

Backgrounder

Reducing Red Tape To Help Home-Based Food Businesses

A re-elected Saskatchewan Party government will eliminate red-tape that currently prevents local food businesses, individuals and voluntary organizations from preparing low-risk foods like cookies, candy, pies and buns in their homes for direct sale to consumers or to third parties like local coffee shops.

Under current rules, home-based food producers are only allowed to sell their products at farmers markets, from the farm-gate or through word of mouth. Home-based food producers are also prohibited from advertising the sale of their products.

Food safety regulations currently require the use of expensive commercial kitchen facilities if the food is to be sold to the public. Public health inspectors in Saskatchewan have routinely deemed low-risk products like pies, buns and candy to be ineligible for sale directly to consumers. Advertising is also prohibited. These restrictions significantly limit the growth of smaller independent local food businesses and the potential for fundraising by non-profit organizations.

Cottage Food Laws

According to a 2013 study by the Food Law and Policy Clinic at the Harvard Law School, 42 US states have laws that allow cottage food operations. The most common approach is to change the definition of a food establishment to include home kitchens. This allows people to sell items like cookies, cakes and jams produced at home, exempting them from the requirement to rent expensive commercial kitchen space.

More home bakers have followed. In Los Angeles County, there are almost 270 cottage food businesses. Statewide, over 1,200 homemade food businesses have been approved and many charities and non-profit organizations have benefitted (See Forbes, January 29, 2014 *California Legalized Selling Food Make At Home and Created over A Thousand Businesses*).

Most states have defined low risk foods as those with low water activity and a low pH level that inhibit the growth of potentially dangerous micro-organisms. In practical terms, this covers all non-perishable foods that you would normally not keep in a refrigerator in your own home. Perishable foods like cheesecakes, meringue pies and custards cannot be sold. Those foods require refrigeration.

The definition of what constitutes a “low-risk” food in Saskatchewan will follow the lead of other jurisdictions and follow the principle of allowing for the home-based production of foods that are not perishable.

Cost

There are no additional annual expenses associated with changing these regulations.

Saskatchewan Party Record

These new regulations are consistent with the Saskatchewan Party government's record of reducing the burden of unnecessary regulation and red tape on small businesses while maintaining public safety.

The Regulatory Modernization and Accountability Act saw the updating of more than 100 policies and regulations between 2013 and 2014.

In November of 2012, the Saskatchewan Party also announced 77 common sense changes to liquor regulations, including allow spas and salons to serve alcohol to customers, allowing golf courses to provide beer to golfers without having to open it first and allowing u-brew and u-vin operators to deliver finished products to a customer's home.

The Canadian Federation of Independent Business awarded Saskatchewan a "B" grade in its 2014 and 2015 Annual Red Tape Report Cards.