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Future of the CFIA – Expect the Unexpected

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We live in interesting times. The Director of the Consumer Fairness and Market Fairness Division of the Canadian Food Inspection Agency (the “CFIA”) recently spoke at a conference on safe food rules about what to expect going forward for the regulation of food in Canada. His message: uncertainties in the operating environment are creating significant indicators of change. The word “storm” was used at one point. This was in December 2024. At that time, the CFIA expected that transformational changes were on the horizon for the next 12-18 months, based on the following environmental forces:

- Fiscal environment
- Trading environment
- State of Maturity on Regulations & Tools
- Risk Environment

By far, the most significant force for change, according to the CFIA, was trade. This was before tariffs became the most widely discussed economic tool in the developing world. This was before seesawing duties were levied and then removed from Canadian products sold in the United States. While we cannot know whether or which tariffs will be imposed on goods coming from Canada at the time of publication, we can only imagine the uncertainty gripping the CFIA as it navigates this new and ever-changing trade environment.

To wit: industry reports have raised concerns suggesting that Canadians may not be able to rely on American food regulators to ensure the safety of American food sold in Canada. These concerns are based on the announcement of severe cuts the American government has made to the Food & Drug Administration (“FDA”). When these cuts were first reported, experts sounded the alarm over thousands of job losses which could disrupt the flow of safety information on drugs, medical devices, and food in Canada. Now, concerns are coming from the FDA itself. Anonymous inspectors from the FDA have reported that the loss of support staff inside the administration have in fact made it more difficult for inspections to take place. New claims further suggest that the FDA plans to end routine food safety inspections, with this work being outsourced to local authorities. Although this report is denied by the FDA, local outsourcing already takes place for less serious or lower-risk inspections.

Usually, there is a strong spirit of cooperation between Canadian and American counterparts in this area. Now, experts warn that changes to the FDA could affect the benefits Canada receives from this historic collaboration. Prospects of reduced quality and availability of information about harmful drugs and food products raise concerns that serious health risks could go undetected, leaving harmful products on the market longer.

The federal government has taken some steps to address concerns arising of the current trading environment. Our agriculture minister has proposed several reforms directed at developing a broader strategy for Canadian food production. Some of these measures include faster approval for livestock feed ingredients, and the streamlining of various labelling and grading requirements for fruits and vegetables. There is also a push to harmonize labelling and grading requirements with American regulations. In this sense, there is even optimism the tariff crisis can produce opportunities to update and improve Canadian regulatory requirements to complement American regulations more appropriately.

The fiscal environment has also been a "question mark" for the CFIA. The 2024 budget caused government agencies to focus their activities tightly on their mandates. In the spring of 2025, there may be a new Canadian government. New warnings of impending recession and economic downturns must be exacerbating this question mark at CFIA headquarters.

The last important driver of change with respect to food regulation will come from the CFIA itself. There is a five-year review built into the Safe Food for Canadians Act ("SFCA"), which was triggered in 2024. The CFIA has been looking at the powers and administration of the SFCA, the consistency of inspections and guidance and generally whether tools provided for by the SFCA are fit for purpose. In other words, since its inception, has the SFCA led to greater consumer protection and food safety? One answer may be found in a recent listeria outbreak at an Ontario company that processes plant-based milk. Media reports led to the discovery that CFIA schedules inspections based on an algorithm-based system, which failed to identify this manufacturer for inspection prior to the outbreak. The CFIA has now been ordered to review this system for a potential overhaul. One wonders whether this will be a change articulated in the CFIA review set to be published in Spring 2025.

The change in American regulatory culture has introduced chaos into the trading environment for food production in Canada. We are now considering whether to change our government (and will have decided when this article comes to publication). The Canadian economy is in jeopardy. Considering all this uncertainty, one thing is certain: stakeholders of the Canadian food safety regime should expect the unexpected.

[1] https://www.ctvnews.ca/health/article/amid-deep-cuts-to-the-us-fda-experts-warn-canadians-could-lose-vital-safety-information/.

[2] Some reports have shown as many as 3,500 layoffs at the FDA.

[3] https://www.npr.org/sections/shots-health-news/2025/04/18/nx-s1-5364544/fda-inspections-layoffs-food-and-drug-supply-less-safe.

[4] https://www.cbsnews.com/news/fda-food-safety-inspections-plans/.

[5] https://www.reuters.com/world/americas/rising-canada-recession-risk-trigger-least-two-more-rate-cuts-this-year-2025-04-14/#:~:text=Economists%20in%20the%20April%207,fall%20into%20recession%20this%20year.

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