



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
April 3, 2025



FVGC Fact Sheet: U.S. Tariffs and their Impact on Canadian Growers

1. What is the current status of U.S. tariffs on Canadian agriculture and key sectors?

Canadian-grown fruits and vegetables qualify and are not subject to tariffs at this time.

As of April 3, 2025, official statements indicate that goods compliant with the Canada-United States-Mexico Agreement (CUSMA)—meaning they meet the agreement's rules of origin—are exempt from the newly imposed U.S. tariffs. ¹

What should growers do?

- Confirm that exports meet CUSMA rules of origin.
- Products that previously had a 0% tariff under MFN rules now face tariffs unless CUSMA-compliant.
- Consult a customs broker or trade expert to ensure compliance.

2. How is Canada responding to these tariffs?

- March 4, 2025: Canada imposed \$30 billion in counter-tariffs on U.S. imports².
- Further retaliatory measures are under review and may be announced in the coming months.

BACKGROUND:

- Tariffs were originally imposed on March 4, 2025¹.
- Temporary suspension for CUSMA-compliant products began on March 7.
- No refunds offered for tariffs paid between March 4–6¹.

3. Who is responsible for paying the tariffs?

Tariffs are charged to U.S. importers, but costs are typically passed down the supply chain. This results in higher prices for consumers in both Canada and the U.S.

Growers may face lower profit margins, contract pressures, or pricing changes. Tariffs act as a tax on trade, with the burden shared across businesses and consumers.

¹ https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/?utm_source=chatgpt.com

² https://www.canada.ca/en/department-finance/news/2025/03/canada-announces-robust-tariff-package-in-response-to-unjustified-us-tariffs.html?utm_source=chatgpt.com



4. Can businesses seek relief from Canada's counter-tariffs?

Yes. Businesses affected by Canadian counter-tariffs can apply for relief through the [federal Remission Framework](#).

5. What is the long-term impact on trade with the U.S.?

While Canadian produce is currently exempt from U.S. tariffs, the broader trade environment remains uncertain.

If tariffs are reinstated, growers could face major challenges, especially those dependent on U.S. markets. Moreover, if as some in the US administration and elsewhere have suggested the imposition of these tariffs is a tactic to pressure trading partners to come to the negotiating table, Canada and Canadian growers have to be prepared for a difficult renegotiation of the CUSMA.

6. How can I contribute to advocacy efforts?

Grower input is essential. You can support FVGC's advocacy by:

- **Sharing financial impacts:** Help build the case by documenting how the current uncertainty is affecting your business. Email: ustariffs@fvgc.ca
- **Staying engaged:** FVGC continues to meet with government and industry officials to push for grower-focused solutions.

Providing feedback:

We can expect that the Government of Canada will consult with Canadian businesses in all sectors of the economy as it recalibrates its response to the new trade realities. FVGC will turn to its members for input and your participation will be essential to a robust sector-wide response.

7. Are there government programs to support growers who may be impacted by tariffs?

Yes. The Government of Canada has introduced the following support programs:

- **Farm Credit Canada (FCC) – Trade Disruption Customer Support Program**
C\$1 billion in lending to help agriculture and food businesses manage tariff-related financial stress.
- **Export Development Canada (EDC) – Exporter Support**
C\$5 billion over two years to support market diversification and cushion export losses.
- **Business Development Bank of Canada (BDC) – Low-Interest Loans**
C\$500 million in financing for businesses directly impacted by tariffs.
- **Employment Insurance (EI) – Work-Sharing Program Enhancements**
EI benefits for workers impacted by reduced business activity due to tariffs.
Helps employers retain skilled workers while supplementing wages.

Growers should consult FCC, EDC, BDC, or federal agencies for eligibility and application details.



FVGC is also advocating for sector-specific relief tailored to the needs of fruit and vegetable growers.

8. Where can I find more information and updates?

FVGC will continue to share updates via:

- Member Notes
- Direct email communications
- FVGC website

9. Writ Period & Impact on Tariff Advocacy

Canada is now in the federal election writ period.

Government departments are restricted in how they engage on trade and tariffs.

- Growers can still submit feedback and concerns to government officials.
- However, officials may not be able to respond or take action during the writ period.

FVGC will continue to monitor developments and advocate for grower priorities.

10. FVGC Actions & Support for Growers

- **Opposition to Food Tariffs:** FVGC has urged Canada to match U.S. tariffs where agriculture was not exempt. FVGC will continue to advocate for free and fair trade,
- **Formal Submissions:** FVGC submitted an industry response advocating for minimal disruption to fresh produce trade as well as an important new report that outlines the impact of tariffs on our sector and urges action by the Government to modernize its safety net system.
- **If you have not yet done so, please take a moment to download our new report: [Extraordinary Measures for Unprecedented Times](#) and share it within your network.**
- **Member Communication:** Regular updates via Member Notes and press releases.
- **Government Engagement:** Ongoing discussions with AAFC, CBSA, and trade officials.
- **BRM Advocacy:** Continued push for better Business Risk Management support for affected growers.