House of Commons
Chambre des communes
Canada

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(•) **an organization** **Organization name:** Canadian Beverage Association

or

( ) **an individual** **Name:** _____

Topic: Agriculture, food and fisheries

*Recommendation 1: Please provide a short summary of your recommendation.

The Canadian Beverage Association recommends to the committee the continued support of measures to reduce unnecessary delays and red tape at Health Canada's Food Directorate to foster and further support product innovation and economic growth in Canada's beverage industry.

We recommend allocating more resources to the Food Directorate of Health Canada's Health Products & Food Branch to ensure the timely implementation of provisions that will modernize existing regulations and facilitate the faster introduction of safe new products to the marketplace to the benefit of Canadian consumers.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

While the government's prerogative, we believe any additional funding for Health Canada should be allocated to the Food Directorate of Health Canada's Health Products and Food Branch to fund our recommendation.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

The modernization of food/beverage regulations would advance research and product innovation in the non-alcoholic beverage industry. This would be to the benefit of consumers through increased product offerings. The development and sale of new products would generate more demand for materials and services from our industry's suppliers, spurring increased economic activity. Additionally, retailers, small-business owners and grocery stores would benefit from increased sales through the introduction of new products to their stores.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Canadian consumers would have quicker access to new beverage products through a more efficient approval process. Thanks to innovations in the beverage industry, consumers would benefit from new products that provide health benefits (e.g. fortified, diet or zero calorie beverages). Moreover, increased sales of new beverage products would generate a significant number of new jobs through increased demand for materials/packaging, production capacity, warehousing/storage facilities and transportation/distribution equipment (e.g. new trucks/drivers).

Topic: Please select from the pull-down menu

Recommendation 2: Please provide a short summary of your recommendation.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Topic: Please select from the pull-down menu

Recommendation 3: Please provide a short summary of your recommendation.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Please use this page if you wish to provide more explanation about your recommendation(s).

The Canadian Beverage Association (CBA) welcomes long overdue changes and the modernization of Canada's food regulations. The modernization of Canada's food regulations was identified by the government's Red Tape Reduction Commission, which found that existing regulations prevented economic growth and new jobs within the food and beverage industry. Recently, the passage of amendments to the Food and Drugs Act in Bill C-38, "Jobs, Growth and Long-term Prosperity Act" (April 2012) equipped Health Canada's food directorate with regulatory processes that expedites the approval of safe new products to enter the marketplace. CBA and our members fully support this approach and the government's actions to date.

These new regulatory changes, if fully implemented, will allow the non-alcohol beverage industry to develop and bring to market innovative new products much more efficiently. For example, Health Canada's approval of the non-caloric sweetener, stevia glycoside, last year enabled the industry to introduce new low or no calorie product lines to the benefit of Canadian consumers. However, due to outdated regulations at the time, Health Canada's approval was a lengthy and exhaustive process. This is compared to other jurisdictions around the world, which had approved stevia glycoside's use years before. Therefore, if the new changes to regulations are fully implemented, Canadian consumers will have access to safe new products such as stevia-based beverages much more quickly.

It is our industry's position that if Health Canada's food directorate were given more resources it could adequately pursue the government's mandate to safely modernize food and beverage regulations, cut red tape, increase research and product innovation within Canada's non-alcoholic beverage industry. This recommendation would not only benefit consumers, but thousands of Canadians directly and indirectly employed by the industry, increasing Canada's economic prosperity from coast to coast.

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The Canadian Beverage Association is the national industry association representing the broad spectrum of brands and companies that manufacture and distribute the majority of non-alcoholic refreshment beverages consumed in Canada.

The association represents more than 60 brands of juices, juice drinks, bottled waters, sports drinks, ready-to-serve iced teas and coffees, new-alternative beverages, carbonated soft drinks, energy drinks, and other non-alcoholic beverages.

As an industry we directly employ 12,000 Canadians and operate 120 manufacturing plants, distribution centres and offices located across the country.

Please feel free to contact the Canadian Beverage Association with any future comments or questions. For more information, please visit www.canadianbeverage.ca

*Please note that at least one recommendation must be provided