

March 31, 2020

The Honourable Marie-Claude Bibeau
Minister of Agriculture and Agri-Food Canada
Marie-Claude.Bibeau@parl.gc.ca

Re: Urgent supports needed for Canada's fruit and vegetable growers to ensure food security

Sent via email.

Dear Minister Bibeau,

On behalf of fresh fruit and vegetable farmers across Canada, I would like to thank you for your leadership in working with your Cabinet colleagues to allow the exemption of international farm workers from current travel restrictions as a result of the spread of COVID-19. This demonstrates to us that the government recognizes the vital role these workers play in our food production. While we very much appreciate the efforts the government has made thus far, additional supports will be needed in the coming days, weeks and months.

We have requested, through a previous letter to you and some of your colleagues, that international farm workers be included in the definition of essential workers. In Canadian edible horticulture, 43% of workers are foreign, compared to 17% for the rest of agriculture. Furthermore, 61% of horticultural farmers hire foreign workers, compared to 35% of the rest of agriculture.¹

Given that food distribution is determined to be an essential service, it is not only rational, but necessary, that those who work in the production of food also be considered essential. As growing seasons ramp up across Canada, growers have had to make extraordinary business decisions. While some are still assessing the risks of the upcoming season, wondering if they will be able to sustain the impacts, many have created business continuity plans by rallying together retired family members and local volunteers, scaling down operations, and postponing critical work in effort to try and keep operations afloat.

These are temporary solutions to a long-term problem. Delays in receiving workers, the protocols around having workers self isolate without working, and the potential interruptions to operations during the season as local workers and volunteers leave the farm, will hinder our growers' ability to supply Canada with safe and healthy produce. Without the much-needed supports, the impact to our supply of fruits and vegetables will be felt through this year and into subsequent years. While our domestic supply will dwindle, so too will our imports of fresh fruits and vegetables as our trading partners grapple with the same struggles.

What we need now from the federal government is two-fold: 1) immediate financial support to mitigate the impact to employers from the required 14-day isolation period, and 2) a commitment to providing meaningful and timely support through AgriStability and AgriInvest.

If it is determined that primary agriculture workers arriving from outside of Canada must undergo self isolation without the ability to work, CHC requests that farm workers undergoing isolation be provided

¹ Canadian Agricultural Human Resources Council
Since • Depuis 1922

immediate EI coverage or access to the Canada Emergency Response Benefit (CERB) – or – employers of international farm workers undergoing isolation have automatic access to the 75% wage subsidy for businesses without the need to prove 30% loss in revenue. This exception is important because any loss in revenue would not become apparent until later in the season – after substantial investments have been made.

Regarding support through BRM programs, we request an immediate injection of a minimum of 5% of a producers' 2018 Allowable Net Sales into AgriInvest accounts, and waiving the requirement for the grower to match the contribution. CHC would also request an increase AgriStability trigger to 90% for the 2020 Program Year (or more generally the program year that covers the 2020 crop year for edible horticulture farms), and that the program cover 85% of losses below this trigger. These emergency coverage measures should be coupled with the removal of the reference margin limit. Retroactive enrolment for the 2019 program should be allowed for both programs (AgriInvest and AgriStability). Particular consideration should be given to waiving structural change provisions for edible horticulture farms in the 2020 program year if they had to reduce farmed acreage and/or reduce output per acre as a result of delayed and/or insufficient labour supply. We are prepared to work with your Ministry to refine any of these recommendations and minimize the risk of any unintended consequences or moral hazard.

In the next few days, farmers will be making the decision to plant or not. Some already have. It is therefore critical that immediate supports be made available to give growers the confidence they need to bring workers in and plant and tend their crops and harvest greenhouses. These suggested measures will give growers the assurances they need to undertake the risk of planting crops. Ensuring the health and safety of workers and local communities will remain a top priority for our growers. They are ready to follow the advice of government and health experts, but without support, operations will not be viable.

CHC would like to share with you examples of how this is impacting our growers across the country. As the national representative of our sector, it is imperative to us that these stories are heard in Ottawa. For many family farms, it is not feasible to take on the considerable expenses associated with the added health measures contemplated for bringing in workers. If there is not immediate action from the government – simply put, growers may opt not to plant this year. As you will see from the stories below, this will jeopardize our supply of fresh fruits and vegetables for several years.

These suggestions are measures that should be looked at immediately, but as this situation changes, more needs may be identified.

Thank you for your urgent attention to this. I look forward to hearing from you.

Sincerely,



Brian Gilroy
President, Canadian Horticultural Council

APPENDIX: Examples of loss of production and it's impact on the Canadian supply of fresh fruits and vegetables

Melvern Square, Nova Scotia: We are a 5th generation family farm on 1000 acres. We grow apples, potatoes, carrots, onions, grains, and cover crops. Our farm has 30,000 apple rootstocks that have already arrived which need to be grafted right now. This will now be delayed until August which puts the trees behind one year. That means producing fruit will be behind one year. That is a loss of 450,000 lbs of apples in 4 years. We are unable to prune our 100 acres of orchard. My hope is to get 30 acres pruned, resulting in a loss of 490,000 lbs of apples for the winter of 2020-2021. Missing a year of pruning cannot be fixed in one year. There will be an additional loss of 150,000 lbs of apples in the winter of 2021-2022.

We are planning to cut our onion production in half. This will be a loss of 700,000lbs for the winter of 2020-2021. We are in talks with our carrot packer and they aren't confident about when labour will arrive. They want to cut our acreage. This would be an additional 400,000 lbs of carrots lost for the winter of 2020-2021.

We will have 1.6 million pounds LESS of fruits and vegetables compared to last year. This is all food that would have gone to the Canadian market this winter. If you stretch that over 4 years it will be a loss of almost 2.2 million pounds of food.

Apples

Simcoe, Ontario: We are taking extraordinary measures to get who we have able to do urgent tasks. We are 10 people short at this time and will be 100 people short within a month. Each week we are falling behind on tasks. We will struggle to plant orchard and will not complete pruning activities. We will have to "catch up" on pruning next year, this will impact [sic] our crop production.

Bedford, Nova Scotia: If we can't get a dependable labour force here before the buds break (tree starts to leaf out) we will not be able to plant our trees. We will have to cut off all the growth that we worked so hard last year to get, and we will be an entire year behind on growth and production for the next 7 years. I can't start digging, planting, and supporting our trees without knowing what kind of labour force I will have this year. We needed them last week. I fear it will be too late for us if it takes another week for them to arrive, then 2 weeks of isolation. I can arrange our housing so they can isolate away from each other, but it is also much safer for them to be out in the orchard, 24ft a part, working. Fresh air, more space, less common - contact points.

Rockland, Nova Scotia: If we do not get our pruning done and orchards thinned (starting April 1) then the 2020 crop will be significantly reduced and downgraded. The bud set for 2021 will be negatively impacted. A small 2020 crop will create financial hardship but also will reduce the volume available to market by our wholesaler/cooperative. Planting season is coming and we have 20,000 trees to plant, 3,000 by hand. That requires a crew of people and will likely result in tree mortality if we can't get them planted in spring.

Cherries

Kelowna, British Columbia: Tree fruits need to be pruned pre-season, i.e. right now, or they won't provide good quality crops. This is very labour intensive and requires a significant workforce to go through the larger orchards.

Blueberries, Strawberries, Raspberries

Bothwell, Ontario: We are at day 10 of a 35 - 45-day window for pruning operations. This will likely drop our crop 10-20% for 2020 and 20-30% for 2021. We won't be able to plant day neutral strawberries which would generate a gross ~ \$260,000 and employ an additional 15 Canadians in seasonal work.

Longueuil, Québec: 80% of our production is dependent on foreign workers. The investments have already been made by growers (plants, containers, etc.). The potential acreage not being planned is up to 2,300 hectares – there would be no local berries in grocery stores between June and October

Great Village, Nova Scotia: If we don't not have workers to do the work we will lose all of our strawberry crop this season and we will lose 70% of our strawberry crop for next season. We will be able to keep most of our production together if we have our workers within the next 2 weeks but within the next week we need to make some really hard decisions whether to keep purchasing plants/ supplies for the coming season or to pull the plug and stop. We will not be planting due to no one to do the planting and preparing of the fields. On our farms that will be a loss of roughly 2,250,000lb – 2,500,000lb of fresh strawberries and a loss of 500,000 lb of fresh/fresh frozen blueberries. Total pounds lost will be 3,000,000 lbs.

Simcoe, Ontario: We have held off ordering strawberries plants required to replant 8 acres of prepared beds that are ready to go, we cannot take on the expense of the plants if we are unsure if we can get them in the ground. If we do not have a feasible timeline to receive trained dependable staff within 7 days we will delay or cancel planting 10 acres of strawberries that will impact our harvest this year and next years crop production. This could amount to 55 000 quarts of strawberries. We will not rent an apple orchard without staff to prune, crop protection and harvest the crop amounting to 1 million bushels of apples not being harvested and put into the Ontario food system. If this rental orchard is not maintained it will possibly see disease and crop damage that could jeopardize this orchard for many years.

Field Vegetables

Saanichton, British Columbia: The ramifications that our Agriculture industry will endure without the TFW goes beyond this growing season, and will also impact some crops for the 2021 season.

The industry might grow some crops, but will not be able to produce the volumes necessary to satisfy our local consumers appetite for B.C. grown fresh produce. The US will be in a similar situation that will potentially create a North American shortage of fresh fruit and vegetables as they too rely on foreign workers. If BC and/or the US are not able to produce the volumes they typically grow in a single season

this will create mass shortages this coming season as well as into the winter and huge shortages into 2021. The reason for this is that we also grow for canned and frozen vegetable and fruit markets as well. If there is less product produced in North America there will not be all the options for canned or frozen products available for consumers through the winter months when fresh is in limited supply. This has the potential and ability to be a disastrous situation to our daily food supply in Canada and the US.

Bagot, Manitoba: We produce asparagus on our farm and it's distributed throughout Western Canada. If we can't get our TFWs on time this season we will be forced to skip our harvest which happens in May & June. To date we are expecting 5 workers next week to begin setting up our processing lines. If these workers are forced into 14 days of quarantine without work, our season is in question already. We have 73 workers booked to come end of April as well. These people are absolutely necessary for our production. If the government doesn't act soon our 500,000 lbs of asparagus will not be available for Costco, Safeway/Sobeys, Loblaws or Save-on-Foods this season.

Vanessa, Ontario: We are working on the situation but if we cannot get alternative housing there's no point in growing. We have tried hiring locals with very low success rate and most now are on employment insurance. We won't plant or plant very little with a labour cut back. Sweetcorn production loss will be approx 300 acres or 5,775,000 lbs; squash/pumpkin loss will be around 500ac or 20,000,000 lbs.

Canning, Nova Scotia: We know our efforts to produce food is essential to the well being of our community, province and region at this critical time. If it turns out we don't get access to SAWP workers, we will not be able to plant and or harvest 1.3 million lbs of cauliflower, 250,000 lbs. of green cabbage, 200,000 lbs. of green onions, 50,000 lbs of spinach and 35,000 lbs. of leeks. Of course, bankruptcy would be knocking on our door. The products noted are normally sold thru out Atlantic Canada and represent a significant part of total consumption in the region from July to November.

Wilsonville, Ontario: We produce 75,000,000 pounds of produce and supply to Retail, Farmers Markets, Food Banks, Food Service (Restaurants, Hospitals, Governments, Hotels, etc.), processing companies, etc. If we do not plant and harvest this year our food supply chain will be broken. We still need to grow produce so processing companies can fill their cans, jars, frozen goods, etc. The shelves will become empty. We still need to grow produce so every family can restock their homes with self preservatives (jars, frozen goods, etc.). We already have money invested in seeds, plants, fertilizers, seasonal expenses. If we don't plant then all of these inputs would be a 100% loss. There will be farms that if not able to operate this year might not even be able to operate ever again. This is not the time to jeopardize our food supply chain.

Île d'Orléans, Quebec : Est-ce que le gouvernement est conscient que la décision même de produire cette année met à risque nos entreprises? Ce n'est pas toutes les entreprises qui pourront séparer les travailleurs aux champs et/ou dans les logements. Advenant qu'un seul d'entre eux soit atteint, c'est la compagnie au complet qui sera en quarantaine. Je vois mal comment on peut envisager de produire en sachant qu'on n'aura pas tous nos travailleurs et qu'on risque de tout perdre avec une quarantaine. Quand on pense que malgré toutes les précautions, il y aura des cas d'infection, ce n'est guère encourageant. Le gouvernement fédéral nous offre de contracter des dettes supplémentaires mais aucune autre aide ne semble être offerte pour nous qui offrons un service des plus essentiels... à nos risques.

Potatoes

Winkler, Manitoba: We had plans to have the first group (of workers) arrive April first on our Seed farm. If they are delayed by more than 1 week, we will be delayed in planting our early generation seed potatoes. We have to do thorough cleaning and disinfection of all equipment and storages before we begin the process of planting. This takes a full month. Any delays in planting will result in reduced yield which results in reduced food production the following years.

If the TFW's don't arrive within a month we will be forced to reduce our plantings. Each week delay after one month, means 50-acre reduction in seed production. Because this is an early generation farm, the repercussions are exponential. Every acre not planted this year means 10 acres not planted in 2021 as a seed multiplication year 1, and 100 not planted in 2022 as seed multiplication year 2, and 1000 acres not planted in 2023 as commercial food production. This equates to 40 million pounds of potatoes not on the market in 2023. It is estimated that the average Canadian consumes 75 pounds of potatoes per year. This calculates to 533,333 people not being able to buy Canadian potatoes in 2023.

Taber, Alberta: Delays to the program will affect timely planting of crops which could affect the amount of crop seeded, and harvest dates. Delays may affect the amount of seed planted and harvested which will affect the 2021 crop and delays may affect the amount of process acres. Planting won't commence until later next month; however cropping plans are already in place for the 2020 crop. Delays to the TFW program will jeopardize all sectors of potato production in AB, which will affect our domestic and international seed customers, our domestic and international chip, frozen and dry customers and our provincial fresh market.

Greenhouse vegetables:

Delta, British Columbia: We seeded back in October, 2019 and our plants were planted in December, so there is no turning back. We spent 3 months getting our plants ready for harvest which is a lot of labour and input costs that need to be recovered. We are struggling to get workers for harvesting, so we are behind in harvesting already. We were supposed to be getting 15 Guatemalan workers 2 days ago that were scheduled to be here specifically for harvesting, grading and packing. Then we were scheduled to have 10 more Guatemalan workers arriving in 2 weeks when our harvesting picks up even more. Each week of delay will cause the peppers to sit longer on the plants. We will get behind on harvesting which will overload the plants and eventually the plants will begin to break. They also will stop producing peppers if there are too many on the plant, so production will decrease. When the plants break, then the plant will take a long time to recover. We expect to lose 60% of our production if we can't harvest. Our production of peppers during our 8-month harvest season between mid-March and mid-November is approximately 7,000,000 kg's of peppers. Therefore, 60% of that production would be a loss of 4,200,000 kg's of peppers that would not be available for people to eat. If we lose the production, that will cause major losses to our business and could cause Bankruptcy. This will not only cause a loss of production of food, but also significant job losses that will likely continue into next year as well.

Leamington, Ontario: We are very concerned about our ability to continue to provide fresh produce to Canadians. The Ontario Greenhouse Vegetable Growers (OGVG) represents approximately 200 farmers responsible for over 3,200 acres of fresh, nutritious, greenhouse tomatoes, peppers and cucumbers, farmgate sales of \$950 million in 2018, support for over 13,000 jobs, a contribution of \$1.8 billion to the

economy. Without the support of this workforce, seedlings will not get planted, crops will not be maintained, and fruit will not be harvested. Assuming a corresponding 30% reduction in harvested fruit, at peak season we estimate over 4 million kilograms per week will not be harvested and hence not available to Canadian consumers. In addition, the sector's investment decisions can have long-term impacts. The normal 5% growth of greenhouse acreage translates to 168 acres estimated for 2021. Decisions made this season will severely hamper our growth for years to come.