



PRESS RELEASE

Fresh Produce Alliance welcomes the passage of Bill C-280 in the House of Commons

October 25, 2023 (Ottawa, ON) – Today, the Canadian Produce Marketing Association (CPMA), the Fruit and Vegetable Growers of Canada (FVGC), and the Fruit and Vegetable Dispute Resolution Corporation (DRC) were thrilled to see Bill C-280, the Financial Protection for Fresh Fruit and Vegetable Farmers Act, passed with the support of all political parties at third reading in the House of Commons.

Bill C-280, sponsored by Member of Parliament (MP) Scot Davidson, aims to establish a deemed trust, a vital financial protection mechanism for fresh produce sellers in Canada. This mechanism will help secure payment in the event of buyer bankruptcy, providing stability and support to the industry while safeguarding Canadian food security.

"After a long road to get here, the passage of Bill C-280 in the House of Commons with all-party support is a critical milestone in ensuring the stability and financial security of the fruit and vegetable sector," said CPMA President Ron Lemaire. "We are grateful to all Members of Parliament for their support of the Bill, and greatly appreciative of the efforts of MP Davidson in moving this legislation forward."

The perishable nature of fresh produce, coupled with the industry's typically longer payment terms, leave sellers unable to recover losses when faced with buyer bankruptcy. The case of Lakeside Produce in Leamington, Ontario, earlier this year serves as a reminder of the urgent need for a financial protection tool to safeguard the fruit and vegetable sector.

"Particularly now, when Canadians are increasingly concerned about the cost of food, it is so important for the government to take action to strengthen food security in Canada," agreed FVGC President Jan VanderHout. "The positive impact of Bill C-280 on the fresh produce industry cannot be overstated. The establishment of a deemed trust for all fresh produce sellers will help to ensure that they can continue to support local economies across the country and to provide Canadians with our safe, nutritious fruit and vegetable products."

Bill C-280 will now be referred to the Canadian Senate for debate and votes. The CPMA, FVGC, and DRC call on all Senators to recognize the positive impact that Bill C-280 can have on the fruit and vegetable sector and to prioritize the passage of this important legislation.

"The fresh produce sector has been working towards the establishment of an effective financial protection mechanism for many years," said DRC President and CEO, Luc Mougeot. "We are hopeful that the Senate will build on the momentum of the cross-party support we've seen in the House of Commons and move swiftly to pass Bill C-280 into law."

To learn more, please visit www.protectproducesales.ca.



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About the Canadian Produce Marketing Association

Based in Ottawa, Ontario, CPMA is a not-for-profit organization that represents a diverse membership made up of every segment of the produce industry supply chain who are responsible for 90% of the fresh fruit and vegetable sales in Canada. CPMA is fortunate to represent a sector that is both a significant economic driver for communities and that also improves the health and productivity of Canadians.

About the Fruit and Vegetable Growers of Canada

The Fruit and Vegetable Growers of Canada (FVGC) represent growers across the country involved in the production of over 120 different types of crops on over 14,000 farms, with farm cash receipts of \$5.9 billion in 2021. They are an Ottawa-based voluntary, not-for-profit, national association, and, since 1922, have advocated on important issues that impact Canada's fresh produce sector, promoting healthy, safe, and sustainable food, ensuring the continued success and growth of their industry.

About the Fruit and Vegetable Dispute Resolution Corporation (DRC)



The Fruit and Vegetable Dispute Resolution Corporation (DRC) is a non-profit, membership-based organization serving the produce trade. DRC provides harmonized standards, procedures and services to help members avoid commercial disputes, as well as consultation, mediation and arbitration services when disputes arise. The DRC can help with disputes that arise between members domestically or internationally and deals with all types of disputes, including condition, contract and payment issues. We work closely with industry associations and governments on behalf of our members to reform legislation, make federal inspections more accessible, develop best practices, and level the playing field for participants.