



**Written Submission for the House of Commons Finance
Committee Consultation in Advance of the 2025 Budget**

Submitted By: Canadian Produce Marketing Association

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Recommendations

In Federal Budget 2025, the Government of Canada should:

1. Support a strengthened food system and food security for all Canadians by adopting an agriculture and food production lens and making food production and access to food a whole-of-government priority in legislation, policy and crisis management.
2. Provide strategic support to alleviate pressures along the fresh fruit and vegetable supply chain to help stabilize food prices, including by:
 - providing carbon cost relief for growers,
 - reducing fertilizer tariff costs, and
 - making the interest-free limit for advances under the Advanced Payment Program (APP) permanent at \$350,000 beyond the 2024 program year and indexed to the Farm Input Price Index (FIPI) thereafter.
3. Prioritize implementation of the National Supply Chain Task Force report recommendations and ensure that the National Supply Chain Strategy and the work of the National Supply Chain Office consider the needs of the fresh produce supply chain and the movement of our highly perishable products.
4. Commit sufficient, ongoing capital investment to enable infrastructure improvements, including at Canadian ports, and allocate dedicated funding to projects supporting agri-food supply chains, including the enhancement of cold chain infrastructure.
5. Establish priority lanes at ports of entry and implement a dedicated Trusted Trader pilot program to further streamline the movement of essential and perishable products across the Canadian border.
6. Enhance government oversight of Canada's ports and provide resources for government departments to work proactively with port authorities and other stakeholders to implement a formalized process to allow the movement of food and essential goods through ports of entry in the event of emergency events or disruptions.
7. Invest in the health of Canadians using a "Food as Medicine" approach, and advance measures promoting the *Canada Food Guide* recommendation to fill *Half Your Plate* with fruits and vegetables, including in public procurement and government programming.
8. Support measures to reduce diet-related diseases and hunger and mitigate health care costs associated with food insecurity and poor nutrition, including by exploring a produce prescription model.
9. Facilitate the timely delivery of funding allocated in Budget 2024 and work with the provinces and territories to advance the development and implementation of a national school food program, ensuring that enhancing nutrition and promoting healthy eating practices, including through the consumption of fresh fruits and vegetables, are core objectives of the program.
10. Create a limited statutory deemed trust, as established in Bill C-280, the *Financial Protection for Fresh Fruit and Vegetable Farmers Act*, to provide critical financial protection to produce sellers.

11. Commit resources to early and ongoing collaboration with industry to ensure that government regulations, policies and programs effectively support the long-term sustainability of the Canadian agri-food sector, including through an enabling regulatory environment for new products, technologies and business practices, and de-risking the adoption of more sustainable solutions.
12. Make strategic investments in key sustainability tools such as the National Index on Agri-food Performance, the Pest Management Centre (PMC), the new Canada Water Agency and others, to support an effective Sustainable Agriculture Strategy and promote the development of harmonized sustainability practices within the agriculture sector.
13. Support businesses in identifying and navigating available environmental programs and provide reasonable recognition for past efforts to reduce greenhouse gas emissions and implement environmentally sustainable practices within the fresh produce industry.
14. Develop a long-term strategy for sustainable water management for all Canadians, including ensuring a secure source of water for agriculture.
15. Deliver federal funding and resources for expanded efforts to reduce food loss and waste across the fresh produce supply chain, building upon the work of the Surplus Food Rescue Program and the Food Waste Reduction Challenge.
16. Collaborate with Canadian industry on a systems-based approach to establish North American packaging requirements that promote the adoption of sustainable solutions to reduce packaging waste while not adversely impact key supply chain outcomes including food safety, food affordability and minimizing food loss and waste.
17. Support and invest in industry innovation efforts to develop, certify and scale up the availability of sustainable food packaging solutions, including compostable PLU stickers, to offset costs that would otherwise need to be passed on to consumers.
18. Provide federal leadership and funding to support the development of harmonized, efficient and cost-effective recycling and composting collection within communities across Canada, including through the introduction of efficacious and nationally harmonized recycling and waste data collection.
19. Provide support for a National Workforce Strategy for Agriculture and Food and Beverage Manufacturing to increase the immediate supply of labour while generating interest in careers across the entire Canadian food supply chain through education, training and skills development.
20. Allocate resources for the establishment of a Migrant Work Commission, as outlined by the Senate Standing Committee on Social Affairs, Science and Technology, to provide and direct centralized services and address program gaps for both workers and employers.
21. Further simplify the Labour Market Impact Assessment application process to reduce delays and costs in accessing the workforce we need to bring our products to Canadians.
22. Establish a permanent Recognized Employer Program under the Temporary Foreign Worker Program (TFWP).

23. Return and make permanent the previous temporary measure that allowed employers in key industries demonstrating labour shortages, including food manufacturing, to employ up to 30% of their workforce through the TFWP.
24. Develop a Pan-Canadian Data Strategy that supports public and private investment in research, programming, digital skills and outcome-based measurement and reporting.
25. Provide targeted support for agriculture and food businesses to adopt and implement cybersecurity measures to protect Canada's food supply chain.
26. Permanently increase the base funding for the Pest Risk Management Agency to support a robust science-based regulatory system and provide an \$8 million budget increase and annual inflationary increases for the PMC, to facilitate the evaluation and approval of new pest management solutions.
27. Ensure sufficient, dedicated funding to support the rapid expansion of 5G infrastructure and cell phone service coverage for all Canadians and Canadian businesses.
28. Deliver sufficient, dedicated federal funding to invest in rural infrastructure, including roads, energy, affordable housing, public transportation and service infrastructure.
29. Implement a consistent competitiveness lens to regulation-making and review and commit to the cross-department deployment of resources, such as the Treasury Board's Competitiveness Assessment Tool and AAFC's Journey Mapping toolkit, to foster better government understanding of the impacts of proposed policy and regulations.
30. Enhance regulatory coordination across federal departments and other levels of government to reduce cumulative regulatory burden and reinforce the importance of dutiful industry consultation by all federal departments, including adherence to minimum consultation periods and consideration for stakeholder business cycles in consultation timing.
31. Advance Bill C-359, *An Act to amend the Feeds Act, the Seeds Act and the Pest Control Products Act (provisional registration and approval)*, through Government legislation to ensure growers have timely access to tools available in other countries.
32. Allocate ongoing, predictable resources to enable the cyclical review of the Canadian Organic Standards and take a more active and strategic role in the establishment and maintenance of the organic production standards and their harmonization with our largest trading partners.

CPMA represents the entire fresh produce supply chain, with members responsible for 90% of fruit and vegetable sales in Canada. We are pleased to offer our recommendations to the House of Commons Finance Committee’s consultation in advance of Federal Budget 2025.

Prioritizing Access to Food and Food Production (Recommendations 1-6)

The federal government must implement programs and policies that address the challenges impacting our sector’s ability to produce fresh fruits and vegetables, such as the availability and costs of labour, production inputs and transportation.

In Budget 2025, the federal government should leverage the National Supply Chain Strategy and other policy and regulatory initiatives to make food a federal priority and ensure uninterrupted access to food for all Canadians.

Increasing Produce Consumption (Recommendations 7-9)

Even prior to recent inflationary pressures on the cost of food, year over year, Canadians are eating fewer vegetables and fruits. In addition to negative health impacts, the annual economic burden attributable to low produce consumption in Canada grew to almost \$8 billion in 2021¹.

CPMA’s [Half Your Plate](#) campaign works to increase fresh produce consumption in Canada, but more support is needed. The National School Food Program, a “Food as Medicine” approach and innovative tools like produce prescriptions are important investments in the health of our children and our communities.

Sector Stability (Recommendation 10)

The high perishability of fresh produce and the industry’s longer payment terms, mean that Canada’s *Bankruptcy and Insolvency Act* does not effectively protect fresh produce sellers when buyers go bankrupt.

The creation of a limited statutory deemed trust, as established in [Bill C-280](#), would provide a critical support for Canada’s fresh fruit and vegetable industry, and would open the door to the reinstatement of preferential treatment under the U.S. *Perishable Agricultural Commodities Act* when selling to American buyers – all without cost to the government.

Sustainability (Recommendations 11-15)

Government and industry require more robust data to support and enable sustainability efforts. Innovative tools and alternative technologies are also needed to help the produce sector fight climate change while remaining globally competitive.

¹ [The Economic Burden Attributable to Low Fruit and Vegetable Consumption in Canada](#), H. Krueger & Associates Inc., 2023

Budget 2025 should make strategic investments in key sustainability tools such as the National Index on Agri-food Performance, the PMC, the Canada Water Agency and others, to support an effective Sustainable Agriculture Strategy. Collaboration with industry and support in navigating available government programs are also essential to meeting our collective sustainability goals.

Fresh Produce Packaging (Recommendations 16-18)

The Canadian produce industry is deeply engaged in efforts to reduce and mitigate the use of plastics and other packaging. The Government should undertake direct engagement with the sector to develop appropriate tools and objectives that reflect its specific needs, challenges and opportunities, and should drive North American and global conversations on sustainable packaging solutions for fresh produce.

Of utmost importance, Canada must also address the challenge of fragmented collection systems across the country that do not effectively collect and recycle the materials that could be utilized in the circular economy. Without this critical infrastructure in place, industry transitions to recyclable or compostable packaging materials will be rendered futile.

Workforce (Recommendations 19-23)

Bridging the labour gap is critical to ensuring the success of the Canadian fresh produce sector in the short and long-term. The future fresh fruit and vegetable industry will require a domestic and international workforce with a diverse skill set.

An effective National Workforce Strategy for Agriculture and Food and Beverage Manufacturing will require a total supply chain lens that considers and supports all aspects of the agri-food sector – from the farm to the dinner plate.

Innovation and Infrastructure (Recommendations 24-28)

An enabling regulatory environment and a Data Strategy that supports investment in research, programming, digital skills and outcome-based measurement and reporting, are critical to a growing and innovative Canadian produce industry.

The lack of digital infrastructure remains a major roadblock to innovation and renders many businesses in rural communities unable to reap the full benefits of many technological solutions becoming available. All Canadian communities must also have the necessary critical infrastructure in place to support economic development, strengthen climate resiliency, and better enable the attraction and retention of workers, now and moving forward.

Regulatory Modernization and Enhancing Competitiveness (Recommendations 29-32)

Regulators should consistently undertake dutiful consultation, apply a competitiveness lens and consider cumulative regulatory burden to avoid unintended negative impacts to food production, food security, international trade or capacity to meet government targets and priorities.

Finally, greater federal support is required to ensure that the Canadian Organic Standards can continue to provide the regulatory foundation for a strong organic sector, and a critical tool in negotiating beneficial equivalency arrangements with our trading partners.

CPMA appreciates the Committee's consideration of our recommendations for Federal Budget 2025 and would be pleased to answer any questions.