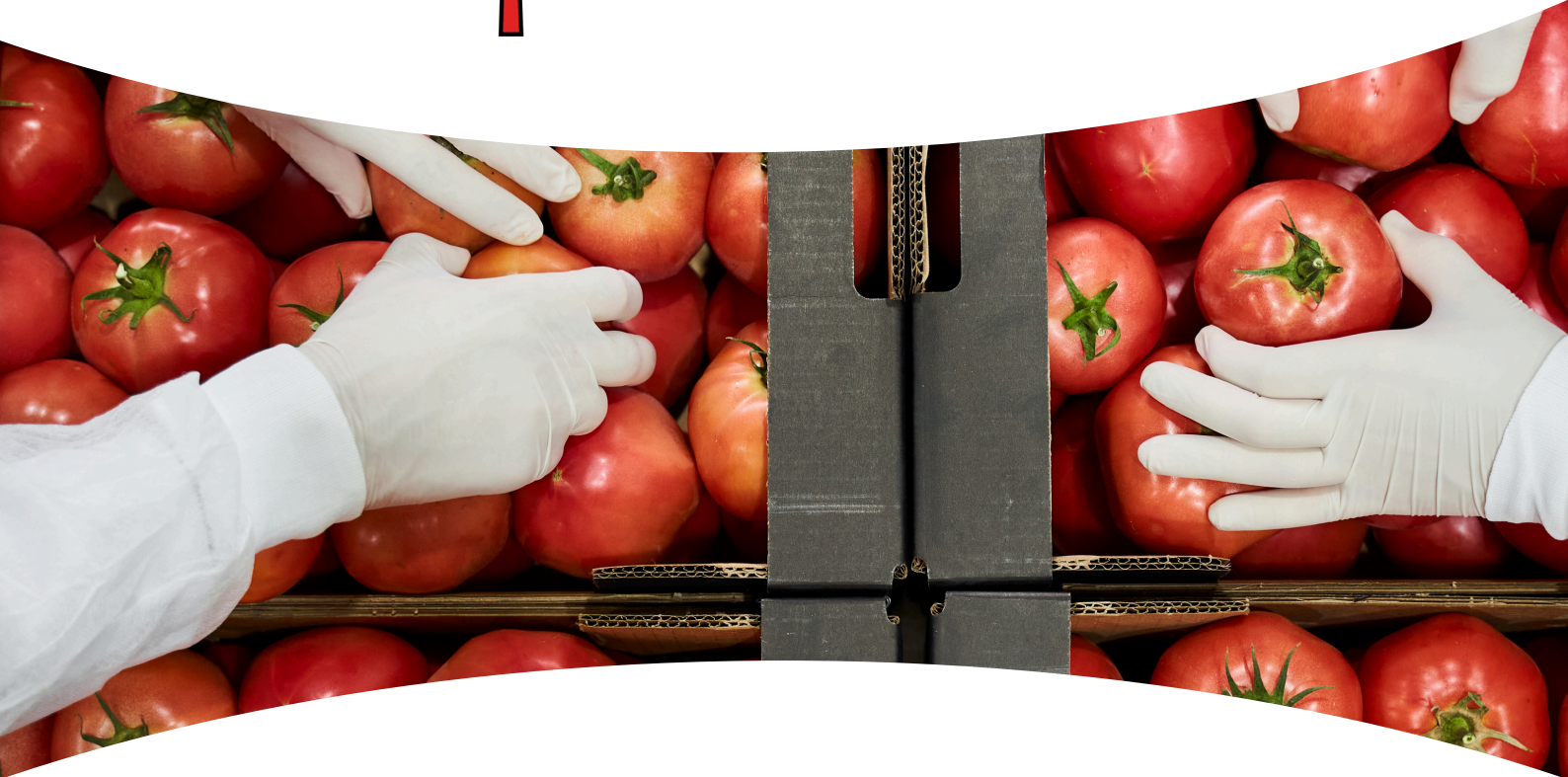




FRUIT & VEGETABLE
GROWERS
OF CANADA

PRODUCTEURS
DE FRUITS ET LÉGUMES
DU CANADA



FVGC FACT SHEET

U.S. TARIFFS AND THEIR IMPACT ON CANADIAN GROWERS

Last updated
March 8, 2025



FVGC Fact Sheet:

U.S. Tariffs and their Impact on Canadian Growers

1. What are the new U.S. tariffs, and how do they affect Canadian agriculture?

As of March 4, 2025, the U.S. has imposed a 25% tariff on most Canadian-origin products and a 10% tariff on specific energy products. These tariffs impact a wide range of industries, including fresh produce, and may increase costs for growers exporting to the U.S.

Temporary U.S. Tariff Suspension & April 2 Deadline

- The U.S. has temporarily suspended the 25% and 10% tariffs until April 2, but only for CUSMA-compliant exports.
- Canadian exporters must ensure their products qualify under CUSMA rules of origin to maintain tariff-free access.
- Even if a product previously had a 0% tariff under Most-Favored-Nation (MFN) status, it will be subject to tariffs unless classified under CUSMA.
- Growers should review their customs classifications and consult customs brokers or legal experts to ensure compliance.
- Tariffs paid between March 4-6 will not be refunded, despite the exemption granted on March 7.
- April 2 is a key date—tariffs may be reinstated, or additional tariffs could be introduced.

2. How is Canada responding to these tariffs?

The Canadian government has implemented \$30 billion in retaliatory tariffs on U.S. imports, with an additional \$125 billion in tariffs under review following a 21-day consultation period. The Government of Canada has also announced a number of measures to support Canadian businesses affected by the tariffs (see item 8).

3. What impact will these tariffs have on Canadian fruit and vegetable growers?

All Canadian fruit and vegetable products are subject to the new 25% U.S. tariff, which poses challenges for growers who export to the U.S. These tariffs may increase costs, affect pricing, and require adjustments in market strategies. While some growers may experience shifts in buyer demand or contract renegotiations, the long-term impact will depend on how trade patterns evolve. The trade environment remains uncertain, and growers may need to assess supply chain strategies and explore opportunities in other markets.

FVGC is working closely with policymakers to advocate relief measures, ensure fruit and vegetable production remains a priority in trade discussions, and support growers in adapting to these changes.

4. Who is responsible for paying the tariffs?



While tariffs are imposed on businesses that import goods, the costs ultimately get passed down the supply chain. This means that consumers—both in Canada and the U.S.—will end up paying higher prices for affected products, including fresh fruits and vegetables. Growers may see reduced profit margins or be forced to adjust pricing, but at the end of the day, these additional costs will be borne by the public. Tariffs act as a tax on trade, and their impact extends beyond businesses to everyday people who rely on these goods.

5. Is there a way for businesses to seek relief from the Government of Canada’s counter tariffs?

Yes, businesses affected by the tariffs can apply for tariff relief through the Canadian government’s **Remission Framework**. More details can be found on Finance Canada’s website: [Finance Canada - Tariff Relief](#).

6. How will this impact trade with the U.S. in the long term?

The tariffs could lead to prolonged trade instability, posing challenges for Canadian growers who depend on U.S. markets. In response, the Canadian government is exploring trade diversification strategies to strengthen access to European and Asian markets. **Ultimately, consumers in both Canada and the U.S. will bear the cost.**

7. How can I contribute to the advocacy efforts?

1. Engage with FVGC to contribute to industry-wide advocacy efforts. **Documenting financial impacts can help strengthen both individual and collective advocacy.** Please contact us at ustariffs@fvgc.ca.
2. FVGC will be hosting a panel discussion at its AGM on March 10 with government and industry experts.
3. FVGC has submitted an industry response to the Finance Canada consultation on countermeasure tariffs, advocating that counter-tariffs be applied on all agricultural products subject to US tariffs while also outlining key concerns and priorities on behalf of growers. Our submission reflects input from across the sector, but any growers who may have additional perspectives to share with the Government of Canada can participate in the consultation process before **March 25, 2025**. **You can submit comments through the official consultation form here.** <https://forms-formulaires.alpha.canada.ca/en/id/cm7upmkx9008rx268zhy9l6pj>.

8. Are there any government programs to support growers impacted by tariffs?

The Canadian government has introduced several financial relief programs to support businesses affected by U.S. tariffs, including those in the agriculture sector:

[Farm Credit Canada \(FCC\) Trade Disruption Customer Support Program](#)

C\$1 billion in new lending to support the agriculture and food industry.

Provides capital solutions to help growers manage financial strain caused by tariffs.

[Export Development Canada \(EDC\) Support for Exporters](#)

C\$5 billion allocated over two years to assist businesses in diversifying into new markets.



Helps exporters cushion losses, access loans, and prevent layoffs.

[Business Development Bank of Canada \(BDC\) Low-Interest Loans](#)

C\$500 million in low-interest loans for businesses directly impacted by tariffs.

[Enhancements to the Employment Insurance \(EI\) Work-Sharing Program](#)

Provides EI benefits to employees whose employers experience reduced business activity due to tariffs. Helps businesses retain skilled workers while supplementing wages.

Growers should consult FCC, EDC, BDC, or the Canadian government for eligibility and application details.

FVGC is also advocating for targeted, fit-for-purpose relief for the fruit and vegetable sector and will provide updates as more details become available.

9. Will additional U.S. tariffs be introduced?

The U.S. administration is set to release an "**America First Trade Policy**" report on **April 1**, which may propose further tariffs, including on agricultural products. **On April 2, the U.S. may announce new "reciprocal tariffs," potentially impacting Canadian agriculture.** The Government of Canada is monitoring developments closely, and FVGC will continue to advocate for growers as the situation evolves.

10. Where can I find more information and updates?

FVGC will provide regular updates through Member Notes, our website, and direct communications.

New Government Support Measures for Growers Affected by Tariffs

For government-related information, visit:

- Department of Finance Canada: [Finance Canada](#)
- Canada Border Services Agency (CBSA): [CBSA Trade Programs](#)
- U.S. Customs and Border Protection (CBP): [CBP Trade Information](#)
- Immediate tariffs: [List of products from the United States subject to 25 per cent tariffs effective March 4, 2025 - Canada.ca](#)



- 21-day consultation list: [Notice of Intent to Impose Countermeasures in Response to United States Tariffs on Canadian Goods - Canada.ca](#)
- Tariff remission process: [Process for requesting remission of tariffs that apply on certain goods from the U.S. - Canada.ca](#)
- Customs notice: [Customs Notice 25-10: United States Surtax Order \(2025-1\)](#)

Please note that surtaxes apply at the HS 8 level, and the affected product is described under “indicative description”. This should be read in conjunction with the Schedule to [Canada's Customs Tariff](#).

For specific questions, Canadian importers can consult a trade professional, such as a licensed customs broker, or the Canada Border Services Agency (CBSA) at the Border Information Service (BIS) at 1-800-461-9999.

The Government of Canada also provides an online service that helps companies and traders determine where individual products fall within the HS system. The website is: [Customs & duty calculator for your business | Canada Tariff Finder](#). Please note that this service is for informational purposes and has no official sanction.

Additional Information for Growers

Key Dates & Timeline

- **March 4:** U.S. tariffs take effect; Canada’s \$30 billion countermeasures implemented.
- **March 12:** Additional 25% tariffs on steel and aluminum take effect (stacking to 50% total).
- **March 25:** End of Canada’s 21-day consultation period on additional countermeasures.
- **April 1:** U.S. administration to release report on "America First Trade Policy," potentially affecting future tariffs.
- **April 2:** Possible new "reciprocal tariffs" from the U.S., including potential agricultural tariffs.

Writ Drop & Its Impact on Tariff Advocacy

If the writ drops (triggering a federal election), government departments will be limited in how they can engage with stakeholders on tariffs.

- Growers can still submit information and concerns, but government officials may not respond due to election rules.



- The uncertainty around how tariffs will be handled during a campaign makes it critical to engage policymakers before an election is called.
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FVGC Actions & Support for Growers

- **Advocacy Against Food Tariffs:** FVGC advocates for free and fair trade and has urged the exclusion of agriculture from U.S. tariffs. Since agriculture was not exempt, FVGC now calls for Canada to impose matching retaliatory tariffs.
- **Submission to Consultation:** FVGC submitted a position memo advocating for minimal disruption to fresh produce trade.
- **Member Communication:** Press releases and Member Notes are being distributed to keep growers informed.
- **Industry Representation:** FVGC is in ongoing discussions with AAFC, CBSA, and trade officials to monitor and mitigate trade disruptions.
- **Business Risk Management (BRM) Measures:** FVGC is advocating for enhanced support for growers facing rising costs.