



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

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

---

AGRI • NUMBER 008 • 1st SESSION • 42nd PARLIAMENT

---

**EVIDENCE**

**Wednesday, April 13, 2016**

—  
**Chair**

**Mr. Pat Finnigan**



## Standing Committee on Agriculture and Agri-Food

Wednesday, April 13, 2016

• (1540)

[English]

**The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)):** Thank you, everyone, for coming in.

We're running a little late, but we'll get started immediately.

Today the first hour will be on grain transportation, especially in the western provinces. Then we'll follow up with the committee business section of the meeting.

I'd like to welcome Mr. Shawn Tupper, assistant deputy minister with policy, and Lenore Duff, director general, surface transportation policy.

[Translation]

Welcome everyone.

[English]

We'll give you 10 minutes for opening remarks, if you wish. Then we will have questions.

**Mr. Shawn Tupper (Assistant Deputy Minister, Policy, Department of Transport):** Thank you, Mr. Chair.

My name is Shawn Tupper. I'm the assistant deputy minister for policy at Transport Canada. I'm pleased to be here with you today. I'm accompanied by Lenore Duff, the director general for surface policy within my directorate. We are here to speak with you today about the report of the review of the Canada Transportation Act that was submitted to our minister just prior to Christmas. It's particularly related to issues around grain and the movement of grain in our system.

I'm going to start by providing you first with some background comments on the panel report and the grain related recommendations, and then we'll give you a short update on performance of the grain handling and transportation system for this crop year.

I'll run through my comments to get them on the record. I'll do it relatively rapidly so we can get to questions and answers more thoroughly.

The review itself is an arm's-length statutory review of the act that was launched in June 2014. The focus of that work, and the fact that it's statutory, allows us a unique opportunity for government to assess our national transportation system and to understand how we can best leverage our support for that system as it contributes to Canada's overall economic performance.

The review's mandate this time was to undertake a broad examination of how to ensure the transportation system continues to support Canada's economic competitiveness, our trade objectives, and prosperity. The government advanced this review by one year with a view to undertake a more comprehensive examination of the transportation system as a whole, with the priority consideration of grain transportation. You may recall we had just come through a fairly significant winter where we had a bumper crop and a cold winter. It led to something of a crisis within the system. I think that is what provoked the government of the day to move this study forward.

The report was released by Minister Garneau on February 25 of this year and was based on extensive engagements with stakeholders, including more than 354 stakeholder consultations across the land and over 200 stakeholder submissions. The minister and Transport Canada are continuing to engage stakeholders with a view to developing a long-term transportation agenda.

With respect to the transportation of grain, the CTA review presents an opportunity to examine the legislative and regulatory measures specific to the transportation of grain within the context of supporting the efficiency and competitiveness of Canada's freight rail system as a whole.

The panel report makes four recommendations that are specific to grain: modernize the maximum revenue entitlement in anticipation of its elimination within seven years, explicitly define producer car shippers as shippers so they are eligible for all shipper protection provisions enshrined in the CTA, review and set compensatory interswitching rates on an annual basis, and allow the extended 160 kilometre interswitching limits related to the Fair Rail for Grain farmers Act to sunset.

There are many other recommendations in the report that relate to rail, the freight system overall, and the governance of the Canadian Transportation Agency, which apply to all transportation, including rail. It will capture as well issues with respect to grain.

The government has not yet made any decisions on the recommendations contained in the report, including the provisions with respect to the Fair Rail for Grain Farmers Act. As the department and the minister undertake analysis, our objective will be to support an efficient and effective rail based transportation system overall.

These broader decisions will also be informed by Minister Garneau's mandate commitment related to leading with the minister. I am quoting from his mandate letter:

Lead with the support of the Minister of Agriculture and Agri-Food and in the context of responding to the review of the Canada Transportation Act, a full review of the Canada grain transportation system.

There have been significant changes since 2013 and 2014 that have produced a number of important results. The supply chain has fully recovered from the challenges produced by the record crop and severe winter in 2013-14 and is functioning well. Currently, the year-to-day grain movements are on track to match or exceed the record pace of grain movement that was achieved last year. For example, grain shipments from primary elevators to date as of the end of February 2016 were 8% higher than the previous year, and exports of grain from western Canadian ports were up nearly 6% over the same period last year. For the month of February 2016 alone, the last date for which we have complete statistics, rail and port shipments were up 12% and over 21%, respectively, compared to February 2015. This was helped by the mild winter and also reflects good operating conditions by all system participants.

•(1545)

Beginning with the elimination of the Canada Wheat Board in 2012, the industry is continuing to evolve. This includes significant new investments, such as the new terminal and loop track proposed for Port Metro Vancouver and new high throughput elevators being built in Alberta.

Likewise the railways have introduced new initiatives aimed at improving service. For example, CP's dedicated train program, which was launched in 2014, provides shippers with service guarantees based on shipping commitments for specified periods.

Finally the government also launched the commodity supply chain table in June 2014, to provide a forum for shippers, rails, ports, terminals, and other partners to work together on ways to improve the performance of the rail-based supply chain.

With the supply chain continuing to adjust to operating on a more fully commercial basis, we continue to see steady growth in both the production and transportation of grain.

The CTA Review report embodies both months of hard work and significant public consultations. It reinforces the critical point that transportation and logistics are fundamental to Canada's continuing performance and competitiveness.

The minister and Transport Canada are continuing to engage stakeholders in developing a long-term transportation agenda with a view to ensuring the national transportation system continues to support Canada's economic competitiveness, trade objectives, and prosperity.

With respect to the transportation of grain, the CTA review report presents an opportunity to examine ways to support the efficiency and competitiveness of Canada's freight rail system as a whole for all commodities, including grain.

That's the end of my opening comments, and we're prepared to answer away to your questions.

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

We will start the first round of questioning, and it will be six minutes per member. Mr. Warkentin, you have the floor.

**Mr. Chris Warkentin (Grande Prairie—Mackenzie, CPC):** I appreciate the testimony this afternoon, and we appreciate your coming to talk about what's an important issue.

There were a number of provisions that were put forward in the Fair Rail for Farmers Act, some of which we understand will be sunseting this summer. The provisions of that act that will be sunseting include interswitching. What other elements of the act will be sunseting this summer?

**Mrs. Lenore Duff (Director General, Surface Transportation Policy, Department of Transport):** All of the provisions in Bill C-30 collectively will expire. The defining operational terms, the interswitching, the grain volume requirements and...I'm missing one of them.

The permanent ones are the Canada Grains Act amendments that relate to contracts, and the data requirements under the regulations, which are continuing.

I'm just missing the last one.

**Mr. Chris Warkentin:** There are several provisions that do sunset this summer.

**Mr. Shawn Tupper:** Apparently everything sunsets, but not those two.

**Mr. Chris Warkentin:** The minister has described the current review he is undertaking, and he'll be undertaking additional consultations through the summer for months, as he said. We expect that could be into the fall before we see any legislation. Have you got any sense as to when legislation with regard to the review might be coming to the House?

**Mr. Shawn Tupper:** The minister indeed wants to ensure that he gets people's feedback and reaction to what is in the report and the specific recommendations. Then his plan will be to bring forth recommendations to the government in the fall that will allow the government to then announce a way forward in terms of setting the next agenda.

**Mr. Chris Warkentin:** Technically is there a way that government, other than moving legislation, can extend the provisions of the Fair Rail for Grain Farmers Act to allow them to not sunset it until such time as new legislation responding to the review is complete?

**Mr. Shawn Tupper:** I can't tell you what the government's going to do.

**Mr. Chris Warkentin:** No, I understand that.

**Mr. Shawn Tupper:** The design of the original act allows for its extension, and the government is actively considering exactly what it will do with respect to the sunseting provisions.

**Mr. Chris Warkentin:** So there is a provision that would allow for a government order to—

**Mr. Shawn Tupper:** The existing act was designed to permit that, yes.

**Mr. Chris Warkentin:** In terms of the interswitching provisions, we have heard from the vast majority of commodity groups that use rail to transport their commodities. They're very concerned about the sunseting of these provisions. Do you have any research or stats relating to the use of interswitching from the time it was announced up until this point? Are there stats that the department would collect on that, or that you have available to you?

• (1550)

**Mrs. Lenore Duff:** The department doesn't have or collect statistics on this. These are commercial arrangements between railways and shippers. We have some anecdotal evidence that we've heard from shippers about their usage, and some indication from the transportation agency about the usage of interswitching. We understand that it has been used to a limited extent.

**Mr. Chris Warkentin:** Do you recall that there was a legal fight—I guess there was a lawsuit—related to the interswitching provisions in the legislation, which took some time to be concluded?

Are you familiar with that lawsuit at all?

**Mrs. Lenore Duff:** Do you mean related to the extension of the interswitching provisions?

**Mr. Chris Warkentin:** Pardon me, no, I meant related to the original introduction of the interswitching provisions.

**Mrs. Lenore Duff:** I'm not familiar with that.

**Mr. Chris Warkentin:** That's fine. I think there was some suggestion that this may have delayed many of the shippers from utilizing those provisions previously.

That's helpful information. In terms of the volumes, obviously one thing the government has as a result of the Fair Rail for Grain Farmers Act is the ability basically to designate an amount that the rail companies would have to transport over a period of time.

I'm hopeful that we'll have a bumper crop upon the prairies this fall. My concern is that I think many folks are very concerned about the ability of government to react, if in fact we do have a bumper crop, and to weather challenges in this coming year, if legislation isn't in place to replace the existing provision.

I guess that provision would fall under the provisions that would allow the government to extend those provisions by Governor in Council. Is that correct?

**Mrs. Lenore Duff:** Yes. Just for the record, the other provision of the four is the compensation provision that's provided for in the legislation, as one of the four elements that are part of the sunseting provisions.

**Mr. Chris Warkentin:** That's right, and all of these provide an ability for the government to sign off and to make an order-in-council designation to allow those to be extended for a period of time, if it so desires.

**Mrs. Lenore Duff:** That's right. They're collective: they all expire or they all are extended.

**Mr. Chris Warkentin:** They couldn't, then, pick and choose; it's all or nothing.

**Mrs. Lenore Duff:** That's correct.

**Mr. Chris Warkentin:** That's very helpful. I appreciate the answers. Thank you.

**The Chair:** Thank you, Mr. Warkentin, and thank you, Mr. Tupper.

[*Translation*]

Mr. Breton, you have six minutes.

**Mr. Pierre Breton (Shefford, Lib.):** Thank you very much for being here and for your comments on grain transportation.

Following the report, are consultations being held with the people in the sector? If so, what is being done? I will ask some sub-questions afterwards.

[*English*]

**Mr. Shawn Tupper:** We have just given advice to the minister with respect to a way forward for laying out that process, and the minister will be announcing that process in the very near future. It isn't yet public, but there is a plan to move forward with a very active engagement.

[*Translation*]

**Mr. Pierre Breton:** So there have been no consultations with the agricultural sector so far. Is that correct?

**Mr. Shawn Tupper:** The process has not been announced yet. We'll have to wait a little.

**Mr. Pierre Breton:** Okay.

So far, has the industry commented on the report? Could you tell us about that?

**Mr. Shawn Tupper:** Yesterday and today, my colleague took part in meetings with various sector representatives. They made comments and expressed their views, which has helped us brief the minister.

**Mr. Pierre Breton:** Okay.

Can you now tell us what those folks said?

**Mr. Shawn Tupper:** I cannot talk about that.

**Mr. Pierre Breton:** Okay.

Earlier, you talked about capacity. What do you foresee in terms of increased capacity for grain transportation across the country?

• (1555)

[*English*]

**Mr. Shawn Tupper:** Do you want to handle that?

**Mrs. Lenore Duff:** Is it about increased capacity with respect to the ability to transport grain?

[*Translation*]

**Mr. Pierre Breton:** Yes.

[English]

**Mrs. Lenore Duff:** As Shawn mentioned in his earlier comments, there have been initiatives put in place to expedite the transportation of grain by the railways. I guess I would say that the indications we have—and we monitor each grain week to see where we are in terms of performance both of transportation and at the ports—are that performance has been very good this winter. We're above the levels we were at last year, both with respect to car order fulfillment and general transportation volumes.

I think it's fair to say that the system is functioning well now. It doesn't mean there isn't room for improvement, but overall this is functioning well—as well as it has in the past decade.

[Translation]

**Mr. Pierre Breton:** In terms of investments in rail sector infrastructure, could you tell me how train car or train modernization may help improve our system? Is our current infrastructure able to handle all those new investments or train car modernization for transportation?

[English]

**Mr. Shawn Tupper:** I think that specific results concerning the kinds of investments government would be making in the rail sector are something we want to proceed with in the CTA review to understand and identify priorities. I think we're still some distance away from the government's actually making those decisions concerning its priority investments in the transportation sector specifically.

The government has clearly indicated to us that infrastructure investments are a key priority, and in the last budget they indicated a fairly broad range of investments. None of those is specific to the rail sector. As I say, part of this needs to be included in our review and our understanding of how the government wants to respond in looking at the priorities identified out of this review.

[Translation]

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

**The Chair:** Ms. Brosseau, the floor is yours for six minutes.

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

My thanks to the witnesses. I am really pleased that we are studying grain transportation in Canada.

A few years ago, my colleague Mr. Shipley and I participated in a study on Bill C-30 at this committee. Producers were facing huge losses in revenue when goods could not be delivered by rail. Something had to be done. All three parties reached a consensus in the committee, which was very interesting.

I hope the committee will once again be prepared to undertake a study like that, in order to provide a report with recommendations to the Minister of Transport and the Minister of Agriculture and Agri-Food, who are both responsible for handling this situation.

[English]

In the report there were four recommendations, and from what I understand, the minister can go through with an order in council. I

think a motion would have to be put before the House, if we wanted to keep some of these provisions in place.

Is that right—an order in council and then a motion before the House?

**Mr. Shawn Tupper:** That's exactly right.

**Ms. Ruth Ellen Brosseau:** Perfect.

I've spoken with many stakeholders, some of whom are here in the room today. I had the pleasure of meeting this week with my colleague from Alberta Grain Growers, Alberta Canola, Albert Pulse Growers, and Alberta Barley. Many of the people I've been speaking to have talked about the importance of keeping the MRE. The report recommends something different.

Could you comment on how you see the MRE being modernized?

**Mr. Shawn Tupper:** For us, using the occasion to meet with the representatives from the sector but equally to engage more broadly, the direction of the report and the advice it gives us is I think to frame out things so that we find the balances in the system. That is going to be a key element of our hearing from folks how they react to the recommendations within the report and of trying to understand how we can achieve a balance.

I think the approach needs to be to ensure that all the parties meet their responsibilities for the efficient operation of this system, and I think we need to hear from people how they're reacting to the recommendations and how we balance their input to the minister in determining a way forward to do that modernization.

● (1600)

**Ms. Ruth Ellen Brosseau:** Interswitching has been very important. I've even spoken to some farmers who have talked about making it even more than 160km, because what they produce on their farms is amazing grain that is world-class, and we have all these trade agreements whereby farmers from across the country are able to export, but if they aren't able to export, they're not making any money. It's not grain that's going to be transformed or have value added or be used here; it's strictly for export. The interswitching is very important.

Can you maybe explain what interswitching is to the members, because I know it's new for some of the members on committee. I'm wondering whether you have heard the same thing as I have, about how important interswitching is important for many farmers close to the border.

**Mr. Shawn Tupper:** I can confirm absolutely that we've heard from many different parties about the importance of interswitching to them. We've heard varying references about how far we should extend the interswitching rules.

Clearly that is going to be an issue. I think one of the things we want to accomplish in the coming months is to get a good understanding of how much and how it has been used so we really do understand how it gets leveraged.

**Ms. Ruth Ellen Brosseau:** We don't have the data on that, right? The government isn't collecting data on that.

**Mr. Shawn Tupper:** I think that is part of why we want to make sure we properly engage so we do get information, so that it's more than just anecdotal information. I think we want to learn from people specifically how they are using it so that it better informs the decision-making moving forward.

In terms of how interswitching works, I'm going to refer to my expert here.

**Mrs. Lenore Duff:** Interswitching adds into the system the ability for captive shippers to have access to another railway. There are designated interchange points at which the first railway would bring the goods to the interchange point at a regulated rate—now that's out to 160 kilometres—and hand it off to the other railway with which the shipper has contracted.

It really is a provision that allows for access to an additional railway. It's used in making that switch and is also a provision in the legislation allowing those who are using the transportation system to negotiate with that possibility in play.

**Ms. Ruth Ellen Brosseau:** I have a question on penalties. When shippers are late, they could be penalized, but railways aren't penalized when they are not getting the grain or the cars on time. Is that right?

Shippers are being penalized, but the big companies aren't penalized when they are days, or weeks, or even months late.

**Mrs. Lenore Duff:** Those are commercial arrangements. There are no penalties in the legislation that apply to either party. Those are commercial relationships between railways and shippers.

Under Bill C-30, the Fair Rail for Grain Farmer's Act—that's the one I missed when I said there were four provisions—the compensation provision that was added allows for shippers to claim out-of-pocket expenses in the instance of a railway service failure. That provision was added to the legislation.

**The Chair:** Thank you, Mrs. Duff. The time is up.

We will now move to Monsieur Drouin.

[*Translation*]

You have six minutes.

[*English*]

**Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.):** Thank you, Mr. Chair, and thank you to the witnesses for being here.

I have also met with a number of stakeholders who are concerned about some of the clauses in Bill C-30 sunseting.

One of the issues I always think about is the need for more predictability. We're consulting right now in Canada about whether or not we will ratify the TPP. I always think, and I have heard from stakeholders, that there needs to be more predictability in the system.

How do we provide more predictability in the system, and how does the report's recommendations impact that?

**Mr. Shawn Tupper:** I think one of the key elements in the report overall is its fairly good focus on the need for proper data. I've been in my job for a year, and I think that is an area where we are trying to focus in the department to improve our capacity to understand what's

going on in the system, what are the congestion points, and what fluidity can we find in that system.

Frankly, I think one of the major learnings coming out of the grain crisis was that we were caught short. We didn't have the data we needed. I think the report quite rightly identifies the need to pay attention to building that dataset so we can do better forecasting and understand the kinds of pressures that are in the system and, hopefully, that will give us more predictability.

● (1605)

**Mr. Francis Drouin:** One point Mr. Warkentin raised was the stats on interswitching.

Was there a reason why the government didn't mandate such reporting, or could they mandate the industry to report statistics with regard to interswitching? Right now everything we have is anecdotal from stakeholders. Is that right?

**Mr. Shawn Tupper:** Yes.

**Mr. Francis Drouin:** Could the department mandate industry to report on interswitching so we can make a better informed decision, or...?

**Mr. Shawn Tupper:** I wasn't here at the time. I'm not sure whether or why there was a decision to include or not to include that.

**Mrs. Lenore Duff:** I was here at the time. There are transportation information regulations, and there were enhancements made to those at the time the bill went through.

There has never been any requirements for reporting on interswitching. These relationships between railways are seen as commercial ones. Some of them are under the legislative provisions, and some of them are voluntary. For example, CN and CP interswitch with one another outside of the requirements of the regulations.

What they did was extend from 30 kilometres to 160 kilometres. They didn't make any other changes in terms of looking for data. It wasn't part of that legislation.

**Mr. Shawn Tupper:** If I could just say very quickly, one of the activities we are pursuing in the commodity supply chain table is bringing the parties together and encouraging dialogue. It's the convening power of the federal government to bring parties together so we can create some of these conversations and better understand those interactions. I think we have some capacity, through that table, to get a much better understanding of how the system is working and what the interactions are between the parties.

**Mr. Francis Drouin:** I'm glad to hear that, because one thing that keeps me up at night is to ensure that for our products from farm to customer, we provide predictability in the whole supply chain. From speaking with many stakeholders, there don't seem to me to be many conversations, but if we're facilitating them, I hope that at the end the outcome is a favourable one, especially for farmers. I truly believe that with food demand growing exponentially in the next 30 years, it's going to be important.

If we were to let the clause sunset, has the department done an analysis of what would happen to the grain industry?

**Mrs. Lenore Duff:** I guess the short answer to that is no. The volume requirements haven't been used since March 2015, when the system returned to normal operation, so they're not in play. The compensation provisions would disappear, but they have been used very infrequently. In terms of interswitching, as I say, we don't have a significant reach with respect to knowing how much it's used. The regulations are under the agency's authority. They were to monitor that situation.

We expect the system would return to normal operations. These were temporary provisions put in place to address a specific circumstance. We don't have any expectation that the system would be different from what it was two years before.

**Mr. Francis Drouin:** Okay, thanks,

*Merci, Mr. Chair.*

[*Translation*]

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

[*English*]

For the second round, the turns are of six minutes.

Ms. Lockhart.

**Mrs. Alaina Lockhart (Fundy Royal, Lib.):** I'm going to follow up on that.

Can you go back again?

**The Chair:** Yes.

**Mrs. Alaina Lockhart:** Among the provisions of Bill C-30, we have compensation, interswitching....

What were the other provisions?

**Mrs. Lenore Duff:** They included minimum grain volumes requirements and defining operational terms in service level agreements.

**Mrs. Alaina Lockhart:** As I understand from your briefing, these provisions came about right after we had a boom season, an influx of grain, didn't they?

Just break down what each of these does, I guess—what each of the provisions addresses.

• (1610)

**Mrs. Lenore Duff:** The minimum grain volumes were put in place to expedite the transportation of grain to the ports. There was a record crop, 30% higher than average, and a particularly cold winter that year, which resulted in trains having to run at reduced speeds and with shorter consists, so volume requirements were put in place to have the railways ensure that they were moving the crop to market.

Extended interswitching distances for all commodities across the three prairie provinces, given the huge crop and the backlog of grain, was designed to allow for increased competition. Shippers would be able to access other railways to move the grain, essentially.

Defining operational terms in service level agreements was getting clarity on the terms that are subject to arbitration in a service level agreement, such that it would encourage the use of those service level agreements that came into force in the rail freight service

review the year before, I believe it was, which were being underutilized.

The compensation provisions that allowed shippers to claim compensation for levels of service failures were again in relation to complaints about the railways not meeting service obligation and that these failures were costing shippers money and that they should be compensated for them. Railways were allowed to have in their contracts and in their dealings with the shippers the ability to charge penalties for cars being released late; this would provide shippers with the ability to claim for out-of-pocket expenses caused by the cars arriving to them late and for their having staff there whom they had to pay and who were there essentially for nothing.

**Mrs. Alaina Lockhart:** You said “all commodities” across the prairies, but you mean grain commodities, right?

**Mrs. Lenore Duff:** No. I mean all commodities—

**Mrs. Alaina Lockhart:** All commodities? Okay.

**Mrs. Lenore Duff:** —in the three prairie provinces.

**Mrs. Alaina Lockhart:** That's potash and that kind of thing?

**Mrs. Lenore Duff:** Yes, everything.

**Mrs. Alaina Lockhart:** All right.

At the time, how was Bill C-30 received by agriculture? Were they pleased with the outcomes at that time?

**Mrs. Lenore Duff:** I think so.

**Mrs. Alaina Lockhart:** At this point, now that we're reviewing, we've said that we've talked to stakeholders and that sort of thing. Are we at the same point in time? This had very specific things that they addressed. Have we overcome some of these challenges? Are we satisfied? Are you getting that kind of feedback from the industry or are there still provisions they're looking for?

**Mrs. Lenore Duff:** I think it would be fair to say that there are still provisions they're looking for.

But with respect to what the volume requirements were designed to do, which was move a bumper crop, I think that was accomplished. Within the normal parameters that we track, the system returned to normal operations within just over a year. That was the expectation, and that indeed happened.

**Mrs. Alaina Lockhart:** The provisions were to address a short-term situation. In the meantime, are there other things that have happened to modernize the transport system and decrease the risks addressed by these provisions originally?

**Mrs. Lenore Duff:** I think the system grows and changes. It is a commercial system, and the various parties make investments in the system in order to improve. Railways make investments to improve their business, and shippers make improvements.

Shawn did mention a couple of those things, just as examples of how the business is healthy and a lot of investments are being made in the industry. It's a good indication that it's healthy and profitable. Pointing to specific investments that we have a metric on for how it has improved probably would be something that the companies making those investments would be better placed to answer.



•(1615)

**Mr. Shawn Tupper:** One of things that I think we've learned is the importance of understanding the entirety of the system and the interconnectivity of that system.

In the last 8 or 10 years, Canada has made real progress with our gateways and corridors program, because it was actually an articulation of looking at the transportation system as a whole and understanding those pressure points as we look at where things cross from rail to trucks, or from trucks to rail and then onto a ship. That is I think where the report gives us that leverage to again think about what our 2.0 is going to be with respect to how we understand trade corridors in the country, and [*Inaudible—Editor*]

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

We'll move on to Mr. Shipley for six minutes.

**Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC):** Thank you, Mr. Chairman. I may split my time with Mr. Warkentin if I run out of questions.

To start, I have some comments. Most of my questions would go to the policy people, actually, but those aren't for you.

I'll go back a bit just so the committee really understands the significance of the Fair Rail for Grain Farmers Act. When that came in, there were more issues than just the significant issues around getting grain from the farms, from those that had specific grains. Some grains would move, but specific ones that were sold couldn't get moved. As a committee, we also wanted to make sure that this was not just about farmers tramping on top of other shippers, because we had also forestry, mining, minerals, energy, and the fertilizer industry.

In terms of the grain farmers act, it was brought in with the co-operation of and full consultation with other shippers. It was interesting, and obviously we learned a number of things, one being that it wasn't just about grain. This act came forward with a lot of discussion, particularly at the agriculture committee, about how we were going to improve the Grain Act.

When I look at the sunset clauses from that time that are set out here, I see that they're almost here right now. July isn't very far away. It seems like it's a long way when it's -20°, but it's not very far away in terms of how acts and legislation take place. If we were to let that sunset... I caution our committee on this, and I submit to the government that this cannot happen. These sunsets cannot be left out there and not be acted upon. It will take us back to where we were before the grain farmers act. The reason it had some timing in it is that the Transportation Act review was needed, and it was agreed on by the committee that we needed that to take us to this point.

I'm looking at a question that I might ask you, though. Those were my comments. I know that all of us, just from the comments that have been made around the table, know the significance of making this protection be put back in place. Many of us have listened to many of the producers who are raising four or five major issues with the report, and I think this committee needs to be able to come alongside and reinforce the support that they are talking to us about.

One of the things—and it's likely just because I don't understand all of it—is that one of the recommendations is to redefine “producer

car shippers” as just “shippers”. I'm wondering what that means in terms of the change in rights that would come with taking away “producer car shippers” and making those rights the same rights that “shippers” have. Help me with that.

**Mrs. Lenore Duff:** I guess I would say—and it's specific language in this recommendation—that from our perspective, producer car shippers and shippers would typically be treated the same under the Transportation Act, but it is a legal question. It's to ensure that producer car shippers are defined as “shippers” under the act. Under the act, shippers are the entity that has access to the protections of the remedies under the act.

•(1620)

**Mr. Bev Shipley:** That's right. Then obviously letting these things lapse also would bring back the lack of protection of the producer shippers on the penalty issue.

I'm going to turn it over to my colleague.

**The Chair:** You have a minute.

**Mr. Chris Warkentin:** Okay.

I'll continue on that. This has always been a challenge for those who load producers cars: finding out who has the authority or who has the rights. Is it the person who ordered the cars or is it in fact the shipper, that being the farmer?

The solution obviously would be that the farmer or the group of producers that is shipping would be empowered to have all the rights and responsibilities of a full shipper at the table. Explained in the recommendation is that possibility. Is that your interpretation?

**Mrs. Lenore Duff:** That's my interpretation of the recommendation: that there is concern that producer car shippers are not able to access the provisions of the act as shippers, and that this needs to be clarified. Yes.

**Mr. Chris Warkentin:** Yes. There's a great amount of frustration not only in terms of the rights, but in terms of the communication. So often, those who are actually doing the shipping aren't empowered to know the information as to why cars are showing up late and why cars may or may not show up at all. That has been a massive frustration. Anything we can do to empower shippers as farmers, as producers, as they come together and load producer cars is absolutely essential.

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

We will move to Mr. Longfield for six minutes.

**Mr. Lloyd Longfield (Guelph, Lib.):** Thanks for the details and the conversation. As I mentioned earlier, before we were sitting formally, I'm originally from Winnipeg. I did work on the hydraulics in Prince Rupert and in Thunder Bay on the terminals. When I saw hydraulic problems, I wanted to get in there to change their oil or to do something else.

Looking at the terminals and our capacities, through climate change, the Great Lakes levels are dropping, and we have partial shipments going through the Seaway now, with ships that are not able to take full loads from Thunder Bay. I know from the report that most of our grain goes to the western terminals, but let's look at Ontario.

Guelph has the Guelph Junction Railway, one of three federally chartered railways in Canada. They are CN, CP, and the Guelph Junction Railway. We have 37 kilometres of track between the two major rail services in Canada, and we have the Port of Hamilton and the port in Toronto.

I'm not wanting to put alarm bells on, but what if climate change continues in the direction that we're seeing? Have you looked at the risk analysis on the rail system going to the port of Thunder Bay versus using rails going further east and possibly using some of our infrastructure in eastern Canada?

**Mr. Shawn Tupper:** You're picking up on my last comment with respect to getting to our 2.0 in terms of looking at where we go in our next rendition of the gateways and corridors program. I think that's exactly where we need to go, and that's why I think the data component is going to be critical in moving forward.

It's really about understanding what capacity we have in the system, where it's at, and looking at utilization rates, and then making sure that we're investing in those corridors in ways that allow us to get.... If you're in the middle of the country, all you care about is getting your goods to market, and we have to figure out the most efficient ways of doing that. That's where I think the data and the investment are going to be critical, and that's why the minister certainly has charged the department to start developing that advice.

As we move forward, I think a critical component of the consultations will be to really understand what that capacity is, where it exists, and how we can make the best investments to ensure that we're thinking down the road and that we have a bit of a vision of what those pressures are going to be in the future.

**Mr. Lloyd Longfield:** Very good. I'm hoping that climate change will be something that we're able to discuss in further detail in other meetings. With an extended grain season, what does that mean for the crops? The pulses are up and wheat is down. We're going to be seeing a really dynamic change in the market.

I'm wondering whether Bill C-30 is in the way of any of that or whether it prohibits the modernization of the transport. Is it something that was a good stopgap but really needs to be re-addressed? Do you have any thoughts on that?

**Mr. Shawn Tupper:** As we've indicated, Bill C-30 was put into place to deal with a very specific situation. That situation has now passed. We've returned to more normal operating parameters.

Again, I think the act and the advice we got from Mr. Emerson and his panel allow the government to move forward in that exact conversation: what are the needs for the future, whether it's regulatory policy or investment?

•(1625)

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

If I can, I will share the rest of my time with Mr. Peschi... Peschiso....

**Mr. Joe Peschisolido (Steveston—Richmond East, Lib.):** Joe.

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

**Mr. Joe Peschisolido:** It's "Peschisolido".

**Mr. Lloyd Longfield:** Sorry.

**Mr. Joe Peschisolido:** It's a tough one—no worries.

Mr. Tupper and Madam Duff, thank you for appearing.

I'd like to follow up on some points that Mr. Longfield was making with regard to our infrastructure needs.

I believe it was you, Madam Duff, who spoke about a terminal and a loop track at Port Metro Vancouver. As you know, at Port Metro Vancouver there are a variety of terminals and a variety of uses. Can you elaborate a bit on that?

**Mrs. Lenore Duff:** Yes.

Just by way of example, I was trying to describe some of the recent investments that have been made in the system.

What I was referring to was an investment in what is the Lynnterm terminal, where they're proposing to establish a grain terminal that will have a rail loop track that allows for the more efficient filling and unfilling of rail cars, back onto the bridge, and then back on the north shore.

That was just an example. There have been other investments in grain terminals at Port Metro Vancouver as well. In Shawn's comments, I think he mentioned that there have been two recent announcements in the press about building high throughput elevators in Alberta. It's by way of saying there's a lot of investment in the system that seems to be reflecting the importance of this sector, how it's growing, and how the system is adjusting to that growth.

**Mr. Joe Peschisolido:** To get you back to the specifics on the terminal, is this a proposed terminal? Is it a terminal that has already been approved and is now in the process of being built? Is it being done by a private terminal company?

**Mrs. Lenore Duff:** It is a private company.

**Mr. Joe Peschisolido:** So it's all done; it's there.

**Mrs. Lenore Duff:** It's not all done. There are still approvals under way, I believe.

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

**The Chair:** Thank you.

Mr. Warkentin, five minutes, please.

**Mr. Chris Warkentin:** Thank you so much, Mr. Chair.

I do appreciate this conversation. I think it's an important conversation.

There's been a fair bit of discussion as to whether Bill C-30 went far enough or did everything. It was intended as a stopgap measure for a period of time but also to be in place until such time as the CTA review was completed. That was the second step to the program, to allow the minister to continue to have tools in his tool box if in fact the circumstances redeveloped, whether it be weather, if it be another bumper crop in the west. Those circumstances, those conditions, could easily re-present themselves this winter.

I'm hopeful. I'm the son of a farmer, and farmers are forever optimistic that the next year will be better and might be better. So I do think that is a possibility, and, of course, who can tell what the weather will be? We do know that the minister has said there is a time frame for the replacement legislation. The timeline is such that we know it will be consulted on through until the fall. We know the process for legislation, and sometimes it takes years to get legislation fully complete.

In your view, is there any danger, any harm, in maintaining the provisions of Bill C-30 until such time as replacement legislation is in place? Is there any encumbrance that that extension would place on anybody?

What I should say is, giving the minister the tools.... Obviously the rail companies are very uncomfortable with the interswitching provisions. I get that.

We're at the agriculture committee; I guess I should say I'm here to defend my agricultural producers. Will the farmers be poorly served by the extension of the provisions of Bill C-30 until the legislative replacement from the review is in place?

• (1630)

**Mr. Shawn Tupper:** I want to reiterate that these are two separate activities. The consultation and the move forward through to the fall with respect to the review is a different thing than the government's ability to extend the elements of C-30.

The minister has certainly heard from the agricultural sector. He's heard from other stakeholders in the transportation sector. The government is seized with the issue about what to do with the coming July dates and the sunset of C-30. I think I need to leave it to the minister and deputies to make that announcement.

**Mr. Chris Warkentin:** I fully understand.

I guess it won't come as a surprise to the minister—I can only speak on behalf of myself and a few of my colleagues—that we think the extension would be the right thing to do and would ensure that farm families are well served. We'll pass that information on to both the Minister of Agriculture as well as the Minister of Transport in many creative ways over the next number of days.

There's another issue that I wonder about, and I should know the answer to this. Which department owns the Government of Canada-owned grain cars?

**Mr. Shawn Tupper:** That would be our department.

**Mr. Chris Warkentin:** They are your department's.

Has there been any assessment in terms of their current state? What is their life expectancy? I know a number of them have been increasingly pulled off for maintenance issues. What is the lifespan expectation of that fleet of cars?

**Mr. Shawn Tupper:** I know the fleet is generally reaching the end of its lifespan, as was forecast. We are engaged in looking at elements with respect to whether we can extend that lifespan.

It is actually a program shop in the department that runs that. If you are interested in getting further information about the fleet itself and the status, we can certainly provide that.

**Mr. Chris Warkentin:** Would you provide that to our committee? I think that's something that's definitely on our radar.

We understand that this may be a major encumbrance in terms of farmers getting their commodities to market, and one of the weak links in the chain as we look out to the months and the years ahead.

If you could get that to us—

**Mr. Shawn Tupper:** Actually, I did.

**Mr. Chris Warkentin:** Okay, you did, very good. I appreciate the necessity to ensure that things are said correctly.

How much time do I have left?

**The Chair:** You have 10 seconds.

**Mr. Chris Warkentin:** I have 10 seconds. I wanted to talk about containerization, but we won't have time for that. Thanks.

**The Chair:** That concludes our presentation by the witnesses. I want to thank both of you, Mr. Tupper and Ms. Duff, for coming over and talking to us about the grain transportation system, and also Bill C-30. Thank you very much.

We will take a couple of minutes' break, and then we will return with committee business.

•

\_\_\_\_\_ (Pause) \_\_\_\_\_

•

• (1640)

**The Chair:** Thank you, everyone. We'll get on with the committee business.

To pick up where we were at the last meeting, we had a motion on the floor. I also want to remind people that we are not in camera. We are in public. Those are just two things I wanted to mention.

We have a motion on the floor.

Mr. Warkentin.

**Mr. Chris Warkentin:** I do appreciate this. I think the motion on the floor was to pursue a study of Growing Forward 3. I see that the PS is not with us today, but I'm hopeful that maybe today somebody from the government side would inform us on the discussions with the minister they might have had as it relates to the invitation to inject ourselves in what are negotiations between the federal government and the provincial governments.

I'd love to be at that table—I'd love it if our committee was at the table—but we haven't been given that invitation. As they are already engaged in the process of putting in place the preparations for the first meetings, I'm not sure what the purpose of a study of Growing Forward 3 would be at this point.

I'd like some additional clarification before we move to a vote on that.

**The Chair:** Any comments before we move to the vote?

**Mr. Francis Drouin:** Sure.

It's the first meeting in July, I believe, so if we start now....

I understand your point, Mr. Warkentin, but you've been an MP since 2006. You know that government doesn't make a decision quickly. There's no such thing as a quick decision.

If the committee does not undertake a study on the agricultural policy framework, I think that would be a shame for this committee. In the past they've always done so. I think if we start May 2, it would allow us to hear from all sorts of stakeholders, including the departments, in order for us to provide the recommendations.

Are you saying you don't want to provide recommendations to the House with regard to the agricultural policy framework, or...?

[Translation]

**The Chair:** Ms. Brosseau, the floor is yours.

[English]

**Ms. Ruth Ellen Brosseau:** I would like to echo the comments that Mr. Drouin just made. It takes a while for the government to make decisions sometimes.

I think from the witnesses we just had today, and from meetings I think we've all had individually with farmers and different stakeholders, we know the importance of the past Bill C-30 and of maybe looking at the four recommendations that were in the Emerson report.

I was on the agriculture committee before. We did go over Growing Forward 2. We made recommendations.

•(1645)

I know that governments have changed, and you guys want to work together a little bit more. I'm really hopeful and optimistic that if we do make recommendations, they might be adopted a little more than they were when it was you guys back then.

This is a pressing issue. I think we could still get to Growing Forward 3 in due time, but I still think we should absolutely concentrate on grain transport. There were billions of dollars of losses for farmers, huge losses, and this could happen again. We're shipping less oil. They had a bumper crop, yes, but this is a pressing issue. I'd be very uncomfortable going forward with Growing Forward 3 or whatever it gets named, because this is an issue that needs to be acted on now.

We could ask the ministers to extend the provisions and not let them sunset, but we can't force their hands to do it. That's why I think it's important to have witnesses, experts. You know, we meet with farmers, but I'm not a grain farmer in the west. I represent a dairy, pork, and heavily supply managed area in Quebec. But I meet with people across Canada, farmers across Canada, and they're telling me they're worried, they're concerned. They want the government to act.

I think it would be a great opportunity for us to study this at agriculture committee. Transport is not necessarily the best place to do it. They're busy with rail safety. This is an ag issue. We need our farmers here. We need our commodity groups. We need them to come and tell us why it's important for the interswitching, why it's important for MRE, why it's important for the four recommendations. We have to make this legislation right.

I was on committee. I fought to have a lot of these things kept in place. I fought to make it the best piece of legislation it could be. Sadly, I'm sorry, you guys voted down—remember, Bev?—a lot of the things we recommended that were based on witness testimony.

So it's a plea. I'm kind of asking, I guess, that as committee members we find some consensus and go forward with a study on grain transport, because that is an issue that will help farmers right now.

*Cultivons l'avenir*, Growing Forward, will come in due time and we will do a study later. We will make recommendations to try to make that better, but this is an issue that I think we could deal with and put farmers at ease. This is a huge, huge issue for them.

I guess I'm just pleading that we do a study on grain transport and the Emerson report and look at keeping some of the recommendations that were made by our experts who came to committee.

[Translation]

**The Chair:** Thank you, Ms. Brosseau.

Mr. Warkentin, the floor is yours.

[English]

**Mr. Chris Warkentin:** To answer the question I was asked from across the way, I would love to have all of the input that I possibly could in terms of the framework. However, I do know that if you're going to the negotiation table in June, by the time we got into this it would be April, and if we haven't concluded... If the minister doesn't know what his framework is at this point, we have to wonder what he's going to the table with in June. He's not going to wait for us to contribute to that before he prepares for the table.

The first meeting is in June. If somebody across there wants... Look, I'm ready to drop everything and go out and study this or get feedback from farmers on Growing Forward 3. If there's a particular area that the minister needs some assistance with—it needs some hearings—we'll go do that. But tell us what that is, because if we are just going to do busywork....

If we look at the time frame, we can't do a comprehensive study of a Growing Forward 3 study before the minister would have all of what he needs to be prepared for that first meeting. I know that the ministers in respective provinces have already started to compile their information. They've been given the framework by the minister, what they expect to negotiate at that first meeting. I'm not sure what exactly we would be involved with. I don't understand.

I recognize that we're enthusiastic to put our oar into the waters of the negotiation that others are engaged in, but I'm not sure exactly what we hope to accomplish or contribute to the minister on a negotiation that has the first table meeting in June.

Look, I have great ideas, and I'm certain that if we travelled the country, farmers would have some great ideas as to what they'd like included in that. But we don't have that kind of time. What is it specifically that the minister is inviting us to contribute for that discussion? If it's just busywork that this committee is engaged in, I think we're all going to be disillusioned with our jobs.

Let's do effective work. Let's actually do stuff that's going to impact and benefit farm families across this country. On the grain transportation provisions that will sunset this summer, an essential thing for us to decide as a committee, if we're going to recommend to our minister and the Minister of Transport whether or not they would be extended, I believe strongly that they should be. I believe that every tool in the tool box of the Minister of Transport to protect farm families is absolutely paramount. I think that's effective and good use of our time to ensure that farm families are protected.

I just wish somebody across the table could tell us what piece of information the minister is missing that he would like us to consult on with Canadian farmers before he goes to that table in June. If he doesn't have a clue what he wants the program to look like, then we have bigger problems, and maybe we should go immediately into a study. We can tell him what we think should be included in that. We could meet with farmers across the country. We could leave tomorrow, if in fact he hasn't got that, but I suspect that's not the case. I suspect that the minister has a very good idea as to what he is expecting because he's already spoken to his provincial counterparts.

What is it that the minister needs our help with defining for those negotiations? Before we just decide that we're going to do busywork, let's actually find out what he wants us to do, what we could do to be useful, and what we'll actually contribute to a better program. If somebody from across the way could tell me that, I'll cancel every meeting that I have henceforth to make sure that we get the best program to move forward.

If we don't have something that we're being asked to contribute to, then we have stuff that will have a meaningful impact for farm families across this country. There are a number of motions, a number of things that stakeholders across this country have told us, so we have the necessity to make sure we deal with the C-30 provisions that will sunset this summer.

We've heard from the produce growers who need provisions relating to PACA, the provisions of bankruptcy protection that don't exist today because of the challenges that have developed as it relates to the Americans. That's on what we can do to make sure that bankruptcy protections are there to protect farm families and ensure they can get their commodities to market.

We've heard from countless organizations that have very specific requests of this committee.

● (1650)

If the minister wants us to travel or to hear from farmers, as it relates to Growing Forward 3, we need to have an idea as to what we're doing and that it's not just busywork, because we have real work that needs to be done.

**The Chair:** Thank you.

Mr. Shipley.

**Mr. Bev Shipley:** To follow up, Bill C-30 is coming to an end because it has sunset clauses in it dealing with the Canada Transportation Act. The big difference between this and Growing Forward 3 is that we've not only had a report with recommendations brought forward by the review board to deal with, but we've also had ample opportunity because those producers have also been in touch

with us, not only as individuals, but as organizations, and now is the time.

We can shovel it off, and let it ride itself out, and say to those folks who lined the room today that we'll let those recommendations fly by, and it will sunset itself out, and we'll be back to where we were unless the government is going to implement an order in council, or whatever they are going to do.

My point is that this is in front of us. We have the report. We're asking to deal with recommendations. We have the producer organizations saying to us, "we have some issues. Will you come alongside us as an agriculture committee because we're commodity groups, and help us walk through this, and get us some recommendations that you see?" There may be more, but those are the ones they have.

As Chris has said, we all know the significance of the business risk management platform, or the policy, and for lack of better wording at this time it's likely going to be "Growing Forward 3". Whatever it is that follows Growing Forward 2, we haven't received anything yet that I know from the study, from the minister, or from the organizations. Maybe you have. Maybe you have had these same commodity groups saying, "Now we need to be moving forward", because many of them are the same groups, for instance the grain producers. This is more in western Canada, but it affects them as the business risk management programs roll out.

We need to move beyond by the government people in front of us and talk to the people who are affected. We've had the meeting today, which was fine, but the reality is that if we're going to make some decisions and move forward, we need to get in front of us the people who are affected. Whether that's rail and the commodities, that's fine.

I'll tell you the first time was not an easy roll. Sure there were recommendations that came forward that the government of that time. Some were accepted them and some weren't, but that's how it works. We dealt with it. We have a rail act that's in place that, as you can see, is pretty favourable to our grain producers.

I don't want to be the one sitting here who says that we're going to shelve this to deal with another one that we don't have any direction on yet.

That would be my only comment. I'll leave it at that because we do have lots of things we could deal with, but I think we need to get the priority, and we need to have two-hour meetings with people in front of us about decision-making.

● (1655)

**The Chair:** Are there any other comments?

**Mr. Chris Warkentin:** I think if we haven't received any kind of an answer from the government on what they want us to do, we can assume it's just busywork.

This is going to be a slap in the face to all the western producers that have so desperately begged for these provisions to be extended.

It's incredibly disheartening these days to be a western Canadian with a federal government that continues to disregard the concerns of western Canadians. This will be another one in that growing list.

If what is decided today does not address concerns that every single commodity group in western Canada has identified as their number one concern, that's for the Liberals to decide, but it will be a painful exercise for farmers in western Canada to hear this news.

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

[*Translation*]

Ms. Brosseau, go ahead.

[*English*]

**Ms. Ruth Ellen Brosseau:** I just want to add this.

This shouldn't be a partisan issue. It's an important issue, and as the witnesses said today, the ministers are going to be consulting, so what better opportunity to have open consultations at ag committee, right? This is a perfect time to do it. There's no timeline that I've heard of making it necessary to look at Growing Forward.

I know in Quebec, a lot of the groups, a lot of the farmers, weren't very happy with the business risk-management programs. That's fine. It was brought up previous times at committee; even in the House, we brought it up before in the previous Parliament. This is an issue that needs to be dealt with now. You know, in Quebec and Ontario, our dairy farmers are losing money every week. This could be an issue next winter.

I don't want to go forward and then next year, next winter, we come back and we haven't dealt with this issue. I'm going to feel sick about it, you know, because we had the opportunity to deal with this. This isn't a partisan issue, you know. We have to stand up and represent farmers. We can make this better. I think this is a golden opportunity to show that we're working together—three parties, as we did the first time—to just deal with it.

We have a month, or a month and a half—I don't know how many meetings that will include—where we could easily go through and have witnesses come in. I don't even think it would take that long. It could just be the next month, May, and then we could start on Growing Forward, if that is a compromise.

I guess maybe that's what I'd like to put forward. Maybe we could just start off and do this study, because there is a timeline. It's August first that these die. These provisions will no longer be there. I think maybe we could find a consensus, where we could compromise and do this, because it is very time sensitive, and then maybe we could do your Growing Forward bit. I would be open to that. I don't know if I could speak for my other friends on this side, but maybe we could find common ground or meet halfway.

• (1700)

We can kind of negotiate. We used to do that at ag committee, right? We used to negotiate. We used to find a way to make both sides or three sides happy. So I would just put that forward.

**The Chair:** Thank you, Madame Brosseau.

Go ahead, Mr. Warkentin.

**Mr. Chris Warkentin:** Yes, I do like that suggestion.

Obviously, the government hasn't provided a plan to move forward in terms of what exactly that we'll be looking at if we do study Growing Forward 3. So I would suggest that there is a

compromise available to us, and that's for us to proceed. We had today's hearing. I think we'd all be prepared to continue this study next week. That's four hours of hearings.

I think what we could do is probably hear from a number of producer groups first. We could probably fit two panels of producer groups in the first meeting. We could hear from the rail companies at the following meeting, and then at that point, I think we'd probably have at least the ability to make an informed decision as to whether or not we'd heard enough and then make a recommendation to the minister one way or the other.

We're not asking for the rest of the meetings for the rest of the year, but we are suggesting that there is a necessity to deal with this. It's a time-sensitive issue. The minister is going to make a decision one way or another—it sounded like in the next short while. If we're going to have any influence on that, now is the time for us to do that. If we believe in our responsibilities to undertake the representation of our constituents...we've all been elected to do that, so I think this is an opportunity for us to earn our pay and to get done what Canadian farmers would expect us to do.

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

Are there any other comments?

There are no other comments.

Is it the pleasure of the committee to adopt this motion?

**Mr. Chris Warkentin:** I call for a recorded vote.

**The Chair:** It's a recorded vote.

**Mr. Chris Warkentin:** Can you read out the motion?

**The Chair:** We can read the motion.

**I'll do it in English. Here it is:** That the committee undertake to study Growing Forward 3 starting on May 2.

**Mr. Chris Warkentin:** A recorded vote.

**The Chair:** It's a recorded vote.

**Mr. Bev Shipley:** Could I ask a question on it?

**The Chair:** Sure.

**Mr. Bev Shipley:** How many meetings...?

**The Chair:** It's not in the motion.

**Mr. Bev Shipley:** It's open-ended until the end of June, is that correct?

**The Chair:** As I said, the motion is that the committee undertake a study, Growing Forward 3, starting on May 2.

**Mr. Bev Shipley:** This is just part of the discussion on the motion.

The next two meetings, April 18 and April 20 next week, we have the TPP. I'm not sure, then, where that goes.

This is just to think about an amendment to it, so that we can get to.... We had the officials from TPP in, and we had the grain transportation officials in today. In discussions, we have agreed that we would do TPP. I don't know where we are at, Mr. Chair, in terms of people coming for that. Are they far away? Are they by video, or are they local?

•(1705)

**The Chair:** I think we have four witnesses on Monday, and two, so far, on the second day.

**Mr. Bev Shipley:** Okay.

I am also wondering if they are from the Ottawa area, because if they are from the...

**The Clerk of the Committee (Mr. David Chandonnet):** Not all of them are.

**Mr. Bev Shipley:** Okay.

All I am saying is that I think all of us agree that this transportation issue.... I just can't believe that with that motion you want to set aside the transportation issue. I just don't believe that is your thought, but that is actually what the motion says.

I think we could take the 18th and the 20th with the TPP and call those folks—maybe nobody has made the arrangements to come. We could do four meetings: the 18th, the 20th, the 2nd, and the 4th—

**The Chair:** Do you want to make a motion?

**Mr. Bev Shipley:** —on the transportation. That gives us four meetings, or two weeks. That gives us an opportunity to bring in a variety of witnesses.

I have to assume, because we didn't get an answer, that there has not been a direction from the minister on Growing Forward 3 yet. By then, there very well may be some direction in terms of where he wants to go, and in terms of a discussion, as he said, with the provinces and commodity organizations. We can deal with that. I am just suggesting that we are leaving folks a bad message by accepting that.

It's in the motion right now. I can't change that motion. That's the reason I can't support it. I am like Chris, Jacques, and I think Ruth Ellen, too. We want to have the discussion on Growing Forward 3 when we know what that discussion is going to be and have some direction from government. Until we do that, it is a bit in vain, and I believe we would be sending a bad message.

We have a motion here.

**The Chair:** Yes, we do.

**Mr. Bev Shipley:** We should vote on that. It will be recorded.

The trouble is.... I guess I could make an amendment, but it's not my position to make the amendment. I've stated my choice. If I had my way, on the 18th, the 20th, the 2nd, and the 4th, we would deal with the transportation. We've had the officials in. It's fresh in our minds in terms of policy.

**The Chair:** We had a motion. We started the vote, and I must go there again. We have a recorded vote, so we will pursue that at this time.

Again, the motion was that the committee undertake to study Growing Forward 3, starting on May 2.

**Ms. Ruth Ellen Brosseau:** Are we going to do a report on this? Usually with motions we have a timeline saying that we will be tabling a report. Is that the intention? It's a friendly question. Do you want us to do a report? It seems that the intent of this motion is that we are helping out with the consultation process of Growing

Forward 3. We've done two days on milk proteins, and we have started a mini-TPP thing that we are probably going to do next week.

Do you intend us to actually write a report on this? What is the timeline? Are we going to finish our session doing Growing Forward? It's a clarification.

[*Translation*]

**Mr. Francis Drouin:** I would like to clarify something in the motion and to make an amendment for the benefit of all the committee members who are here.

[*English*]

As I've already said, it's that we undertake a study on the agricultural policy framework, including, at the pleasure of this committee, sections on Canada's suite of farm income safety nets and the role of discovery science and innovation in the sector; that the committee hear from government officials and a wide and diverse range of industry representatives and interest groups from every region of the country; and that the committee report its findings to the House.

•(1710)

[*Translation*]

Ms. Brosseau, we are going to submit a report to the House.

[*English*]

**Mr. Chris Warkentin:** Well, that's a different motion.

**The Chair:** The motion is that the committee undertake to study Growing Forward 3 starting on May 2—that's the original motion—and that the study look into the following issues: Canada's next multi-year agricultural policy framework at its earliest convenience, including sections on Canada's suite of farm income safety nets and the role of discovery science and innovation in the sector; that the committee hear from government officials and a wide and diverse range of industry representatives and interest groups from every region of the country; and that the committee report its findings to the House.

Mr. Warkentin.

**Mr. Chris Warkentin:** This is clarification, but unfortunately it clarifies that this in fact is just busywork. Obviously there's no intent by the government to ask this committee to undertake anything other than busywork.

I can't understand why the government would do this. I mean, for a government that ran on the policy of including other parties' perspectives in hearing the concerns of Canadians, this is a fundamental assault on that. We can do math. We know that the Liberals have the numbers to decide that they will enforce that we do busywork at this committee.

It will be interesting for us to consult with people as the minister and the respective provincial ministers are at other tables finalizing an agreement while we're still talking about what could be. That is not only an insult to Parliament, but an insult to the farm families we so long to defend. It's unfortunate. I have not seen this in 10 years in Parliament, where a government would instruct the committee members to study a piece of legislation that they're already negotiating the final provisions of at another table. It just blows my mind.

I guess this will be an exercise in humour as it develops. It would be funny if it weren't so sad. But it is sad. It's an insult to this committee and, unfortunately, it's an insult to the people we seek to defend.

When I served as chair of the aboriginal affairs and northern development committee, that committee rarely, if ever, even moved to motions, because there was always a consensus on the agenda. There were people who were of common belief that we could work together to take constructive looks at important legislation and important studies that would lead to positive outcomes. You could speak to the members who were on the committee, and I think you would hear that there was constructive dialogue and a commitment to consensus.

Unfortunately, that's not been the case here. That is disappointing. I think Canadians expected something better, not something worse, than what happened in the past.

• (1715)

**The Chair:** Madame Brosseau.

**Ms. Ruth Ellen Brosseau:** I would like to add my voice. I honestly thought things were going to change a bit. Before at the Ag committee we were able to find consensus on certain things, but as Malcolm used to say, he could count, and you do have to pick your battles. I honestly thought we were going to be able to work together on certain things and nobody on the other side has gotten up to defend why this is so important. Nobody has been able to say why we need to do this right now. Everybody on this side has talked, and I think it's pretty clear why we need to move forward with grain transport, looking at it and talking to experts and maybe stopping a lot of those sections from sunset. It's frustrating because it's the same old for me. I was on committee before with the other government and now I'm seeing similar things occurring with this new government, and I think Canadians will be very disappointed. I think farmers will be very disappointed to know that it's continuing. I'm really hoping I'm wrong. I'm hoping that we can get things done and work together. That's all I have to say.

**The Chair:** Mr. Shipley.

**Mr. Bev Shipley:** It's a fairly long motion, so I'm hoping we will get a copy because it's like a new motion. I didn't read a timeline in it, the number of meetings we were going to spend on it, the directive that would come other than about three or four general comments. Am I reading it correctly then that we're not coming back to transportation? I wonder if somebody could answer that for us, please. I ask because what I'm taking from that is that today was for naught. The recommendations and having the discussion with the producers is all for naught because I don't see anything in that and

it's a pretty clear message. Mr. Chair, I'm asking for clarification on those two issues.

**The Chair:** Are there any other comments?

[*Translation*]

Mr. Gourde, go ahead.

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

I would also like to echo my colleagues' remarks about this procedure. There are various ways of proceeding. Of course, we could even request an emergency debate, invite 150 to 300 farmers to sit in the gallery above and have the Minister of Transport and the Minister of Agriculture and Agri-Food appear. However, I don't think the government would appreciate that, given that we might ask questions.

There are also other ways of going about it. The best way to handle it is here, in committee, because we can study it in more depth, we can have high-calibre witnesses, we can have a better overview and be able to think about it afterwards when we prepare our report. The report has an impact on the thoughts of decision-makers and on solutions.

It is all well and good to talk about income security, but if grains are not being sold in western Canada, farmers will not have an income. That will be zero plus zero, which will not go anywhere. The crops will pile up and never be moved. You can't store grains for 40 years. It's fine to set up elevators, but that will not solve the transportation problem.

Our choice is clear, but I'm not sure whether you have had orders to operate differently. The approach has to be based on priorities, and the priority for the next harvest is to ensure plain sailing for the grain from out west. That is a play on words, but it has to get to the ports to be shipped to other countries. It will not all be consumed in Canada. If it were consumed in Canada, we would not even be talking about it. The grain must absolutely leave western Canada for various destinations. If the situation continues, the government will be blamed for failing to assume its responsibilities when faced with a growing problem. The problem will definitely not go away by itself. Political decisions must be made and they must be made with farmers' best interests in mind.

Historically, the Standing Committee on Agriculture and Agri-Food has always worked on a consensus basis in the best interests of Canadian farmers. In emergency cases, I have previously seen bills pass through all the stages within 24 hours. In this case, we seem to be dragging out the time for something that is a priority right now. It is really discouraging to see the attitude toward our work at the beginning of this Parliament, when, historically, the agriculture committee has worked together in partnership. Right now, this does not seem to be the case, and it will be difficult for all of us to work together in the coming weeks and months.

If you are really set on undertaking this study, we could hold special six-hour or eight-hour meetings and meet three times a week in the hope of possibly completing the study on transportation. If it is only a question of time, why don't you add some hours and we will be here? For the benefit of farmers, we will make the necessary sacrifices. That is why we are here.



However, if your strategy is to drag things out to avoid talking about real problems, then that will show sooner or later. We will denounce that strategy and you will be under a great deal of pressure from farmers as well as provincial and territorial governments, especially those in western Canada that don't want to see the attitude you have right now.

So I hope that we can all work together in agreement. You can count on our full cooperation, but you can also count on our opposition if things don't work.

Thank you.

• (1720)

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

Ms. Brosseau, the floor is yours.

[English]

**Ms. Ruth Ellen Brosseau:** I have a question.

I know that at the last meeting you said you were going to follow up on a discussion you were having with the chair of the transport committee. I'm wondering if you could tell us whether the discussion has progressed, because, clearly, on the other side there doesn't seem to be an urgency to deal with Bill C-30, [Inaudible—Editor] the only option open to have experts here.

**The Chair:** Nothing has really progressed in those talks. I think it is more complicated than we had anticipated, so nothing really has [Inaudible—Editor].

**Ms. Ruth Ellen Brosseau:** Can I ask a question of *le greffier*? How does it work to have a special committee struck? At the last committee I asked if it goes through a motion. I think we would have to put in a formal request to the other committee and then have consensus. This is an issue that, on the opposition side, we find very important. I am just looking at ways to make sure this does get treated.

**The Chair:** We can work out a text for a motion if that were the choice of the committee.

**Ms. Ruth Ellen Brosseau:** I could ask a question of the *greffier*. Can you answer, please?

**The Clerk:** Yes, we have worked on a text for a motion if the committee wishes to go in that direction.

**Ms. Ruth Ellen Brosseau:** I think so, yes. Is it ready?

[Translation]

Is the text ready and is it in both languages? Could we see it please?

[English]

**The Clerk:** It was modified at 3 p.m., so we have only a version in English, but the chair can read it to you if you'd like.

[Translation]

**Ms. Ruth Ellen Brosseau:** Mr. Chair, could we please defer the motion?

**Mr. Francis Drouin:** Mr. Chair, that has nothing to do with the motion and it does not prevent us from voting. We can take care of that afterwards. It has nothing to do with the issue we are discussing right now.

**The Chair:** Thank you.

Are there any further comments on the amendment?

[English]

Mr. Warkentin.

**Mr. Chris Warkentin:** Bev, you had some questions.

**The Chair:** I don't know who was first.

**Mr. Bev Shipley:** I had two questions to get answered, Mr. Chair, if I could.

If we don't know the timeline of what this motion means, and if there's no timeline, are we ever going to come back to transportation? I need from the government their interpretation of the motion in terms of how many meetings it will be and how long we're going to do that. Then, what's their plan in terms of returning to transportation when we have deadlines that are coming forward. If they're going to say, "We're going to bring in an order in council and extend this...". We have all of these commodity people whom we've just met over the last while saying, "This is why we were here today". I don't think they left thinking that we were going to drop it. That's all.

I need to get an answer on those two questions from the mover. When I look at the motion, Mr. Chairman, "Canada's suite of farm income safety nets" and the role of "discovery science and innovation in the sector"—I don't know about the other two areas that are covered in the business risk management program now, as they're not mentioned—and "a wide and diverse range of industry representatives and interest groups from every region of the country", I'm thinking that we're expected to be out of here in June and that this would not happen in the timeline we have. When you look at our calendar, it's fairly tight. You want to have the significant part of your committee wrapped up in that first week or second week of June, without a doubt. Some of us have been here long enough, and it doesn't seem to matter what government it is, because it's just that at the end, governments have legislation and there are interruptions and it becomes difficult to bring in witnesses, and then we are not able to deal with them or break it in half.

That's just a comment. I'm not getting a sense of much direction in terms of those questions, so I wonder if the government could help us before we have the vote. The time's moving on, Mr. Chair. We only have four minutes left.

• (1725)

**The Chair:** Madame Brosseau.

**Ms. Ruth Ellen Brosseau:** I also have a question. Would it involve travelling or having witnesses come to committee? We have video conferencing, which is a great tool to help with cost-saving, and reduced travel, and all that. Is this a study that needs to be done in Ottawa, or did you have an intention to put forward that the committee travel? It does take a while to write a report. We have amazing analysts, and you'll get to know them a lot better. They're wizards at writing amazing reports and then having them ready for the next committee. They're absolutely the best, but that does take a while. As was mentioned, when we get toward the end it is crazy. We will be sitting late trying to ramp up and getting all the work done before summer. That's a concern I have. Is that the intent of the government, to have this done before we finish? It's a very.... Could just answer the question, is this a travelling study or is this something to be done in Ottawa on Parliament Hill?

[*Translation*]

**The Chair:** Thank you, Ms. Brosseau.

[*English*]

**Mr. Chris Warkentin:** We're not getting any answers from the government side. I've heard of people claiming that others have been muzzled, but never that MPs were muzzled to this extent. This is very interesting. I'm taking offence at the fact that the Liberal members of this committee refuse to engage in this discussion. Questions have been put to somebody on their side. It looks as if Mr.

Drouin is taking the lead, the PS role at this committee. I put it to him.

Mr. Drouin, you unmuzzled yourself long enough to say that you would like to get to the end of this. For human decency, I wish somebody would speak up and say they don't have the answer. That's fine, but let's be human to one another. This place has enough disgusting behaviour from time to time, but having people on the other side who refuse to engage and answer any questions is offensive.

I put it to the other side, can they answer any of the questions I've asked? Do they expect it to be a travelling study? Is there an expectation that we'll be done before the first meeting of the provincial leaders? If that's the case, based on the specifications that were included in this motion, obviously we have an impossible task, because there's no way we can do all of what was described in this motion by the time this first meeting happens. If we don't complete the study before the first meeting—

● (1730)

**The Chair:** Mr. Warkentin, it's 5:30.

Unless the committee wants to extend the meeting, I will stop the current meeting and we will table this until the next meeting.

Thank you very much, gentlemen. Have a good weekend.

---







Published under the authority of the Speaker of  
the House of Commons

---

### SPEAKER'S PERMISSION

---

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

---

Also available on the Parliament of Canada Web Site at the following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité  
du Président de la Chambre des communes

---

### PERMISSION DU PRÉSIDENT

---

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

---

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : <http://www.parl.gc.ca>