saskatoon Public Schools (SPS)<sup>7</sup>. A survey was sent to each of these school divisions to understand their current food policy, food procurement, and to identify opportunities for local organic products. Table 1 provides insight into the number of children and staff each division serves.

**Table 1:** Number of Schools and students within the two divisions.

|                              | Greater Catholic Schools | Saskatoon Public Schools |
|------------------------------|--------------------------|--------------------------|
| Number of Elementary schools | 34                       | 43                       |
| Number of Secondary Schools  | 7                        | 10                       |
| Number of Students (approx.) | 17,300                   | 22,400                   |
| Number of Staff (approx.)    | 1,200                    | 2,400                    |

Many of the schools within Saskatoon recognize the value of good nutrition and therefore offer lunch, snack or breakfast programs to try and ensure that all students are getting the food they require. In 2004 the Public Health Nutritionists of Saskatchewan Working Group developed a resource called Nutrition Guidelines for Schools<sup>8</sup>. The Saskatchewan School Board Associations<sup>9</sup> supported the development of this resource and have used it as a framework to develop nutrition policies.

One option for schools promoting better nutrition in schools is to adopt the Nutrition Positive program. Nutrition Positive is a program that helps to create and support a healthy food environment in Saskatoon and area through partnerships, education and the development of nutrition policies.<sup>10</sup> If a school decides to follow a food policy based on the Nutrition Positive<sup>11</sup> program, it has three options of models to follow: High, Moderate and Low options. The High Nutrition Positive program promotes the researching and purchasing of local foods in order to

<sup>6</sup> Greater Saskatoon Catholic Schools. Accessed March 2009. <http://www.scs.sk.ca/>

<sup>7</sup> Saskatoon Public Schools. Website accessed March 2009. <http://www.sbe.saskatoon.sk.ca/>

<sup>8</sup> Nutrition Guidelines for Schools. 2004. Saskatchewan School Boards Association. Website accessed March 2009. <http://www.saskschoolboards.ca/research/students/04-01.pdf>

<sup>9</sup> Saskatchewan School Boards Association. Website accessed March 2009. <http://www.saskschoolboards.ca/>

<sup>10</sup> Saskatoon Nutrition Positive Manual. 2006-2007. Nutrition Positive Advisory Committee. Website accessed March 2009. [http://chep.org/np/np\\_manual\\_06-07.pdf](http://chep.org/np/np_manual_06-07.pdf)

<sup>11</sup> Ibid.

increase food security in the community. Under the Moderate Nutrition Positive program, all school staff and council take part in a facilitated food security discussion and have healthy food events. The Low Nutrition Positive program encourages schools to serve some healthy foods at school events and to have a discussion in grades 4-7 classrooms on where their foods come from.

The school divisions encourage schools and nutrition coordinators at schools to choose products using Canada's Food Guide<sup>12</sup> to help the school nutrition program to ensure the nutritional needs of the students are met.

### ***Food Procurement and Food Services***

The procurement and preparation of food is done by each individual school and is based on the type of facilities available at the school. Some schools have a cafeteria that prepares food for students to purchase daily at lunch. Other schools have a nutrition room with limited food preparation space for preparing bag lunches and snacks. Depending on the needs to the students, some schools offer hot lunches, brown bag lunches or snacks every day.

Currently, neither school division has specific guidelines or policies in place regarding the purchase of local and local organic food. Instead focus is placed on the nutritional requirements of growing healthy children. All food purchased by the two school divisions must meet the provincial and federal health standards.

The Catholic and Public school boards stated there could be potential for local suppliers to meet some of the schools' food needs if more information was available and if health standards were followed. The school divisions indicated that a central organization that provides information about available products and possibly a central storage location would make the logistics of purchasing local organic much simpler.

In the 2007-2008 school years, approximately 366,000 meals and snacks were served in Saskatoon Public Schools for the 20,000 students in the division. Greater Saskatoon Catholic Schools has approximately 17,300 students and they served over 121,000 meals and snacks in the 2007-2008 school year.

The Saskatoon Public School Division asked the following questions:

“What is the likelihood of local organic growers having a space, like the Farmers' market or store, where the people responsible for purchasing food can visit

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<sup>12</sup> Canada's Food Guide. Health Canada. Website accessed March 2009. <http://www.hc-sc.gc.ca/fn-an/food-guide-aliment/index-eng.php>

Each school's food budget is different and is dependent on whether or not it is identified as a Community School. Some schools also have parent associations or partnerships with organizations such as CHEP that help to pay for food. As a result procurement of food and the types of food purchased depends on the school's facilities and food budget.

### ***Obstacles and Barriers***

The survey participants at both school divisions were asked to identify perceived obstacles to including local organic products at their institutions. The following were identified:

- Schools operate on limited budgets
- Facilities are closed in the summer
- Local organic prices are higher compared with grocery store prices
- Limited storage space
- Delivery of products is required

Limited storage creates a situation where schools purchase small amounts of food relatively frequently. Schools demand a lot of fruit and vegetables, in particular carrots, broccoli, cucumbers and apples. These fruits and vegetables are sought after because they are popular and are easy to prepare. Both school divisions requested more information from local producers on what kinds of products would be popular with students and for how long would they be available.

### ***Opportunities for Local Organic Foods***

Every school within the two divisions has to purchase food to suit the school's facilities and the needs of the children. This would allow producers or a producer group to approach one school with a few local organic products instead of trying to provide for all the schools.

According to the survey, educating students and parents on why local organic food is important, and having available resources to help educate interested people could bolster the support within the schools for local organic products. Both school divisions indicated they would like more information on the resources available and what local products are available.

## **2.2 University of Saskatchewan**

The University of Saskatchewan (U of S) offers a variety of food services to students and staff including cafeterias, retail outlets and catering for special events. The residence dining hall offers meals for students and also caters events of various sizes. The Food Services at the U of S is self-operated department of the university that decides what foods to purchase for all the food service facilities on campus.

U of S Food Services indicates that sustainability is a high priority for their program and they try to purchase local products when possible to reduce their Food Miles.<sup>13</sup> With a budget of \$2.5 million the U of S Food Services only spends \$3000 a year on local produce grown on campus for the 21,000 students and 7,000 staff at the U of S. The Horticulture Club at the U of S grows organic fruits and vegetables throughout the summer and the Food Services Department utilizes these products in the cafeteria during term 1 of the school year.

The University Food Services Department tries to support the local economy and reduce food miles by purchasing from local business and suppliers such as Prairie Meats, Charlie's Seafood Market, Fran's House of Herbs, and Independent Choice Distributors.

### ***Food Procurement and Food Services***

The residence dining hall at the U of S serves 19 meals per week to approximately 570 students from the beginning of September to the end of April each year. The meals are mostly served buffet style with soup, salad, entrees and desserts. During the summer, when fewer students are living on campus, the food utilized by Food Services decreases and more catering for conferences and special events is undertaken. U of S Food Services serves about 1,500 meals a day at their cafeterias and coffee shops. In the 2007-2008 school years, U of S Food Services served over 300,000 meals. The U of S has no policy on what type or amount of food should be purchased each year. As a result Food Services can procure a variety of food but must stay within the yearly budget.

The annual food budget for Food Services at the U of S is \$2,500,000. With such a large volume of food being purchased each year, the U of S does not track what specific types of food are bought each year. At the same time all of the food purchased by the U of S must come from sources that have been approved by the local public health officer.

### ***Obstacles and Barriers***

The main barrier identified by the U of S Food Services in the survey in regard to utilizing local organic produce in their cafeterias and dining hall is price and volume. The U of S Food Services requires a stable, consistent quantity of products throughout the year, so working closely with producers to plan for a school year is essential. Throughout the year the U of S Food Services requires a variety of products. A comment on the survey indicates that dealing with each producer for each product would require too much time. Working with one central organization would provide the U of S with a simpler procurement method. Another barrier identified in the study is the lack of knowledge about the types of products local organic producers are able to provide. They also identified a need to solve delivery logistics problems.

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<sup>13</sup> For more information on the sustainability of U of S Food Service, please see [http://www.usask.ca/consumer\\_services/foodservices/sustainability/index.php](http://www.usask.ca/consumer_services/foodservices/sustainability/index.php)

Although U of S Food Services does not have any concerns about utilizing local organic food in their programs, they would like to have more information on the food safety standards and the regulations that local organic producers follow.

### ***Opportunities for Local Organic***

The survey results indicate that the U of S Food Services department has limited knowledge about what is produced locally and how to gain access to these products. In order for the U of S Food Services to balance business demands, financial goals and sustainability, information about available organic products is very important for marketing. The commitment Food Services has made to sustainability provides a jumping off point for local organic producers when approaching the U of S about their products. Also its current relationship with the Horticulture department and the procurement of the organic vegetable grown on campus provides insight into what is already working for them. Building on the existing relationship between U of S Food Services and the Horticulture club, could be an effective way for organic producers to provide additional vegetables during the first school term.

### **2.3 St. Thomas More College (STM)**

St. Thomas More College (STM), a federated college at the University of Saskatchewan, has one main cafeteria called Choices on Campus. The cafeteria provides breakfast, lunch and dinner all year round as well as catering services for special events. Choices on Campus, focuses on nutritional healthy meals for students at a decent price.

STM does not have a food policy that determines the type or amount of any one food purchased for the cafeteria. To date the Choices on Campus serves 2,100 students and 135 staff members. The lunch menu at Choices on Campus includes has a soup and entrée special, while the dinner menu offers an entrée that contains rice, pasta or legumes. Thursday dinner entrées are vegetarian in order to offer a non-meat source of protein for students and staff. Choices on Campus serves about 400 meals per day and over 70,000 meals annually.

In regards to procurement STM purchases food as needed from grocery stores, wholesale food suppliers, and basically wherever they can find the best price.

### ***Obstacles and Barriers***

In order for STM to be able to utilize more local produce, the prices have to be affordable and competitive with their regular suppliers. STM recognizes the importance of local producers and the lighter environmental impacts that organic production offers, but STM has a limited budget for food and tries to stretch their budget as far as possible. Obstacles identified by STM were delivery, accessibility to local foods and affordability. STM would like to include more local organic products in their food services but require these obstacles to be addressed.

## ***Opportunities for Organic Food***

STM reported a strong interest in purchasing local organic food for their Choices on Campus cafeteria. The menu at Choices on Campus changes daily. They serve vegan, vegetarian and international dishes that can make good use of local root vegetables and legumes. STM also feels their students and staff would appreciate more local foods being utilized at Choices on Campus because this initiative would fit well with the college's mission of working towards social and environmental justice.<sup>14</sup> On several different occasions students and staff have requested more local and organic foods be made available at Choices on Campus.

STM would like to have more information about the types of products available, prices and how these local organic products can be purchased. A central storage location where STM cafeteria staff could go to buy the local organic products would be an excellent resource.

### **2.4 Saskatchewan Institute of Applied Science and Technology (SIAST) – Kelsey**

The Saskatchewan Institute of Applied Science and Technology (SIAST)—Kelsey Campus is Saskatchewan's primary public institution for skills training and technical education.<sup>15</sup> SIAST-Kelsey Campus has a cafeteria and a coffee shop to provide food services to students. SIAST has programs related to agriculture, health services, hospitality/food services and tourism. There is a professional cooking program as well as a food and nutrition management diplomas. The professional cooking program indicated that some local organic foods are utilized during the school year.

In order to meet the needs of their retail and program requirements, SIAST—Kelsey Campus has to purchase a large volume of food. Food Services at SIAST—Kelsey Campus reported serving about 80,000 meals per year to students and staff. Kelsey Campus has an approximate annual food budget of \$400,000.

#### ***Food Procurement and Food Services***

SIAST—Kelsey Campus does not have a food policy that outlines the type and amounts of food that must be purchased. Food procurement is driven by student training needs and requirements within the previously mentioned programs and retail operations. Availability of food products and the price are the two major factors in SIAST's food purchasing decisions.

Each month SIAST—Kelsey Campus procures approximately 15,000kg of food through contracts with food service industry suppliers. In addition, approximately 5,000kg of food is purchased outside of these contracts. Table 2 provides a summary of monthly purchased food volumes.

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<sup>14</sup> Choices on Campus. St. Thomas More College. Saskatoon, SK. Website accessed March 2009 <http://www.stmcollege.ca/choices.html>

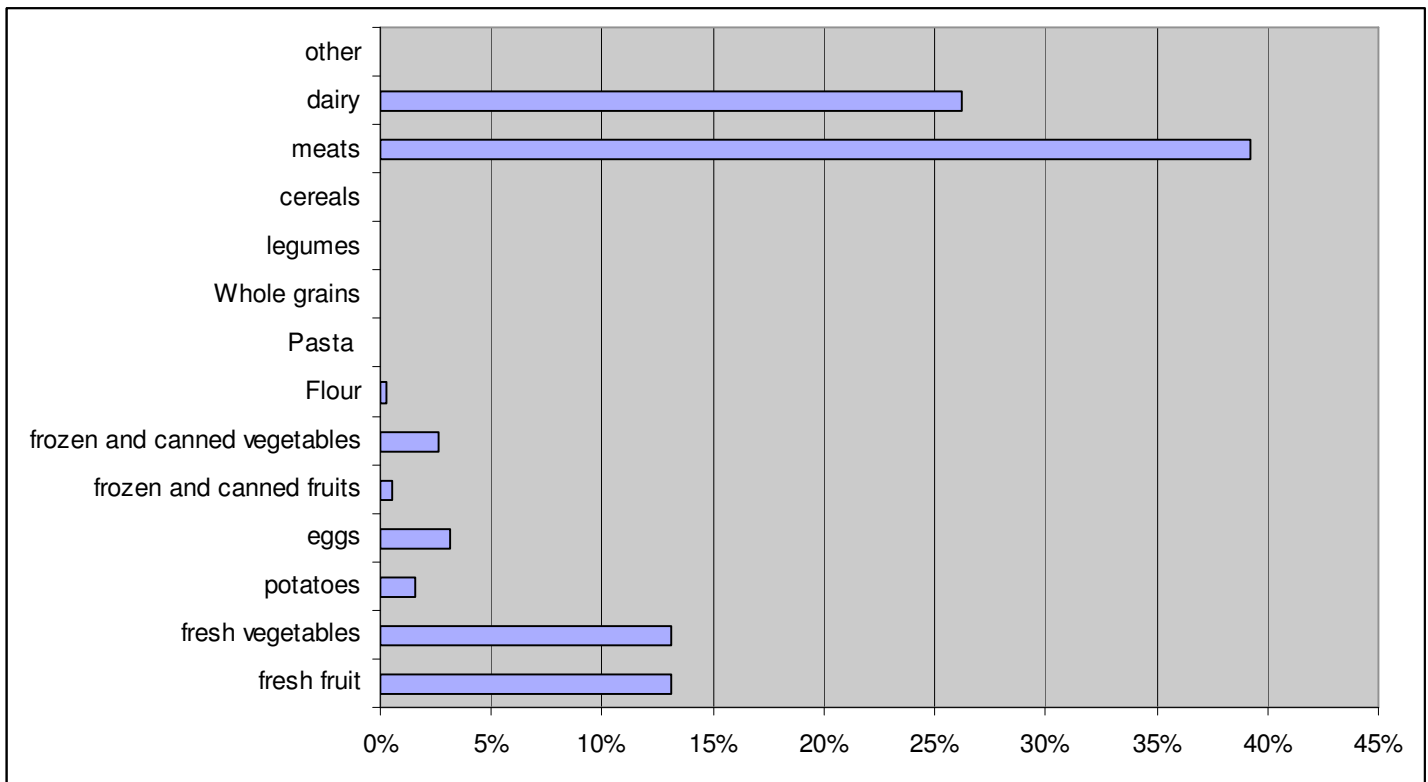
<sup>15</sup> Saskatchewan Institute of Applied Science and Technology. Website accessed March 2009. <http://www.siasat.sk.ca/>

**Table 2: Monthly food Volumes- Under Food Services Contract**

|                                   |           |
|-----------------------------------|-----------|
| Local Food                        | 600 kg    |
| Local Organic Food                | 0 kg      |
| Food Service Industry Suppliers   | 14,400 kg |
| Total volume purchased each month | 15,000 kg |

Annually, SIAST—Kelsey Campus spends over \$400,000 on food. Almost 40% of their food budget is spent on meat and over 25% on dairy products like milk and cheese. Fresh fruits and vegetables take up an additional 25% of the budget. Based on the information provided by SIAST they do not utilize whole grains, cereals, legumes and spend very little on pasta and flour. Figure 1 highlights the types of food purchased by SIAST – Kelsey Campus.

**Figure 1: Survey Response: Percentage of food budget spent and on what types of food.**



**Obstacles and Barriers**

Prices and consistent availability are two areas of concern for SIAST—Kelsey Campus in utilizing local organic foods in their programs and retail operations. SIAST indicated that prices for local

organic products would have to be comparable to prices they currently pay. Storage came up as another possible barrier to local food procurement. The Kelsey campus does not have the capability to store large amounts of food therefore organic growers would need to make deliveries, or SIAST would be willing to purchase from a central space or store.

### ***Opportunities for Organic Food***

Currently, SIAST—Kelsey Campus spends about \$20,000 a year on 600 kg of local foods for their retail operations and food service programs. Local potatoes, onions and some other storage vegetables are the most common local foods purchased by SIAST—Kelsey Campus.

There are opportunities to utilize local organic foods in the retail operations and food service programs at SIAST—Kelsey Campus. The professional cooking program at SIAST is part of Local Bounty, an initiative by Tourism Saskatchewan to foster a rural tourism industry based around locally-produced foods. This indicates an interest by the professional cooking program to use local and possibly local organic products.

A consistent supply or a schedule of what and how much is available during each month would provide valuable information to the professional cooking program. SIAST programs can better plan their curriculum around foods available locally if the information is available.

Although students and staff have not formally approached SIAST—Kelsey Campus to request that more local organic foods be made available, the survey indicates that the professional cooking program and the food service department at SIAST—Kelsey Campus is interested in utilizing more local and local organic products.

## **2.5 Saskatoon Health Region**

The Saskatoon Health Region (SHR) has a Food Charter (see Appendix A) which was endorsed operationally by the SHR Senior Leadership Team. The SHR is committed to promoting and developing food security in Saskatoon through partnerships with various community organizations.

Presently the Saskatoon Health Region serves over 268,000 clients per year and the majority of their clients are adults, as illustrated in the table below.

**Table 3:** Number of people served within the Saskatoon Health Region

|                                  |                       |
|----------------------------------|-----------------------|
| Infants (0 – 2 years)            | 4500                  |
| Pre-school Children (2 – 5)      | 2,000                 |
| School-age Children (6-18 years) | 2,000                 |
| Adults (18-65 years)             | 130,000               |
| Over 65 years                    | 130,000               |
| Total                            | 268,000 <sup>16</sup> |

The SHR has over 75 facilities, including 29 long term care facilities, 10 hospitals (three in Saskatoon), and many primary health care sites. There are over 4.25 million meals served at 40 of these facilities. All facilities under the SHR have their own annual food budget, therefore the total food budget of the health region was not provided for this study.

The SHR has a Food Contract that contains standard prices for approximately 1500 items, but this Food Contract does not include commodity products like produce and meat items. The SHR food contract lists 1500 products, their prices and where they can be purchased. All SHR facilities must purchase food products from these approved sources. The Food and Nutrition department of the SHR develops food safety requirements and standards for each of the 1500 items included in the food contract based on Saskatchewan Health Provincial Public Eating Establishment Standards. The awarding of contracts for products is determined through a competitive bidding process and these contracts typically last 5 to 7 years. The SHR does not expect one supplier to provide all of the 1500 items purchased, instead the SHR has contracts with many food service providers. The awarding of a contract to a supplier is based on quantity and price.

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<sup>16</sup> Saskatoon Health Region. *Saskatoon Regional Health Authority 2007-2008 Annual Report to the Minister of Health*. [http://www.saskatoonhealthregion.ca/about\\_us/documents/shr\\_annual\\_report\\_2007\\_08.pdf](http://www.saskatoonhealthregion.ca/about_us/documents/shr_annual_report_2007_08.pdf)

At this point in time the SHR does not have a guidelines or policies in place regarding the purchase of local and/or local organic food.

All food the SHR purchase is through contracts with food service industry suppliers. Due to the high number of facilities, food contracts and patients that the SHR serves, a total volume of food purchased through these contracts is unknown. The SHR does purchase local bakery items and meat from a local meat processor. Commodity products like produce and some meat items are not included in the SHR Food Contract since prices change frequently, therefore commodity products are purchased on short term or yearly contracts between SHR and food service industry suppliers.

The Saskatoon Health Region stated: There are no concerns with the quality of local organic foods as long as the food meets public health standards and recognizes the importance of food security.

### ***Obstacles and Barriers***

The SHR reported that occasionally local producers contact their office and express interest in supplying local products to the health region. Barriers arise when the local producer cannot provide the quantity and distribution service the SHR requires. All food purchased by SHR has to meet the standards set by the health region and by external sources such as Provincial Public Eating Establishment Standards. These standards determine the kinds of certification necessary for food used in public institutions. Local producers must be able to fulfil the following requirements to be considered for a food contract with the Saskatoon Health Region:

- a. a competitive bid process (required by the province of Saskatchewan)
- b. a product from an approved source (required by provincial standards)
- c. distribution to all SHR sites (required by the health region)

The largest barrier the SHR can identify at this point is the ability of producers to meet the standards required by the SHR for food contracts.

Delivery of local organic products to each of the facilities and competitive prices for local organic foods was identified by the SHR as other possible barriers to procurement.

### ***Opportunities for Organic Food***

Currently, at the SHR, the amount of local, organic, and local organic foods purchased is minimal and not tracked by the food purchasers. The SHR did state that opportunities exist for fresh local organic foods, and processed or pre-packaged local foods. These products would simply have to be approved according to provincial regulations.

There is potential for local products within the SHR because food security is an issue of concern. In addition, SHR expressed interest in working with other organizations to start a project that includes local organic food at their facilities.

## 2.6 CHEP Good Food Inc.

CHEP Good Food Inc. works with children, families and communities to improve access to good food and promote food security. To support their mission, CHEP strives to purchase food high in nutritional value from local producers as often as possible. The majority of food products purchased by CHEP come from a contract with a food service industry supplier and from Saskatoon Co-operative Association Ltd. (Co-op) grocery stores. Local food products are incorporated into CHEP programs as much as possible.

CHEP Good Food Inc. has guidelines and policies that encourages the purchase of local food and supports its mission to promote food security in Saskatoon. These same guidelines do not include the procurement of local organic food. Even without the guidelines CHEP regularly buys local organic products such as whole grains, legumes and oilseeds for the Good Food Box program. A number of the growers CHEP purchases from grow their crops using sustainable methods and without the use of pesticides but are not certified. CHEP expressed its comfort with this arrangement is high because CHEP knows and trusts the farmers.

**Table 4:** Number of CHEP clients within each age category.

|                                  |      |
|----------------------------------|------|
| Infants (0 – 2 years)            | 500  |
| Pre-school Children (2 – 5)      | 500  |
| School-age Children (6-18 years) | 1000 |
| Adults (18-65 years)             | 1000 |
| Over 65 years                    | 500  |
| Total                            | 3500 |

One of CHEP’s programs, the Good Food Box, is an alternative food distribution system that provides a variety of top-quality, fresh, nutritious foods at an affordable price. Twice a month the Good Food box purchases a large quantity of fruits and vegetables and packs these products into boxes which are then sold to customers. The types of products available in the boxes change depending on the season and what is available locally. The Good Food Box uses local potatoes, carrots and certified organic grains in the boxes all year round. For the months of July, August and September all products in

CHEP has found that people are more resistant to paying extra for local and local organic produce when they don’t understand the benefits.

the Regular Fruit & Vegetable, Small Fruit & Vegetable and Mini Fruit & Vegetable boxes are local and sustainably grown.

CHEP Good Food Inc. serves a wide range of clients through its many programs during the year. CHEP was founded to address issues regarding child hunger, but has since grown to include programs that promote healthy eating through the Good Food Box program, Children’s Nutrition, Infant Nutrition, Senior Store and through food policy work. The majority of CHEP’s clients are school age children and families.

**Procurement and Food Services**

CHEP purchases about \$183,000 (about 200,000 lbs) of food per year through their food service supplier and about 400 lbs of organic produce. Some organic produce is purchased through this contract, but local or local organic products are not acquired through the food service supplier.

**Table 5:** Good Food Box expenditures

|                     |              |
|---------------------|--------------|
| Local Foods         | \$ 55,000.00 |
| Organic Food        | \$ 4,800.00  |
| Local Organic Foods | \$ 4,300.00  |
| Total               | \$ 64,100.00 |

The amount of local produce purchased each year varies with the seasons, reaching a peak of 10,000 lbs in August, to a low of 3000 lbs in February. In total about 60,000 lbs of local food is purchased annually by CHEP.

With a total annual food budget of over \$383, 000.00, CHEP’s programs purchase a large variety of foods. Table 1.2 provides the breakdown of this budget along with the types of food purchased.

**Table 6:** Total Annual Food Budget Break down

|   |              |
|---|--------------|
| Fresh Fruit and vegetables                | \$347,000.00 |
| Potatoes                                  | \$ 8,848.00  |
| Eggs                                      | \$ 756.00    |
| Frozen and canned fruits                  | \$ 500.00    |
| Frozen and canned vegetables              | \$ 500.00    |
| Pasta                                     | \$ 500.00    |
| Whole grains , legumes, cereals , flour   | \$ 4,308.00  |
| Meats (beef)                              | \$ 6,730.00  |
| Dairy (fresh milk, cheese, yogurt, other) | \$ 14,090.00 |
| Total                                     | \$383,232.00 |

## ***Obstacles and Barriers***

The barriers that exist for CHEP in regard to procurement and preparation of local organic food are quantity, the types of products available, and prices. Many of the schools that CHEP works with demand small quantities of produce twice a month. The most common purchase made by the schools is fruit and prepared vegetables such as mini carrots. CHEP is concerned that local producers cannot supply the fruits and vegetables a school nutrition program demands at price the schools can afford.

From its work with local producers CHEP has found that storage of products is a concern that must be addressed in order for CHEP to include more local and local organic food in their programs. Ideally, CHEP would like to have enough local root vegetables to supply the Good Food Box program for the entire winter. Basically, CHEP would buy local and local organic if it was available all winter and was easy to access.

CHEP works with producers to negotiate a price that is fair for both CHEP and the producer. At the same time a limited budget results in some local products becoming unaffordable for programs that work with schools. Purchasing local and local organic is not a problem for CHEP but the price associated with these products can sometimes become a barrier.

An additional concern CHEP has identified in regard to local organic foods used in their programs is quality, certification and education. CHEP has found that people are resistant to paying more for produce when they don't understand the benefits of buying local or local organic. Organic certification can be seen as a barrier for organic producers because many consumers do not understand what certification involves and why the prices are higher.

## ***Opportunities for Local Organic Food***

The Good Food Box program would be very willing to purchase additional local products in the winter if producers were able to store or provide products after September and into the winter months.

For a number of years the Good Food Box offered an all organic box but it was recently cancelled. CHEP decided that importing organic food does not help reduce Food Miles nor does it support its mission to support local producers. In addition, Good Food Box clients were surveyed and the results indicated they want to support local producers who grow sustainably produced products and are less concerned about the organic certification. The Good Food Box is in the process of developing a Sunshine Box that will be offered to customers in the summer months and will contain local sustainably grown, seasonal produce.

In order to increase the accessibility of fresh fruits and vegetables and milk to senior citizens, CHEP has a program called Senior Stores. This program sets up a mini store at many long-term senior citizen complexes in Saskatoon so that seniors with possible mobility issues do not have to

travel as far to get their groceries. This is a very popular program and this program may be able to include more local organic products.

CHEP Good Food Inc. stated that CHEP is interested in working out a contract with local producers to increase the local products utilized by all of their programs.

Through surveying their clients, CHEP has found that many people support using more local organic food in all of CHEP's programs. Currently, some of CHEP's Collective Kitchens use local and local organic foods. Collective Kitchens is a CHEP program that supports small groups of people who come together to cook in bulk in order to reduce food expenditures and to make friends. To further promote its mission CHEP always uses as much local food as possible for CHEP fundraisers or events.

## 2.7 Child Care Centres

There are 95 licensed home-based child care centres operating in Saskatoon and 39 licensed child care centres that are based in institutions such as the U of S, hospitals and schools. Four child care facilities were surveyed for this study and not one of these centres has a policy regarding purchasing of local organic products. The surveys indicate that these child care centres base their menus on recommendations from Canada's Food Guide.<sup>17</sup>

The majority of clients at day-care centres are pre-school age children. All licensed day-cares in Saskatchewan must follow Saskatchewan's *Child Care Regulations, 2001*.<sup>18</sup> Food provided must meet the nutrition requirements of the children attending the day-care and must be appropriate for their ages and maturity.

*The Child Care Regulations, 2001*, require that child care institutions ensure that safe and adequate procedures are followed when handling, serving, preparing or storing food at a facility. *The Child Care Regulations, 2001* do not specify the types of foods that child care facilities must purchase nor do they mention local or local organic foods. Each day-care facility will make food or menu policies that work for its own circumstance.

One of the child care centres surveyed indicated they preferred to purchase local products but this choice was guided by personal philosophy, not policy. This facility also indicated that they would be interested in developing a contract with a local producer or organization to ensure that local foods are available to the children.

Another facility revealed that it purchases 48 regular fruit and vegetable Good Food Boxes each year, to help ensure the children are eating well. Not one of the child care centres surveyed

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<sup>17</sup> Canada's Food Guide. Health Canada. Website accessed March 2009. <http://www.hc-sc.gc.ca/fn-an/food-guide-aliment/index-eng.php>

<sup>18</sup> The Child Care Regulations, 2001. Province of Saskatchewan. <http://www.qp.gov.sk.ca/documents/English/Regulations/Regulations/C7-3R2.pdf>

tracked exactly how much local, local organic and organic foods they purchase each year but the centres did indicate local products are occasionally purchased from the Saskatoon Farmers' Market.

### ***Procurement and Food Services***

Depending on the size of the centre, the number of children served meals can range from 3 or 4 to over 40 children. The smaller child centres that serve about 6 meals and snacks per day or about 1500 per year indicated they spent about \$5,000 annually on food. These smaller facilities spend about 25% of their budget on meat, 25% of their budget on dairy products and about 20% of their budget on fresh fruits and vegetables.

In comparison, larger child care centres indicate that they serve about 35 meals and snacks per day and about 8,400 meals and snacks per year. The survey indicates that the annual cost for food at the larger child care facilities is upwards of \$25,000 per year. The larger child care institutions also indicated surveys that they spend about 25% of their food budget on meat, 25% on dairy products and about 20% on fresh fruits and vegetables.

### ***Obstacles and Barriers***

Of the four child care facilities surveyed all indicated a concern about the prices for local organic produce. With small budgets the child care centres are not confident they can afford local organic foods and they don't want to decrease the quantity of food they currently serve. Also, since the child care centres that were surveyed purchase their own food products, the centres would like to know where they can purchase more local organic products, or if local producers can deliver products if the centres agree to purchase regularly.

Storage of food products was identified by day-care centres as a possible barrier. The centres have limited ability to store large amounts of produce and food products. All of the facilities reported purchasing small amounts of food on a regular basis to deal with the lack of storage.

Since child care facilities serve children and are regulated by the Province of Saskatchewan, child care centres indicated that quality control of local and local organic products is a concern to them. Two of the child care centres that were surveyed requested additional information on how organic products are certified and who regulates the certification.

### ***Opportunities for Local Organic Food***

Ensuring that the children at child care centres are eating well is a high priority for the facilities surveyed for this study. These child care facilities purchase their food supplies from local grocers and prepare snacks and meals for their children on site. With limited purchasing power due to budget constraints and storage issues the surveyed day-cares expressed concern with the limited amount of local organic they could afford to purchase. At the same time two of the facilities said

they would be interested in learning more about local organic products and would like to build relationships with local producers to find solutions to their barriers. In general, all the facilities surveyed are interested in utilizing more local organic foods but would like to learn more about the benefits of buying local and what would be available during the year.

## **2.8 Saskatoon Restaurants**

With over 300 restaurants<sup>19</sup> serving everything from fast food to fine dining, Saskatoon has an amazing variety of restaurants. Four independently owned and operated restaurants in Saskatoon were surveyed for this study. The restaurateurs and chefs were asked questions about the food that is purchased for the kitchen, their knowledge of local and local organic products, and whether they would like to increase the local content on their menus.

One restaurant stated: A newsletter or website listing local products available each month would assist their chef in including new products and help to build a more local menu.

As an independent restaurant, chefs are able to base their menus and policies around their clientele, price ranges and specific foods they are interested in serving. Each restaurant can determine the type of ingredients they want to purchase, and where they want to purchase from. At the same time all restaurants must follow the public eating establishment standards and purchased ingredients have to come from sources approved by local public health officers.

### **Food Procurement**

Independently owned restaurants differ greatly from the several other institutions surveyed for this study. Chefs can decide what they want to serve and where the ingredients are purchased from. Not one of the surveyed restaurants has a food policy that determines the types of food purchased. One chef stated, his budget for food is dependent on what the raw products cost him, what it costs him to prepare a fine dining meal and then what can be charged for the plate without being expensive for the clientele. Most restaurants have to make 30% on food costs to run a business.

Only one of the four restaurants surveyed purchased all of the ingredients from a food service supplier. The other three purchased anywhere from a few locally grown items to 95% of the menu sourced from local ingredients.

Two of the four restaurants changed their menu to follow the seasons. Both of these restaurants stated that organic certification is not as important as knowing the producer and building a relationship with them. Free range eggs, sustainably raised livestock and pesticide free herbs,

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<sup>19</sup> Tourism Saskatoon. <http://www.tourismsaskatoon.com>

vegetables and fruits were considered main staples for both of the chefs surveyed. Table 7 provides some specific details about each of the restaurants.

**Table 7:** Meals served and the types of ingredients used by the 4 surveyed restaurants

|                               | Restaurant 1                              | Restaurant 2                                       | Restaurant 3               | Restaurant 4               |
|-------------------------------|---|--|----------------------------|----------------------------|
| Estimated meals served        | 50 breakfasts, 75 lunches and 100 dinners | 100 lunches and caters special events              | 75 lunches and 100 dinners | N/A                        |
| Served local or local organic | Purchased from food service supplier      | Majority from food service supplier and some local | 95% local and some organic | 95% local and some organic |

### ***Obstacles and Barriers***

All four restaurants stated prices for local organic products and delivery issues as barriers for their business. Two of the restaurants already purchased up to 95% local products, but certified organic products whether local or imported, cost more. Restaurants survive on the small differences in prices. One chef stated that he would like to know more about the products available in the local area but does not have the time to connect with local producers or time to pick up local products every week. Storage was an issue for one of the restaurants. It was suggested by one of the restaurateurs that more restaurants would purchase local and local organic if the products were delivered.

Lack of information about local products and when they are available to restaurants was considered an obstacle by all 4 restaurants.

### ***Opportunities for Organic Food***

Each of the restaurants used varying amounts of local products in their restaurants, but all of them indicated interest in learning more about local and local organic products. For producers, restaurants offer something a little more personal when doing business. Almost any chef will meet with a producer to talk about food. One of the surveyed chefs said the best approach is to call ahead, make an appointment and bring a sample. A good chef will want to taste the product and work with it before they buy it. Producer chef relationships can become so much more than a business deal.

Recently a chef from Alberta spoke at a local food conference in Saskatoon about local foods and their importance to his restaurant. This chef felt his relationships with his producers were of the

utmost importance --so much so he would host a local feast with about 25 restaurant customers. The chef would cook and the producer who grew the food was the guest of honour. This type of setting provides the restaurant clients with an opportunity to connect with the farmer and the farmer can connect more directly with the consumer. At the same time the chef provides the atmosphere, location and delicious food to bring the whole event together.

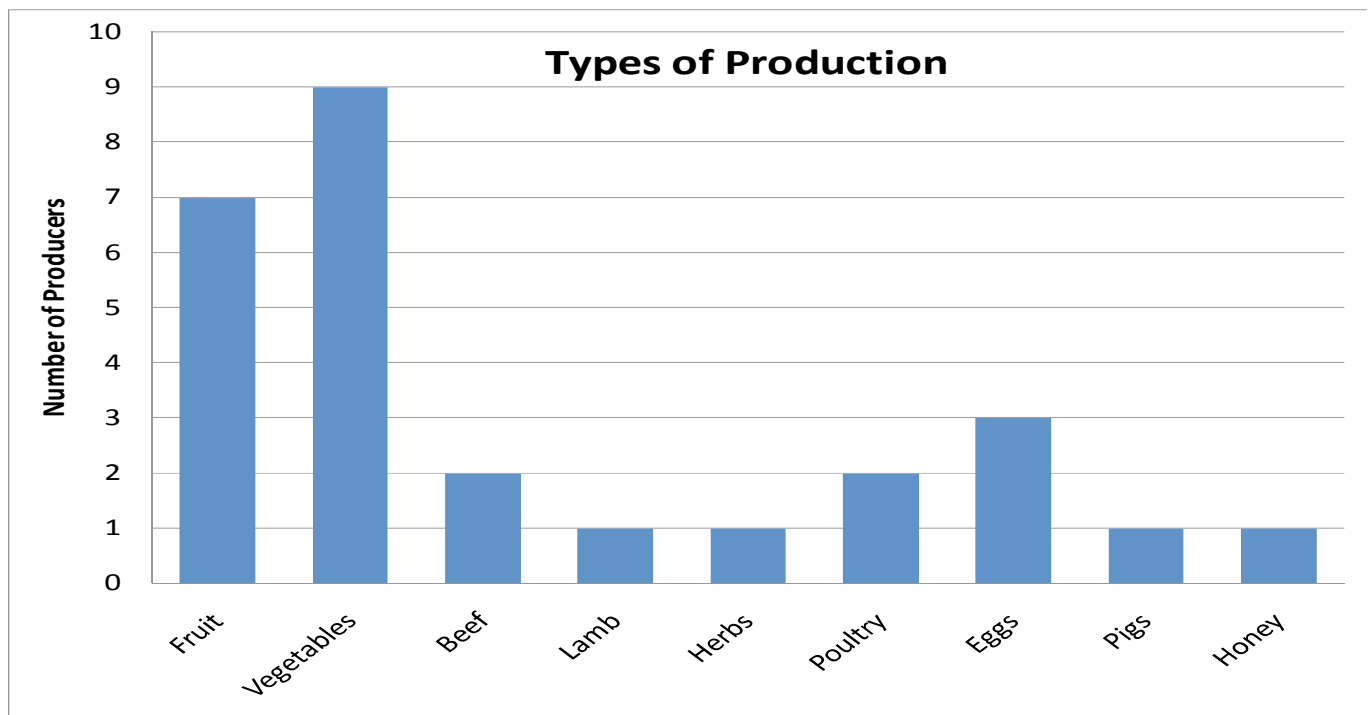
### 3. Organic and Local Production

#### 3.1 Saskatchewan Producers and Production

##### *Fruit, Vegetable, Lamb and Honey Producers*

Of the fifteen producers who were interviewed for this research project, thirteen grow produce, including three growing both fruits and vegetables, and two who produce vegetables while raising livestock for meat and chickens for eggs. The remaining two producers are a lamb and a honey producer. Nine of the producers surveyed (60%) are certified organic, while six state that they are not certified but follow organic farming practices. It should also be noted that approximately six of the fifteen producers who were surveyed are also grain growers. Specific questions about their grain farming were not asked because value-added products are not made with their grain. Figure 2 provides some details about the types of production reported by respondents.

**Figure 2:** Types of production reported the organic fruit, vegetable, lamb and honey producers

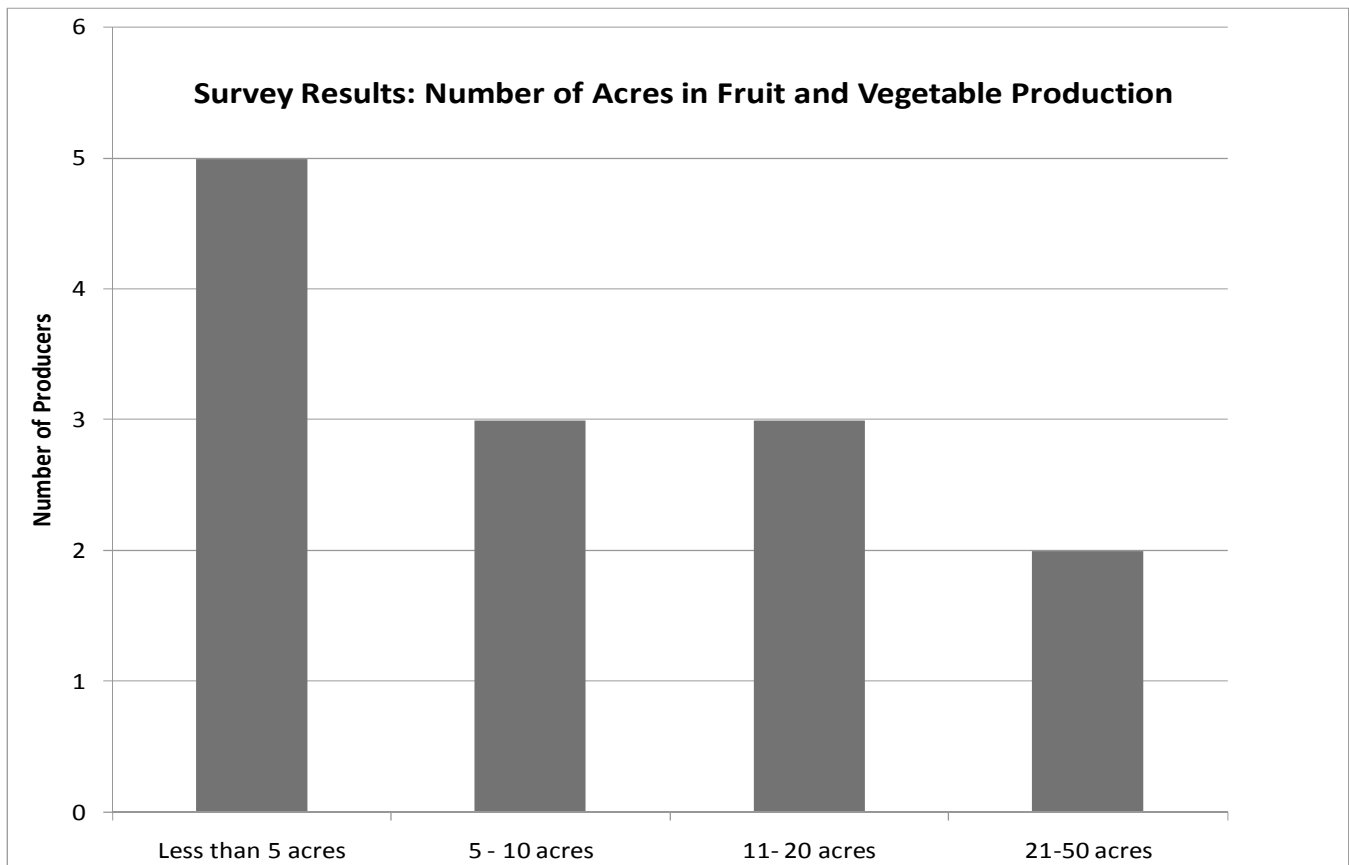


Of the thirteen producers who grow fruits and/or vegetables, five use an average of less than 5 acres per farm for fruits and vegetables, while the remaining ten producers reported using anywhere from 5 to 50 acres (see Figure 3 for number of acres utilized). One vegetable producer lives in Saskatoon and rents backyard gardens throughout the city. The honey producer could not report on acres utilized because the hives are placed on other farmers' land. The number of acres utilized by the lamb producer is not included in figure 3, but reported 51-100 acres of pasture for the sheep.

Of the 15 producers, 5 report selling eggs or meat in addition to their vegetable, fruit, or grain production. The one honey producer surveyed for this study simply sells the certified organic honey to a packer in Alberta and the one lamb producer raises 100 lambs every year to sell for meat. Three of the fifteen surveyed producers have started CSA's in the last 5 years to bring their products into local markets. (See Box)

**Community Supported Agriculture** or CSA is gaining popularity in Canada. This type of agricultural production supports local producers and offers consumers a sense of connection to their food. Although each CSA is different in what it has to offer, the concept of community support is the same: Households buy shares in the CSA farm during the spring, and then cash-in their shares during the summer and fall through produce, eggs and meat.

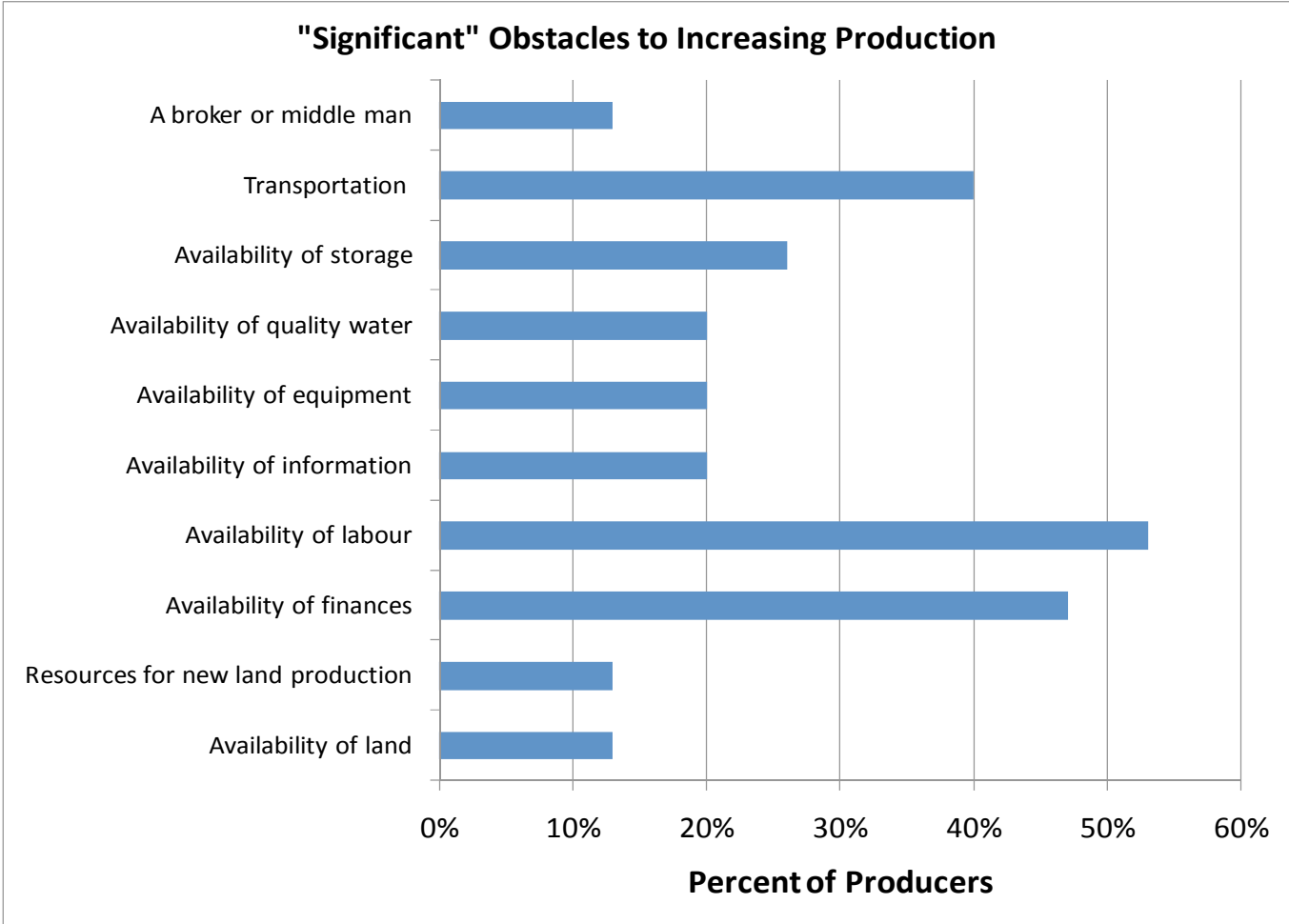
**Figure 3:** Number of acres in fruit or vegetable production, for each producer.



### 3.2 Barriers to Expanded Organic Production

When asked about their ability to increase production, the 15 fruit, vegetable, lamb and honey producers were asked to rate ten previously identified obstacles as significant, somewhat significant and not significant.

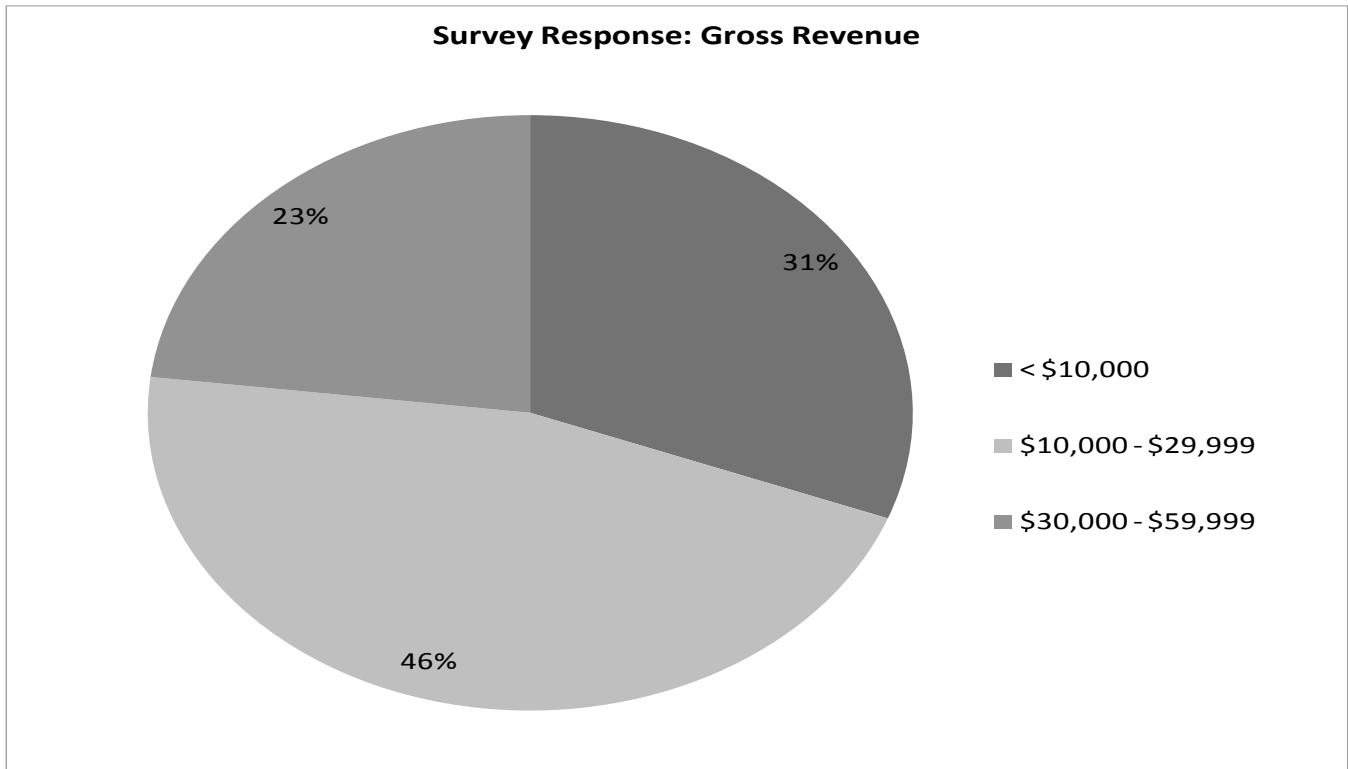
**Figure 4:** Producers rated the following as significant obstacles to increasing production



Labour was the most common obstacle for the producers surveyed (over 50%), followed closely by availability of finances and transportation costs (see figure 4). Many producers stated that simply finding someone to work on the farm is hard, but it is even harder to find someone with appropriate skills. Farmers indicate that few people are interested in manual farm labour and, if they are willing to do the work, producers say they cannot afford to pay the high wages that are expected.

Most producers feel they cannot increase their production without good labourers and more financing. Over half of the producers surveyed said these two things are very hard to find. Nearly one third of respondents had small-scale operations, defined as generating less than \$10,000 in gross revenue per year. At this scale there is little capital to increase production or hire extra labour. However, almost half of respondents reported gross revenue of between \$10,000 and \$29,999 annually. For these producers, there may be an opportunity and a willingness to increase production if there is solid local demand for their product.

**Figure 5:** Gross revenue based on all the producers surveyed

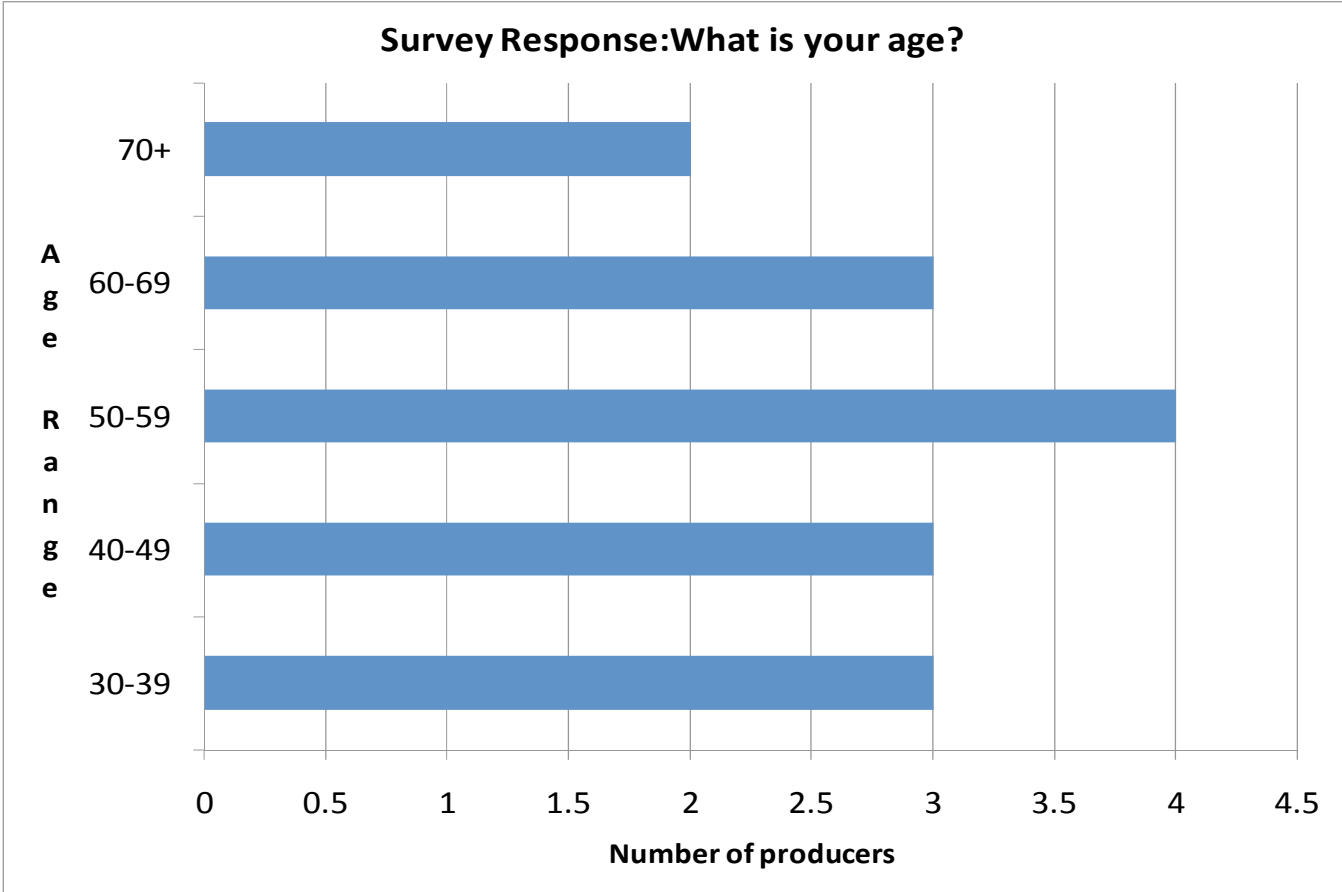


### 3.3 Saskatchewan Producers are an Aging Population

All sectors of the economy are affected by Canada’s aging population, and farming is no different. However, the age of farmers -- or more precisely -- their stage in business growth, is of particular concern when exploring the feasibility of local producers supplying local consumers and institutions.

Figure 6 provides the ages of the fifteen fruit, vegetable, lamb and honey producers surveyed. 60% of the producers are over 50 years old and the remaining 40% are between 30 and 49. Comments from the producers 50 years and older indicate that time and energy has become an issue in their farming activities. The lack of good hired help and limited time to do more reduces their ability to expand production. At the same time ten of the fifteen producers still rate their interest in selling to institutions as high or very high. Interestingly, 13 participants reported selling to local consumers while the remaining two did not do any farm-gating but sold value-added products up to and exceeding 500 km from farm. This result suggests that, within Saskatchewan, local marketing and Food Miles projects do not represent a new idea but reflect what is, in fact, the traditional way of doing farm business.

**Figure 6:** Age of the producers surveyed

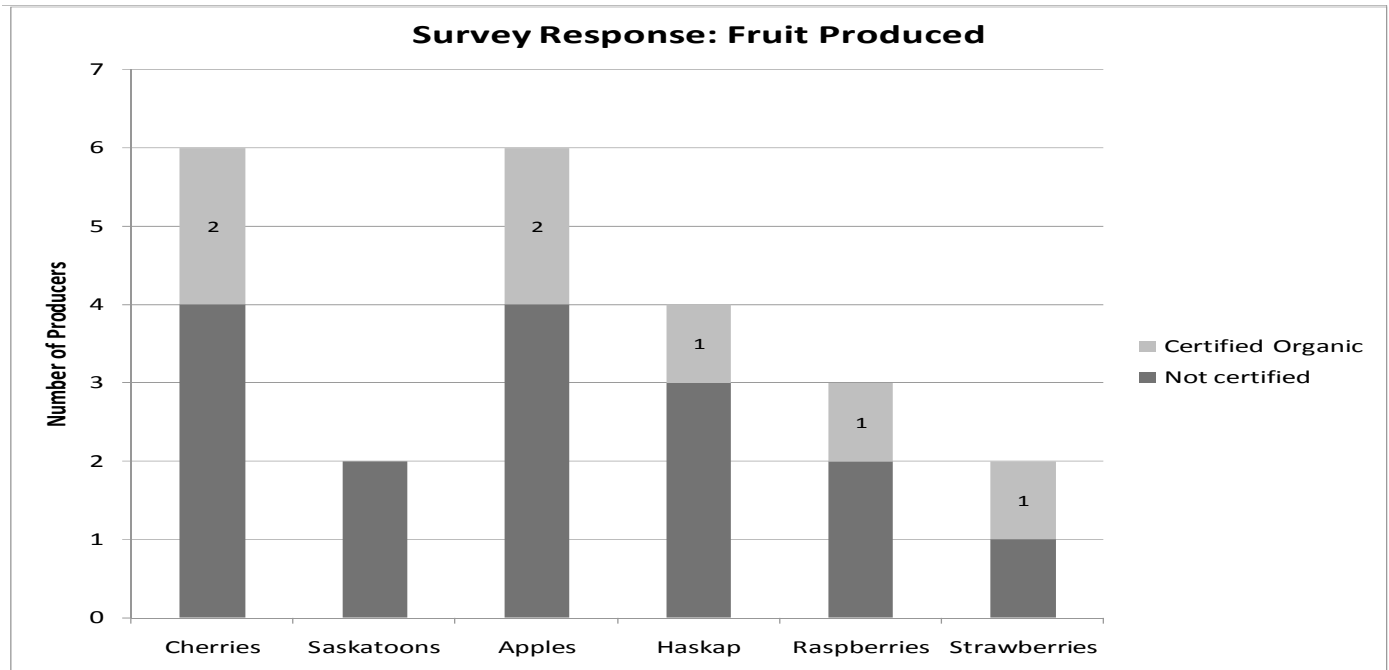


**3.4 Fruit Supply**

Of the 15 producers surveyed, six produced fruit. Apples and cherries were grown by all six of the fruit producers who were surveyed, and haskap (or blue honey suckle) was grown by 4 of them. Three of the six fruit producers also reported small scale production of raspberries and two have Saskatoon berries, and strawberries (see figure 7).

Fruit producers felt they could provide some fruit, such as apples, to local institutions. Most added that it would depend on how much was needed. Besides apples, many participants reported that cherries and berries would be easy to supply to institutions. There would be a period of time when they could be delivered fresh and, after that, frozen fruit could be used throughout the winter. Those who grew berries and those who grew other produce made similar comments throughout the telephone interview: they would be willing to grow more and sell to an institution if they knew the market was there and the price was good.

**Figure 7:** Types of fruits grown by the six producers surveyed



### 3.5 Vegetable Supply

The vegetable producers surveyed for this study ranged in scale from backyard growers to growers producing vegetables on 5 to 10 acres. The most common vegetables grown are the root vegetables such as potatoes, carrots and beets, but several of the producers grew just about every vegetable possible.

**Figure 8:** The types of vegetables grown by the nine surveyed producers.

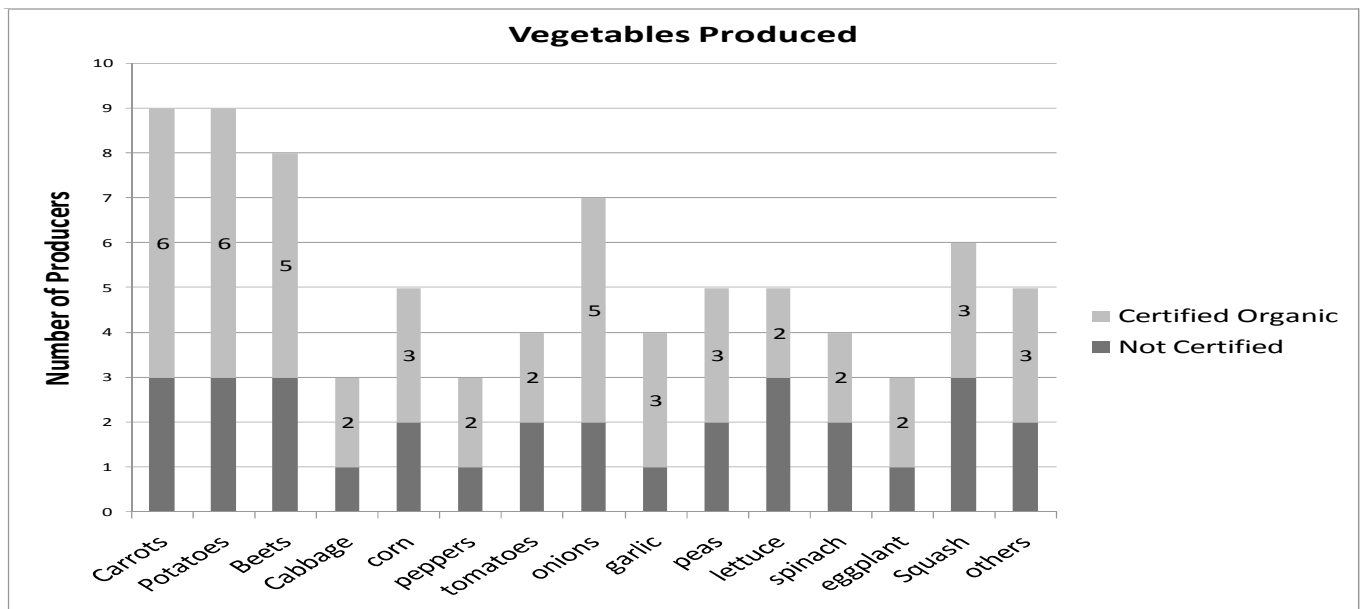


Figure 8 illustrates the survey responses to the types of vegetables grown and the number of producers that certified their vegetables. Of the 9 producers who grow vegetables, 3 of them are currently running CSAs.

The surveyed vegetable growers were asked to provide weight estimates for the vegetables grown and then sold each year. A total of seven producers were able to provide estimated weights. Table 8 provides the sum of the estimates for each vegetable grown. The number of producers who grew and provided weights for the vegetables was included in the table to provide some detail. The other vegetables grown by the surveyed producers were not included in this table because that information was either not collected by the producer or was not available at the time of the interview.

**Table 8:** Total estimated weight of vegetables sold by the surveyed producers

| <b>Vegetables</b> | <b>Total Estimated Weight in lbs</b> | <b>Number of Producers</b> |
|-------------------|--------------------------------------|----------------------------|
| <b>Potatoes</b>   | 96,200                               | 7                          |
| <b>Carrots</b>    | 5,300                                | 3                          |
| <b>Onions</b>     | 2000                                 | 1                          |
| <b>Beets</b>      | 3200                                 | 3                          |
| <b>Cabbage</b>    | 4000                                 | 1                          |
| <b>Corn</b>       | 500                                  | 1                          |
| <b>Tomatoes</b>   | 3022                                 | 2                          |
| <b>Squash</b>     | 2041                                 | 3                          |

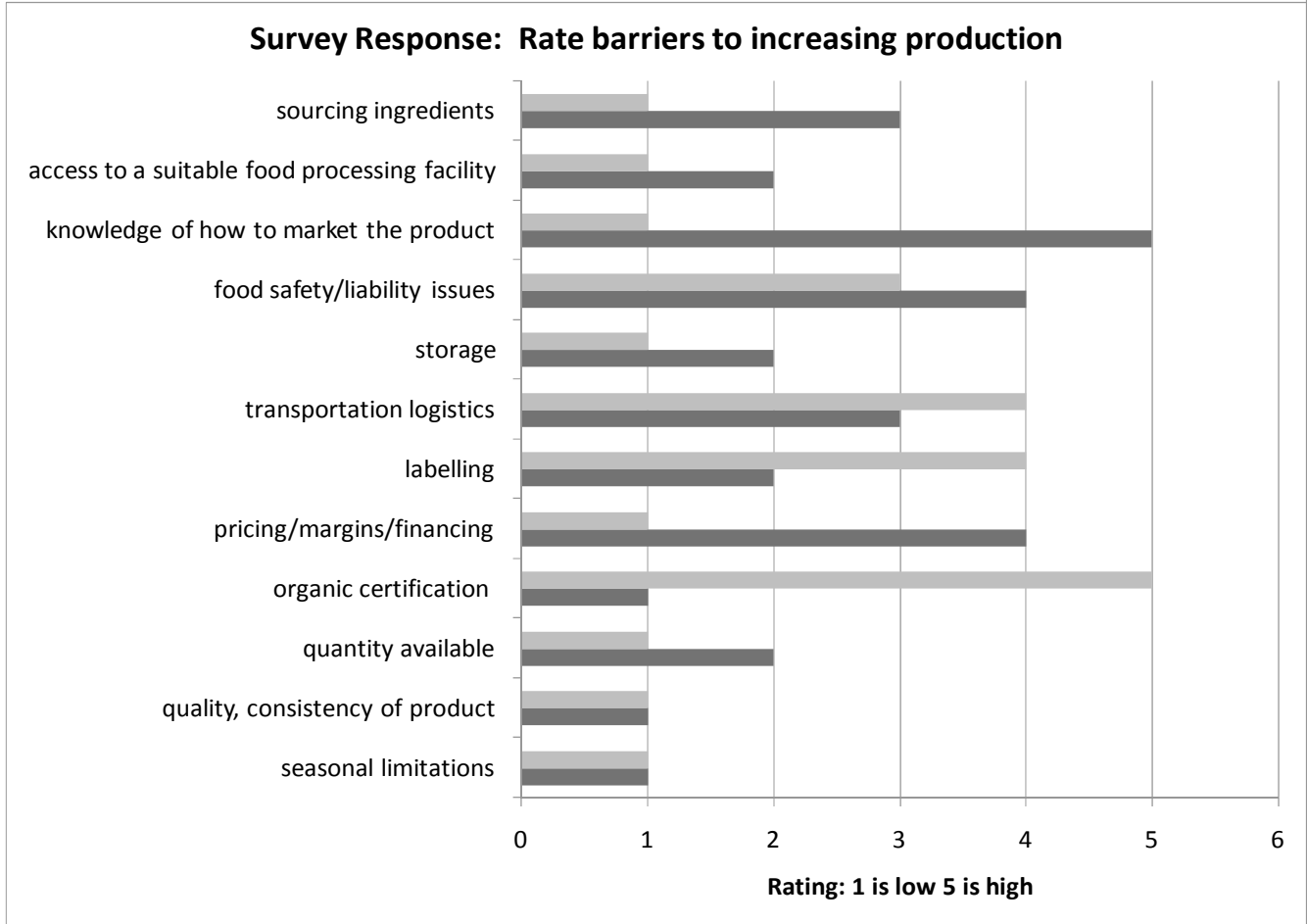
**3.6 Organic Grain Processors**

For this study two different processors were identified and surveyed. The first is owned and operated by a group of producers; the second is owned and operated by one producer. Both of these processors use 100% Saskatchewan grown grains and oilseeds. Value added products packaged by these processors include muffin mix, pancake mix, a variety of ground flour, rolled oats, cereal, and small packaged wheat berries, lentils, and peas. The processors were asked if they would be able to increase their production to meet the demands of an institution. They both answered yes, but felt they would need a secure market and a decent price. Storage was not an issue for either processor. One has lots of storage space while the other processor does packaging on demand.

The processors were asked to rate the following (see figure 9) barriers in regards to increasing processing capacity. Responses were basically the same for both processors, except for a few of the barriers. One possible explanation for the differences in barriers is that one of the processors had been in business for over 10 years while the other was only 6 months into operation.

Importantly, both processors felt that transportation logistics and food safety can be a barrier to increasing production.

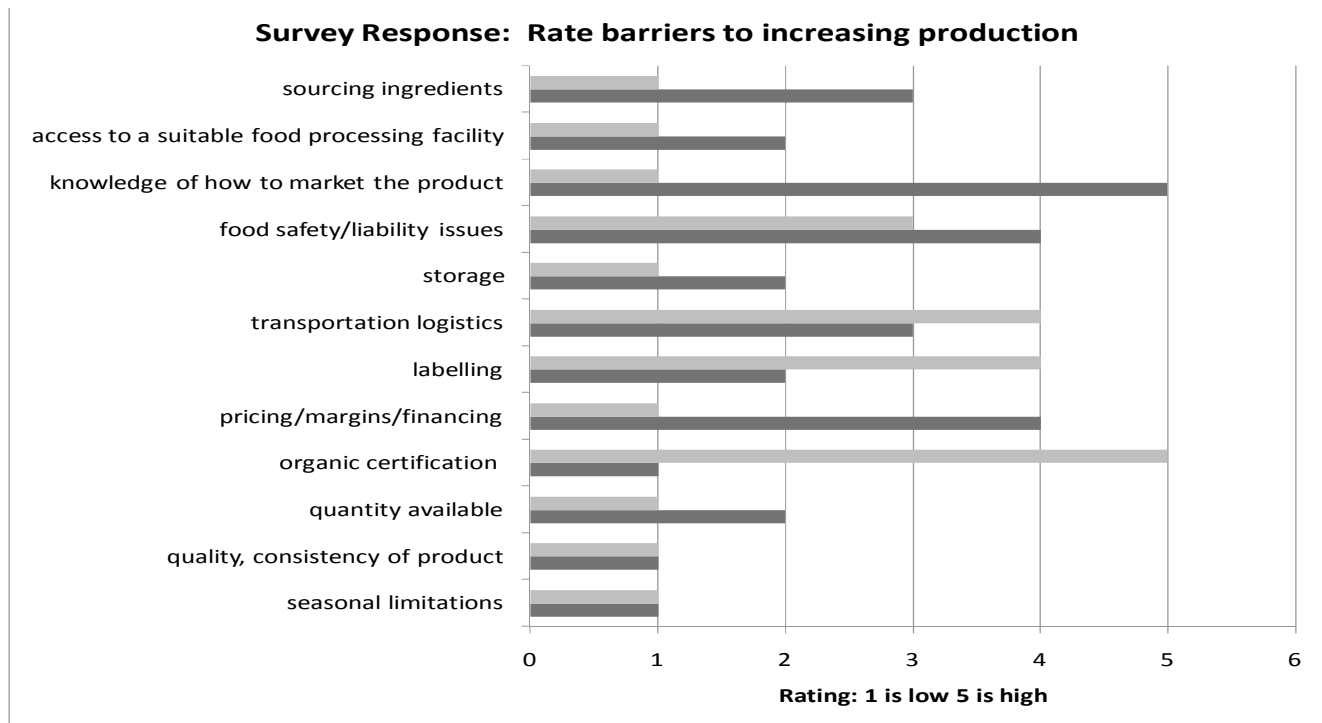
**Figure 9:** Barriers to increasing processing capacity for the two grain processors.



**3.7 Organic Meat Processors**

Two meat processors were identified for this study. One of the processors raises his own livestock and then ships out of province to have it slaughtered at a federally inspected and organically certified facility. The other is a group of producers who have come together to form an association and business. Both have worked very hard on the logistics of selling organic meat in the province and within western Canada. There are many obstacles in the meat processing business; figure 10 provides some insight into these barriers.

**Figure 10:** Barriers to increasing production for the two meat processors surveyed.



Barriers to increasing production are about the same for meat producers and processors. Transportation logistics, storage, marketing and access to suitable processing facilities were identified as the biggest barriers. The processors were asked if they could increase production to supply institutions; one processor stated that increasing production is not a problem but did not feel that the market for organic beef is big enough in Saskatchewan. The second processor would like to increase production but is having problems with storage costs and accessing slaughter facilities. Both felt that if the market for organic beef in Saskatchewan was strong, they would be able to find ways to increase processing.

### 3.8 Small Scale Processing

For the most part, vegetable producers simply pick, wash, bag and weigh produce on the farm, and they report setting up washing stations and tables within buildings on the farm. The sole exception is one of the CSA producers who built a small kitchen on farm to conduct processing. The on-farm facility was required for canning, freezing and pickling of vegetables grown in the summer and sold through the winter.

Fruit growers report a little more processing of their produce. Most of the cherry producers knew of and have used the cherry pitting machine available at the U of S. Apple growers also reported value-added products such as juice, pies, jams and dehydrated apples. The Food Centre was most often used by fruit growers when making these value-added products. Of the six fruit grower's

surveyed one grower built a public health inspected kitchen on farm. Two fruit producers stayed away from processing by having U – Pick fruit operations.

The facilities required for making value-added products are instrumental to becoming a processor. Presently Saskatchewan has very few commercial processing facilities available to producers. Within Saskatoon two facilities were used by some of the surveyed producers. The Food Centre has two interim processing facilities. A public health inspected commercial kitchen and a federal processing facility (pilot plant) that is organic certified, HACCP approved and CFIA inspected. At the U of S the Horticulture department has a cherry pitter available for producers. Some of the producers surveyed were able to use public health inspected kitchens, small abattoirs, and butchers available within their community.

Meat producers possibly require the most processing and have the greatest difficulty finding facilities. There are basically three different types of facilities producers can use.

1. A health inspected facility that has no provincial or federal inspection. Meat cut at this type of facility can only be farm-gated.
2. A provincial facility that is inspected by federal inspectors. Meat cut at this type of facility can only be sold within the province.
3. A federally inspected facility that has a federal inspector. Animals slaughtered at this type of facility can be sold throughout the country and exported.

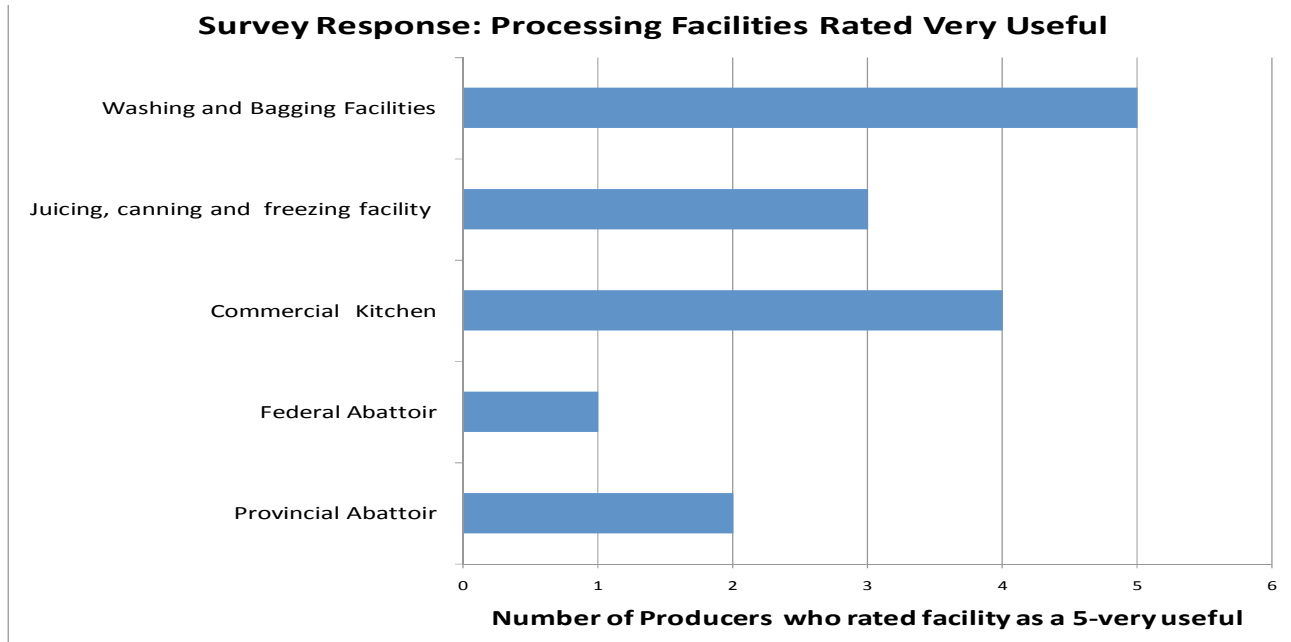
Right now Saskatchewan does not have a federally inspected facility with organic certification. The other problem that arises with the federal facilities is that none of them will process a few animals for individual producers. Therefore producers have to ship animals to either Manitoba or Alberta. Small animal slaughter facilities with organic certification are not accessible to small local producers for the same reason federal beef facilities are not available. The chicken slaughter facilities located in Saskatchewan will not process small batches of animals for one producer. There are a few small abattoirs that will take lambs, while chicken producers most commonly hire the Hutterites to slaughter the birds. Many colonies have large on farm facilities for processing.

The grain processors surveyed for this study did just about everything on farm, beginning with a seed cleaning plant and then adding other facilities. Moving into pancake mixes, flours, etc. requires some additional machines for processing but can be an excellent addition to an established seed cleaning facility. For producers unable or unwilling to package their own goods, the Saskatchewan Abilities Council provides commercial packaging services at its location in Saskatoon.

Growers were asked to rank five types of facilities on a scale of 1 being not useful and 5 very useful for processing. Figure 11 provides the number of respondents that ranked the facilities as very useful. Producers indicated that the location of these types of facilities would be paramount to

their usefulness. If, for example, a vegetable grower has to travel 500 km for a washing and bagging facility, it may not be as useful.

**Figure 11:** Number of respondents who ranked these facilities as very useful to processing



### 3.9 Organic Storage Facilities

A proper storage facility for producers and processors was identified as an integral part of production. 25 % of the producers rated storage facilities as a high obstacle to increasing production. Over three quarters (80%) of the producers surveyed require some type of climate-controlled storage. 66% of the producers stated they have enough storage for the volume they are presently growing but felt they would not have enough if production increased. The remaining 33% felt they did not have enough for their current level of production.

When producers were asked about shared storage facilities with other organic producers 73% said they would be interested but many felt the location of the shared storage would be extremely important. 40% of the respondents thought they would be interested in increasing production if they had access to proper storage facilities.

### 3.10 Marketing

For this study marketing is defined as the process involved in promoting and selling a product. All of the 15 producers surveyed reported doing some type of marketing activities, from signs at the end of driveways to sell sheets and brochures. A sell sheets is basically a list of the products a producers grows, when it's available and at what price. Producers were asked to rate how knowledgeable they felt about creating their own marketing material, and 40% reported

moderate knowledge. Table 9 illustrates the responses to creating their own marketing material and how effective they feel their current marketing tools are working.

**Table 9:** The producers rated the questions with 1 being low and 5 being high

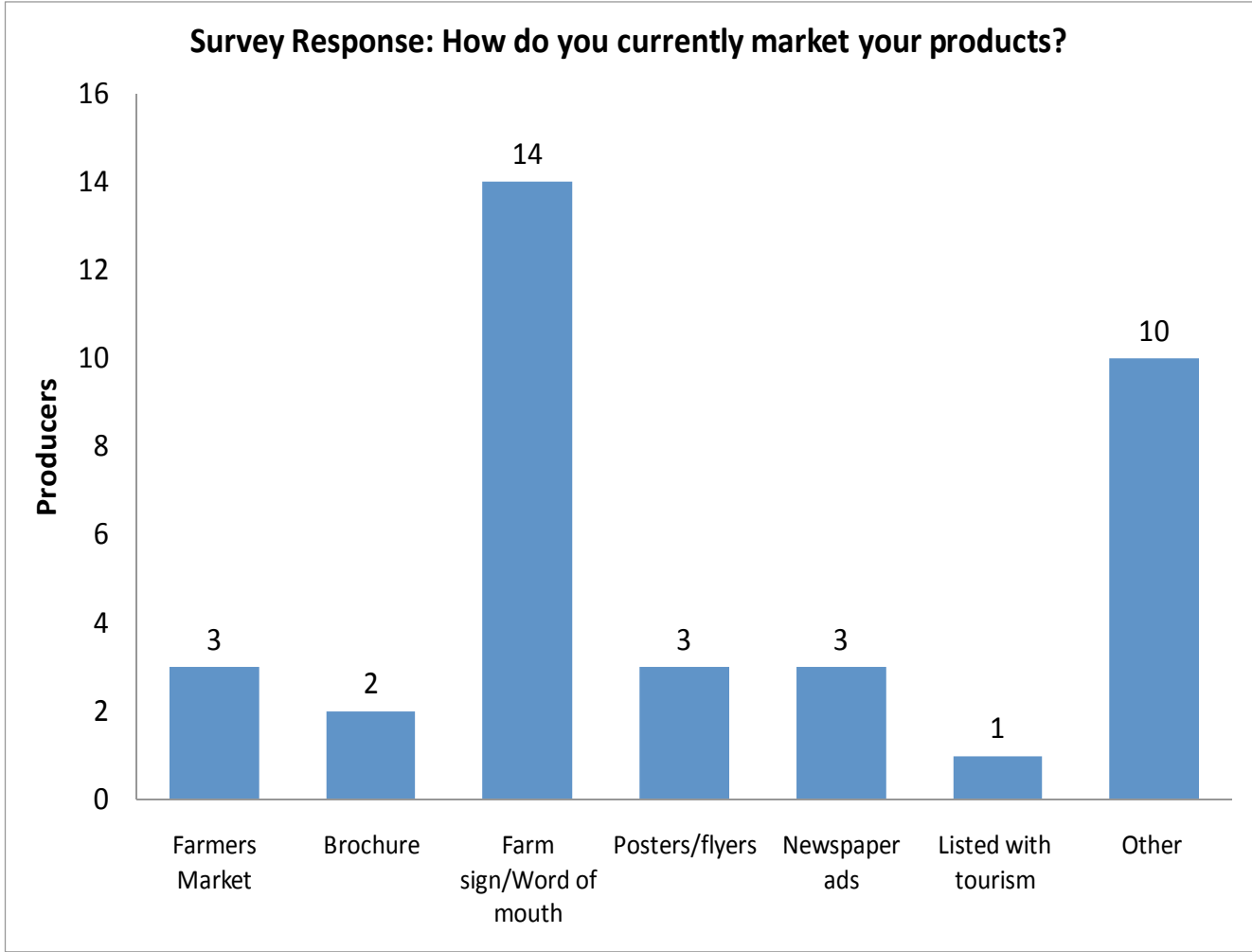
|   |          |     |     |     |           |
|---|----------|-----|-----|-----|-----------|
| <b>How knowledgeable do you feel about creating your own marketing materials?</b> | 1<br>Low | 2   | 3   | 4   | 5<br>High |
| <b>Average</b>  | 0%       | 20% | 40% | 26% | 13%       |
| <b>How effective would you rate your current marketing tools to be?</b>           | 1<br>Low | 2   | 3   | 4   | 5<br>High |
| <b>Average</b>  | 13%      | 7%  | 47% | 26% | 7%        |

Responses indicate that over half of the 15 producers surveyed felt their knowledge of marketing and effectiveness of current marketing tools was average to good. Just 40% of producers surveyed stated that advertising is very important to their business. However, 14 of the 15 producers mainly relied on word of mouth and farm-gate consumers to sell their products (see figure 12). In addition to farm-gating, 10 of the 15 producers indicated that they used other ways to market their products. Websites, attending conferences, in-store sampling, presentations and by joining farmer associations were some of the other methods used by producers.

When asked whether producers had tried to make connections or market their product to institutional buyers, ten of the fifteen producers responded “no”. The remaining five producers reported sales with either a chef or a local store as a result of connecting with these institutions. Producers were also asked if they felt they had enough product to sell to institutions, to which seven answered “yes”, three responded “no” and the remaining five thought maybe. Several of the producers commented that it would depend on how much the institution needed and they would need to plan ahead. Others stated that the prices would have to be reasonable. A total of 40% of producers surveyed for this study ranked their interest in selling to institutions as high and another 27% ranked their interest as very high. These results indicate that producers feel very comfortable with marketing to their local communities but not so much when it comes to institutions.

A total of 40% of producers surveyed for this study ranked their interest in selling to institutions as high and another 27% ranked their interest as very high.

**Figure 12:** Marketing methods used by the 15 producers surveyed

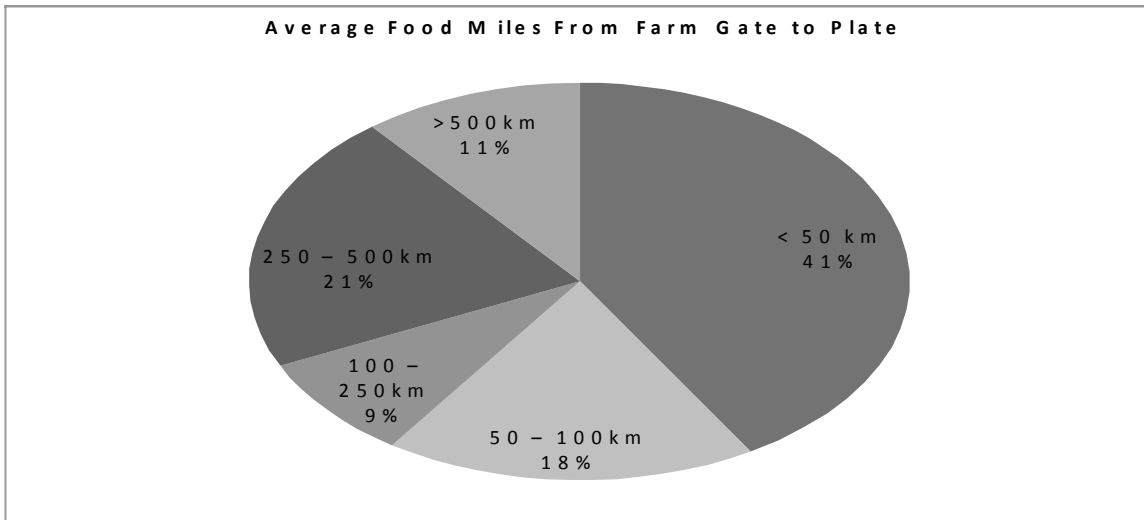


**3.11 Distribution**

Producers were asked where they sold the majority of their products (see figure 13). The results indicate that the majority of producers are moving product within 50 km of the farm. Since most of the producers also report a reliance on farm gate customers, a small market region is not surprising. It also follows that few of them would see value in major advertising or marketing activities. Table 1 results indicate the majority of producers feel they have adequate to good knowledge of how to market their products, and most of this marketing is being done by word of mouth.

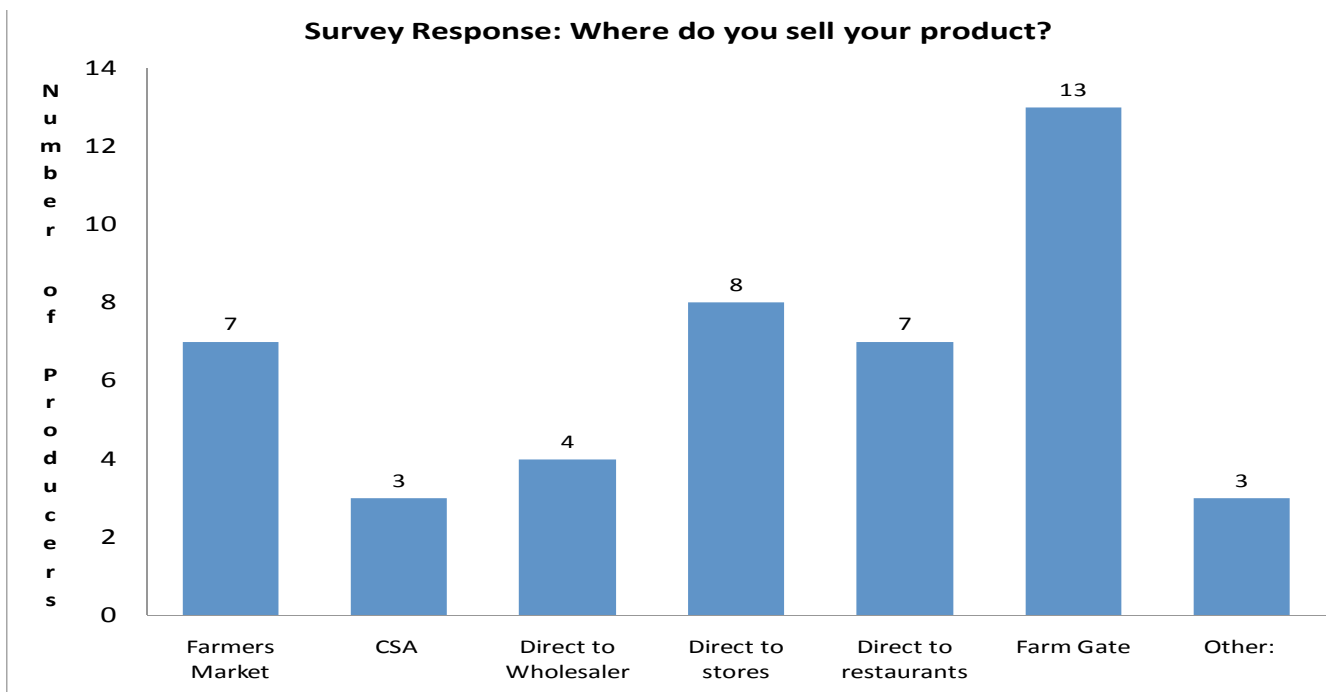
Producers were asked to specify what percentage of their product is sold at the following five distances; <50km, 50 -100km, 100-250km, 250-500km, and >500km . Only 14 of the 15 producers responded to this question, figure 13 illustrates the average food miles reported by the surveyed producers.

**Figure 13:** The average distance products travel from farm gate to market



Nine of the farmers reported sales within 50 km of the farm gate. Four of the nine producers stated that 90-100% was sold within the 50 km radius, while another three producers felt they sold 50-70% of their product within 50 km. The average for the products sold within 50 km from farm gate is 41% of the total. Some producers commented that if they want to distribute further than 50 km from the farm, the market has to be there and the price has to reflect the cost of transport. These results indicate that community relationships and social networks are a big part of the local food economy.

**Figure 14:** Producer response to where their products are distributed.



#### **4. Recommendations**

The feasibility study provides some insight into local and local organic food procurement as well as the production levels of the 15 surveyed producers. This provides a starting point from which relationships, and communication about local and local organic food can be built between producers and institutions.

The following recommendations are based on the survey results and conversations with producers, processors and institutions. The intent is to offer suggestions that will possibly increase the capacity of the current local organic sector to meet the needs of the institutions within Saskatoon. At the same time this study investigated production across the province, which makes it possible to apply these recommendations to institutions throughout the province.

- 1. Set up one location or association that would be the “go to” place to buy local/local organic products within Saskatoon.**

To make this happen representatives from the Vegetable, Fruit, Cherry, Apple and Food Processors association could meet with organic grain processors and meat processors making value added products to discuss working together and selling together.

- 2. Hold round table discussions between institution representatives, producer representatives, grain processors, and meat processors.**

Such a meeting would allow both sides to express concerns and potentially build relationships focused on buying more local/local organic products. The Local Bounty events are a model for this kind of meeting. Communication between interested parties will help to determine what types of products the institutions are looking for and what producers have to offer.

- 3. Form a producer association.**

By working together producers could offer a wide variety of products to interested institutions. Of the 15 producers surveyed, 14 stated they would be interested in joining a producers group or association. It is important to keep any fees associated with this type of group very low.

- 4. Create and distribute targeted organic resource materials describing organic production and certification for institutions and local producers not certified.**

It's important for institutions to understand organic certification and what is required to achieve certification. At the same time institutions would become more educated about organic farming.

Several of the surveyed local producers who are not certified indicated organic practices were utilized. It would be advantageous for the organic sector to make sure these producers fully understand organic production.

**5. Work with CHEP, and the Catholic and Public School boards to get some local organic products into their schools.**

If this study revealed one thing over and over, it's that people in general want to know more about organics. The school setting is an excellent place to start. CHEP has already made many connections with the Saskatoon School boards.

**6. Work with the Saskatchewan Made Program in Saskatoon.**

The Saskatchewan Made program is currently working on a logo and advertising campaign for Saskatchewan Made products and buying local. The "branding initiative" is aimed at raising the profile of the innovation and diverse range of products made in Saskatchewan. The Saskatchewan Made Program is planning to promote buying local and the Saskatchewan Made brand with a 4 year marketing plan. The logo is available to anyone in Saskatchewan who is making and selling their products in the province. The director Kim Hill expressed an interest in working with the SOD Food Miles Campaign. Kim's contact information is listed in Appendix A.

**7. Facilitate a storage facility initiative within the city for local organic and local producers.**

A round table discussion with producers, CHEP, SOD, the Saskatchewan Vegetable Growers Association (SVGA) and Living Soils Farm could result in a local storage facility initiative. The SVGA expressed interest in participating with others to solve the storage facility issue. The Living Soils Farm owner has a building that could be renovated for vegetable and fruit storage.

**8. Build an advertising campaign that focuses on buying local organic products.**

Important to advertise on campus (campus newspaper), through radio ads and on bus billboards. Working with the Saskatchewan Made program may be key to this type of advertising.

**9. Facilitate local and local organic feast events.**

Collaborate with local Chef's, CHEP, the Organic Connections board and the farmers market. The Market could be used as a location to host a feast. Local producers could be brought as the guest of honour. Consumers could visit and ask questions of the producer. At the same time the chef could provide insight into working with local products etc.

**10. Continue discussions with the Saskatoon Health Region to overcome barriers to purchasing local organic food.**

To get more local products into these facilities could seem a little daunting at first. There are two options that could make it somewhat simpler. It may be possible to provide a few products to just one of the SHR facilities. Communication with the SHR is very important to developing this relationship. The second option not explored in this study would be to approach a privately owned senior's centre. Many of these facilities have a kitchen and prepare food on site.

**11. Work with child care facilities to discover what needs could be met by local organic producers.**

Child care facilities are small in comparison to other institutions. This could provide a great opportunity for local organic producers to provide some of the day-cares food requirements. A couple of the day cares surveyed for this study showed interest in knowing more about local and local organic foods. Another option would be to contact day-care centre that are parent run facilities. If parents are directly involved in what happens at the day-care it may be easier to communicate the importance of reducing pesticides in their children's diets.

**12. Develop a mentorship program.**

The aging demographics of the producers selling into the local market indicate that development of a mentorship program is the key to the continuation of organic farming and of local food in this province.

**13. Distribute promotional material for SOD's organic producer database.**

SOD has created a searchable on-line database listing all certified organic producers in the province and what they sell. Making this tool more accessible to institutional buyers will help them find what they need, and potentially lead to long-term purchasing arrangements.

## **Appendix A**

### **Saskatoon Food Charter**

#### **A Proposal**

Canada stands committed to the United Nations Covenant on Social, Economic and Cultural Rights specifying the right of everyone to adequate food, and endorses a food security action plan stating “the fundamental right of everyone to be free from hunger” and “food security exists when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life” (Canada’s Action Plan for Food Security – 1998).

To meet this national commitment, and to make food security work in our community, the City of Saskatoon and other local organizations support the following elements as the basis for a Saskatoon Food Charter.

#### **Food Security and Production**

- Food is an integral part of the economy of Saskatoon and the surrounding area. A commitment to building bridges between urban and rural communities on food security will strengthen the food sector’s self reliance, growth and development.
- Local agriculture is important to producers and consumers alike. Urban and rural food security initiatives will preserve local agricultural production, and build on the mutual interdependence of producers and consumers.
- The Farmer’s Market and the Good Food Box serve as viable models of this interaction with local farmers being able to market their products directly, and consumers being able to access nutritious, wholesome food.
- Urban agriculture can be advanced through the establishment of community gardens that contribute directly to the economic, environment and social life of city residents.
- Food must be produced in a manner that is environmentally sustainable, safe for consumption and socially just.

#### **Food Security and Justice**

- Food is more than a commodity. It is a basic right. Every Saskatoon resident should have access to an adequate supply of nutritious, affordable and safe food without social and economic barriers. In Saskatoon, we must work with those communities most affected by lack of access to nutritious, affordable and safe food.

#### **Food Security and Health**

- Food security contributes to the physical, mental, spiritual and emotional well-being of residents. Nutrition education and consumption of wholesome, healthy foods are important factors in determining the overall positive health of the city's population, and this begins with the promotion of healthy eating practices – as early as birth – with breast feeding.

### **Food Security and Culture**

- Food brings people together in the celebration of family and community, strengthening links between diverse cultures and urban and rural communities. The preparing, eating and sharing of food engages individuals and families in a social and community fellowship that balances physical and spiritual needs.
- Food is a social good that sustains and supports us and our communities.

### **Food Security and Globalization**

- Any international agreements entered into by our governments must respect the full realization of people's right to adequate, nutritious, accessible, affordable, safe food at home and internationally. National, provincial and local governments must guarantee the right of communities and individuals to food security through supporting viable, sustainable, agricultural production and an equitable income distribution.

**The fulfillment of a Saskatoon Food Charter relies on citizens participating directly in and promoting food security measures in their homes, their work places, their community, and in this process strengthening citizen involvement and concern.**

Therefore, to develop and promote food security in our city, Saskatoon City Council will:

- Champion the right of all residents to adequate amounts of nutritious, safe, accessible, culturally acceptable food.
- Protect local agricultural lands.
- Encourage community gardens, urban agriculture and the recycling of organic materials that nurture soil fertility.
- Advocate for income, employment, housing, and transportation policies that support secure and dignified access to food.
- Support training and income generating programs that promote food security within a community economic development model.
- Ensure the safety of food and drinking water.
- Ensure convenient access to an affordable range of nutritious foods in city facilities.
- Support nutrition education through promotion of skills-based programs for the community and in schools.
- Adopt and promote food-purchasing practices that serve as a model of health, social and environmental responsibility and that support the local rural economy

- Promote a yearly civic report card on how Saskatoon is achieving food security.
- Foster a civic culture that inspires support for healthy food for all.
- Promote partnerships and programs that support rural-urban food links and the availability of locally grown, healthy foods through the Farmer's Market, Good Food Box and other rural-urban initiatives.

These objectives will be achieved by working in partnership with community based organizations, community associations, Aboriginal peoples, resident groups, business organizations, trade unions, educational and health institutions and other levels of government.

This proposal for a Saskatoon Food Charter was developed through the Saskatoon Food Coalition with the involvement of the following groups: Saskatoon Farmer's Market, Oxfam, CHEP, Good Food Box, Community First, Saskatoon Friendship Inn, United Way, Core Neighbourhood Youth Co-op, National Farmers Union, Quint Development Corporation, Saskatchewan Child Nutrition Network, Saskatchewan Food Security Network, Saskatoon Food Bank, Inner City Ministry, Organic Farmers Network and Saskatoon District Health. For more information, and to be involved in this exciting initiative, you can contact the Saskatoon Food Coalition through 306 384 7041 or email [saskfoodsec@sk.sympatico.ca](mailto:saskfoodsec@sk.sympatico.ca).

## **Appendix B**

### **Contact Information**

The following contact information is intended for the implementation process. The names and number are not to be distributed to the general public.

#### **CHEP Good Food Inc**

Contact information for the people responsible for purchasing food at CHEP Good Food Inc.

|  |          |
|--|----------|
| Karen Archibald – Executive Director   | 655-4575 |
| Morgan Murray -- Good Food Box Program | 655-5387 |
| Cameron McRae-- Bulk Buying Program    | 655-5619 |
| Dana Burrand -- Fresh Food Buffets     | 655-5322 |
| Len Turtle-- Senior Stores             | 227-2980 |
| Ellen Quigley                          | 655-4575 |

There is a possibility that Len may have storage space and refrigeration for pre-packaged organic foods.

#### **Saskatoon Health Region**

For more information on the food purchasing policies at SHR contact:

|   |          |
|---|----------|
| Susan Keeler – Regional Food Procurement and Production Manager | 655-5387 |
| susan.keeler@saskatoonhealthregion.ca                           |          |

#### **SIAST-Kelsey Campus**

For more information contact Marie Tupone at [tupone@siast.sk.ca](mailto:tupone@siast.sk.ca) she is responsible for purchasing.

#### **St. Thomas More College (STM)**

For more information contact Amy Frank Chef/Food Services Manager [afrank@stmcollege.ca](mailto:afrank@stmcollege.ca)

#### **University of Saskatchewan**

For more information on food procurement and food services at the U of S contact James McFarland, Assistant Director/Executive Chef Food Services [james.mcfarland@usask.ca](mailto:james.mcfarland@usask.ca)

#### **Other Organizations**

**Prairie Apple Producers Inc.**, contact Mike Noel (306) 497-2234 (home) (306) 956-3590 (office)

**Cherry Producer Group.**, contact Brue Hill (306) 963-2632 [b.hill@sasktel.net](mailto:b.hill@sasktel.net)

**Fruit Growers Association.**, contact Patty Stewart (306) 782-0256 [kp.stewart@yourlink.ca](mailto:kp.stewart@yourlink.ca)

**Saskatchewan Vegetable Growers Association.**, contact Joan Merrill (306)382-9544

**Food Processors Association.**, contact Kim Hill (306) 683-2411

**Organic Agriculture Centre of Canada.**, contact Brenda Frick (306) 966-4975  
[brenda.frick@usask.ca](mailto:brenda.frick@usask.ca)

**Living Soils Farm.**, contact Steve Guenther (306) 239-2017

**Saskatchewan Made Program.**, contact Kim Hill (306) 683-2411

**Sharon's Child Care.**, Jane Wallace-Brown [svc.childcare@hotmail.com](mailto:svc.childcare@hotmail.com) Jolene Hofstra  
[tjhofstra@sasktel.net](mailto:tjhofstra@sasktel.net)