



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

Submitted By: Canadian Produce Marketing Association

Date: March 10, 2025

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. 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. 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.
5. Support measures to reduce diet-related diseases and hunger and mitigate health care costs associated with food insecurity and poor nutrition.
6. 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.
7. 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.
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.
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. Ensure that the Pest Management Regulatory Agency is sufficiently resourced to fulfill core functions including premarket applications, re-evaluations and minor use registrations.
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 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.
15. Develop a long-term strategy for sustainable water management for all Canadians, including ensuring a secure source of water for agriculture.
16. Provide support for a National Workforce Strategy to meet immediate labour needs while generating interest in careers across the entire Canadian food supply chain through education, training and skills development.
17. 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.
18. 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 LowWage stream, to maintain a stable agricultural workforce.
19. Establish a permanent Recognized Employer Program under the Temporary Foreign Worker Program (TFWP).
20. 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.
21. Develop a Pan-Canadian Data Strategy that supports public and private investment in research, programming, digital skills and outcome-based measurement and reporting.
22. Provide targeted support for agriculture and food businesses to adopt and implement cybersecurity measures to protect Canada's food supply chain.
23. Ensure sufficient, dedicated funding to support the rapid expansion of 5G infrastructure and cell phone service coverage for all Canadians and Canadian businesses.
24. Deliver sufficient, dedicated federal funding to invest in rural infrastructure, including roads, energy, affordable housing, public transportation and service infrastructure.
25. 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.

26. 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.
27. 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 Department of Finance Canada consultation in advance of Federal Budget 2025.

Prioritizing access to food and food production (Recommendation 1)

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 policy and regulatory initiatives to make food a federal priority and ensure uninterrupted access to food for all Canadians.

Advancing Canadian interests in international trade (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 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 exports¹. The ongoing volatility of trade action by the U.S. President against Canada and Mexico raises serious concerns. It is imperative that the Government of Canada continues to 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.

Increasing produce consumption (Recommendations 4-6)

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

¹ Statistics Canada, 2024

Canada, 2024 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 is 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 initial efforts undertaken with provincial partners to advance the National School Food 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.

Fueling a competitive and resilient produce supply chain (Recommendations 7-10)

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.

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

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.

Sustainability (Recommendations 11-15)

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 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.

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.

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.

Workforce (Recommendations 16-20)

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.

Innovation and Infrastructure (Recommendations 21-24)

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 25-27)


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.

⁶ AGRI LMI, Canadian Agricultural Human Resource Council (CAHRC), 2019

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

Sincerely,

A handwritten signature in black ink, consisting of a stylized 'R' followed by a horizontal line.

Ron Lemaire
President
Canadian Produce Marketing Association