

MEDIA RELEASE

August 22, 2017

**Windsor-Essex Regional Chamber, Tracey Ramsey MP Essex and
Agri-Business Call For Action on the Perishable Agriculture
Commodities Act (PACA)**

Windsor, ON – On Tuesday, August 22, 2017 at 11:00 a.m., the Windsor-Essex Regional Chamber of Commerce (WERCC), Tracey Ramsey (MP Essex), Red Sun Farms, and the Canadian Produce Marketing Association hosted a news conference on the Perishable Agriculture Commodities Act (PACA), which took place at the WERCC, located at 2575 Ouellette Place.

The WERCC's resolution to restore a long-standing trading privilege in place for 75 years for fruit and vegetable growers under PACA was supported by the Canadian Chamber Network at the Canadian Chamber of Commerce AGM in 2015.

In October 2014, the preferential access to the PACA dispute resolution mechanism for Canadians was removed by the U.S. government. Currently, Canadian companies have to pay twice the amount they are owed to get access to unpaid funds. As an example, if a local grower was owed \$50,000 for tomatoes they would have to post a \$100,000 bond in order to make a claim to get their unpaid money resulting from a slow-pay or no-pay situation. Many small businesses cannot afford to post that kind of money. Under preferential access to PACA, they would not have to pay the double bond. Previously, it was only \$100 to start the process under PACA.

“Agri-food is the number one or number two industry in Essex County, depending on how you measure it, and we need to ensure that they have the right set of rules to compete,” said WERCC President & CEO Matt Marchand.

“Local produce growers have been asking both the former Conservative and the current Liberal governments for a payment protection program for too many years,” said Tracey Ramsey, MP for Essex. “Inaction on this file has negatively impacted our local industry in Essex and we need the government to fulfill its election promises.”

“Privileged access to the PACA trust provided Canadian produce exporters into the U.S. cost effective and competitive protection from risk of loss from bad deals. If Canada were able to institute a PACA-like trust for the U.S. importers as well as the domestic producers that sell in Canada, this would be a big step in protecting the produce industry from loss of revenue due to insolvency while also restoring Canadian preferential access to PACA. As we continue to realize tighter margins and rising costs, the exposure has never been higher and to have this payment protection would help a great deal in keeping our industry viable for the future,” said Jim DiMenna, CEO, Red Sun Farms.

WINDSOR-ESSEX REGIONAL Chamber of Commerce

“The produce industry relies heavily on a fully integrated trading structure within North America. The loss of preferential access to PACA in the United States has caused undue hardship to Canadian farmers and exporters. The solution is simple: Canada must provide a reciprocal model which protects Canadian farmers and sellers in the event of a bankruptcy. This no-cost solution to the Canadian Government and taxpayers would not only secure essential protections domestically for our industry but will restore access to a vital trading tool in the United States,” said Ron Lemaire, President, Canadian Produce Marketing Association.

Also in attendance were County of Essex Warden Tom Bain and Town of Tecumseh Mayor Gary McNamara.

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