

POLICY BRIEF May 2021

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1. QUICK HITS

Our languishing edition...

WHAT'S NEXT? THE GREAT UNWINDING ...

We have noticed, of late, that the days in which it is difficult to work up to full efficiency are fewer and farther between. We've taken to answering the Zoom meeting pleasantries and inquiries on wellbeing with a singular word: languishing. A ubiquitous response of late, with a now infamous article by Adam Grant defining the term as, "the neglected middle child of mental health [which] can dull your motivation and focus — and it may be the dominant emotion of 2021". It is apt.

With increasingly chaotic and confusing public health messaging on vaccinations and the war of words between various levels of government leading to an oddly apathetic wonderment of what's next? Who could have guessed that making big decisions and communicating them – aka public policy – was, like, hard. The accumulating missteps on basic public communications around vaccinations and relative risk have exposed both the inherent complexity of the pandemic, the gaps in the requisite skill set for effective public engagement along with and a host of systemic biases and inequities. And no doubt those with the responsibility for leading through this crisis are themselves languishing, or worse.

Witnessing the starkly different experience south of the border, and other jurisdictions around the world, there is growing wonder about what the longer term implications of the asymmetrical unwinding of the various public health measures will mean for the economic prosperity of the country and the province and, perhaps more

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importantly, the longer term implications for trust in our crucial public institutions.

While some attention is now focused on the physical impacts of "a return to normal" (note the recent U.K. headline that it is now ok to hug) including the pros and cons of in person meetings, a less examined outcome of the pandemic is the relationship of the public with public institutions and expert bodies. How this public relationship with trust in institutions evolves is a question that will undoubtedly be in the minds of many in the upcoming federal, provincial and local elections.

It is admittedly difficult to think about the future in the midst of a crisis. Yet, we are getting achingly close to some exhilarating milestones for which we seem to be collectively unprepared for; the great unwinding will be a more chronic crisis, far less acute relative to the life and death COVID-19 crisis, but it will be more complex in many ways and certainly require much more time and attention. But back to languishing - have we got the energy for it?

FEDERAL BUDGET

The April 19 <u>federal budget</u> – the first in two years – was delivered by finance Minister Chrystia Freeland. It was the first time a woman delivered a budget in the finance portfolio – a significant milestone in a long journey towards equity that should not be underplayed.

The Minister laid out a plan for securing the COVID-19 recovery and outlined a path to build a stronger economy with a nod to a plan for reducing deficit spending relying primarily on the economic growth. The budget comes in with a projected \$345 billion deficit.

The document – like all budgets – is as much a political agenda along with a spending plan. The

top-line initiative is a national child care program along with ongoing COVID-19 relief spending. In addition, the over 700 page document outlines a number of economic recovery initiatives from a new national child care program, a host of pandemic related initiatives to a cornucopia of growth and innovation initiatives.

On agri-food there are a number of new and/or expanded initiatives including:

- Recognition and support for farmers struggling with increased costs related to the rising price on pollution (carbon tax); this involves returning a portion of the proceeds from the price on pollution directly to farmers' use of natural gas and propane in Alberta, Saskatchewan, Manitoba, and Ontario, as well as \$50 million for the purchase of more efficient grain dryers for farmers across Canada.
- Building on Canada's climate action programs for farmers—including the \$185 million Agricultural Climate Solutions program, and the \$165 million Agricultural Clean Technology Program.
- Enhancing the Temporary Foreign Worker Program: \$49.5 million over three years to support community-based organizations in the provision of migrant worker-centric programs and services; \$54.9 million to increase inspections; \$6.3 million to support faster processing and improved service delivery of open work permits for vulnerable workers; and acceleration of Pathways to Permanent Residence.
- \$140 million to top up the Emergency Food Security Fund and Local Food Infrastructure Fund, focusing on hunger prevention and food security.

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INSIGHTS

COVID-19 still dominates. The pandemic is not over. The events of the past several weeks across the country have brought the need to continue a focus on acute COVID-19 issues, from ongoing vaccination procurement, to border controls, to ongoing support for affected individuals and businesses. This isn't going to end for a while and the pandemic politics are raw.

Fiscal anchors? With federal debt at over \$1 trillion and a deficit at \$354B, it is hard to remember that in 2018, the deficit was \$14B (with concern of a third year of over \$10b shortfall) and debt at \$779B. The 2021 document points to indicators outlined in the Fall Economic Statement tracking measures of labour market conditions like the employment rate, total hours worked, and the unemployment rate. By these measures the Minister indicated that the Canadian economy is still far from seeing a strong labour market. Those looking for more substantive anchors will be disappointed, although the minister indicated the debt to GDP ratio and COVID-19 related deficit numbers are additional anchors.

Election dynamics. As a pre-election document the government has laid out some clear priorities, most particularly an inclusive recovery (e.g. child care initiative) and environmental and climate change focus (as marbled throughout the various new initiatives and enhanced existing initiatives). No doubt the events in Ontario – and other provinces – over the past several weeks have had an impact on the likelihood of a national election and the dynamic political calculus. But if we have learned anything of late, it's that things will soon be different.



2. COMMENTARY: A RURAL FEMINIST AGENDA

Canada's "feminist" budget, delivered by Canada's first female finance Minister, outlined a host of commitments and principles designed to address historical and system inequality while addressing the acutely detrimental effects of the pandemic "she-cession". The signature commitment for a national child care program is another expansive attempt to address a critical barrier for women's full participation in Canada's economic potential. Notwithstanding several decades worth of discussion and study, national child care has been elusive public policy.

In working through the policy and politics of negotiating the specifics with provincial governments, it is worth considering the applicability of a universal program across the many varied circumstances and expectations of families across the country. Indeed, the "feminist" agenda in a rural context has many unique characteristics and challenges in contrast to a more urban environment – not better or worse, simply different.

It is also worth considering the cultural politics of the notion of feminism in rural Canadian communities – not that there are strident antifeminists in these communities, but rather the labels and identifications themselves can be points of contention distracting from the more important aspirations and needs of families across the country.

Heady stuff. But a necessary discussion for making progress and addressing enduring barriers to equality and opportunity.

BUILDING BRIDGES.

We recently spoke with <u>Jennifer Christie</u> – she is the founder and chairperson of the <u>Agricultural</u> <u>Women's Network</u>. She and her partner own a restaurant (<u>Bonfire on Queen</u>) in a small village in southwestern Ontario, and has spent most of her career working in the agriculture industry. We sought her astute insights into the historic barriers and challenges unique to the "accepted roles" for women in rural communities. Jennifer and Michael Keegan spoke on May 10th. You can also find Jen on <u>Twitter</u>.

MK: Why did you found the Ag Women's Network.

JC: When I was still fairly new in my career I noticed that there were not very many women in leadership roles. I was thinking about future career plans, trying to figure out "What does your career look like?" and "Can I have a family?" I wanted to be able to have that kind of conversation with people – with other women. The Agriculture Women's Network started as a peer to peer mentoring group where women could have those conversations. Today there's almost 3000 women connected through the network. We publish profiles of women in leadership in the industry to demonstrate that there's women working in every sector of the agriculture value chain doing really great things.

MK: Is there something different or particular about the agriculture sector?

JC: Many industries have similar women focused networks. For me, there is a frustration that women in agriculture aren't further ahead. When you look at the history of farming, women have been central to agriculture from the beginning. I come from a long line of women farmers - my mom is a farmer. My Oma farmed and my grandma is a farmer. (Well, she's almost 92). But she was a farmer. Growing up I watched my mom be an equal partner in the business. And I feel like there's probably thousands of women across Canada just like her. I know that the contribution of women is significant but too often invisible. I don't see those women at industry leadership tables and I feel like that is a huge loss for the industry. And just recently I realized that actually makes me quite mad. So, I'm asking, why?



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MK: Well, why? What's in the way of more women participating at leadership tables?

JC: I feel like mindset is a big piece of it. I'm always surprised when I have conversations with industry leaders who seem willing to accept the status quo. If we would be willing to ask the question more often we could start uncovering the many reasons why people – women, people of more diverse backgrounds – aren't involved; if we're willing to accept that maybe we're not doing things that support more people to be involved; if we're willing to accept that we could change; then we could do better.

Here's an example. Our local council meets Mondays at 9am, but there's a large segment of the population that can't participate in Monday morning meetings – so right there is a systemic barrier to people participating in our local municipal politics. Similarly, I know many ag organizations that for a long time said we can't meet virtually - and this is a big country with big distances – this too limits the number of people who are able to participate. The pandemic has shown us quite clearly that we don't have to accept the status quo; there are different and better ways to do things. We just need to start and ask the question - why? Then listen to what people tell us. We will find a lot of ways to make our industry organizations more inclusive and more accessible to people who aren't currently represented at those tables today.

MK: Are there barriers that are unique to agriculture and rural communities – what about for example child care – where the burden of primary child care often falls to women?

JC: Yeah, absolutely. Many women often have a double shift. You have a career and then you

go home and you're responsible for making the kids dinner and all the household responsibilities. In agriculture, women often have a triple shift with responsibilities for farm work; whether it's manual labor, caring for livestock or book-keeping/ financial work behind the scenes. In that context, when someone considers stepping up and getting involved in industry leadership – I think there are a lot of women just think, forget it. How am I going to make time for anything else? Child care could make a huge difference on that front.

MK: One of the challenges here is politics; the danger of politicizing - or maybe more accurately - staking out partisan positions based on where people think rural perspectives may land on this issue. There might be room for more nuance to a policy like this that recognizes different circumstances, different choices that families make; recognize that a universal program is good. But it's not going to work for everyone; that there are barriers that reflect some of the unique characteristics of rural and agricultural life and culture. Is that fair?

JC: Yeah absolutely. Quebec has had a program in place for some time now. People in Quebec will say that program is not perfect either. But you have to start with something. What I hear all the time from women in rural communities and particularly in agriculture - but I think this could apply to many other women - is the need for flexible options. Farm work doesn't follow a nine to five, schedule. Again, I would say that there's probably a lot of women working shift work across the country that also need those kind of flexible options. We have specific challenges in remote and rural - if you're 30 or 45 minutes away will those services really be accessible? There is definitely a need to explore this from a wider lens and figure out what



2. COMMENTARY: A RURAL FEMINIST AGENDA

are viable solutions in people's lives. This is not a partisan issue either. And I think that we need to be having dialogue with our elected officials to make them understand that this is an important step in the recovery of our communities from the COVID pandemic and an important part of our future prosperity.

MK: Sounds like there's a role for agriculture and rural organizations to play in helping to drive this conversation?

JC: Yes. I think it is very important for our farmer organizations to have a voice in this, and recognize the importance of flexible universal childcare as the foundation for the prosperity of rural communities. If you think about it, a comprehensive plan for young farmers would have something to say about childcare. When we talk to women specifically about barriers and their needs - when it comes to things like training and education, time and time again, they say, "I don't need more of these opportunities and programs". "I need to be able to access the ones that are out there." Childcare is a big part of that. Many of the programs that are available to support farmers don't allow for childcare as an allowable expense. You can plan all the training that you want but if people can't actually make sure that their farm and their family are going to be well cared for, they are not going to attend.

MK: If you had the Prime Minister or the Premier in front of you, what would you say?

JC: I'm quite happy with the Prime Minister and the Federal Agriculture Minister and the government's direction on this policy – I'd want them to engage in good faith in negotiations with the provinces. Here in Ontario, I would ask our Premier to look beyond partisan lines, and see the potential that this has to

add value to the Ontario economy and to rebuild from COVID. I think there's a great opportunity for the provincial government to bring a perspective that might be lost in a more urban-centric conversation and make this policy actually better. I think the Ontario government could be a champion for rural families.

MK; I know you're also reaching out for different partnerships, such as the Guelph Chamber of Commerce, to move this along discussion forward.

JC: Yes. This is an issue that businesses are getting behind and advocating for. Businesses recognize, and the pandemic has made clearer than before, that this is as much an economic policy as it is social policy. But it has to make sense for families, in their own lives, if it's going work. It's also worth remembering that we've been here before - this is actually the third time that we have had a national or universal childcare proposal on the table. I hope that we can all learn from past attempts and get it across the finish line this time.



On April 30th President Biden passed his first 100 days in office, and the consensus amongst most analysts is...boring. Comparatively boring. Mercifully boring.

Over the past 100 days, US cable news has been grappling to find a narrative that might reclaim lost viewership. Late night comedy has been busy trying to reinvent itself. Gone are the daily tweet storms and the nightly headlines directly linked to POTUS or someone within his inner circle.

The biggest controversy since January has been Major Biden, POTUS' young rescue dog, sent for supplemental disciplinary training after several alleged "nipping" incidents. You will be relieved to know that Champ, the older, more regal long-time family pet, is still in the White House. If you haven't read about this, well, that's the point. Quietude.

For non-junkies, Biden has succeeded in making American politics drab again. Compared to the last four years, these past 100 days have been crickets.

But the lack of daily headlines should not be mistaken for a lack of activity. The Biden Administration took over Washington DC with high expectations, and for the most part has managed to advance an aggressive agenda.

DIVERSITY, UNITY AND BIPARTISANSHIP

At this point, 21 of 23 Cabinet nominees have been confirmed. The Government has staffed critical offices quickly, allowing the Administration to "hit the ground running", as they say.

Biden's Cabinet is more diverse than any before it, with 46% of the seats occupied by women and 50% by non-whites. Transportation Secretary Pete Buttigieg is the first openly gay Cabinet appointment; Defence Secretary Lloyd Austin is the first African American to hold the post; Interior Secretary Deb Haaland is the first Native American at her post; and Alejandro Majorkas is the first immigrant to head the Department of Homeland Security. Diversity? Check.

While Biden promised greater unity upon assuming the presidency, deep partisan fractures within the House and Senate remain. The steadfast embrace by the GOP to the narrative of a "stolen" presidential election has done nothing to ease these tensions. So it is unsurprising that while the US President often invokes the language of unity and bipartisanship, it is an Administration on a mission, regardless.

And the clock is ticking. Democrats are expected to lose seats in the House or Senate (or both) in the 2022 mid-term elections. Congress continues to be polarized, with Democrats holding the narrowest of majorities. The window for pushing forward substantive agenda items is receding with every day that passes.



In the immediate term, the President issued over 40 executive orders (more than any other US president)¹, reversing or establishing new policy direction on a range of issues from pandemic response to climate change to immigration. All without congressional approval.

At the same time, the President revoked almost 70 prior orders.

The wheels of transition have ground forward despite the lingering partisanship quagmire in Congress. Unity? Unnecessary for now.

THE ECONOMY

The Biden Administration did mark a significant victory on the legislative front. Little time was wasted in passing the American Rescue Plan — a \$1.9 trillion stimulus package to address the economic fallout from the pandemic.² The Bill attracted nary a single congressional Republican vote, and ultimately required the deciding vote of Vice President Harris to secure Senate approval and passage. But pass it did.

With both the Plan and successful national vaccine rollout (see below), the US forecasts 7% economic growth this year, the fastest since 1984.³ Nearly 1 million jobs have been added in March. But this strong outlook deserves context: the US employment numbers are about 8.5 million jobs short of where they were in February 2020. Economic fragility is still a concern.

THE PANDEMIC

Chalk up another major victory for the Administration. Upon taking office, President Biden promised 100 million Americans vaccinated within the first 100 days. The rollout since has been phenomenal: some 290 million vaccine doses distributed, more than 230 million shots administered, and about 96 million Americans fully vaccinated (or 29% of the population).

The Administration must now turn its attention to vaccine hesitancy, the spread of new variants, and deficits in global vaccination efforts.

CLIMATE CHANGE

One of the first acts of the Biden Administration was to rejoin the 2015 Paris Agreement, signalling the return of the US to global climate change discussions. At a virtual climate summit that he hosted at the end of April, President Biden unveiled the ambitious goal to cut 2005 US carbon emissions in half by 2030, nearly doubling the target laid out under the Obama Administration.

THE COMING AGENDA

2 The package includes direct stimulus payments of \$1,400, extended unemployment compensation, continuing eviction and foreclosure moratoriums, and increasing the Child Tax Credit. Further, it provides funding to state and local governments to compensate for lost tax revenues, money for schools from kindergarten through eighth grade to safely reopen amid the pandemic, and subsidies for COVID-19 testing and vaccination programs.

¹ https://www.presidency.ucsb.edu/analyses/biden-action-the-first-100-days

³ Following a 3.5% contraction last year — the worst in 74 years.



To help achieve the newly declared climate change targets, President Biden has proposed a \$2 trillion infrastructure plan — the American Jobs Plan — that includes billions in investments towards electric cars and clean energy. As part of Biden's Build Back Better recovery package, the infrastructure investments are meant to go hand-in-hand with the American Families Plan — a proposal to provide an additional \$1.8 trillion in investments and tax relief towards such initiatives as universal pre-school, childcare, two years free college education, education infrastructure funding, and paid family and medical leave.

Both proposals face a steep uphill battle in Congress, not only because of their price tags but also because funding is slated to come from "taxing the rich", including a 28% hike in corporate taxes.

In addition, the Administration is under pressure to address immigration policy, gun violence, and policing reform — each a polarizing issue in its own right. Undeterred, the President continues to seek bipartisan support, scheduling a White House meeting with top Democratic and Republican lawmakers on May 12th in an effort to find common ground. The hope is that at least some congressional Republicans will bend to popular will, with polls showing broad support for increased investments in education and infrastructure, tax cuts for the middle class and increased taxes for the wealthy.⁴

In his joint address to Congress last month, President Biden proclaimed: "Now, after just 100 days, I can report to the nation: America is on the move again. Turning peril into possibility. Crisis into opportunity. Setback into strength."

Governing in Washington DC has not become boring. Far from it. But it is no longer quick and easy social media fodder. Thankfully.

ON THE GROUND OPPORTUNITIES TO STRENGTHEN CANADA/US TIES.

We don't normally do promotions, but occasionally an initiative comes along which is worthy of greater publicity. For those that have followed the recent series of MK&A Policy Briefs since January, you will be acquainted with the shared policy objectives between Canada and US since the Biden Administration took office. Capitalization of these involves taking the initiative, but also finding and accessing available support.

The US Consulate in Toronto has advised that one priority before them is to bring the *Roadmap for a Renewed Canada-US Partnership* (announced during a virtual bilateral head-of-state meeting in February between Prime Minister Trudeau and President Biden) to fruition. The Roadmap represents an important opportunity to re-set the bilateral relationship, and promote greater collaboration on common policy objectives relating to post-pandemic economic renewal, environmental sustainability and continental competitiveness.

⁴ A recent AP-NOR poll (conducted between Apr. 29 - May 03) puts President Biden's approval rating at 63%, with 71% of Americans approving of his pandemic response, including 47% of registered Republicans.



Three of the common objectives⁵ identified in the Roadmap have grassroots sensibilities and potential agriculture and food industry implications:

- rebuilding infrastructure necessary for continental competitiveness;
- partnering on climate ambitions, including carbon pricing, complementary emission standards, R&D and innovation; and,
- advancing diversity and inclusion, focusing on women, visible minorities, and Indigenous peoples.

Maximization of these opportunities will require engagement beyond the usual suspects (ie., government-to-government); needed is business, organization, and civil society participation. It is an opportunity for Canadian agriculture to think big.

Keeping the Roadmap objectives in mind, several US government funding avenues to support bilateral initiatives are now available to Canadian organizations over the coming months:

- Building Back Better Program to Strengthen Support for Women Entrepreneurs. The US State Department Public Affairs section (PAS) is inviting proposals from Canadian nongovernmental organizations, think tanks, government and academic institutions to carry out virtual programs that strengthen bilateral ties between the US and Canada regarding women entrepreneurs, economic development, and COVID-19. The award ceiling is US\$25,000; the application deadline is June 28, 2021.⁶
- 2. Trade, Investment and Economy Virtual Grant Program. The US State Department PAS is also inviting proposals for virtual programs on trade, investment and the economy that strengthen the bilateral ties between the US and Canada. Examples of eligible initiatives include:
 - professional and academic virtual speaker programs, lectures, and seminars;
 - professional and academic virtual exchanges and projects; or
 - virtual cultural workshops, virtual joint performances, and virtual exhibitions.

The award ceiling is US\$25,000; applications are being accepted on a rolling basis until August 9, 2021.⁷

⁵ The other identified targets for bilateral cooperation focus on COVID-19 responses, defence and security issues, and reinvigorating global alliances and multilateral institutions.

<u>6 More information on the Building Back Better Program can be found at https://ca.usembassy.gov/embassy-consulates/ot tawa/u-s-mission-to-canada-public-affairs-grants-program/building-back-bette</u>

⁷ More information on the Trade, Investment and Economy Virtual Grant Program can be found at <u>https://ca.usembassy.gov/embas-</u> sy-consulates/ottawa/u-s-mission-to-canada-public-affairs-grants-program/notice-of-funding-opportunity-trade-investment-and-economy-virtual-grant-program/.



Both grant opportunities have enormous potential for agriculture and food specific initiatives. Examples of potential bilateral initiatives include:

- a cross-border conference on Influential Women in Agriculture;
- bilateral food discussions on lessons learned over the past year supply chain fragility, farm labour issues, recalibrating for a changing market as restaurants turn to delivery and home cooking rebounds; or,
- bilateral discussions on positioning the agriculture and food industry for post-pandemic economic recovery.

The content possibilities are plentiful, with participation ranging broadly — eg., businesses, boards/associations, organizations and institutions. The level of bilateral contact can be municipal, regional, province-to-state, or national/federal. Please feel free to explore your ideas for enhancing bilateral relations on agriculture and food matters with our southern neighbour.



4. SELECTED READING LIST

<u>Are we actually a country</u>? We either consider ourselves an effective country and invest accordingly, or we lower our ambitions and accept the consequences. By Lauren Dobson-Hwughes. The Line (Substack). April 12, 2021.

Why the backfire effect does not explain the durability of political misperceptions. ...misperceptions typically persist in public opinion for years after they have been debunked. Given these realities, the primary challenge for scientific communication is not to prevent backfire effects but instead, to understand how to target corrective information better and to make it more effective *By Brendan Nyhan. PNAS April 13, 2021*

GDP Didn't Save Countries From COVID-19.

The pandemic's impact shows growth is an arbitrary target. By Malka Older. Foriegn Policy. April 6, 2021.

Will productivity and growth return after the COVID-19 crisis?

By Jan Mischke, Jonathan Woetzel, et al. McKinsey & Co. March 30, 2021.

Climate action is going to create too many jobs.

Two big bottlenecks stand in the way of Canada's climate ambition—a shortage of skilled labour and a shortage of housing. *By Mike Moffatt and John McNally. MacLeans. May 6, 2021.*

The unsteady future of food manufacturing in Canada.

For a country so rich in raw materials, untapped processing potential means untapped value. More importantly, it can make the national food chain more vulnerable. *Financial Post Staff. Financial Post. May 10, 2021.*

Farm automation likely adopted in high-value crops first. Ontario crop service company creates agriculture robotic division. *By John Greig. Farmtario. April 29, 2021.*

New momentum in Canadian Agtech will bring new pressure and value to the Canadian Farmer.

Over the past decade, the Canadian farmer has been pragmatically slow to adopt new technology. However, this mentality will need to shift quickly with the emergence of new agtech innovation.... *By Sean O'Connor. Industry West. 2021.*

Blockchain could play an important role in future agriculture and food security.

By Abdul-Rahim Abdulai, Carling Bieg, Evan Fraser, Sarah Marquis. The Conversation. April 11, 2021

Here's what happened when AI and humans met in a strawberry-growing contest.

By Victoria Masterson. World Economic Forum. January 29, 2021.

VC Firms Have Long Backed Al. Now, They Are Using It. Some firms are using Al algorithms to help with investment decisions. *By Jared Council. The Wall Street Journal. March 25, 2021.*