



The Honourable Steven MacKinnon, P.C., M.P.

Minister of Labour and Seniors

Via email: MinistrePT-LPMinister@labour-travail.gc.ca

The Honourable Anita Anand, P.C., M.P.

President of the Treasury Board and Minister of Transport

Via email: TC.MinisterofTransport-MinistredesTransports.TC@tc.gc.ca

The Honourable Lawrence MacAulay

Minister of Agriculture and Agri-food

Via email: aafc.minister-ministre.aac@agr.gc.ca

November 11, 2024

Dear Ministers:

We are writing to express our urgent concern relative to the recent shutdowns at the ports of Montreal and British Columbia. Our members are responsible for delivering fresh fruits and vegetables to Canadians – a critical component of Canadian food security and the health of Canadians– but the ability to do so is dramatically impacted by the ongoing strike and lock-out actions. In addition, the long-term impacts to Canada's reputation as a secure and consistent market is quickly eroding at a time when any negative impacts to food prices (i.e. due to lack of availability) will elevate Canadian consumers' pressure to put healthy food on their tables.

We recently connected with our members to understand the impact of the current situation and offer the following as information to help you as you consider possible next steps to resolve this untenable situation:

- During the weeks from November 4th to November 18th, major fresh produce importers have 380 containers scheduled to arrive at the ports of Montreal or Vancouver – approximately 45 of these are anticipated to be diverted to Halifax at a cost of \$150,000 for services to get them to the Montreal market.
- The average value of each container is \$50,000-\$55,000 – that's an approximate value of almost \$20 Million.
- Approximately 335 containers are either sitting on ports now or are anchored/en route and the clock is ticking. Unlike most products in containers at the port or on the water, fresh produce items have short shelf lives, (much of the produce implicated has an estimated 1-3 weeks of shelf life). With a generally accepted impact of 5-6 days of delay for every day of a shut-down at the ports, it is very likely that much of this product will devalue by at least 50% and could, depending on timing, be spoiled by the time of clearance, thereby adding to the already significant and avoidable food loss and waste.
 - Even when members were able to change arrival to the Port of Halifax, there is a cost of \$3,500 per container to get them from the Port to their destination market in Montreal – this is estimated at \$150,000 at this time.

Canadian Produce Marketing Association ● Association Canadienne de la distribution de fruits et légumes
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DISTRIBUTION DE FRUITS ET LÉGUMES



- Labour impacts vary, including:
 - Limited storage/packing capacity and labour pools when the ports open and there is a massive influx of goods.
 - Given that citrus starts arriving in Canada in significant volumes at this time of year, there are many workers whose only job is to receive, pack and ship these products – there is now no work for these employees.
- Other factors of significance:
 - Some ships can be diverted to Halifax, but that is limited given that port's capacity. At the same time, much of the fresh produce on the ships cannot be diverted to U.S. ports, given the permits required to do so, which can take weeks to acquire. In some cases, phytosanitary requirements do not allow for the product, (e.g. citrus), to be received.
 - Shipping lines are concerned, but they cannot easily reroute their vessels so once the destination is determined, it is almost impossible to get to another port. If they do successfully divert to a U.S. port, fresh produce will sit for a longer time in the containers, almost certainly leading to the total loss of product.
 - Long-term, importers anticipate permanent impacts to supply chains, as shippers will not want to ship to Canada due to the volatility of the ports.
 - Some are reporting that foreign growers of commodities that Canada cannot grow in our climate do not want to ship to Canada due to constant port disruptions.
 - There is an expectation that U.S. shippers will sell product into Canada, replacing Canadian shippers who cannot get the product in to sell domestically. When these type of shifts in supply occur, they can become permanent.

CPMA calls on the Canadian government to take steps to support the opening of the ports but also ask that consideration be given to establishing protocols to give priority to perishable and essential items when events such as port strikes, extreme weather or others delay arrival and delivery of goods.

Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be "R Lemaire", followed by a horizontal line.

Ron Lemaire
President

CC: Right Honourable Justin Trudeau, Prime Minister, pm@pm.gc.ca

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