





Produce Industry Strongly Supports Bill C-280, the Financial Protection for Fresh Fruit and Vegetable Farmers Act

April 19, 2023 (Ottawa, ON) – Today in the House of Commons, MP Scot Davidson's Private Member's Bill C-280, the *Financial Protection for Fresh Fruit and Vegetable Farmers Act*, was tabled for second reading debate.

The Canadian Produce Marketing Association (CPMA), the Fruit and Vegetable Growers of Canada (FVGC), and the Fruit and Vegetable Dispute Resolution Corporation (DRC) call on all MPs to carefully consider the positive impact Bill C-280 would have on the fruit and vegetable sector and vote in favour of this important legislation. This is a critical opportunity for the government to support the fresh produce sector and safeguard Canadian food security.

"We are very grateful to MP Scot Davidson for his hard work in bringing this important piece of legislation to the House of Commons," said CPMA President Ron Lemaire. "We know this is a busy time of the year on Parliament Hill, so we call on MPs to ensure its swift passage through the House. Consumers are very concerned about rising food costs right now, and Bill C-280 would contribute to more stable fruit and vegetable prices because it helps give produce sellers a financial backstop".

Bill C-280 would establish a critical financial protection mechanism, a deemed trust, for fresh produce sellers in Canada to help secure payment in the case of a buyer bankruptcy. The deemed trust would operate similarly to the U.S. model. Creating a deemed trust would not impose any additional cost to the government, but would help to ensure that fresh produce sellers can continue to support local economies across the country and provide Canadians with safe, nutritious fruit and vegetable products.

The perishability of fresh produce, as well as the common industry payment terms, make it impossible for sellers to recoup money lost when a buyer goes bankrupt. The recent example of Lakeside Produce in Leamington, Ontario, demonstrates why a financial protection tool is needed to protect our essential sector and food security in Canada.

"Our members across the country are strong supporters of Bill C-280 and look forward to this bill being passed at second reading and moved on to committee stage for further discussions, debate and analysis," said Rebecca Lee, FVGC's Executive Director.

Visit the protect produce sales <u>website</u> to learn more about Bill C-280.

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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 14,237 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.