2025 Election Platform Development Brief

Introduction

Food is at the heart of our homes, our communities and our economy. The fresh fruit and vegetable supply chain generates nearly \$15 billion of Canada's GDP and supports more than 185,000 jobs from coast to coast to coast¹, and we will continue to play a major economic role as we move forward.

At the same time, growing political uncertainty with our largest trading partner, a series of port disruptions, escalating severe weather events and continuing consumer concerns about the cost of food have all contributed to significant challenges for the Canadian fresh produce sector. More federal support is needed to make food a federal priority and to create the conditions necessary to enable an environmentally, socially, and economically sustainable fresh produce industry in Canada, while ensuring our competitiveness in the global marketplace.

As Canada's political parties prepare for the next federal election campaign, it is imperative that all parties articulate their plan for how they will help Canadian businesses thrive and ensure that we can continue to provide our safe, nutritious products for tables here at home and around the world. The Canadian Produce Marketing Association is therefore pleased to offer our recommendations for consideration in the development of federal party platforms, which focus on five key priority areas:

- Advancing Canadian interests in international trade
- Increasing produce consumption for healthier communities
- Fueling a competitive and resilient produce supply chain
- Building the fresh produce workforce
- Supporting a sustainable produce sector

About CPMA

Based in Ottawa, the Canadian Produce Marketing Association (CPMA) is a not-for-profit organization representing companies active in the marketing of fresh fruit and vegetables in Canada, from the farm gate to the dinner plate spanning the entire produce industry. The Association's members include major growers, shippers, packers, and marketers; importers and exporters; transportation and logistics firms; brokers, distributors, and wholesalers, retailers, and foodservice distributors; and fresh cut operators and processors. Founded in 1925, CPMA is proud to represent more than 900 domestic and international members who are responsible for 90% of fresh fruit and vegetable sales in Canada.

¹ Conference Board of Canada, 2023.

List of CPMA Recommendations for Federal Party Platforms

To help position the Canadian fresh produce industry to succeed now and in the future, CPMA recommends that all federal party platforms should include a commitment to:

1. Support a strengthened food system and food security for all Canadians by adopting a whole-ofgovernment agriculture and food production lens and making food production and access to food a whole-of-government priority in legislation, policy and crisis management.

Advancing Canadian interests in international trade

- 2. Dedicate federal government resources to advance Canada's free and fair trade agenda, remove regulatory barriers impeding Canada's competitiveness in the global marketplace, and enable further expansion of mutual recognition efforts with other key trading countries.
- 3. Engage in regular and ongoing consultation with our industry, and with the Trump Administration, to ensure a strong response to any trade action taken against Canada and to emphasize the important benefits for all three economies stemming from free and fair trade across North America.
- 4. Prioritize the implementation of Bill C-280, the *Financial Protection for Fresh Fruit and Vegetable Farmers Act*, to provide critical financial protection to produce sellers.

Increasing produce consumption for healthier communities

- 5. 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.
- 6. Support measures to reduce diet-related diseases and hunger and mitigate health care costs associated with food insecurity and poor nutrition.
- 7. Facilitate the timely delivery of funding and work with the provinces and territories to advance the development and implementation of the 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.

Fueling a competitive and resilient produce supply chain

- 8. Deliver sufficient, ongoing capital investment under the National Supply Chain Strategy and the National Trade Corridor Fund to enable trade and transportation infrastructure improvements, including the enhancement of cold chain infrastructure.
- 9. 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.
- 10. Implement measures to prioritize the movement of food and essential goods through ports of entry in the event of emergency events or disruptions, and work to address the root causes of labour disruptions impacting critical supply chain infrastructure.

Building the fresh produce workforce

- 11. Implement a National Workforce Strategy to meet immediate labour needs and generate future interest in careers across the food supply chain through education, training and skills development.
- 12. Preserve the distinction between the Seasonal Agricultural Worker Program (SAWP) and other streams within the Temporary Foreign Worker program (TFWP), such as AgStream and the Low-Wage stream, to maintain a stable agricultural workforce, and establish a permanent Recognized Employer Program under the TFWP.

Supporting a sustainable produce sector

- 13. Engage with industry and drive North American and global conversations to align efforts, standards and systems to effectively achieve our sustainability goals.
- 14. Provide federal leadership and investment in harmonized waste collection, recycling and composting infrastructure across Canada.
- 15. Create an enabling regulatory environment for new products, technologies and business practices to support and de-risk the adoption of more sustainable solutions, and ensure that the Pest Management Regulatory Agency is sufficiently resourced to fulfill core functions including premarket applications, re-evaluations and minor use registrations.





Background

Advancing Canadian interests in international trade

To ensure the ongoing viability of Canada's food system, we need a strong domestic and global strategy. Free and fair international trade in fresh produce offers huge economic growth opportunity for Canadian businesses and provides Canadians with access to safe and healthy fresh food options yearround.

Increasing market access and sustainability of the Canadian fresh fruit and vegetable industry requires mutual recognition of food safety systems, and international harmonization of crop protection regulation, products, and residue limits, to remove costly duplication. Every effort should be made to remove unnecessary regulatory barriers to trade and support the competitiveness of Canadian products. CPMA recommends that all federal party platforms commit to dedicating federal government resources to advance Canada's free and fair trade agenda, remove regulatory barriers impeding Canada's competitiveness in the global marketplace, and enable further expansion of mutual recognition efforts with other key trading countries.

Of particular significance, the North American fresh produce industry is highly integrated, with economic, health and food security benefits for all three countries. In 2023 alone, Canada imported just over \$5 billion in fresh produce from the United States, representing a little less than half of all fresh produce imports. Just as important, Canadian companies exported just over \$4 billion in fresh produce to the United States, comprising more than 95% of all fresh produce exports². Particularly with the review of CUSMA on the horizon, the threat of trade action by the U.S. President against Canada and Mexico raises serious concerns. **CPMA recommends that all federal party platforms commit to engaging in regular and ongoing consultation with our industry, and with the Trump Administration, to ensure a strong response to any trade action taken against Canada and to emphasize the important benefits for all three economies stemming from free and fair trade across North America.**

Following decades of advocacy, CPMA welcomed the passage of Bill C-280, the *Financial Protection for Fresh Fruit and Vegetable Farmers Act*, which received Royal Assent in December 2024. This important legislation establishes a financial protection mechanism for fresh produce sellers in Canada and opens the door to reciprocal protection to those selling to the U.S. market. **CPMA recommends that all federal party platforms commit to prioritizing the implementation of Bill C-280, the** *Financial Protection for Fresh Fruit and Vegetable Farmers Act*, to provide critical financial protection to produce sellers.

Increasing produce consumption for healthier communities

Even prior to recent inflationary pressures on the cost of food, year over year, Canadians are eating fewer vegetables and fruits. Although Canadian adults should be eating 7 or more servings daily, a recent report found that more Canadians are consuming just 1 or 2 servings of fruits and vegetables per

² Statistics Canada, 2024

day (34.1% in 2021, compared to 24.1% in 2015)³. In fact, the latest Statistics Canada numbers suggest that almost 80% of Canadians over age 12 are eating less than five servings per day⁴.

Canadians' current fruit and vegetable consumption pattern is far from meeting Health Canada's 2019 *Canada's Food Guide* recommendation to fill half your plate with vegetables and fruit. This is deeply concerning, as vegetables and fruits provide a protective effect in reducing the risk for cardiovascular disease, including heart disease and stroke, and certain types of cancer⁵. CPMA's <u>Half Your Plate</u> <u>campaign</u> and <u>Freggie Children's Program</u> are working to increase fresh produce consumption in Canada, but more support is needed. **CPMA recommends that all federal party platforms include a commitment to 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**.

Food insecurity is also widely recognized to have significant negative consequences on a person's health, both mental and physical. According to the 2021 PROOF report, people who are food-insecure are much more likely to be diagnosed with a wide variety of chronic conditions, including mental health disorders, non-communicable diseases, and infections⁶. Although traditional food banks and other food-based programs provide temporary relief to some, they are an ineffective long-term solution to food insecurity, due to the stigma associated with accessing such programs, as well as the limited availability of nutritious food for program participants⁷. Government policies that are grounded in evidence and provide equal access to fruits and vegetables are needed to effectively address this challenge.

In addition to the health impacts noted above, there are also economic consequences to low fruit and vegetable consumption: as fruit and vegetable consumption has decreased, the annual economic burden attributable to low produce consumption in Canada has increased from almost \$5 billion in 2015 to close to \$8 billion in 2021, a 60% increase in economic burden related to low produce consumption⁸. Given the protective effect of fruits and vegetables on reducing the risk for many chronic diseases, it is clear that supporting access to these nutritious foods in all regions of the country can contribute substantially to the health and well-being of our communities, while also significantly decreasing government health care spending. **CPMA recommends that all federal party platforms include a commitment to support measures to reduce diet-related diseases and hunger and mitigate health care costs associated with food insecurity and poor nutrition.**

CPMA has been a longstanding supporter and advocate of a national school food program and a proud member of the Coalition of Healthy School Food and were pleased to see the commitments made in Budget 2024 and initial efforts undertaken with provincial partners to advance the National School Food

³ <u>The Economic Burden Attributable to Low Fruit and Vegetable Consumption in Canada</u>, H. Krueger & Associates Inc., 2023

⁴ Statistics Canada, 2023

⁵ <u>Fruit and vegetable intake and the risk of cardiovascular disease, total cancer and all-cause mortality—a</u> <u>systematic review and dose-response meta-analysis of prospective studies</u>, *International Journal of Epidemiology*, 46(3), 1029–1056, Aune, D., Giovannucci, E., Boffetta, P., Fadnes, L. T., Keum, N. N., Norat, T., Greenwood, D. C., Riboli, E., Vatten, L. J., & Tonstad, S., 2017

⁶ Household food insecurity in Canada, 2021, *Toronto: Research to identify policy options to reduce food insecurity* (*PROOF*), Tarasuk V, Li T, Fafard St-Germain AA, 2022

⁷ <u>The experiences and perceptions of food banks amongst users in high-income countries: An international scoping</u> <u>review</u>, *Appetite*, Volume 120:698–708, Middleton G, Mehta K, McNaughton D, Booth S., 2018.

⁸ H. Krueger & Associates, 2023

Program. We and our members are keen to work with the government to secure a consistent supply of healthy food for children across Canada and create real opportunities for beneficial partnerships in our food system. CPMA recommends that all federal party platforms include a commitment to the timely delivery of funding and work with the provinces and territories to advance the development and implementation of the 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.

Fueling a competitive and resilient produce supply chain

The fresh produce supply chain is one of the most highly globally integrated supply chains in the world, and international trade is critical to the success of the Canadian fresh produce industry. The supply chain linkages of transportation, border access and ports of entry and exit are key to ensuring the smooth flow of essential goods across our border.

The recently launched National Supply Chain Office and anticipated National Supply Chain Strategy offer important opportunities for cross-governmental collaboration to address supply chain disruptions in the short-term and foster resiliency in the longer-term. **CPMA recommends that all federal party platforms include a commitment to deliver sufficient, ongoing capital investment under the National Supply Chain Strategy and the National Trade Corridor Fund to enable trade and transportation infrastructure improvements, including the enhancement of cold chain infrastructure.**

It is also important to recognize that the high volume and perishability of fruits and vegetables means that longer dwell times at ports can not only delay delivery and increase costs for industry, but can also result in lost sales, product spoilage, and ultimately food waste. Therefore, the smooth flow of essential products through Canada's marine ports and other ports of entry is critical to supporting both our economic competitiveness and food security across the country.

CPMA recommends that all federal party platforms include a commitment to establishing 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.

We furthermore recommend that all party platforms include a commitment to implement measures to prioritize the movement of food and essential goods through ports of entry in the event of emergency events or disruptions, and work to address the root causes of labour disruptions impacting critical supply chain infrastructure.

Building the fresh produce workforce

Canada's agricultural sector faces a critical workforce gap, with labour shortages persisting across all supply chain stages. A 2023 Royal Bank of Canada report found that, by 2033, 40% of Canadian farm operators will retire, leaving a shortfall of 24,000 general farm, nursery and greenhouse workers⁹.

⁹ Farmers Wanted: The labour renewal Canada needs to build the Next Green Revolution, Royal Bank of Canada, 2023

Our workforce shortage affects both rural and urban regions, particularly in warehouse labour. In fact, the Canadian Agricultural Human Resource Council (CAHRC) has found that labour shortages have cost the fruit and vegetable industry hundreds of millions of dollars¹⁰. Therefore, bridging this 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 wide range of skills, including an increasing focus on expertise in areas such as robotics and artificial intelligence, software engineering and programming, green energy systems and data analysis. The federal government has an important role to play in supporting educational efforts and raising awareness, especially among young and urban Canadians, about the significant and diverse opportunities available in our sector.

An effective National Workforce Strategy 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. CPMA recommends that all federal party platforms include a commitment to implementing a National Workforce Strategy to meet immediate labour needs and generate future interest in careers across the food supply chain through education, training and skills development.

In addition to our domestic workforce, the fresh fruit and vegetable industry relies upon thousands of workers coming into Canada as part of the Temporary Foreign Worker Program (TFWP) and the Seasonal Agricultural Worker Program (SAWP) to plant, cultivate, process, harvest and pack our products. These federal programs are essential but currently fall short of fully addressing the unique needs of the fresh produce industry, which require a specialized, timely workforce to manage perishable products and avoid delays or shortages that may directly impact food quality and availability. **CPMA** recommends that all federal party platforms include commitments to preserving the distinction between SAWP and other streams within the TFW program, such as AgStream and the Low-Wage stream, to maintain a stable agricultural workforce, and to establishing a permanent Recognized Employer Program under the TFWP.

Supporting a sustainable produce sector

Across the agri-food sector, ambitious targets are being set to reduce the environmental footprint of producing and supplying food. Proof of sustainability is increasingly required to compete at home and abroad in an industry that is expected to show progress toward environmental and other societal outcomes. Metrics and benchmarks are being increasingly deployed to operate, compete, and contribute to economic viability in this rapidly changing agri-food world. However, the lack of standardized methodologies to measure and report sustainability performance, coupled with the proliferation of different sustainability certifications and varying reporting requirements from customers and/or governments, add cost and complexity to the food supply chain without effectively advancing sustainability outcomes.

From reducing greenhouse gas (GHG) emissions across supply chains, to adopting sustainable packaging, to mitigating food loss and waste, government and industry require more robust data to identify and achieve our collective sustainability goals. Setting ambitious sustainability targets without adequate data to baseline and track progress leads to uncertainty and unintended consequences. Recognizing the

¹⁰ AGRI LMI, Canadian Agricultural Human Resource Council (CAHRC), 2019

globally integrated nature of the fresh produce supply chain, the Government of Canada should undertake direct engagement with the fresh produce sector to develop appropriate, data-driven sustainability tools and objectives that reflect our specific needs, challenges and opportunities.

CPMA recommends that all federal party platforms include a commitment to engage with industry and drive North American and global conversations to align efforts, standards and systems to effectively achieve our sustainability goals.

Primary packaging is integral to the sustainability of the global produce supply chain. The fresh produce supply chain in Canada has the complex task of moving a wide variety of perishable products, often over long distances, in a way that ensures Canadians have access to safe, high quality and affordable fruits and vegetables. The packaging materials used in fresh produce packaging play many roles in supporting this effort – protecting food safety and plant health, preserving and extending product shelf life, and enabling product availability year-round.

The Canadian produce industry continues to be 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 the specificities of the produce supply chain 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. **CPMA recommends that all federal party platforms include a commitment to providing federal leadership and investment in harmonized waste collection, recycling and composting infrastructure across Canada.**

Innovative tools and alternative technologies are also needed to help the produce sector fight climate change while remaining globally competitive. It is imperative that fresh fruit and vegetable producers have access to, and can utilize, products and processes that ensure the sustainability of the industry and support food security. Without these tools, there can be unintended negative consequences on Canada's ability to meet our sustainability goals. Greater funding is also required for research into newer alternatives that are safer for humans and the environment than the deregistered crop protection products that urgently need to be replaced. CPMA recommends that all federal party platforms include commitments to creating an enabling regulatory environment for new products, technologies and business practices to support and de-risk the adoption of more sustainable solutions, and to ensuring that the Pest Management Regulatory Agency is sufficiently resourced to fulfill core functions including pre-market applications, re-evaluations and minor use registrations.

For more information on the Canadian Produce Marketing Association and our policy priorities, please contact Shannon Sommerauer, Director of Government Relations, at <u>ssommerauer@cpma.ca</u>.