



## **ONTARIO AGRICULTURAL COLLEGE**

Department of Food, Agricultural and Resource Economics

### **Results from the Guelph Food Panel**

#### **The Global Food Price Crisis: The Perspective of Canadian Consumers**

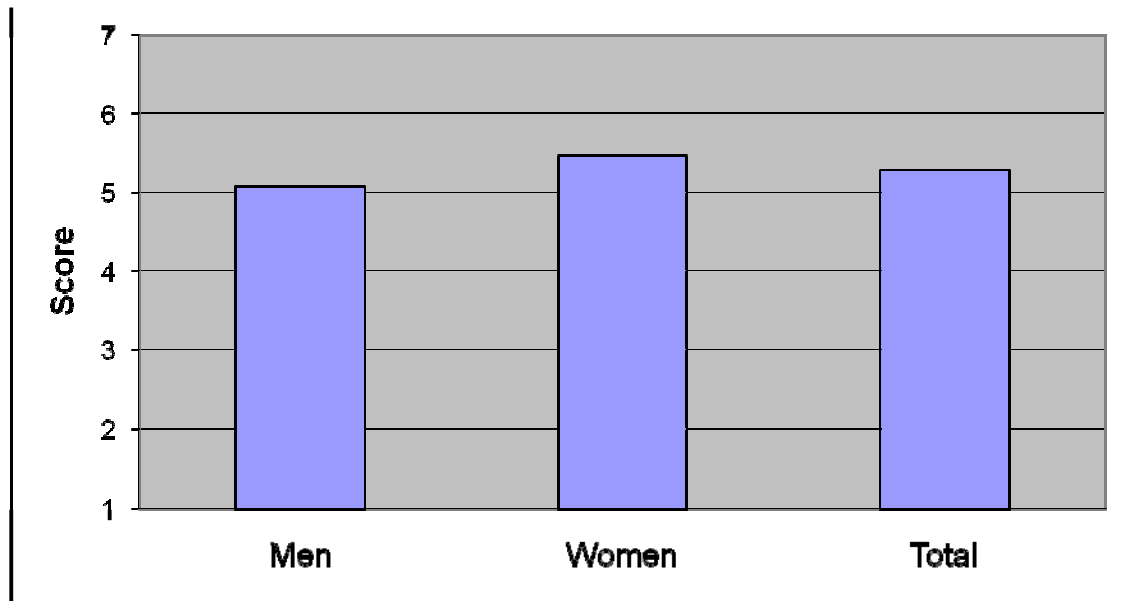
The International Food Economy Research Group (InFERG) based in the Department of Food, Agricultural and Resource Economics (FARE) at the University of Guelph has established a panel of 2000 consumers that is representative of the city of Guelph. Guelph is routinely used by market researchers as being broadly representative of the Canadian population as a whole. The panel is used to track changes in consumer perceptions and attitudes towards a broad range of food issues. A recent panel survey focused on awareness, concerns and responses to the global food price crisis.

Recently, global prices of a number of key food commodities have increased dramatically, raising the spectre of increased hunger in poorer parts of the world while eroding the purchasing power of consumers in Canada, alongside rises in gasoline prices. It is recognised that a number of factors have come together to spark the escalation in global food prices, in what some have referred to as a 'perfect storm'. The global food price crisis has received considerable media attention in Canada and sparked debates about what can be done to boost global food production, and the role that Canada might play in promoting enhanced food security. The research results presented below give the perspectives of Canadian consumers: What do they see as the impact of the increase in food prices? What role has Canada played in stimulating these increases? What has been the impact on them personally? What should Canada be doing to alleviate the negative impact of the food price crisis?

The survey results suggest that most Canadians are aware of the food price crisis, with 95 percent of panellists indicating that they had heard of the sudden rise in global food prices. The rise in food prices is evidently of considerable concern to consumers, with 75 percent of

panellists indicating at least some concern. Women are generally more concerned than men (Figure 1), although there is no significant variation in concern by education level or age.

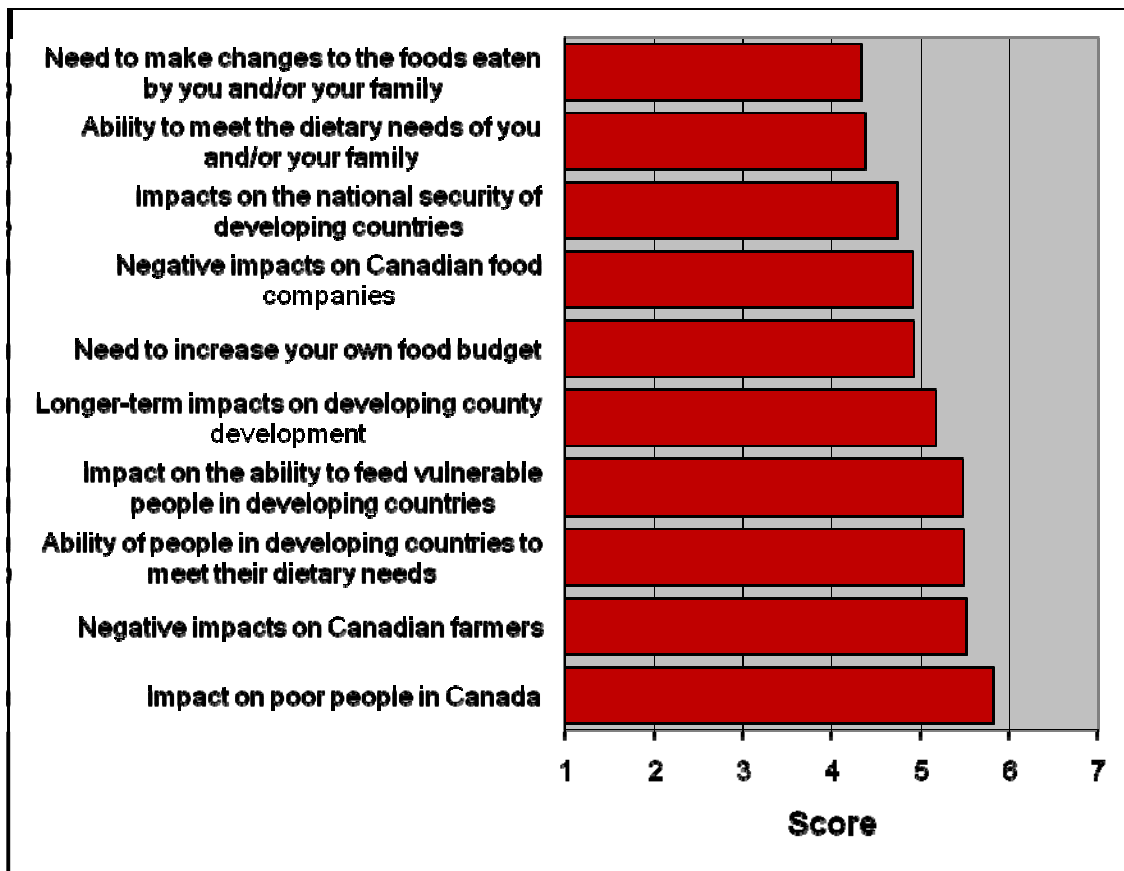
**Figure 1. Level of concern about rise in global food prices:**



*Note: Concern was scored from 1= 'not at all concerned' to 7 = 'extremely concerned'.*

The chief concerns of consumers about the global food price crisis relate to impacts on poor people in Canada, Canadian farmers and the ability to people in developing countries to meet their dietary needs (Figure 2). There was far less concern among panellists about the impact of increases in food prices on themselves. This is reflected in the fact that only 17 percent of panellists indicate having made changes to the food their family eats as a direct result of increases in food prices during the last month. Those consumers who had made changes were consuming less meat and more fruits and vegetables, especially which were locally-produced. There was no significant difference in the proportion of consumers making changes to their diet by level of food expenditure, as a proxy for household income.

Figure 2. Specific concerns about impacts of recent rise in global food prices:

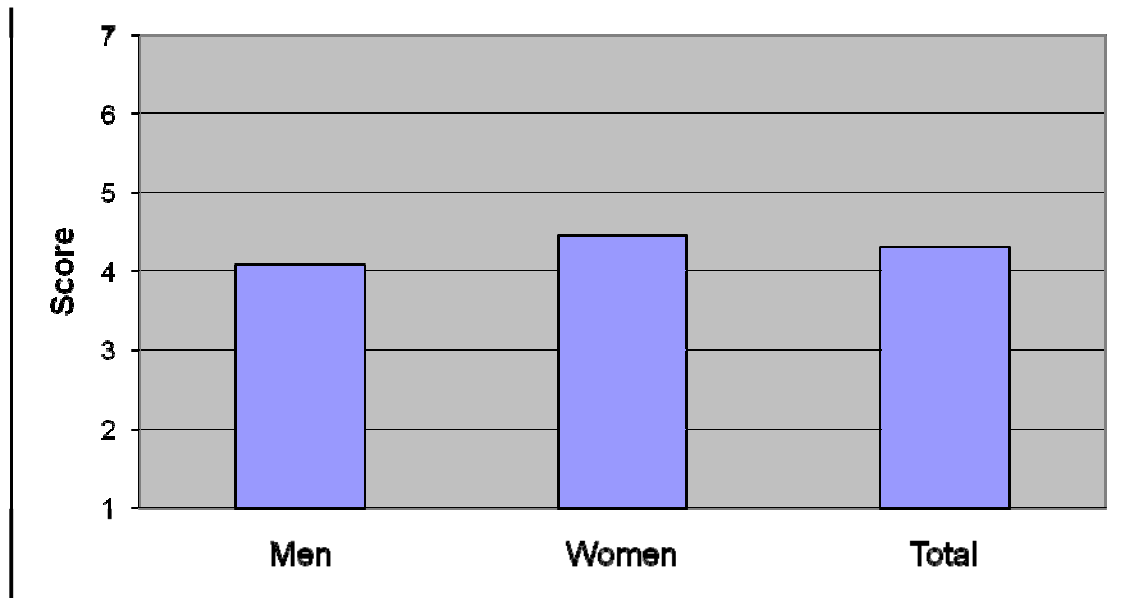


Note: Concern was scored from 1= 'not at all concerned' to 7 = 'extremely concerned'.

The survey results suggest that most consumers have some awareness of the reasons behind the recent escalation in global food prices. The issues most recent cited were increases in global oil prices, production of bio-fuels and weather and/or climate change. This suggests that consumers predominantly see the global food price crisis as a supply-side issue; very few respondents make reference to increases in demand for food in developing countries as a result of population growth and/or increases in income.

A significant minority (around 44%) of panellists considered that Canada had some degree of responsibility in causing the recent increase in global food prices. However, only 17 percent of panellists considered Canada to have a great deal of responsibility. Only 22 percent considered that Canada had little or no responsibility in sparking the recent increase in global food prices. Overall, women consider that Canada has greater responsibility in causing the global food price crisis than men (Figure 3).

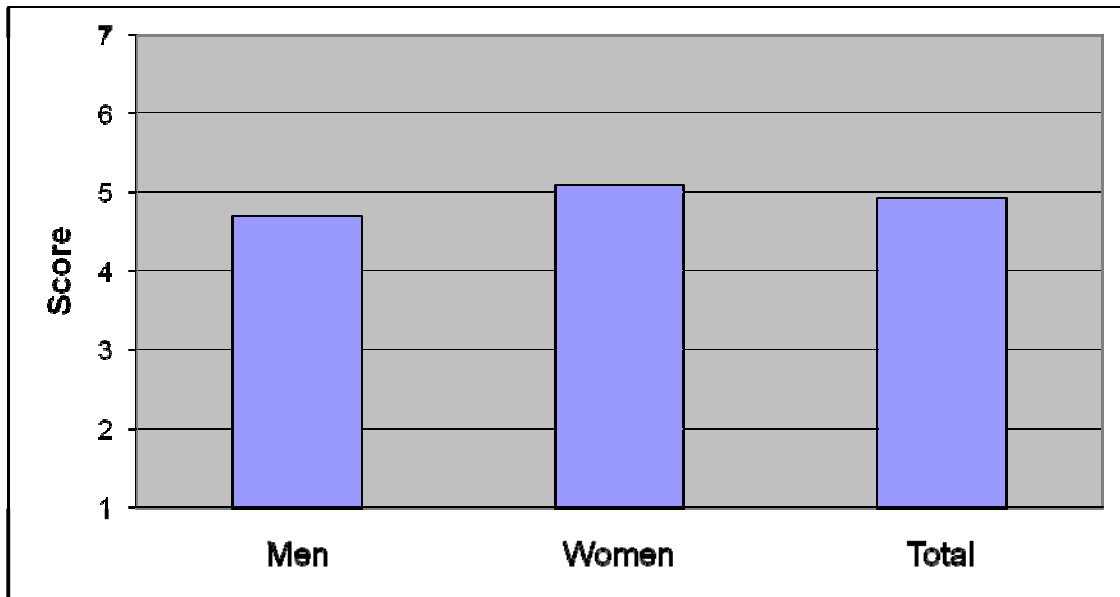
**Figure 3. Level of responsibility of Canada in causing the recent increase in global food prices:**



*Note: Concern was scored from 1= 'no responsibility at all' to 7 = 'great deal of responsibility'.*

The results of the survey suggest that Canadians consider Canada to have an important role to play in helping developing countries overcome the negative impacts of the global food price crisis. For example, 64 percent indicated that they believed Canada had at least some responsibility in the food price crisis. Broadly, women considered Canada to have a greater responsibility in helping developing countries overcome the impact of increases in global food prices than men. When asked what Canada should actually be doing to help developing countries, the most frequently cited actions were: increasing foreign food aid, transferring technology, revising bio-fuel policies and providing agricultural education to boost farm productivity in developing countries.

Figure 4. Level of responsibility of Canada in helping developing countries to overcome the negative impacts of the recent increase in global food prices:



Note: Concern was scored from 1= 'no responsibility at all' to 7 = 'great deal of responsibility'.

The results of the Guelph Food Panel provide some of the first indications of the extent to which Canadians are aware of the global food price crisis and their concerns about impacts on themselves and others. The results suggest that the chief worries of consumers relate to impact on poor people in Canada and developing countries and on Canadian farmers, rather than themselves. This might reflect the fact that, until recently, Canadians have been largely insulated from significant increases in food prices due to the appreciation of the Canadian dollar. At the same time, however, the results reflect a broad appreciation on the part of Canadian consumers that the disadvantaged in the world that have most to lose from the rapid increase in global food prices.

For further information on the Guelph Food Panel please contact: Spencer Henson ([shenson@uoguelph.ca](mailto:shenson@uoguelph.ca)), John Cranfield ([jcranmie@uoguelph.ca](mailto:jcranmie@uoguelph.ca)) or Oliver Masakure ([Masakure@uoguelph.ca](mailto:Masakure@uoguelph.ca)) in the International food Economy Research Group ([www.inferg.ca](http://www.inferg.ca)) at the University of Guelph.

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