

March 6, 2025

Policy and Operations Directorate
Pest Management Regulatory Agency
2 Constellation Drive
Ottawa ON
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Via email: pmra.regulatory.affairs-affaires.reglementaires.arla@hc-sc.gc.ca

To whom it may concern,

Re: Comments on Regulations Amending the Pest Control Products Fees and Charges Regulations (Annual Charge)

On behalf of the Ontario Federation of Agriculture (OFA), thank you for the opportunity to participate in the consultation process for the proposed changes to the Pest Control Products Act, posted to the Canada Gazette, Part 1, Volume 158, Number 51: Regulations Amending the Pest Control Products Fees and Charges Regulations (Annual Charge). Our topline feedback is summarized below:

- OFA is concerned that the level of increased fees will lead to a loss of pest control products in the marketplace and dissuade investment in innovation, and research and development of new products for the Canadian market.
- OFA recommends that PMRA assess the impacts of the fee increase proposal on the availability of pest control products in the Canadian marketplace.
- OFA requests that PMRA pause this process and engage in significant and effective consultation with industry and impacted stakeholders to develop an approach to fee increases that supports sector innovation and competitiveness.
- OFA understands that this proposal is required by the Treasury Board, raising concerns that the increased revenue may not be allocated for current or future PMRA activities, and that additional fee increases may soon follow, increasing farmer input costs and further limiting access to products.
- OFA recommends that PMRA's fee structure be aligned with Canada's market size to ensure continued innovation attraction, and investment in research and development of pest control products, while ensuring competitiveness of Canadian agriculture.
- Farmers must have timely access to new pest management products to remain competitive, and continue to provide safe, and sustainable products to Ontario, Canada and the world.

The Ontario Federation of Agriculture is the largest general farm organization in Ontario, proudly representing more than 38,000 farm family members. OFA has a strong voice for our members and the agri-food industry on issues, legislation and regulations administered by all levels of government. We are dedicated to ensuring that the agri-food sector and rural communities are considered and consulted with for any new or changing legislation that would impact the sustainability and growth of our farm businesses.

Farmers use many strategies to support the growth of crops while being environmentally conscious. Pesticides are a vital tool that can be used to safely manage pests that can be harmful to the health and quality of a farmer's crop. OFA supports an efficient, science-based regulatory environment for pesticides in Canada. This system should protect human health and environmental safety while encouraging innovation and competitiveness on a local and global scale.

Farmers need improved and continued access to a wide range of pest products to remain effective and competitive, particularly during this current time of economic and trade instability. OFA rejects the Pest Management Regulatory Agency's (PMRA) estimation that only 40% of increased costs will be passed onto the farmer. Any increase in pest control product fees will ultimately be passed onto the farmer user, further increasing production costs. Additionally, products with smaller markets, like those registered for minor use, or with lower sales volume, or sold by small and medium-sized registrants, will be most affected by this increase. This will further limit products in the marketplace and also limit future development of minor use products and those with smaller market impact. OFA is concerned that the level of increased fees will lead to a loss of pest control products in the marketplace and dissuade investment in innovation, research and development of new products for the Canadian market. ***OFA recommends that PMRA assess the impacts of the fee increase proposal on the availability of pest control products in the Canadian marketplace.***

Further, OFA understands that the PMRA acknowledges receiving concerns about the detrimental effects the fee increase approach will have on the agriculture sector and that these concerns have not been addressed in the current proposal. As a member of the Canadian Federation of Agriculture (CFA), OFA also understands that CFA has been engaged with the PMRA on the fee increase proposal since the early stages, and that CFA's requests for changes and meaningful engagement, along with that of the agriculture sector broadly, have largely been ignored to date. As a result, ***OFA requests that PMRA pause this process and engage in significant and effective consultation with industry and impacted stakeholders to develop an approach to fee increases that supports sector innovation and competitiveness.***

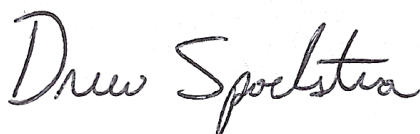
OFA understands the need for an updated fee structure for pest control products, particularly to allow PMRA to meet its objectives. However, OFA also understands that this proposal is required by the Treasury Board, raising concerns that the increased revenue may not be allocated for current or future PMRA activities. OFA also notes that PMRA is piloting activities under its Transformation Agenda, including but not limited to Proportional Effort and Continuous Oversight. While OFA supports the overall modernization of PMRA's business processes, concerns remain about resources to support these activities and how future fee increases may be implemented. ***OFA has concerns that additional fee increases to fund PMRA's objectives, including Transformation Agenda going forward, will not only be passed onto farmers but further limit farmer access to effective pest control products.***

OFA also notes that the proposed fee structure attempts to better align with the U.S. EPA's structure. While OFA has advocated for harmonization with the U.S. EPA system for the evaluation and registration of pesticide products to ensure Canadian farmers can remain competitive on the global stage, U.S. farmers still have access to many products not available in Canada. This is due, in part, to the relative size of the markets, with the U.S. representing approximately 15% of the global market of pest control products while Canada represents just over 3%. Given the much larger size of the U.S. pesticide market, any attempt to align fee structures must take into account the relative size of Canada's market. Ignoring this puts Canadian farmers at a further competitive disadvantage globally due to decreased product registrations as well as negatively impacting investment in innovation, research and development. ***OFA recommends that PMRA's fee structure be aligned with Canada's market size to ensure continued innovation attraction, and investment in research and development of pest control products, while ensuring competitiveness of Canadian agriculture.***

OFA supports a pesticide regulatory system that is science-based, efficient, and transparent while protective of human health and the environment. Farmers must have timely access to new pest management products to remain competitive, and continue to provide safe, and sustainable products to Ontario, Canada and the world. As presented, the revision of fees will very likely restrict the supply of pest control products in the Canadian market, compromising the ability of farmers to effectively control pests and negatively impacting the ability to grow food, fuel, fibre and flowers sustainably and productively in Canada.

OFA appreciates the opportunity to provide our feedback on the Regulations Amending the Pest Control Products Fees and Changes Regulations (Annual Charge). We look forward to working with the federal government to find policy solutions that support the agri-food sector to continue to innovate and remain competitive globally.

Sincerely,



Drew Spoelstra
President

cc: OFA Board of Directors
Canadian Federation of Agriculture

This submission has been approved by OFA Board of Directors and will be posted to OFA's website: <https://ofa.on.ca/resources>.