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# **Standing Committee on Agriculture and Agri- Food**

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**EVIDENCE**

**Thursday, November 24, 2016**

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**Chair**

**Mr. Pat Finnigan**



## Standing Committee on Agriculture and Agri-Food

Thursday, November 24, 2016

•(0845)

[Translation]

**The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)):** Hello everyone and welcome to the Standing Committee on Agriculture and Agri-Food.

Mr. Anderson, you have the floor.

[English]

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Chair, if I may interrupt for just one minute, we've had some discussions and I would like to suggest that the committee revisit the motion from the other day. I think there was some misunderstanding when the motion was made. I need unanimous consent of the committee to bring forward this motion. Everyone has a copy of it. It reads:

That, pursuant to Standing Order 108(2), the Standing Committee on Agriculture and Agri-Food hear from Canadian Food Inspection Agency (CFIA) officials on the Bovine Tuberculosis situation.

I would like to present that. I believe that perhaps the government has some options or suggestions for us.

**The Chair:** Have you read the motion, Mr. Drouin?

**Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.):** Yes. I just have a small amendment, so we can be even more precise. We request CFIA officials to come on November 29, with the minister.

**The Chair:** Okay. The amendment would be that we also invite CFIA to be present on November 29, with the minister.

Do you have a question, Ms. Brosseau?

**Ms. Ruth Ellen Brosseau (Berthier—Maskinongé, NDP):** Is it going to be a two-hour meeting? We want to make sure the minister has adequate time. I'm just wondering how much time we need—

**The Chair:** Right now, we have a one-hour meeting and then we have the GMO. We're supposed to do that. That's what's on the books right now. It can be changed, but that's what we have. If we do, we're going to push back the GMO and we're getting dangerously close to December 8, but it's up to the committee to decide.

Mr. Anderson.

**Mr. David Anderson:** Mr. Chair, we'd certainly like to hear from the officials for two hours. I understand how rare it is to get a minister for two hours, but if they would come with him, we could have them for the other hour. We would try to make the adjustment

on the GMO report, whatever that needs to be, in order to get that done.

**The Chair:** Also, we're not sure that the minister is available for two hours. We'd have to check that. We know that we have him for one.

I understand that you would like to check if he's available for two and I ask that [*Inaudible- Editor*].

**Mr. David Anderson:** Mr. Chair, we'd love to ask that question, but we know the answer to that.

We're wondering if we can have the officials for two hours and the minister with them for the one hour that he's here.

**The Chair:** Yes, Mr. Drouin.

**Mr. Francis Drouin:** We don't know if the officials are available for two hours, but if the clerk asks the question and if they are, they are, and if they're not, they're not.

I just want to make sure that you provide us with the impact of this on what's going to happen with the GMO report. Are we going to be able to submit it in time? We do have a hard date on that.

•(0850)

**The Chair:** I think that there is a possibility, but it all depends how quickly we go through the GMO draft, of course. We'll leave it at that. We'll see if we can get the minister in and CFIA for the full two hours.

We've heard the amendment.

All in favour of the amendment?

**Mr. Joe Peschisolido (Steveston—Richmond East, Lib.):** Mr. Chair, exactly what are we voting on?

**The Chair:** The amendment. The whole motion is that, on November 29, we bring in the Minister of Agriculture and CFIA for, hopefully, two hours, if they're available.

I think that's—

**Mr. Joe Peschisolido:** How would the report fit in? I actually believe it's important that we spend a lot of time, correctly so, on the GMO issue, since a lot of witnesses came in. We spent many weeks on it, so I think it's important that we do both.

Absolutely, we need to have the officials in, from what we heard from the farmers last time. However, we also have to make sure that we get the report done because that's also important and there's a timeline on both of these issues.

**The Chair:** I do hear what you're saying.

We're going to vote on the motion, as amended.

(Motion, as amended, agreed to [See *Minutes of Proceedings*])  
[Translation]

Let us get back to our groups of witnesses.

Thank you for being here this morning.

In the first hour, we welcome representatives from the Canada Organic Trade Association: Tia Loftsgard, executive director, and Marie-Ève Levert, director of international and regulatory affairs.

We also welcome Guenette Bautz, general manager of the Canadian Young Farmers' Forum, and its Chair, Paul Glenn.

Welcome everyone.

We will begin with Ms. Loftsgard for a maximum of 10 minutes.

Thank you.

[English]

**Ms. Tia Loftsgard (Executive Director, Canada Organic Trade Association):** Good morning, Mr. Chair and honourable members of this committee. Thank you for inviting me to speak today to share our organization's perspective on Canada's next agricultural framework.

My name is Tia Loftsgard. I am the executive director of the Canada Organic Trade Association. I am joined by my colleague Andrew Hammermeister, who is the director of the Organic Agriculture Centre of Canada and an assistant professor at Dalhousie University in the faculty of agriculture. Following my presentation, he will present on key policy needs for organic innovation in Canada.

I'll just describe who we are. The Canada Organic Trade Association, or COTA, as we are known, is a member-based organization that represents the entire organic value chain, including farmers, manufacturers, exporters, distributors, and provincial organizations.

Our mandate is to promote and protect the growth of organic trade to benefit farmers, the economy, the public, and the environment. COTA is the voice of organic trade. We work on market access via international trade missions. We have also been involved with the federal government on assessments of foreign organic standards. We also lead on industry and consumer awareness initiatives, as well as data collection for the organic value chain round table and on behalf of the Canadian organic sector.

Currently, organic is a booming business. It is an \$80-billion industry worldwide, in U.S. dollars, and it's estimated to grow between 16% and 25% by 2020. In Canada, we are the fifth largest organic market, at \$4.7 billion in sales. With more than 22 million Canadians buying organic food weekly, and with 5% of global food sales being organic, there are opportunities for Canada to take

advantage of this emerging market at the domestic and international levels, adapt to this changing global environment, and stay ahead of its competitors.

Canada can stimulate clean and inclusive economic growth and take immediate action on climate change through signature investments in organic agriculture in Canada. The new agricultural policy framework could foster the growth of organic by providing tools to grow our supply chain across the country, supporting organic processors and developing programs for industry entrants.

There are two key components to ensuring that sustainable improvement of our production capabilities in Canada is fostered. First, the government should maintain its support for organic to develop new markets and trade opportunities for the sector. For example, the AgriMarketing program is valuable to our sector and our value-added processors. In the last three years, COTA has been using the AgriMarketing program funding to promote the Canadian organic brand abroad and to create export opportunities for more than 100 processors, traders, and growers across the country.

The next market development program should be as flexible as the present one in order to enable each agricultural sector to target specific markets and develop programs that are appropriate for its long-term international strategies.

To gain international market access, Canada has been working on equivalency agreements with other countries, our trade partners. These bilateral agreements are based on the mutual recognition of organic standards and reciprocity. We now have agreements with the U.S., the EU, Switzerland, Costa Rica, and Japan, and we are currently negotiating with Mexico and South Korea.

Organic trade is rooted in the industry's capacity to preserve the integrity of organic standards and to develop and maintain multi-lateral and bilateral equivalency agreements that benefit the entire organic sector.

Without timely maintenance of the Canadian standards and support for their enforcement and integrity, Canadian growers and processors are placed at a disadvantage in regard to their competitors. The next market development program should be flexible and support the tools developed by the industry to maintain the integrity of organic and facilitate its trade, notably the role that we play on the technical advisory committee for international trade equivalencies.

Second, as we showcased earlier, the demand for organic in Canada is growing, and in the next five years it's going to increase at a double-digit rate. Our biggest challenge, though, continues to be inadequate supply. We need more growers and more acres to be able to supply our manufacturers and processors.

In order to incentivize farmers to take advantage of the opportunities for higher incomes through organic premiums, mitigate risk by diversifying their production, and reduce their carbon and environmental footprint, policies need to be put in place to encourage more domestic production and sales.

We recommend that the next policy framework support the following:

- (0855)

A national organic certification cost share program should be in place. The organic industry development programs developed at the provincial level by Quebec and Prince Edward Island are models that could be adopted federally. These models include financial assistance for up to 50% of eligible expenses for transition, which is for pre-certification and post-certification costs to organic, up to a maximum of \$40,000. Ideally we would have what our U.S. trade partner has, which is an organic certification cost share program that provides 75% reimbursement for certification costs up to a limit of \$750 per certification scope.

Our sector needs the development of organic production insurance products that recognize premiums for organic and products that are transitioning to organic, and make these available in all provinces and territories. Currently in Canada we only have it offered in six provinces and does not cover all product categories.

We also need the development of incentive programs that encourage best management practices to support all farmers—not just organic farmers, but conventional and organic farmers—to meet the needs of soil and water quality, biodiversity, and climate change. We recommend that 30% of the budget for rural development programs be allocated to greening through agri-environmental measures and support for organic farming or projects with an environmentally friendly investment or innovation measure.

Finally, COTA strongly endorses the new addition that you put into the next policy framework, which is the value-added agriculture and agrifood processing priority area. We have more than 1,500 organic producers, processors, and handlers in the country. They play a pivotal role in supporting the local economy, and they should benefit as well from targeted support to increase their productivity and competitiveness.

I'll hand it over to Andy now.

**Mr. Andrew Hammermeister (Representative, Canada Organic Trade Association):** Thank you, Tia.

Thank you all for this opportunity.

The Organic Agriculture Centre of Canada is the national leader and facilitator of science related to organic in Canada. Our primary role is to lead the national organic science cluster program in collaboration with the Organic Federation of Canada.

Today I'll briefly introduce how the science of organic agriculture contributes to increasing environmental sustainability and improved business risk management, which ultimately can lead to high public trust.

We need to recognize that agriculture is multi-functional. It goes beyond just being a business case. Our current science cluster

includes over 200 scientists working on projects at 36 institutions across Canada. What is clear from research in Canada and from around the world is that production practices that are emphasized within organic agriculture can contribute to addressing many of the issues that our country faces, as well as around the world, including climate change, biodiversity, water quality, and soil conservation.

Organic standards specifically emphasize practices that maintain a healthy soil, and healthy soils are critical for organic farming systems to maintain productivity and sustainability. That's why organic farmers pay particular attention to this. Healthy soils hold more carbon, which is helping to mitigate greenhouse gas emissions. They help to reduce pressure from drought or excess water, which is a common issue in agriculture these days. Healthy soils also have an abundance of micro-organisms in them that hold nutrients in the soil and cycle them so that they're available for future crops and prevent them from being lost from the ecosystem and contaminating water supply.

The benefits of expanding crop rotations are widely recognized by organic and non-organic scientists alike, but in organic agriculture, farmers are heavily dependent upon crop rotations to build healthy soils, minimize pest pressure, and promote biodiversity. This means that organic farmers are strategically designing the sequence of crops grown on a field to maximize the efficient use of nutrients, to minimize risk from weeds, insects, and diseases, and to promote income stability.

Nitrogen fertilizers are an essential part of non-organic agriculture to achieve really high yields, but in organic farming systems we don't have access to these nitrogen fertilizers. We rely on manure and legumes like alfalfa and peas to capture the nitrogen naturally from the atmosphere. This nitrogen accounts for about 50% of the energy costs in crop production in conventional agriculture. Replacing that nitrogen by using legumes and manures, and recycling those nutrients is really important, and it can contribute substantially to climate change emissions.

Perennial legumes like clover and alfalfa are really important, and they can achieve these benefits, as well as add diversity to the landscape and build soil quality. As an international leader, Canadian agriculture should be constantly endeavouring to improve practices and minimize the risk and the burden to society. This is essential for maintaining public trust.

Organic agriculture is a model of production that is developing unique solutions that benefit all of agriculture. For the next policy framework, I would encourage programs that support science related to soil health and crop rotations; long-term studies; programs that transfer the science of agriculture to practice, so taking that science and translating it into something that can be used; research that quantifies and compares the carbon balance in whole agriculture systems; incentive programs that encourage the use of legumes; perennial forages; and cropping systems that have long rotations. We also encourage policies that encourage transparency as to where the agricultural issues are in the science and practice that are proactively addressing these issues.

• (0900)

**The Chair:** Thank you, Mr. Hammermeister. I have to cut off your time.

**Mr. Andrew Hammermeister:** Thank you. It's perfect timing.

**The Chair:** I was following, so I knew you had the best of your message there.

Next is the Canadian Young Farmers' Forum.

[Translation]

Ms. Bautz, you have 10 minutes.

[English]

**Ms. Guenette Bautz (General Manager, Canadian Young Farmers' Forum):** Thank you, Mr. Chair and committee members, for the invitation and the opportunity to share our opinion with you today.

I am Guenette Bautz, the general manager for the Canadian Young Farmers' Forum. We were established in 1997, and we will celebrate 20 years next year.

Our organization has 11 young farmer provincial organizations from coast to coast. We represent young farmers age 18 to 40. Our role with the youth and young farmers falls between 4-H and the Outstanding Young Farmers Program. The 4-H program starts youth in agriculture; the CYFF builds them, giving them the tools and education and training; the Outstanding Young Farmers Program celebrates their success.

Our focus and activities include providing education on various topics, through various methods. Our goal is to build leaders, to represent young farmers of Canada, to provide networking and mentorship opportunities, to connect young farmers to peers and mentors, and address industry issues, most recently, succession planning, business management, and any other relevant topic.

We work on social media outreach, educating consumers, speaking positively for the agriculture industry and representing young farmers on various agriculture boards across Canada. We have also been involved in international collaborations, and have been called upon by various agriculture and agrifood organizations to help lead and be active in international projects with the U.S., Mexico, and recently an outreach from Nigeria. The work that we do as the Canadian Young Farmers' Forum is very important. We focus on working towards the future in agriculture.

Our ultimate goals are to help young farmers be successful by providing the necessary training and education, connecting producers to create those peer-to-peer support relationships, and building our international trade partners. How do we do this? The CYFF relies on support from AAFC through the AgriCompetitiveness fostering business development stream, as well as through industry, support either by funding or in-kind contributions, and collaboration.

We were asked to come and speak about recommendations to consider for the next policy framework, so I welcome the opportunity to share with you our comments on that.

While the CYFF and many other national organizations are very thankful for the support that we receive, the CYFF believes that through working together we can achieve greater success, and that we are ultimately a team, as a not-for-profit organization, working with our government representatives for the betterment of agriculture and the future of young farmers in our country.

I'd like to recommend for consideration for future funding on the federal and provincial initiative that the committee think about the reporting of value for in-kind contributions of recognition. At this point, under the funding module, in-kind contributions are not considered, and we would ask that this be a consideration moving forward.

We would ask for support that would enable projects and programs to advance when the opportunities arise even during a mid-agreement or contract. At times we get into a five-year agreement for funding, and as we go about our business and activities, opportunities will arise for us. We become restricted within our current agreement, and we have a bit of an inability to grow and change the course and meet some of the new opportunities that arise among the work that we're doing throughout our programming.

We would also ask that there be some consideration on the administration requirements. Going from GF1 to GF2, there was a huge shift in administration requirements and demands, which enabled the organization, in some capacities, to focus on the work of the activity versus the reporting of the activity.

Other considerations would be the flow of funds for the agreement. Sometimes there's a delay in the allocated funds being distributed, which causes a bit of a hiccup in executing our activities and keeping our activities on track because of cash flow.

We would like a reduction in matching requirements. Right now it's a 50:50 matching requirement, and we would look for your support to help us advance the agriculture industry by reducing the requirement of 50% cash to 50% matching.

• (0905)

Further, we would just look for some support to give us the ability to make adjustments to our projects as they arise, and support for emerging opportunities that do come about in our work throughout our contract agreement.

I will turn this over to my chair, Mr. Paul Glenn, to speak on our behalf as a young farmer.

**Mr. Paul Glenn (Chair, Canadian Young Farmers' Forum):** Thank you, Mr. Chair, for this great opportunity to present in front of you.

I'm Paul Glenn, chair of the Canadian Young Farmers' Forum. There's been no greater need to encourage and support our young farmers. Stats Canada has found that there are fewer young people going into agriculture compared to every other sector. The Canadian Agricultural Human Resource Council has found that the shortage of Canadians working in agriculture is going to double by the year 2025, a very short time. This is going to create a lot of challenges for our young farmers in the future.

There's a need to increase funding federally and provincially to support young farmer initiatives. This needs to be a priority under the next policy framework. We need to create a solid foundation for our young farmers and to encourage new entrants as well.

On the business risk management side, if AgriStability was restored as an income stabilization program, I think that would have a great impact on participation from young farmers, especially the small producers.

We have identified access to land, access to capital, and access to labour as our main hurdles for many young farmers. Programs to overcome these hurdles should be a priority in the next policy framework.

Thank you.

• (0910)

**The Chair:** Thank you so much. We'll start the question round.  
[Translation]

Mr. Gourde, you have six minutes.

**Mr. Jacques Gourde (Lévis—Lotbinière, CPC):** Thank you, Mr. Chair.

Thank you to the witnesses for being here this morning.

My first question is for the representatives of the Canadian Young Farmers' Forum.

We understand very well the major difficulties and challenges that young farmers face today to buy a farm. Whether it is a family farm or not, the challenges are huge. Owners have to let go of part of their assets that they have worked so hard for over the past 30 or 40 years so that young farmers can continue their work.

All farmers want to be able to pass their farm to someone who will continue their life's work. That is very difficult right now though. Farm owners have a very high debt level. They have to repay their debts or sell their farm. As a result, owners have trouble getting the money they need to buy a house after selling their farm, which is unacceptable.

Are there potential solutions or are farms too expensive today in relation to their profitability? Bankers look at the ability of these farms to repay the total amount of the loan. Letting farmers immediately reach the maximum repayment ability does not do them any favours. We know there are always setbacks in farming. If an owner has to refinance their farm, they will have other problems if they have already reached their maximum repayment ability.

Is there a way out?

[English]

**Mr. Paul Glenn:** One of the main things we work on with the Canadian young farmers is succession planning, definitely having a succession plan early on in the business. Ten or 15 years is a good start to transition the young farmers so they have that retirement plan, so to speak, for the exiting farmer.

The price of land is a huge issue right now. Land prices continue to grow, and continued interest in the investor sector, as well. It makes it a more competitive market for young farmers to access the land. There's also increasing land rent. Because agriculture is a global market, we're competing against other countries with very low cost of production, so it's a challenge to continue to produce those products. Our young farmers do have challenges moving towards more high-value crops, fruits and vegetables, to be able to afford the land and land rent.

Succession planning is a huge one that we try to push early on for all the hard work for the exiting farmer. All farmers want to see the land that they've worked so hard to maintain their whole life continue on. It's nice for families, but it's also nice for new entrants. There does need to be some programming for new entrants to get into the program as well, to access the capital, because it is a large investment. The good thing about young farmers is they have the time to finance it over a long period of time. It's definitely something we have to encourage.

[Translation]

**Mr. Jacques Gourde:** As you said, the cost of land and other farm assets remains a key issue.

Currently, less than 2% of farm assets belong to 2% of the population. As you correctly pointed out, if by 2025 there are not more young farmers than there are now, it could be less than 1% of the population that owns all the farm assets. This is a tremendous burden. Could the remaining 99% of the population invest in agriculture in some way to support young farmers and the future of farming? Are there any potential solutions of that kind?

[English]

**Mr. Paul Glenn:** Definitely the challenge for young farmers is that it's a high-volume, small-margin game. Young farmers are using social media now to market their products differently. Urban farming is also becoming more popular.

It's a big challenge. I wish I had the answer. We need to encourage more young people to go into agriculture. I think our education system is lacking on the agriculture side. It doesn't seem to be an option going forward. For people in high school thinking about college or university, agriculture school is not typically something they've thought about over the past four or five years, not unless they have an agriculture background.

That's something we need to encourage. Agriculture in Canada is one of the highest tech industries going. I can't even guess where it will be in 10 years. It is a very attractive industry, but we need to promote it more, especially on the education side.

● (0915)

[Translation]

**Mr. Jacques Gourde:** With regard to organic products, there seems to be light at the end of the tunnel. There are success stories involving young farmers. Young people have started small operations on very small pieces of land, half an acre or an acre, for instance. These operations have relatively high yield and sell directly to consumers, which gives them a good profit margin.

Do you have any examples of this?

[English]

**Ms. Tia Loftsgard:** Yes. I just attended a Food Secure conference, and there was a presentation by a fellow whose name I forget. He wrote the book *The Market Gardener*.

**A voice:** Jean-Martin Fortier.

**Ms. Tia Loftsgard:** That's right: Jean-Martin Fortier.

He's done an experiment to prove that ecological intensification and growing diversely on a small plot of land can be a successful model. He even publishes his income to motivate other farmers. Since then, a larger farmer has donated his land, because he wants to experiment with this model on larger plots of land. Now, I believe, he—

**The Chair:** Thank you, Ms. Loftsgard. We have to move on.

Ms. Lockhart, you have six minutes.

**Mrs. Alaina Lockhart (Fundy Royal, Lib.):** If you would like to finish your thought, please, we would like to hear it.

**Ms. Tia Loftsgard:** It's a model that is being experimented with and that is now employing five people. The point is that you need different forms of tools, not tractors. You need to be able to implement different structures. He's making \$140,000 per year, gross, on an acre and a half.

**Mrs. Alaina Lockhart:** Wow, on an acre and a half; that's good.

You made the comment that there are fewer farmers than ever entering the sector. That is very disturbing when we hear about the growth potential for agriculture and how Canada is positioned to be a world leader in food production. I know that we're putting down the bases, and that communities and farmers and associations are all very focused on attracting youth. You mentioned the 4-H program, which I'm familiar with as a former 4-Her. It's a really great starting place.

We cultivate these young farmers early, create a peer base, give them training, and then there are these barriers. You mentioned AgriStability. There's innovation as well. Is it also a lifestyle thing? How much of a factor will innovation play in new farmers entering the sector?

**Mr. Paul Glenn:** I think it will greatly influence it. Farming is getting sexier, as they say.

**Mrs. Alaina Lockhart:** Bev Shipley—

**An hon. member:** Don't let the story get out.

**Voices:** Oh, oh!

● (0920)

**Mrs. Alaina Lockhart:** Sorry.

**Mr. Paul Glenn:** It's a good joke.

The misconception is that farming is not—I'm not wearing my overalls and I don't carry my pitchfork. That's not agriculture. That hasn't been agriculture since I was born. The biggest thing now is with tech and biotech for seed sales and input sales. There are so many jobs in the agriculture sector and well-paying jobs too. It's a misconception that there are only very low-skilled, low-paying jobs in agriculture. They are not, in Canada especially, because we have to compete on the global scale and we're very competitive and very tech savvy. If farmers can make an extra dollar, we'll spend \$10 to get that dollar, typically. We're very innovative and we're looking for new programs to increase production.

**Mrs. Alaina Lockhart:** That's an area that you think the next policy framework should really focus on, as well, innovation from the perspective—I don't want to put words in your mouth, but investing in innovation for agriculture would also help attract new farmers.

**Mr. Paul Glenn:** Absolutely. Canola is a great example of that. I was saying the other day that we need a new canola because, as the other countries can produce soybeans and corn at a very cheap price, in Canada it's whether we should be growing those crops to be competitive. Maybe we should have something new or a high-value crop that we can market to the globe.

**Mrs. Alaina Lockhart:** I'd like to go back to 4-H for a minute. Can you give us some idea about this? I'm sure it's a very small piece of the whole policy framework, as far as dollars invested go, but what is the current contribution? Do we know?

**Ms. Guenette Bautz:** I wouldn't have the numbers for 4-H per se. Our organization is funded among five. There are five of us in that group. Our organization, CYFF, would be the second lowest funded organization. The 4-H is a great program and it's our starting process to bring young farmers into our step, so we completely support 4-H and see it as a strong partner to our organization, but I wouldn't know the funding dollars of their contractual agreement. They've been around a much longer time than our organization has, so they've built some other forms and streams of support to help them execute the work that they do.

**Mrs. Alaina Lockhart:** Has the funding been stable for CYFF?

**Ms. Guenette Bautz:** The funding has been a challenge for CYFF, although we have received agreements the last two GF category processes. We were cut in funding in the last round and the 50:50 matching made it very difficult for us to meet. We weren't able to execute all our activities because we didn't have the dollar for dollar to support it.



**Mrs. Alaina Lockhart:** That's an important point to see what the impact was and to maybe focus on that moving forward.

**Ms. Guenette Bautz:** Yes, I thank you for that. The greatest struggle that we faced was the reduction...no reporting for in-kind contribution. As a young farm organization, we have a lot of people who support us and put a lot of time and energy into helping us be successful and when we weren't able to report on in-kind, it was a huge block for us. It was a huge wall.

**Mrs. Alaina Lockhart:** Okay, thank you very much.

I have a quick question for the Canada Organic Trade Association.

You had mentioned certification and transition and I know from speaking to an organic farmer that transition to becoming certified is harder than starting new. Can you speak to that for a minute...or 20 seconds?

**Mr. Andrew Hammermeister:** The transition process is very challenging, but there are systems—and this is where we need support to help farmers through the transition period and transition can be part of all of agriculture. It doesn't necessarily have to be organic as well. If programs are in place that support transition, which includes training of farmers and having access to professionals, that can be helpful for all farmers, as well as organic transitioning farmers. Policies and programs that support it are definitely very important and very helpful.

**The Chair:** Thank you, Mr. Hammermeister.

[Translation]

Ms. Brosseau, you have six minutes.

**Ms. Ruth Ellen Brosseau:** Thank you, Mr. Chair.

[English]

I'm going to follow up on that. In Quebec and P.E.I., there is help for that transition. I guess you're looking for something more global in this next framework to make sure that, for the transition, there is some kind of help to go from conventional to organic.

Can you explain what is done provincially, how much money is given provincially and what those provincial programs look like?

**Ms. Tia Loftsgard:** Sure. I actually brought a copy of both of the programs with me, so I could leave those with you.

Each is a bit different. They go into the cost per production capacity. Fruit and vegetables have a different pre-certification amount that would be subsidized versus that of greenhouse, and grains and oilseeds, etc. They both have a component that essentially gives a subsidy, or a subsidization, not only for the certification costs but also for the products that are being produced depending on it, because of the intensification and the needs for each one of these different sectors.

We've also done an overarching plan of what is available in all the other countries in regard to supporting organic that is a model, perhaps, for the Canadian agricultural community to look at so that when we're selling on an international market, we're not disadvantaged. Plus, we have a lot of imports coming into our market that we have to compete against. Cost-wise, when there are subsidy programs in all other countries, and a patchwork across Canada,

we're looking for a federal strategy to make sure we remain competitive as an industry.

•(0925)

**Ms. Ruth Ellen Brosseau:** Could you elaborate on labelling for organics? Articles have come out over the last few years and recently on labelling issues. Can you explain a bit about the situation in Canada and other countries, maybe the U.S.?

**Ms. Tia Loftsgard:** Sure. In regard to the organic designation of products, we in Canada have three categories: made with organic ingredients up to 70%, the 95% organic, and then 100% organic certification. In Canada, you can use the logo on the last two. In the United States, they don't have the 70% category, I believe.

The method of the labelling is to make sure there is transparency about what is organic when you have some products that are not organic within there. Ingredient by ingredient, we have to put an asterisk, or really note and list the percentage on the actual package. That is a transparent method to convey to the consumers that they aren't being misled in regard to what is organic and what is not organic.

**Ms. Ruth Ellen Brosseau:** Thank you.

Thank you, Canadian Young Farmers' Forum, for being here.

I would like to inform the committee that this afternoon in the House of Commons we are going to be debating a great bill that concerns agriculture. It is a bill from my colleague Guy Caron. It would help the transfer of family farms. It would amend the Income Tax Act. It's a bill that I think would really help Canadian farmers and would help young farmers get access to farms, because there is an inequity right now. Maybe some of us will be speaking to this bill. I'm sure you are aware of this bill and will be following the debate.

Could you explain to the committee the importance of supporting young farmers? It's clear everybody agrees that we need to support young farmers by reducing this inequity. It's not just farms; it also includes fishing operations. Could you explain the importance of making legislative changes to the Income Tax Act to reduce this inequity?

**Mr. Paul Glenn:** It's anything to aid in the transfer of the farm. Obviously, there are usually large capital transfers that need to take place, and there are always huge tax implications when that happens, especially in supply management sides as well. For those farms to continue, you need a certain amount of land base, so it's not necessarily an option to sell off a portion of the farm just to continue a smaller portion of the farm. You typically need more land to continue on. Anything to support the transition, to aid with less tax, would be definitely an advantage for young farmers, and a priority, for sure.

**Ms. Ruth Ellen Brosseau:** Generally what sectors attract young farmers? Is it more organic? Is it more supply managed? Is it more *les grandes cultures*? Which sectors are more attractive for young farmers?

**Mr. Paul Glenn:** It's actually very diverse. Depending on your background, you might be interested in the organic side. It comes down to cost of production, as well. If you have only a few acres, as Tia said, to produce an actual income, a living.... A lot of young farmers have off-farm jobs. It's very common for them to start with full-time jobs, and then start their farm project. It's really tough to manage time. A lot of farmers are really hard workers and are eager. Really, they're taking a huge risk in agriculture, because it's not guaranteed.

**Ms. Ruth Ellen Brosseau:** There's a lot of uncertainty. I think what is really important is restoring the business risk management programs. We've heard from witnesses all throughout this study, and I talk to my constituents back home about this. There were cuts in the last iteration of the program. When I spoke to some people, they said that they'd like to have certain programs restored to the first iteration of Growing Forward when it comes to AgriStability.

Could you speak to the importance of having those tools restored and bona fide to make sure that we are supporting farmers?

• (0930)

**The Chair:** Madam Brosseau, sorry, but we will have to move on. Perhaps they can continue.

Mr. Peschisolido, you have six minutes.

**Mr. Joe Peschisolido:** I'd like to welcome the witnesses to today's proceedings.

Paul, I was intrigued by your comment about urban farming. In my neck of the woods, just south of Vancouver, there's an individual, Bob Ransford, who's a good buddy of mine. He's just written a book with some professors at Kwantlen and UBC called *Agricultural Urbanism*, in which he discusses the value of focusing on small plots of land but, as you mentioned, high-premium products.

Can you elaborate a bit more on the how the framework agreement can help young farmers get into this type of agriculture?

**Mr. Paul Glenn:** I can't really speak a lot on urban farming because it is very recent. Definitely, it's an interest. As everyone has become a foodie, they want to know where their food comes from. If you grow your own food, it tends to taste better because you grew it. It's kind of a different aspect from us because these are people from urban areas, so they're not necessarily connected with our young farmer organizations now. More and more of our provincial organizations do have non-farm members because people are interested in agriculture, so they join the groups to learn more and to grow those very small plots on rooftops and even on balconies.

**Mr. Joe Peschisolido:** Guenette, you mentioned the importance of educational institutions, high schools and universities. Following up on Kwantlen University, Kent Mullinix is the professor who heads up the program. He's taken the concept of urban farming and actually made it into full-time farming in Steveston in Delta, in the estuary there. The land is so rich because we get the nutrients and water from irrigation, and we can farm 12 months of the year. He's identified

that the vast majority of the land can produce hundreds of thousands of dollars in profit.

I want to know if there are any particular programs that you think can attract young farmers to get into that type of farming.

**Ms. Guenette Bautz:** I'm not specifically aware of any programs that the agriculture institutes across Canada could offer. I think it's an opportunity for us to work together to bring that into discussions moving forward. The CYFF in the last two years has worked at building a bridge of connection to all of the agriculture institutes across Canada. It definitely could be something we could further discuss. If there were an opportunity to achieve that, we would.

**Mr. Joe Peschisolido:** Thank you.

Tia, you mentioned earlier the importance of crop rotation and healthy soils. It seems that what you're describing is the traditional way of farming, husbandry, where organic farming is going back to the way civilization has farmed for 5,000 years.

Can you expand a bit on how we can use the framework agreement to help get a more diversified farming system?

**Mr. Andrew Hammermeister:** I guess I'll take that one.

I wouldn't describe it as just traditional farming techniques, because organic farming is very intentional about using crop rotations, designing systems to avoid pest pressure, and building healthy soils in a sustainable way. When we first moved out to the Prairies, for example, the soils were very rich, and you could kind of take advantage of that fertility. Now you can't. That's not there anymore. We need to have programs in place that really encourage soil building. This comes back to encouraging longer rotation systems.

P.E.I. has a crop rotation act that requires three-year crop rotations for special crops. We can also introduce requirements for legumes and incentives for growing legumes, especially perennial forages. If there's one thing that shows you can improve soil quality, it's including perennial forages in your cropping system for two or three years.

**Mr. Joe Peschisolido:** Earlier on, Madam Lockhart talked about the importance of Canada becoming a world superpower in food, which we can do. You talked about the importance of market access when it comes to certification. A lot of our activity is north-south right now. That may change with the new regime in the United States, but there's also a huge demand from Asia, including China, Korea, Japan, and India, for our food.

Can you discuss a bit more about what our government can do to get the certification that we require in these countries to make sure that the products that are coming here are good, solid products, but also to help us expand into those markets?

• (0935)

**Ms. Tia Loftsgard:** I'll let Marie-Ève take that one, because she's our lead on trade equivalency agreements and international markets.

**Ms. Marie-Ève Levert (Director, International and Regulatory Affairs, Canada Organic Trade Association):** You're right in saying that there is a growing demand everywhere in the world. Asia is one of the next markets, especially Japan. You see Europe as well with double-digit growth every year.

You were talking about our label and what we do to make sure the products that are coming into Canada are certified.

Products coming into Canada are already certified to our standards. If a processor wants to import an ingredient from Brazil, the product needs to be certified by a third party certification body in Brazil and be up to our standards in order to be able to be shipped to our country.

**The Chair:** I think we're going to have to end it there.

Thank you, Mr. Peschisolido.

Mr. Longfield, for six minutes.

**Mr. Lloyd Longfield (Guelph, Lib.):** Thank you, Mr. Chair.

You were mid-sentence, and I wanted to talk about trade as well, so if you could bridge us on that, it would be great.

**Ms. Marie-Ève Levert:** Another way we can build market and market access in other countries is by having the equivalency arrangement. Currently we have equivalency arrangements with the U.S., Europe, Japan, Switzerland, and Costa Rica, which allows us to have access to 90% of the global demand for organic. It means that our government added the system abroad. With negotiations and with side-by-side analysis of their standards, they are deemed equivalent. We vouch for the system in their country. That's why ingredients or processed products that are coming from each country are deemed equivalent. That helps trade as well. It helps growers and processors in each country by not adding the burden of another cost for certification to other countries' standards.

**Mr. Lloyd Longfield:** Within the standards and the equivalencies, the standards within Canada and certifications within Canada, at one point there were a lot of groups that were certifying, but weren't certified as a body. Have we standardized our certification network?

**Ms. Marie-Ève Levert:** Yes, we did standardize our certification in 2009. We now have a Canadian organic standard at a national level.

**Mr. Lloyd Longfield:** Our government has just ratified the CETA agreement. I'm wondering about the opportunities under the Calgary statement, which talks about markets and trade. Looking at the opportunities, we are undersupplied by organic right now. CETA might help with that. The European market is more developed for organics, I'm thinking, and we may learn something from that. We might be able to export into that market.

What's the net effect of CETA on organics?

**Ms. Marie-Ève Levert:** We are already exporting to Europe. We've been exporting there since we had equivalency with them. We signed our equivalency agreement in 2011. CETA will reduce the tariff barrier, but if we look at both countries, I think the main

difference is the investment that their governments are making in maintaining good standards, and also in promoting organic in their own countries. They're investing more than we do, so it could be a competitive disadvantage.

**Mr. Lloyd Longfield:** Is that something you could supply us through the clerk, the advantage that Europe has in funding organics relative to Canada? Once we start doing more trade, that might be a competitiveness disadvantage that we'd have to overcome.

**Ms. Marie-Ève Levert:** Yes. Absolutely.

**Mr. Lloyd Longfield:** That's terrific. Thank you.

• (0940)

**Ms. Marie-Ève Levert:** My colleague wants to add something.

**Mr. Lloyd Longfield:** Okay, but very briefly.

**Mr. Andrew Hammermeister:** It's a competitive advantage in science as well. They invest a lot more money in science there as well as supporting organic agriculture.

**Mr. Lloyd Longfield:** Right, thank you, and it's good to have Dalhousie here. I know that the University of Guelph and Dalhousie University do a lot of things together, especially in organics, so thank you for coming.

We have a group called FarmStart in Guelph that looks at how we help young people get involved in farming. I was involved with setting up an incubator centre for business in Guelph. I'm wondering if there is an equivalent in terms of land sharing so that young farmers could try a smaller plot of land. They couldn't afford the land, but could farm the land with a whole group of people. Are there incubator farms out there?

**Mr. Paul Glenn:** I'm sure there are. I don't know the specifics on them.

**Mr. Lloyd Longfield:** It seems like an opportunity.

**Mr. Paul Glenn:** Absolutely, that would be a tremendous opportunity, especially for new entrants to learn the business model basically and get their feet wet, and then build from there.

**Mr. Lloyd Longfield:** Great, thanks.

In that vein, I know co-ops are working on transition planning through the co-op movement. Do you have any type of relationship with co-ops, or are you using co-ops as a model?

**Ms. Guenette Bautz:** No, we're not currently working directly with co-ops, and it's not that there aren't a lot of opportunities for us to work with them. We are a single-staff organization with only 70% time and limited resources and funding.

**Mr. Lloyd Longfield:** They may be able to help with some of the research because of the research the international co-op movement is doing around transition and looking at non-standard....

I'm trying to fish out what we could work on through this policy framework. A lot of this is provincial in terms of high schools and specialist high-skills majors we have in Guelph who teach young high school students the opportunities around farming.

Precision farming has to be something that you're focused on, I'm guessing. Is there some way of helping the federal government to bridge to provincial governments with programs such as promoting precision farming within the education system in high schools or universities?

**Mr. Paul Glenn:** If there could be funding earmarked specifically for young farmer programs at the provincial level, that would be great. I know it's tough for some of our young farmer organizations to get funding from the provincial governments, and sometimes they do have other programs that are created but aren't necessarily linked, or don't focus on young farmers specifically.

**Mr. Lloyd Longfield:** Thank you both.

**The Chair:** Thank you, Mr. Glenn.

Mr. Shipley, we're in between, but anyway, I'll give you time.

**Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC):** Thank you very much.

It's good to see everyone.

I'm glad somebody touched on succession planning and the complexities with children. In the transfers, regardless, it's just a very difficult situation that everyone goes through, particularly with the number of transfers that are going to be happening over the next decade or so. One person told me that fair is not always equal, and when you get to the transfer of farms with a number of children, that's likely true.

I want to touch a bit on the access to capital for young farmers. We see the Farm Credit Corporation as a major lender. I'm quite honestly concerned with the amount of debt load, regardless of whether you're organic or conventional, in the agriculture industry.

I wonder if you have some thoughts, quickly, of what we might consider for the long term in terms of the sustainability of agriculture. Should there be a change in markets and/or interest rates?

Paul, I'll start with you, and then I'll go to Tia.

**Mr. Paul Glenn:** Yes, access to land is a big one, because the price of land is up so much, so then the capital to buy the land is obviously more difficult. If there is competition from outside Canada to buy that land, that's also a great risk to compete with them. But access to capital is a huge issue.

There is some good programming now from Agriculture and Agri-Food Canada for young farmers. I believe there is a \$400,000 loan for capital land investments, so that's great. It's not a one-size-fits-all program, so maybe if there is some flexibility in that program, or extra programs for the supply management sector, that could be very beneficial.

● (0945)

**Ms. Tia Loftsgard:** An idea that I've heard thrown around a few times is land trusts and actually creating a program that would allow older farmers to bring in younger farmers on their land and transition

the land slowly through a payment plan. I think that's an idea that needs to be explored further—removing any economic or income tax hurdles, etc., to create a program such as that.

Another thing in regard to debt is co-ops. I've seen young farmers. They love to pool together and spread the risk. I think that if there were a co-op incentive program for young farmers to come together to do collective buying of land or to reduce the risk and spread it through a co-op and land trust system, we would be able to create some innovative programming.

The great thing about co-ops is that there is an infrastructure there. There are 4-H clubs. I think all of this could be brought together for conventional and organic farmers.

**Mr. Bev Shipley:** Thank you very much.

Mr. Chair, do I have any time left?

**The Chair:** It will cut into the other one. Do you have a quick question?

**Mr. Bev Shipley:** We don't want to cut into anybody's time. I just want to say thank you.

I have some other questions that maybe I'll talk to you about personally.

Thank you very much, Mr. Chair.

**The Chair:** Thank you, Mr. Shipley.

I want to thank the panel. I'm glad to see younger farmers pushing us older ones. I'm glad to see you guys there to keep that 58 number down.

For the organic producers, if we could take that \$140,000 an acre and move it to a 3,000-acre farm out west, we'd have it made.

Thank you so much for appearing today.

We will suspend, for one or two minutes, and then we will continue with the other panel as soon as we can, because we are a bit tight on time.

Thank you.

● (0945)

(Pause)

● (0950)

**The Chair:** Welcome to our second hour of the committee on agriculture.

Today we have Mr. Keith Kuhl, from the Canadian Horticultural Council. We had a great reception last night. We also have, from the Dairy Processors Association, Mr. Jacques Lefebvre, president and chief executive officer.

[Translation]

Thank you both for being here.

I will hand it over to Mr. Kuhl.

[English]

You have up to 10 minutes.

**Mr. Keith Kuhl (President, Canadian Horticultural Council):** Good morning, Chairman and committee members. I wish to thank you for the opportunity to appear today to discuss the next agricultural policy framework.

The Canadian Horticultural Council is a national association that represents producers across Canada who are primarily involved in the production and packaging of more than 120 fruit and vegetable crops. Members include provincial and national horticultural commodity organizations as well as allied and service organizations, provincial governments, and individual producers. Since 1922 we have worked collaboratively with our members and government to advocate on issues and policies that are important to the Canadian horticultural sector. We represent members on such key issues as crop protection, access to a consistent supply of farm labour, food safety and traceability, fair access to markets, research and innovation, and government programming that ensures a more innovative, profitable, and sustainable industry for future generations.

The horticultural sector is one of Canada's largest agrifood industries. Today farm-gate sales with additional processing, supply chain, and induced impacts create an economic footprint of over \$11.4 billion in real GDP. With over 27,500 horticultural crops in Canada covering close to one million acres of land and providing over \$4 billion in annual direct farm cash receipts, horticulture farming is a valuable sector within Canadian agriculture. It has a direct positive impact on rural economies across the country and further positive impacts across industry as a whole.

Members from the horticultural sector have been in Ottawa this week having discussions with members of Parliament on some of the key issues facing the industry. We thank you for the meetings we've had with many of you. We are grateful for the support and interest shown in our meetings.

To allow time for discussion, I will focus my presentation on some of the key areas that will support our sector as we move forward.

The next policy framework must help position Canada's produce sector for success by ensuring that policies and programs are well informed, practical, and beneficial to the produce supply chain. Business risk management programs are very important to our producers, and need to be effective and responsive to help manage the impact of severe events on operations and incomes.

The AgriStability program is designed to provide support when experiencing a large margin decline. It has now been three years since funding was reduced for this program, and savings achieved by these cuts have exceeded targets. This is an important program for our sector. We need to see the level of coverage offered through AgriStability returned to the levels that preceded Growing Forward 2. We would like to see the AgriStability trigger threshold restored to 85% of the producer's reference margin, up from the 70% level under Growing Forward 2.

In the next policy framework, we would also like to see changes to the AgriInvest program, a self-managed producer-government savings account that allows producers to set aside money that can be used to recover during small income shortfalls. This is a simple and low-cost program to administer, with high uptake by producers.

We are requesting an increase in the basic contribution rate for matching contributions to 4.5% of the allowable net sales on eligible commodities, and an elimination of caps on government payments. Producers also need more flexibility on removing their own funds first on pre-approved investments.

Innovation is critically important to producers. The next policy framework must include increased support for research and innovation with an enhanced commitment to the produce sector. This is vital to ensure that Canada maintains its reputation as an agricultural leader. This includes expanded research and financial support to biotechnology, paying particular attention to good pest management practices while reducing long and complex regulatory processes that negatively impact competitiveness.

The AgriInnovation program has provided the horticultural industry with nearly \$7 million in support of industry-led research, with an additional \$2.6 million in industry contributions. Under the next policy framework, there is strong industry support to continue cost-shared funding at the current 75% government and 25% industry levels.

● (0955)

The horticultural industry has had great success within the Canadian agri-science cluster for horticulture 2. Collaboration among industry, private research, universities, and Agriculture and Agri-Food Canada researchers has demonstrated successful partnerships and has helped move industry priorities forward. The shift to cost-shared research has resulted in researchers being more engaged with industry to find priority areas for research.

The CHC supports the broadening of the number of projects approved under the horticulture science cluster that receive support. We would also like to see open consultation with industry on the nature of funding and associated restrictions with respect to eligibility at the onset of the future agri-science cluster programs.

With regard to the environment, our sector understands that climate change is a global challenge facing industry and government. Climate change impacts many areas of production, such as access to water, pest management, and energy sources. The horticultural sector plays a significant role in ensuring a sustainable sector as well as a secure food supply. We recognize that the federal government has been taking steps to address the challenge.

The CHC asks that climate change measures not place the horticultural sector at a competitive disadvantage. In the next policy framework, we want to ensure that there is federal funding that will address adaptation programs and ensure adequate support towards the resilience and environmental sustainability of the industry.

Public trust is a collaborative effort between government and industry. We must continue to build trust and have programs that best support industry in meeting the increasing demands of consumers and retailers seeking quality assurance and access to markets. This will require continued financial support for innovation to ensure the integrity of domestic food safety and working with our trading partners to achieve food safety outcomes that are comparable to the Canadian level of quality. It will also require improved alignment and integration of federal and provincial food safety assurance systems to make them more scalable and sustainable.

I am pleased to let you know that I have been nominated to be part of the steering committee to work on public trust and social licence.

The horticultural sector benefits enormously from trade. In 2014, 52% of Canadian fruit and vegetable production was exported, representing a farm-gate value of over \$2.1 billion. We continually look for opportunities to increase markets for our high-quality produce. The next policy framework must facilitate growth in exports, remove barriers to competitiveness, and work on improved integration regarding plant health, customs, and food safety systems.

I am again pleased to inform the committee that I've been asked to be part of the steering committee to develop the plant and animal health strategy.

I would like to briefly touch on the issue of labour. As committee members know, labour is an ongoing challenge in agriculture. The horticultural sector is significantly impacted when you consider that horticulture represents 50% of the labour gap in agriculture, which translates into a gap of 29,000 workers. Growers always seek to fill vacancies with Canadian workers first; however, with the increasing demand to meet production targets and avoid fruit and vegetable rot on farms, temporary foreign workers play a critically important role in our sector.

The federal government must continue to work with industry to ensure an accessible and reliable workforce. It is important to note that temporary foreign workers generally come for about six months. Most Canadians are looking for full-time employment. Also, our studies have shown that, for every foreign worker we bring in, two full-time Canadian jobs are created within the value chain.

These are some of the key areas that are at the forefront of the horticultural sector as the federal government develops their plan for the agriculture sector for 2018 and beyond. We look forward to continuing the dialogue on these important challenges and opportunities as we work towards a more innovative and sustainable industry.

•(1000)

Thank you very much.

**The Chair:** Thank you, Mr. Kuhl.

[Translation]

I will now give the floor to Mr. Jacques Lefebvre, president and CEO of the Dairy Processors Association of Canada.

You have 10 minutes, Mr. Lefebvre.

**Mr. Jacques Lefebvre (President and Chief Executive Officer, Dairy Processors Association of Canada):** Thank you, Mr. Chair, Mr. Parliamentary Secretary.

[English]

committee members, I want to thank you for inviting me to present DPAC's perspective on the next agricultural policy framework. I'll make my presentation in both official languages and will entertain your questions in French or in English.

[Translation]

First, I would like to take a moment to speak about my organization, the Dairy Processors Association of Canada. Our membership is made up of medium and large processors whose business models vary from multinational, publicly traded companies, to cooperatives and companies with closed capital.

Our processors purchase more than 85% of the total milk produced in Canada.

•(1005)

[English]

The economic footprint of the dairy processing sector is significant in Canada. Dairy processing has a material presence in every province, with a revenue exceeding \$17 billion in 2015. Dairy processing directly generates \$3.7 billion in gross domestic product. When indirect and induced effects are considered, the Canadian dairy sector generates a total GDP of nearly \$18 billion. We support over 23,000 direct jobs, with an aggregate payroll of over \$1 billion annually. When taking into account direct, indirect, and induced jobs, the dairy processing sector is the bedrock for over 211,000 jobs in Canada, with wages and benefits of about \$9.6 billion.

More important is where the dairy processing jobs are located. Many of the plants are in rural areas where there are few other opportunities of employment. Although we may not be able to assign and add value to that factor, for the communities where those plants are located, they know the value.

With the next agricultural policy framework, Canada wants to ensure that it can have a vibrant agrifood sector for generations to come. For this to happen, agriculture and food processing must be in lockstep. In the dairy industry, dairy farmers and processors operate in a supply management system. Most recently, we have concluded an agreement in principle with dairy producers, which will result in the modernization of supply management here at home. This sets the stage for both sectors of our industry to tackle opportunities, but also face threats. I'd be remiss if I didn't talk about some of those threats.

Although we, too, await the promises of the comprehensive economic and trade agreement, CETA, the threats that come with it are real. The import tariff-free of some 18,000 tonnes of European cheese will likely displace cheese produced here at home. According to our estimates, absent of mitigation measures, the potential loss to our economy is \$720 million annually and some 2,900 jobs. That said, the dairy industry in Canada is resilient. We'll roll up our sleeves, and we'll find a way to adapt under the new environment created by CETA.

Let me be clear. It's first and foremost our responsibility to adapt, but we will need some support from governments. The recent announcement by the Minister of Agriculture and Agri-Food of a fund for the modernization of the industry was seen as a positive first step. However, before you can prepare for the future, we first need to mitigate our losses. This is why the allocation of new cheese tariff rate quotas, an integral part of the CETA negotiations, represents the next step for government to take in helping the industry adapt.

Both dairy processors and producers share the opinion that these licences should be assigned to dairy processors. We're the only sector in the supply chain, other than dairy producers, for whom losses are real. Others see this as a new business opportunity, but in reality, they have no skin in the game. We're counting on the Minister of International Trade to make the right decision.

[Translation]

Your work as part of the next agricultural policy framework is crucial in charting the course for the future of the dairy industry in Canada. As part of the stakeholder consultations, we have heard officials and participants highlight the importance of innovation. In this area, dairy processors are committed to innovation, be it as part of a sustainable development approach, improving processes, developing new products or through efforts that go beyond our sector. I look forward to speaking about innovation at greater length during the question period.

[English]

Currently, investment in food processing innovation within Agriculture and Agri-Food represents about 5% of the total budget of the department. This historical trend must be redressed if the overall sector of food processing, including dairy, is to thrive and further contribute to the job market in Canada and the overall economy. Although some have suggested that the food processing sector would be better represented under the Department of Innovation, Science and Economic Development, we're still reflecting on the implications of such a recommendation.

Notwithstanding, DPAC recommends that the Government of Canada, pursuant to the mandate letter of the Minister of Agriculture and Agri-Food and the Calgary statement, formally recognize farmers, ranchers, and processors as the foundation of the Canadian food sector. Accordingly, that should grant a higher priority to the food processing sector in the next agricultural policy framework.

We also believe there is a need to have a broader food strategy that rests, in part, on the need for a robust food processing sector, including dairy. The broader strategy is necessary in order to have an integrated approach throughout the industry.

Furthermore, establishing the framework and a broader strategy is only part of the job that lies ahead. While we recognize the importance of ensuring value for dollar for taxpayers, many programs are plagued by administrative burdens, offered through a patchwork of programs and regulations, and frankly, are not user-friendly. These hurdles stand in the way of moving from policy to successful implementation and ultimately reaping the full-value potential of the food industry. Often, the administration of programs is such that they seem oblivious to the competition that exists for international investment dollars.

In this area, DPAC's recommendation is that the federal government include a "one-stop shop" approach to the delivery of its programs in the agriculture and agrifood sector. In other words, our sector has demonstrated that it is willing to invest here at home. We're asking for your support to make it easier for us to do so. I encourage you to mobilize the sector as well, in helping government design the criteria for future programs.

I will take a moment to talk about three programs that were part of Growing Forward 2: AgriInnovation, AgriMarketing and AgriCompetitiveness.

First, I'll talk about AgriInnovation. Although we're supportive of the objectives of the program, red tape and its financial design prevent it from fully leveraging the opportunities of the sector. Beyond the administration of the program, DPAC recommends adjusting the envelope of the program to be more in sync with the costs of R and D and improving flexibility in the design of contributions associated with the program. Furthermore, the existing food processing science cluster under this program excludes dairy processing. We recommend that a cluster be created specifically for dairy processing.

As for the AgriCompetitiveness and AgriMarketing programs, we recommend that they be reconducted. In the case of the latter, we would offer that the market development stream should allow companies with more than 250 employees and annual sales exceeding \$50 million to be eligible.

● (1010)

[Translation]

Finally, the dairy industry faces a growing concern with access to talent and skills. As part of the new framework, we recommend developing an AgriSkills program which would leverage the expertise of dairy processors, producers, and the Canadian Dairy Commission, and fund initiatives such as expanding co-op programs in universities and colleges, internship programs, and food processing programs in colleges and universities.

[English]

Mr. Chair, there is much to say about our industry and the dairy processing sector and leveraging its full potential as part of Canada's economy. I look forward to pursuing the discussion during the question period.

Thank you.

[Translation]

**The Chair:** Thank you, Mr. Lefebvre.

[English]

We'll move into our question period.

Mr. Anderson, you have six minutes.

**Mr. David Anderson:** Thank you to the witnesses for being here today.

Mr. Lefebvre, I want to go the top of the page where you talk about two recent announcements and the establishment of a nutrition and nutraceutical-grade dairy ingredients hub.

What are you looking to see in the future in terms of innovation and in terms of nutraceuticals, bioproducts, biochemicals, bioplastics, that kind of thing? What do you see coming out of the dairy industry? It's always been interesting to follow this tremendous innovation that takes place in agriculture, so I'm wondering what you see in those areas in the future.

**Mr. Jacques Lefebvre:** As one of my members put it to me recently, the sky is the limit for the industry. There is an approach that says "from cradle to cane". We often think of dairy in the context of food, but there are also supplements. There is also a component in regard to pharmaceuticals, where dairy ingredients can be used in developing future products.

I say that the sky is the limit, because the creation of the hub is exactly for that, to foster innovation in the industry, in regard to the traditional association of milk and consumption products, but also beyond that.

•(1015)

**Mr. David Anderson:** Is that just beginning in Canada? Is it at the idea stage, or are there some products you can talk about that you think will be important in the future?

**Mr. Jacques Lefebvre:** Again, this announcement by one of our members.... The creation of that hub is really to foster that innovation. It is to create a platform through which we can look to the future and fully exploit the potential of dairy in Canada in food, but also in other areas, including pharmaceuticals.

**Mr. David Anderson:** Thank you.

Mr. Kuhl, where does the majority of your funding for research and innovation come from? Is it provided as a percentage, or do you find your members doing their research independently?

**Mr. Keith Kuhl:** Are you talking about the research that was done jointly—

**Mr. David Anderson:** I'm talking about your industry generally. Do you rely on that formula with the government to do research and innovation? Where is your impetus for research and innovation coming from?

**Mr. Keith Kuhl:** If you look at the industry, you'll see research and innovation all the way across the industry. There is research being done on many of the farms. There is also association research being done at the provincial level. There is work being done with universities, with provincial governments, and of course through the science cluster. In the horticulture industry, there is research at every level.

**Mr. David Anderson:** This is a different question.

Yesterday there was an announcement made by the government that they are going to be restricting or banning the neonicotinoids here in the future. Do you know if your industry was consulted prior to that announcement? I know other associations said they were not. On a conference call, they admitted they hadn't done any type of cost analysis on that. Were you consulted?

**Mr. Keith Kuhl:** No, we weren't. We were caught off guard on that, although there is a 90-day consultation period prior to its coming into effect. I believe the announcement indicated that the change would come into effect in three years.

**Mr. David Anderson:** I guess I was surprised that the first approach wouldn't be to try to get the levels down to the thresholds rather than an outright ban. I don't know if you want to comment on that any further.

**Mr. Keith Kuhl:** I have one comment on that. One of the first things we will do is enter into a discussion with the crop protection companies to determine what products we have coming in for registration that could replace some of the products that are going to be removed. Products like Admire are very significant for us in our industry, and it's absolutely crucial that we have replacements before we remove the old tools.

**Mr. David Anderson:** With announcements like this, is it hard to see yourself as an equal to the government? I think one of the things about the APF is that we want to see industry coming in, and some sense that they are being listened to and heard, and then things like this happen.

**Mr. Keith Kuhl:** The Minister of Agriculture has indicated on an ongoing basis that the current government wants to be very consultative, and we would really encourage, on issues like this, that we enter into the discussion prior to the announcement so that we can work together with the government to find solutions. We are absolutely willing to enter into these discussions on an ongoing basis.

**Mr. David Anderson:** There is another discussion that I think was a surprise to some in your association, which was the carbon tax. Medicine Hat is not in my riding, but Redcliff and Medicine Hat have a lot of greenhouses. They are just panicked about what carbon taxes are going to do to their industry. That's just another example where a consultation hadn't taken place ahead of time.

**Mr. Keith Kuhl:** As I indicated in my presentation, we realize that climate change has to be looked at. Let's sit down at the table, work together to find the solutions, and put together the plans.

**The Chair:** Thank you, Mr. Kuhl, and thank you, Mr. Anderson.

[Translation]

Mr. Breton now has the floor for six minutes.



**Mr. Pierre Breton (Shefford, Lib.):** Thank you, Mr. Chair.

Thank you to Mr. Lefebvre and Mr. Kuhl for being here with us today. My first question is for Mr. Lefebvre.

I am very proud that you are here, especially since my riding, in the Granby area, has three large companies. They are Aliments Ultima, which also has operations in Vancouver; the dairy cooperative Agropur, the cradle of dairy cooperatives in Canada; and Laiterie Chagnon, a dairy company in Waterloo.

I wonder if this last company is one of your members.

• (1020)

**Mr. Jacques Lefebvre:** Not yet.

**Mr. Pierre Breton:** Not yet; you are working on it.

We have made some announcements recently, including \$350 million for the dairy and cheese industry. This is a big step forward. It is good news for the industry. I would like you to explain how this money will be invested. The amount specifically earmarked for the dairy industry is \$250 million.

How will that amount be invested?

**Mr. Jacques Lefebvre:** Thank you for your question, Mr. Breton. I am very familiar with your riding since I come from that region. So I am very familiar with the place.

**Mr. Pierre Breton:** I am glad to know that.

**Mr. Jacques Lefebvre:** I will answer your question about how this amount will be invested. We are currently taking part in government consultations to determine how the criteria will be applied.

It is clear to us that the criteria will determine how we access the funds announced and what form the investments will take.

So the next step is to determine the criteria for how the funding will be used. Then we will see how we can access that funding to be even more innovative than we are right now.

**Mr. Pierre Breton:** I understand that you'll certainly have some say in the matter. Obviously, we want your industry to reach its full potential and to be more competitive. I would think and hope that these amounts will be partly allocated to technology and innovation for your industry.

Do you have any comments?

**Mr. Jacques Lefebvre:** Absolutely. You understand that investment decisions are made by corporations on an individual basis. Even though, like you, I've heard about future project ideas, it would be inappropriate for me to make announcements on their behalf.

However, I can tell you that Canada's dairy processors certainly want to take full advantage of the opportunity. I'm talking not only about the funding that has just been announced, but also about the agreement in principle established with the producers. The people in the field describe the agreement as historic.

I'm very optimistic about our future as a result of the funding and the way we plan to encourage innovation and expand the production and processing sectors of Canada's dairy industry, and also given all the potential ahead.

**Mr. Pierre Breton:** Before moving on to Mr. Kuhl, I can tell you that the businesses back home, such as Agropur, Ultima Foods and Laiterie Chagnon, are excellent employers. They are major employers that pay very good wages to the employees on site. They also create a great deal of wealth because they support most of the agricultural producers in my constituency. They purchase all their milk in the region. This is good news. Thank you for your responses.

Mr. Kuhl, I have questions regarding fruits and vegetables. Obviously, growth depends on exports.

Are you having problems with your earpiece? Do you hear me? Is the translation okay?

**Mr. Pierre Breton:** Thank you.

You mentioned in your presentation that your industry's growth depends on exports. You already export 50% or 52% of the fruit and vegetable production. Your growth is more and more dependent on exports because global demand is increasing. How can the government provide further support for this increase?

• (1025)

[English]

**Mr. Keith Kuhl:** Thank you very much for your question.

First of all, while we really work to increase export trade, we also feel that we need to concentrate more on health and nutrition with Canadians. We need Canadians to eat more fruits and vegetables.

One of the campaigns that we're working on with the Canadian Produce Marketing Association is to encourage Canadians to use half of their plate for fresh fruits or vegetables. If we can convince Canadians to increase their consumption of fresh fruits and vegetables by one serving a day, it will have a very significant impact on the Canadian economy, on Canadian health, and also on the cost of our medical system.

We work with the Canadian government on trade missions, and we continue to work with the government on trade agreements with different countries.

**The Chair:** Thank you, Mr. Kuhl.

[Translation]

**Mr. Pierre Breton:** Thank you.

**The Chair:** Thank you.

I adjusted the time a bit.

**Mr. Pierre Breton:** No problem.

**The Chair:** Ms. Brosseau, you have the floor for six minutes.

**Ms. Ruth Ellen Brosseau:** Thank you, Mr. Chair.

I want to thank the witnesses for their important and very interesting presentations.

Mr. Lefebvre, I'm a strong supporter of our supply management system. When we talk about transition plans, we're talking about assistance for the dairy and processing industries.

Last week, I had the honour of participating in a wine and cheese party in my constituency, in Berthierville. The cheese came from the Domaine Féodal cheese factory, which is known around the world. It wins awards everywhere and it's still beating European cheeses.

In the past two to three years, the cheese factory has invested about \$1 million in improving its facilities. Its investments are extraordinary.

As you mentioned earlier, the plan announced by the government does not necessarily cover the industry's losses. The annual losses are much higher than the losses predicted in the plan. The government announced \$100 million in financial assistance for the processing industry, but we don't yet know the details of the assistance. I know that you're part of the group that will be consulted and that will work on implementing criteria. Do you think the small producers of fine cheeses in Quebec, such as the Domaine Féodal cheese factory or the Ferme Vallée Verte in Saint-Jean-de-Matha, will have access to this compensation? Are you expecting the government to provide other forms of transition assistance?

**Mr. Jacques Lefebvre:** Ms. Brosseau, thank you for your question. I will provide a two-part answer.

All small and large dairy processors should have access to the funding announced. We will establish the access criteria. However, we think the funding must be available to everyone. You spoke of small and medium processors, but you must understand that large processors will also be significantly affected.

Suddenly, the fine cheese industry must deal with the tariff-free importation of 18,000 tonnes of fine cheeses from Europe. This will certainly affect both small and large processors. There's a growing myth that the large processors won't be as heavily affected. I think there's some confusion. The large processors will also be heavily affected.

If a Brie de Meaux enters Canada, there are strong chances it will take the place of a locally produced Brie cheese on the shelves. The consumer may also choose the imported product. In this case, what will a producer do with its production line? Will the producer continue to work at a loss? No. If the producer closes its production line, jobs and investments will be lost. It's a bit of a myth that only the small processors will be affected.

Of course, given the range of their products, large processors may decide to invest in other segments. If a large processor produces fine cheeses, the processor may decide to close that production line and invest more in yogurt production. Nevertheless, it's important to understand that larger processors will also suffer significant losses. All stakeholders in the industry will suffer losses.

That was the first part.

Now, to answer the question of how the amounts will be allocated, I would say the entire industry should be supported. This includes the small, medium and large processors.

• (1030)

**Ms. Ruth Ellen Brosseau:** Absolutely. I think everyone around the table knows it. I sincerely believe that the \$100 million will not be enough to cover the losses resulting from the Canada-European Union Comprehensive Economic and Trade Agreement.

[English]

Mr. Kuhl, I want to talk to you about the importance of having access to workers. This is an issue that is brought up by many people before committee and by many people in groups across Canada, the importance of having access to workers, a strong, stable program, a vision.

Could you elaborate on some recommendations you would have for committee for workers and some problems you have in the sector presently?

Also, give us perhaps an update on PACA, the Perishable Agricultural Commodities Act. That is something that is brought up often at committee. I've been on the ag committee since 2012, and we have talked about it a lot. I know that some kind of study is going on, a proposal. Perhaps you could give the committee an update on what stage it has reached and on the importance of having it in place.

**Mr. Keith Kuhl:** First of all on the issue of labour, all of the programs fall under the temporary foreign worker program. We deal with the seasonal agricultural worker program, which has been a tremendous success—it just celebrated 50 years of success with Mexico and Caribbean countries—and then with the ag stream of the temporary foreign worker program.

We had a meeting with Minister McCallum in the spring. Many of our producers have been using the programs for many years, often bringing the same people in year after year. We suggested that the government look at developing a NEXUS program or trusted employer program that would allow the timeline needed from when you need the worker to when the worker arrives.

**The Chair:** Thank you, Mr. Kuhl. I have to cut it off there.

[Translation]

Mr. Drouin, you have the floor for six minutes.

**Mr. Francis Drouin:** Thank you, Mr. Chair.

I want to thank the witnesses for being here.

My first question is for Mr. Lefebvre. It concerns a matter that you discussed a bit with Ms. Brosseau.

I'm trying to understand how you measured the impact of this agreement. I'm not accusing anyone here. In Canada, we're always talking about our competitive advantage in relation to the U.S. exchange rate, for example. The euro is worth CAD1.40. I'm trying to understand. Have you taken into account the exchange rate in your calculations? I'm asking this question sincerely. I want to understand how the analysis for your sector was conducted.

**Mr. Jacques Lefebvre:** We'll be pleased to provide the specific details of the calculation.

**Mr. Francis Drouin:** Okay.

**Mr. Jacques Lefebvre:** We have an economist who will provide the details.

Mr. Drouin, one thing in particular must be mentioned. It must be understood that the commodity of milk, in a supply management system, is more expensive. It's more expensive here than in Europe. At this time, it's not quite double the price, but it's close to that. In terms of competitive advantages, we must deal with this reality. We operate in a supply management system. As I said earlier, we're working hard with the producers on modernizing the system so that it can operate in a framework in which international agreements such as CETA are established. However, the threat is real. As such, we're saying that the \$100 million in funding is important, but that another step must follow. Tariff quotas must be imposed on cheeses. This step is important. It's how we can better prepare the industry, the two sectors, to face the competition.

Regarding your original question, it's a fact that milk is much more expensive in Canada than in Europe. It's one of the realities of the system.

• (1035)

**Mr. Francis Drouin:** Okay. You mentioned that 5% of the department's budget is allocated—

**Mr. Jacques Lefebvre:** To innovation.

**Mr. Francis Drouin:** —to processors. I know associations are wondering whether they would be better served by another department. You're still thinking about the matter and you have doubts. Why?

**Mr. Jacques Lefebvre:** A number of considerations must be reviewed. If the responsibility for the dairy processing industry were transferred to another department, the change would be significant. There are all sorts of considerations involved, such as focus. The study you're currently conducting shows us that food processing, including dairy processing, is becoming an increasingly important part of the government's program. This is reassuring for us. However, an exercise must be carried out. I know that other groups are advocating for a change of department. We're still thinking about whose authority we should fall under and about the most effective way to help the industry do what it does best. This includes bringing products to the market, creating employment and generating investments in Canada.

**Mr. Francis Drouin:** I love your idea of a one-stop shop. I think it's a very good idea. We must see how we can work with the provinces on implementing this one-stop shop. I know this is done often in entrepreneurship in Canada, with NSERC's research and development service.

However, are your members informed of what the provinces are doing? We often talk about added value in processing. I know that, in Ontario, a plan to help processors invest in equipment was announced. Maybe the dairy sector could be included in such a plan. Are discussions being held with the provinces as well?

**Mr. Jacques Lefebvre:** Yes, Mr. Drouin. I can tell you that our companies look at all the available programs, both federal and provincial, in order to invest in our facilities. For example, the reverse osmosis system may cost tens of millions of dollars. We want to be more efficient, because it's necessary in Canada's dairy processing industry. In our system, we must be very efficient, and we use all the programs available. However, given the time spent looking at the programs, the criteria that must be met, the forms and

the time frames, we think there must be a way to establish a one-stop shop to make the investment easier. We want to invest, and we're asking the governments for help so that we can invest and create employment in Canada.

**Mr. Francis Drouin:** Thank you, Mr. Lefebvre, and congratulations. You've been in your position for almost one year.

**Mr. Jacques Lefebvre:** Thank you.

**The Chair:** Mr. Longfield, you have the floor for six minutes.

[*English*]

**Mr. Lloyd Longfield:** Mr. Chair, and I'll be splitting my time with Mr. Peschisolido, if that's okay.

**The Chair:** Sure.

**Mr. Lloyd Longfield:** I have a question for Mr. Kuhl around the emissions-trading network that Canada is now becoming part of, looking at putting a price on pollution, but also at revenue opportunities. We look at the EU emission-trading scheme, California allowances, and the New Zealand and Australian units.

Last night at supper, we had a great conversation with the greenhouse industry, talking about how greenhouse businesses capture CO<sub>2</sub> and how the plants use CO<sub>2</sub>, and how they capture heat and they use the heat for their units. Part of the Calgary statement has to do with promoting environmental sustainability and initiatives on climate change, and the government incentivizing programs around that.

Could you briefly comment on where your group is in terms of embracing climate change initiatives?

• (1040)

**Mr. Keith Kuhl:** I think the greenhouse sector, which is one of the largest sectors under the horticultural banner, is a primary opportunity for us. As you're aware, the greenhouse industry has to have access to carbon because the plants within the greenhouses create so much oxygen, and eventually the greenhouses get overoxidized, and so the producers are injecting carbon into the greenhouses. We have to find ways to capture the carbon elsewhere and bring it to the greenhouses so the greenhouse producers no longer have to produce their own carbon. This is a fantastic opportunity for the government.

**Mr. Lloyd Longfield:** Yes, I think so as well. Thank you for putting that on the table. I look forward to working with you on that opportunity.

Mr. Peschisolido.

**Mr. Joe Peschisolido:** Lloyd, thanks.

[*Translation*]

Mr. Lefebvre, you mentioned the regional issue.

The dairy industry in Quebec is different from the dairy industry in Ontario and British Columbia. As you know, the dairy industry in British Columbia is concentrated in the valley near Vancouver, in Chilliwack and Abbotsford.

What can we do to develop this industry?

**Mr. Jacques Lefebvre:** Thank you for your question, Mr. Peschisolido.

I assume you're talking specifically about dairy processors.

**Mr. Joe Peschisolido:** Yes, exactly.

**Mr. Jacques Lefebvre:** As Mr. Breton mentioned earlier, in the dairy processing sector, a number of the processors are located near the producers. The greater the number of producers, the stronger the presence of the processing industry. Obviously, business costs are involved. There is a desire to be close to the initial product.

I'll answer your question using this simple equation.

In terms of future possibilities, I can tell you that one of the most innovative companies in our association is Vitalus, which operates in the dairy ingredients sector. Vitalus is located in your province.

This is also probably one of the future possibilities. When we talk about innovation and investment, we must take into account traditional capacity, meaning dairy processing for the food industry. However, as I mentioned earlier, this is true for other sectors as well. That's why innovation is important. Innovation is related to investment capacity, which will be further expanded.

Regarding your point, the industry is in fact concentrated, and it's also concentrated for the producers in Quebec and Ontario.

**Mr. Joe Peschisolido:** How can we use the University of British Columbia to help encourage innovation in the industry?

**Mr. Jacques Lefebvre:** In think the universities and colleges play a very important role in research and development. We must take this opportunity not only to encourage them to invest in innovation, but also to make it accessible for marketing. When the research is made more accessible to industries, the investments follow.

[English]

**Mr. Joe Peschisolido:** Keith, I want to follow up on your point about labour. As you know, Ocean Spray is based in my riding of Steveston-Richmond East. I visited there, put on overalls, and went into the water. It was fascinating. These three wonderful chaps from Mexico were working there. They've been coming back here for over 15 years. They've had to go in and out because of the four-in, four-out rule.

One point that was made by the farmers and the Ocean Spray executives was that they wanted to keep these folks long term, but the issue for them was that they couldn't go over to work on the berry farms, or they couldn't go and work in the fish plants, for which they actually had skills.

What changes can we make to this program to look at these issues?

•(1045)

**Mr. Keith Kuhl:** I think we need to have open consultation and dialogue on this one. Most times when the temporary foreign workers come in, they want to work a maximum number of hours. They're generally happy to work 12- to 16-hour days, because it improves their lifestyle back home so incredibly—

**The Chair:** Thank you, Mr. Kuhl. I have to stop you there, because some members have to leave.

Thank you to the panel for appearing today. This has been very informative for us in terms of our recommendations on the strategy.

Before we leave, everyone, I just want to confirm that the letter we propose to send to the minister is okay with everyone.

Is there agreement? Are we good?

**Mr. Francis Drouin:** I'm good. It's just that on the local veterinarians issue, I'm for this, but if there's no procurement vehicle...because these people have to get paid...that would actually delay the process. They are contractors. I just want to make sure that....

I agree with the content of the letter, but I don't want it to cause more delays if we go to local veterinarians.

**The Chair:** Yes. I think it's to make sure that the system is—

**Mr. Francis Drouin:** It's about speed.

**An hon. member:** They're welcome to take pro bono.

**Some hon. members:** Oh, oh!

**The Chair:** To go back to the letter, is everyone agreed?

**Some hon. members:** Agreed.

**Mr. David Anderson:** It will be posted on the committee website, will it?

**The Chair:** It will.

**Mr. David Anderson:** Perfect.

**The Chair:** The meeting is adjourned.







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