



## PRESS RELEASE

### Bill C-280 passed at second reading, a major win for the produce industry

May 18, 2023 (Ottawa, ON) –The Fruit and Vegetable Growers of Canada (FVGC), the Canadian Produce Marketing Association (CPMA) and the Fruit and Vegetable Dispute Resolution Corporation (DRC) are thrilled to announce that Bill C-280, the Financial Protection for Fresh Fruit and Vegetable Farmers Act, has been passed at Second Reading in the House of Commons. This significant milestone marks a crucial step forward in ensuring the financial security of the fruit and vegetable sector.

Bill C-280, championed 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.

"The successful passage of Bill C-280 at Second Reading is an extraordinary milestone, and we wholeheartedly express our appreciation to MP Scot Davidson for his commitment in propelling this legislation forward," expressed Rebecca Lee, Executive Director of FVGC. "For over three decades, the fresh produce sector has tirelessly advocated for the implementation of a financial protection mechanism. Today, we find ourselves closer than ever to realizing our long-standing goal. This achievement marks a significant leap towards ensuring the security and prosperity of our industry."

The deemed trust proposed by Bill C-280 mirrors the successful model employed in the United States. It presents a financially feasible solution that imposes no additional burden on the government. By establishing this trust, fresh produce sellers can continue to contribute to local economies across the country, while providing Canadians with safe and nutritious fruit and vegetable products.

The perishable nature of fresh produce, coupled with common industry payment terms, leave sellers unable to recover losses when faced with buyer bankruptcy. The recent case of Lakeside Produce in Leamington, Ontario, serves as a reminder of the urgent need for a financial protection tool to safeguard this essential sector and uphold food security in Canada.

"The significance of this legislation for the fresh produce industry cannot be overstated," emphasized Ron Lemaire, President of CPMA. "As we proceed to the Committee stage, we eagerly anticipate further deliberations on the topic of financial protection for fresh produce sellers. We are optimistic about a future where the fresh produce sector thrives through a robust financial protection mechanism, fortifying the sector and ensuring enhanced food security for all Canadians."

The CPMA, FVGC, and DRC call on all Members of Parliament to recognize the positive impact that Bill C-280 can have on the fruit and vegetable sector and the broader Canadian economy. To learn more, please visit [www.protectproducesales.ca](http://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 14,237 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.

### **About the Fruit and Vegetable Dispute Resolution Corporation**

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.