

'Ticking time bomb' for greenhouses, other farms without export fix



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Essex County's massive greenhouse industry and other farms that export to the United States need better protection against buyers that go bankrupt and they need it now, officials say.

"We are sitting on a ticking time bomb," Canadian Produce Marketing Association president Ron Lemaire said Tuesday at a news conference at

the Windsor-Essex Regional Chamber of Commerce office.

The chamber, the association that represents fruit and vegetable growers, the CEO of a Kingsville greenhouse operation and Essex MP Tracey Ramsey joined together Tuesday to urge the Liberal government to create a payment protection program similar to a U.S. program that had helped Canadian farms for years. Without it, Lemaire said, farms could go bankrupt and some growers have already had to walk away from unpaid sales or only get 10 or 20 cents on the dollar. More than \$2 billion worth of fresh fruits and vegetables are exported to the United States each year, he said.

The issue is one of the factors that could push more local greenhouse growers to expand across the border, Lemaire said.

“We have lost our competitive advantage when selling into the U.S.,” he said of the produce industry, which includes about 2,000 acres of greenhouses in Essex County selling tomatoes, peppers and cucumbers south of the border.

“We need to find a solution immediately to ensure we grow and develop that competitive opportunity in the U.S. and we don’t see loss of jobs and loss of economic viability within this part of Canada.”

Perishable Agriculture Commodities Act a concern... 1:29

It’s complex but basically the Americans want Canada to have a program like the U.S. Perishable Agriculture Commodities Act which offers growers a way to move up the line of creditors and get paid if a wholesale buyer or grocery chain goes bankrupt. In 2014 the U.S. revoked Canada’s preferential status under the act which means growers now have to put up twice the amount of

money owed to try to recoup the loss instead of paying just \$100 to start the dispute resolution process.

Jim DiMenna, president and CEO of Red Sun Farms, said the Kingsville greenhouse operation was selling to a U.S. retailer that went bankrupt about 90 days ago. Red Sun Farms was owed \$100,000 but had to post \$200,000 to try to get its money from the buyer through the U.S. act. The Kingsville greenhouse got all the money owed but not every farmer would be able to do that.

Matt Marchand, president of the Windsor Essex Regional Chamber of Commerce, said the Liberal government had promised a fix before the election and the news conference was to urge them to act. A solution would be another way to keep greenhouse operations expanding in Essex County and adding jobs here instead of looking stateside as a number have done with expansions in Ohio, Marchand said.

“If we don’t take care of our business, someone else will.”

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