PERSPECTIVE

Urge your MP to support financial protection legislation for growers



QUINTON WOODS

The efforts to secure financial protection for produce growers and sellers in Canada took one step closer to becoming reality earlier this summer. That's when Conservative MP Scot Davidson, who represents my riding of York-Simcoe just north of Toronto, introduced Bill C-280, a private member's bill that will ensure fresh fruit and vegetable growers get paid in the event of a buyer bankruptcy.

Now, we need your help to make sure this legislation garners enough support in the House of Commons to pass Second Reading and move to the committee review stage. But first, a bit of background.

The Ontario Fruit & Vegetable Growers' Association (OFVGA), the Fruit and Vegetable Growers of Canada (FVGC), the Canadian Produce Marketing Association (CPMA), and many other organizations across Canada have long been asking the federal government for legislation, similar to the U.S. Perishable Agricultural Commodities Act (PACA) and at no cost to government, to financially protect growers during cases of buyer bankruptcy or insolvency.

We've had many meetings on this issue over the years with various federal government representatives and elected officials to make our case for why this legislation matters.

Essentially, under the current Bankruptcy and Insolvency Act, suppliers can recover their product if a buyer becomes insolvent, but these rights do not apply if the product has been resold or is no longer identifiable or in the same state.

Given how quickly product spoils, it would be exceedingly rare that fruits and vegetables would be available for repossession - and certainly not in a state that would make them re-sellable. In a most recent example of this in action, a New Brunswick-based produce retailer declared bankruptcy in the fall of 2021, owing more than \$3 million to creditors, including growers and produce wholesalers.

In our business at Gwillimdale Farms, we've had our own experience of loss with the insolvency of a U.S. buyer, so this issue is one that is of particular importance to me. And given the ongoing supply chain disruptions, price increases and general economic instability as a result of the COVID-19 pandemic, it's not unlikely that our sector will be hit with more insolvencies in the future. This makes financial protection an issue that affects everyone in the produce industry.

Should it become law, Bill C-280 would be the first time that we will have guaranteed payment for goods we are selling. It would let anybody who sells produce, from growers and wholesalers to distributers, marketers and pack houses, to sell in trust and receive priority status in case of a bankruptcy or an insolvency.

Bill C-280 could also help Canada restore financial protection for sales to buyers in the U.S. Until 2014, Canadian produce sellers had this kind of protection when exporting to the United States through preferential access to PACA, but this preferential status was revoked due to a lack of reciprocal protection for American produce sellers in Canada. We hope that with the passing of Bill C-280, we can regain reciprocal protection with our largest trading partner once again.

So, what can you do to support

As a private member's bill, the Second Reading vote on this legislation, expected this fall, will be open, meaning MPs can vote as they choose instead of following their party's official position. That's why it is critical that as many MPs as possible from all parties vote in support of this bill - and that's where we need your help.

Between now and the end of August, before the MPs return to Ottawa, please take a few minutes to call, write or email your MP to bring Bill C-280 to their attention. Talk about why it matters and how important the fresh produce industry is to their communities, to local businesses and to our economy, and ask

them to support the bill during Second Reading.

If you feel comfortable doing so, add a personal touch to your communications by talking about your business, and the difference that this legislation will make for you, your family and fellow farmers. And spread the word to your customers and suppliers too - including urban consumers whom you may interact with at farmers' markets, on-farm shops or on social media - and ask them to reach out to their MPs as well. A secure local food system matters to all Canadians, not just to farmers.

If you need help with messaging, please feel free to contact Gordon Stock at OFVGA gstock@ofvga.org or 519-763-6160, ext 125.

Quinton Woods is responsible for sales and plant operations at Gwillimdale Farms, Bradford, Ontario. He's also a director of the Ontario Fruit and Vegetable Growers' Association as well as chair, trade and marketing working group for the Fruit & Vegetable Growers of Canada.

WEATHER VANE



Barbadian Shawn Agard (L) greets Prime Minister Justin Trudeau with Morris Gervais, owner, Barrie Hill Farms looking on. He shares his story as a temporary foreign worker. Hon. Helena Jaczek listens to the exchange. Photo courtesy the Prime Minister's Office.

Publisher: Ontario Fruit and Vegetable Growers' Association Editor: Karen Davidson, 416-557-6413, editor@thegrower.org Advertising: Carlie Melara 519-763-8728, advertising@thegrower.org

The Grower reserves the right to refuse any advertising. Any errors that are the direct result of **The Grower** will be compensated at our discretion with a correction notice in the next issue. No compensation will be given after the first running of the ad. Client signature is required before insertion.

The Ontario Fruit and Vegetable Growers' Association is the sole owner of **The Grower**. All editorials and opinions expressed in **The Grower** are those of the newspaper's editorial staff and/or contributor, and do not necessarily reflect the view of the

All rights reserved. The contents of this publication may not be reproduced either whole or in part without the prior written consent of the publisher.

355 Flmira Road North Unit 105 Guelph, Ontario NIK IS5 CANADA Tel. 519-763-8728 • Fax 519-763-6604

The Grower is printed 12 times a year and sent to all members of the Ontario Fruit and Vegetable Growers' Association who have paid \$30.00 (plus G.S.T.) per year for the paper through their commodity group or container fees. Others may subscribe as follows by writing to the office:

\$30.00 (+ HST) /year in Canada \$40.00/year International

Subscribers must submit a claim for missing issues within four months. If the issue is claimed within four months, but not available, The Grower will extend the subscription by one month. No refunds on subscriptions.

P.M. 40012319

ONTARIO FRUIT AND VEGETABLE GROWERS' **ASSOCIATION BOARD OF DIRECTORS 2022**

MANAGEMENT COMMITTEE

Shawn Brenn, Waterdown Matthias Oppenlaender, NOTL Fred Meyers, NOTL Mike Chromczak, Brownsville Vice-chair

BOARD OF DIRECTORS

Processing Vegetables

Apples Fresh Veg other Tender Fruit Charles Stevens, Newcastle Joann Chechalk, St Anns Fred Meyers, Niagara-on-the-Lake Mike Chromczak, Brownsville Asparagus Matthias Oppenlaender Grape Fresh Veg muck Quinton Woods, Cookstown Shawn Brenn, Waterdown Small Fruit Ginseng Greenhouse Glen Gilvesy, Tillsonburg Jan VanderHout, Waterdown George Gilvesy, Tillsonburg Greenhouse

Ron Van Damme, Wallaceburg

OFVGA SECTION CHAIRS

Crop Protection Environment and Conservation Labour Safety Nets Energy, Property, Infrastructure

and Food Safety

Brian Rideout Jan VanderHout Ken Forth Mike Chromczak

Brian Gilroy

