



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Agriculture and Agri- Food

AGRI • NUMBER 070 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Thursday, September 28, 2017

—
Chair

Mr. Pat Finnigan

Standing Committee on Agriculture and Agri-Food

Thursday, September 28, 2017

• (1550)

[*Translation*]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): Welcome to this meeting of the Standing Committee on Agriculture and Agri-Food.

Pursuant to Standing Order 108(2), we are resuming our study on a food policy for Canada.

Please excuse our tardiness. Things went on a bit longer at the House because of the departure of one of our colleagues.

We have with us Mr. Nick Saul, who is President and Chief Executive Officer of Community Food Centres Canada.

Welcome, Mr. Saul.

We will also, via videoconference, be hearing Mr. David Connell, who is Associate Professor of Ecosystem Science and Management at the University of Northern British Columbia.

[*English*]

Mr. Connell, can you wave at us, to make sure we are connected? We're good. Okay.

[*Translation*]

We will also hear, via videoconference, Mr. Evan Fraser from the Arrell Food Institute of the University of Guelph, who will be speaking as an individual.

[*English*]

Could you also wave at us, Mr. Fraser? Okay. We're all good.

We'll start with opening statements.

Mr. Saul, as you are here, if you don't mind, please give us an opening statement, for up to seven minutes.

Mr. Nick Saul (President and chief executive officer, Community Food Centres Canada): Thanks for the opportunity to address the committee today.

I'll start by saying who we are. Community Food Centres Canada builds health, belonging, and justice in low-income communities through the power of food. We work with over 120 community-based partners in 60 cities across the country to establish welcoming places where people can come together to cook, grow, share, and advocate for good food.

We're interested in the development of a national food policy because it offers an opportunity to create a more systems-wide or joined-up approach to our food system, one that brings together economic, agricultural, health, and social concerns.

In our view, our country's long-standing focus on growing and exporting ever-increasing amounts of commodity crops is causing great damage to our collective health and to our planet. That being said, any national food policy worth enacting in this age of climate change, food insecurity, and burgeoning chronic disease must ensure that food production nurtures the environment and supports public health. We believe this is achievable so long as a national food policy views food as a basic right, and always through a health and sustainability lens.

At Community Food Centres Canada our policy interests lie first and foremost with food insecurity and poverty, the key drivers in determining whether lower-income Canadians can put good food on their tables. This priority falls mostly within the first pillar of the policy, but addressing this issue requires a whole-of-government approach with mechanisms that lie largely outside of an agricultural framework. That is to say, the current framing implies approaches or solutions that will not necessarily help to solve the problem.

Currently, over four million Canadians are food insecure because they don't have the income necessary to purchase the food they need to thrive. Think of inadequate minimum wages, welfare rates, increasingly part-time and precarious work, and unaffordable housing.

Food insecurity is unnecessary, unjust, and from a policy perspective, has great costs associated with the toll it takes on physical and mental health. Depending on the level of severity of food insecurity, research has shown that health care costs are anywhere from 23% to 121% higher in food insecure households.

We also know that poor nutrition contributes to billions of dollars in costs that come from diet-related diseases such as cancer, diabetes—\$14 billion—and cardiovascular disease—\$28 billion. We also know that diet-related disease disproportionately affects the poor. For example, type 2 diabetes is four times higher in the lowest-income group versus highest-income group.

We have a massive problem that we need to get right, and yet the language of the first pillar, which is to put more healthy, high-quality food on the tables of families across the country, is concerning. This implies that either more food needs to be produced, that food needs to be more affordable, or that it needs to be distributed better. This may be a natural tendency for a policy that is placed within the mandate of the Ministry of Agriculture; however, with a few exceptions, such as in Canada's north where distribution monopolies and physical supply of food exacerbate poverty in hindering access to food, a lack of availability of affordable food is not the issue. The issue is the lack of income. This necessary shift in framing is important to understand for any policy that aspires to impact on the issue.

The mandate of the Ministry of Agriculture has traditionally focused on commodity production at scale. When we ask agriculture to produce more food at lower prices, however, certain types of policies are implied, i.e., significant subsidies for large commodity producers, more chemicals, and higher yields per acre. This often amounts to a race to the bottom, where farm income and wages suffer, as do the types of careful stewardship that are required to ensure that our agricultural economy is environmentally sustainable. That is the third pillar.

Another pitfall of this framing is that it can lead to an increased focus on charity as the solution to food insecurity, specifically as it pertains to food waste. As food waste becomes recognized as a bigger and bigger issue, there has been a temptation to create a win-win by finding ways to further connect sources of waste with charitable distribution channels.

We would strongly suggest that further entrenching charitable responses to food insecurity is the wrong path. Waste needs to be addressed and deincincentivized at source, and not redirected into the households of low-income Canadians through a partial or patchy charitable system.

If the answer is not cheaper food or reducing waste through charity, then what is it? Canadians need to be able to afford more and better-quality food, and there are no shortcuts to this end.

• (1555)

The types of policies required to advance the income security and food security goals are properly pursued through ministries that have the mandate to attack the problems at the level of scale and investment that they require, for example, the national poverty reduction strategy being driven by the Ministry of Families, Children and Social Development.

Moving people out of deep poverty will include policies like increasing transfer payments so the provinces have the means to increase social assistance rates and investing further in existing income security programs such as GST/HST credits for low-income earners. Given the role income plays in addressing food insecurity and improving health outcomes, this is an opportune time to explore the idea of a national basic income guarantee.

Despite the constraints that arise from the agricultural lens to address food insecurity, there are significant opportunities that can surface from a national food policy that takes a holistic approach to looking at issues across the food system, i.e., bringing together the

ministries of agriculture, health, environment, social development, and indigenous affairs, and that also views these issues with a triple bottom-line lens as a guiding principle, that is, a lens that looks at policies from the vantage point of economic, environmental, and social sustainability.

Where we can readily see the value of this type of approach is where food and health policy intersect. Orienting our food system to health means looking beyond food simply as a commodity, and demands that health and food safety, the second pillar of the policy, be examined in a holistic and expansive way. Food safety is not simply food that won't make you sick tomorrow; it's food that won't make you sick in the long term, as a steady diet consisting of the sugar, fat, and salt contained in processed foods almost certainly will.

If our system of agricultural subsidies supports commodity crops that ultimately underpin processed food, which is at the heart of the chronic disease epidemic and is costing us billions in health care spending, perhaps under the rubric of a joined-up national food policy, we can examine this system to look at reducing harms and increasing benefits across the food system.

The Chair: Mr. Saul, we're just but about out of time. Can you conclude?

Mr. Nick Saul: Well, you guys were pretty late.

The Chair: I have to leave it at seven minutes. That's to be fair to everyone. You're going to have to conclude. I can move to the next —

Mr. Nick Saul: I waited nicely for you guys, but if that's the way we're going to play, sure. That's okay.

The Chair: Thank you, Mr. Saul.

[*Translation*]

We will now hear from Mr. David Connell.

[*English*]

You have seven minutes.

Mr. David J. Connell (Associate Professor, Ecosystem Science and Management, University of Northern British Columbia, As an Individual): Thank you.

I'd like to make sure you can hear me okay.

The Chair: We're good. Go ahead.

Mr. David J. Connell: Thank you for this opportunity to present to the committee today. I was asked to share my views about whether anything is missing from the pillars of the national food policy. To me, the obvious answer as to what is missing is farmland. The pillars mention soil, water, air, and the production of more quality food. The four pillars also highlight the need to protect the environment, but there's no mention of land as a finite, non-renewable resource on which our food is grown, and there's no recognition that in spite of many years of efforts, we continue to lose farmland, including a lot of our best farmland, in every part of the country. With this critical gap in mind, I have two main messages that I want to share today.

The first is that protecting farmland should not be an afterthought of a national food policy. It must be recognized as a precondition for all four pillars.

The second message I want to share is that the federal government can play a critical role in helping to better protect Canada's agricultural land base. Specifically, the federal government could adopt a clear, direct statement of policy to protect the agricultural land base and to support its use for farming. Such a statement would ensure that the public interest in protecting farmland is integrated across provincial, territorial, and local jurisdictions.

In the policy brief I submitted to the committee, I included some statistics about the loss of farmland. These statistics show that there's significant conflict over competing land uses, especially between urban development and prime agricultural land. These conflicts will continue to contribute to the direct loss of farmland, declining agricultural activities on farmland, and price increases.

To address these issues, we first must recognize that farmland protection is part of a much broader question about where farmers, food, and agriculture fit within our society. That's what a national food policy needs to address. When adopted, the national food policy will be a statement about the importance of agriculture and food to Canadian society. The question I put to you is this: where do you think farmland protection fits within a national food policy?

To help you answer these questions, we need to look at the current state of farmland protection in Canada. The information I shared with you is from an ongoing national project engaged in looking at this. One of our main objectives was to assess the overall strength of farmland protection at both the provincial and local levels. In our view, a strong legislative framework is one that protects farmland.

In our policy brief we documented how each province takes a different approach to agricultural land-use planning. We also documented how these different approaches lead to very different outcomes—from very strong provincial legislation to very weak provincial legislation. These results are included in the table on page 1 of the additional materials which I submitted. Page 1 is the one with the pie chart on it.

The pie chart shows the relationship between the strength of provincial legislative frameworks and the amount of prime farmland in each province. We can see that at the provincial level, at most, only 9.9% of our best farmland is protected by very strong provincial legislation. This leaves most of our best farmland highly exposed to non-farm development. Furthermore, when we look at local governments, we find that the situation actually gets worse. This is evident on page 2 of the materials that I submitted. When we look at local legislative frameworks within each province, we see that a strong provincial legislative framework is not a guarantee for strong local legislation.

● (1600)

British Columbia, unfortunately, is a very good example of this, as shown on page 3 of the documents I sent. British Columbia is very strong provincially, yet a full range of strengths exists among local governments, from very strong to weak. When we look at the whole picture, we see that the strongest farmland protection is more likely to be in places where we have the greatest historical loss of farmland, and where the pressures for non-farm development are also the greatest. This is the after-the-fact situation that we must address. We must improve the strength of legislation that protects farmland before we lose it, and before we lose most of our agricultural lands.

As I stated at the outset, my position is that farmland protection should not be an afterthought. It must be a precondition for an effective national food policy. Therefore, I recommend that as a foundation of a national food policy, the federal government adopt a clear, direct statement to protect the agricultural land base and to support its use for farming. For example, as a starting point, I recommend that the name of the theme change from “conserving soil, water, and air” to “conserving land, soil, water, and air”. It is my strong belief that a national perspective can provide a unified direction to other levels of government, help integrate public priorities across jurisdictions, and help to ensure we protect farmland for future generations.

Thank you.

● (1605)

The Chair: Thank you. You're right on time, Mr. Connell.

We will now move to Mr. Fraser for seven minutes.

Mr. Evan Fraser (Director, Arrell Food Institute, University of Guelph, As an Individual): I would like to thank you for the invitation, and also congratulate all of you, and Minister MacAulay, for taking leadership on this. I have been involved in a number of the consultations and I've been delighted by this. I was delighted by the discussion that I heard, both in the Ottawa summit in June as well as the regional consultation that we held here at the University of Guelph earlier this month.

I'm really pleased by the four priorities that you've identified, with complete acknowledgement that there could be some tweaking done. I think improving or increasing access to affordable food; improving health and food safety; conserving soil, water, and air; and growing high-quality food are all laudable interdisciplinary cross-cutting objectives, and they signal to me that the government is serious about trying to create a comprehensive policy that applies across Canada.

I actually would like to use my time to make three specific recommendations.

The first is that within that framework you focus on a couple of doable, specific programs. Don't try to boil the ocean here, but figure out a few targeted areas to focus on. I think the food policy provides an ideal opportunity to show leadership in a couple of key areas. If you're taking recommendations right now, under the theme of increasing access to affordable food, I would recommend programs that address chronic food insecurity and safety among Canada's first nations and indigenous peoples. That would probably be my top priority, and then focus on other vulnerable and marginal groups.

Under the heading of improving food safety and health, I would recommend programs aimed specifically at improving childhood nutrition and focusing on food literacy through our public school system.

In terms of the conserving soil, land, water, and air theme, I really recommend that you prioritize programs that are geared at reducing the greenhouse gas emissions from the Canadian agricultural sector.

Under the final theme, which is about helping producers grow more high-quality food, I think there's a real opportunity here to align the food policy with the federal budget, with its emphasis on innovation superclusters, and develop the technologies and governance structures to establish a brand Canada which would demonstrate to our trading partners that Canadian food is the safest and most sustainable in the world.

This brings me to my second recommendation, which is that I really urge you to do everything you can to align the national food policy with other government priorities and programs. For instance, I urge the committee to seriously think about how the national food policy can support our research strategy, for instance, by including agrifood as a priority area amongst our research councils.

Similarly, and as I said a minute ago, I think there's a huge opportunity to support the national food policy and have the national food policy support our economic and trade policy. This harkens back to my comment a minute ago about the innovation superclusters. I think that inasmuch as funding is directed to the agrifood sector through the innovation supercluster fund, it should be aligned with the federal food policy. Similarly, I think there should be a direct and explicit alignment between the national food policy and the recently announced economic strategy tables for agrifood growth.

Then there's the new Canadian food guide which is going to be launched soon. We all know that. If two components of the national food policy are increasing access to affordable food and improving health and food safety, I suggest they should be explicitly linked between the food guide and the food policy, and that the food guide becomes one vehicle by which you consider implementing the food policy.

Finally, by using the national food policy to address food insecurity amongst indigenous communities, I think it should be possible to align the food policy with efforts to meet the calls to action from the Truth and Reconciliation Commission, with a specific emphasis on nation-to-nation consultations.

My third recommendation builds on this and is actually the most important of my three recommendations. I strongly urge the government to take this opportunity to create a long-term and durable governance mechanism to help establish food policy on an ongoing basis.

As members of the committee may be aware, a number of attempts have been launched over the last few years by civil society and by industry to develop food policy. In one way or another, many of these attempts have not really had the long-lasting impact that we hoped they would. Although there is debate as to why, my own feeling is that one of the reasons past attempts have failed to achieve the lofty goals they've set is simply because the federal government was never at the table and never willing to show leadership. But this is changing, and with your efforts we're making serious progress here.

I strongly urge you to consider that one of the outcomes of this entire process be the creation of a long-term and durable governance mechanism that would promote the future development of food policy in Canada. Governance for food policy has to be underpinned by principles like transparency, participation, accountability. It must be multi-sectoral. It must be multi-stakeholder. It must explicitly include indigenous peoples' participation. I believe you have an extraordinary opportunity to develop such a governance mechanism. Possible models could be a national round table for food or a national food policy council.

• (1610)

I'd like to highlight that a group of stakeholders, some of whom you've already met in committee, along with my own institution, the Arrell Food Institute at the University of Guelph, Food Secure Canada, the Maple Leaf Centre for Action on Food Security, and the Canadian Federation of Agriculture, are about to launch a white paper on governance of food policy in Canada. I'd be delighted to share copies with committee members, if you're interested. This particular white paper will call for the creation of a national food policy round table. I am happy to take questions on that.

I'd like to quickly wrap up. I applaud the government's efforts to engage in food policy. It's complicated, difficult, and it's time that we did it. I am also very supportive of the collaborative vision that Agriculture and Agri-Food Canada has put forward, and through the regional consultations and the summit in June. I also think we can use this as an opportunity to take advantage of important trading opportunities while protecting our environment and ensuring safe and sustainable food for consumers.

I share the vision laid out by the report from the Advisory Council on Economic Growth that we can work to ensure Canada is the world's trusted supplier of safe, sustainable food for the 21st century. I believe that developing a national food policy which must include some sort of durable governance mechanism like a national food policy council is the right way to proceed.

[*Translation*]

The Chair: Thank you, Mr. Fraser.

We will now begin our question and comment rounds with Ms. Boucher.

Ms. Boucher, you have six minutes.

Mrs. Sylvie Boucher (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, CPC): I thank all of you for being here with us. We are very sorry for the slight delay, and we do apologize.

My question is addressed to you, Mr. Saul. I don't know if I am pronouncing your name properly.

[*English*]

Sorry for that; I'm a francophone.

[*Translation*]

We are familiar with the broad themes of the mandate of the Minister of Agriculture. You focused particularly on the third one, which consists in preserving the quality of the land, water and air. That is what most of you said.

Do you think you will be able to serve the same number of people in the context of the new tax reform, while protecting that objective and adopting greener practices than the ones currently being used?

[English]

Mr. Nick Saul: Excuse me, I don't speak French. I apologize for that, but—

Mrs. Sylvie Boucher: Okay, I will try.

Mr. Nick Saul: No, you don't have to speak English. I just want clarification on your question.

Mrs. Sylvie Boucher: No, it's okay.

Mr. Nick Saul: You can speak French. I'll listen to it in translation, but I didn't quite get the gist of the question.

[Translation]

Mrs. Sylvie Boucher: Fine.

The party across the way has a new tax policy. However, we know that small businesses and farmers will pay a high price because of that policy. You talked a lot about water, air, the quality of lands and access to affordable food.

Do you think you will be able to serve as many people as before, while adopting greener practices than those currently in use?

In your opinion, is it possible to arrive at a consensus?

As we know, a tax increase implies that there will be price increases.

[English]

Mr. Nick Saul: I hope you picked up in my comments that I don't think we have a problem around food. We have plenty of food out there. This is not an issue related to production. My main point has been about how we fairly and equally distribute the food that we already produce.

Globally we produce way more calories than we need. I have a deep concern—and I'd love Evan's comments on this as well—when you look at a goal of \$75-billion export. I'm not sure where that's going. If you want to try to underpin a more sustainable agricultural system, when you are pushing more and more food out the door, it puts huge pressure on the land and the soil. Therefore, I want to push back against the kind of “get big or get out” approach that we often see in our agriculture policy, often aimed at export.

I would like to see much more focus on supporting organic and sustainable farmers and helping people to transition, and acknowledgement that that's an important route to go. I don't see much evidence of that when you see where the expenditures in agriculture go. There are huge opportunities to create land that is nurturing, that creates really good food.

I am trying to triangulate the idea of health, sustainability, and a good economy. A national school nutrition program is one of those approaches that brings together all three. You can support kids to eat well, do well in school, and build food skills, but if you put a mandate in on how you procure that food, you can also support a local rural economy.

• (1615)

[Translation]

Mrs. Sylvie Boucher: I have another question for you.

Personally, I eat a lot of organic foods. When you buy these at the supermarket or in other places where this type of product is sold, you see right off the bat that their price is higher than that of other foods.

If there is a new tax, do you think you will be able to serve as many people as before?

[English]

Mr. Nick Saul: That's what it costs to produce organic food in a way that takes care of the land. Those are the real costs of food.

We have a system where we privatize profit and socialize cost. We pick up the tab on cheap food. There's no way in the world that a burger, shake, and fries costs \$4.99. We are just swimming in cheap processed food that I hope you heard me say is costing us billions of dollars in our health care system. We need to figure out a way to democratize better food. We need to reallocate our subsidies to support a more sustainable ag system and then create social infrastructure—whether that's provincially around increased minimum wages, or increased social assistance rates, or basic incomes—that allows people to actually access the best food that's out there.

I'd probably take local over sustainable, and there are lots of ways you can skin this, but the cost of the food you see, say, at a farmer's market, is the cost of growing food in a way that takes care of the land. We need to pay more for our food. We have to pay more for our food. The question is, how are we going to democratize that food and bring more and more people to being able to afford the best kind of food that's out there?

You're looking at me as though that's weird—

[Translation]

Mrs. Sylvie Boucher: No.

[English]

Mr. Nick Saul: —but our race to pay seven or eight cents of every dollar on food—and we have the cheapest food system in the world next to the United States, where it's about six cents on the dollar—has driven us into the ground from a health perspective. When you look at the fact that 40% of greenhouse gases and emissions are directly related to the way we move food from field to table, a lot of that stuff is happening on farms in terms of—

The Chair: Unfortunately, Mr. Saul, I'm going to have to cut you off again.

We're going to move to Mr. Longfield, for six minutes.

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

Thanks, everybody, for being here, and for having patience while we paid tribute to Judy Foote, who is leaving Parliament after many years of dedicated service.

I'm very interested in the discussion on land use. I'll just direct my first question to David Connell. Then I have something around governance for Dr. Fraser from Guelph, my hometown.

As we look at the challenges of land use and the interaction between levels or orders of government and strategies, have you done studies on the challenges the federal government can pick up on and how they might fit into some type of a governance model with the provinces, territories, and municipalities?

Mr. David J. Connell: The starting point for the federal government is a question of constitutional authority to intervene in land-use planning. There are definitely constitutional limitations that are set on the federal government in terms of what it can do.

Setting that aside, from my view, the position I presented was that a serious problem is that we don't have consistent land-use planning or levels of farmland protection. So the primary role and contribution that I would set forward for the federal government in terms of the role it can play that doesn't step into that constitutional realm is to engage in agreements. That starts with a policy statement that protecting farmland is important, and then keeping and maintaining that and holding it as a principle for agreements like the Growing Forward agreement and the national food policy.

• (1620)

Mr. Lloyd Longfield: Greenbelt initiatives and that sort of thing....

Mr. David J. Connell: Yes.

Mr. Lloyd Longfield: That's tremendous, and that's the type of thing we're looking for in our report. Consultations have been happening across Canada on these themes, but what are we missing? That actually was a suggestion by our Conservative colleague, to make sure we focus on that.

Dr. Fraser, it's awesome to see you virtually. Usually it's face to face over a table. We've had quite a few conversations over the last few years.

The governance model is a very interesting concept. I was thinking of the land use, and then soil was mentioned, and Mr. Saul was talking about the social stresses. How much of this can a governance model handle? If we looked at a SWOT analysis around food, it touches every level of activity that people have every day. You can't do anything without food, period.

Mr. Evan Fraser: Yes.

Mr. Lloyd Longfield: Could you just give us a minute or two on that? I have three minutes left, and I have one more question for Mr. Saul.

Mr. Evan Fraser: I'll be very brief, Lloyd, but you're identifying an extraordinarily complicated issue. I'll say three things.

First of all, there are different ways of constituting some sort of governance structure, such as an act of Parliament. Outside of an act of Parliament, there are different ways of doing it. We could have a long conversation about that. Anything, I think, is better than nothing, and right now we have nothing. Food always falls through the cracks, and you have an opportunity here to fill some of those cracks. It's not going to be perfect, of course not.

The second thing would be about the mandate. The mandate of a governance body should be to advise government on policy issues, to work to build consensus around agreement amongst the multi-stakeholders, to provide research and expertise, and to set benchmarks and independently verify them. These are the sorts of things which, in my mind, a governance mechanism can and should do.

The final thing I'll say is that we have examples of these sorts of things happening. Domestically we have the International Institute for Sustainable Development out of Winnipeg that's been very effective over its career. We have the former national round table on the environment and the economy. We also have lots of international examples, such as Brazil, Scotland, and Finland, that have embarked on multi-sectoral, multi-stakeholder governance models for food.

We're not developing things out of zero, and we can build a research body and a series of recommendations based on global best practices that will put Canada and Canadian governance at the absolute forefront of this important issue.

Mr. Lloyd Longfield: There's also a time piece to this. We're not going to do everything on our first day. Part of this is looking at the changes—and I'm looking over at Mr. Saul—in society, the changes in climate, and other changes that might impact a policy.

You've outlined some of the things around children. What are the variables that a food policy should be flexible enough to touch on? Where are some priorities that you might want us to be including in our report?

Mr. Nick Saul: I'd really like to see the national food policy, if it can't do it itself, push other ministries to really focus on income security and food security. Evan talked about food insecurity in the north. It's a massive problem with 40% to 50% of those communities being food insecure. I would put that right up at the top of the list of things that you need to get at.

I would have liked, if I had more time, to talk about the idea of a sugar tax, for example, the 10% to 20% which the Dietitians of Canada are talking about on sugar-sweetened beverages. This would create a really nice fund of dollars that could support all sorts of health promotion initiatives.

Mr. Lloyd Longfield: This is a tough forum.

Mr. Nick Saul: It's a tough forum. I'd like to talk longer, but—

Mr. Lloyd Longfield: Time is always the worst thing for us.

The Chair: Thank you, Mr. Longfield.

I'm sorry, Mr. Saul. You seem to be the one we cut off all the time.

[*Translation*]

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

[*English*]

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

I'd like to thank the witnesses for their presentations, their participation in this consultation, and their patience.

I realize that there was a tribute in the House, but all members are expected to be at committee for 3:30. This is a really complicated, broad subject, and I wish we had more time to delve into it.

In 2012, the UN special rapporteur came to Canada. I remember because I was on the agriculture committee. We talked a lot about food insecurity and the recommendations that were made. I don't think the last government acted on them, and I'm not sure where the present government is on that, but the right to food is something that has come up quite often at committee.

In Canada we produce amazing food, and the government has an objective that we export more, but then we still have four million Canadians who are food insecure in Canada. It seems that we do have a broken food system, and the solution is this food strategy.

My fear is that we'll consult as a committee and the government will do their consultations. We'll have a wonderful report, but there will be no outcomes, no results, and we won't solve many of the problems. That is my big fear.

I was wondering if we could start off, Mr. Saul, and talk about the importance of a national food strategy for children. I know my colleague Olivia Chow, who's no longer with us in the House, worked really, really hard on a national food program for kids. She talked about its importance. There are so many children who are food insecure. Would that be something that could be a food strategy or recommendation? We don't even know if there's going to be money attached to this, at the end of the day. I was wondering if you could talk about the importance of starting with young children.

• (1625)

Mr. Nick Saul: Sure. One thing I would say that may be a surprise to folks is that food won't solve hunger. Food is not going to solve hunger. Income is going to solve hunger. It's really important for us to figure out a way to ensure that moms and dads and kids are putting really good food on their tables, and that's not the case right now. We work in hundreds of communities across the country where people are struggling deeply to make ends meet, and their fridges are empty.

We need to have income support programs, which I could talk at length about. I have hope for the national poverty reduction strategy. I know there's been quite a bit of movement on the housing file, which is very important. A lot of money has been unlocked there, but I encourage the national food policy to continue to talk and to put pressure on that body to really think about the income supports that are necessary to ensure people can live with health and dignity.

In terms of kids, I would absolutely foreground the importance of creating a national school nutrition program. I think that is a no-brainer. If you link the kind of food that appears in those schools to a local food strategy and put a sustainability lens on it, you can create a market for really good food and support farmers who want to go in a way that is different from the chemical and export monoculture.

There's a growing number of farmers who want to move in a different direction. They don't want to grow 12,000 acres of corn. They want to grow mixed crops. It's exciting to see these new farmers come onto the scene. We have an aging farmer population, so who's coming up next? I think there's a huge interest in growing differently. If we're going to talk about kids, let's make sure that they

walk into school and eat well so they can focus and concentrate. Let's get the food literacy stuff tied into that and also support a local food economy.

Ms. Ruth Ellen Brosseau: I have farmers in my riding, in Lanaudière specifically, who have made the change to organic. It takes a few years, but once they're there, they have a market for it, right?

Mr. Nick Saul: Sure.

Ms. Ruth Ellen Brosseau: Also, it's more sustainable. The government can have a role in supporting the transition to organic.

Mr. Nick Saul: There's very little support for that currently. You get about \$800 an acre out of corn. I have a friend who farms in Creemore. He makes \$35,000 an acre on mixed greens that he sells directly to restaurants and through community shared agriculture. There is a market. It just needs to be validated, encouraged, and recognized, with more knowledge provided to support people to move away from conventional practices when it comes to agriculture.

Ms. Ruth Ellen Brosseau: Mr. Fraser, you've put forward quite a few recommendations for the committee. Here's my concern. We have the Minister of Agriculture who has brought this forward and is the cheerleader, the minister who is holding the umbrella. Then there are all the other departments that revolve around it and have vested interests: first nations, our indigenous people, and Health Canada.

Do you think we should be concerned with the alignment between those departments? Do you have any suggestions for the committee to make sure that we do get this right and that we don't get lost?

• (1630)

Mr. Evan Fraser: It's a superb question, so thank you.

In terms of alignment, yes, you have to make things align. This is one of the big concerns I've had for the last eight or nine months. It feels like the national food guide and the national food policy are being developed on parallel tracks, when they really need to be talking to each other. Similarly, the export goals promoted by the Barton report should be aligned with the national food policy, and I'm worried that they are not.

I think the only way of aligning these different elements is to establish some sort of clearing house governance mechanism, such as a national food policy council or a national round table for food that has the official and specific mandate to have the conversations, build the coalitions, and work through the tough, thorny issues—

The Chair: Thank you, Mr. Fraser. I'm going to have to cut you off here.

Mr. Peschisolido, you have six minutes.

Mr. Joe Peschisolido (Steveston—Richmond East, Lib.): Mr. Chair, thank you very much.

Professor Connell, you discussed the importance of agricultural land-use planning. As you know, in B.C. we have a land reserve. You also talked about the relationship between the federal government and the provincial government.

In British Columbia and all across Canada, we have things called ports. In British Columbia, we have Port Metro Vancouver. I'm not sure if you're aware of what's happening. I'm the member of Parliament for Steveston—Richmond East. In Richmond, we have probably some of the most fertile land in the world, because we're in an estuary and bog. Port Metro Vancouver bought about 300 acres of Gilmore Farms. Are you familiar with that situation?

Mr. David J. Connell: I'm familiar with some of the details.

Mr. Joe Peschisolido: Regardless of those details, what are your thoughts on institutions like Port Metro Vancouver purchasing farmland in order to develop space to drop containers on? I am a bit biased, so that's why I asked that question in that way.

On more of a policy approach, what role can the federal government play to ensure that farmland is maintained, and entities such as Port Metro Vancouver, or any ports, don't encroach on farmland?

Mr. David J. Connell: There's never an easy answer. The problem with land-use planning is that it usually begins with conflict. It arises from conflict as a basis for its need, really. That's its purpose; that's why it's there. It's not as if we can just blow away conflict by having better policy. I think it's a matter of clarifying the position of farmland, farmers, and food within Canadian society, so making a much clearer, much more direct statement about the importance of farmland within the broader society. Those port decisions are generally made without those considerations, primarily out of an economic development, global-oriented system. I think we need a more comprehensive articulation of what the interests are and where agriculture needs to fit.

Mr. Joe Peschisolido: Okay.

Mr. Saul, from your presentation, I hear you want change. You discuss the problems with our system. I don't disagree with a lot of what you said, but if you want to change something, you always have to put forth an alternative.

In my riding of Steveston—Richmond East, there is a burgeoning organic agricultural system developing. Some folks say it's too expensive. Others say it just won't meet the needs of agriculture writ large.

What would be your suggestions for a food policy that can be helpful in the development of organic farming?

Mr. Nick Saul: I think we have to invest in it. I should be clear. This is not an area of super expertise for me. I'm an anti-poverty activist at heart who is organizing in low-income communities through food, because food is a powerful way to connect people, and also work on some of the big, seemingly intractable problems of our time, as I said, climate change, public health, and inequality. I am not going to pontificate on the dimensions of how our national food policy supports a thriving organic system.

What I do know is that my experience with those who have tried to buck the trend is that it can be done, but there are practically no resources put toward helping it happen. Again, I haven't crunched

the numbers, but when I talk to a person who is farming 100 acres of land and able to take \$35,000 or \$40,000 gross out of it, and get his kids together, off to school, family is good, and make money—and I pass rows and rows of farmland all dedicated to soy and corn, a lot of it for ethanol, a lot of it for livestock—when he talks to me about the land around him, he says basically, “I have sugar, meat, and processed food all around me.”

There is a burgeoning crew of young farmers who want to get on the land and grow in a very, very different way, and there is a market for that. My concern is, you know, the question that you raised around it: how do we democratize that good food? How do we make sure that all of us have access to more expensive food, because our food needs to be more expensive for it to take care of the environment and to ensure that it's healthy for us.

That's the dilemma. The more we can create supports by a government in a regulatory framework that pushes and encourages farmers to grow that way, the better.

● (1635)

Mr. Joe Peschisolido: Mr. Saul, if I may, you talk about young farmers. Actually, in East Richmond at Kwantlen Polytechnic University, there's a professor, head of the agriculture department, Kent Mullinix. He's devised what I think is a wonderful program where he brings in young farmers. There are 30 young farmers right now who are farming a plot of land and also working in the community on five- and 10-acre plots of land. He's trying to create, as you put it, the next generation of farmers.

Are there any proposals that we could put forth in the food policy to help post-secondary education institutions, as well as young farmers?

Mr. Nick Saul: I want to be careful about this. Does Evan or anyone else want to answer that question?

The Chair: Evan or Professor Connell.

Mr. Evan Fraser: I'm happy to engage in that conversation.

There's a tremendous amount of new stuff that universities, like the University of Guelph, can and are doing.

I'm leading an experiential workplace to education program for undergrads and graduate students. We work regularly with NGOs like FarmStart that is trying to create farm mentorship programs, and reduce barriers for aspiring new Canadians who want to establish agribusinesses.

I would be happy to share with you off-line a tremendously diverse range of things, if you're interested.

The Chair: Thank you very much.

This wraps up our first hour. I want to thank Mr. Saul for being here on time that's been a little shortened, and also Mr. Connell and Mr. Fraser, for your thoughtful insights into our report.

[Translation]

We are going to suspend the meeting for a few minutes.

[English]

We'll change the panel and we'll be right back.

• (1640)

_____ (Pause) _____

• (1640)

The Chair: Let's take our seats.

[Translation]

We are beginning the second hour of our meeting on a food policy for Canada.

We have with us Ms. Claire Citeau, the Executive Director of the Canadian Agri-Food Trade Alliance.

I welcome you once again to our committee, Ms. Citeau.

We also have with us Ms. Rebecca Lee, the Executive Director of the Canadian Horticulture Council, and Ms. Linda Delli Santi, Chair, Greenhouse Vegetable Committee.

Welcome, ladies.

And finally, we have with us Mr. Mike Dungate, Executive Director, Chicken Farmers of Canada.

[English]

Welcome again to our committee, Mr. Dungate.

With that, I will start with a seven-minute opening statement from each of your organizations.

[Translation]

Ms. Citeau, you may begin. You have seven minutes to make your presentation.

Ms. Claire Citeau (Executive Director, Canadian Agri-Food Trade Alliance): It will be my pleasure.

[English]

I'm pleased to be here today on behalf of the Canadian Agri-Food Trade Alliance, CAFTA, to speak on the subject of a food policy for Canada.

CAFTA is a coalition of national organizations that have a major stake in international trade and seek a more open and fair international trading environment for Canadian agriculture and agrifood products.

Our members represent producers, processors, and exporters from the major trade-dependent sectors: beef, pork, meat, grains, cereals, pulses, soybeans, canola, as well as sugar, malt and food industries. Together, our members account for over 90% of Canada's agriculture and agrifood exports, which last year exceeded \$55 billion, and supports hundreds of thousands of jobs in communities across the country.

Canada is one of the few countries that can not only feed its population, but also has an obligation to produce, trade, and sell food to the rest of the world for its agricultural sector to thrive and grow. Canada's agriculture food processing industry is much larger than if we were only serving our domestic market. In Canada, nine out of 10 farmers rely on exports for their livelihood, which is a result of

production exceeding domestic needs and consumption. One in two jobs in crop production depends on exports, and it is one in four in food manufacturing.

Canadian agriculture produces what the world needs and is well positioned to continue to do so, but Canadian agriculture cannot be competitive without commercially viable access to export markets. CAFTA welcomes the four pillars proposed by the government for a food policy for Canada, but believes that success will require commitments that extend beyond the mandate of Canada's Minister of Agriculture and Agri-Food. International trade is crucial for Canadian agriculture and agrifood as 58% of its total value is generated through exports. We export over half of the agrifood products that we grow, and Canadian agriculture has already made great strides over the past 10 years as our exports have grown by over 100%, from \$30 billion to over \$60 billion, boosting farm cash receipts by 61% over the same time frame.

An effective food policy should include a strong trade component and outline the conditions that will allow Canadian agriculture to thrive and build on the export growth forecast by the Prime Minister's Advisory Council on Economic Growth of \$75 billion in exports by 2025. This is an ambitious goal, but one the industry believes is completely achievable, given the immense potential for growth.

The policy should include a focus on negotiating and implementing free trade agreements with key markets and the markets our competitors are also after, as well as removing tariffs and non-tariff barriers to enable more production and exports.

We offer the following to the committee for consideration:

First, the policy should ensure that proper resources are allocated to departments and agencies in charge of negotiating free trade agreements, specifically maintaining the free and fair trade we have through NAFTA, the North American Free Trade Agreement, and improving it where possible; implementing free trade agreements with countries in the Asia-Pacific region, like the TPP, the trans-pacific partnership. This remains today the best option for Canada to secure favourable market access to Japan and many fast-growing countries in Asia.

Second, the policy should also ensure that proper resources are allocated to the functions in charge of implementing free trade agreements. Specifically in the European Union, while there is a huge potential to make greater inroads in that region, in particular through the Comprehensive Economic and Trade Agreement, CETA, which was implemented exactly one week ago, the results for many of our sectors won't be felt immediately as technical issues remain outstanding.

Third, the policy should also ensure that adequate funding is allocated to functions in charge of resolving market access issues, so the Government of Canada can continue its work of minimizing technical barriers to trade and ensuring real access for exporters. The proliferation of non-tariff barriers in agriculture over past decades has significantly increased the number of market access barriers our exporters face as they diversify their export profile, and for farmers, producers, and exporters of all sizes, this has a direct commercial impact on export revenues, risk management, and predictability of operations.

Our fourth recommendation for the policy is to allocate proper resources to the network of Canadian representatives abroad, notably embassies and trade commissioners, because Canada's ability to build a competitive industry depends in large part on how well the country opens doors abroad.

• (1645)

In closing, Canada's food policy should place a strong emphasis on creating the most competitive business environment possible in order to continue to grow high-quality foods and meaningfully increase agriculture's contribution to the Canadian economy.

Thank you.

[*Translation*]

The Chair: Thank you, Ms. Citeau.

Ms. Lee, you have seven minutes.

[*English*]

Ms. Rebecca Lee (Executive Director, Canadian Horticultural Council): Good afternoon, Mr. Chair, and honourable members. Thank you for having me here today.

Given that there are new members of Parliament on the committee since I last appeared, allow me to first introduce the Canadian Horticultural Council, or CHC, and give context for our remarks today.

CHC is an Ottawa-based voluntary not-for-profit national association that represents fruit and vegetable growers across Canada involved in the production of over 120 different types of crops, with farm cash receipts of \$6 billion in 2016. Since 1922, in collaboration with our members, growers, and the government, CHC has advocated on important issues that impact Canada's horticultural sector, promoting healthy, safe, and sustainable food, and ensuring the continued success of our industry while providing nutritious food to communities across Canada, which brings me to our focus today, the national food policy.

Let me begin by saying CHC supports the mandate of the Minister of Agriculture and Agri-Food to develop a food policy that promotes healthy living and safe food by putting more healthy, high-quality food, produced by Canadian ranchers and farmers, on the tables of families across the country. How the policy is implemented is where CHC is pleased to have input as an active stakeholder.

Please note for the purpose of this presentation I'll use the term "Canadians" to represent all those who call Canada home.

The national food policy is a big undertaking, which requires a multi-faceted approach by government and buy-in from all

Canadians and key stakeholders, including farmers, as the policy will inevitably impact and influence Canada's agricultural industry with ripple effects throughout communities across the country. CHC supports a policy that focuses on the accessibility of nutritious food to all Canadians, particularly to northern and remote communities. At the same time, CHC advises the government to avoid a focus on the affordability of food and consider the broader picture to ensure the policy is also sustainable for farmers and the communities they feed.

With higher costs of production, including labour, carbon pricing, and implementation of safeguards for food safety assurance, among others, CHC suggests a policy based merely on the affordability of food would not be sustainable, nor would it help in reaching the federal government's goal in budget 2017, which set out to increase agrifood exports to \$75 billion by 2025.

In tandem with accessibility, there needs to be more food literacy available to educate Canadians and make healthy choices. Effective educational programs can lead to folks choosing more whole foods, which are often more affordable than processed meals, and learn how to cook with whole, nutritious ingredients.

I'd also like to address the government's call to increase the production of high-quality food, which touches on national food security issues as well. While in theory this sounds good, in practice Canadian growers need effective tools in order to continue to provide and increase high-quality food in a sustainable production system. Currently Canada has enough high-quality food to feed our country, based off current crop protection products available. If or when these products are removed, farmers need to have access to new tools to maintain the same level of high-quality food at the same level of production, let alone grow more food. Therefore, CHC urges Health Canada and the Pest Management Regulatory Agency, PMRA, to maintain their commitment to continue registration of crop protection products when there are no viable alternative products that the horticultural industry deems effective. CHC encourages PMRA to work with growers in cases where risks are identified for human health or the environment, and to work together to implement practical means of mitigating identified risks to ensure continued access to tools to control pests and diseases. If growers lose essential crop protection tools, not only would there be less high-quality food production, but food loss in the fields would increase exponentially and there would be further food waste throughout the value chain. Again, this goes hand in hand with government departments working together to ensure the sustainability and growth of Canadian farms to continue to feed our communities.

Last, I'd like to note that the small business corporate tax changes that were proposed in July will heavily impact Canada's farms. Without the farms it will be harder for Canada to produce food locally and be able to feed the nation, which would have a ripple effect on the economy and on the environment. As you may know, the average age of a farmer is over 50, and the farm owner is usually a generation older, so we will see quite a few succession plans in the years to come. The proposed tax changes will severely impact how these farms will switch hands and if it is viable to pass along to family members. You can see how these changes would be counterproductive to getting young people involved in the farm. We strongly encourage the government to take more time to review the corporate tax changes and make adjustments as necessary to continue to promote and grow Canadian agriculture.

• (1650)

A favourable business environment will ensure there will be Canadian growers for decades to come. As the food policy helps set the stage to grow more high-quality food and increase access to it, CHC suggests that the Government of Canada needs to encourage healthy economic conditions so farmers can continue to provide Canada with locally grown fruit and vegetables.

In addition to Finance Canada's quickly approaching consultation deadline for the small business tax changes, there are numerous complex government consultations happening this year. CHC trusts that the government will ensure that the resulting food policy is coherent with other consultations across departments, including Canada's healthy eating strategy and the proposed safe food for Canadians regulations.

CHC looks forward to working with the federal government, growers, and other key players to develop a national food policy that will benefit all who call Canada their home.

Thank you. We are happy to take questions.

The Chair: Thank you, Madam Lee.

[*Translation*]

We will now hear from the representative of the Chicken Farmers of Canada.

[*English*]

Mr. Mike Dungate, you have seven minutes.

Mr. Mike Dungate (Executive Director, Chicken Farmers of Canada): Thank you, Mr. Chairman.

The chicken industry in Canada is a growth and value-addition success story. Production has increased 12% over the last four years, and will increase another 4% this year.

Just to give you a sense of what the sector comprises, there are 244 hatching egg farms, 40 hatcheries, 125 feed mills, 2,800 chicken farmers, and 191 processing plants across the country. They contribute \$7.2 billion to Canada's gross domestic product; they sustain 95,000 jobs, and they pay \$2.3 billion in taxes. We're making significant capital investments as we're growing our business: new feed mills, new hatcheries, and expanded processing plants. For example, in Ontario alone there are 100 new barns under construction. These innovative barns have changed from what you think of as the typical farm. Our barns have changed, but our values haven't. We still care about our fellow Canadians. That's why this food policy is important to us, and why we are focused on a secure, affordable supply of safe and nutritious chicken that is raised with care.

As we present before you in terms of a national food policy, I think it is important to acknowledge that Canadian farmers and their agrifood partners first and foremost provide food for Canadians. The issue of affordability is a complex one. It is one that's driven primarily by low incomes, not by the value that we provide in the industry. Canadians, on average, only spend 10% of their disposable income on food. I think we do a good job across the whole agrifood sector.

Chicken is the most affordable meat protein. I think that's a key reason it is Canada's most consumed meat, but the challenge before us is to make sure it remains affordable. Right now, for us and all of animal agriculture, the real threat to affordability is the security coming from activists who are masquerading as consumers. These activists are extorting our restaurant partners. They're maligning our farmers. They're campaigning against the humane transportation of animals. They're campaigning to take chicken and other meats out of Canada's food guide. Their ultimate objective is to dictate to Canadians what they can and cannot eat, and they are trying to reach their goal by driving up the cost, and that's the affordability issue of nutritious food for consumers.

As chicken farmers, we are not in a position to address issues related to low incomes; that is a broader context than we're able to address. That being said, we fully support food banks—all our partners across the country. We think it's a stopgap measure. I think food banks would tell you it's a stopgap measure. Every one of our provincial boards has programs. In Ottawa, we've been a partner with the Ottawa Food Bank for the past 10 years. We've provided \$500,000 over the last 10 years in both chicken that goes out as protein sources to people and in donations. Many of you have participated in our recipe contests and earned contributions to your own food banks across the country.

A national food policy needs to recognize the choices that Canadians make toward healthy eating. The Canada food guide is a key part of that. Chicken is nutritious and contributes to the health of Canadians. It needs to be maintained in the Canada food guide. Canada's chicken farmers are already addressing the food policy's goal regarding food safety. In 2013, we were the first commodity to have an on-farm food safety program that was officially recognized by the CFIA. We want to move so that there is a program in place for on-farm animal care as well.

We're also responding to concerns from consumers on antimicrobial resistance and use. In 2014, we eliminated the use of class 1 antibiotics. Earlier this year we agreed to eliminate class 2 by the end of 2018, and class 3 by the end of 2020.

In terms of the environment, we've recently expanded our "raised by a Canadian farmer" program, and we gave you the little blurb in terms of putting it out to the public to incorporate sustainable practices.

Our supply management system for chicken production ensures that chicken production is spread out across the country. Chicken manure is a valuable resource for crop farming. With it being spread out, we make sure that it's put out and provides fertilizer in a sustainable manner.

• (1655)

We are also at the finishing stages of a life-cycle assessment, looking at sustainability in our industry from an economic, social, and environmental perspective. We think that a 360° view would allow us to focus on where we can get the biggest bang for our buck in terms of environmental improvements. We are all about continuous improvement. I think we are much farther along than others would give us credit for.

In conclusion, our industry is focused on innovation and value addition. We grow and process all our chickens in Canada. We further process and add value in Canada. We are investing in our future, making capital investments, and the immense growth of the industry speaks to the trust that Canadians have in the chicken they consume.

Thank you. I look forward to your questions.

The Chair: Thank you, Mr. Dungate.

I can say that I purchased pelletized chicken manure for my organic farm at home, so it's a fully recycled product.

I want to apologize. I forgot to mention that Mr. Carrie is here with us today, replacing Monsieur Berthold.

Welcome, Mr. Carrie.

[*Translation*]

Mr. Colin Carrie (Oshawa, CPC): Thank you.

• (1700)

[*English*]

The Chair: Now we'll go to our question round. To lead us off is Mr. Barlow, for six minutes.

Mr. John Barlow (Foothills, CPC): Thank you very much, Mr. Chair.

Thank you to our witnesses for being with us today.

I know you had an opportunity to listen to some of the witness statements prior to your hour as well. You've heard a lot of the discussion through this study about access to affordable food. That's going to be a pillar to the study. All of you touched on it a bit in your testimony as well, and how difficult it's going to be to maintain that access to affordable food with some of the changes that are being implemented by the current government.

I would like to ask you to take a look at implementing a carbon tax and eliminating the deferral on grain cash tickets, now with these potential tax changes, and the implications this could have for passive income and succession plans.

We can start with the Horticultural Council. What is going to be the impact of these changes?

We heard at the finance committee earlier this week that if these small business tax changes go through, the typical farm will see an increase in its tax bill of about \$70,000 a year. I know the farmers and ranchers in my constituency. They are certainly not wealthy, and they go on a very small margin. An additional \$70,000 a year to their operation...and that's just on those tax changes. Some of them have told me that their fuel costs alone would be another \$25,000 when you include the carbon tax. With those two tax changes alone, a typical farmer is looking at more than \$100,000 in additional expense. How do we, then, come up with a food policy guide saying that one of the pillars is affordable food?

I would like your comments on how we can possibly harmonize those two things, with one side saying, "We need to access affordable food" and the other side of the federal government saying, at the same time, "We are going to be implementing some pretty punitive taxes on you."

Ms. Linda Delli Santi (Chair, Greenhouse Vegetable Committee, Canadian Horticultural Council): That's an interesting question. Thank you.

On the carbon pricing, for example.... I am from the greenhouse vegetables sector, in British Columbia. As you know, we get an 80% rebate of carbon tax paid at this time, but we did pay the carbon tax for three years prior to having our rebate. The carbon tax is one reason why I have the job at the BC Greenhouse Growers' Association, because we stopped growing. I have five acres of greenhouse and the cost of the carbon tax to my operation was \$50,000, which meant I didn't draw a salary for the last three or four years of our operation.

I don't know how you reconcile it, but we would ask that the government and anyone related, like this committee, look long and hard at whether or not they want food sovereignty and food security from Canadian producers. Then there are the enabling policies that can be used to reach our mutual success in growing the agrifood sector. The greenhouse sector is definitely poised and ready to move forward in meeting the export goals of Agri-Food Canada, but we need a recognition that there is a demand, and an understanding that agriculture does need recognition as being important to our economy.

Mr. John Barlow: I find it a bit ironic that, with the growth in the greenhouse business.... You are making food more affordable, because it's local and we don't have to import a lot of those products, whether it's tomatoes, cucumbers, or peppers. We are able to grow those things locally and reduce the carbon footprint, because we are not bringing them in from further afield, but again, we are punishing those industries with these additional taxes.

Maybe Mike as well on the chicken farmer side.... I thought it was interesting. You talked about 100 new barns being under construction in Ontario alone. I am wondering if those potential new small business owners are having second thoughts about building those barns, if these small business tax changes are implemented. Have you talked to your membership about the potential impact these taxes would have?

Mr. Mike Dungate: I know there's a concern. As I said, we paid \$2.3 billion in taxes. I don't think one of our members will say they shouldn't pay their fair share of taxes, and I think they feel they do. They have some concerns about trying to understand the impacts of this proposed legislation.

We are working with all farm communities and organizations through the Canadian Federation of Agriculture to make sure we understand fully and we're not an unintended consequence of an impact on farmers.

Our key point on a carbon tax perspective, as we've said, is it is centred in Alberta. If there's a carbon tax, we need to make sure there's consistency in how it's applied across provinces and between commodities. That is the biggest issue we have in those terms.

• (1705)

Mr. John Barlow: Thank you very much.

Do I have a little time?

The Chair: You have 20 seconds.

Mr. John Barlow: Mike, maybe you could talk about additional costs again. We're talking about affordable food, the transportation changes coming up through CFIA, and the impact that may have on your industry as well.

Mr. Mike Dungate: We're all in favour of improvement on transportation changes. We're in line with making sure we're doing it for the right reasons, for the benefit of the animals. But also, as we've said, the biggest risk to us is Atlantic Canada, the transportation distances. What they were proposing would put a lot of farmers and a lot of processing plants out of business in Atlantic Canada.

Mr. John Barlow: Thank you very much.

The Chair: Thank you, Mr. Dungate.

[*Translation*]

Ms. Nassif, you have six minutes.

Mrs. Eva Nassif (Vimy, Lib.): I thank all of the witnesses for their presentations.

My question is for Mr. Dungate.

One of the important themes of the next food policy is access to affordable food for all Canadians. That said, the cost of food has become a heavy burden for low-income families. As a former nurse and the mother of triplets, I have always been concerned with making healthy food. Since I am also a big consumer of chicken, I have a question especially for you.

To what extent do you think that the food policy will be able to tackle this problem and see to it that food remains affordable?

You said that chicken is the most affordable protein-rich food. Can you tell us a bit more about that, please?

Mr. Mike Dungate: There has been 12% growth in our industry over the past four years. In that context, since competition was much greater during that period, the price that producers received for one kilo of chicken decreased by 7%. As for the management of our system, the cost of the improved efficiency on our farms is passed on to the processors. We have no impact on what processors ask of retailers, nor on the prices retailers apply. It is their decision and not ours. We do our part, but the entire value chain has to act if all of the advantages are to be passed on to the consumers.

Mrs. Eva Nassif: Fine.

In your opinion, how will Canada's future food policy be able to guarantee access to nutritious and affordable food for all Canadians, especially in remote areas, for indigenous peoples, or elsewhere in our country?

Mr. Mike Dungate: We are already present in all of the provinces. Production is local and available in the 10 provinces. However, we do not produce in the territories. Eggs are produced in the Northwest Territories. In any case, we try to see to it that local product is available, insofar as possible.

Mrs. Eva Nassif: Ms. Citeau, we are often told to buy “local” products to help support local producers in the Canadian market. However, previous witnesses have mentioned that the fact that there is no precise definition of the term “local” causes complications.

In Canada, and for us here in Ottawa, can that term cover producers from Prince Edward County, the Niagara Peninsula, or even Saskatchewan?

As our country is quite vast, purchasing local products does not necessarily mean that those products come from our area.

On this, I would like to know what your recommendations are on redefining the term “local”.

• (1710)

Ms. Claire Citeau: That is a broad issue. In my opinion, it would be preferable to put it directly to the members of the various sectors.

Many of our members have already appeared before this committee, or will do so. It might be better to ask them if local products should come from the region, the province or the community.

Mrs. Eva Nassif: Would someone else like to answer the question?

Mr. Dungate, would you like to reply?

Mr. Mike Dungate: Yes, if you like.

I don't think it is necessary to define the term “local”. The consumer will decide. If the consumer wants the product to come from his city, that's fine. If the consumer wants the product to come from New-Brunswick or elsewhere, it's his decision. To some consumers, a Canadian product can be a local product. It depends on products, production and companies. In my opinion, what is important to most people is that the label indicate where the product came from. They will then determine for themselves if the product is sufficiently local for them.

Mrs. Eva Nassif: Very well.

Do I have time to ask another question?

The Chair: You have one minute.

Mrs. Eva Nassif: Ms. Citeau, we know that the Canadian organic food market is ranked fifth in the world. There is an international demand for organic products.

Where is the largest demand coming from in foreign markets? Can we use current trade agreements or future agreements to penetrate those markets?

Ms. Claire Citeau: Absolutely.

It is in fact thanks to free trade agreements that Canada is negotiating, hopefully, better access to international markets.

Traditionally, our biggest export market has been the United States, if you consider all products. Our second largest export market

is China, with whom we do not yet have a free trade agreement. And there are other very important markets such as Japan, Mexico and the European Union.

As I mentioned earlier, a trade agreement has just been ratified with Europe. Unfortunately, there are still a certain number of non-tariff barriers to be dealt with. A large part of our exporters will still not have real access to the markets, even if the tariffs are removed.

The Chair: Thank you, Ms. Citeau and Ms. Nassif.

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

Mr. Francis Drouin: Ms. Brosseau has the floor before me.

The Chair: Excuse me, Ms. Brosseau.

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

Ms. Ruth Ellen Brosseau: Thank you very much, Mr. Chair. I was really anxious to ask my questions.

Ms. Citeau, I often hear it said that we have problems. We have trade agreements but there are many non-tariff barriers. The people who work on the ground, in the embassies, at Global Affairs Canada, and at the Pest Management Regulatory Agency do very good work. However, it takes a long time to solve problems.

Are we currently allocating enough money and sufficient personnel to resolving that type of issue?

Ms. Claire Citeau: That is a good question.

It is true that as soon as a free trade agreement is ratified and implemented, and sometimes even before, we see a decrease in tariff barriers, but an increase in non-tariff barriers. That is the case for Europe as well.

Today, our negotiators and the people who work on these files are working on NAFTA, the TPP, the implementation of CETA, and access to markets in China. If you look at the list, there are currently more than 300 obstacles hindering access to markets. One is inclined to think that we may never solve all of these problems.

I think you would do better to put the question to them directly. We also ask ourselves the same question.

Ms. Ruth Ellen Brosseau: This may raise an issue regarding access to information.

[English]

This is for the Canadian Horticultural Council.

I've been on the agriculture committee since 2012, and back in the last Parliament we talked a lot about PACA. We haven't talked about it today, but I'm going to talk about PACA again, because this is still an issue.

In this Parliament, the 42nd Parliament, the agriculture committee has written two letters. We wrote a letter to the Minister of Agriculture in June 2016. We wrote another letter to the Minister of Agriculture and the Minister of Innovation before we finished for the summer break, and we never got a response, not even, “Hey, you know, I got that letter. We will get back to you.” It was total silence. We got absolutely nothing.

This is an issue I brought up when you guys were in government, and now we're working together, and even during the election campaign, a lot of you guys promised that we would have a PACA-like system. It's even more important now, because as was mentioned earlier, we are renegotiating NAFTA. We have TPP 11. We have so much going on, and we don't have payment protection for Canadian farmers who are sending their produce to the United States. This is something in which I thought we would have the Minister of Agriculture be our cheerleader. I thought he was going to bring this forward, but last year we found out it is going to be the Minister of Innovation, Science and Economic Development who is going to take this on.

I was wondering if you could explain to the committee what PACA is and the importance of having that done as soon as possible. Maybe you have some kind of insight on why this has taken so long, because I don't understand why. This seems like low-hanging fruit.

• (1715)

Ms. Rebecca Lee: Fruits and vegetables.

Ms. Ruth Ellen Brosseau: Fruits and vegetables, yes, and very low hanging.

Ms. Rebecca Lee: We agree that it is certainly low-hanging fruit. We are as perplexed as you are, if not more, as to why it hasn't gone through yet. We were very surprised to hear that the file was now under Minister Bains. We are working with our colleagues in the CPMA and the Fruit and Vegetable Dispute Resolution Corporation to find a way forward. There are still some requests for information. We made sure that all the information that has been provided to the Minister of Agriculture and Agri-Food is also in the hands of the Minister of ISED. We are not too sure what the next step is going to be there.

For many years, Canadians had access to payment protection, which is the PACA in the United States, so if for any reason there was no payment for their produce, it being perishable and not something that could wait while something was sorted out, like a radio or a TV, they would have some protection for their product. The understanding was that a reciprocal agreement would be made in Canada. When that was not done in 2014, the United States took away that preferential treatment for perishable products in the United States.

That's what all that is about. Again, we're not too sure why, nor what is going on right now.

Ms. Ruth Ellen Brosseau: How much do you think we lose yearly because of this insolvency? It's in the millions, it's like \$20 million we lose a year because we don't have this in place. Is that right?

Ms. Rebecca Lee: I couldn't tell you. I would have to get back to you with that.

Ms. Ruth Ellen Brosseau: It's okay. I met with the Ontario Greenhouse Vegetable Growers this morning. It's about \$20 million we lose and it could be hundreds of jobs a year.

I would like to check with the clerk. Did we get any kind of letter back from the Minister of Agriculture or the Minister of Innovation?

No? Is it possible for us to write them again, or that we check?

This is two letters we've sent as a committee. I just wonder if they got them. I don't know.

Mr. Poissant, I don't know. Has he got them? Is he taking this issue seriously? It's important. We talked about this during the election campaign and we have talked about this multiple times. We have been talking about this for years at committee and in the House.

The Chair: Ms. Brosseau, do you want to make a motion about that?

Ms. Ruth Ellen Brosseau: Yes. I would like to put forward a motion that we rewrite a letter to the Minister of Agriculture and Agri-Food and the Minister of Innovation about PACA, and that we put a timeline on it, not just get back to us, but get back to us in 45 days, or soon. We have never had a response from either minister. It's really frustrating. I don't think they are taking this seriously.

[Translation]

The Chair: Mr. Drouin, you have the floor.

[English]

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): I'd like to make an amendment. The reason we wrote to the Minister of ISED was that it's his file. Again, if we write to the Minister of Agriculture, no problem, but he will only write to us and say, "Great, follow up with Minister Bains."

Ms. Ruth Ellen Brosseau: Okay, that's fine.

We should have Minister Bains come to committee. I think he should come to the agriculture committee and learn about PACA.

• (1720)

The Chair: Do you want to make a motion—

Ms. Ruth Ellen Brosseau: Yes.

The Chair: So we have an amendment to the motion. You made the motion that we write the Minister of Agriculture. We have an amendment to the motion.

Ms. Ruth Ellen Brosseau: Yes, I think we should send it directly to Minister Navdeep Bains and we send a copy to the Minister of Agriculture, because we never got a response from the first letter, June 6, 2016.

The Chair: Is that your amendment, Mr. Drouin?

Mr. Francis Drouin: Well, if Madame Brosseau says that we just write to the Minister of ISED, then I don't have an amendment. If she says that we're writing to both ministers, then I have an amendment to say that it should only be to the Minister of ISED.

Ms. Ruth Ellen Brosseau: What do you guys think?

The Chair: We write to the Minister of ISED, we have an amendment that, instead of writing to the Minister of Agriculture. That's the amendment.

[Translation]

Mrs. Sylvie Boucher: I agree with Ms. Brosseau that we should at the very least copy the Minister of Agriculture and Agri-Food. The first letter was sent to that minister and he never answered it. Even if it is not his file, he could let us know.

[English]

Ms. Ruth Ellen Brosseau: Exactly. As long as we send the letter to Minister Bains, and we send a copy to the Minister of Agriculture, maybe the third time will be the good luck charm, and we will get something.

The Chair: We have a motion, and then an amendment on the table.

Do you have another comment?

Mr. Francis Drouin: A copy is fine.

Ms. Ruth Ellen Brosseau: That's what I meant, a copy.

The Chair: We send a copy to the Minister of Agriculture on the amendment.

Ms. Ruth Ellen Brosseau: Yes.

The Chair: Okay, so we write a letter to the Minister of Innovation, Science and Economic Development, Mr. Bains, and copy Mr. MacAulay, the Minister of Agriculture.

Are we ready for the vote?

(Motion agreed to)

Ms. Ruth Ellen Brosseau: Do I have any more time?

The Chair: Unfortunately, no.

Up next is Mr. Drouin.

Mr. Francis Drouin: Mr. Chair, I have to give a bit of context here and just remind some of my colleagues about what the Paris agreement is which 166 countries have signed on to. Yes, the U.S. may be withdrawing in 2020, but California still implemented a carbon pricing model. Any big country that signed on to the Paris agreement already has implemented a carbon pricing model. We're having access through CETA to 500 million consumers who all care about the environment and carbon. Anyway, those are the other facts.

On tax reform, I think that the Minister of Finance has heard you loud and clear. He has said that he doesn't want any unintended consequences. The longer we give uncertainty in the market, the worse it will be. Yes, it's going to end October 2 for the department, but there is legislation. It has to go through first, second, and third reading, which leaves plenty of time for comments once we know the final result. Right now we're still in consultation.

Mike, how are you? By the way, there are two days left of national chicken month.

You've talked about the cost of producing food. I was at a chicken farmer's about two or three weeks ago, and he talked about the whole bio movement, and he believes that the size of barns right now are probably too large because chickens tend to huddle together. I think he has about 20,000 chickens in there. He says that even that size of barn, per square footage—and I don't know the exact square footage required once you declare you're moving into bio-chicken as

opposed to traditional methods. Anyway, he talked about how the size of the barn could probably be reduced because chickens tend to huddle together. He has all this extra space in there.

I'm wondering if you could talk about that and the impact on the cost of food, and again what activists are saying versus reality.

Mr. Mike Dungate: There was a person earlier who said, "Let's get into just organic and nothing else, and that's it." I don't think it's one or the other. Our farmers are doing an incredible increase in organic to this point. Yes, there are requirements if you want to be certified, that you have to have additional space and that.

I was in a Costco in Vancouver at our summer meeting, and I stood beside the chicken counter. There was organic chicken at \$22 a kilogram and conventional chicken at \$12 a kilogram. I could not believe how many people picked up that organic chicken, kept buying it, and were willing to pay that price.

Is the point that everybody should pay that price or somebody who wants that? Let me tell you, there is nothing wrong with conventional chicken. That's what I said. We're moving up the standards in terms of antimicrobial, doing the food safety and animal care, and delivering across the board at an affordability piece, but if you want something that's more special, more local or whatever, it's available. It's increasingly available because there are people out there with disposable income who want that, but we can't force a one-size-fits-all solution and raise the price of every piece of chicken marketed out there. We have to make sure that we do stuff that is reasonable, is science-based, and is not emotion-based or done by groups pretending to be consumers and telling people what they should or should not want.

● (1725)

Mr. John Barlow: I have a point of order, Mr. Chair.

I don't want to take time from Mr. Drouin.

I just want to give my colleague across from me an opportunity to clarify a statement. He's making it sound like signing onto the Paris accord is a commitment that every country has to impose a carbon tax. That's not the case. I just want to give him a chance to clarify.

An hon. member: Debate, debate.

The Chair: Order, please.

This is not a point of order, so I'm going to have to nullify that.

It's back to you, Mr. Drouin.

Ms. Ruth Ellen Brosseau: I do have a point of order.

It's about the motion that we adopted unanimously.

The Chair: The last one, yes.

Ms. Ruth Ellen Brosseau: I think it's important that we clarify some points. When are we going to write the letter? Will it be sent to all members? I want to make sure that we include a date by which we would like to have a response from the minister, because it's happened three times. I know that I brought it up in my motion to write to the Minister of Innovation, but I want to make sure that we clarify in public and on the record that—

The Chair: It's very borderline whether that's a point of order, but I can assure you that, if the group is in agreement, we will write the letter immediately, and we will certainly copy all of you. As soon as we get an answer, we'll get back.

Thank you.

We have to move on. Mr. Drouin.

[*Translation*]

Mr. Francis Drouin: Thank you.

[*English*]

Looking at the four pillars of the food policy, one of the issues is food affordability.

I'm looking at Ms. Lee. There have been some greenhouses that were built up north. Can you talk to me about that? Are there one or two, or is it a growing movement? There are pilot projects up north with some greenhouses.

Ms. Rebecca Lee: I think there is some work being done up north in the Northwest Territories and Yukon. There are some that are, as I understand it, exporting to other regions of Canada. I'm not too sure how big it is at this point.

There are a lot of different projects being done to try to figure out how greenhouses can be used to have production year round up

north. They do have issues of lighting, of course. They have to see whether it's affordable or not.

There are different shapes and sizes, and different kinds of technologies that are being used. I think it's still very much in the prototype and experimental stages.

Mr. Francis Drouin: Do you believe that is something the government should be supporting more? We can talk about either producing it down south and providing subsidies to carry it up north or producing it up north which has more energy costs. What do you believe?

Ms. Rebecca Lee: I think it will depend on the type of energy that can be found to power the lighting and the heating that will be needed to have the product up north. There may also be certain parts of the year when, just like in areas further south, there is no production, such as during the deepest part of winter. That might have to be taken into account.

This is just me talking, and without substantiating it, I believe there are some possibilities with solar energy that could be involved if there were some technology that was developed to be able to better

Mr. Francis Drouin: Store?

Ms. Rebecca Lee: —store, yes. Thank you.

The Chair: That's a good point to jump in on.

Thank you so much, Ms. Lee, Ms. Delli Santi, Ms. Citeau, and Mr. Dungate.

[*Translation*]

This was a very good discussion. Our thanks to all of you.

The meeting is adjourned.

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

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its Committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its Committees is nonetheless reserved. All copyrights therein are also reserved.

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 House of Commons website at the following address: <http://www.ourcommons.ca>

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

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

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 de la Chambre des communes à l'adresse suivante : <http://www.noscommunes.ca>