



**Written Submission for the Department of Finance
Canada Consultation in Advance of the Fall 2025 Budget**

Submitted By: Canadian Produce Marketing Association

Date: August 28, 2025

Recommendations

In the Fall 2025 Federal Budget, the Government of Canada should:

1. Support a strengthened food system and food security for all Canadians by adopting a whole-of-government approach to agriculture and food production, prioritizing food production and access to food in legislation, policy and crisis management, and by establishing an Agri-food Supply Chain Advisory Council to serve as a standing forum to support Cabinet in advancing this cross-departmental effort.
2. Dedicate federal government resources to advance Canada's free and fair trade agenda, including a robust North American free trade agreement, 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. 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.
4. 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.
5. As part of a critical investment in Canada's supply chain infrastructure, work with the Government of Ontario to provide \$125 million to support infrastructure improvements and enable growth opportunities at the Ontario Food Terminal, a key strategic asset in the Canadian food system that supplies fresh fruits and vegetables to urban, rural and remote communities across the country.
6. 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.
7. 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.
8. Provide targeted support for agriculture and food businesses to adopt innovative AI tools and implement cybersecurity measures to protect Canada's food supply chain.
9. Deliver sufficient, dedicated federal funding to invest in rural infrastructure, including roads, energy, affordable housing, public transportation and service infrastructure.
10. Invest in the health of Canadians using a "Food as Medicine" approach and support measures to reduce diet-related diseases and hunger and mitigate health care costs associated with food insecurity and poor nutrition.
11. Advance measures promoting the Canada Food Guide recommendation to fill *Half Your Plate* with fruits and vegetables, including in public procurement and government programming.

12. Fulfill and expand on investments allocated in Budget 2024, 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.
13. Advance 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.
14. Maintain a stable agricultural workforce by preserving the distinction between SAWP and other streams within the TFW program, and by establishing a permanent Recognized Employer Program under the TFWP.
15. 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.
16. Drive North American and global conversations to align efforts, standards and systems to effectively achieve our environmental sustainability goals, while ensuring that economic and social considerations are treated as equal pillars of long-term sustainability.
17. 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.
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. 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.
20. Create an enabling regulatory environment for new products, technologies and business practices to support and de-risk the adoption of more sustainable solutions, including through a focus on the harmonization of product registration across North America, and a commitment to ensure that the Pest Management Regulatory Agency is sufficiently resourced to fulfill core functions including pre-market applications, re-evaluations and minor use registrations.
21. 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.
22. 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.

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, making significant contributions not only to our economy, but to the health and well-being of Canadians.

We are pleased to offer our recommendations to the Department of Finance Canada consultation in advance of the Fall 2025 Federal Budget.

Background

Prioritizing access to food and food production (Recommendation 1)

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 and a whole-of-government approach are 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.

CPMA urges the government to support a strengthened food system and food security for all Canadians by prioritizing food production and access to food in legislation, policy and crisis management. CPMA recommends that the government establish an Agri-food Supply Chain Advisory Council to serve as a standing forum to support Cabinet in advancing this cross-departmental effort.

Enabling trade opportunities for Canadian produce (Recommendations 2-3)

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 year-round.

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.

Of particular significance, the North American fresh produce industry is highly integrated, with economic, health and food security benefits for all three countries. In 2024 alone, Canada imported close to \$5.5 billion in fresh produce from the United States, representing a little less than half of all fresh produce imports. Canada also imported another \$3 billion in fresh produce from Mexico. Just as important, Canadian companies exported just over \$4.5 billion in fresh produce to the United States, comprising

more than 97% of all fresh produce exports¹. These figures highlight the critical interconnectedness of our agricultural economies.

The ongoing volatility of trade action by the U.S. President against Canada and Mexico raises serious concerns. For exporters, tariffs make products less competitive and can lead to decreased sales and market loss. The perishable nature of fresh produce intensifies these challenges, as disruptions to the "just-in-time" supply chain can lead to spoilage and financial losses. The inherent uncertainty and volatility of tariff policies further hinder long-term planning and investment across the entire North American agricultural sector, jeopardizing the viability of the small and medium-sized enterprises that form the backbone of our industry.

It is imperative that the Government of Canada continues to engage in regular and ongoing consultation with our industry, and with our North American trading partners, to emphasize the important benefits for all three economies stemming from free and fair trade across the continent and to work together to reach a long-term agreement that will restore a stable trading environment for our essential products. In addition, revenue from the retaliatory tariffs on certain U.S. produce items that were in place between March 4 and August 31 should be re-invested in supporting impacted industry members.

Finally, 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.

Fueling a competitive and resilient produce supply chain (Recommendations 4-9)

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.

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.

In the Fall 2025 Federal Budget, the Government of Canada must deliver sustained and strategic capital investment to strengthen our national supply chains. Through the National Supply Chain Strategy, the National Trade Corridors Fund, and other programs, the government should prioritize transportation and trade infrastructure improvements, with a specific focus on enhancing our country's cold chain network.

As a critical part of this investment, the Government of Canada should partner with the Government of Ontario to provide \$125 million to support infrastructure improvements and drive future growth at the Ontario Food Terminal. As a core strategic asset, this public market is an established, resilient hub that delivers fresh, affordable produce to urban, rural, and remote communities across Canada. This

¹ Statistics Canada, 2025.

collaborative funding will ensure the Terminal can expand its vital role in fostering market competition, supporting small business and ensuring food security for all Canadians.

In addition to transportation and trade infrastructure, communities across Canada require greater investment in digital and other critical infrastructure to support a growing and innovative Canadian produce industry. The lack of digital infrastructure also 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.

Increasing produce consumption for healthier communities (Recommendations 10-12)

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 day (34.1% in 2021, compared to 24.1% in 2015)². In fact, the latest Statistics Canada numbers suggest that almost 80% of Canadians over age 12 are eating less than five servings per day³.

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 cancer⁴. CPMA's [Half Your Plate campaign](#) and [Freggie Children's Program](#) are working to increase fresh produce consumption in Canada, but more support and a "Food as Medicine" approach are needed.

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 consumption⁵. 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 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 the efforts undertaken to-date with provincial partners to advance the National School

² [The Economic Burden Attributable to Low Fruit and Vegetable Consumption in Canada](#), H. Krueger & Associates Inc., 2023

³ [Statistics Canada](#), 2023

⁴ [Fruit and vegetable intake and the risk of cardiovascular disease, total cancer and all-cause mortality—a systematic review and dose-response meta-analysis of prospective studies](#), *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

⁵ H. Krueger & Associates, 2023

Food Program. Ongoing and expanded funding is needed to align with cost-of-living growth, evaluation findings, and emerging needs to enable the establishment of a Program that is consistent with the National School Food Policy's vision and objectives. CPMA 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.

Workforce (Recommendations 13-15)

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 dollars⁶. Therefore, bridging this labour gap is critical to ensuring the success of the Canadian fresh produce sector in the short and long-term.

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. 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.

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.

Sustainability (Recommendations 16-19)

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

⁶ 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. A balanced approach is necessary to ensure that environmental goals are pursued in tandem with economic viability and social well-being. This pragmatic lens is essential to maintaining food affordability while also aligning with international and North American frameworks to support our sector's competitiveness and overall resilience.

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 and 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.

Regulatory modernization and enhancing competitiveness (Recommendations 20-22)

Innovative tools and alternative technologies are needed to help the produce sector fight climate change while remaining globally competitive. 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. In addition, a regulatory environment that facilitates the North American harmonization of product registration is essential to ensure timely and cost-effective access to safe, effective solutions, and to avoid placing Canadian producers at a competitive disadvantage.

CPMA has long advocated that every effort should be made to remove unnecessary trade barriers and support the ongoing competitiveness of Canadian producers. While CPMA is strongly supportive of the government's efforts to reduce red tape and remove barriers to internal trade, it is also critical that the government's approach is balanced with considerations to ensure that Canada maintains high standards for food safety and quality, both domestically and for international trade.

To help achieve this balance and unleash the untapped potential of our sector as a strategic economic driver for Canada, 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.

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

Sincerely,

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

Ron Lemaire
President
Canadian Produce Marketing Association