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**Canadian Produce Marketing Association and Canadian Horticultural Council Applaud
Liberal Commitment to Restoring PACA Access for Fruit and Vegetable Growers and Sellers**

(Ottawa, ON) October 8, 2015 - The Canadian Produce Marketing Association (CPMA) and the Canadian Horticultural Council (CHC) applaud the commitment from the Liberal Party of Canada and Liberal Agriculture Critic Mark Eyking yesterday to establishing a comparable Canadian mechanism to the Perishable Agricultural Commodities Act (PACA) in the United States and to restoring Canada's preferential access to PACA programs.

"CPMA raised this issue when we met with Liberal Leader Justin Trudeau last September, where he committed to resolving this critical problem for the produce industry," said CPMA President Ron Lemaire. "We are thrilled that he is following through on this commitment and that the Liberal Party recognizes the importance of a strong produce industry that can continue to provide fresh, healthy food for Canadians."

"Growing and selling fresh fruit and vegetables is risky, which makes this commitment to ensuring strong, equitable payment protection tools, both in Canada and when exporting to our largest market, all the more important," said Anne Fowlie, CHC Executive Vice-President. "We are grateful of the Liberal Party's support of those who bring fresh fruits and vegetables to our tables every day."

The lack of payment protection in Canada is the number one issue for fresh fruit and vegetable growers and sellers across Canada. The industry has long advocated for a PACA-like trust in Canada. The highly perishable nature of fresh produce makes the industry uniquely vulnerable during bankruptcies, risking financial ruin for those affected.

Produce sellers in the US have PACA, which provides a deemed trust mechanism that ensures that growers and sellers are paid should a buyer go bankrupt or simply refuse to pay for the product they receive. Canada had been the only country whose exporters were granted the same protections as US companies under PACA. The U.S. revoked Canada's special access due to our lack of similar trust protection and the lack of progress in fulfilling the Canada-U.S. Regulatory Cooperation Council (RCC) commitment to establishing a comparable approach in Canada.

Long vulnerable in Canada, the situation became more urgent after the decision last fall made exporting to the U.S. a much riskier enterprise for Canadian companies, who currently send 40% of all produce grown in Canada to U.S. customers. Since October 1st, Canadian companies trying to recover unpaid bills have had to post a bond of double the value of their claim to move forward with a formal claim under PACA. Many cannot afford to do so and must simply walk away from what they are owed, a decision several have already had to make.

CHC and CPMA have been asking all parties to commit to resolving this issue in their platforms this election. A limited statutory deemed trust, like the PACA model, is a no-cost solution and the most effective means to resolve the issue. Other options would result in high cost to both sellers and government, while still providing ineffective protection. The NDP were the first to publicly give their support for the industry's preferred solution, with their commitment to establishing a PACA-like trust in an announcement in July. We look forward to hearing from the Conservative Party on their position on this critical issue for fruit and vegetable growers and sellers.

For more information please contact Trevor Eggleton, Canadian Horticultural Council at 613 226 4880 (ext. 218) or teggleton@hortcouncil.ca or Vanessa Sherry, Canadian Produce Marketing Association at 613 226 4187 (ext. 225) or vsherry@cpma.ca.

The Canadian Horticultural Council (CHC), a voluntary, not-for-profit association, represents producers across Canada primarily involved in the production and packing of over 120 fruit and vegetable crops. Members include provincial and national horticultural commodity organizations as well as allied and service organizations, provincial governments and individual producers. The CHC's mission is ensure a more innovative, profitable and sustainable horticultural industry for future generations.

The Canadian Produce Marketing Association (CPMA) represents Canadian and international members who are responsible for 90% of the fresh fruit and vegetable sales in Canada. Our diverse membership is made up of every segment of the produce industry supply chain. From grower-shippers, to packers, distributors and foodservice operators, to local retailers, CPMA members bring fresh fruit and vegetables from the farm gate to the dinner plate for Canadian families, right across the country.

For further information on this issue, please consult the Payment Protection for Produce Sellers Fact Sheet, found [here](#).