

CANADA'S PRODUCE TOP 10

CPMA
CANADIAN PRODUCE
MARKETING ASSOCIATION



From the farm gate to the dinner plate, the fruit and vegetable supply chain contributes billions of dollars to Canada's GDP and supports hundreds of thousands of jobs from coast to coast to coast. We are proud to provide Canadians and families around the world with safe, nutritious food products that offer tremendous health benefits. As we look to position our industry to succeed now and in a post-pandemic world, here are some of the ways the federal government can provide support across Canada's fresh produce supply chain and make it easier to fill *Half Your Plate* with fruits and vegetables.



1. Crop Protection

Crop protection tools are essential to the fresh produce industry to ensure not only crop health, but also the safety of Canadians and Canada's overall food security. The agency responsible for regulating these vital tools, the Pest Management Regulatory Agency, is in need of critical resources. Comprehensive data, including environmental monitoring, is needed to support a modernized regulatory system. Crop protection policies and programs must facilitate market access and promote economic viability and competitiveness, while taking into account the long-term needs of Canadian growers.



2. Labour

For decades, producers have relied on the Seasonal Agricultural Worker Program and the Temporary Foreign Worker Program to address chronic domestic labour shortages, particularly in the labour-intensive horticulture sector. In both the short and long term, the government must continue to improve service standards and processing times for applications under these programs to maintain a stable supply of labour. As the industry continues to adapt to the COVID-19 environment, the government must ensure that necessary supports are in place to allow for the continued production of the fresh fruits and vegetables our communities rely on.



3. Sustainability

For decades, producers have relied on the Seasonal Agricultural Worker Program (SAWP) and the Temporary Foreign Worker Program (TFWP) to address chronic domestic labour shortages in the agriculture and agri-food sector and meet their workforce needs. In both the short and longer term, the government must work to improve service standards and processing times for applications under these programs and ensure sufficient resources to efficiently manage the flow of incoming employees. At the same time, the government's COVID-19 support programs need to take a focused approach to reduce unintended consequences and impacts to business, including challenges accessing domestic labour.



4. Financial Protection for Produce Sellers

The *Bankruptcy and Insolvency Act* fails to protect Canada's fruit and vegetable growers and sellers. They have no true financial protection from losses resulting from insolvent buyers. In short: unlike other sellers, because fresh produce is highly perishable and spoils more quickly than other food commodities, fresh produce sellers cannot recover product from incomplete sales as enabled under the Act. The COVID business environment will drive businesses into bankruptcy, particularly as financial support programs wind down. It is crucial that the government provides all possible safeguards for the food supply chain, including a deemed trust mechanism in Canada.



5. Trade & Market Access

Free and fair international trade in fresh produce offers huge economic growth opportunity for Canadian businesses and provides Canadians with access to safe and healthy fresh food options year-round. Increasing market access and sustainability of the Canadian fresh fruit and vegetable industry requires mutual recognition of food safety systems, and international harmonization of crop protection regulation, products, and residues. At the same time, the supply chain linkages of transportation, border access and ports of entry and exit are key to ensuring the smooth flow of our highly perishable and essential goods across our border.



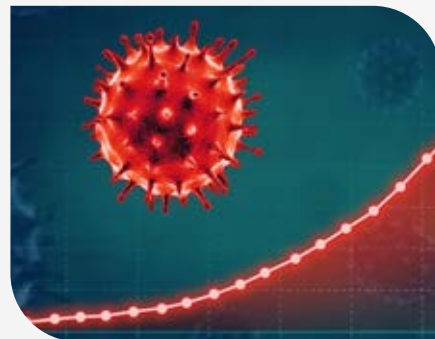
6. Innovation & Infrastructure

A strong and growing Canadian produce industry will depend on our ability to leverage innovation. A lack of digital infrastructure and sector-specific innovation funding are major roadblocks for many in the fresh produce industry – particularly as e-commerce continues to rise in the COVID business environment. The government's announced funding for rural broadband and irrigation infrastructure must be rapidly deployed across the country, along with dedicated funding for future innovations in the fresh produce supply chain and support for critical infrastructure in rural communities, to bolster the industry and foster our ongoing competitiveness.



7. Business Risk Management (BRM)

BRM tools are essential to the viability of Canada's agriculture sector. For many, the challenges posed by COVID-19 had a major negative impact on the 2020 harvest and threaten the same in 2021. Growers must be able to make business decisions knowing that there are programs to support them. The recent agreement to remove the Reference Margin Limit retroactive to 2020 was good news for growers who had been negatively impacted by that program. The federal government should continue working with the provinces to make further improvements to AgriStability, specifically an increased trigger level and compensation rate.



8. Government Supports for COVID Recovery

From the farm gate to the dinner plate, the fresh fruit and vegetable industry has incurred unprecedented operational costs due to the COVID-19 pandemic. We are appreciative of the speed at which the federal government operated at the onset of the pandemic in Canada to create macro level programs to support industry. Many of these programs have provided welcome support to segments of our supply chain. A PPE tax credit and extended customs duty relief for PPE would further support industry in procuring the equipment they need to keep workers and the public safe.



9. Agriculture & Agri-Food Data Strategy

Data is a key input for ensuring global competitiveness. Unfortunately, detailed Canadian agricultural data is difficult to find, incomplete or too expensive for associations and businesses to purchase. A comprehensive, long-term, and fully funded agriculture and agri-food data strategy will fuel our competitiveness and inform key strategic decisions for the fresh produce industry.



10. Regulatory Burden & Ensuring Meaningful Consultation

While the government's move toward increased consultation with industry is welcome, work remains to ensure that these consultations provide benefit to both government and stakeholders. A collaborative approach to find workable solutions for industry and government is the backbone to success for regulatory and policy compliance. A comprehensive review of the regulatory modernization process would allow the government to better facilitate thorough stakeholder participation, to better understand the administrative or other costs of proposed changes, and to develop effective regulations that meet the needs of both industry and the Canadian public without stifling economic competitiveness.

DID YOU KNOW?

- 80% of Canadians say supporting fruit and vegetable production is a high priority. *Grassroots Public Affairs Research, 2020*
- 45% of Canadians would like to see improving agriculture and food production as a topic of conversation during the next federal election. *Abacus Data, 2021*
- Fresh produce sales in Canada increased by 9.8% in 2020. *Farm Credit Canada, 2021*

- With the right combination of skills, capital and technology, agriculture could add \$11 billion to Canada's GDP by 2030, but Canada's share of global ag-tech investment is only 3.4%, falling behind countries such as Brazil and India. *Royal Bank of Canada report, 2019*
- Since the start of the pandemic, more than 10,000 restaurants across Canada have permanently closed their doors. *Restaurants Canada, 2021*

- In 2019, the produce industry supply chain supported 249,000 jobs in the Canadian economy. *RIAS Report, 2019*
- The farm gate value of fruits and vegetables produced in Canada increased 1.3% in 2019 to \$13.9 billion. *Statistics Canada, 2019*
- Close to 80% of Canadians are not eating enough fruits and vegetables as recommended by Canada's Food Guide, resulting in an economic burden calculated at almost \$4.4 billion. *Krueger Report, 2017*