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June 6, 2022

Honourable Mona Fortier, P.C., M.P.
President of the Treasury Board
Treasury Board Secretariat
House of Commons
Ottawa, ON K1A 0A6

Dear Minister Fortier:

I am writing regarding the Canadian Chamber's concerns with the government's Front of Pack Labelling (FOPL) proposal. As Canada's largest business organization, our membership includes companies in the agriculture and agri-food sector that would be directly impacted by these regulatory proposals.

As you may be aware, the work towards a FOPL has been progressing for some time. While the Chamber supports evidence-based policymaking and enabling consumers to make informed choices, we continue to have concerns with both the substance of the FOPL proposals and the related implementation timelines.

Our concern with the substance include:

- **Alignment with key trading partners** – The European Union is continuing its work on a labelling regime and there are no indications that the United States is considering a comparable approach. Consequently, moving forward with this proposal will place Canada offside with key trading partners and create trade barriers. Regulatory cooperation is a key component of the Cabinet Directive on Regulation and FOPL needs to align with the approaches taken by our trade partners.
- **Regulatory impact assessment** – Members continue to have concerns with the work undertaken through the 2018 Canada Gazette Part I and the robustness of the Regulatory Impact Assessment Statement. This includes the rationale used to assess the health impacts that will result from this regulatory change. Evidence-based policymaking is absolutely vital to ensure regulations deliver their desired outcomes.



As a result, the Canadian Chamber urges Health Canada to undertake further stakeholder consultations beyond the session held in March 2022 to ensure concerns are adequately addressed before the final regulation is published. The Chamber wishes to see pre-publication of the amended FOPL in Canada Gazette Part I for further stakeholder consultation.

In addition to the aforementioned substance, the transition period needs to be extended once the regulation is updated since companies need to finalize design specifications well in advance of a product going to market. Additionally, significant back-end work needs to occur involving intellectual property and regulatory compliance to prepare those design specifications given the scope of the FOPL's potential changes. We strongly recommend that Health Canada provide industry with a minimum of five-year transition period or extend the transition period to January 1, 2028 to align with the next planned compliance date of the Food Labelling Coordination Policy.

The food-manufacturing sector presents the opportunity to be a significant engine of economic growth, as noted in the work by the government's 2018 Economic Strategy Table and reiterated through the 2020 Industry Strategy Council. However, reaching our full potential requires an evidence-based regulatory environment that supports growth and innovation. The current FOPL proposals will hold us back from reaching our full potential. We would be pleased to provide further perspectives on this vital issue and urge the government to undertake substantive conversations with industry.

Sincerely,

Honourable Perrin Beatty, P.C., O.C.
President and Chief Executive Officer
Canadian Chamber of Commerce

c.c: Honourable Jean-Yves Duclos, P.C., M.P., Minister of Health
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