



**Written Submission for the House of Commons Finance
Committee Consultation in Advance of the 2026 Budget**

Submitted By: Canadian Produce Marketing Association

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Recommendations

In the 2026 Federal Budget, the Government of Canada should:

1. Prioritize agriculture and food production as a strategic cornerstone of the government's broader Build Canada economic strategy and ensure a whole-of government approach and shared departmental ownership to bolster Canada's place as a food superpower.
2. Pursue a robust North American free trade agreement that safeguards the significant gains made for our industry under NAFTA and CUSMA and maintains tariff-free trade for all fresh produce commodities.
3. Accelerate market diversification by expanding mutual recognition efforts with other key trading countries and addressing regulatory and infrastructure barriers impeding Canada's competitiveness in the global marketplace.
4. Prioritize implementation of Bill C-280, the Financial Protection for Fresh Fruit and Vegetable Farmers Act, to provide critical financial protection to produce sellers.
5. Increase food access for Canadians through the development of regional food hubs, including through a \$150 million investment to support infrastructure improvements and drive future growth at the Ontario Food Terminal as a core strategic food system asset supplying fresh fruits and vegetables to urban, rural and remote communities across the country.
6. Prioritize the National School Food Program as a critical piece of food infrastructure supporting the health and wellbeing of families across the country and providing opportunities for Canadian produce businesses.
7. Promote the Canada Food Guide recommendation to fill Half Your Plate with fruits and vegetables through public procurement and government programs.
8. Deliver sustained capital investment to enhance trade and transportation infrastructure, including cold chain improvements, while ensuring federal border and inspection capacity incorporates service standards appropriate for time-sensitive goods such as fresh fruits and vegetables.
9. Establish priority lanes at ports of entry and implement a dedicated Trusted Trader pilot program to streamline the movement of low-risk perishable goods and reduce costs for industry, consumers and government.
10. Support agriculture and food businesses in adopting innovative technologies, including AI tools, and in implementing cybersecurity measures to strengthen supply chain resilience.
11. Attract and retain talent for the future fresh produce supply chain by building future skills for the diverse careers available and investing in the critical infrastructure needed to retain workers in communities across the country.

12. Maintain a stable agricultural workforce by preserving the Seasonal Agriculture Worker Program (SAWP) as a distinct labour stream, with a fit-for-purpose design, and by establishing a permanent Recognized Employer Program under the TFWP.
13. Ensure labour availability and address ongoing shortages by restoring the 30% TFWP cap for parts of the supply chain without an on-farm operation, including packing, wholesale and food manufacturing.
14. Deliver federal funding and resources for expanded efforts to reduce food loss and waste across the fresh produce supply chain.
15. Provide federal leadership and funding to support the development of harmonized, efficient and cost-effective waste management systems in communities across Canada, and eliminate duplicative reporting requirements under the Federal Plastics Registry by leveraging data already collected under provincial Extended Producer Responsibility programs.
16. Support and invest in industry innovation efforts to develop, certify and scale up the availability of sustainable food packaging solutions, including compostable PLU stickers, to offset development and adoption costs that would otherwise need to be passed on to consumers.
17. Create an enabling regulatory environment for new products, technologies, and business practices supporting sustainable solutions, including harmonized product registration across North America and adequate resourcing of the Pest Management Regulatory Agency.
18. Reinforce regulatory coordination and predictability across federal departments to ensure initiatives affecting food production, trade, and perishable supply chains are delivered in a timely, coordinated manner supporting competitiveness and supply chain reliability.

About CPMA

Founded in 1925, the Canadian Produce Marketing Association (CPMA) is proud to represent more than 900 domestic and international members across the fresh produce supply chain who are responsible for 90% of fresh fruit and vegetable sales in Canada. We are pleased to offer our recommendations to the House of Commons Finance Committee's consultation in advance of the 2026 Federal Budget.

Background

Building Canada as a food superpower (Recommendation 1)

The fresh fruit and vegetable supply chain is a significant contributor to Canada's economy and food security, generating \$18.6 billion in GDP and supporting 188,000 jobs across the country in 2024 alone¹. In addition to our sector's economic contributions, we also provide Canadian families with safe and nutritious food that is crucial to supporting their health and wellbeing.

¹ Signal49 Research, 2026

Growing political uncertainty with our largest trading partner, a series of port disruptions, escalating severe weather events and continuing consumer concerns about the cost of food have all contributed to significant challenges for the Canadian fresh produce sector. A whole-of government approach and shared departmental ownership are needed to prioritize agriculture and food production as a strategic cornerstone of the government's broader Build Canada economic strategy and to unleash Canada's potential as a food superpower.

International trade (Recommendations 2–4)

The fresh produce supply chain is one of the most highly integrated and dynamic supply chains in the world, and international trade is critical to the success of the Canadian fresh produce industry. Of particular significance, the North American industry is deeply interconnected, providing economic, health, and food security benefits for all three countries. In 2024 alone, Canada imported close to \$5.5 billion in fresh produce from the United States and another \$3 billion from Mexico. At the same time, Canadian companies exported \$4.6 billion in produce commodities, with nearly 98% destined for one market: the United States².

These figures highlight the integration of our agricultural economies and how heavily Canada relies upon the U.S. market for both imports and exports of fresh produce. In fact, it is estimated that, if Canada's fresh produce exports to the US were subject to a 10% tariff, the sector's GDP contribution would decrease by \$214 million and more than 2,000 jobs would be lost. If 25% tariffs were imposed, GDP contribution would fall by \$535 million and nearly 6,000 jobs would be lost³.

Ongoing trade volatility with the U.S. and the inherent uncertainty of tariff policies hinder long-term planning and investment across the sector. The short Canadian growing season and perishable nature of fresh produce, coupled with export concentration, intensifies and complicates the search for alternative export markets

Free and fair international trade in fresh produce provides economic growth for Canadian businesses and year-round access to safe, healthy foods for Canadians. Tariffs directly translate into higher grocery prices and reduced availability and variety of fresh produce, making healthy eating more expensive and limiting consumer choice. The Government of Canada should seek to maintain the current CUSMA provisions with respect to fresh fruits and vegetables to ensure continuity of the principle of rules-based, tariff free access for fresh produce across North America.

While the importance of the U.S. market cannot be understated, now is also the time to support Canadian businesses in securing important trading relationships and seizing new opportunities to grow our export markets. Increasing this market access requires mutual recognition of food safety systems and harmonization of crop protection regulations, products, and residue limits to remove duplication and unnecessary trade barriers.

Finally, following decades of advocacy, CPMA welcomed the passage of Bill C-280, the *Financial Protection for Fresh Fruit and Vegetable Farmers Act*. This legislation provides financial protection for fresh produce sellers in Canada and opens the door for reciprocal protections for those selling to the U.S. market. Timely

² Statistics Canada, 2025

³ Signal49 Research, 2026

and transparent regulatory implementation is critical to delivering the intended outcomes and strengthening the resilience of Canada's fresh produce sector.

Investing in food security infrastructure for healthier communities (Recommendations 5-10)

Ensuring overall access to a variety of nutritious food for all communities across Canada year-round means supporting the entire agri-food value chain through investments in critical pieces of food infrastructure.

Even prior to recent inflationary pressures, Canadians were eating fewer vegetables and fruits year over year. In fact, the latest Statistics Canada data suggests that almost 80% of Canadians over age 12 are eating less than five servings per day⁴, and current consumption levels remain well below Health Canada's 2019 Canada's Food Guide recommendation to fill half your plate with vegetables and fruit.

There are both health and economic consequences. The annual economic burden attributable to low fruit and vegetable consumption in Canada increased from nearly \$5 billion in 2015 to close to \$8 billion in 2021—a 60% increase⁵. Supporting access to fresh, nutritious foods across all regions can improve health outcomes while helping reduce long-term health care costs. CPMA's Half Your Plate campaign and Freggie Children's Program support increased consumption, but additional efforts are needed.

CPMA was pleased to see the National School Food Program made permanent. As implementation progresses, sustained and predictable funding will be critical to ensuring long-term success and meaningful impact for children and families across Canada. Our industry is 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.

Regional food distribution hubs can play a critical role in fostering market competition, supporting growers and small businesses and ensuring food security in communities across the country. For example, CPMA data show that fresh produce sourced through the Ontario Food Terminal is distributed to communities in nine provinces, making this public market a core strategic asset in our food system.

It is also important to recognize that, due to our colder climate and shorter growing season, coupled with Canada's cultural mosaic and demand for a wide variety of products, 4 out of 5 dollars spent on fresh fruit and vegetables in Canada is spent on imported product – making the smooth flow of essential goods across our border a critical part of strengthening our food security. Border operations must be predictable, coordinated, and reflect perishable product needs.

Workforce (Recommendations 11-13)

Labour shortages in both rural and urban regions impact the sector's productivity and competitiveness. The future fresh fruit and vegetable industry requires a domestic and international workforce with a wide range of skills to realize our full economic potential. Expanding agricultural skills programs and raising awareness of the diverse opportunities available, particularly for domestic and youth workers, would also help bridge the gap between seasonal labour and permanent employment opportunities in agri-food.

⁴ [Statistics Canada](#), 2025

⁵ H. Krueger & Associates, 2023

Investments in housing, infrastructure, and training can transform rural economies. Building and upgrading farm worker housing, improving broadband access, and investing in community services and critical infrastructure would strengthen rural retention and revitalize local economies.

Sustainability (Recommendations 14-16)

The federal government should drive Canadian and international conversations to align efforts, standards and systems to effectively achieve our environmental sustainability goals, while ensuring that economic and trade considerations are dutifully balanced with social considerations to deliver long-term sustainability of Canada's fresh produce supply chain.

The federal government should focus on aligning the Federal Plastics Registry with existing provincial systems and an existing-data-first approach. Any future efforts should be preceded by comprehensive consultation and a thorough review of Phase 1.

Regulatory modernization and enhancing competitiveness (Recommendations 17-18)

Innovative tools and alternative technologies are needed to help the Canadian produce sector remain globally competitive. To achieve effective regulatory modernization the government must apply the right tool to the right issue and consult with industry to help identify the challenge and workable solutions.

At the same time, the government must attend to the predictability and coordination of regulatory implementation across federal departments to ensure that well-intentioned policy objectives do not unintentionally disrupt supply chains or undermine Canada's competitiveness. The timing, sequencing and clarity of regulatory delivery can significantly affect industry's operational planning and investment decisions.

CPMA appreciates the consideration of our recommendations for the 2026 Federal Budget and would be pleased to appear before the Committee and answer any questions Members may have.