



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

43rd PARLIAMENT, 1st SESSION

Standing Committee on Agriculture and Agri-Food

EVIDENCE

NUMBER 015

Friday, June 5, 2020

Chair: Mr. Pat Finnigan



Standing Committee on Agriculture and Agri-Food

Friday, June 5, 2020

• (1405)

[English]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): I call this meeting to order. Before we move on, I just want to say that we'll save some time at the end. Mr. Barlow has a motion, so we agreed that he would move it at the end. Also, we have a little bit of business to go through. I'll try to rush through my opening notes so we can give as much time to the witnesses as we can.

Welcome, Mr. MacGregor. I'm glad you were able to join us. As an MP, you never know what's going to happen, so I'm glad to see you here today.

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): I have a firm handle on my keys today.

The Chair: There you go.

I'd like to outline a few rules to follow. Interpretation in this video conference will work very much as it does in a regular committee meeting. You have the choice at the bottom of your screen of "Floor", "English" or "French". When you intervene, please make sure that your language channel is set to the language you intend to speak, not the floor. This is very important. It will reduce the number of times we need to stop because the interpretation is inaudible for our participants. It will maximize the time we spend exchanging with each other.

Usually as a test I ask all the witnesses to acknowledge by nodding if they understand. I see a few nods. I think we're good.

Also, please wait until I recognize you by name before speaking. When you are ready to speak, click on the microphone icon to activate your mike.

[Translation]

Please make sure your microphone is on mute when you're not speaking.

We are now ready to get going.

I would like to welcome the witnesses participating in today's meeting.

[English]

Today, for the first panel, we have, from Noggins Corner Farm II Limited, Mr. Andrew Bishop, owner; from Equestrian Canada, Richard Mongeau, acting executive director, Cheval Québec; and Kristy House, manager, welfare and industry; and also, from the

Canadian Federation of Independent Business, Marilyn Braun-Polton, vice-president, western Canada and agribusiness.

Welcome to all of you. We shall start with your seven-minute opening statements.

If Noggins Corner Farm is ready, you have the floor for seven minutes.

Mr. Kody Blois (Kings—Hants, Lib.): Mr. Chair, I don't think Andrew Bishop has arrived yet, so the clerk has suggested that perhaps we can move him to third.

The Chair: Absolutely. We'll ask Equestrian Canada, Richard Mongeau to start.

[Translation]

Mr. Mongeau, you may go ahead for seven minutes.

[English]

Mr. Richard Mongeau (Acting Executive Director, Cheval Québec, Equestrian Canada): I'd like my colleague Kristy House to start and then we will change roles during the presentation.

The Chair: That's fine. Please go ahead.

Ms. Kristy House (Manager, Welfare and Industry, Equestrian Canada): Thank you, Mr. Chair, and thank you to the committee members for the opportunity today. My name is Kristy House and I'm the manager of welfare and industry at Equestrian Canada. With me, as you know, is Richard Mongeau, executive director of Cheval Québec.

Today we are here representing tens of thousands of working horses and thousands of equine businesses currently facing severe animal welfare issues and economic devastation due to the impact of COVID-19.

I'll pass it to Richard to make some opening remarks on the impacts to the industry.

Mr. Richard Mongeau: Thank you, Kristy.

During the pandemic, agricultural sectors have continued operations as they were deemed essential. However, the majority of equine operations do not fall under the federal definition of farms and have had no choice but to suspend all business activities.

Since business closures were mandated in March, equine farms have continued to bear the costs to care for their horses with no money coming in. Whether these horses are working or not, horse care costs remain the same and an increasing number of equine operators are facing unimaginable hardships. Without some immediate relief, many more animals will be destroyed and multi-generational rural Canadian businesses will close their doors for good.

Equine businesses are diverse and located in every region of this country. More than 26,000 equine businesses use farmland, have purpose-built structures and have active equines to generate revenue. These businesses support regional economic development, including sport and competition, youth and adult development and wellness, therapeutic use, horse racing and agri-tourism. Canadian equine operations purchase between \$910 million and \$1.3 billion in hay, grain and bedding each year. They spend approximately \$350 million annually on veterinary and farrier services.

We should be reminded that equine businesses follow virtually the same government regulations as livestock farmers. Whether it be with respect to animal welfare, for example, or transportation regulations, they are all part of the agricultural equipment economy of this country.

The equine businesses in jeopardy are significant economic contributors to the Canadian agriculture sector and long-standing fixtures in rural Canada.

Ms. Kristy House: Since early March, Equestrian Canada, our national affiliates and provincial counterparts have been lobbying the federal government for help. We've been repeatedly pushed between ministries of agriculture and heritage, with still no confirmation of where we fit. The ministry of heritage and sport representatives have made it clear that on-farm businesses do not fall within their jurisdiction, and we understand that.

Agriculture and Agri-Food Canada has spent the past weeks engaging with us in trying to find solutions, with no tangible outcomes as yet. We have demonstrated to the representatives within AAFC that our sector cannot meet eligibility requirements and prerequisites for AAFC and agriculture-specific programs or relief dollars. This is because very few equine operations can demonstrate farm income on their income taxes as per the definitions within Canada's Income Tax Act.

Currently there is not one emergency relief program that addresses the costs of maintaining the care and welfare of working horses. These animals have a unique set of skills that take years to develop, and they contribute to a business for many years after.

We know, based on a survey we released at the end of March, that 60% of our businesses were out of resources to maintain the horses' care and welfare a month ago and even more are affected now. Owners are now being forced to cull and euthanize their perfectly healthy and capable working horses. This is not a worst-case scenario; it is already happening. To make things worse, this is the time of year when these businesses earn the bulk of their revenue which covers them for the rest of the year. If this issue is not immediately addressed, owners will continue to offload their horses because they cannot afford to care for them and they will not be able to reopen their businesses again.

We've requested from AAFC a modest amount that would have a paramount impact on the sector and the animals. This ask is based on the projected number of equine farms in Canada that are at risk right now and the median cost of care for these working horses. We estimate the cost to support at-risk working horses in Canada for one month to be \$17.2 million. If AAFC were to provide a fund that covered 75%, we project the total cost to AAFC to be \$12.9 million per month. This coverage would be a huge help in offsetting the challenges these farms are facing right now.

Our sector has come together to support each other through this crisis, including multiple fundraisers, fostering and adoption programs and supply sharing. We've also developed sector-specific guidelines to prepare for reopening. Some provinces and regions are allowing equine businesses to resume some activity, but this comes with additional costs to meet new biosecurity protocols and the new reality of COVID-19. We're continually monitoring what current programs are and are not working for our sector and provide this feedback to government regularly.

I would like to thank the government for what it has done to help Canadians through this challenging time. I would also like to thank the members of this committee who have met previously with Equestrian Canada and our members and expressed their sympathy and a desire to help us.

We are aware that COVID-19 has been devastating for many Canadian sectors, but our horses and our livelihoods are at stake.

• (1410)

Mr. Richard Mongeau: Please remember that the horse has been an important contributor to the building of our economy on every level, in agriculture, transportation, security and, nowadays, as a very successful representative in sport, all for our country. Horses have always served Canada. Now is the time for Canada to be there for them and their caretakers.

Thank you.

The Chair: Thank you, Mr. Mongeau and Ms. Kristy House.

Now we will go to the Canadian Federation of Independent Business for up to seven minutes.

Ms. Marilyn Braun-Pollon (Vice-President, Western Canada and Agri-Business, Canadian Federation of Independent Business): Thank you, Chair, co-chair and members of the Standing Committee on Agriculture and Agri-Food, for the invitation and the opportunity for CFIB to share our members' views today.

Slide 2 shows you that CFIB is a non-partisan organization with 110,000 small and medium-sized firms, of which 7,200 are agribusiness members, and a majority of those are primary producers. We take direction from our members through surveys on an ongoing basis. What our survey shows is that the COVID pandemic has had a devastating impact on Canada's ag sector.

Slide 3 shows our monthly business barometer. An index range of 65 to 70 shows an economy where a sector is growing at its potential. As you can see, the ag sector's index trails the average by about nine points.

Since the announcement of the \$252 million in emergency funding on May 5, we continue to hear heartbreaking stories from our agribusiness members in many sectors and across the country about the challenges they're facing as a result of the pandemic.

A lot of our economic activity has been frozen during the pandemic response. Farmers aren't able to freeze their operations; they can't turn a light switch on and off. Their animals still need to be fed and cared for, and they have tight windows in which to plant, harvest and get their products to market. Unfortunately, they've also had to make many tough decisions, such as having to plow down crops, destroy produce or contemplate putting down their livestock due to reduced capacity at processing facilities or changes in the market demand.

Since the beginning of the pandemic, CFIB has been serving our members on a weekly basis, with about 12,000 responses by each weekend from across every sector. We have presented those findings to the federal government and to provincial governments across the country to assist in decision-making.

What we have found is that agriculture is not immune to the devastating impacts of this pandemic. As shown on slide 4, almost 70% are worried about the economic repercussions on the provincial, national and global economies. These are extremely stressful and uncertain times for the ag sector, as the supply chain problems have cascaded right down through the sector all the way to the primary producer. The chart also shows that almost 40% of farmers are worried about debt, business cash flow and overwhelming stress. We know that farmers are already highly leveraged. A recent StatsCan indication is that, collectively, nationwide farm debt rose by about 8.7% in 2019.

Slide 5 shows that temporary foreign workers and labour shortages continue to be issues for farmers. We know that prior to the pandemic 60,000 temporary foreign workers came to work in Canada's agriculture, food and fish processing industries every year. Despite this, 15,000 job vacancies were reported in the ag sector. This committee is well aware of the challenges there.

A long-term strategy is needed to address those labour shortages in the future. However, we do recognize that there are initiatives, such as the agri-food pilot, which is providing a pathway to residency, and the \$1,500 per temporary foreign worker to help with isolation requirements. As shown on our chart, though, 84% of those who hire temporary foreign workers say that it's difficult to find Canadian workers with the skills needed to work in their agribusiness.

Slide 6 really does show the impact of the carbon tax. We continue to hear about the impact of the federal carbon tax. I should say that in addition to the pandemic, the grain sector is really trying to recover from a difficult harvest, transportation issues and trade and market access issues. We know that just a couple of weeks ago some farmers were still trying to harvest last year's crop and were incurring costly carbon taxes to dry their grain.

Slide 7 really shows the impact. We did a survey which showed the average impact to the farmers' bottom line is about \$14,000 for the carbon tax in the last year. What we also need to do is recognize that farmers have already taken many steps to protect the environment. One practical way to help the farmers' bottom line is to exempt natural gas, propane, fertilizer and shipping costs.

With slide 8, I want to show you that we did survey our members following the announcement a couple of weeks ago. We understand the enormous challenges in designing support programs and getting them out quickly, and we appreciate the government's willingness to approve emergency programs, such as CEBA and the wage subsidy program.

• (1415)

Unfortunately, we're finding that even though the funding is a good step, these survey results show that only 29% of farmers say that it will be helpful. In public comments, the federal government has said that these measures are an initial investment, and if they do need to, they will do more.

The time to do more is now. One of our members said it well: "Investing in our food industry has never been more important than now. We cannot rely on other countries to feed us." I did send to the committee a few weeks ago a letter and a report that provided hundreds of comments from farmers about the challenges they're facing and the measures the government needs to look at to address those challenges.

Finally, it's very clear from the hundreds of comments from farmers across the country that the agriculture sector is not immune from the many short-term business challenges and long-lasting effects of COVID-19. The livestock sector alone has seen mounting costs and losses in the past several weeks. The Canadian Cattleman's Association estimates that the industry will lose about half a billion dollars by the end of June. The Canadian Pork Council also gives an estimate of losses north of \$600 million.

We've outlined some very specific recommendations. We do need additional emergency funding. These are unprecedented times, and certainly we need to look at protecting the Canadian food supply. We need to improve our business risk management programs to make them timely, responsive, effective and transparent. Restoring AgriStability's reference margin to 85% would be a start.

We have a recommendation with respect to reducing red tape in interprovincial trade, and a common-sense recommendation on the carbon tax. We also cannot—

• (1420)

The Chair: Thank you, Ms. Braun-Pollon. Unfortunately, we are out of time.

Ms. Marilyn Braun-Pollon: Okay. Thank you.

The Chair: Has Noggins Corner Farm been able to connect? Do we know? I don't think they have.

Mr. Kody Blois: What's the status, Mr. Clerk? Have you had any update from IT?

The Clerk of the Committee (Mr. Marc-Olivier Girard): They are currently looking into trying to get the testimony through the phone, but even then it's far from a secure option right now. From what I understand, even if it's a cellphone, the sound could still be very bad, which would be disruptive to the proceedings.

That's the status of it right now.

Mr. Kody Blois: From a security perspective, there wouldn't be a problem, would there? This is a public meeting.

The Clerk: There's no security issue. I'm talking about sound quality issues.

The Chair: Let's start with the question round. If they should come in, we'll let them do their statement, if we can do it before the end. We'll see how the rest of the timing goes.

We'll start the question round with six minutes to the Conservatives.

Go ahead, Mr. Barlow.

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

I appreciate the testimony of all our witnesses here today.

Ms. House, I would like to start with you. I appreciated your impassioned presentation about the crisis within the equine industry. It wasn't in your testimony, but from some of the letters you sent, the equine industry is asking for an exemption to section 30, I believe, of the Income Tax Act. Is that correct? Can you explain how that would benefit the equine industry?

Ms. Kristy House: Yes, absolutely.

Within the farming portion of the Income Tax Act and how farming income is defined, the description is limited to maintaining racehorses. It specifically exempts most other activities for on-farm equine businesses. It specifically mentions certain disciplines versus another and riding schools. Because of that, it's very [*Technical difficulty—Editor*] in terms of even demonstrating farm income to access farm registration numbers. You have to be able to demonstrate a minimum number on your income tax return. Any facility

that's not breeding or maintaining racehorses cannot demonstrate that, and therefore can't access certain farm-specific programs. Farm registration numbers, and demonstrating a minimum number with regard to farm income, are prerequisites to pretty much all agriculture and AAFC-specific programs. That includes the business risk management programs and even accessing on-farm cost-share programs through the CAP program.

We have been looking to address this issue. It's a long-standing issue. From our conversations with Agriculture and Agri-Food Canada over the coming weeks, even if they were to adapt some of the pre-existing AAFC programs, we know through our survey that only 35% of our members would be able to access it because of the access to farm registration numbers.

Mr. John Barlow: Great. Thanks.

Have you had a response at all from, say, Finance, on willingness to look at this as a potential tool to resolve some of the issues you've been facing? Have you had a response from Finance on this at all?

Ms. Kristy House: We have not had a response from Finance on this at all.

We have had expression from the representatives we've been working with in Madam Bibeau's office to support us on that endeavour. We know it's not going to be an overnight endeavour, but we are looking to continue to move that conversation forward. It would be both a short-term help and a long-term help.

• (1425)

Mr. John Barlow: Thanks, Ms. House.

I know many of us have stock contractors, show-jumping horse facilities in our ridings that are in a desperate situation. It really comes around to, as you said, covering the costs of feed, maintaining their animals.

This is maybe a question for you, Ms. House, and for Ms. Braun-Pollon from CFIB.

There's a lot of discussion around a business risk management program, but with AgriStability, for example, the payouts were never designed for a pandemic. Even if you were to enrol by the July 3 deadline, you may not see a payment for up to two years. That does not address your immediate situation.

Am I correct that you're needing something immediately?

Ms. Kristy House: Yes.

We've received a lot of testimonials from our members. We've reached out to them on a weekly basis to find out what's going on, how current programs are working. The most common theme is that they are seeing between a 60% to 100% reduction in their income. Most have been running at a deficit since this began. Our industry has slim margins to begin with, so in bearing the ongoing costs, with now additional costs in terms of getting set to reopen, they're running at a deficit.

We need something that is reactive as quickly as possible.

Mr. John Barlow: Certainly for my area of the world, there are no rodeos, no chuckwagon races, no show-jumping events. A lot of these businesses earn their money through the summer. It's a very, very difficult time. I appreciate your taking the opportunity to speak with us on this.

To CFIB, I find it interesting that one of your proposals is exempting the carbon tax.... What has been the response from your members to not only not having an exemption of the carbon tax for agriculture but to seeing that carbon tax increased by 50% on April 1? What has the impact been on your members?

Ms. Marilyn Braun-Pollon: Thanks for the question.

You're correct. April 1 saw a 50% increase, during a pandemic, of a tax when farmers can least afford it.

It's an ineffective tax. It punishes farmers with significant costs, making them less profitable and competitive on the world stage. I talked to farmers just a couple of weeks ago who were taking off their 2019 harvest. If it was damp, they had to dry it. Also, if you look at the inability of them to pass that on.... They're price-takers, and so they find the cost of that carbon tax throughout the whole supply chain as well.

We did some research. Minister Bibeau was looking for some data, and so we did some research. It was very compelling. We found that 83% of our members were saying it has a negative impact. It's also very clear that farmers care about the environment. They're stewards of the environment, but they're not being recognized for the work they're doing to protect the environment. Instead, they're being punished.

I think a common-sense approach would be to at least delay increases, postpone the carbon tax at a time when they can least afford it. We all know that the rebate.... We know that residents paid 50%—

The Chair: Thank you, Ms. Braun-Pollon. Sorry, but we're out of time.

Now we'll go to Mr. Blois, for up to six minutes.

Mr. Kody Blois: Mr. Chair, I see that Mr. Bishop has arrived.

Perhaps we could allow him five minutes or something.

The Chair: Mr. Bishop, go ahead for your opening statement of up to seven minutes.

Mr. Andrew Bishop (Owner, Noggins Corner Farm II Ltd): Noggins Corner Farm is situated in the Annapolis Valley. It's a sixth generation family-owned Nova Scotia company. We grow fruits and vegetables. We operate 468 acres of tree fruits, the major-

ity of which are apples. We also grow peaches, pears, plums, nectarines, raspberries and sweet cherries.

We also have a 3,000 bin CA storage. We just completed a new 29,860 square foot processing, packaging and additional 1,200 bin storage for our apples. We also have a retail facility onsite. This enables us to store our fruit year round in a climate controlled environment, which protects our fruit quality and enables us to sell 12 months a year.

We also have an agri-entertainment experience on our farm, which allows students to get a farm environment. Families come for farm tours, "you pick" venues and corn mazes.

• (1430)

Mr. Alistair MacGregor: Mr. Chair, on a point of order, I'm on the English channel and I'm getting French overlapping the English testimony for some reason.

[*Translation*]

Mr. Yves Perron (Berthier—Maskinongé, BQ): Mr. Chair, the interpretation has stopped. Perhaps he chose the English channel.

[*English*]

The Chair: Can we look into this, *monsieur le greffier*?

[*Translation*]

It's working now.

[*English*]

Try it again, Mr. Bishop. Go ahead.

Mr. Andrew Bishop: I will continue on from where I left off.

We market our products through two primary channels: wholesale, with marketing and distribution through major and minor grocery chains, accounts for about 75% of our sales; and retail, through our farm market and farmers' markets in Nova Scotia, makes up the remaining 25%. Geographically, we sell to Atlantic Canada, to Ontario wholesale clients, and to a major U.S. distributor.

We employ over 90 full-time and part-time personnel throughout the year to staff our processing, warehousing and distribution operations. To give you an idea, gross sales range from \$6.5 million to \$7.5 million.

Over the last couple of years, we've experienced several economic threatening events. In 2018, there was a devastating late frost in our valley, something we've never seen before. In 2019, we had a very cold, wet spring that put stress on our trees, which were already in shock from the 2018 frost. In September 2019, hurricane Dorian took 30% to 40% of our crop off the trees and also left a lot of our crop damaged on the trees.

I'm not here to complain today, but just to give you a feel for the situation on our farm and other farms in our area.

We look at things from a positive sense and try to work with adverse conditions. An example of that would be the hurricane losses we incurred. We found a way to make up some of that loss through our vertically integrated operation by making cider out of windfall apples. We called this "Hurricane". It was put in a can, not in a bottle. It became an instant success because our customers in the Halifax and metro regions were all affected by this hurricane. They lost power for over a week, and out of sympathy we had tremendous success out of a terrible, devastating hurricane to our trees.

Moving forward very quickly to 2020, COVID arrived in March, as we all know. I'm going to state very quickly some of the ongoing things that are happening, or what's happened. As a result of COVID, we suddenly lost several of our employees for various reasons, especially on the retail side, mostly from fear of catching it, contact with customers and so on. We've had to cut our hours of operation to cope. Three of our farm markets we attend all closed down, which is fairly significant for us.

We took that sad scenario, and we moved quickly to online sales. We were able to capture some of that business. However, the future of our farm markets is up in the air, and we're not sure what this will mean as we move forward into our busy season. It's starting now. It's going to ramp up in August, and be in full swing in September and October.

The online sales required a different skill set, and we had to hire several more people to be able to cope with the new challenges of our business.

Along with all that happening we had to keep up with all the current regulations and new things happening, making sure we protect our employees, making huge changes to our processing or packing line to be able to keep distance and to keep some kind of flow. It has proved very stressful and very time-consuming from a management point.

• (1435)

We've gone through that. I will add that we were able to get our seasonal workers in. I thank the government very much for stepping up and helping us in various ways to get them here, but they came in a month late. In our business, the tree fruit business, the trees move along. As the season progressed, we missed a lot of events as far as what we needed to do in our orchards was concerned, but—

The Chair: Mr. Bishop, the time is up, but you'll have a chance to answer questions.

Mr. Andrew Bishop: Okay. Thank you.

The Chair: Mr. Blois, you have up to six minutes for your questions.

Mr. Kody Blois: Thank you, Mr. Chair.

Andrew, it's great to see you. You gave me a bit of a scare that we weren't going to get you on here. We'll have to keep working on rural Internet down our way, won't we?

Mr. Andrew Bishop: Excellent. Thank you.

Mr. Kody Blois: Thank you for your testimony, and thank you to all the witnesses for their testimony.

You mentioned temporary foreign workers. I know, Andrew, that you and your family treat your temporary foreign workers basically as an extension of your family. Can you express to this committee how important it is to have those workers and how important the additional funding from the government was in helping with those additional costs you mentioned?

Mr. Andrew Bishop: They're not really farm workers. We get our workers from Jamaica. They're skilled Jamaican farmers. They have a skill set. Some of them have been here for 14 to 16 years. They know a farm as well or better than I do, so it's very important to us. It's very important that they're here, because they also add to our ability to hire extra local help. We've witnessed, of course, the isolation and the extra costs, and we're thankful for the money and the support that the government has given us so far.

Mr. Kody Blois: I want to ask you about hiring locals, because you mentioned that there was some attrition from your workforce because of workers' concerns about the resulting COVID-19. Can you quickly provide an update on how you were able to get those local workers and how they're functioning?

Mr. Andrew Bishop: They're functioning very well. There are challenges. We suddenly lost key people, as I mentioned. We were able to replace them. Training in the COVID environment was very much a challenge, but when we changed some of our sales techniques, in net we added another six employees to our workforce locally.

Mr. Kody Blois: Perfect.

You mentioned—and in Nova Scotia we know this to be true—the challenges around the frost and Dorian and things of that nature. We are studying business risk management, and we were before. This is obviously a COVID-related panel, but it goes hand in hand with business risk management.

We have a thing called an Olympic average that helps to set the reference margin limits. Can you explain why in Nova Scotia that might be a little lower and how this is impacting the ability for producers to perhaps benefit from programs like AgriStability?

Mr. Andrew Bishop: Well, for me and for other farmers...I'm diverse in my operation. When I do well in one crop and maybe poorly in another crop, our change is not as significant. It has an effect, and we still have all those costs. We need to work on something that's going to be a little more forgiving for a diverse operation.

Mr. Kody Blois: That's perfect. What I'm understanding, then, is that the higher we can get the reference margin, the more likely it is that farmers like you, who are very diversified in nature, might be able to take advantage of and actually benefit from these programs.

Mr. Andrew Bishop: That's correct. We've always participated in AgriStability, and we've never been able to make a claim through our day-to-day activities or our yearly activities in how we address our business.

• (1440)

Mr. Kody Blois: Andrew, I wasn't around in 2013—it would have been my predecessor, Scott Brison, of course—but this program was cut from an 85% reference margin down to 70% under the former government. Do you have any idea from the community as to why that might have happened? Do you remember that recollection or the purpose at the time?

Mr. Andrew Bishop: I don't remember all the discussions at the time, but again, we're a diverse operation in our crops. I think the monocot crops, maybe grain farmers and the like, had some very good years. I think that probably the changes in the program were more to do with our western counterparts.

Mr. Kody Blois: I want to talk to you about the importance of supporting our regional agricultural centres, of course, after COVID-19. You've had some experience with the Kentville research station and the important work it does. You've been in farming almost 50 years, Andrew. Can you speak to how important that institution is and to any enhancements you'd perhaps like to see in those regional research centres?

Mr. Andrew Bishop: To my mind, the regional research centres are very important to our regional agriculture, especially for tree fruits. If we have issues, we can address them quickly.

In my 50 years and over—and you may not be able to see my grey hair—we have seen a loss in the expertise that has been very valuable to us. There's nothing that can replace the local content as far as research is concerned.

Mr. Kody Blois: Lastly, Andrew, you mentioned that you have a mixture of a wholesale and retail business. Many people across Nova Scotia have travelled south to pick apples or pumpkins in the autumn and things like that. Can you talk about how COVID-19 has spurred more interest in local food, with more people wanting to buy local?

Mr. Andrew Bishop: I think there's a whole new awareness out there among our consumers about the importance of their food security. The events that we read about and hear about, which are actually happening, are making people think a lot about that, and we're seeing it at our local retail shops. There's a big spike in sales, which is a good thing. We don't sell as many of our own products, but we do offer our neighbours' products as well to round out a good shopping experience for our customers.

The Chair: Thank you, Mr. Bishop. I'm glad you could join us.

Mr. Blois, thank you.

[Translation]

Mr. Perron, you may go ahead for six minutes.

Mr. Yves Perron: Good afternoon.

Mr. Chair, I'll be splitting my time with Mr. Champoux.

Thank you to the witnesses for being here today.

My first question is for the Equestrian Canada representatives.

You said you would like to see improvements on the interprovincial trade front. Can you tell me briefly what you have in mind?

[English]

Ms. Kristy House: I'm sorry, but I will turn to Richard for that question. He comes from the provincial representation.

[Translation]

Mr. Richard Mongeau: Good afternoon, Mr. Perron.

Thank you for your question.

Unfortunately, I missed part of your question. Would you mind repeating it, please?

Mr. Yves Perron: In your opening statement, you mentioned interprovincial trade, but you ran out of time.

In a few words, can you tell me what you'd like to see happen? What are you recommending?

Mr. Richard Mongeau: I think it was another witness who brought up interprovincial trade, but I'd be happy to talk about the challenges businesses in different jurisdictions are experiencing, if I may.

Mr. Yves Perron: You have 20 seconds.

Mr. Richard Mongeau: In all the provinces, especially Quebec, operators, in other words, small equine businesses, are in dire financial straits. They're being forced to make agonizing choices: sell their equipment or their horses. They need their horses, however, to make a living. They're sending horses to the slaughterhouse. Not only does that prevent operators from earning other revenue, but it also prevents them from replacing those horses, which they need to keep their businesses viable.

• (1445)

Mr. Yves Perron: You're really in dire straits.

In your opening statement, you said that only 29% of your members, less than a third, found the government assistance helpful, so more support is necessary. Indeed, when the government announces measures, it always says it will do more.

Do you think it's really time for the government to do more? What do you need specifically?

Mr. Richard Mongeau: It's absolutely time for the government to do more.

We need immediate financial support. We mentioned that 60% of the businesses that responded to our survey are already strapped for cash to keep their businesses afloat. Owners are selling their businesses or closing their doors. Horses are being sent to the slaughterhouse. What's more, it can take a few months for support to materialize under the current program. Timely support is crucial.

Another important consideration is the ability of business owners to access federal programs. Ms. House was saying earlier that the current rules are almost always based on two questions: Is it a duly registered agricultural business? Does the activity in question generate farm income?

That is really a huge obstacle. Many of the activities provided by equine businesses—in essence, how they earn their revenue—prevent businesses from qualifying for any of the support measures. All the government has to do is relax the current requirements in order to provide businesses with immediate support.

Mr. Yves Perron: As I understand it, you are yet another witness telling the committee that the current programs, which the minister goes on and on about, don't work and require major improvements.

Could you comment quickly?

Mr. Richard Mongeau: As far as relaxing the requirements goes, we've spoken to Ms. Bibeau and members of her staff. They listened to what we had to say and were very receptive, but it's time for action.

Mr. Yves Perron: Very good.

I'm going to give the rest of my time to Mr. Champoux.

Mr. Martin Champoux (Drummond, BQ): Mr. Mongeau, I'd like to keep talking about the industry in Quebec, specifically, equestrian schools, competitions and such. If I'm not mistaken, Quebec announced that those activities could resume beginning next week.

Is that correct?

Mr. Richard Mongeau: That's correct. Training and competitions are allowed to resume. It goes without saying that physical distancing and public health measures will have to be followed. We are delighted that those activities will be starting up again.

Mr. Martin Champoux: What challenges do you foresee? I imagine it will be necessary to ensure those protocols are followed and overseen, but surely, you anticipate certain things to be a bit more complicated.

Do you expect implementing the protocols to be a bit more challenging when it comes to certain aspects?

Mr. Richard Mongeau: Some aspects are definitely more challenging. Fewer participants or clients will be able to train or take classes. The costs won't change, but revenues are likely to be lower. Like all businesses, equine operators will have to incur additional costs so they can offer their services; those costs can range from equipment and signage to extra staff. According to our estimates, while businesses won't operate at a loss, they won't really see any profits in the first few months, so things will still be tough for them.

As for competitions, it's much the same. We are pretty far along when it comes to establishing protocols, but actually holding events while respecting the necessary restrictions, which everyone recognizes the importance of, won't generate any profits in the next few months.

Mr. Martin Champoux: That's why the support programs need adjusting, is it not?

Mr. Richard Mongeau: Exactly.

Mr. Martin Champoux: Thank you, Mr. Mongeau.

The Chair: Thank you, Mr. Champoux and Mr. Mongeau.

Mr. MacGregor, it is now your turn. You have six minutes.

[English]

Mr. Alistair MacGregor: Thank you very much, Chair.

Thank you to our witnesses for contributing to our study on how COVID-19 has impacted agriculture and agri-food. We really appreciate your time today.

I'll start with the Canadian Federation of Independent Business. I note the section you gave in your presentation regarding the carbon tax. This has certainly been a topic that has occupied the committee's attention for a couple of years. However, I'm interested in getting beyond the carbon tax conversation. I'd like to hear some of your feedback. Have any of your members, especially in agriculture and agri-food, given you any feedback in particular about some of the innovative things that farmers are doing to reduce greenhouse gas emissions from their work?

As we move into the recovery phase, maybe you can illustrate some of them, and ways in which the federal government can encourage those new innovations without getting bogged down in the conversation we're having about the carbon tax.

• (1450)

Ms. Marilyn Braun-Pollon: As you say, the important part is recognizing what farmers are already doing. They are great stewards of the land.

We did a report back in February and sent it to the minister about not only the impact but what farmers are doing already and how government could encourage them to do more.

I do think when we're on a competitive world stage and our competitors are not looking at these types of increases, it does make us less competitive. When you look at the thousands of dollars, on average \$14,000 that farmers paid in carbon tax in the last year, certainly there are better ways to take care of the environment than a tax that's going to continue to increase every year.

Mr. Alistair MacGregor: Sure. In my home province of British Columbia, we're exempt from the federal pricing scheme because we have our own system. Propane is exempt from the motor fuel tax but not yet the carbon tax provincially. That's certainly something that can be looked at. I think if it's quite demonstrable that propane or liquefied natural gas is being used exclusively for farming operations, then it's a worthwhile thing to look at, especially as we're helping farmers through this transition period.

I want to move on. You talked a bit about the federal benefits that have been announced, but I want to drill down a little more on some of the financial help that's been put out there to help businesses obtain personal protective equipment and to reorganize their workspaces, as well as the amount of funding that's been given to make temporary foreign workers comply with the Quarantine Act, and so on.

Can you give us some feedback on how those specific financial measures are or are not working and whether there's room for improvement, i.e., whether more money is needed for those specific things?

Ms. Marilyn Braun-Pollon: Certainly, in my comments I did talk about the enormous challenges to designing support programs and getting them out quickly, so we have appreciated the government's willingness to change and improve certain programs like CEBA and the wage subsidy.

To your point, with the temporary foreign worker issue and the ongoing labour shortages, shortly after that announcement was made with respect to the \$1,500 for helping them with isolation requirements, a strong majority of our members, 73%, supported that.

I think the other part, though, is that it's interesting that 84% of our members say it's going to be difficult to find Canadians with the skills needed to work in their agricultural business. These are skilled workers, when you look at planting and harvesting quickly. If the weather is against you, you have to get your product in quickly and efficiently. We have recognized the hard work to ensure that those temporary foreign workers can come during the critical planting season and can help farmers offset the cost of quarantined workers.

The three-year agri-food pilot is really innovative and is going to fill ongoing labour needs, but what I like most about it is that it's going to provide a pathway to permanent residency, which for a number of years we have called and advocated for. I think the work

done there has been very good, but let's not forget that we have thousands of jobs going vacant. We will have many in the horticulture and vegetable sectors that are going to need workers sooner rather than later, and we still don't have all that we need.

Thank you.

• (1455)

Mr. Alistair MacGregor: I'll just get one last question in. In your final slide, on your list of recommendations, on the theme of how we're going to get the recovery up and going, you mention the interprovincial trade barriers. Can you maybe expand on that?

It's certainly a topic that's come up before Parliament. It's certainly something the federal government can act upon, so I'd like to hear you expand a bit more on that so our committee can be informed to make the appropriate recommendations.

Ms. Marilyn Braun-Pollon: We talked a lot about unnecessary red tape. We understand there are regulations to protect health and safety and the environment, but there are unnecessary red tape and barriers, specifically on interprovincial trade with agri-food products. There's duplication in federal and provincial regulations. If meat is safe enough to eat in one province, it should be safe enough to transport to another province. I know there have been some temporary measures there—

The Chair: Thank you, Ms. Braun-Pollon. Unfortunately, that's all the time we have for you and for the whole panel.

We're done with this first hour. It's never long enough. There has been a very interesting conversation and testimony, and I really appreciate hearing from all of you.

From Noggins Corner Farm, I'm glad you could make it, Mr. Bishop.

From Equestrian Canada, Richard Mongeau and Kristy House, I'm really happy to have you on board.

Also, from the Canadian Federation of Independent Business, Ms. Braun-Pollon, thank you so much.

We will take five minutes to change the set and we'll be back, so set your clocks.

We will now suspend the meeting. Thank you.

• (1455)

(Pause)

• (1500)

The Chair: The meeting is resumed.

We will now call the second panel.

[*Translation*]

Joining us are Catherine St-Georges, marketing consultant with the Union des producteurs agricoles, as well as Catherine Lefebvre, vice-president of Maraichers L&L.

[English]

We also have from Hutten Family Farm, Ted Hutten, the owner.

[Translation]

Ms. St-Georges, you have seven minutes for your opening statement. Please go ahead.

Ms. Catherine St-Georges (Consultant, Marketing, Union des producteurs agricoles): Good afternoon.

My name is Catherine St-Georges, and I am a marketing consultant for the Union des producteurs agricoles, or UPA. I am also the secretary for the Table pour le développement des marchés de proximité, a local market development issue table established by the UPA in June 2019 and chaired by Mr. Groleau, the UPA's president.

The issue table is a forum that brings together some 30 organizations to discuss developing local markets. In my speaking notes, which were provided to you, I refer to information from the 2016 census. That was the first time the questionnaire included a question about direct marketing.

It's positive to see a question like that on the census form, but so far, the data are very preliminary. We are hoping for more detailed data on local markets in the next few years.

According to respondents, 19% of farms reported engaging in direct marketing. That doesn't mean that they only sell products directly to consumers; it simply means that they have. For instance, it might be a dairy farmer who has a sugar bush and sells maple syrup directly to consumers. Direct marketing encompasses farm stands, farmer's baskets and farmers' markets.

We don't have any data on how those sales impact farm income, jobs or acreage, but we do know that these farms need more temporary and seasonal workers to support local markets. What's more, these farms usually devote more hours to the business, meaning, that the owner spends more time working in the business than a traditional business owner. In many cases, the owner has a job outside the farm.

A total of 57% of businesses that reported using direct marketing had less than \$50,000 in sales. Generally speaking, they are small farms.

I should point out that all of these figures relate to Quebec farms.

Quebec's ministry of agriculture, fisheries and food is examining the sales of all the traditional channels, including grocery stores, restaurants and hotels. By extracting the remaining portion, the ministry arrived at the sales of non-traditional channels. It estimates that, for 2018, some \$800 million in sales is attributable to local marketing.

In Quebec, local marketing brings the farmer and consumer closer together. That can mean geographically, so, in the same administrative region—the distance between the farmer and consumer can't exceed 150 kilometres—or in terms of the middleman. The idea is to reduce the number of middlemen between the farmer and the consumer.

We set up the local market development issue table with our partners during the COVID-19 pandemic to help us better understand

the resulting issues. In the short term, insecurity and the loss of markets and immediate income were the biggest concerns, as you can well imagine. For example, ornamental horticulture wasn't considered an essential service since it wasn't part of the food service sector. I'm referring to the sale of flowers and potted plants, which, very often, are sold directly to consumers. There was definitely a feeling of insecurity.

Quebec gave U-pick businesses the go-ahead to resume on May 28, which is late in the season. A wave of insecurity swept business owners, because U-pick accounts for a significant share of their sales. What's more, they don't know whether consumers will actually show up to pick their own produce. That's one of the challenges.

The closure of bars, restaurants and similar establishments resulted in a drop in income for farms involved in those markets. Certain municipalities opted not to open farmers' markets, which are the main source of sales income for some farmers. New farms, for instance, often rely on farmers' markets. The fact that markets aren't open on Sundays has also had an impact, given that consumers tend to go there on the weekend, which is when they would interact with the farmer and build those ties. If consumers can't go to Sunday farmers' markets, it will clearly affect sales.

The entire agri-tourism sector is stalled. Businesses aren't allowed to let consumers sample their products, so sales are far from guaranteed. On top of that, special events and festivals—normally a significant revenue stream for these kinds of businesses—aren't being held.

Obviously, like traditional business owners, farmers have access to labour. Workers are recruited through programs, so worker availability and the arrival of foreign workers also factor into the mix.

As I said earlier, these businesses hire a lot of workers, so if they can't rely on foreign workers for help, it affects activities on the farm. Financially, as far as cash positions go, supplier payments have been deferred. With fewer sales, income is down. This has created some financial insecurity. If no changes are made, some business owners have told us that they won't be able to keep things going for many more months.

● (1505)

Nevertheless, the situation does provide some opportunities, as you can see in my opening statement.

On the whole, consumers are heeding the call to buy local. We're sensing enthusiasm for buying local products, so it's important to capitalize on that. Agri-tourism and culinary tourism also offer potential. Since Canadians will probably be spending more time in Canada this year, there is an opportunity to develop those markets and take advantage of those potential visitors. Now that people have discovered online shopping, that's another promising area to keep in mind. All of these prospects can help farm businesses sell their products.

Now, I will turn to our recommendations. A program specifically designed to help build local markets would certainly be opportune. In my speaking notes, I've listed some examples for building online sales. There are businesses that have been able to do it, but it requires a certain level of infrastructure. Some regions still don't have high-speed Internet service, which makes online sales a challenge for them.

Support for the development of local slaughterhouses requires that supply be coordinated. Reducing interprovincial trade barriers is something else we recommend. We heard one example of a farm that sells its products right around the Ontario–Quebec border, but the provincial requirements differ, so that hinders the farmer's ability to build the local market. Additional funding would also be welcome for the program to purchase surplus agri-food products for food banks. Local farmers could then take advantage of the program.

On June 2, we appeared before the Standing Senate Committee on National Finance, and we shared our recommendations for business risk management programming and the Canada emergency wage subsidy. Those measures could be better tailored to farmers' needs. Obviously, it's important to assess the repercussions of the COVID-19 pandemic now, because it's having an impact in the short term. It will also have an impact in the longer term, however, so revisiting these issues down the road is key, because our members are likely to raise new concerns over time.

The Chair: Thank you, Ms. St-Georges.

We now move on to the representative from Maraîchers L&L.

Ms. Lefebvre, you may go ahead. You have seven minutes.

Ms. Catherine Lefebvre (Vice-President, Maraîchers L&L Inc.): Good afternoon.

My name is Catherine Lefebvre and I am the vice-president of the Les Maraîchers L&L farm, which works in the market gardening production of beets and red cabbage, as well as in the production of transplants for other market gardeners in my region.

First, I would like to address the issue of labour, which is of great concern to us. We are a medium-sized farm that hires a total of about 20 workers, including 12 foreign workers. Currently, only seven foreign workers have arrived, and considering the time it takes to prepare the files in Mexico, we are not sure we will have the five foreign workers we need to complete our cohort.

I won't hide from you that the workers who were supposed to arrive in June are eagerly awaited for our harvests. There are still many missing. According to the Association des producteurs maraîchers du Québec, the Quebec Produce Growers Association,

about 60% of the workers have arrived; that data is subject to verification.

I have to tell you that the programs announced to date encourage Canadians not to work or to limit their hours to 25 hours a week, which creates great obstacles for us. There is a huge cost involved to train each and every one of these employees, in addition to all the equipment needed to ensure everyone is protected.

I won't hide the fact that it currently takes us two or three Quebec employees to replace a foreign worker in terms of efficiency, but especially in terms of endurance, since they have to work between 10 and 12 hours a day. Enormous costs are generated in connection with labour, as we know full well that after a day or two of work on our farms, or a week at the most, they start looking for a less physical job. Then we have to start training other workers all over again, and everything else that entails. In addition, protective measures must be more rigorous for our Quebec workers since, given the relaxed restrictions, there are more and more outings and risks for our farms as well.

All of these measures, including the two-metre physical distancing, have a cost, as they have a direct impact on our performance and will also affect our profits during the season. Since there was no program adapted to our Quebec workers, we had to take the lead by increasing their wages to keep them on. When the COVID-19 crisis began in mid-March, we were packing beets from the previous crop, the 2019 harvest. Our work schedule at this time of year is between 35 and 40 hours a week. When the Canadian emergency response benefit, or CERB, was announced, we realized that if we wanted to motivate our troops, we would have to adapt. So we decided to round up the workers' pay so that they too would have a take-home pay of \$500 a week.

We know very well that people who receive the CERB will have to pay taxes, but we had to find a way to motivate our troops to come to work rather than sit at home with their families and avoid the risks related to COVID-19. There should be a program to improve the wages of Quebec employees who get up every morning to feed people and earn more than minimum wage, in order to bridge the gap with the wages improved by all the other programs already in place.

We were also able to hire three 14-year-old students, who do not have access to any programs either, because they are not 15 years old, which is the age of eligibility for the majority of the programs in place. So I'm asking the government to change the age of eligibility, because at 14, young people are very capable of doing manual labour on a farm, whether it's weeding or tending crops. We need those who want to work, regardless of their age.

As for the 75% wage subsidy program that was announced, it does not apply to us, since we are in a production period and we will only feel the drop in income when we harvest, even though the costs related to COVID-19 and obtaining the necessary equipment are being incurred now.

Changes should also be made quickly to counter the losses caused by the measures we have had to put in place to promote the retention of our local workforce and to conduct the quarantine of our foreign workers.

I would also like to talk about the program that offers \$1,500 per foreign worker. This program is intended to cover the cost of quarantine. That was changed along the way. Now it only covers the costs that have been charged to us by another company or the take-home pay of our foreign workers. It does not take into account the time spent by our staff on grocery shopping, taking temperatures, the extra needs of our workers, government deductions and renovating our facilities. The program would really have to be changed to take all that into consideration.

Aside from all the constraints we face in a normal year, whether it's the difficulty of competing on world markets or the whims of Mother Nature, we live with a sword of Damocles hanging over our heads at all times. If there's contamination on our farm, what consequences will follow?

• (1510)

Will we have to leave our fields for 14 days without irrigation and spraying? How can I deliver my transplants to other growers? I'd be putting their crops at risk. This would affect business and personal finances.

As market gardeners, I think we've listened to your requests. We have sown all of our fields as usual, despite the lack of labour. On the other hand, we are experiencing, day after day, a great deal of uncertainty in terms of managing the risks associated with our crops.

What about the programs that are supposed to be there to give us some respite from the turmoil we are experiencing? We have recently learned that we will have no crop insurance to cover labour shortages. When are we going to hear about the AgriStability program? I know there has been a request from the produce sector to have the AgriStability trigger set at 90% instead of 70%, and to have the payment made at 85%, but we haven't heard back from you on this.

We're constantly being asked to use the money we have in our AgriInvest accounts, but if we do, when will we get that money back to invest in our businesses at the right time? These are accounts designed to invest in our businesses, not to bail them out. If we use that money, our businesses will decline quickly or be bogged down when the time comes to buy new equipment.

The equipment needed to improve our packaging plans or harvesting equipment is very expensive. That's why we need to keep money in our AgriInvest accounts. We'll need that money the day we have to invest hundreds of thousands of dollars to change broken or obsolete equipment.

We can't use this money to make up the shortfall due to the pandemic. These amounts have been accumulated over the years. We are managing our businesses well. In many cases, it has been better to borrow money to buy equipment, since we had to pay taxes in connection with the AgriInvest account. Program changes should be considered.

• (1515)

The Chair: I'm sorry to interrupt you, Ms. Lefebvre, but your time is up.

We'll now move on to the next speaker.

[*English*]

From the Hutten Family Farm, we have the owner, Mr. Ted Hutten, owner.

You have up to seven minutes—

[*Translation*]

Mr. Yves Perron: Mr. Chair, I have a point of order.

I just want to mention to the technical team that while the witnesses were speaking in French, we were hearing the English translation in the background, which was quite difficult, but I could still understand. I didn't want to interrupt the witnesses, but I want to tell the technical team anyway.

The Chair: We're going to continue, but if it happens again, let me know.

Mr. Yves Perron: Very well.

[*English*]

The Chair: Go ahead, Mr. Hutten.

Mr. Ted Hutten (Owner, Hutten Family Farm): I would like to begin by thanking the chair and the committee for having this opportunity to speak.

My wife and I own a small mixed fruit and vegetable operation in Nova Scotia, which I have been farming for a little over three decades. We grow a mix of tree fruit and some berries, as well as many different types of vegetables. The bulk of our sales go to two separate public farmers' markets within the province. That has been the bulk of my business for my entire life.

When COVID hit a couple of months ago, both of the farmers' markets closed, and essentially I had to pivot and completely change my business model. What I did was I had a small community-supported agricultural online sales business, and I expanded that business substantially and moved the bulk of my business into online sales.

We noticed a massive increase in demand. It's been challenging, but we have been able to move all of our product. Although difficult, it has been, generally speaking, okay up until now at least. We have not yet entered the full season. It's only June. As we get into more production, we'll have to see what happens, but as it stands now, by pivoting the business and going to an online sales model, we essentially changed how we sell the products that we grow.

The Chair: Thank you, Mr. Hutten.

Now we'll go to our question round.

• (1520)

[*Translation*]

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

Mr. Richard Lehoux (Beauce, CPC): Thank you, Mr. Chair.

I thank the witnesses for being here with us this afternoon.

I'd like to put two brief questions to Ms. St-Georges and Ms. Lefebvre.

[*English*]

Mr. Neil Ellis (Bay of Quinte, Lib.): Mr. Chair, on point of order, we're getting a muffled translation on this. I think he must be on the wrong channel.

[*Translation*]

Mr. Richard Lehoux: My question is for Ms. St-Georges and Ms. Lefebvre.

We talked earlier about the Internet, and I think my colleague Mr. Blois alluded to it. You talked in particular about online sales.

[*English*]

Mr. Neil Ellis: Mr. Chair, on a point of order, it's still the same.

[*Translation*]

The Chair: There seems to be a problem with the interpretation which is coming through as a background voice.

Could you look into that, Mr. Clerk?

The Clerk: We are looking into it as we speak.

The Chair: We stopped the clock, Mr. Lehoux.

Mr. Richard Lehoux: Thank you, Mr. Chair.

Hello, Mr. Ellis, can you hear me well now?

[*English*]

Mr. Neil Ellis: Yes.

[*Translation*]

The Chair: We're listening, Mr. Lehoux.

Mr. Richard Lehoux: My question is for Ms. St-George and Ms. Lefebvre.

Earlier we talked about the importance of the Internet in rural areas. I understood, following a comment made by my colleague Mr. Blois, that this seemed to be a special situation, but we have just realized that there are places in Quebec and Canada—throughout the country, in fact—where there are problems with Internet access.

Ms. St-Georges, I'd like your comments on e-commerce, given the difficulties we're seeing across Canada.

Ms. Catherine St-Georges: We were told that high-speed Internet is not accessible in all regions of Quebec. In fact, when we hold meetings with federation members, some producers cannot use their cameras on the Zoom platform because they do not have enough bandwidth. So we can imagine that this can be a problem on a transactional site where we have to coordinate all orders and deliveries.

Mr. Richard Lehoux: Thank you, Ms. St-Georges.

Ms. Lefebvre, on your side, is the Internet readily accessible in Montérégie?

Ms. Catherine Lefebvre: Everything is fine for me because I'm close to my village, but for many other businesses, the further away from the centre of Montreal, for example, the more problems.

Mr. Richard Lehoux: So we could do even better, couldn't we?

Ms. Catherine Lefebvre: Yes, we could do better.

Mr. Richard Lehoux: I would now like to talk about the difficulties in recruiting immigrant labour. In your last comments on the famous \$1,500 payment, you said that many restrictions were introduced after the announcement and that they will result in additional costs for you. Did I understand correctly?

Ms. Catherine Lefebvre: That's right. None of the quarantine-related costs are included in the \$1,500, nor is anything having to do with labour without a tangible invoice. We need proof in order to claim the \$1500. That's really the problem.

Mr. Richard Lehoux: So an adjustment would have to be made so that you could meet your needs. Is that correct?

Ms. Catherine Lefebvre: Yes.

Mr. Richard Lehoux: By the way, I liked your comment on AgriInvest and I think it was really relevant. You're in the fields right now, and when you're asked to empty your coffers to access the program, you find that the current formula may not be adequate.

• (1525)

Ms. Catherine Lefebvre: We need to keep AgriInvest to invest in our farms. I think the name AgriInvest is a good one. However, we cannot use this program in an exceptional year like this, where we have extra expenses and less income.

Mr. Richard Lehoux: There really should be a tailored program that could be accessed in special circumstances, like this year's. Is that correct?

Ms. Catherine Lefebvre: Yes, exactly. Otherwise, our farms are going to go downhill because we will not be able to keep them competitive at a global level.

Mr. Richard Lehoux: Thank you, Ms. Lefebvre.

Ms. St-George, can you tell us more about the support programs for local markets?

Ms. Catherine St-Georges: I've given you some examples of their usefulness. At the provincial level, there is a program aimed at community-based marketing. In response to COVID-19, it funded a project that enabled the Association des marchés publics du Québec to launch a virtual platform for farmers' markets. At the time it was launched, it was not known whether the markets would reopen or not. It is a kind of car service where people order and then go to the public market. They can still complete their purchases there. It is the kind of program that can be put in place easily, quickly and can be used to help businesses in a crisis like this. These are the types of initiatives that could be funded by a program.

Mr. Richard Lehoux: It could also come from the federal government. I understand that the provincial government can help in part, but the federal government could also play a role, could it not?

Ms. Catherine St-Georges: Yes, it could.

Mr. Richard Lehoux: We want to develop local markets because this type of assistance could benefit the entire Canadian agricultural community, especially small businesses. Is that right?

Ms. Catherine St-Georges: That's right.

These companies cannot always achieve economies of scale and do not have the necessary infrastructure. They have to be able to change their way of doing things to be able to supply new markets, to deliver the goods to them. They could benefit from such a program.

Mr. Richard Lehoux: Have you identified any other specific effects attributable to the COVID-19 crisis? It was a one-time crisis, but no one knows if it won't happen again. We need to use this year's experience to prevent similar cases in the future.

Ms. Catherine St-Georges: We identified barriers to inter-provincial trade. We raised issues related to alcohol delivery, meat processing standards, licensing and inspection. In relation to border markets, goods must cross provincial borders.

Mr. Richard Lehoux: Thank you, Ms. St-George.

Ms. Lefebvre, I'm coming back to you.

You spoke briefly about the issue of the wage subsidy, for which you are not eligible. We understand that you will not see a drop in income now, but later.

Wouldn't it be appropriate to have programs that are better adapted to the particular conditions of seasonal production?

The Chair: I'd ask you to respond briefly, Ms. Lefebvre.

Ms. Catherine Lefebvre: Yes, without a doubt, Mr. Lehoux.

There needs to be a program aimed at the workforce that is not necessarily paid minimum wage, the workforce that helps us every day, the workforce that knows how our businesses work and is able to help them progress. At present, there are only programs for low-wage workers.

The Chair: Thank you, Ms. Lefebvre.

Mr. Richard Lehoux: Thank you.

The Chair: Thank you, Mr. Lehoux.

[English]

Now we go to Kody.

You have up to six minutes. Go ahead.

Mr. Kody Blois: Thank you, Mr. Chair.

Thank you to all our witnesses. It's refreshing to hear some of our local producers and their perspectives on these issues.

My questions will be directed to Mr. Hutten.

Ted, it's great to see you. We had Andrew Bishop on earlier for the first panel. You mentioned that you supply produce to the farmers' markets. I believe you also provide supplies to restaurants and things like that. You mentioned how you pivoted your business to online. Could you speak in broad terms about how this has impacted your business? Are you down a certain percentage? Have you had some cost savings on other sides? Could you tell the committee how you've pivoted?

Mr. Ted Hutten: Essentially, the restaurants have been closed or greatly reduced in business, so that aspect of the business, which was quite small, is essentially gone at this point.

We have dropped probably 20% in total sales, but we've had some positives as well. We have fewer costs because the demand is so high for local food in the area we live in; the waste is very low as well. It would not be uncommon to have an individual crop and maybe sell 50% to 80% of that crop, but when you can sell 95% of the crop, it's an advantage.

We're also getting the retail price for almost everything we sell, so those considerations would possibly make up for the loss in total volume of sales.

● (1530)

Mr. Kody Blois: Obviously, your business model is built on going directly to consumers, selling directly to their homes and things like that.

In your mind, what is the most important policy that the Government of Canada has come up with to help support your business and your model in particular?

Mr. Ted Hutten: My case is quite unusual when you look at agriculture in general.

The most positive thing, I believe, that has happened is the federal income support for people who lost jobs, lost employment. For me, honestly, if my customers have income and have money, they will continue to buy products from me. That essentially is the main benefit I have seen.

Mr. Kody Blois: I want to talk to you about the local interest, because again it seems to be bubbling up in the Annapolis Valley. We have a great tradition of people wanting to support local interests.

Have there been any circumstances where people have come up to you and expressed how much they are interested in the local scene and agriculture support right now?

Mr. Ted Hutten: Yes, it has been quite interesting. Within two days of the pandemic hitting, my online CSA probably tripled in volume. I had to put a stop on accepting new people, because I did not feel I had the production to maintain it. There is an extensive waiting list of people who want to buy food from me that I cannot supply at this point. I will be able to supply it as we get into the main season.

I've had unbelievable comments. One gentleman who was about my age, in his 50s, emailed me that he had never bought local food in his life. He couldn't have cared less about it, and the COVID pandemic made him rethink his life, as he said to me.

I just think it's very interesting. Even if a small percentage of this new interest lasts for us beyond COVID, at least in this area we could see a lasting benefit of new interest in supporting local food of many types.

Mr. Kody Blois: You are spot-on. There has been a de-industrialization of some of our processing capability in the Annapolis Valley, and perhaps there is an opportunity to return some of that, particularly in those niche scenes.

I want to be respectful. I want to turn it over to Ms. Shanahan. I know she has some questions.

Thank you, Mr. Hutten.

[*Translation*]

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you.

First, I want to thank Ms. Lefebvre for joining us this afternoon.

Ms. Lefebvre, when the COVID-19 pandemic was declared—I remember it very clearly—I quickly received calls from producers. These calls mainly concerned the issue of temporary workers.

We were in a crisis situation. The borders were closing. We knew that we had to act quickly.

Can you tell us about the first days and weeks of the pandemic? Do you think that we were able to respond quickly enough?

Ms. Catherine Lefebvre: The start of the season went quite smoothly. Workers managed to arrive on time, or only a little late. Our ordeal wasn't too bad.

The current issue involves the essential workers that we'll need for the upcoming crops. Our major issue is the processing of applications. It takes four to six weeks to process applications in Mexico. The delay is the result of the time lost in the month when the offices were closed in Mexico because of the pandemic. We can't make up for the month-long delay in just a few days.

• (1535)

The Chair: Thank you, Ms. Lefebvre and Ms. Shanahan.

Unfortunately, we're out of time.

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

Mr. Yves Perron: Good afternoon, witnesses. Thank you for giving clear presentations.

Ms. Lefebvre, you spoke about the \$1,500 benefit to offset the presence of foreign workers after the quarantine. You were given this responsibility, in a sense.

You said that you must provide evidence to justify the \$1,500 allocated, even though this amount was originally intended to be a lump sum. Is that correct?

If you had taken notes on the time spent by your employees preparing for the arrival of these workers, would you be eligible?

Ms. Catherine Lefebvre: To answer the first question, we must indeed provide evidence.

We still aren't eligible. Before participating in the committee, I checked with the association. We haven't received any concrete instructions stating that we can claim this money.

Mr. Yves Perron: Isn't it a bit shocking to be told that you'll be receiving a lump sum and then to be told that you won't be receiving it and that you may not even receive the full amount?

Ms. Catherine Lefebvre: It's disappointing.

Mr. Yves Perron: This adds to your other frustrations.

I really liked your comment on AgriInvest. With your permission, I'll keep it in mind for my upcoming argument. This program is designed to enable businesses to reinvest, not to fill their coffers. It's the same thing as asking a student to empty their bank account before they receive the Canada emergency student benefit.

You see things the same way, don't you?

Ms. Catherine Lefebvre: Yes.

Mr. Yves Perron: I greatly appreciated your presentation. With your permission, I'll use it.

My next question is for Ms. St-Georges.

Ms. St-Georges, I'll focus on your requests.

With regard to all your requests, aren't they very similar to the requests made repeatedly at a press briefing several weeks ago by four farm groups that came together?

Ms. Catherine St-Georges: Yes, we all keep raising the same issue.

I'd add that some of the requests were also supported by the Canadian Federation of Agriculture, or CFA.

Mr. Yves Perron: The bottom line is that nothing has happened so far. It's high time to get things moving.

Ms. Catherine St-Georges: There's also the fact that producers working in local marketing must sometimes take specific factors into account. I'm also here to represent these producers. Sometimes, they can't make economies of scale that would qualify them for the same programs.

Mr. Yves Perron: We're getting to this, Ms. St-Georges. You spoke about assistance for the processing sector to cover the additional costs related to the purchase of equipment. You also spoke of a specific fund for producers and processors concerning market losses. Lastly, you spoke about assistance for small businesses whose main market consists of hotels, restaurants and food services.

What form could this assistance take? Do you need a lump sum payment?

Ms. Catherine St-Georges: I wasn't informed of the nature of the request. During the COVID-19 crisis, these sectors of the market were completely shut down. For some people, these sectors account for a large part of their market. I've been speaking to alcohol producers, and for some of them, bars and restaurants account for over 50% of their sales. These are lost sales. People won't necessarily go to the grocery store or directly to the producer to purchase items that they consumed elsewhere. There must be compensation for these markets.

Mr. Yves Perron: If we remain this inactive, are you concerned that these businesses will disappear?

Ms. Catherine St-Georges: Some businesses are already sharing their concerns with us. Some businesses can hold on for a few more months in terms of cash flow. Other businesses, after two or three months, are already starting to raise red flags.

Mr. Yves Perron: What do you think of the massive support for the agricultural sector in the United States compared to the support here? Tomorrow morning or next year, you must compete with these people.

Ms. Catherine St-Georges: Of course, we must look at the long term and keep our sector competitive. Consumers are responding well to demand. People want to encourage producers. Businesses must be ready when the crisis is over to meet the demand that we're creating.

Mr. Yves Perron: How will we maintain people's interest in buying local products? Can you talk a little bit about this?

Ms. Catherine St-Georges: The Union des producteurs agricoles launched the "Let's eat local more than ever!" campaign to promote producers and remind consumers why it's so important to eat local products. Retailers and institutions must make even more room for local products. Hospitals, schools and institutions could further promote local businesses.

As part of the local marketing program, we requested a buy local campaign in order to keep encouraging initiatives that already focused on promoting local producers. This is very important, especially in times of crisis.

Mr. Yves Perron: There are only a few seconds left to talk about the fund dedicated to promoting Canadian food in export markets.

In your opinion, how could this work?

• (1540)

Ms. Catherine St-Georges: This issue was already part of our requests, because some sectors are active in export markets.

However, I'm less familiar with this issue. I came here today to speak more specifically about local marketing.

Mr. Yves Perron: Okay.

I'll now give the rest of my time to Mr. Champoux.

Mr. Martin Champoux: Thank you, Mr. Perron.

Ms. St-Georges, I'll continue speaking with you because earlier you raised the issue of online stores. Farmers are increasingly exploring this option. Many farmers see it as a promising solution moving forward to diversify their revenue.

How is the government encouraging these types of innovative initiatives, particularly from small producers?

Ms. Catherine St-Georges: In Quebec, the blue basket initiative was launched. However, it was heavily criticized because it promoted the addresses of businesses in Quebec. When we're talking about the agrifood sector, we must speak about where the food comes from. There's a difference between purchasing a piece of furniture made in Quebec and purchasing food products that we consume because our purchasing habits are rooted in the origin of the product.

We also mustn't think that we'll remake things. Aliments du Québec, for example, is doing a very good job in Quebec.

Labelling in Canada could be improved to promote products grown here. This would show that all the stakeholders in the value chain are in Canada.

The Chair: Thank you, Ms. St-Georges and Mr. Perron.

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

[English]

Mr. Alistair MacGregor: Thank you very much, Chair.

Ms. St-Georges, on the theme of Internet access in rural areas and how we are going to continue making use of this incredible resource to help local farmers, how much of a disadvantage does it give local farmers when they don't have reliable access to that broadband network? I guess they're not fully able to make use of the most up-to-date websites, etc., to build a functioning place for their customers. The government has a plan in place to expand broadband to rural Canada with 100% coverage by 2030. Can you comment on that timeline as well?

[Translation]

Ms. Catherine St-Georges: Of course, it's good to see that this issue is being addressed. However, during the crisis, most Canadians were glued to their screens and they were sensitive to the content broadcast. We saw an explosion in the use of social networks and in the viewing of online content on all platforms. The opportunity was there. However, farmers who didn't have access to the technology were at a disadvantage compared to farmers who lived closer to major centres. This is really a great opportunity. We mustn't wait for another crisis to connect these farmers to the Internet. This is happening now.

Today, as a result of platforms available on the market, such as Shopify, farmers are telling me that, within 24 hours, they can create a website that works well enough for them to receive orders and arrange for delivery. However, farmers who don't have Internet access have a long way to go. I don't think that fax orders are still a possibility.

[English]

Mr. Alistair MacGregor: The Minister of Rural Economic Development, the Honourable Maryam Monsef, was recently quoted in the media as saying she would support the idea of Internet access becoming a public utility. Is that something you could get behind, as well?

[Translation]

Ms. Catherine St-Georges: I can't comment on this topic today. I haven't received any specific comments in this regard. I'd need to speak about it with the people in the organization.

[English]

Mr. Alistair MacGregor: Thank you very much for your comments.

Mr. Hutten, I appreciate your comments on how you've taken advantage of online marketing and how you're barely able to keep up. In my own community over here on Vancouver Island, we also have an online marketplace that allows farmers to make available online the products they have in season, so people can order them. The farmers really like it, because they only need to harvest as much as people need, so they're able to keep their vegetables in the ground longer, and it gives them a little more leeway in seeing what the demand will be.

Can you tell the committee what your own experience was like in transitioning to online marketing and sales, maybe some of the difficulties and roadblocks you had? Is this something the government needs to identify to offer support to other farms so they can take advantage of accessing that local market, building community resilience, etc.?

• (1545)

Mr. Ted Hutten: It's an interesting thing. What I have online is essentially a significantly sized CSA. What this means is that it's not quite an online platform where people can choose what they want to buy; it's kind of [*Technical difficulty—Editor*]. Everyone has to prepay for the food they are going to eat this season, so cash flow is not an issue for me, and I choose what my customers eat. Essentially, each week they get a box of food, which I put an economic value on; they eat the food I give them and they pay for it before they get the food.

Obviously, if I could move all my product that way, that would be great, but I think that is limited. I'm almost finished building an online platform that will be customized, and people can go online to choose what they would like. I have not quite finished loading the data onto it, but I will in the next couple of weeks. I haven't had to do that, because I have not yet had the production this season to need it, but that is where I'm going.

Mr. Alistair MacGregor: I've been a member of a CSA before. One thing I like about it is that it teaches you to make new recipes out of vegetables that you may not have picked yourself. It widens your repertoire, if you will. It's a fantastic model. I think some farms in my area use both models. The farmer will pick what's in season and you'll get a mixed bag. In others, you can pick and choose from different farms the products that you want.

Have you spoken to any other farms about their ventures in this? Is it something they might need help with? As we start looking at the transition toward recovery, is there training that people might need? Is there anything the government can help with to facilitate this kind of transition to the online marketplace to service local communities' needs?

Mr. Ted Hutten: I suspect that most people will need assistance. I'm actually a bit lucky there. Two of my brothers are computer programmers and software developers, so I have a little bit of an advantage. They built me the customized online platform that I need. I also have a bit of background in operating a small CSA, so the transition was not as difficult for me as it could have been. It is costly—

The Chair: Thank you, Mr. Hutten. Unfortunately, we're out of time.

Thank you, Mr. MacGregor.

That's all the time we have for this panel. I really want to thank Madame Catherine St-Georges from the Union des producteurs agricoles; Madame Catherine Lefebvre from Maraîchers L&L; and Ted Hutten from Hutten Family Farm. Thank you so much for taking part in our committee meeting today.

I believe Mr. Barlow has a motion that he would like to put on the floor.

Mr. Barlow, I'll give you the floor.

Mr. John Barlow: Thank you very much, Mr. Chair.

I did circulate these motions the other day, but I didn't feel we had the time on Wednesday to address them. The clerk mentioned some concerns with the wording on a couple of those motions. We worked with the clerk to improve the wording of the motions to make them more in line with what he was looking for.

I have spoken to Francis, and I believe my colleague has spoken with Mr. Perron as well. I'm sorry, Alistair, that I wasn't able to get a hold of you on Wednesday; you were locked out of your office.

Hopefully, what we're doing is okay. I have four motions here, which everyone may have them in front of them.

Mr. Chair, what would you prefer? Should I go through them one at a time?

● (1550)

The Chair: Everyone has a copy, but let's go through the motions one at a time so that it's clear what you want.

Mr. John Barlow: Perfect.

I'll start with number one, Mr. Chair:

That, given the committee's letter to the Standing Committee on International Trade on Tuesday, February 25, 2020, regarding its study of Bill C-4, An Act to implement the Agreement between Canada, the United States of America and the United Mexican States (CUSMA), in which the committee outlined concerns about the impact on the Canadian dairy industry of implementing CUSMA before Saturday, August 1, 2020, and since it has been made public that the implementation date will now proceed on Wednesday, July 1, 2020, the Committee send for a copy of all briefing notes, memorandums, emails and documents related to the CUSMA's implementation date and coming into force, to be provided before Wednesday, July 1, 2020, provided that the government does its assessment and vetting in gathering and releasing the documents as it would be done through the access to information process.

The Chair: You've heard the motion. Are there any questions on the motion? Is there any discussion?

Go ahead, Mr. Blois.

Mr. Kody Blois: Just for my own understanding, obviously there are four different motions here, all of a different nature. Maybe this is a question for the clerk, but are we as a committee expected to vote in aggregate on all four of these at one time, or are we voting on them individually? What are the circumstances, before we move forward?

Mr. John Barlow: It would be one at a time, Kody. They're individual motions.

The Chair: Are there any other comments?

Mr. Clerk, can I just ask members if anyone is opposing the motion? Would that be good enough for the vote?

Mr. Kody Blois: Mr. Chair, as a point of discussion for all the members on this committee, I obviously understand the nature of what Mr. Barlow is putting forward, but I'm curious as to whether the opposition and the other members of this committee have had any conversations with the dairy industry itself to see whether the industry feels this motion is helpful to it, or whether the motion might compromise it in any way, or if this is actually in its interest. Of course, we're all members of Parliament—Liberals, Conservatives, the Bloc and the NDP—but at the end of the day we're all here to serve Canadians and try to work in the best interests of agriculture.

I'm going to put it out for discussion to see whether the opposition has had any conversations with the dairy industry on this point.

The Chair: Mr. Barlow, would you like to comment on that?

Mr. John Barlow: I'll make one quick comment, and maybe Mr. Lehoux will want to comment as well.

I understand your point, Kody, but we're asking for the information that went into the decision to implement this on July 1. I think that should be public knowledge. We shouldn't be hiding.... Maybe that's not the best word. We should be transparent about how this decision was made. There were assurances, let's say, that the implementation date would be August 1. It is now July 1. That has a significant impact on the dairy industry. I don't think we should be asking for stakeholders' permission to ask for information that we think is prudent to our jobs as members of Parliament.

That would be my comment, but maybe Mr. Lehoux would have further insight.

[*Translation*]

The Chair: Mr. Lehoux, would you like to comment?

Mr. Richard Lehoux: Yes, Mr. Chair. I want to follow up on the comments made by Mr. Blois.

I've spoken with people in the industry. They confirm that this is having an impact. Like us, they thought that the agreement would come into effect on August 1. They have many questions, because this will have a very significant impact. There's even talk of some businesses potentially closing. The difference of one month significantly affects a number of businesses with regard to processing. In turn, farmers will be affected in the coming months.

The Chair: Are there any other comments?

Mr. Yves Perron: I want to speak about this topic, Mr. Chair.

The Chair: Go ahead, Mr. Perron.

Mr. Yves Perron: You all know, and Mr. Lehoux in particular, that I too strongly argued in favour of the agreement coming into force on or after August 1. I've also been in contact with people in the industry until recently. People want to be kept informed. However, they realize that we can't change this decision. They would basically prefer that we move on to other things.

The committee must remember that a commitment was made regarding this issue and that it wasn't fulfilled. This must remain on the record. Future commitments must be fulfilled. That's why we must protect supply management, among other things, by means of a legally binding mechanism.

However, at this point, I don't think that this motion is necessary.

● (1555)

The Chair: Thank you.

[English]

Are there any other comments?

[Translation]

Mr. Richard Lehoux: Mr. Chair—

[English]

The Chair: I'm sorry.

Mr. MacGregor.

Mr. Alistair MacGregor: I just want to make a comment on that. I've also been in touch with the dairy sector about this information. I think both the international trade committee and this committee were led to believe that the government understood the significance of the dairy year starting August 1.

I believe that, as Mr. Barlow said, it's the job of the opposition. We may not be able to change the date, and it may be set in stone, as Monsieur Perron said; however, I would like to know the reasoning behind why this decision was ultimately made.

I'm looking at the wording of the motion. If this request were to go through, we would probably have several banker's boxes of documents dumped on the committee. The decision was ultimately made at quite a high level, probably assistant deputy minister or higher, and if the committee wants to look at amending it slightly, maybe that's where we can try to get the actual documentation from: ADM and up to the ministerial level.

The bureaucrats who are working with the dairy farmers right now are not the ones who made the decision. They have a great working relationship with the dairy farmers. Ultimately, what we're interested in is the why. Why was this decision made for July 1 rather than August 1? I think it's an appropriate avenue to be looking at, because I don't think to date we've really gotten a clear answer on why one date was picked over the other.

Mr. Kody Blois: Mr. Chair, I'll let other members opine on this as well, but my concern is about the premise that there could be information here that is prejudicial against the dairy industry. I understand the opposition members' desire to push this to understand the implementation date, but they have the opportunity to do this in the House of Commons and in the committees that we've allowed.

From the conversations I've had, I think many in the dairy industry want to move on from this. This is something that could perhaps continue to drag on, and I think we need to look at what comes next, after this. I don't know that this motion actually does anything to benefit the dairy industry.

[Translation]

Mr. Richard Lehoux: Mr. Chair—

The Chair: Go ahead, Mr. Lehoux.

Mr. Richard Lehoux: Thank you, Mr. Chair.

I agree, in part, with my colleague Mr. Perron's view that it's probably too late now. That's true. However, if we don't want to repeat the same mistakes and if we want to protect our producers and processors, I think that this is important to know.

Why is there an issue with releasing certain information? If certain information can't be released for ethical reasons, for example, people will set us straight in this situation. I think that we really need to shed light on this issue. I'd be disappointed if we were to let this go and say that it won't happen again and that we'll make sure that it doesn't happen again.

[English]

The Chair: Thank you.

I just want to remind members to use the “raise hand” option.

Mr. Maguire.

Mr. Larry Maguire (Brandon—Souris, CPC): Thanks, Mr. Chair.

In relation to the issue of the dairy industry and their concerns, I don't think they would have put out the press release that they did if they had had any concerns. They've already had concerns about those particular dates, so I think it's a moot point at this point.

• (1600)

The Chair: Thank you, Mr. Maguire.

Mr. Blois.

Mr. Kody Blois: Mr. Chair, could Mr. Barlow repeat his motion? I had some concerns and was willing to propose an amendment about the information that's available. We're dealing with cabinet confidences. This information could be commercially sensitive to our producers, as it relates to our trade relationships and our relationships with agriculture producers.

Could I hear Mr. Barlow's motion one more time to make sure this is included? Again, as someone coming from a riding in Nova Scotia, Kings—Hants, I know the importance of the dairy industry. However, I don't know if this motion, in spirit, does anything to help support or change it, other than just perhaps providing information to the opposition. They can ask for this in the House of Commons and will get the same answers.

The Chair: Mr. Barlow, would you care to read your motion again?

Mr. John Barlow: Yes, and maybe I can alleviate Mr. Blois' concern. Mr. Drouin and I had a conversation over the last couple of days to add the last line, “That departments tasked with gathering and releasing the following documents do their assessment and vetting as would be done through an access to information request or process.”

Mr. Blois, remember, Parliament is not sitting, so right now we do not have many of the tools that we would have for getting this information. We are trying to find another way to get this information. It's interesting you're concerned about the dairy industry now. This month difference is very significant, and I think it behooves us as parliamentarians to find out why that decision was made. I can still read it if you want.

To Mr. Blois' concern, Mr. Drouin and I have had a conversation over the last couple of days, and adding that line at the end of the motion was to address exactly that.

The Chair: Mr. Blois, are you okay with that?

Mr. Kody Blois: Yes, that helps to clarify things. However, again, my concern extends to the fact that we still have tools available for members of the opposition to ask these questions. I would be interested—

Mr. John Barlow: No, we don't. We don't have Order Paper questions. We don't have these things, Mr. Blois, right now. Don't say that we have tools, because we don't. Thanks to the decision that you guys made, we're having to find different ways to get information.

Mr. Kody Blois: Well, I think the idea of bringing everyone together, 338 members, is inappropriate.

The Chair: Please raise your hand if you want to speak. It will be a lot simpler.

Are there any other comments?

Mr. MacGregor.

Mr. Alistair MacGregor: To John's comment, the House of Commons is not sitting, but we expressly, in the super-motion that is now governing how we're sitting until September 1, inserted a provision in there that gives the committees that are meeting right now the ability to request the production of papers. That is the tool we created, to Mr. Blois' point.

In asking a question, you sometimes don't get the level of detail you're requesting that's present in a document. That's why the provision in the super-motion passed by the House of Commons now gives standing committees...to order the production of papers. This is an exercise that committees can use. I think it's entirely appropriate to use this avenue.

We don't have the avenue in the House, but committees do, and so this is a power that we're exercising through this motion—to Mr. Barlow's point.

Mr. Kody Blois: My apologies, Mr. Chair; I should have raised my hand in the chat.

I look at the rest of the motions that Mr. Barlow has put forth, and I think they're great. I have no problem with them, in terms of that information.

I worry about the fact that this agreement has gone through and what type of relationship it could place our country in with other trading partners, including our dairy sector.

I've made my comment, and I appreciate everyone else's thoughts as well.

The Chair: Thank you, Mr. Blois.

Seeing no hands raised, I would like to ask the clerk to get a recorded vote on Mr. Barlow's motion.

(Motion negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: We will now go to your second motion, Mr. Barlow.

• (1605)

Mr. John Barlow: Thanks, Mr. Chair.

2. That given the Department of Agriculture and Agri-Food's written response to Mr. Philip Lawrence's question on the cost of the carbon tax to the agriculture industry, in which their analysis and estimates do not reflect the federal backstop, the Committee requests all reports, briefing notes, memorandums, emails and documents related to the federal carbon tax and its cost, directly or indirectly to the agriculture industry, be tabled before August 1, 2020; and that departments tasked with gathering and releasing the following documents do their assessment and vetting as would be done in the access to information process.

The Chair: Is there any discussion?

Monsieur Perron.

[*Translation*]

Mr. Yves Perron: Mr. Chair, I want to move an amendment to the motion.

The Chair: Go ahead, Mr. Perron.

Mr. Yves Perron: I move that the motion be amended by adding, before the words “in both official languages,” the following:

broken down by province,

The Chair: Are there any comments on the amendment?

[*English*]

Mr. Kody Blois: Sorry, Mr. Chair; I know I should be raising my hand.

That sounds reasonable to me in terms of trying to break that down by province, certainly, if that information is available. We'll be supporting Mr. Perron.

The Chair: Thank you, Mr. Blois. I'm going to have to give you extra homework for that. I'm just kidding.

Is there any further discussion on the amendment?

I don't see a hand raised. At this stage, would we want a recorded vote on the amendment?

[*Translation*]

Mr. Clerk, should we have a vote?

The Clerk: Yes, let's have a vote.

[*English*]

The Chair: Okay. Let's go.

(Amendment agreed to: yeas 11; nays 0)

The Chair: Now we have to vote on the main motion.

(Motion as amended agreed to: yeas 11; nays 0 [*See Minutes of Proceedings*])

The Chair: Thank you, Mr. Clerk.

Now we have your third motion, Mr. Barlow.

• (1610)

Mr. John Barlow: Thanks, everyone. I'm trying to do this as quickly as possible. I appreciate your patience. I move:

That, with regard to the Department of Agriculture and Agri-Food, the committee send for a copy of all documents with respect to Business Risk Management (BRM) funding, with details on the following: (a) the total number of AgriInvest accounts registered, and percentage that are deposited into and withdrawn from annually, (b) the total amount of dollars in AgriInvest accounts at the high point in the year and the low point of the year for the past ten years and broken down by province, (c) the number of AgriInvest accounts that are currently at \$ 0, and currently below \$10,000, (d) the number of AgriInvest accounts per year that were fully withdrawn to \$ 0 as well as drawn below \$10,000, for the last ten years, (e) the number of AgriInvest accounts over \$50,000, over \$75,000, and over \$100,000, (f) the percentage of AgriInvest accounts currently sitting above 50% of the maximum amount allowed to be held in the account, as well as above 75%, broken down by sector, (g) the number of open AgriInvest accounts by sector, and the average account balances within each of those sectors for the last ten years and broken down by province; that the documents be provided to the committee in both official languages by Wednesday, July 1, 2020, provided that the Department does its assessment and vetting in gathering and releasing the documents as it would be done through the access to information process.

The Chair: Are there any questions or discussion on the motion? I don't see any hands raised.

[Translation]

It will be a recorded vote.

(Amendment agreed to: yeas 11; nays 0)

[English]

The Chair: Mr. Barlow, you have one more, I believe.

Mr. John Barlow: Thanks, everybody. You're troopers. I move:

That, with regard to the Department of Agriculture and Agri-Food, the committee send for a copy of all documents with respect to the government's closure of the Canadian Food Inspection Agency (CFIA) District Office in Prince Albert, Saskatchewan, prior to the end of October 2020, with details on the following: (a) job losses resulting from the closure, (b) economic impact of the closure on Northern Alberta and Saskatchewan, (c) impact on current or future related research projects, (d) expected cost-savings from the closure, (e) the closure's absence from the CFIA's 2020-21 Departmental Plan; (f) other CFIA office closures expected over the next five years, (g) CFIA offices closed since October 2015; that the documents be provided to the committee in both official languages by Wednesday, July 1, 2020, provided that the Department does its assessment and vetting in gathering and releasing the documents as it would be done through the access to information process.

The Chair: Thank you, Mr. Barlow.

Are there any comments or discussion on the motion?

[Translation]

It will be a recorded vote.

(Amendment agreed to: yeas 11; nays 0)

[English]

That was the last one, right, Mr. Barlow?

Mr. John Barlow: Yes, thanks, everybody.

The Chair: Thank you.

Please indulge me for a few more minutes for next week's business.

The minister has agreed to appear before the committee on supplementary estimates A at our next scheduled meeting on Wednesday, June 10. Following that, we'll move back into our BRM study.

Also, we need to take some time, and I was looking at taking an hour next Friday. We need to provide instructions to the analysts as to what to include within the letter on BRM the committee wishes to draft. My understanding is that the deadline to submit one is before July 3.

I believe we also have to discuss other matters such as the extension and scheduling.

That is all I have on this, unless there are any questions.

I guess it's about formatting the letter. We want to think over the whole format and how we would draft that so we can give instructions to the analysts.

• (1615)

[Translation]

Mr. Bialais, do you need instructions today?

Mr. Corentin Bialais (Committee Researcher): With respect to the instructions regarding the content of the letter, we can wait until we meet in camera. However, we want to know whether there are more specific instructions regarding the format.

I'll give you an example. Normally, letters are two or three pages long. We provide the highlights of what we heard in the testimony, and we add a few observations and recommendations. This type of format is easy to do quickly. However, if you want us to add a summary of the testimony or a list of recommendations, we'll need to do more work. It would be better if we could know this today.

The Chair: Does anyone want to comment on the type of format? We can let our analyst know.

Mr. Yves Perron: Mr. Chair, I'd like more details on the type of format.

The Chair: Go ahead, Mr. Bialais.

Mr. Corentin Bialais: I will use the example of the letter we wrote for the agreement with the United States. It was a two or three-page letter, and we were able to draft it quickly.

In our experience, some committees have already tried something else. That can require more work. We simply want to make sure that this type of a request can be made. If that is the case, we would like to know it today.

Mr. Yves Perron: I will finish my remarks. I do not object to the format. I am more worried about the content. A lot of things can be said in three or four pages concisely and in such a way as to obtain consensus.

[English]

The Chair: Mr. Barlow.

Mr. John Barlow: I'm not too concerned with the format either; I think it's the content, just the summary of what we've heard from witnesses, which I think is fairly consistent with their position on the impact COVID has had on their operations, the assistance that they're looking for and positions on business risk management. Maybe break it down into four or five specific topics with a summary of the testimony we've had, which I think would be fairly easy.

I'm not too worried about the format necessarily. I think it just has to be an executive summary of what we've heard thus far.

[Translation]

The Chair: Are you okay with that, Mr. Bialais?

Mr. Corentin Bialais: Yes, I am.

The Chair: Okay.

Mr. Corentin Bialais: However, I would like to have something clarified.

The Chair: We are listening.

Mr. Corentin Bialais: Can you confirm when you would like us to meet concerning instructions on the substance of the letter?

The Chair: Do you think next Friday will be too late?

Mr. Corentin Bialais: Friday would be late. Given the number of meetings left, we should look into this as soon as next week.

The Chair: If the vice-chairs agree, we could hold an informal meeting to provide the analyst with some information, so that he can prepare the letter. Do you agree?

It's mostly a matter of time, and I can reach out to you next week if you like.

Mr. Yves Perron: The only constraint is interpretation. It may be easier to extend the next meeting.

• (1620)

The Chair: We are hearing from the minister at that meeting, next Wednesday.

Mr. Yves Perron: We could cut 30 minutes from the period reserved for officials and extend the meeting by 30 minutes, which would give us one hour. That's just a suggestion.

The Chair: Does everyone agree? The support team must also agree, as we will need them.

The Clerk: Mr. Chair, may I speak?

The Chair: We are listening, Mr. Clerk.

The Clerk: Unfortunately, given the current context, and since the schedule is set by the whips, I am not sure the committee can extend its regular Wednesday meeting by 30 minutes or one hour.

However, I don't know whether you noticed, but the time slots adopted by the whips now include spots reserved for committees that decide to meet in camera, for instance. We could decide to hold an additional meeting in one of those time slots. There is a time slot available on Tuesday, June 9, from noon to 1 p.m., and another one on June 10, from 11 a.m. to noon. That is a suggestion.

[English]

The Chair: We just checked with our whip, and apparently we could extend by 30 minutes if we can get the support team. Our whip has just informed us, and I assume they've been communicating with the other whips, so we'll plan for that. If there's an issue, we'll find another way. Again, it's just a matter of giving enough time to the analysts to be able to submit that letter when it's going to be pertinent.

Mr. Blois.

Mr. Kody Blois: I'll be very quick. I think we've all had a long day here.

I simply support what Mr. Barlow said. I would suggest that there be a meeting of just the vice-chairs, almost an informal subcommittee, to discuss this, give some direction and move that forward.

To the analysts, I would just make sure that we include some of the things we've heard on the local benefits in terms of how there's been a big push for local, and that it's been a very mixed bag depending on commodity. Those are things we can talk about offline with the vice-chairs.

The Chair: Just to make sure, Mr. Blois, we would have to take that information and have a vote on it to make it official at Wednesday's meeting, but it would probably save some time. That's a thought.

[Translation]

Mr. Perron, we are listening.

Mr. Yves Perron: We can also hold a subcommittee meeting with the vice-chairs, so as to eliminate the interpretation issue, and we could use the available additional time slots if the extra half an hour is not authorized. That could be a solution. In an informal meeting, we try to provide simultaneous interpretation. That complicates matters. I am sorry to complicate your life, but some things are essential, and this is one of them.

The Chair: We will try to extend the meeting by a maximum of 30 minutes. We can do it faster if we want to. As you say, Mr. Perron, we have to consider the issue of interpretation services, and we have to bring it back to the committee for approval. So I think we will choose a 30-minute extension. If there are any issues, we will let you know, but I will communicate with the whips and everyone to make this work. If you agree, this is how we will proceed.

Mr. Yves Perron: Do you plan to simply add a 30-minute period? Or would we rather cut by 30 minutes the period reserved for the last testimony from officials and save an hour that way? What will be the formula used?

The Chair: I was thinking that we could add time right away, unless the committee would like to shorten the time set aside for the testimony of officials accompanying the minister. That is a committee decision, and if there is consensus, we could do it that way.

Do you prefer to add 30 minutes or cut short the time given to officials?

Mr. Yves Perron: Mr. Chair, I proposed both, but we could simply add 30 minutes. That works for me.

The Chair: Okay. We will add 30 minutes in that case.

• (1625)

[*English*]

We'll let you know if there is any change.

I really appreciate everybody staying longer, especially the team that supports this committee. I apologize. It's Friday. I really thank you and wish all of you a really fantastic weekend.

[*Translation*]

Goodbye everyone. We will see each other on Wednesday.

[*English*]

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: <https://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 des communes.

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 :
<https://www.noscommunes.ca>