

DO CANADA'S GROCERS NEED A CODE OF CONDUCT?

By Sylvain Charlebois
Professor in Food Distribution and Policy
Dalhousie University

Many Canadians are oblivious to the fact that in the food industry, suppliers need to pay grocers to conduct business. Fees were justified by merchandising costs and shelf space – things anyone would expect.

But in recent years, things changed. Companies like Loblaws, Walmart and Metro used infrastructure and capital projects to justify new fees. Fees have been imposed quickly and unilaterally. Walmart's latest \$500-million distribution centre project is partially financed by suppliers. Grocers have been charging fees by mainly dictating how business should be conducted in food distribution. It's their way or the highway, plain and simple. As grocers requested, suppliers and food manufacturers complied.

It was the same in the United Kingdom and in Australia, where oligopolistic powers in the grocery space prevailed – until a code of practice was implemented.

It seems Canada is now joining that club.

A draft code of practice exists now in Canada between food manufacturers and grocers – well, one grocer. Our country's number two grocer, Sobeys (which recently acquired two key independent grocers in Longo's and Farm Boy), felt it was time for a change. Number one and three grocers Loblaws and Metro, respectively, have always stated a code wasn't necessary in Canada and it's highly doubtful they will join.

Agriculture ministers across the country recently agreed to create a working group to study this important issue.

But instead of waiting for a report to be presented sometime in July, Food, Health and Consumer Products Canada and Empire/Sobeys opted to go ahead and set a standard for the industry by presenting a new code of practice. The code includes five guiding principles that essentially get all parties to commit and act in good faith as they conduct regular business. No more unilateral decisions, no more last-minute plays; just straight, honest business.

Current market conditions have made it more challenging for food processors in Canada. Food manufacturing contributed \$26.5 billion to the Canadian gross domestic product (GDP) in 2020. In the U.S., it was \$766 billion in 2020 – a full 29 times larger.

As it is in the U.S., a strong food processing sector can serve as a strategic anchor for the entire industry. The supply chain isn't as vulnerable to macroeconomic shifts and can allow the industry to better support our farmers. The mad cow crisis and our latest spat with China are good examples.

Despite the last decade seeing few new food plants open in Canada while several closed, food manufacturing was the second largest manufacturing sector in the country after transportation equipment in 2020.

Despite the financial heartaches, food manufacturing also still managed to grow its GDP contribution from 13.18 per cent in 2010 to 13.47 per cent in 2020.

But the sector can do much better.

While food prices continue to climb in Canada, grocers' fees, in addition to low margins, haven't helped manufacturers benefit from these rising prices. In most cases, farmers also didn't benefit.

Some speculate that food prices may rise due to a code of practice that forces grocers to charge more to protect margins. But the United Kingdom has had a code since 2009 and food inflation there has generally been lower than in Canada over the last decade.

This code of practice is meant to change the culture of an industry in which vertical co-ordination and collaboration barely exist. It's also very much about dealing with a broken supply-side economic model few people in Canada can appreciate.

The code of practice is obviously an unproven concept in Canada and few know if it's going to work without other major grocers participating.

However, the current situation was no longer viable.

Strong supply chain collaboration could lead to more innovation and growth. When forced to work on issues, parties will need to share data and insights. As such, market gaps can be recognized more easily as developing and commercializing novel food products is more likely. The code of practice can create opportunities if the group remains disciplined and committed, since the code isn't legally binding.

Independent grocers, on the other hand, will likely get some welcomed help with the code of practice. Unlike major chains, they couldn't really impose anything on suppliers. The relationship Sobeys has now with suppliers can be used as a useful benchmark.

Only time will tell us if the code of practice works. But it's a valiant effort. The concept is no longer just academic. Instead of letting politics dictate the industry's good faith, suppliers and Sobeys are giving themselves some hope that, perhaps, things can be different.

Going ahead with a code of practice without everyone involved also implies that its creation would never have happened with Loblaws and Metro participating.

CBSA CHARGES IMMIGRATION CONSULTANT FOR FRAUD

The Canada Border Services Agency (CBSA) is committed to protecting Canadians and permanent residents from unethical immigration consultants. Today, following an extensive criminal investigation, the CBSA announced charges related to an alleged sophisticated for-profit misrepresentation and immigration fraud operation in Calgary.

The investigation began in November 2017, and in July 2018 the Criminal Investigations Section in the Prairie Region executed warrants to obtain evidence at the residence of Thaeir Abuelhajja and the business of the Canada Immigration and Education Services Inc.

Abuelhajja and the Canada Immigration and Education Services Inc. have been charged with the following offences under the Immigration and Refugee Protection Act (IRPA) for alleged fraudulent activities committed between February 2016 and April 2021:

- Section 126 Counselling Misrepresentation of the IRPA – 16 counts
- Section 127 (a) Misrepresentation of the IRPA – 16 counts
- Section 127 (b) Misrepresentation of the IRPA – 16 counts

The next court appearance is August 30, 2021.

"Together with our partners such as Immigration Refugee and Citizenship Canada and the Public Prosecution Service of Canada, we investigate and prosecute unscrupulous immigration consultants and their associates who abuse Canada's immigration system. This case so far was made possible thanks to the expertise of our border services officers and the hard work and dedication of our criminal investigators are committed to dismantling immigration fraud operations and protecting Canadians and permanent residents."

– Brad Wozny, Regional Director General, Prairie Region, Canada Border Services Agency



As a Job Seeker Look for Your Tribe

By Nick Kossov

If you're having a tough time with your job search, I guarantee it's because you're trying to fit yourself into companies where you don't belong.

The advice I give most often to jobseekers: "Search for your tribe!"

Years ago, my wife was working for a printing company. A colleague was describing a party he had attended during the weekend. The people in attendance didn't feel right, thus he didn't stay long. He then said, "I always go where I'm celebrated, not merely tolerated." What a great mindset to have!

I believe much of our mental anguish, frustrations, unhappiness, and failures stem from trying to "fit in."

We're desperate to hear:

- "We want you."

- "Please join us."

- "We like you."

- "You're who we need."

- "We love you." (the ultimate heart-tugger)

Seeking employers who'll most likely accept you, where you'll feel you belong, will expedite your job search; you may even hear the above-mentioned words.

Making finding where you belong a priority is the best compass a job seeker can use. Don't look for a job. Instead, look for where you'll be accepted. Think: "I'm not looking for a job; I'm looking for my tribe!"

Envision you're joining a group that makes you feel you're one of them (e.g., community theatre, professional organization, church, car club, soccer team). Being part of a group of people who share your values and interests, who welcome you into their circle, who when they say "we" mean you also is a good feeling.

Joining a company is the equivalent of joining a group.

Work takes up a significant chunk of your time. It makes sense to ensure your workplace embraces your individualism, age, gender, values, and beliefs—that it's a place where you can be yourself rather than always trying to belong.

From personal experience, the extra mental load of trying to "fit in" created stressors resulting in anxiousness when arriving at work, coming home frustrated and angry, and having trouble sleeping. Sound familiar? It wasn't the job, but the atmosphere and conditions I was trying to mold myself into that were causing these mental torments. During my working hours, my internal dialogue revolved around trying to convince myself that my experience was typical of all employees. After all, I wasn't at work to have fun—I was there to work.

Eventually, I started to realize my approach wasn't working for me. So, I asked myself: What do I want to be accepted for? (age, gender, affiliations, values, beliefs, skills). Answering this question required soul searching.

If you're more comfortable working for a female boss, so be it. If you want to be surrounded by Millennials because you feed off their energy, so be it. Who has the right to judge you if you get along better with people who are politically conservative? Are you more at ease dealing with people of your cultural background—who isn't?

The difference between feeling like you're the only freak show at the circus versus feeling like you're sitting right at the heartbeat of where you're meant to be is the people you surround yourself with.

There's an enormous benefit that comes with searching for workplaces where you won't need to constantly spend your energy trying to fit in; you're job-hunting with a purpose beyond simply trying to secure a steady paycheck.

Being a fit is at the core of every hiring process. When you get to the formal interview stage, it's because you have the qualifications to do the job; otherwise, you wouldn't be interviewed. The hiring manager is interviewing you to gauge if you'll be a fit. Since being a fit, is a 2-way street, use the discussion to gauge if you're a fit. At the end of the day, only you know you and what works for you.

Finding your tribe boils down to being honest with yourself about the kind of people, conversations, connections, and social interactions that feed your soul and, therefore, where you'll do your best work.

On a parting note, not being a fit, either early in your employment or down the road, is the number one reason employees are fired. Don't underestimate the correlation between being a fit and your employment longevity.

Nick Kossov, a well-seasoned veteran of the corporate landscape, offers unconventional real-world advice on searching for a job. You can send him your questions at artoffindingwork@gmail.com.



DUB CITY ROOFING
For all your roofing needs. Give us a call.

289.355.1534
FREE QUOTES

NOW OPEN



**CRAFT BEERS & BEST BURGERS
IN THE TOWN**

TOP CORNER

28 King St. E, Oshawa **905-438-8171** www.topcornergrillnbbq.ca