



# RESEARCH GROUP

## How Canada and Arizona

### Interconnect Through Agriculture

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The future of Arizona mining, specifically copper and how Canada fits into it. Click [here](#) to learn more.

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Over the past two decades, the agricultural relationship between Arizona and Canada has evolved into a mutually beneficial partnership shaped by complementary climates, seasonal production cycles, established trade agreements, and shared commitments to innovation and sustainability. The Canada Arizona Business Council (CABC) is trying to play an important role in facilitating dialogue among government agencies, agribusiness firms, transportation partners, and technology innovators. Arizona's warm desert climate enables year-round production of fruits, vegetables, nuts, and forage crops, particularly during months when Canadian production slows due to freezing temperatures and reduced daylight. This positions the state as a critical supplier of off-season produce to Canadian markets, while Canada provides Arizona with essential agricultural inputs such as potash fertilizer, advanced machinery, processed foods, and animal products.

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Trade frameworks such as NAFTA and USMCA have historically reduced tariffs, aligned safety regulations, and supported stable cross-border exchange. Although recent political tensions between the U.S. and Canada may introduce short-term uncertainty, the agricultural relationship remains structurally resilient because it is grounded in a long-standing complementary relationship.

Accurately measuring the scale of Arizona–Canada agricultural trade is difficult because U.S. law requires only ocean manifest data to be made public, while truck and rail manifests—representing most of the actual trade—remain undisclosed. Many companies also under-report the true value of goods, especially in Mexico-to-U.S. shipments, and quality adjustments further distort reported numbers. As a result, state-to-country export estimates should be viewed cautiously, and the confidence with which some organizations publish dollar-value trade figures is not always warranted. Despite these data limitations, real-world industry experience shows that cross-border agricultural movement functions reliably. Canadian buyers understand Arizona’s and North America’s seasonal cycles; shipments generally move efficiently under USDA and CFIA oversight, and Canada’s adoption of Bill C-280 has largely resolved concerns regarding Perishable Agriculture Commodities Act trust protections. Day-to-day operations reflect a stable and mature relationship, even if political developments occasionally add noise.

Arizona’s agricultural footprint is extensive. By 2023, the state had roughly 16,400 farm operations over 25 million acres, with an average farm size of about 1,524 acres. Livestock is a major economic driver, with approximately 970,000 cattle and calves, including beef and dairy cows, as well as sheep and goats. The state’s dairy industry produces billions of pounds of milk annually. High-value vegetables—lettuce, melons, broccoli, cabbage—and forage crops such as alfalfa anchor the state’s crop portfolio, complemented by wheat, cotton, citrus, lemons, corn, barley, and other specialty crops. These products support both domestic sales and international exports, including shipments to Canada, while Canada remains a key supplier of potash and other agricultural inputs essential to sustaining high yields in Arizona’s desert environment.

From a structural standpoint, neither Arizona nor Canada is likely to dramatically shift its agricultural production patterns. Arizona will not suddenly expand romaine or honeydew specifically for the Canadian market, just as Canada is unlikely to expand canola production for the U.S. Southwest. The stability of the relationship comes from the fact that both regions already specialize efficiently, creating a complementary supply chain that neither side has strong incentives to radically alter.

Looking ahead, several long-term trends are poised to reshape the agricultural landscape in ways that many analyses overlook. One is the demographic and economic “big shrink,” marked by aging populations, declining birth rates, labor scarcity, and partial deglobalization. These forces suggest that the traditional growth model—producing more volume for expanding global markets—may no longer define the next several decades. Instead, demand is shifting from calories to nutrients, with aging consumers seeking antioxidant-rich, vitamin-dense, anti-inflammatory, and immune-supportive foods. In this environment, each acre will need to deliver more value rather than more volume. Water scarcity is another structural driver, as pressures on the Colorado River and stricter groundwater regulations push Arizona agriculture toward high-efficiency crops and technologies. Labor shortages further reinforce the need for automation, making tools such as harvest robotics, automated weeding, precision spraying, AI-driven grading and

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quality control, and machine-learning-based irrigation and disease prediction not just desirable but essential for competitiveness.

Despite the clear need for innovation, Canada–Arizona AgTech collaboration remains surprisingly limited. Discussions with groups such as BioEnterprise Canada and the Yuma Center for Excellence in Desert Agriculture show that structured cross-border cooperation is minimal. One Canadian firm developing an in-field nutrient-scanning device noted that it lacks sufficient Arizona and Mexican leaf-nutrition data to refine its machine-learning models, highlighting the kind of practical gaps preventing deeper integration. These challenges and opportunities also intersect with broader North American re-industrialization efforts, where labor shortages constrain manufacturing growth and AgTech can help offset workforce limitations by driving efficiency in agriculture.

Logistical connections between Arizona and Canada remain strong. Most Arizona exports—winter vegetables, leafy greens, citrus, melons, and animal feed—move by temperature-controlled truck, while rail is more common for durable goods such as cotton and processed foods, and air cargo is used for high-value perishable items. Cross-border shipments comply with rigorous U.S. and Canadian phytosanitary and food safety regulations, including requirements under the Safe Food for Canadians Regulations. While regulatory changes, such as Canada’s temporary adoption of stricter leafy green certification standards in 2025, can create short-term disruptions, they also highlight the value of institutions like the CABC, which can help by being vocal on such issues between Canada and Arizona.

Taken together, the future of the Arizona–Canada agricultural partnership is unlikely to hinge on expanding commodity volume. Instead, the greatest opportunities lie in quality, efficiency, and technology. The CABC can play a helpful role by connecting Canadian AgTech developers with Arizona growers, facilitating structured pilot programs in regions such as Yuma, improving access to cross-border datasets to support machine-learning tools, and encouraging collaboration on water efficiency, AI-enabled production systems, and nutrient-dense crop development. As North America adapts to demographic constraints, water scarcity, and the need for high-value agriculture, innovation will be the key driver of resilience. The Arizona–Canada partnership, already grounded in structural complementarity, now has the potential to evolve further through coordinated technology adoption and cross-border collaboration.

Read the University of Arizona’s report on [The Contribution of Agricultural Exports to Arizona’s Economy](#)