

# Standing Committee on Agriculture and Agri-Food

Monday, March 21, 2016

#### • (1530)

### [English]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): Welcome, everyone, to our agriculture committee meeting. It's a very interesting one today. We have the honour of having the Minister of Agriculture, the Honourable Lawrence MacAulay, a good maritimer who escaped the snowstorm today with me, here to explain his mandate letter and also to talk about the main estimates.

We'll proceed with the minister's presentation.

You will have your opening statement, Mr. Minister, and after that we'll go with the question period.

Thank you.

[Translation]

Hon. Lawrence MacAulay (Minister of Agriculture and Agri-Food): Thank you, Mr. Chair.

Good afternoon everyone.

[English]

I'm honoured to be here today and I'm joined by my deputy minister, Andrea Lyon; assistant deputy minister, Pierre Corriveau; and assistant deputy minister, Greg Meredith.

I congratulate you, Mr. Chair, and all the members, for being selected to this committee. While we all come from different backgrounds, our goal is the same, to build a stronger agriculture food industry in Canada.

I am honoured to have been appointed Minister of Agriculture and Agri-Food. It has been a busy few months on the job building relationships throughout the sector and throughout the country, which is so critical. I've been talking to industry and my provincial and territorial counterparts. I have been speaking to our international partners, including the United States, China, Mexico, and the EU. I look forward to continuing discussions with my colleagues, industry, and Canadians to help improve the agriculture industry in Canada.

We are meeting at a time when Canada's agriculture and food sector is in a relatively strong position. Net cash income is expected to hit a new record in 2015 of \$15 billion and remain strong for 2016. The farm balance sheet is also strong with a lower ratio of debt compared to assets. Meanwhile, our agriculture and food exports hit a new record of over \$60 billion last year, and there are more exciting opportunities for growth to come.

The purpose of our meeting today is to look at the government's financial estimates, as well as to outline the key priorities in my

mandate letter. The main estimates outline the department's planned spending for the coming fiscal year. The estimates are a snapshot of the department's budget at a point in time. As members know, the department's budget can change over the fiscal year depending on the changing needs and priorities. These changes are reflected in the supplementary estimates.

Agriculture and Agri-Food Canada 2016-17 main estimates total \$2.26 billion. The majority of the department's funding supports programs under Growing Forward 2.

Mr. Chair, I'd like to give the committee a brief overview of how our investments are building a stronger Canadian agriculture and agrifood industry. Growing Forward 2 is a \$3-billion investment over five years to drive a Canadian agriculture and food industry that is innovative, competitive, sustainable, and focused on markets. Of this amount \$1 billion is earmarked for federal programs. The balance, \$2 billion, is cost-shared funding with the provinces and territories on a 60:40 basis. The provinces and territories use these resources to meet the regional needs of their industries.

In addition, this year's main estimates reflect \$1.3 billion available for business risk management programs. Our investments under Growing Forward 2 are helping our agriculture and food industry stay on the cutting edge of innovation, marketing, sustainability, and competitiveness.

Turning to my priorities, a central one is supporting science and innovation. Science is the core of Agriculture and Agri-Food Canada. For over 125 years research has helped build a world-class agricultural industry in Canada. I've had the privilege of visiting some of our research centres across the country. It is amazing what our scientists do—helping farmers cut expenses with crops that are resistant to certain diseases and insects, and helping ensure efficient use of inputs such as water and fertilizer, which is good for the environment and for the producer's bottom line.

Through investments in science, our government will help the sector stay on the cutting edge. Some examples of recent Growing Forward 2 investments in science include almost \$8 million with Saskatchewan for livestock and forage research, and \$3.6 million to help cattle producers harness the power of genetics and open up new markets. The main estimates also outline capital investments of over \$30 million to boost capacity at our research centres, as well as other improvements to greenhouses and laboratories.

Innovation is critical to delivering the government's strong environmental mandate. My mandate includes the environment, helping the sector adjust to the increasing number of issues associated with climate change and addressing water and soil conservation issues.

Farmers are already making great progress. We all know Canadian farmers are incredible stewards of the land. A recent study shows that the Canadian cattle industry has reduced its environmental footprint over the past three decades while increasing production by one-third.

Growing Forward 2 is also supporting environmental actions on our farms. For instance, we recently joined with Alberta in announcing funding under Growing Forward 2 to support solar power on farms. These kinds of investments will boost Canada's reputation for environmental stewardship at home and abroad.

Along with innovation and the environment, another key priority is trade. The government supports trade because it creates good jobs for Canadians and contributes to economic growth. We want to be sure our farmers and processors reap the benefits of the growing world population.

In these estimates you will see resources going to help our farmers and food processors grow their markets through investments under agri-marketing programs. In the past few months we have worked hard to open markets for our beef farmers in South Korea, our beef and pork producers in Ukraine, our pork producers in India, our livestock genetics in Georgia, and our beef genetics through our investment of \$2.6 million in the Canadian Beef Breeds Council.

Our farmers can compete with the best, but they need a level playing field to do so.

We took a big step in this direction in December when the United States repealed country-of-origin labelling for beef and pork. I am pleased that the USDA has now officially repealed the legislation. This is positive news for our pork and beef industries.

The government also strongly supports supply management. Having worked both in the dairy and potato business, I have a good appreciation of how important supply management and trade are to our farm businesses and to our economy. We will continue to advance all Canadian agricultural interests as we consider trade matters, which include the Trans-Pacific Partnership. The government has committed to hearing from Canadians on TPP before determining whether the Canada will ratify the agreement, and we have committed to a comprehensive debate on the TPP in the House of Commons.

I have already been discussing the TPP with farm organizations to get their view. Our message is clear, the Government of Canada fully supports supply management. We understand the importance of compensation to the supply-managed sector should the TPP enter into force. We will continue to engage with farmers on this important issue.

Just over half the money budgeted under the main estimates is available for our business risk management programs. Farmers look at government to help them manage risk and recover from the impact of disasters and disease. For example, in January we announced investments to help the tree fruit growers and maple syrup producers in Nova Scotia to recover from weather-related damages.

The estimates include an increase of \$5 million for agri-risk initiatives. The initiatives are focused on helping to develop new and innovative risk management tools for Canadian farmers.

We are also moving forward on improvements to the advance payments program. These changes were requested by farmers and are now in force. They will make the program more user friendly and flexible while covering most commodities.

The Prime Minister has asked me to engage with farmers and provincial governments to ensure our business risk management programs are meeting their needs.

Before I close, Mr. Chair, I will give the committee a brief look ahead.

• (1540)

In the coming months I'll be working with the provinces and territories to position the sector for even greater success through the next agricultural framework. We've been listening to farmers, processors, and Canadians. More and more customers around the world are looking for the great products coming from Canada's farmers and food processors. The new framework will help ensure that the industry can meet and benefit from the growing demand. For the longer term, we're also committed to beginning discussions with governments and industry on the direction of food policy in Canada.

Mr. Chair, I hope that this has given you a sense of my priorities as minister. To sum up, I want to listen to, work with, and invest in our agricultural industry. Thank you for the opportunity to visit you, and I'm pleased to be here.

**The Chair:** Thank you, Mr. Minister, for outlining how this government plans to support and guide agriculture in the future, and for the overall picture of where it is today.

We'll start with the questions.

[Translation]

Mr. Gourde, you have six minutes.

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

I thank the minister and the deputy ministers for being here. The committee is always pleased to have the Minister of Agriculture and Agri-Food Canada here.

We cannot afford to ignore the problem of diafiltered milk. You are aware of this issue, Minister. Americans are very imaginative and invent products so that they can get them into Canada. This was confirmed by a very large processor at the last meeting of our committee.

Diafiltered milk is not used in the United States to make cheese. It was invented so that it could cross the Canadian border. It is a scandal.

Minister, we must act and close that border. This product was invented in order to get across the border. No American eats cheese that was made with diafiltered milk, and Canadians should not be eating it either.

### [English]

**Hon. Lawrence MacAulay:** Thank you very much, Mr. Gourde, and I appreciate your question. Basically, I guess I can say that I inherited the issue.

Over the last couple of years, there has been an increase in diafiltered milk in this country, and we're certainly aware of the concerns regarding the use of diafiltered milk in the making of cheese. We're looking at an approach that ensures that the cheese compositional standards are clear for everyone. Under the standards, diafiltered milk was never meant to be allowed to be used as milk.

Canada recognizes the importance of effective import controls and administers its imports in accordance with the international trade obligations. Milk protein substances, including diafiltered milk, can be imported into Canada under NAFTA, as long as they contain 85% or more milk protein on a dry matter basis.

The industry has been engaged in negotiations, and there are differences of opinion on the way forward between some producers and processors, and between some dairy farmers in different provinces. We are working with the industry, and intend on having further discussions on this issue to ensure that the standards are clear.

Quite honestly, Mr. Gourde, I understand the problem. As you are aware, there are discussions taking place with the processors and the industry in different provinces. What I am trying to do, and have tried to do since becoming minister, is to make sure that all of the sectors understand the regulations and what standards are required. That is, in fact, what I have done to this date.

### • (1545)

### [Translation]

Mr. Jacques Gourde: Thank you, Minister.

I would like to discuss another topic, that of free trade agreements such as the Trans-Pacific Partnership Agreement or Canada-European trade agreement.

The Canadian meat industry, particularly beef and pork, is very favourable to those agreements. It is very happy that our government managed to conclude agreements last year. However, there is a cloud on the horizon. The matter concerns the consistency of regulations governing slaughterhouses. It seems that certain European countries, or other countries, could use the regulations governing abattoirs to see to it that our meats do not get exported to other countries. Could those regulations possibly be harmonized with those of other countries? Otherwise, our exports may be blocked. A country could say that it agrees to import 60 million tonnes of beef, but it could also refuse our exports by claiming that the rules and standards governing Canadian abattoirs are different from the ones in Europe.

Could this jeopardize the ratification of the agreement?

### [English]

**Hon. Lawrence MacAulay:** I understand and I've heard your concerns. Of course, as you're no doubt fully aware, my officials are doing their work on an ongoing basis on this plan in order to make sure that we can, as a country, accomplish what we have achieved in the trade deal, and to make sure that the regulations are well understood.

Deputy, you could add to that, but that's basically what we do when there are difficulties. There always are, no matter what commodity you're talking about. I think you're fully aware of this, too. Whether it's dairy, grains, oilseeds, or whatever, there are always difficulties with regulations.

Sometimes there's agreement on regulations, but as you're fully aware, then something else enters the deal and causes some trade problems. I think it's a problem continually with the countries that are involved in trade deals.

Yes, we want to make sure that we work to make sure they're harmonized as well as possible. My officials have been working on this.

Perhaps you can add to that, Deputy.

### [Translation]

Ms. Andrea Lyon (Deputy Minister, Department of Agriculture and Agri-Food): Thank you for the question.

We have exchanged correspondence with European Union representatives concerning the technical barriers relating to meat. Among other things, we have a work plan. Although we have had success in this area, this process with the European Union is ongoing. We recently held meetings with industry representatives to discuss these matters.

The Chair: Thank you, Mr. Gourde. Unfortunately, your time is up.

Ms. Lockhart, you have the floor.

### [English]

**Mrs. Alaina Lockhart (Fundy Royal, Lib.):** Thank you, Minister MacAulay, for joining us today, and to your officials as well. We certainly appreciate the work you're doing to support the growth of the agriculture sector, especially in my riding of Fundy Royal in New Brunswick.

Aside from talking with participants in the industry, I also spend quite a bit of time talking to consumers. One of the areas they have brought up to me are concerns with the Canadian Food Inspection Agency. Those are largely due to some of the stories we've seen in the media. I know that CFIA falls under the Minister of Health, but I'm wondering if you could update the committee on your work with the department to strengthen our inspection levels.

**Hon. Lawrence MacAulay:** Thank you very much. I can assure you that before I came here I dealt with CFIA. Sometimes I had some difficulties with CFIA, being a potato producer and calling them in. Yes, we hear there are difficulties, probably with inspections, and having inspectors available, and getting the certificate if you're wishing to ship, particularly in western Canada, some products across the border.

In general, from what I understand, there are basically enough inspectors. The problem is.... I expect that this committee will probably be interviewing some farmers and farm groups. The interesting thing is whether they wish to have CFIA officials available around the clock. If they do, that costs more money. Is that the direction they wish to go in?

There are things like that we're going to have to deal with, but we have a CFIA official here, if you wish to elaborate more on that.

Basically we had meetings, mostly in eastern Canada, in the last few weeks. CFIA is generally well accepted, but in some areas, having this 24-hour availability for CFIA people is wanted. It's something that I think could be looked at by the committee.

### • (1550)

Mr. Paul Mayers (Vice-President, Policy and Programs, Canadian Food Inspection Agency): Thank you, Minister. Thank you for the question.

Just briefly, the last time I had the pleasure of being at this committee there was a question with respect to the agency. We did follow up and provided the committee with a reflection of the focus that the agency has placed on front-line inspection in particular, which, you will recall from the information we've provided, has demonstrated quite a significant increase in inspection.

We recognize that in the agency, even as we have dealt, as all departments have, with cost containment, the agency has made a very firm commitment to protecting front-line inspection, and the numbers bear that out.

Hon. Lawrence MacAulay: Thank you very much.

**Mrs. Alaina Lockhart:** Mr. MacAulay, could you expand for us a little bit? I know part of your mandate is to develop a food policy. That's something we're very interested in, so could you elaborate a little bit on where that is and what it looks like for you?

Hon. Lawrence MacAulay: I thank you very much.

Yes, it is, and it's something that will be developed down the road, not at this moment. But what we want to do is deal with the provinces and territories and stakeholders in order to put a format together to make sure that we're able to come up with a proper food policy. It won't be something that will happen very quickly. It's something that has not been done yet but will be put together by myself and other ministers across the country, and there will be other people involved. I have a daughter who's a nutritionist and there's very little I do that's right.

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

**Hon. Lawrence MacAulay:** I think we need all views on what we want to do and then decide on the direction we want to go in. It's important, but it's down the road.

Mrs. Alaina Lockhart: Thank you.

The Chair: Madame Brosseau.

[Translation]

Ms. Ruth Ellen Brosseau (Berthier—Maskinongé, NDP): Thank you, Mr. Chair.

Minister, lady and gentlemen deputy ministers, I want to thank you for being here today.

My colleague Jacques Gourde asked you the same question as the one I wanted to ask. I heard your answer, but it was not clear. When are you going to act? The problem of diafiltered milk coming into Canada is really serious. It is costing producers approximately \$1,000 a week.

You said you were negotiating with industry representatives, but I sincerely believe that you have to take a leadership role in this file. More than 100 days have gone by since the election, and you still have not settled the issue. I know it is difficult, but I think that everyone agrees that the government has to apply the rules and standards that are already in place.

Minister, when are you going to act to solve the problem of diafiltered milk in Canada?

### [English]

Hon. Lawrence MacAulay: First of all, I want to thank you very much for the question.

I do understand that you're quite concerned about this issue, as I am. I milked cows before I came here, and in fact, a few years after I came here, so I understand the issue. But there's a lot involved in this issue with different provinces.

Just to make sure the record is straight, I am not negotiating with anybody. It's the industry and the manufacturers that are in discussions, but I am not negotiating with anybody. My job is to make sure that both sides understand the regulations. That's basically what I am doing at the moment. I can well understand how concerned you are, and I saw it a number of times in the House, but it's a process. I'd be more than pleased, when we get to whatever the concluding move will be in the process—

### • (1555)

### [Translation]

**Ms. Ruth Ellen Brosseau:** Do you have a time frame? This problem has existed for two years; it also existed under the previous government. Everyone agrees that the federal government should take the lead and apply the rules. In my opinion, it is not that complicated a thing to do. Do you have a more specific idea of when you will be able to act in this regard?

Whenever I go back to my riding, I meet with producers. They aren't just numbers; they are people, families. The dairy industry and supply management have suffered adverse impacts following the Trans-Pacific Partnership Agreement and the Canada-European Union Comprehensive Economic and Trade Agreement. However, there is still no word about the compensation that was to be given to the industry. I am going to conclude this question by adding that I find this very frustrating.

I have another very important question to ask.

There have been some big losses and issues regarding labour, particularly in Quebec. In that province in 2014, these losses amounted to about \$52 million. I have met with several key stakeholders from the industry, and everyone agrees that the government has to do something.

Recently, your government made a change by granting an exemption to seafood processors in the Maritimes. Will other measures be implemented to help other Canadian industries, such as those that produce mushrooms, beef, and vegetables?

Hon. Lawrence MacAulay: Thank you very much.

[English]

This is an issue that I see in my province too. As you know, there was a great problem with the temporary foreign workers over the last couple of years. It's not my ministry, of course, as you know. It's under Minister Mihychuk. She has indicated they're going to conduct a review.

It's my understanding that's what we did for the fish processors. It's just something that the previous government had done the year before, and we had just arrived on the scene and this happened, which I believe was a good thing to do.

The whole program is under review. We have to make sure that we hear from sectors across the country, which I hear from, like the beef processors outside of Calgary and the processors in Quebec. It's vitally important that we hear from the sectors across the country and make sure that this program is put back in an appropriate manner.

It's very difficult if you have the product, you have the market for the product, but you can't manufacture it in your own area. I understand that fully. But I think you also understand the problem that was faced, and what we want to make sure is that this evaluation of the program is done properly and that the people who are concerned, wherever it is in the country.... It's awfully important that you contact me, if you wish, or any member of the government or any member of the House of Commons, because you have positions right here and in other places to indicate your support for these types of—

Yes, you were going to say something and I don't want to stop you.

**Ms. Ruth Ellen Brosseau:** I have one quick question. I only have 30 seconds.

We talk a lot about CFIA and they're in the news a lot. At another meeting we had previously I asked some questions about CFIA. I was at the committee when we had the Safe Food for Canadians Act and there will be an evaluation, but it's not until 2017.

Would you be interested in or are you open to the idea of supporting that the assessment be done sooner, because there have been so many articles and a lot of surveys and Canadians are really worried about the CFIA and how we are inspecting food here in Canada?

**Hon. Lawrence MacAulay:** Of course, if there is ever any problem with safe food, immediate action is taken, no matter what government is in place in this country. That's the way it always has been and that's the way it will be with us too, with this government.

As I told you, I had heard from a number of stakeholders right across the country and there was some concern in western Canada and possibly in Quebec too about CFIA. I'd let my CFIA official speak if he wants to expand on it. First of all, food has to be safe.

Go ahead.

• (1600)

Mr. Paul Mayers: Thank you, Minister.

Certainly, as you've noted, our priority continues to be food safety. In terms of the issues with respect to resources that have recently been reflected in the media, as I noted in my earlier response, the agency continues to place its focus on ensuring that front-line inspection continues to be protected and that will continue to be our approach.

The Chair: Thank you, Ms. Brosseau.

Now, Mr. Joe Peschisolido, for six minutes.

Mr. Joe Peschisolido (Steveston—Richmond East, Lib.): Thank you, Mr. Chair.

Mr. Minister, I would like to thank you and your officials for appearing before the committee here.

As you know, the agricultural food industry is a strong economic driver in my riding of Steveston—Richmond East and all across B. C., whether it be potatoes, dairy, or chickens. I like to say that in East Richmond we have the best blueberries and cranberries in the world.

I know you may disagree with that, Minister, but that is my position and I'm sticking to it.

I'd like to hear from you and perhaps from your officials what the ministry is looking at to make sure that our industry remains on the cutting edge internationally, because we're competing against the Americans, the Europeans, and other folks around the world.

Hon. Lawrence MacAulay: Thank you very much.

You're competing against everybody, and everybody is striving for the cutting edge and that's where you have to be. When I arrived in this job I was shown a number of things, including the growth of the middle class in the Asian community. They want to eat as well as you do, and they want to eat the quality food that you do. What it showed me was what an opportunity we had in this country to produce whatever, as long as we do it right. But you have to stay on the cutting edge, as you indicated, and that's what I am attempting to do, to make sure that we do that. When you go across the country and look at our science centres and what they're doing, like producing the new seed that we talked about in 2014, and the big growth in production on the prairies, that was because of scientific work, too, of course. The seeds continue, and they continue and continue, to produce more with less. No matter what sector you're in...and with the beef producers I think it's 30% more production and a 15% reduction in the footprint. That's a big issue now around the world when you're trying to sell products.

My job and our job as government wherever we are is to make sure, to the best of our ability and with the funds we have, that the scientists are able to stay on the cutting edge. There are some things that are not that expensive, whether it was 4-H or whatever it was, and they cut down a different type of barley in the fall—

#### Ms. Andrea Lyon: Swathing.

**Hon. Lawrence MacAulay:** Swathing, and I forget the proper name, but it's swathing. That itself saved one dollar and some cents per head per day.

It's so important that you're able to have the people who know what they're doing work on this. In the laboratories they're able to develop resistant seeds that are resistant to different diseases, different insects. That makes us more competitive worldwide. We have to produce the best product the cheapest way we know how to make sure it's done right, and that's what our job here is as the government and that's what I intend to try to do.

**Mr. Joe Peschisolido:** Mr. Minister, last week I met with Kent Mullinix, and he's the chair of the agricultural research department at Kwantlen Polytechnic University. The folks at UBC may differ, but it's in my riding and I think it's a phenomenal institution, and I also believe it's on the cutting edge of research on crop rotation, on seeds. What kind of help would the ministry provide, not only to him and his department, but to all the young farmers who are looking at getting into the industry?

Hon. Lawrence MacAulay: With the opportunity that's available to us in this country with what we have to deal with and the scientific community we have, and the big market for our products worldwide, what we have to make sure, no matter who it is, is that we provide the best product in the most reasonable way possible. That's what our job is here as the government, and your job too, to make sure that the scientists have....

There's an end to the money. You can't provide endless money, but you have to be able to make sure that they have the right.... For instance, analyzing fertilizer and understanding what plants will absorb and what they will not absorb and how much water, this is all so important to the environment. It's just amazing what they do. What it does in the end is that the farmer can produce the crop with less money, and many times a bigger crop. That's what works and that's what will work worldwide, and that's part of what we have to try to do.

That's not to mention there's no end to what you can develop, too, in the resistance line. I grew potatoes, and if anybody ever grew potatoes they knew what the green peach aphid was. It is just a curse to the potato industry and it costs every farmer a lot of money. I don't know where we are with that specific green peach aphid, but if you can produce something that would be resistant to that, you'd save the potato grower a lot of money.

That's in fact where we have been and where we must stay in this country.

### • (1605)

The Chair: I'm sorry, Joe. Your time is up.

### [Translation]

Pierre, you have the floor for six minutes.

Mr. Pierre Breton (Shefford, Lib.): Thank you very much.

I thank the minister and his officials for being here today.

Over 80% of my riding is agricultural in nature. There are approximately 1,000 farms of various kinds, and 13,000 jobs depend directly or indirectly on agriculture or agri-food. The agricultural economy is extremely important in my area.

I am going to ask a question related to the one which has already asked concerning diafiltered milk.

At the last meeting of the committee, the Dairy Farmers of Canada proposed that the Canadian Food Inspection Agency delegate to the Canadian Dairy Commission the responsibility for monitoring the composition of cheese made by Canadian processors.

What is your position on that? What do you think of the opinion that was expressed by the dairy producers?

### [English]

**Hon. Lawrence MacAulay:** If I caught you right, you were saying that the Canadian milk commission was going to enforce certain regulations. Is that what you were saying to me? No, it would be the CFIA that would enforce these regulations.

### [Translation]

**Mr. Pierre Breton:** Do you think that the CFIA has the necessary resources to carry out those inspections or monitor cheese production?

### [English]

**Hon. Lawrence MacAulay:** I feel that they have, and the indications up to this point for what requirements they have to fulfill in this country seem to point out that they do have enough staff to take care of the issue. Now, there are always different polls or organizations that indicate one thing or another, but the information we receive is that the CFIA has the manpower to enforce what they need to enforce in this country.

#### [Translation]

Mr. Pierre Breton: Thank you.

I am going to move on to another topic.

Earlier, you spoke about temporary foreign workers. I know that you are having talks with your colleague the Minister of Employment, Workforce Development and Labour.

The insufficiency of foreign workers to pick apples here, among other things, is still a problem. My region is the biggest apple producing region in Quebec. Could you tell us about the discussions you have had with your colleague on this file? The apple producers in my area are worried that the Guatemalan and Mexican workers will not arrive in time to help them with their harvest, or that there will not be enough of them.

• (1610)

[English]

Hon. Lawrence MacAulay: Thank you very much.

I fully understand your concern. We have it in our area too. There was a provision made for the fish processors. That had been done before.

As you know, we have indicated a commitment to review this program, and we will. As I indicated, Minister Mihychuk is in charge of this. She will put a review in place, and it will be a place to make sure that what you feel, what your apple producers feel, what your beef processors feel, and what whoever works in this country feels... it's vitally important.

There was a problem with this program. It's a good program, in my view, whether I should be saying that or not, but it has to be run properly. What we have to do is make sure that Minister Mihychuk gets the information where the work.... As I said before, if we have apple growers or processors of some kind in your riding—or in anybody else's riding—and we do not have the workers to do the processing, and if you have the apples or the potatoes or whatever it is but you don't have the manpower to run the plants, it's vitally important that this message is steered directly to this review. We want to make sure that it's put together properly. We certainly don't want to hurt the economy. If you feel that it would help the economy to have these workers in place, it's very important that you do that.

I think it's very important for everybody to do that, because no matter what minister or what government it is, if you have feedback from entrepreneurs or stakeholders across the country and you make different changes, then you have something to indicate why you've made these changes. That's in fact what she needs and what the government needs in order to put this back in place. I cannot tell you what it's going to be. I come from an area where there were quite a few temporary foreign workers used, but I suppose I have to be a little careful in expressing my full view on it. It's an open discussion, and it's important that you and your stakeholders do that.

[Translation]

The Chair: Thank you, Minister.

Thank you, Mr. Breton.

Mr. Warkentin, you have the floor.

[English]

Mr. Chris Warkentin (Grande Prairie—Mackenzie, CPC): Thank you.

Thank you, Minister, for being here. I do appreciate that you've taken the time to come today. I know that you're very busy.

Minister, farmers expect that you will be their voice at the cabinet table. We've heard that again and again. Many farmers and farm organizations have already had or attempted to have meetings with you and your office in the hopes that you will defend their interests at the cabinet table.

I think it is distressing when we hear from you that if people have concerns with regard to certain issues that affect the farm, they shouldn't talk to you, but to some other minister. Today I asked you a question in the House of Commons with regard to labour issues on the farm, specifically as it relates to the slaughter facilities across the country, and you didn't take the question. I understand that it may not have been your decision, but Minister Mihychuk did take the question and basically said not to worry about it because she made a speech in Winnipeg last week. Everybody who listened to that speech was assured that she wasn't clear about what the issues were, and she certainly didn't have solutions.

Minister, if you're going to be the defender of farm families and the defender of the industry at the cabinet table, what are you saying as it relates to TFWs and the necessity for labour in slaughter facilities across this country and on the farm? What are you saying at the cabinet table? The rumour is floating around that the fisheries minister has more pull with your seatmate than you do, and he got his exemption last week. You didn't get yours.

Just so that we can put this rumour to rest and assure farms and farm families that you have their backs, what have you said?

Hon. Lawrence MacAulay: I thank you very much.

I appreciate the question, and never would I want to indicate that you shouldn't bring it up here. In fact, you should bring it up everywhere you can, including in the House—

Mr. Chris Warkentin: What-

Hon. Lawrence MacAulay: Go ahead.

**Mr. Chris Warkentin:** What will your answer be? I'm just asking for what your answer is and what you're going to say at the cabinet table.

**Hon. Lawrence MacAulay:** Well, if I were the one who was going to fix the program, I would have an answer for you, but I would be in great difficulty if I indicated what the answer was, on the understanding that there is another minister in charge.

But on what you did today, I think it was a good thing to do, and I think it was a good question. I think it was also important—

• (1615)

**Mr. Chris Warkentin:** I appreciate that. We didn't like the answer, and if you don't have an answer, that's fine. I appreciate that.

Hon. Lawrence MacAulay: Would you just let me indicate ...?

Mr. Chris Warkentin: Sure.

**Hon. Lawrence MacAulay:** Truly, when you bring that forward, it's not only her who hears it. It's important that you bring this forward and indicate that there is a problem. It's no different.... It's question period, not answer period.

Mr. Chris Warkentin: Well, I think it should be answer period.

Let's try to get some answers. When it comes to diafiltered milk, the dairy producers also believe that you're the person they should go to for a solution. Today, you've said and have made it very clear that you don't have an answer, and that you don't believe you're the person who will find the answer, that it's somebody else who will do that for you.

We've heard from everybody that they assume you'll be the guy who will fix this. Are we to hear today that you don't have an answer and you don't intend to fix this?

**Hon. Lawrence MacAulay:** I would be awfully disappointed if you felt that I couldn't do something, but the fact is, as I've explained here and as to how the process is working and what's happened, I think you are fully aware that this is an issue that I inherited. It has escalated substantially in the last two years, and I guess there was a fair bit of pressure on governments over that period of time. I've indicated clearly to you what's taking place. The processors and the industry are in discussion and the—

**Mr. Chris Warkentin:** We heard from them last week. They seemed to indicate that the solution was in your office and that if you would just sign the solution, we'd all be taken care of, but obviously there's some miscommunication. We'll try to get that transcript of that meeting to you just so you can hear as well what we heard.

Minister, you have a number of staff positions that you've filled in terms of assisting you in hearing from farm families and—

**Hon. Lawrence MacAulay:** I would like to respond to what you said previously.

Mr. Chris Warkentin: Sure.

**Hon. Lawrence MacAulay:** There are different groups. This is what I'm indicating to you. There are different groups, different provinces, and different things being said. You can bring I don't care what transcript—and I know that if it's said here, it's a transcript—and I'd be pleased to look at it at any time. As you know, there are different views, but what I'm trying to say is that I'm not trying to do anything except resolve the issue in the most productive way possible. When we hear from all sectors, then hopefully we will be able to resolve this issue.

**Mr. Chris Warkentin:** The dairy producers are looking for your leadership on this, and I know that you're a busy man, but hopefully you can lend your time to that as well.

Produce growers across the country are concerned about the necessity to resolve the PACA issue with the United States for exports to the United States. Are you aware of this? When it comes to exports to the United States, have you lobbied the industry minister to correct and to resolve the issue for those producers who would like that protection in the months to come?

Hon. Lawrence MacAulay: Well, of course you're aware that we did have a special deal, and your government lost that special deal.

Mr. Chris Warkentin: We didn't-

Hon. Lawrence MacAulay: I'm not trying to blame anybody-

**Mr. Chris Warkentin:** Minister, there was a commitment made by I think all parties to resolve this. Now, you won the big prize, which means that you have to do the job—

Hon. Lawrence MacAulay: Well, also, you have-

Mr. Chris Warkentin: —and you've been there for 100 days, so

**Hon. Lawrence MacAulay:** But also, you have to accept what you accept, and I accepted the diafiltered milk issue, and I accepted what took place on this, and yes, I will deal with each and every case as well as I can.

**Mr. Chris Warkentin:** Can we expect that the PACA issue will be resolved tomorrow in the budget?

Hon. Lawrence MacAulay: The what ...?

**Mr. Chris Warkentin:** That the PACA issue will be resolved tomorrow in the documents that will accompany the budget...?

Hon. Lawrence MacAulay: You would have to ask the Minister of Finance, and I think you're fully aware—

**Mr. Chris Warkentin:** Have you lobbied the minister for this issue to be resolved in the budget tomorrow?

**Hon. Lawrence MacAulay:** As for what I've done with the minister, I have certainly brought the discussion to the minister and to a number of ministers.

Mr. Chris Warkentin: Am I out of time?

The Chair: We're just done. Thank you very much, Mr. Warkentin.

Mr. Longfield, you have six minutes.

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

Mr. Minister, it's great having you here. It's wonderful to see you and all your staff again. I think we're all trying to work together to solve issues around agriculture and agrifood for Canada and our economy and for the people who are feeding families here and around the world.

I have a question from both sides of the farm gate, if you will, where we're looking at our trade. We're looking at our efficiencies within Canada and, on the producer side, at using science in trying to increase production with less inputs. You've covered that well in your introductory remarks.

There are also cases of around 40% of food being wasted in the supply chain and at consumers' tables. How can we use big data on that side of the farm gate in terms of science and analyzing what's going on in order to be as efficient as we can be on that side of the gate, and then on the processor side of the gate as well, in saying that it's a business that we're trying to run here?

As a country, we're trying to have our businesses be efficient, cost-controlled, and competitive, and we need to bring that together with the provinces, which, as you know, is a challenge sometimes, but I think you've done well. You were in Guelph last week and you met with the provincial and federal organizations, producers, and farm associations. We even had some farmers there who were talking about their challenges.

Maybe you could expand on how you see your department working on these market opportunities in using the scientific information that we have available on both sides of the gate, and then trying to pull it together with the provinces and the different stakeholders. That's not an easy question for six minutes, but could you highlight what you're seeing so far from your talks?

• (1620)

**Hon. Lawrence MacAulay:** Are you talking about within Canada, or outside of Canada, or both?

**Mr. Lloyd Longfield:** I know that outside of Canada it's a different ministry. I think if we can do it well internally, then we can do it well externally, so it is both.

Hon. Lawrence MacAulay: I think it's fair to say that what took place over the years in this country with agriculture and agrifood has been science based on whatever we do, whether it's low level... whatever it might be. In this country, and particularly outside of this country, when you have the science base.... We have people if there's a problem, and it isn't always easy to resolve. There are problems within the country and with other countries we have deals with. When you have the science base....

Many countries are attempting to adapt to our science base. You have no problem going to any country and defending the product if you have the science base behind it. It's the same in this country. I think Canadians do and should feel that any food they consume is a safe food to eat. That's vitally important.

**Mr. Lloyd Longfield:** Minister, the science I'm referring to is not so much about food safety, although as you said that's the first and most critical step—

**Hon. Lawrence MacAulay:** You remind me, Lloyd, that I wasn't sure where you were going. I shouldn't say this either, but it's from the gate to the plate. Being a farmer most of my life, there was no problem at the plate, but there always was a bit of a problem at the gate. Now I'm the minister, so I'm supposed to fix that. It's important that the men and women who do the work in the agricultural sector receive proper remuneration. Am I in the area? I'm not sure.

Mr. Lloyd Longfield: Yes.

I'm thinking of using science to be more competitive, to grow more crops, to have less inputs—

**Hon. Lawrence MacAulay:** For sure, but no matter what product you're talking about, whether it's grains, or tomatoes, or whatever it is, if you're in.... The biggest deal in this country is to produce the product in the most efficient and environmental way possible, and to make sure the fertilizers are used properly.

I had the scientists explain to me about the new microscopes they were putting in the labs. I'm not a scientist, and I didn't understand too much, but it's amazing what they can do in that area. They know what certain plants will consume, what you should put on them, and the amount of water you should use.

With all of that, Lloyd, you're making sure there are fewer dollars being spent by the person who's producing the product, and it's probably a product every bit as good if not better. Many times I have referred to the grain crop, and the trouble the government had in 2014 over moving that crop, although there were some other issues as well. We have a great scientific community, and the production was big. It will continue to get bigger and bigger, and that's what we must do.

**Mr. Lloyd Longfield:** For the record I want to compliment you and your staff on the meetings last week, where you did bring science to the table. You brought together the provincial organizations, the farmers, and the processors. We even had some civil groups there, who were making sure that what was being done was socially acceptable.

Congratulations. I think if that's a sign of what your ministry is going to be doing, then I'm looking forward to working with you.

**Hon. Lawrence MacAulay:** Lloyd, it has to be. When you're dealing with.... I meet with different countries like China and others all around the world, particularly in the Asian area. We're going to be able to provide great quality food and a great market to ship it to, and that's what we're doing.

• (1625)

Mr. Lloyd Longfield: Thank you, sir.

**Hon. Lawrence MacAulay:** That's simply not complicated. It's complicated, but if you know what you're doing...and it's amazing what the scientists can do.

The Chair: Thank you, Minister, and thank you, Mr. Longfield.

I think Mr. Warkentin is going to take Mr. Arnold's time. You have roughly five minutes.

**Mr. Chris Warkentin:** I was having such a good conversation with the minister that I didn't want to pass on the opportunity to continue the conversation.

A voice: [Inaudible]

Mr. Chris Warkentin: Absolutely. Around these places it eventually comes back to us.

Minister, I did want to chat with you a bit in regard to your staff. You have a chief of staff about whom questions were asked when she was first appointed. As a matter of fact there were experts who described it as a grotesque and flagrant conflict of interest. Your chief of staff has a significant relationship with one of the largest egg producers in the country. Can you update us on the provisions and guidance the Ethics Commissioner has provided your office regarding how your chief of staff should conduct her engagement with you and stakeholders on issues that she may be in conflict with?

Hon. Lawrence MacAulay: Thank you.

I would expect that you would never want to have somebody working in the department who does nothing. I don't believe you would want somebody working for the Minister of Agriculture and Agri-Food not being able to work there because they might have some involvement in agriculture.

I know you don't mean that; I know for sure you don't mean that.

**Mr. Chris Warkentin:** Minister, I do. I do believe that if somebody is found in a conflict of interest, it's better—

Hon. Lawrence MacAulay: I might be too.

**Mr. Chris Warkentin:** If that's the case, then I think that's something the Canadian people deserve to know.

Minister, can you provide what you have undertaken to ensure that your chief of staff is not found in a conflict of interest?

Hon. Lawrence MacAulay: Well, as you're-

**Mr. Chris Warkentin:** I should just state, so that you don't have to repeat what you said, that if in fact she has to do nothing to recuse herself...to ensure that she is recused from any place that she could be found in conflict of interest, I would hope she would do nothing, and I'd hope that you, as a minister, would find somebody who could do the job if she wasn't able to.

Hon. Lawrence MacAulay: Thank you. I know this has been of an interest to you since she came.

Mr. Chris Warkentin: It's been of an interest to Canadians.

Hon. Lawrence MacAulay: To some people, yes; some people.

She's subject to the Conflict of Interest Act the day she starts working for me. As you know, of course, in terms of the Ethics Commissioner, anything she provides will be complied with fully. There's a screening process—

**Mr. Chris Warkentin:** So the Ethics Commissioner has not set up a screening yet?

**Hon. Lawrence MacAulay:** —put in place by the department. I'll let my deputy indicate on that, being as they put it in place.

We want to be sure that everything is done right. Actually, my job is to work and make sure that agriculture and agrifood and the farmers and ranchers in this country get the best representation possible from the government. I also want to make sure that all of this is handled carefully.

Mr. Chris Warkentin: My time is short, Minister.

Hon. Lawrence MacAulay: So is mine.

Mr. Chris Warkentin: I'd like to hear about this screen.

**Hon. Lawrence MacAulay:** I just want to be sure you understand this fully.

Mr. Chris Warkentin: Oh, I do.

**Hon. Lawrence MacAulay:** My biggest interest is to make sure that we follow the rules, which we will do. We can play games, but we have to follow the rules—

Mr. Chris Warkentin: I'd prefer that you didn't play games.

**Hon. Lawrence MacAulay:** —and to make sure that the people involved in agriculture and agrifood in this country receive the proper remuneration for the work they do. That's my job and that's what I will continue to do.

The deputy can fill you in on what was put in place, I hope.

Ms. Andrea Lyon: Thank you, Minister.

As the minister points out, since the appointment of the chief of staff on January 4, the chief of staff has indeed been subject to the Conflict of Interest Act and all of its provisions. That means that she, like all public office holders, has an obligation to arrange her public affairs—

**Mr. Chris Warkentin:** I'm sorry, my time is very short. I understand what the obligations are. I've read the act.

Hon. Lawrence MacAulay: She's trying to explain.

**Mr. Chris Warkentin:** I want to know what provisions have been undertaken to ensure that this chief of staff, with her unique position, with her unique ownership of over \$40 million in egg quota, does not find herself in a conflict of interest.

**Ms. Andrea Lyon:** As I say, the foundation for the obligation is the Conflict of Interest Act. In addition to that, the department has established what is called an "interim screen". That is a process to assist in preventing any actual or perceived conflict of interest. An interim screen indicates those areas where the chief of staff may be involved in files and where she may not be. It also sets up some logistical procedures to ensure that document flow respects those sorts of guidelines and provisions.

This is what we have developed in the department, and that's in effect as—

• (1630)

Mr. Chris Warkentin: Has the commissioner reviewed that screen?

Ms. Andrea Lyon: No.

Mr. Chris Warkentin: No. Okay.

Thank you.

The Chair: Thank you very much.

That will conclude our panel with the minister.

Minister, thank you for appearing at the committee early in this mandate. I'm sure you'll have the co-operation of the full committee in facing the challenges, concerns, and opportunities that lie ahead of us. Thank you very much for coming, and thank you to your deputy ministers Meredith, Lyon, and Corriveau.

Thank you as well to our CFIA representative, Mr. Mayers.

I don't know if you want to make a short closing statement.

**Hon. Lawrence MacAulay:** I just want to thank you, Mr. Chair, for a lively discussion. It's great. That's what it's all about. Everybody has a right to know. That's one thing about this country: you have the right to know. It was a pleasure to be here.

I must say that I'm very pleased to see Mr. Poissant, my parliamentary secretary. It's quite a set-up here. I have great difficulty with French, and he has some difficulty with English, but we still get along.

Voices: Oh, oh!

Hon. Lawrence MacAulay: Thank you.

The Chair: Thank you.

We will now suspend the meeting for a few minutes to change the panel. Afterwards we will have the staff explain the main estimates to us.

• (1630)

(Pause)

• (1635)

**The Chair:** I guess we're ready to go again, so we'll continue with our second hour of the panel. This time around, we have staff from Agriculture Canada to talk about the main estimates. We will start right away.

I will give you an opening statement, if you wish to start, and then we will continue with the questions.

Mr. Greg Meredith (Assistant Deputy Minister, Strategic Policy Branch, Department of Agriculture and Agri-Food): Thank you, Mr. Chair. I think we'll pass on the opening statement and give members more time for questions.

The Chair: We'll start with Mr. Arnold for six minutes.

Mr. Mel Arnold (North Okanagan—Shuswap, CPC): Thank you, Mr. Chair.

I want to thank the staff for being here today. I had initially hoped that these questions would go to the minister, but I hope that you may be able to answer them.

I come from North Okanagan—Shuswap, in central British Columbia. It's a very diverse, agricultural area, with everything from goat cheese to vineyards and some of the finest wines in the world. One area that's popped up with my constituents is that fruit growers in the area haven't been able to make use of the temporary farm workers program to bring in fruit-pickers on a seasonal basis. The limit that they are finding is that the countries of origin for these workers are only Mexico and the Caribbean. That has created significant language barriers, not with English to Spanish, but with other languages to Spanish, because the first language of the farm owners and their main workers is something other than English. I wonder if the ministry is looking at doing any research or expansion of that program to include other countries, so that the language barrier isn't a challenge to them.

**Mr. Greg Meredith:** Thank you for the question. I think it's fair to say that we are not, as a department, doing any specific research on the language question, but we are very sensitive to the need for the temporary foreign worker program to work effectively in all of its streams. You're talking about one specific stream of the temporary foreign worker program.

The minister has had several discussions with his colleague Minister Mihychuk. The minister herself has indicated that she wants to bring questions about the temporary foreign worker program to committee to have the program examined and see how it's working. We can raise this issue.

It's the first time, I have to admit, that I've heard about the language barrier being a serious problem.

**Mr. Mel Arnold:** Okay. I will definitely follow up then with a letter to your ministry regarding this issue, because the language barrier has become a fairly significant issue for them.

My second question is on the movement of grain. In 2014, it became a significant issue, and steps were taken to improve the movement of grain by rail to our ports. Those helped in that respect, but we understand that there was then a problem with bottlenecks at the elevators in the ports; they simply couldn't handle the volumes that were coming in.

Is there anything in the main estimates now coming forward that is being directed towards either studying that issue or resolving it in some way, so that we can effectively get our farmers' products to markets overseas?

### • (1640)

**Mr. Greg Meredith:** There's nothing specific in the main estimates, unless my colleague corrects me, but this government is very attentive to the problems of grain transport. You're quite right that there's a potentially acute problem when you have issues such as what happened in 2013-14, which was a record crop and a record cold winter that resulted in very significant backlogs, primarily in inland terminals.

The government of the day took some temporary measures. Some of those measures will end on August 1, 2016, unless they're extended by Parliament. My minister has spent a great deal of time talking to stakeholders and getting feedback from stakeholders on the issue of extending those provisions, as well as on longer-term solutions with respect to the Canadian transportation system.

As you're probably aware, the Canada Transportation Act was recently reviewed by an expert panel, which submitted its report to the Minister of Transport, and he has submitted it to Parliament and it's now public. It contains a number of wide-ranging recommendations with respect to transportation, not strictly grain. A great many of them deal either specifically with grain transportation, or more broadly with rail freight shipping. The government has undertaken to consult extensively on that report. In the minister's mandate letter, the Prime Minister has tasked him with looking at the grain supply chain in a fulsome way along with the Minister of Transport in the context of responding to the CTA review.

The Chair: We still have a minute.

**Mr. Mel Arnold:** The almost \$17.5 million earmarked for the agri-risk initiatives program, including \$16.5 million in transfer amounts, is 40% higher than previous budget amounts. Can you explain the reason for this increase, the background behind it?

Ms. Tina Namiesniowski (Assistant Deputy Minister, Programs Branch, Department of Agriculture and Agri-Food): Thank you, Mr. Chair. I'll attempt to answer that question.

Agri-risk is a new program that was included as part of the business risk management suite of programs under the current Growing Forward 2 framework. As a result, since it is the first time this program has been put in place, a decision was made at the time to ramp up the funding for the program. You'll see a funding increase last year, an increase this coming fiscal year, and an increase again in the final year of the program. That was an intentional decision at the time because it was a new program, and the thought was that a bit of work was needed to incent demand for that program. That is why you see additional levels of investment in the program going forward.

The Chair: Thank you very much.

Thank you, Mr. Arnold.

[Translation]

Mr. Drouin has the floor for six minutes.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you, Mr. Chair.

I would like to thank the witnesses for joining us today

Before I ask my question, I would like to point out something important, for the benefit of the entire committee. It was said earlier that the minister's chief of staff seemed unfit to occupy her position. However, it is important for people to understand that there is a process in place to protect those who may find themselves in a conflict of interest situation.

I have also not heard one bad word from the agricultural community about the minister's chief of staff. No one is pleased when that position is held by someone who doesn't understand anything. I think that people are happy to finally have someone who understands the farming process and has been involved in agriculture.

I would like the parliamentary secretary to take a couple of minutes to explain to us the process he used to determine that there was no conflict of interest. If I remember correctly, he's also a dairy farmer.

The Chair: Thank you.

Go ahead, Mr. Poissant.

Mr. Jean-Claude Poissant (La Prairie, Lib.): Thank you, Mr. Chair.

As Francis pointed out, when I was appointed parliamentary secretary, I had to comply with ethical principles. The commissioner called me. She asked me about my agricultural holdings and my businesses. I do manage two businesses, in addition to running the family farm. I had to give up any duties related to the administration of the businesses. The numbers for my company are definitely not in the same ballpark as the ones that were mentioned earlier, but regardless of the company's size, I had to comply with all the ethics rules. I believe that's the right thing to do. The government must be transparent in everything it does.

Thank you.

• (1645)

Mr. Francis Drouin: I completely agree.

### [English]

Now for my questions for the witnesses who are here.... Just as we are embarking on the consultation process for moving beyond Growing Forward 2, what process does the department undertake in terms of negotiating or speaking with provinces, and how long does that take, in general?

**Mr. Greg Meredith:** You are right. We are now embarking on that engagement process. You will recall that during my last visit here we spoke briefly about the shared jurisdiction that agriculture experiences. Both the federal and provincial governments have responsibility, which imposes on governments the obligation to ensure that policies and programs are aligned, as much as possible. The policy frameworks that we put in place are negotiated with provinces for that reason, to ensure that we have policy alignment, that we are all pulling in the right direction, and that we remain responsive to local needs.

The process we would pursue would bring us from roughly where we are now through April 1, 2018, which would be the implementation of the new framework. The minister has this obligation in his mandate letter. He will be spending some time between now and July 2016 discussing with the sector where they want to go and what priorities they want to bring to bear.

July 2016 is important because ministers will be meeting in Calgary. One of the issues that will be on the table will be the next policy framework, and where ministers as a collective see that framework going.

It is fair to say that our minister has made a commitment. I believe it will be shared by all ministers, to engage this sector in a fairly robust way between July and whenever programs and policies get put in place. What you will see is a process of officials and ministers engaging the sector at the federal level, within each province, and jointly.

Mr. Francis Drouin: Great, thank you.

When you are embarking on this process, is it the normal custom for this to be done by yourself, or with an ADM working group along with your provincial counterparts, or mostly at the ministerial level? **Mr. Greg Meredith:** The ministers are very involved. For example in their annual meeting our minister will be speaking to his colleagues. One issue on the table will be the next policy framework, but to get all this work done there's a lot of back office activity, as you can imagine. I chair a committee of assistant deputy ministers whose responsibility is to bring forward ideas for ministers to deal with. Supporting that is a fairly methodical network of people who are responsible for putting the details of a potential next framework in place.

**Mr. Francis Drouin:** Thanks. Where I'm coming from is that I've heard from a few farmers, and it's mostly the younger ones. They appreciate the programs, but the younger people don't ask, "Where's the forum for that?" They ask, "Where's the app for that?" I know the federal government funds these programs, but it doesn't necessarily deliver them. How can we ensure that input is put into the process with our provincial counterparts? Does the federal government have any say in terms of how we deliver the program, or is that mostly left up to each province?

Ms. Tina Namiesniowski: Thank you, Mr. Chairman, for the question.

The last time I was before committee I talked about the fact that under our current framework there are programs that are delivered at the federal level. Federally we have a lot of input into the design and whether those programs are delivered by us directly or indirectly through a third party. When you talk about the business risk management suite of programs, those are the ones where sometimes we do involve third parties.

At the federal level, our federal-only voted programs are delivered exclusively by the federal government. At the provincial level, for the \$2 billion we talked about the last time in cost-shared programming, it's up to the provinces to decide how they will design and deliver those programs. In the context of discussions with the provinces and territories, we do have as part of those discussions an emphasis on service delivery.

At the federal level we're focused on how we can improve the way we deliver those programs, including the adoption of technology and tools. We recognize that our clients have an expectation that they would be able to interface with the federal government the same way they can interface with other service providers, such as banks. A lot of people do online banking for example. We have some technological tools at our disposal that would allow for online application to a number of our federal-only programs.

• (1650)

The Chair: Thank you very much, Ms. Namiesniowski. We're going to have to move on.

### [Translation]

Thank you, Mr. Drouin.

Ms. Brosseau, you have the floor for six minutes.

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

It's always a pleasure to hear from you in committee.

The Minister of International Trade said she wanted the CETA to enter into force in 2017.

Mr. Seppey, can you tell us whether the compensations intended for dairy producers are included in the supplementary estimates?

Mr. Pierre Corriveau (Assistant Deputy Minister, Corporate Management Branch, Department of Agriculture and Agri-Food): I will answer the question.

You have before you the main estimates, and no new elements have been added in terms of that commitment.

### [English]

**Mr. Greg Meredith:** You asked Frédéric Seppey, who's younger and more handsome, so I understand, but I'll have to hazard an answer.

The minister has been fairly clear that the government is aware of the need for compensation in the context of CETA and the TPP. He has tasked me and others to engage with the industry to understand their perspectives on some of the proposals the previous government had on the table. We've been spending a great deal of time doing that so that the design of any compensation package in the future will reflect the needs and priorities of the sector.

**Ms. Ruth Ellen Brosseau:** I was at committee when we had the bill—I think it was Bill C-30—to help facilitate grain transport. You did mention that some provisions will be sunsetting in August and that it has to go before Parliament. Does it have to come before Parliament in order to keep those changes in place? Or could it be done by a directive from the minister to keep some of those provisions?

**Mr. Greg Meredith:** It's an order in council that has to come and be passed by both the House of Commons and the Senate.

### [Translation]

### Ms. Ruth Ellen Brosseau: Okay.

So it's important to consult industry and make sure that this problem does not arise again.

The concerns over the CFIA persist. We have raised those issues with the minister. That's actually mainly the responsibility of the Minister of Health. A number of articles were just published. Surveys have been conducted with unionized CFIA employees, and 55% of respondents believe that the current resources are insufficient. We want to make the minister aware of the importance of taking action and auditing the CFIA. We have to make sure that the agency has all the resources it needs. As we know, the Liberal Party has promised to provide about \$80 million, but the former government had reduced the budget by \$56 million per year.

Do you think it would be preferable to carry out an audit now? An audit will be done in 2017, but I believe it is important to find out what the problems are and to take action. In fact, given that agency experts are sounding the alarm and telling us that a crisis is coming, I think it is of the utmost importance for the government to take those concerns seriously.

### • (1655)

#### [English]

**Mr. Greg Meredith:** Mr. Chair, I think this really is out of the competence that my colleagues or I could.... Paul Mayers, being ahead of me, has graciously joined us at the table. He can probably provide a response.

Mr. Paul Mayers: Thank you for the question.

I'll answer briefly so as to avoid having my colleagues attempt to speak on behalf of the agency, which I know puts them in an awkward position.

As it relates to the issue of the resource profile in the agency, of course the commitment on the part of the government is a matter of policy, and I won't comment with respect to that matter. However, as it relates to the issue of current resources for the agency, again I'll note, as I did earlier with the information we provided to this committee, that since the listeriosis event in 2008 the agency's front-line inspection resources have been significantly increased through a very strong commitment on the agency's part.

In terms of front-line inspection, I certainly am very aware of the polling you refer to. As an agency, we will pay very close attention to the views of our staff, but at the same time, we'll also work with the resources that were allocated. We bring a very strong focus in the agency on prioritizing our actions in relation to risk and to focusing on delivering front-line inspection in relation to those risks.

The actions on the part of the agency in delivering for Canadians have been recognized not just domestically but in the international context. The Conference Board of Canada's review of OECD member countries' food safety systems has ranked Canada number one, along with the Irish food safety system. We're proud of that outcome.

We don't rest on those laurels. We continue to focus on continuous improvement. We will take very seriously any of the views of our own staff in terms of where opportunities are for continuous improvement, but I can assure you that our commitment to food safety outcomes for Canadians will continue to be paramount.

The Chair: Thank you very much, Mr. Mayers.

[Translation]

Thank you, Ms. Brosseau. Your time is up.

[English]

Mr. Longfield, you have six minutes.

Mr. Lloyd Longfield: Thank you, Mr. Chair.

Thank you again to the staff. We're meeting often. Getting our first foot forward properly is very important for this committee.

Looking at the estimates, my questions to the minister had more to do with the technology and the application of technology. I want to touch on that. The first part of my question has to do with the increase in the federal infrastructure initiative of \$32.1 million. I know these are main estimates, but I'm wondering whether any of that infrastructure might have to do with broadband in rural areas or the access to infrastructure that can help people implement technologies. I know that has been a concern in rural Canada.

That may be for another department.

**Mr. Pierre Corriveau:** The \$32 million under federal infrastructure is in fact for the infrastructure that's owned entirely by the department. This is for the science capacity internal to the department—such as our research lab in Guelph, for example. Mr. Lloyd Longfield: Thank you.

That was a great example, by the way.

Mr. Pierre Corriveau: Thank you.

Voices: Oh, oh!

**Mr. Lloyd Longfield:** Hopefully we can work together on further research labs besides the dairy centre. That's for another conversation as well.

That may have answered the second part of my question. This is around the research that could be implemented at farms, or the applied technology at farms. I'm wondering what your interaction is with other ministries, such as innovation or science and technology, and how this works within the machinery of your department.

I'm new to government, so I'm just trying to understand the machine here.

• (1700)

Mr. Gilles Saindon (Associate Assistant Deputy Minister, Science and Technology Branch, Department of Agriculture and Agri-Food): Thank you very much, Mr. Chairman. I'll make an attempt to answer the question.

In terms of research in agriculture and agrifood, we work in a concerted manner with industry as well as with provinces. That's part of the joint framework we have with them. We do a lot of our research in collaboration with industry. In this case, it's stakeholders, which basically are producer organizations. They give us a lot of insight on where their issues are and all of that. We work with universities under some partnership arrangements where we can work on science clusters as well as on research projects.

We try to work in a focused way on particular issues as identified by industry and as identified by us as well.

**Mr. Lloyd Longfield:** And that's what we could expect on the next level of funding—an extension, if you will, of what's been going on under Growing Forward 2.

**Mr. Gilles Saindon:** I don't know if I can predict exactly what will come in the next framework, but obviously what we've heard a lot at committees and from people when they've talked to us is that they see a lot of merit in these research partnerships and the research aligned along clusters or projects. They really like the mechanics and the progress we've been able to make with these large projects in a concerted and coherent manner.

I think we expect they'll continue to say that, and we may see that in the next framework, but I can't really make a prediction at this point in time.

Mr. Lloyd Longfield: No, I understand that as well. It's ongoing.

Is there a connection, or an example of connection, between this department and the other departments I mentioned, such as science and technology or innovation? Or do they work pretty much autonomously?

**Mr. Gilles Saindon:** I think there is a lot happening interdepartmentally. The example I will give you is around genomics research, which we do with all the other departments within the Government of Canada under the genomics research and development initiative. We have two large projects that we'll be launching shortly, one on antimicrobial resistance and the other on ecobiomics, which is the microbiome you have in the first foot of soil that you see around the country.

Those are examples of what we do in partnership with six or seven other departments, as a matter of fact.

Mr. Lloyd Longfield: Terrific. Thank you for that.

Thanks for being here again.

[Translation]

The Chair: Go ahead, Mr. Breton.

Mr. Pierre Breton: Thank you very much, Mr. Chair.

I am especially interested in initiatives that have to do with improving the productivity of farmers and producers—in other words, anything that has to do with innovation projects or programs.

Can you tell us which existing programs have had their funding increased over the fiscal year we are talking about?

### [English]

**Ms. Tina Namiesniowski:** I think in the context of the estimates, that's the method by which we are appropriated and receive the funding that supports all of the programs that we deliver. In the context of the current agricultural policy framework, we of course have three major programs that we deliver federally, one of them being the agri-innovation program, one of them being the agri-marketing program, and the third one being the agri-competitiveness program. In addition to that we have a few programs that fall outside our agricultural policy framework.

In terms of the agri-innovation program in particular, it is the program that supports the funding of research and development, and that funding is often provided.... We support, for example, science clusters. We have 14 of those science clusters, and that funding can flow over a five-year period. They're quite large projects that support research and development that ultimately, at the end of the day, will be of benefit to producers. For example, we have a beef cluster, and the intention is that over time that research will actually translate and migrate at some point on farm and help producers who produce that particular commodity, and that would be true of all of our research clusters.

In addition, we support a variety of research and development projects that are often shorter in duration and much more focused. Again, the intention is really to have the results of those research projects transition over time and play out at a farm level. Not every one of them happens immediately. Sometimes it takes a period of time for the research to actually translate to a point where it can be commercialized and applied on farm, and of course, all of our provinces and territories fund innovation programming as well, through the cost-shared strategic initiatives funding that's provided to them. Again, that would be programming that would support projects, at a local and regional level, that would be of benefit to the sector in all parts of the country. It's a comprehensive framework that provides support to individual projects that ultimately are supporting our producers.

• (1705)

[Translation]

Mr. Pierre Breton: Thank you very much for your comprehensive answer.

The Chair: Mr. Gourde, you have six minutes.

Mr. Jacques Gourde: Thank you, Mr. Chair.

I have a quick question to ask, but before that, I would like to come back to Francis' comment and Mr. Poissant's answer.

Mr. Poissant, congratulations on being appointed parliamentary secretary to the Minister of Agriculture and Agri-Food. It's true that the code of ethics contains special provisions because, following your appointment, you become a public office holder. So there must be special and extraordinary provisions owing to the fact that you are an elected official.

Francis talked about the chief of staff, who is also a public office holder, but is not elected.

So I am asking Mr. Drouin to check whether the standards are the same. For our part, we don't believe that they are necessarily the same. A chief of staff is someone a cabinet decides to hire, an employee. They are not an elected official. There are extraordinary provisions because an elected official with agricultural holdings cannot be discriminated against.

So I ask that you look into that and, if you want, send us the information later, as I want to use my time to ask another question that really affects me.

This is for the department representatives.

Two or three weeks ago, I talked about an important agricultural niche market we are currently hearing a lot about—maple syrup production. The Gagné report indicates that there is a problem in Quebec. The Americans are increasing their production significantly. According to the Gagné report, the Americans are being subsidized to increase their number of maple tree taps. We are not doing that because we are complying with free trade laws.

There are a number of ways to subsidize maple syrup producers. It can be done directly or indirectly. The government can fund the roads leading to the sugar bush or a power line. It can fund a number of things without providing direct subsidies.

I asked the department representatives to check whether it was true that the Farm Bill allowed for direct or indirect subsidies for the production of maple syrup in the United States and, if so, if that was in compliance with NAFTA rules.

Mr. Frédéric Seppey (Chief Agriculture Negotiator, Trade Agreements and Negotiations, Market and Industry Services Branch, Department of Agriculture and Agri-Food): I want to thank the member for the question.

I was not aware of that request, but we could indeed look further into the issue and follow up, if the committee so wishes. The U.S. Farm Bill is a piece of legislation that has a very broad scope and contains many elements. That is why we constantly have to look at many of the elements contained in the Farm Bill to ensure not only that they do not hinder the economic interests of the Canadian agriculture and agri-food sector, but also that they comply with the rules, as you pointed out.

I can't tell you right now whether the support for the U.S. maple syrup industry is causing compliance issues with NAFTA rules or World Trade Organization rules. That's something we can look into.

Generally speaking, since maple products are a Canadian symbol, we support that sector in various ways, whether we are talking about developing international markets, developing innovative farm practices or other initiatives. We are trying to do as much as we can to help the sector improve.

Let's hope that the Americans are also complying with international rules.

• (1710)

Mr. Jacques Gourde: I have another question.

The Lever program is a federal-provincial initiative—funded at a rate of 94% by the federal government—which helps agri-food industry people buy processing equipment. In this case, maple sap is what is being processed.

Does the Lever program provide some flexibility to help our maple syrup producers acquire equipment for primary, secondary or tertiary processing, improve their products, manufacture new products and increase their production volume?

**Ms. Tina Namiesniowski:** I think that's a Quebec program. I don't think it's a federal program.

**Mr. Jacques Gourde:** It's a federal-provincial program. I announced it myself. That program is administered by the MAPAQ, the Quebec Department of Agriculture, Fisheries and Food. The Lever program is funded at a rate of 94% by the federal government and 6% by the provincial government. That 6% is only for administration. So the money provided directly to producers and processors comes from the federal government.

I would like you to look into that and tell us whether the program has the flexibility needed to help our maple syrup producers.

Ms. Tina Namiesniowski: Okay.

Mr. Chair, we could perhaps follow up on that later.

**Mr. Jacques Gourde:** I would like to get some answers. I already asked this question three meetings ago. However, we will put our foot down this time if we do not receive any answers. Okay? Thank you.

It's okay.

The Chair: Mr. Peschisolido, the floor is yours.

[English]

Mr. Joe Peschisolido: Thank you, Mr. Chair.

Gentlemen, lady, thank you for appearing, most of you, again, in front of the committee.

I'd like to follow up on Mr. Breton's question and make it more specific to British Columbia and metro Vancouver.

There are a variety of very good programs, the trinity of agri programs you talked about for innovation, marketing, and competition. There's also the shared program with the province of B.C. As you know, in British Columbia the big movement about 10 or 15 years ago, which I think is now expanding, was based on a regional food security agenda. It started out as a small-scale farmer's market but is now very lucrative and includes the whole of the Pacific northwest. We've reached a point of critical mass where we can start exporting beyond simply California, Washington, and Oregon.

How specifically can we work within these clusters that you have? I asked the minister about a program at Kwantlen. If I wanted to create a research centre dealing with mixed farming that would look at how we can expand and make more commercially viable our security policy for British Columbia and that whole area, how would I go about doing that? Maybe I'm also following up on Mr. Longfield's question.

How would I go about doing that?

Mr. Gilles Saindon: Thank you for the question.

There are probably different ways of going after this, but it's also dealing with the United States and, in this case, those might be some approaches that would have some merit there.

We do talk every year to the United States and the USDA ARS, the research arm of the USDA, and we identify areas of priority. That maybe would be a place where I would go first to see if there is anything we can do together bilaterally with them, because for everything in the Pacific northwest they have a significant presence and footprint there. We meet them quite routinely. That might be one place where we would go, but the—

**Mr. Joe Peschisolido:** My apologies for interrupting, but I'm going to do it anyway. What if I wanted to help create, with the folks in B.C. or in my area, a research centre to study what I just talked about? How would I go about that? Who would I talk to? We'll leave the Americans out of it for now. How can I work with the existing structures and all these wonderful programs to create a research centre at Kwantlen, working with UBC or other institutions of education in B.C.?

• (1715)

**Mr. Gilles Saindon:** What I would like to add to this is that perhaps within the province of British Columbia, I would refer to it as a virtual research centre, because we have structures federally and also provincially. The universities and also the ministries of agriculture and forestry have some facilities. We also have the Canadian Food Inspection Agency on the ground there. That might be a way to mobilize industry.

We could work with the existing programs we have, such as agriinnovation and clusters and projects, which could be led by particular areas, and we would just mobilize these people and work in partnership, but it would be a virtual arrangement. That's basically what agri-innovation programming is all about. It allows us to mobilize the people across various jurisdictions—federal, provincial, universities, and industry—and we can work together on these projects.

**Mr. Joe Peschisolido:** I see. So there isn't a program where...? I have scientists, professors, and young farmers who want to get into the industry. There isn't a program where we can get some funds and actually start a research centre at Kwantlen or tie it up with Simon Fraser and UBC to look at this stuff?

**Mr. Gilles Saindon:** We would have to look into the eligibility of these programs, yes.

Mr. Joe Peschisolido: That's excellent.

There's one other question I wanted to ask, if I have a moment. There are also farmers in my area that are bypassing the process. They do direct marketing, and it's very lucrative, whether it's in potatoes, chickens, or whatever. They're doing this on their own. Do they have a niche market because there's a safety issue and maybe animal welfare issues...? People want to buy the products.

They are in my riding and they're all over, I would say. They're in metro Vancouver and in Chilliwack and across the whole area there. Are there any programs we can use to help these individual farmers who are doing direct marketing and maybe tie that into how the department functions in its view of agriculture?

**Ms. Tina Namiesniowski:** Mr. Chairman, maybe I can attempt to answer that question.

Under our market development stream of programming that's offered at the federal level, we have what we refer to as generic market development, as well as the market development support that we provide small and medium-sized enterprises. Generic market development is targeted at associations that represent either a commodity or a part of the sector.

The small and medium-sized component of our agri-marketing program allows us to deal specifically with a smaller organization that is working on their own behalf to market their products abroad. There are some eligibility requirements around that. Typically, it's an organization that has fewer than 250 employees and annual sales that don't exceed \$50 million. Through that stream, we're able to provide in-year funding to small and medium-sized enterprises to enable them to market their product abroad.

#### [Translation]

The Chair: Thank you, Ms. Namiesniowski and Mr. Peschisolido.

Mr. Gourde, or rather Mr. Arnold, will now have five minutes. [*English*]

**Mr. Mel Arnold:** I have one question, and then I may pass my time on to Mr. Aboultaif.

I've looked at the estimate sheets, and everything seems to be fairly consistent there, but what I usually do with these sheets is look for anomalies. One that I spotted is in the community pastures program, with a significant cut in the FTE positions from 133 down to 90. That's 43 positions. Perhaps you can explain that large cut.

**Mr. Pierre Corriveau:** From an FTE point of view, as you know, the government announced in budget 2012 the gradual transfer of the community pasture programs to the various provinces—Manitoba and Saskatchewan in particular—so this reflects the gradual reduction over five years, and we're now in year three.

My colleague here, Tina, who was managing this program can provide you with more details.

**Ms. Tina Namiesniowski:** We now find ourselves in year three of a five-year divestiture process, so at this point in time the Government of Canada has ceased operating federal community pastures in the province of Manitoba. We're still engaged in the province of Saskatchewan, although in keeping with the divestiture schedule, by the end of March 2018, we will have ceased the operation of federal pastures in the province of Saskatchewan as well.

We have staff who will continue to work in the pasture operation until that period of time. We continue to run those pastures on the land that has yet to be divested back to the province, and we'll continue to do so until we cease the operation of the federal program.

• (1720)

Mr. Mel Arnold: Thank you.

The fostering business development, it's also under the Industry Capacity main title, but again I see a loss from 13 down to 6 in FTE's, that's more than a cut in half.

Is that part of a transfer to the Growing Forward 2 program, or can you explain that fairly significant cut? It's in table 3 of the document we were provided.

**Mr. Pierre Corriveau:** Maybe we'll get back to the chair. We can look for the answer. Maybe my colleague can talk about the program per se.

**Ms. Tina Namiesniowski:** Mr. Chair, under our agri-competitiveness program, we have a stream that is referred to as fostering business development, and that is a stream that provides \$15.6 million in contribution funding over five years to not-for-profit organizations that operate nationally and have experience in delivering services and products for farmers and producers.

For example, that would include 4-H as one of those organizations we support under that program.

Those are agreements that we entered into at the start of the agricultural policy framework, and they will continue until the end of the framework . Those agreements with those organizations last for five years.

**Mr. Pierre Corriveau:** I think we'll have to get back to you with more detail. At the time of the production of the RPP that program hadn't been renewed per se, so I think that's the adjustment from the FTE perspective. We'll get back to you on this.

Mr. Mel Arnold: I appreciate the answer on that.

If I have any time left, I'll pass it on to my colleague.

**Mr. Ziad Aboultaif (Edmonton Manning, CPC):** I have a quick question. Since the 2013-14 fiscal year, spending on internal services has increased for the CGC, the Canadian Grain Commission. Internal services include activities that support and enable delivery of the CGC's strategic outcome and programs to the CGC stakeholders. Can you explain why spending has increased?

Mr. Pierre Corriveau: Thank you, Mr. Chair. That's a good question.

There's no official from the CGC, but we work collaboratively between the two organizations.

In the past the department used to provide a human resources service to the Canadian Grain Commission, but they're really like a separate entity from the department, so this reflects the Canadian Grain Commission's taking on the responsibility for delivering their human resources to their own organization.

#### [Translation]

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

Ms. Ruth Ellen Brosseau: Thank you. I did not expect to be asking more questions.

Members from both sides of the table have asked questions on milk proteins.

Do you think that the Canadian Dairy Commission has the resources it needs to enforce standards, or not? Is that a question you can answer or not?

Mr. Frédéric Seppey: Thank you for the question.

As the minister said, the cheese composition standards are the responsibility of the Canadian Food Inspection Agency. The agency is in charge of allocating the required resources to ensure compliance with the rules.

There is talk of arrangements that could be made between the CFIA and the CDC, as has been done in the case of certain issues, but the responsibility for regulating can still not be delegated. It really comes under the Canadian Food Inspection Agency.

**Ms. Ruth Ellen Brosseau:** However, could the Canadian Dairy Commission carry out the audit? That recommendation has been issued by the Dairy Farmers of Canada, as well as by other witnesses who have appeared before our committee. They talked to the committee about how changes could be made to stop the importing of dairy proteins.

Can you tell us more about that?

• (1725)

**Mr. Frédéric Seppey:** This issue really comes under the responsibility of the Canadian Food Inspection Agency. As a regulatory agency, it has the duty to look into that possibility. Unfortunately, the department cannot comment on such matters.

**Ms. Ruth Ellen Brosseau:** Do you have a question to ask, Brigitte? I will yield the floor to you.

Ms. Brigitte Sansoucy (Saint-Hyacinthe—Bagot, NDP): Thank you, Ruth Ellen.

You talked to us earlier about consultations that will be held by July 2016 in preparation for the next agricultural framework. Like myself, you have probably already started hearing comments, criticism and expectations related to that framework, especially when it comes to the next generation of farmers.

I would like to know what the department thinks could be included in the next agricultural framework to improve support for young farmers.

### [English]

**Mr. Greg Meredith:** It's fair to say the governments are open to a number of suggestions on the design and implementation of the next policy framework. Personally, I haven't heard those specific comments, but I have a high degree of confidence that the sector is very prepared to provide us feedback.

We've been through this process with the sector now since 2003, three times already. This will be a fourth time.

What we've seen already is that national and provincial organizations, both the horizontal and the commodity-specific, have already developed positions. They've already made themselves available to ministers and officials, and they'll continue to engage us on a very wide front. It may very well come up.

**The Chair:** Thank you. I would like to ask a quick question before we finish this.

With the trade agreements we're getting ready to sign, do you see any changes, or potential changes, to the way we deliver the program?

I don't know how much time you've had to look at those trade agreements, but do you see any flags that might change the way we deliver our programs? Just a quick answer, please.

**Mr. Greg Meredith:** The quick answer is in my minister's mandate letter, where he's tasked to help the Minister of International Trade prepare and to take advantage of trade agreements we're entering into, so there may be some evolution.

The Chair: Thank you very much.

This concludes our question period for the panel. I thank you very much for coming here and answering our questions. I'm sure we'll meet again as we pursue our committee work.

We're going to take five minutes to approve the motion. We'll start on the motion that needs to be adopted regarding main estimates for 2016-17, pursuant to Standing Order 81(5).

AGRICULTURE AND AGRI-FOOD

Vote 1—Operating expenditures......\$534,827,658 Vote 5—Capital expenditures......\$74,750,000 Vote 10—Grants and contributions......\$343,252,000

- (Votes 1, 5, and 10 agreed to) CANADIAN DAIRY COMMISSION Vote 1—Operating expenditures.......\$3,599,617
- (Vote 1 agreed to) CANADIAN GRAIN COMMISSION Vote 1—Operating expenditures.......\$4,776,362

(Vote 1 agreed to)

**The Chair:** Shall the chair report votes 1, 5, and 10, under Agriculture and Agri-Food; vote 1 under the Canadian Dairy Commission; and vote 1 under the Canadian Grain Commission for the main estimates 2016-17 to the House?

Some hon. members: Agreed.

The Chair: This concludes our meeting for today.

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