



**Submission to the House of Commons Standing Committee on
Finance
Syngenta Canada Inc.
August 3rd, 2017**

INTRODUCTION

Syngenta is a leading agriculture company committed to making crops more efficient by increasing the productivity of the world's major crops without using more land, water or inputs. In this way, we are also helping to improve global food security by enabling farmers to make better use of available resources.

Through world-class science and innovative crop solutions, our 28,000 people in over 90 countries are working to transform how crops are grown. We are committed to rescuing land from degradation, enhancing biodiversity and revitalizing rural communities.

The Syngenta Canada team is approximately 275 people strong, supporting products and services for the country's major crops, including wheat, barley, canola, corn, potatoes, pulses, soybeans and specialty crops.

In 2013, we launched The Good Growth Plan (www.goodgrowthplan.com), which includes six specific commitments to help address critical challenges the world faces in feeding its population. In collaboration with others, we have committed to:

- Make crops more efficient;
- Rescue more farmland;
- Help biodiversity flourish;
- Empower smallholders;
- Help people stay safe; and
- Look after every worker.

Syngenta is proud to work with Canadian farmers and the agricultural sector to take on these challenges. As the second report of the Government of Canada's Advisory Council on Economic Growth articulated so effectively, Canada is well positioned to take a leading role in global agricultural innovation and is only beginning to realize its full export potential. We look forward to working with farmers, government and other stakeholders to help realize this vision for the future of a sustainable agriculture sector in Canada.

We are pleased to participate in this pre-budget consultation and to see that productivity and competitiveness are a part of this discussion.

What federal measures would help Canadians to be more productive? For example, what education and training, health, housing and labour market participation and mobility measures would help Canadians to be as productive as possible in their workplaces and their communities?

Productivity is a critical issue for Canadian farmers. They are continually looking to increase the productivity of their land to meet the demands of the future. Syngenta helps them achieve this by making crops more efficient so that they do not need to use more land, water or inputs.

Productivity for Canadians working in the agricultural sector should be based on a sustainable production system - one that links land, technology and people, in which agricultural solutions support strong rural economies and increase resource efficiency. And for both productivity and competitiveness to be ensured long term, it is imperative that the agricultural sector has the support it needs to overcome barriers to success.

The imminent negotiations on NAFTA remind us how our free trade agreements have, in many instances, reduced or eliminated tariffs. However, they also remind us there is significantly more work to be done to address non-tariff trade barriers (NTBs). As the number of trade agreements increase – such as CETA and potentially a second version of the Trans-Pacific Partnership Agreement – there are corresponding implications on other systems, including technical and regulatory systems.

NTBs remain a burden to our agricultural sector and a disincentive to growth and innovation; these disincentives are particularly acute for Canadian crop production. Progress continues to be made on issues such as asynchronous regulatory approvals and low level presence (LLP), but more work is required in these areas, as well as the establishment and harmonization of maximum residue limits (MRLs), intended to facilitate and not inhibit trade for Canada's crop production sector.

New products must be able to be commercialized and fully deployed, in domestic as well as export markets, otherwise resource allocation for future research and development expenditures is likely to suffer.

Recommendation 1: We ask the Government of Canada to continue their positive and constructive role on asynchronous regulatory approvals and LLP, and that they take additional steps to advance MRL establishment and harmonization internationally in order to facilitate trade.

What federal measures would help Canadian businesses to be more productive and competitive? For example, what measures would help businesses to undertake research, innovation and commercialization, purchase advanced technology and equipment, invest in the training and development of their employees, participate in global value chains and increase their international market share?

Canada currently ranks near the bottom of OECD countries for business expenditure on research and development. For this to change, one of the things Canada needs to be counted on for is a stable and predictable regulatory system (at all levels of government) in what is an extremely competitive global environment.

While the Canadian agri-food sector is integral to our economic performance, contributing approximately 1 in 8 Canadian jobs and 6.6% of Canada's GDP, we cannot forget that in the global context it is relatively small and the incremental costs and investments associated with commercializing innovative products and technologies is not always favourable.

Reducing unwarranted and inappropriate regulatory burdens make commercialization decisions easier to support. Innovative products and technologies are critical, perhaps even more so to smaller market economies like Canada. They are also integral to maintaining competitiveness with other jurisdictions, most noticeably in Canada's case, the United States. If our farmers do not get and/or maintain access to the latest crop production innovations and technologies at the same time as other jurisdictions with whom we both trade and compete, they will be significantly disadvantaged.

The Government of Canada has indicated its support for efforts to keep science and evidence-based decision making central to the process, which we commend. If commercialization and adoption of new and innovative products are seen to be at unreasonable risk, it becomes more challenging to make the case to continue or increase investment in research and development and, by extension, innovation in Canada.

Additionally, any discussion of the importance of innovation and our regulatory system would be incomplete without mention of the imperative of the system's continuing ability to adapt and be ready and responsive to new technologies, which are critical to continued innovation success. In the context of crop production agriculture, this includes but is not limited to plant breeding innovations and risk assessment frameworks. As part of this, we need to enable and support the education and training of our regulators regarding new and innovative technologies that will be introduced in the future and continue to modernize our regulatory system in support of new science and innovations.

As the majority of primary agriculture production in Canada is exported (close to 60%), it is critical that Canada be at the front end of the innovation and adoption curve to keep our growers competitive and our status as one of the world's largest agricultural exporters, and with ambition to grow.

Recommendation 2: We ask that the Government of Canada ensure that science and evidence-based decision-making remain at the core of the regulatory system in order to provide predictability and certainty for business, industry and the public alike.

Recommendation 3: We ask the Government of Canada to invest in the education and training of regulators regarding new technologies and ensure that regulatory system modernization keeps pace with innovation.

Recommendation 4: We ask the Government of Canada to provide adequate resources and funding for its regulatory bodies, including the Canadian Food Inspection Agency and the Pest Management Regulatory Agency, so that they can better support the sector, inclusive of enabling access to crop production tools and technologies and the competitiveness of the sector in Canada.

Conclusion

At Syngenta, we remain committed to developing innovative solutions that transform the performance of farms, both large and small. We are encouraged by the Government of Canada's prioritization of the agricultural sector as an essential driver of future economic growth.

What this points toward is nothing less than a substantive response to the aforementioned second report of the Advisory Council on Economic Growth. If we are to truly commit to realizing the untapped potential of the agri-food sector as outlined and envisioned in the Barton Report, we need to embrace this opportunity, inclusive of a whole-of-government approach. This must go beyond simply creating greater co-ordination and alignment within and between departments; it must also include supporting agencies, regulators and regulatory bodies – and alignment of all institutions, mandates and efforts across government and, indeed, different levels of government, wherever possible.

While developing this Government's third budget within the context of a rapidly changing trade landscape, we urge the Government to address Non-Tariff Trade Barriers, Regulations and our Regulatory System in support of improved productivity and competitiveness.

We welcome the opportunity to further discuss the recommendations contained in this submission.