

HOUSE OF COMMONS CHAMBRE DES COMMUNES CANADA

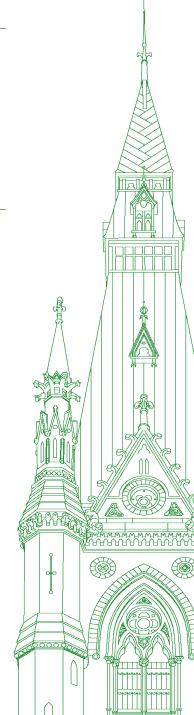
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# Standing Committee on Agriculture and Agri-Food

EVIDENCE

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Thursday, May 27, 2021



Chair: Mr. Pat Finnigan

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

Thursday, May 27, 2021

#### • (1535)

#### [English]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): I'll call the meeting to order.

Welcome to meeting number 35 of the House of Commons Standing Committee on Agriculture and Agri-Food.

Pursuant to Standing order 81(4) and the order of reference of Thursday, February 25, 2021, the committee is undertaking its study of the main estimates 2021-22.

Today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021. Therefore, members may be attending in person in the room and remotely using the Zoom application.

The proceedings will be made available via the House of Commons website. So that you are aware, the webcast will always show the person speaking rather than the entirety of the committee.

I'd like to take this opportunity to remind all participants to this meeting that screenshots or taking photos of the screen is not permitted.

#### [Translation]

To ensure the meeting runs smoothly, I would like to share some rules with you.

Before you speak, please wait for me to recognize you by name. If you are participating via video conference, click on the microphone to mute it. The microphones of participants in the room will, as usual, be monitored by the proceedings and verification officer.

I remind you that all comments from members and witnesses should be directed to the chair. When you do not have the floor, please mute your microphone.

#### [English]

With that, I would like to welcome our witness.

#### [Translation]

Madam Minister, we are pleased to welcome you today to our study of the 2021-2022 main estimates.

#### [English]

Also, I would like to welcome Ms. Anita Vandenbeld, MP. We also have MP Anju Dhillon.

Thank you for joining us.

I believe those are all the new ones we have, other than the minister.

We have the minister for the first hour.

#### [Translation]

Madam Minister, you have the floor for seven and a half minutes to make your statement.

Hon. Marie-Claude Bibeau (Minister of Agriculture and Agri-Food): Thank you very much, Mr. Chair.

I am pleased to appear before your committee.

I am joined today by Mr. Chris Forbes, deputy minister, as well as the assistant deputy minister of the corporate management branch, who is therefore responsible for finance, Ms. Christine Walker. I would like to note that this will be Ms. Walker's last appearance before the committee on behalf of the Department of Agriculture, as she is leaving us shortly to join the Treasury Board Secretariat.

I thank you very much, Ms. Walker, for your excellent service.

I am also joined by Ms. Sylvie Lapointe, vice-president, policy and programs directorate, Canadian Food Inspection Agency.

I would like to begin by thanking the committee for its attention to key sector concerns, including food processing capacity, business risk management, and the contribution of the agricultural sector to the environment.

Like you, the government is showing dedication to the sector, as reflected in the 2021-2022 main estimates we are discussing today. Our investments in the sector total just over \$3 billion this fiscal year alone. Over \$700 million will help farmers and food processors take advantage of market opportunities. This includes our continued investment in our AgriMarketing program, which has helped our farmers increase their exports. This has been the case for Prairie oat farmers, who have achieved record sales in Japan and Mexico in recent years.

The \$3-billion budgeted amount also includes \$469 million for the third year of the Dairy Direct Payment Program, which compensates Canadian dairy farmers for the impacts of trade agreements with the European Union and Trans-Pacific countries. This program represents a total commitment of \$1.75 billion. Producers have already received nearly half of this amount, as set out in our plan to make payments on an accelerated basis over four years.

The budget also provides more than \$600 million for science and innovation, which will allow us to continue to support the work of our research clusters in areas such as safe alternatives to antibiotics, particularly as it relates to the pork sector.

The budget provides more than \$1.5 billion to our enterprise risk management programs. We continue to improve our programs to ensure they meet the needs of farmers. We have removed the reference margin limit from the AgriStability program, which has been well received by the industry.

Also as you know, the federal government's offer to increase the AgriStability compensation rate to 80% is still valid.

#### [English]

Building on these investments, the recent budget commits to more than \$800 million in new investments in the agriculture and food sector. The budget builds on agriculture measures announced under the strengthened climate plan by committing funding to help farmers scale up actions on farms in the fight against climate change.

We propose adding \$200 million to the agricultural climate solutions program to put real dollars in the pockets of farmers who will launch immediate on-farm climate action, such as implementing practices to improve nitrogen management or to increase cover cropping and rotational grazing. The budget also proposes to ensure that the recently expanded agricultural clean technology program will prioritize \$50 million to help farmers across Canada with grain drying through improved technology. It will allocate \$10 million over two years towards powering farms with clean energy and moving them off diesel.

We know that farm employers are struggling even more to maintain their workforces because of the pandemic. We have learned lessons from last year, and the vast majority of temporary farm workers are arriving on time this year. To help workers and employers navigate the system as efficiently as possible, we now have a dedicated partner in Quebec: Dynacare. The Switch Health resources that were effected to provide support to Quebec may now be reallocated to serve other provinces.

#### • (1540)

#### [Translation]

As promised, the budget includes a commitment of \$292.5 million over seven years to compensate dairy, poultry, and egg processors for the impacts of the agreements with the European Union and Trans-Pacific Rim countries. The budget also renews our commitment to provide full and fair compensation for the impacts of the Canada-U.S.-Mexico Agreement, or CUSMA. We will work with the supply-managed sectors to determine these compensation payments. Our government is also committed to providing no further market access for supply-managed products in future trade agreements.

#### [English]

Despite the significant challenges of the pandemic, our farmers delivered record exports this year and are well ahead of the pace so far in 2021. To help them post another record year, the budget commits close to \$2 billion to strengthen trade corridors—highways, railways and ports. To keep the supply chain strong, we want to invest \$20 million to maintain the extra CFIA inspectors in the meat plants so that we can eliminate the backlog caused by the pandemic. Also, to make sure farmers can take full advantage of the latest technologies, the budget commits an extra \$1 billion to connect rural Canada to high-speed Internet.

As our significant investments in agriculture clearly demonstrate, our government shares this committee's vision of agriculture as a key driver for economic recovery and a key partner for the fight against climate change.

While there have been some challenges, the sector has responded well overall to COVID, and the outlook for the sector looks positive. According to data released by Statistics Canada yesterday, for the first quarter of 2021, farm cash receipts are already up 15.5%, and net cash income for 2020 rose by 36.5%.

The main estimates will help the sector continue to grow by taking advantage of market opportunities, strengthening its competitive edge through investments and innovation, anticipating and addressing business risk, and supporting sustainable growth.

Thank you, Mr. Chair.

#### [Translation]

The Chair: Thank you, Madam Minister.

#### [English]

Thank you for that positive news. Also, I think I heard Mr. Steinley say that rain was finally coming down in Saskatchewan, which bodes well for our production.

On that note, we'll go to the question rounds, with six minutes to start. I believe we're going to have a split between Ms. Rood and Mr. Steinley.

Go ahead, Ms. Rood. The floor is yours.

Ms. Lianne Rood (Lambton—Kent—Middlesex, CPC): Thank you, Chair.

Good afternoon, Minister. Thank you for appearing at our committee today.

The 2021-22 budget allocated funds to extend the 14-day mandatory isolation support for the temporary foreign worker program. Nonetheless, not only is the program set to expire in August, but starting June 16, the maximum contribution amount will be reduced from \$1,500 to \$750 per worker. International farm workers will continue to arrive in Canada for the fall harvest even beyond August 31, and farmers will continue to incur the same costs but with only half the assistance they are used to receiving.

Your government is choosing to take away something that is extremely useful to farmers who are struggling with pandemic expenses. Ending the program in August, before the government lifts its quarantine restrictions, is unacceptable. It points to uncertainty for the future of Canada's agriculture sector and threatens our food sovereignty.

Minister, I'm wondering if you will ask your colleague, the Minister of Finance, to amend the budget immediately to maintain this program in full until pandemic restrictions and quarantines are lifted.

**Hon. Marie-Claude Bibeau:** You noted that we've done a lot to facilitate the incoming of the temporary foreign workers, because we recognize that it's extremely important for our farmers to have these workers on time and to do it in a safe manner. We have learned from last year, facilitating the work permits and the immigration processes as well. We've done our best to support the testing and everything to make sure that the quarantine is safe, and we have provided support. We started with this \$1,500 per worker, because it was part of the emergency programs that our government put in place to support our businesses.

Going through the crisis—as it is an emergency program, not a compensation program—we have noted, as I just said in my remarks, that the agricultural sector is doing well. This is why, in the budget, we are phasing out this program but leaving a door open in the budget, as you can read in it. If we see and if we have evidence that some sector or some region is facing particular challenges and that the situation with temporary foreign workers could put the functioning of these farms at risk, then I would look at it very closely, and I would advocate for additional support. We are talking about an emergency program to make sure that all our businesses can get through the crisis, recover and be back, as well as they can be, right after.

• (1545)

Ms. Lianne Rood: Thank you, Minister.

I'll turn my time over to Mr. Steinley.

Mr. Warren Steinley (Regina—Lewvan, CPC): Thank you, Madam Minister. It's a pleasure to have you here.

The last time you appeared before committee, we talked about the WTO and the negligible risk status of Canada. I'm really curious to see where that submission is at.

A follow-up question would be this: If we have received that status, can we look at some of the archaic BSE regulations that we have around specified risk materials to really make our processors more competitive with their American counterparts and not have such stringent regulations around specified risk materials?

**Hon. Marie-Claude Bibeau:** Thank you for that question. It is very timely because it was this morning that the OIE granted us the negligible risk status, so it is a very good day for the beef sector in Canada. I had a discussion with the president of the CFIA earlier today, and I've had discussions with the leaders of the sector of the industry, as well, to understand what the next steps are.

What you noted in terms of getting closer to the situation in the U.S. is definitely where we are heading.

**Mr. Warren Steinley:** Would there be a timeline for that SRM reduction? Do you have any kind of...?

**Hon. Marie-Claude Bibeau:** It's a priority to move step by step, but we have to be very careful because if we move away from restrictions too fast, that could jeopardize our negligible risk status. We could go back to the previous status, which is definitely not what we want. We have to be extremely careful, but I have full confidence in the CFIA experts that we will do it the right way.

However, it's a big step today.

Mr. Warren Steinley: Thank you very much.

If you have any updates, I'd love for you to bring them to the committee when you have them.

I have another question.

You talked about the \$200 million of agricultural environmental money that's been set aside in this budget. We have been doing crop rotation, rotational grazing and zero tillage in Saskatchewan and western Canada, and Canadian producers have been doing it for a long time. Will they have some consideration with regard to the environmental practices that they have been doing for years and years on farms and not just some of the new practices?

Will your ministry or department take into consideration practices that have been going on in certain areas of Canada for a long, long time, which makes them great environmental stewards from the outset?

**Hon. Marie-Claude Bibeau:** This is something that I'm working on right now to find the right position. With the resources that we are putting all across the government in all the sectors of the economy, we really want to reach our target of having a net-zero economy by 2050.

#### [Translation]

That's why we're investing in developing programs, particularly in agriculture, that are really more ambitious in that regard.

In what ways can we recognize good work ...

#### [English]

**Mr. Warren Steinley:** I just ask to give consideration to what's been going on already.

The Chair: Thank you, Mr. Steinley.

[Translation]

Thank you, Minister.

Mr. Louis, you now have the floor for six minutes.

#### [English]

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Mr. Chair.

[Translation]

Welcome, Minister.

Thank you for being here today.

[English]

That's the extent of my French today.

Thank you also to the department officials for being here.

Minister, you touched on it, but it would be worth expanding on because BSE, known as mad cow disease, is a progressive, fatal disease of the central nervous system of cattle. May 20, 2003, marked the beginning of the bovine spongiform encephalopathy crisis in Canada. Markets around the world immediately closed their borders to live cattle and beef exports from Canada, including Canada's largest customers—the U.S., Mexico and Japan.

The Canadian cattle industry is extremely export-dependent, and the loss of almost all major export markets has had a devastating impact. We all witnessed the economic hardships of these beef producers due to the BSE crisis, and in July 2020, as mentioned, Canada submitted its application to the World Organisation for Animal Health, the OIE to be recognized as a negligible risk country for bovine spongiform encephalopathy. It brought the industry to a new chapter.

Can you expand on what you said earlier and give us an update on the application?

Hon. Marie-Claude Bibeau: Yes, thank you.

As I said, this morning it's really fresh. The World Organisation for Animal Health, which we all call OIE, confirmed, among other changes to disease status, that Canada has achieved the negligible risk status for BSE, so it's very good news. It will enable us to enter into market access negotiations with foreign markets that may have more stringent conditions for animal products and by-products.

For example, Canada could seek to export meat and bone meal to the U.S., Vietnam, Mexico or Honduras. Countries that have previously refused to enter into negotiations with Canada for export of live cattle, like China, Indonesia and Malaysia, may become more willing to discuss market access with us now, so it's a good day for the beef sector.

Mr. Tim Louis: It certainly is. Thank you.

It also fits in with the other investments we're making as a government with infrastructure and with broadband, which you mentioned previously, so thank you.

If I could switch, women remain under-represented in sections of the agriculture and agri-food sector, according to 2016 census data. In primary agriculture, 35% of farm employees were women, and 41% in food and beverage processing. In primary agriculture specifically, women remain under-represented in farm operator positions. Of all the farm operators, only 29% were women.

There are barriers that women face entering and progressing within the sector, such as balancing family, child care and business responsibilities or access to networking and mentorship opportunities, access to capital financing and gaps in skills training.

Can you tell us about the measures taken by our government to help with these under-represented groups in Canadian agriculture?

**Hon. Marie-Claude Bibeau:** You're so right, Tim. We all know that agriculture is done on family farms in Canada, so we would expect to see as many women as men in the sector, but it's not really the case in the decision-making positions of the different associations yet.

As the first female Minister of Agriculture, I take it to heart, and I also believe that youth should be much more represented, since we want to talk about the future of the industry, so I'm trying to put in place different measures to support these under-represented groups to be more present and visible in the sector.

For example, we're working with FCC, Farm Credit Canada, and they have put in place a very remarkable program to support women entrepreneurs in the agricultural sector. It was supposed to be a \$500-million program, and it turned into more than a billion-dollar program because the demand was there. That was amazing.

I've put in place the first Canadian agricultural youth council. It's obviously half women and half men, with a very great and impressive representation in term of regions and in terms of expertise. This is a very valuable council to whom my officials can turn on various subjects.

We're trying to put some other incentives in place in different programs. For example, regarding the emergency processing fund, we changed the cost sharing to make it more advantageous for youth and the under-represented groups. The other recent example is in compensation to the poultry and egg sector. The contribution that they will have to make to access the fund, if they are under 40, will be only 15% instead of 40%.

We are trying to put in place measures that make it more accessible to youth, women and under-represented groups. We have the AgriDiversity program as well to support them.

#### • (1555)

**Mr. Tim Louis:** That's right. You know what? I have conversations with young farmers in my riding and those I've met on the Hill. I'm always inspired when I have these conversations with the next generation of agricultural leaders and farmers. I thank you for that.

Instead of asking a quick question, I think I will yield whatever time I have left.

Thank you, Minister.

Thank you, Chair.

The Chair: Yes, all two seconds of it, Mr. Louis.

[Translation]

Thank you, Madam Minister and Mr. Louis.

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

Mr. Yves Perron (Berthier—Maskinongé, BQ): Thank you, Mr. Chair.

I thank the minister and the department officials for being with us today. We are very grateful to them.

Madam Minister, you seem in fine form and we are happy to see you.

Earlier, you talked about compensation and you mentioned, among other things, \$292 million for the impacts of the Comprehensive Economic and Trade Agreement, or CETA, and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, or CPTPP.

Is this the full compensation, or are there other amounts to compensate processors with respect to these agreements?

#### Hon. Marie-Claude Bibeau: I was getting to it.

You're talking about compensation to processors regarding the impact of the first two free trade agreements. This aggregate amount is for CETA and the CPTPP. The amounts for compensation related to the impacts of the Canada-U.S.-Mexico Agreement are forthcoming.

**Mr. Yves Perron:** I don't want to sound too critical, but it seems to me that the amount is not that huge. How well are the negotiations relating to CUSMA going? In the supplemental appropriations, there are some amounts to compensate producers.

Could you tell us a little bit about that?

**Hon. Marie-Claude Bibeau:** For dairy farmers, \$1.75 billion is provided, and this is in addition to the \$250 million that had already been provided in investment programs. This brings the total to \$2 billion.

The milk producers have already received their first two payments, and they know how much they're going to get for the third and fourth. We're still talking about the first two agreements, that is CETA and the CPTPP.

We announced an amount for egg and poultry producers. I can't remember the exact amount. We also announced the type of investment and marketing assistance programs for poultry and egg producers. In addition, the budget includes compensation for processors.

**Mr. Yves Perron:** Are we making any progress on the CUSMA negotiations? Do you have a timeline?

**Hon. Marie-Claude Bibeau:** We sent a clear message to dairy farmers in particular. We told them we were to make payments to them over eight years, but we reduced that timeline to four years to provide predictability.

We explained to them that because of the emergency programs that need to be put in place to respond to the COVID-19 pandemic, there would be delays in the CUSMA negotiations. So I don't think they're surprised, because that's what we agreed to when we tightened up the payment schedule to four years rather than eight years. Our commitment is still very strong, but we must put emergency programs in place at this time.

Mr. Yves Perron: As I understand it, we're at the same point.

You mentioned the emergency processing fund. You know that those programs ran out of money during the pandemic.

Can we hope that new money will be made available for that? Is that what you said earlier?

**Hon. Marie-Claude Bibeau:** We have invested an additional \$10 million. So the amount for the emergency processing fund has increased from \$77.5 million to \$87.5 million.

However, at this time, we are not planning any additional investments. You saw where the investments were directed in the fall economic statement and the spring budget.

You can see that we are investing quite significantly to make this climate change transition. Our farmers are the first to be impacted by climate change and we really want to do as much as we can to help them adapt and help reduce greenhouse gas emissions.

**Mr. Yves Perron:** I invite you to explore this avenue as the needs are there. When undertakings become more efficient, their operations obviously have less negative impact on the environment.

You mentioned temporary foreign workers earlier in the exchange with Ms. Rood, and the decrease in the \$1,500 amount. You know I wanted that amount to go up, not down. Obviously, we have a different position on this issue.

My question is about people who have experienced delays because of Switch Health. This issue is central to Quebec, because Quebec is where we have had language issues and we have seen quarantines last up to 20 and 30 days.

Are you considering compensation for producers who have had seven, eight or 10 workers stop working for weeks at a time?

• (1600)

Hon. Marie-Claude Bibeau: As always, my response will be quite transparent.

The mandatory isolation support for temporary foreign workers and the 14-day isolation period component is an emergency program developed in the same spirit as other emergency programs that have been put in place for our businesses across all sectors, such as the Canada emergency business account or the emergency wage subsidy. They are designed to help our entrepreneurs in all sectors weather the crisis, keep their heads above water and bounce back when the recovery comes.

When you compare the various sectors, the agricultural sector has weathered the crisis much better than other sectors, and this emergency program may not be essential to keep entrepreneurs' heads above water.

This is not a compensation program, but an emergency program to get them through the crisis. That's why we announced in the budget that we were going to phase out of this program, while leaving a small door open. We would be willing to reconsider if we saw that, for certain sectors or certain regions, this program was helping businesses to be viable.

**Mr. Yves Perron:** I would urge you to keep that open-mindedness with respect to businesses. You would have to look at their situation on a case-by-case basis, obviously, but I think businesses would be able to document their losses. We're not talking about the cases where there was an extra day or two, but where the losses were really significant and disrupted the crops as well as the businesses.

The Chair: Thank you, Mr. Bergeron.

Unfortunately, your time is up.

Thank you, Minister.

[English]

Now it's Mr. MacGregor for six minutes.

Go ahead, Mr. MacGregor.

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Thank you very much, Mr. Chair.

Welcome back to our committee, Minister. It's good to see you again.

First of all, I want to note that it is really great news to hear of the increase in revenue that we're seeing on farms. I think all of us can really celebrate that fact. It's great to see that this year is on pace to beat the previous year.

In light of that, I'm interested in digging down a little closer into some of the numbers, because your departmental plan doesn't yet have a result for the percentage of financially healthy farms. I think you had a target of 90%. Do you have any updates on that? Farms, in recent years, have taken on a significant amount of debt. While their gross receipts might be quite high, they also have to pay a lot of that to input costs, so the farmer, at the end of the day, is sometimes left with a very small amount. Can you tell us a little bit about how many financially healthy farms there are, from the department's numbers?

**Hon. Marie-Claude Bibeau:** We just recently received the information from Statistics Canada, and our officials are analyzing the situation. It's a bit early for me to share with you any results from this analysis.

**Mr. Alistair MacGregor:** Do you have a timeline as to when that might be available for us?

Hon. Marie-Claude Bibeau: I would maybe turn to my deputy minister.

Mr. Chris Forbes (Deputy Minister, Department of Agriculture and Agri-Food): Thank you, Minister.

Thank you, Mr. MacGregor, for the question.

We're working in the coming months to do the analysis of the farm financial survey, and certainly we can share that as quickly as we have it available.

Mr. Alistair MacGregor: That would be appreciated. Thank you.

My next question dovetails from the first one. It's regarding the agricultural climate solutions program. I think we, all around the table, recognize that farmers are increasingly on the front lines of climate change. It's great to see that financial resources are being made available to really recognize the key role that agriculture can play in combatting climate change.

I know that this program uses the living laboratories model, in partnership with farmers and scientists, in setting up little mini-research stations across the country.

Going forward, looking into the next decade, we've been kind of stuck in this argument over the carbon tax. I'm trying to find ways we can maybe financially reward farmers for good agricultural practices.

Minister, in your long-term vision for how Agriculture and Agri-Food Canada is going to tackle this, do you see room for other types of policies in the future that will build on what the ACS is currently doing, where we can maybe reward farmers for good agricultural practices in the future, give them an incentive for following regenerative models, give them rewards for the amount of carbon they're sequestering in the soil and so on?

Anything that you can talk about in that vein would be appreciated.

#### • (1605)

#### Hon. Marie-Claude Bibeau: Yes, absolutely.

You referred to the agricultural climate solutions program that was announced. We already had our living laboratories initiative, and then with the increase in the budget, in the fall economic statement, we now have \$185 million to, how should I say, put in place more of those kinds of living labs across the country. In this budget, you've seen an additional \$200 million—over and above the \$185 million—that is directly and specifically dedicated to putting money in the pockets of the farmers who are adopting better practices to contribute to reducing our greenhouse gas emissions or to increasing carbon sequestration. We are designing the program right now in consultation with the industry, and the idea is really to reward those who will be adopting rotational grazing, cover cropping or nutrient management like the 4R approach. This is really what we are doing.

There will also be the reverse auction. The idea is that instead of having one seller and many buyers, there will be many sellers and one buyer—the government. The idea will be that for those farmers who will commit to protect a certain portion of their grassland, for example, or forest and make sure that these are contributing to sequestration, we will pay them for that. It's another way for us to support, to reward, those who are doing the right thing.

Mr. Alistair MacGregor: All right. I just want to sneak in one more question.

It seems that our relationship with our American neighbours and the supply management issue.... There was another thorn in our side this week with their opposition over our TRQ allocation. Just give a brief statement on how this might impact future compensation for the CUSMA trade deal to our supply-managed farmers. Do you foresee that it is going to have any impact?

**Hon. Marie-Claude Bibeau:** We've been negotiating hard with the U.S. on this agreement. They are challenging us in the way that we are applying the TRQs. I am very confident that we do respect the rules, as Canadians do, so we will let the Canada-America committee do the verification. However, I am quite confident that we are following the rules.

#### [Translation]

The Chair: Thank you, Ms. Bibeau.

[English]

Thank you, Mr. MacGregor.

We'll move to our second round.

[Translation]

We'll start with Mr. Lehoux.

Mr. Lehoux, I think you want to share your time with Mr. Epp.

Gentlemen, you have the floor for five minutes.

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

Greetings, Madam Minister. Thank you for being with us this afternoon.

In the budget, \$1.5 billion is allocated for risk management programs. In the last few months, we have provided you with a report on building food processing capacity.

The government has proposed to the provinces that the compensation rate for producers be increased to 80%, but the provinces are not unanimous.

Why not move forward with this compensation program in co-operation with all the provinces that are willing to sign on to allow producers to benefit from the program and get what they need?

#### • (1610)

**Hon. Marie-Claude Bibeau:** We did take an important step in the right direction by removing the reference margin limit. We have the support of all provinces in this regard. This is retroactive to the year 2020. This will put approximately \$95 million back into the pockets of our producers who need it most.

The second offer is to increase the AgriStability compensation rate from 70% to 80%. Unfortunately, we have not been able to get the support of the Canadian prairie provinces, but I want to make it clear that the offer is still on the table.

**Mr. Richard Lehoux:** Why not allow the provinces that want to join to do so?

This is an important issue. The federal government has to put the money on the table. Then those provinces can contribute. That way, at least the producers in those different provinces would be supported.

Why don't we allow it?

**Hon. Marie-Claude Bibeau:** I understand your question very well and I wish it were that simple. First of all, risk management programs are part of a legal framework that we have negotiated with the provinces. There are certain conditions that must be met in order to change the rules of the game along the way, one of which is the need to have the agreement of two-thirds of the provinces, by number. The weight of the provinces is measured by the number of participants. So getting two of the three prairie provinces to agree is a must for this to happen.

And then, at the federal level, we can't help one region differently than another without exposing ourselves to international trade risks. So we have to take all of this into very serious consideration.

We continue to encourage the prairie provinces...

Mr. Richard Lehoux: Thank you, Minister.

I yield the floor to my colleague Mr. Epp.

#### [English]

Mr. Dave Epp (Chatham-Kent—Leamington, CPC): Thank you, Minister. It's good to see you.

I would like to begin with the pest management centre and its funding. The budget has cut the budget for the centre down to \$8.9 million. The Canadian Horticultural Council is requesting another \$5.3 million for this centre. In particular, the pesticide risk reduction program has been reduced from \$1.2 million down to \$200,000, resulting in the closures of Bouctouche, New Brunswick, and the Delhi station in Ontario. The testing capacity of this risk reduction program is down from 37 projects to 10 in just a year.

The result is that our competitors get access to more benign products sooner, and they take our market share. It seems like the budget had money for everybody except agriculture. Agriculture's not looking for handouts here, but we're looking for the tools to become competitive. Why would you cut funding for research, particularly when it's a source of data for new crop protection products that are more selective and of a more benign environmental footprint?

#### [Translation]

**Hon. Marie-Claude Bibeau:** First of all, I want to say that we are not making cuts to science. We're still spending \$600 million on research, innovation and our 20 science research centres. So we are really investing in a major way.

To answer your question more specifically, I will ask my deputy minister for help.

Mr. Forbes, are you able to provide more specific answers to Mr. Epp's question?

Mr. Chris Forbes: Yes, I can.

Thank you, Madam Minister.

[English]

Yes. We've actually had some discussions with the Canadian Horticultural Council about their concerns about the allocation of funding to the pest management centre. That is part of our broader science and technology branch budget, so as we allocate within that budget, we have to make choices about where we put the money. Certainly, their concerns have been raised with us, and we're looking at those and understand the issue.

#### Mr. Dave Epp: Thank you.

I would like one other question for the minister.

Specifically to the grocery code of conduct, I know that you have taken the suggestion and the recommendation from our previous study to the provinces, but I'm hearing from the provinces that they are not receptive to leading on a code of conduct because the reality is that 80% of the retail space in Canada is held in five strong hands. Those hands have a presence across all of Canada. It doesn't make sense to have a smorgasbord of codes or frameworks in the different provinces.

Minister, will you propose a legislated code of conduct and lead on this issue?

**Hon. Marie-Claude Bibeau:** I can assure you that we are leading. Actually, I'm co-chairing a committee with the Minister of Agriculture of Quebec. We met yesterday on this, because we want to come to the FPT meeting in July with a step further in this direction. We want to send the message to the retailers that we are serious. We want to find the best solution to ensure the situation is fair for our producers and farmers.

Actually, they came to the table. The retailers, the processors, the farmers, everybody participated around the table. Everybody's contributing and reflecting, trying to find a solution, trying to find a consensus.

I'm hopeful we will find a common space to solve the situation.

• (1615)

Mr. Dave Epp: Thank you, Minister.

[Translation]

The Chair: Thank you, Madam Minister.

[English]

Thank you, Mr. Epp.

Now we will go to Mr. Blois for five minutes.

Go ahead, Mr. Blois.

Mr. Kody Blois (Kings-Hants, Lib.): Thank you, Mr. Chair.

Minister Bibeau, it's always great to have you before our committee.

Let me first take a moment to congratulate you. When I look at the fall economic statement, when I look at budget 2021, I see massive investments in the agriculture sector, of course, directly and indirectly through some of the environmental initiatives, as you've mentioned. I'm sure that's because of your hard leadership and engagement within the government cabinet. Well done.

Congratulations on BSE. That's great for our country, and that's going to matter across the country and, indeed, in my riding of Kings—Hants.

I just have one more note before I get into my questions. For example, I looked at the actual business risk management programs and some of the main estimates there. Of course, the estimates are almost double this year what they would have been previously. Of course, some of that is highlighted because of COVID-19, but again, that's because of your work and our ability to increase the reference margin limits, which I know is going to help make a difference for farmers across the board.

My first question to you, Minister, is around the wine sector. I look forward to the chance that you might come down to my riding of Kings—Hants after the pandemic. We'll have a glass of wine together.

Let's talk about the \$101 million that was in the budget to support the wine sector. Can you speak to that? I would really appreciate that.

#### Hon. Marie-Claude Bibeau: Thank you.

Yes, you can see in the budget \$101 million for the wine sector over two years. We are working on different options for how this program could roll out and how best we can support the sector. It's a work-in-progress—in consultation with the sector, obviously—so it's a bit too early for me to give you more details on that, but it's good news for this sector for the coming two years.

**Mr. Kody Blois:** Absolutely. I know you'll be working with the industry, but the fact that it was in the budget, I think, was very important and well done.

The food waste reduction program is about a \$3.5-million budget item in the main estimates. It's relatively small in what is a huge budget. Of course, I've had the chance to read your opinion, your op-eds, about food waste management and that this is a key piece for us to be able to reduce our greenhouse gas emissions. I applaud you in that regard and that advocacy.

I had a stakeholder in my own riding, the Station Food Hub, that was one of the winners. It actually got to the semi-finals in this challenge. Speak a little bit about what that program means to incentivizing non-profits and businesses to be focused in this regard.

**Hon. Marie-Claude Bibeau:** It's a very exciting program. Actually, it's a challenge, so it has to be exciting. The idea is to stimulate and give the means to the innovator to bring forward their ideas, their technology and their business model, and then give them the financial capacity to scale up, to develop and then scale up.

A couple of months ago, we launched a business model challenge. We recently announced the semi-finalists. Only a few days ago—on the third and fourth—I announced the launch of the streams that are related to technology, and it's the same process. There will be three steps for the winners, and they will get more and more money, up to \$1.5 million altogether for the winners. The idea is to reduce our food waste in Canada. Financially, it represents \$50 billion—only in Canada—and the impacts on the environment in gas emissions are significant as well.

**Mr. Kody Blois:** We heard testimony on that actually just last week as we were continuing our study on the intersection between agriculture and the environment, so well done there.

Can you speak about the living laboratories initiative? I know, for example, that in Saskatchewan there was an important investment. I've seen one in Ontario. This is a program that, as you mentioned, was established prior to the fall economic statement, but you've received funding.

Can you tell the average person who might be watching this what a living lab is and what the objective is there?

#### • (1620)

**Hon. Marie-Claude Bibeau:** The idea is to bring scientists into the field with the farmers to make sure that they are working on very concrete practices that will make sense for the farmers and will be, maybe, a bit shorter term. We have expert scientists in laboratories, and we definitely need them, but this initiative is to bring them closer to the farmers and have all the neighbours, as well, looking at it. Hopefully.... We want to engage a community around the living lab. It will also help us have many more farmers adopt, for example, good practices in terms of the environment. Cover cropping is a good example, and managing water is another example.

I was very proud to speak about it at the G20 agriculture ministers meeting, because other countries are looking at us and are moving forward with similar innovations.

**Mr. Kody Blois:** Mr. Chair, I know you're about to cut me off. If I can leave just one last point, it would be around regulatory reform.

Minister, if you get the chance to incorporate that into it, I think there are a lot of good stories there, and I know that would resonate with you as someone who is a previous business owner. If someone else gives you the chance, that would be lovely.

Thanks.

The Chair: Thank you, Mr. Blois.

[Translation]

Thank you, Minister.

Mr. Perron, you have the floor for two and a half minutes.

Mr. Yves Perron: Thank you, Mr. Chair.

Madam Minister, I would like to return to the issue of the code of conduct, which has been discussed with other speakers.

You tell us that you had a meeting yesterday on this and that things were progressing well.

However, someone said that the provinces were not interested.

Are we moving towards a voluntary code of conduct at the federal level, with a mandatory provincial code piggybacked onto it?

Can you speak to that?

Hon. Marie-Claude Bibeau: At the moment, I am working closely with the Quebec Minister of Agriculture, Fisheries and Food, Mr. André Lamontagne, as we are the two co-chairs of the group. Our teams work together and we hold a lot of consultations. There is good participation from producers, processors and retailers. Concrete proposals for voluntary codes of conduct have even been tabled.

There are a number of options on the table at this time for mandatory or voluntary codes of conduct that would be associated with regulation or legislation.

Various options are on the table. Mr. Lamontagne and I are in the process of sorting through all of that. We will be presenting proposals to our provincial colleagues when we meet in July.

**Mr. Yves Perron:** In terms of the environment, there were a few questions about encouraging transition and recognizing what is being done. I think that's important for you to consider. In our study on business risk management programs, there was also a suggestion to give companies more flexibility about when they can innovate.

Do you plan to give them upstream support to encourage good environmental practices?

**Hon. Marie-Claude Bibeau:** There are several possible ways to answer this question.

Business risk management programs are primarily designed to address challenges such as unpredictable revenue declines and increases that threaten the viability of the business, or that result from crop failure. There are also programs to encourage innovation, both at Agriculture and Agri-Food Canada and at the Department of Innovation, Science and Economic Development, for which Minister Champagne is responsible. So there are other opportunities for innovation on that side.

**Mr. Yves Perron:** I understand that you are considering it. I would like to ask you some more questions before my time runs out.

There is a great desire to increase exports, and we agree on that. At the same time, we see the parallel threat of complaints from the U.S. We know that we're respecting the agreement, but it is something that is never ending.

There are two very important bills right now. There's Bill C-216, which addresses that issue, and there's another one on farm succession, Bill C-208. I would imagine that these bills are progressing well and that we can count on the government's support for farm succession, among other things.

This is an issue that is near and dear to your heart, isn't it?

**Hon. Marie-Claude Bibeau:** The issue of succession is very close to my heart. Minister Freeland is also keenly sensitive to this issue. We are working with the Department of Finance to find the best possible solution to facilitate intergenerational transfers.

**Mr. Yves Perron:** We have a good one on the table, Madam Minister.

The Chair: Thank you, Mr. Perron and Madam Minister.

[English]

Now it's Mr. MacGregor for two and a half minutes.

Go ahead, Mr. MacGregor.

Mr. Alistair MacGregor: Thank you, Chair.

I think I'm going to follow up on a question that was asked by Mr. Blois. The Cowichan region, which I represent, is a designated wine-producing region. It got that designation officially from the B.C. government. We have the vast majority of the vineyards on Vancouver Island, and I'll have to send Mr. Blois a bottle of Pinot Gris to see how it measures up with his region.

I did actually share information from budget 2021 with all of the wineries in my region, and the response I got back was that they've all seen a collapse in sales over the last year. Some of them were not able to access any of the relief programs that were offered to many small businesses.

One of the main questions I got back, Minister, had to do with this program. There is interest in this program, but they were wondering, given the difficulties that they've all experienced, why this program is beginning in fiscal year 2022 rather than right now, given the immediate needs of the sector. That was a main recurring question I got from the wineries in my region.

Why are these funds not being made available now, given the difficulties that they've just gone through?

#### • (1625)

**Hon. Marie-Claude Bibeau:** The process of a budget is always difficult, and we're trying our best to balance the different challenges.

I don't have a very clear answer to give you, but we will use this time to consult with the industry and to make sure that we are putting in place and designing the program in a way that will best support our producers.

**Mr. Alistair MacGregor:** I don't have much time left for questions. I know the budget has been voted on and the implementation act is going through Parliament, but is there any wiggle room for this particular fiscal year? April 1 of 2022 is still a long time for them to wait, and yes, we are hopeful that things are going to turn around this year, but again, they are still having to make up for a very difficult year.

**Hon. Marie-Claude Bibeau:** I understand your point. We have to look at the program and evaluate whether retroactivity might be an option and whether it makes sense with the program that will be put in place. Sometimes it does. Sometimes it does not. However, the money will be made available only in April of 2022.

Mr. Alistair MacGregor: Okay. Thank you for the clarification.

Hon. Marie-Claude Bibeau: Most of it actually, yes.

The Chair: Thank you, Mr. MacGregor.

[Translation]

Thank you, Madam Minister.

[English]

Unfortunately, that's all the time we have, but I really want to thank the minister for coming to our committee today.

#### [Translation]

The situation is very positive in the agriculture sector.

We wish everyone a good season. After the pandemic, I hope that everything will be fine, and we can sail in calm waters.

Thank you again for being with us, Madam Minister.

Hon. Marie-Claude Bibeau: Thank you.

The Chair: We're going to take a short break, and we will continue our work afterwards.

Thank you.

• (1625) (Pause)

#### [English]

The Chair: I think we're all ready to go, so we'll start our second hour.

I want to welcome the department official from the Canadian Food Inspection Agency, Madam Sylvie Lapointe, vice-president, policy and programs branch. Also, from the Department of Agriculture and Agri-Food, we have Mr. Chris Forbes, deputy minister. Welcome again, Mr. Forbes, to our committee.

<sup>• (1630)</sup> 

We also have Ms. Christine Walker, assistant deputy minister, corporate management branch. Welcome again. I believe it will be your last time at AG committee, but welcome to our committee.

I don't believe we have an opening statement, so we'll go right to our question round.

We'll start with six minutes. Ms. Rood and Mr. Steinley, I believe you're going to split your time.

Go ahead, Ms. Rood.

• (1635)

Ms. Lianne Rood: Thank you, Mr. Chair.

Thank you to the officials for appearing today.

Thank you, Ms. Walker. It will be great to have you here today, and we wish you well as you move on to your next assignment.

We've had the recent review of the Canada Grain Act, and the deadline for stakeholders to submit their suggested improvements to the act was April 30. I sent a letter to Minister Bibeau on May 13, explaining that my colleagues and I had met with some of the stakeholders and they were very frustrated and felt out of the loop on what was coming next.

I'm just wondering if you have any indication of what the plan is for the next steps in the review process and whether it includes stakeholders. Do we have an idea of a timeline for reporting the consultations publicly at this time?

**Mr. Chris Forbes:** Yes, we will release a report—I don't have a precise time for you—on what we heard from the written consultations, and definitely, we'll engage with a range of stakeholders. Indeed, we have already done some open sessions. I think it was about two weeks ago now that a number of officials from the department and the CGC held some open consultations for producers—a couple of options. Then we certainly will do that with interested industry organizations as we go forward and make sure that voices are heard.

I don't have detailed timelines for you, but there will be a lot of consultation, for sure, and we'll make sure that information is shared.

Ms. Lianne Rood: Thank you for that.

Deputy Minister, in the 2021-22 budget, the government announced that your minister's department would fund farmers' purchasing more energy-efficient grain and oilseed dryers. However, my colleagues and I from farm backgrounds, as well as those of us who serve farming ridings, know that farms are businesses and that they operate on very narrow profit margins. Farmers work hard to keep their overhead, capital equipment and borrowing costs as low as possible to avoid eating into those slim profit margins. We've heard some prior testimony at the committee that there is not new technology out there for grain dryers.

I'm just wondering if you can reassure this committee and the farmers who we hear from that the dryer program funding will not require farmers to trigger capital outlays or borrowing costs that will further narrow their profit margins. **Mr. Chris Forbes:** We don't have all the program details worked out, but there will be two parts. I think this is part of the broader agricultural clean technology program. First of all, there will be some funds for research and development to make sure that we build the commercial options available—to your point about what's out there.

The second will be, as you say, financial support. What our programs would normally do is a range. We rarely would fund 100% of the cost. Usually there's some cost-share, so there likely would be a capital outlay from a producer who's benefiting from the program. I don't have all the details, but that would be the plan.

Ms. Lianne Rood: Thank you very much, Mr. Forbes.

I'll cede the rest of my time to Mr. Steinley.

Mr. Warren Steinley: Thanks very much.

Thanks to the witnesses for joining us.

I met with the Prairie Oat Growers Association recently, and it talked about how in the budget there is money for international marketing. However, is there also some more money set aside for domestic marketing? Do you think it should be easier for Canadian farmers to promote to Canadian consumers, and is that consideration being taken by Agriculture and Agri-Food Canada?

Mr. Chris Forbes: Yes, certainly.

We are working on what's part of the food policy for Canada, an agri-awareness program that would help build, really, understanding and better awareness of agricultural practices in Canada and also the domestic brand in Canada. We would link that, obviously, up to our international efforts, for sure.

#### Mr. Warren Steinley: Thank you very much.

I'm switching gears to more of a livestock bent.

Regulations about time in transit for hauling animals have been in consideration for a while now, and producer groups are looking and collecting data and research that might be pertinent to some of the regulation changes. Would there be the opportunity to have an exemption continued until that data and research from the producer groups becomes available?

It would be very important to have that information before setting up and making any changes to the regulations for the hauling of livestock.

#### • (1640)

Ms. Sylvie Lapointe (Vice-President, Policy and Programs Branch, Canadian Food Inspection Agency): The regulations are in force, but we are in a period of compliance promotion, and that will last until February 2022. We're aware of the research that the industry is conducting, and we're awaiting the results of that. That will certainly feed into any considerations that we make to changes in regulations or to policies and directives. Mr. Warren Steinley: Thank you.

My last question will be in the same vein as Ms. Rood's, talking about grain drying.

We just went through Philip Lawrence's private member's bill talking about fuel for grain dryers. There has always been talk around the next technology, the next iteration of what we could use for grain drying. I'm from Saskatchewan. The farms are very large here, and so far natural gas is actually, by far, one of the cleanest available options for running grain dryers.

To your knowledge, is the technology ready for any other fuel, other than natural gas and propane, to run these huge grain dryers in our provinces?

**Mr. Chris Forbes:** I'm by far not the technical expert on this, but my understanding is that there are a couple of potential options out there. I don't have the details for you, Mr. Steinley, but certainly there are some options. How readily available they are, I wouldn't be able to comment on right now, but I think there are some promising opportunities there.

Mr. Warren Steinley: Thank you very much.

The Chair: Thank you, Mr. Forbes. Thank you, Mr. Steinley.

We'll go now to Mr. Ellis for six minutes.

The floor is yours, Mr. Ellis.

Mr. Neil Ellis (Bay of Quinte, Lib.): Thank you, Chair.

I'd like to thank the officials for taking time in their day to testify in front of the committee.

We talked about BSE negligible risk status with the minister. I just want to know what it means for Canada's beef and live cattle access to global markets now that Canada is officially recognized by the OIE as a negligible risk country. This new negligible risk BSE status would enable Canada to seek new market opportunities for Canada's cattle and beef exports.

Which ones, and how soon?

Ms. Sylvie Lapointe: Thank you for the question.

As the minister outlined in her testimony earlier, the negligible risk assessment will definitely open up new markets for us. We have already started to engage in that exercise, as an example, in southeast Asia. That work is ongoing and is a priority for us, working with the industry.

**Mr. Neil Ellis:** Would this negligible risk status improve access to U.S. slaughter facilities?

**Ms. Sylvie Lapointe:** Yes, I think it will, but we are still working with our partners. As well, work is ongoing with the industry to work on the concerns that they have raised around SRM, but also more generally on some irritants they perceive in the way we implement the current regime. We are working very closely with the industry, and that work has already begun.

Mr. Neil Ellis: Thank you.

Can you provide an update on the status of the local food infrastructure fund, and how the department is measuring the success of how those funds have rolled out? Are there any future plans to continue it?

Mr. Chris Forbes: Thanks for that question, Mr. Ellis.

The local food infrastructure fund was launched as part of the food policy. We've had two waves of applications so far, for both very small and mid-sized projects. I think they've been very successful. It's a very popular program.

Certainly from the applications we have received, reviewed and approved, we are taking an approach of lessons learned in terms of who the applicants are, what the success stories are and, in the outcomes we're seeing, who the beneficiaries are. I don't have any details for you right now, but I think there are a lot of positive signs. We're certainly keeping an eye on the program and looking at how we refine it. Of course, maybe I'll finish off by saying there will be future calls for proposal going forward, and we want to make sure we adapt from the learnings we've had thus far.

**Mr. Neil Ellis:** In Canada's north, food prices can be significantly higher than what the rest of the country pays. Additional factors such as isolation and socio-economic challenges make northerners particularly vulnerable to food insecurity. This vulnerability has been shown by the COVID-19 pandemic.

What has been proposed in the main estimates to help beat this problem?

Mr. Chris Forbes: Thanks for the question.

The main estimates themselves don't have anything specific for the north. I would point out that we have done a few things over the last year in particular, through Agriculture and Agri-Food Canada, through the local food infrastructure fund and the emergency food security fund that we provided, including, in October 2020, \$30 million for Indigenous Services Canada to support local food security as part of its indigenous community support fund.

We also, as part of last year's programming, had a surplus food rescue program. Three of the nine projects we had under that program were redirecting surplus food to indigenous communities in the Prairies, in Nova Scotia and also in Nunavut.

There's ongoing programming in our ministry, and of course, then, Mr. Ellis, there are programs through Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada, and indeed ESDC, on support for communities for poverty reduction.

• (1645)

Mr. Neil Ellis: Thank you.

That's the end of my questions.

The Chair: Thank you, Mr. Ellis.

Now we'll move to Monsieur Perron for six minutes.

[Translation]

#### Mr. Yves Perron: Thank you, Mr. Chair.

I would like to thank the officials for being able to make themselves available to participate in the meeting this afternoon.

I'll talk about exports first, a topic we touched on quickly with the minister earlier.

They say they want to put a lot of emphasis on exports, on access to international markets. Of course, there will be requests from other countries eventually.

I come back, however, to the issue of reciprocity of standards and actual access to those markets.

Mr. Forbes, has any money been put into adapting, in particular, our beef production so that it can access the European market? Can you speak more to that?

Mr. Chris Forbes: I would ask Ms. Lapointe to answer the question.

Ms. Sylvie Lapointe: Thank you for the question.

In fact, when we negotiate agreements with other countries, reciprocity standards are in place.

**Mr. Yves Perron:** Has money been set aside to help the industry gain access to the European market, among other things? Our meat producers were supposed to have access to it, but they still don't have it, whereas we have given access to our market for cheese and everything else in return.

Mr. Chris Forbes: Ms. Lapointe, can you answer the question?

Ms. Sylvie Lapointe: I'll let you answer that instead, Mr. Forbes.

As far as the Canadian Food Inspection Agency, or CFIA, is concerned, there is no funding to support the industry with respect to these efforts.

**Mr. Chris Forbes:** Our department has funding for that. The Market Access Secretariat is working closely with the sector on engagement with all other countries, particularly on non-tariff barriers or regulations that put barriers to our exports in order to remove them and ensure better market access.

**Mr. Yves Perron:** I will approach the issue from a different angle, namely, respecting the reciprocity of imported product standards and CFIA resources.

I'm thinking, for example, of chicken farmers, who probably have all met with us. They talked about imported spent hens and the possibility of including a means of verification, which is the DNA test they developed. They would offer it for free, and it wouldn't cost a lot of money.

Is there any money set aside for the introduction of this test or similar measures to ensure that what we impose locally on our producers is also respected by outsiders who sell to us?

**Ms. Sylvie Lapointe:** With respect to imports, the Safe Food for Canadians Act provides that the obligations and standards are the same for both imports and domestic products.

For spent hens, we tried to work with industry stakeholders on a DNA test. Unfortunately, this test is not comprehensive enough to cover all poultry lines used in the industry. In addition, we face challenges. If legal action is taken, a fine may be issued.

So we continue to work on this issue, particularly with our colleagues at the Canada Border Services Agency. In recent years, we have already seized products and put in place administrative penalties for the spent hens.

Mr. Yves Perron: Thank you.

You said that DNA testing isn't suitable for all species, but that's not what I've been told.

Can you explain a little bit about what this is all about?

**Ms. Sylvie Lapointe:** My understanding is that the DNA test isn't applicable to all poultry lines used in the industry, which poses challenges for us in identifying spent hens.

• (1650)

Mr. Yves Perron: Okay.

Can you talk about the current review of import quotas, among other things, for the agreement with the European Union?

I know that people in the industry have been consulted. Will we hear anything about that soon or any guidelines? Are you able to speak to that?

**Mr. Chris Forbes:** You're talking about tariff rate quotas for imports into Canada, right?

Mr. Yves Perron: Yes, that's right.

**Mr. Chris Forbes:** This is part of a consultation process managed by the Department of Foreign Affairs, Trade and Development. We are involved in the discussions, but this is really within the purview of that department.

**Mr. Yves Perron:** In the last Parliament, the Canadian Dairy Commission's credit rating was increased from \$300 million to \$500 million. I would like to know what the result has been, concretely.

Did this represent an increase in spending?

Has this been effective?

**Mr. Chris Forbes:** As you mentioned, its credit rating was increased, which gave it the flexibility to borrow, if necessary, and avoid the waste of surplus in the dairy market last year. Fortunately, it did not need to use it during the pandemic, as the market stabilized in the spring and summer. It is more of an insurance policy, in case it is needed in the future.

The Chair: You have five seconds left, Mr. Perron.

Mr. Yves Perron: Okay.

The Chair: Thank you, Mr. Perron.

[English]

We'll go to Mr. MacGregor for six minutes.

Go ahead, please.

AGRI-35

**Mr. Alistair MacGregor:** Mr. Chair, was that for six or five minutes? Can you confirm?

The Chair: It's six minutes, Mr. MacGregor.

Mr. Alistair MacGregor: Thank you.

Thank you to our witnesses, Mr. Forbes, Ms. Walker and Ms. Lapointe, for appearing.

As you know, our committee is also studying Bill C-205. We did have the CFIA appear before the committee and express concerns about that bill and whether the organization would in fact have the resources to carry out the mandate that would be legislated upon it by the increase under the authority of the Health of Animals Act.

If we were in a hypothetical situation where Bill C-205 didn't exist, but the concerns that farmers have with risks to biosecurity and trespassers coming onto their property are very much prevalent.... I know some provinces have taken initiatives to address these issues. Can you tell me what policies or plans the federal department is currently engaging in to deal with those two issues, aside from what Bill C-205 is proposing?

Ms. Sylvie Lapointe: Thank you for the question.

We are very sympathetic to some of the challenges that have been raised by farmers, particularly around mental health issues and trespassing issues. From a CFIA perspective, our mandate doesn't cover those particular areas. We do work closely with industry to provide the capacity to them to develop biosecurity standards, but those obligations fall very much upon them. We continue to support that work.

I would just note that in terms of animal disease—which is what we would be intervening in if something were to happen as that is our area of mandate—to date we haven't seen any animal disease outbreaks that have been linked to trespassing.

**Mr. Alistair MacGregor:** Great. Yes, that was something that Dr. Komal also noted.

Mr. Forbes, Humane Canada did submit a brief talking about the other federal options that could be put into place. They suggested providing strong support for the National Farm Animal Care Council's work to create standards and increased engagement with the NFACC in the development of robust standards to meet the expectations of the Canadian public, support for the implementation and verification of adherence by Canadian industry.

Is there anything you can comment on with those recommendations? Is the department actively engaging in any of those areas currently or does it plan to in the future?

• (1655)

**Mr. Chris Forbes:** I'm not familiar with the specific recommendations. I would maybe follow up on what Madam Lapointe was saying.

Certainly, these are issues that we follow. We certainly engage with our provincial counterparts on these. For a number of reasons we are trying to make sure that, for reasons of biosecurity and mental health, we look at options to both improve dialogue and, potentially, standards down the road. This is really a broader industry and federal-provincial-territorial dialogue.

Mr. Alistair MacGregor: Thank you.

I'll switch gears.

We've already had a discussion about how there was an overall increase in crop receipts, but livestock did decline by 1.9% in 2020. I'm assuming that was largely due to the huge bottlenecks we saw in processing capacity, where livestock weren't moving through the system.

Can you confirm that?

Mr. Chris Forbes: Yes, I think you are right, Mr. MacGregor.

Obviously, some of the processing challenges, which temporarily shut down a number of processors over the course of the spring and early summer last year, fed into that.

Also, I think we saw, particularly in the beef sector, probably not the same kind of price increases that we saw in other parts of the agriculture sector last year. I think there were some challenges there.

**Mr. Alistair MacGregor:** We did just issue a committee report. I know the government has not yet had time to respond to all of the recommendations we made, but it is very well known that regional processing capacity was a major factor in this.

Are there any updates you can give the committee on how Agriculture and Agri-Food Canada has taken steps to address that, so that if we're faced with another pandemic that shuts down major processing centres, we will not be left in the lurch like we were last year?

Mr. Chris Forbes: Thanks for that question.

I think there are a few things. We have our existing program. Obviously that, at a scale, can often help with regional processing capacity, depending on who comes looking for financial support.

Under the policy framework we have with the provinces and the territories—but I'm thinking specifically about provinces—value-added capacity is one of the priority areas identified. I expect it will remain a priority for federal, provincial and territorial governments for reasons that you point out and also, often, for reasons of local food supply and food security.

Mr. Alistair MacGregor: Thank you very much.

The Chair: Thank you, Mr. MacGregor.

Now we'll go to the second round.

#### [Translation]

Mr. Lehoux, you are sharing your time with Mr. Epp.

You have five minutes.

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

I'd like to thank the witnesses for being with us this afternoon.

My question is for Ms. Lapointe from the Canadian Food Inspection Agency. Ms. Lapointe, following up on a question from one of my colleagues about introducing spent hens, you mentioned some problems with testing. You also mentioned that you have to work jointly with the Canada Border Services Agency.

What relationship do you have with CBSA?

I would like to go back to the issue of diafiltered milk. In the past, there have been major problems with this at the Canada-U.S. border. It is true that some transits were stopped, but it seems that traffic has started to flow back into Canada quite significantly.

Do you have the necessary means to counter the introduction of products that aren't illegal, but that don't comply with Canada's rules?

Ms. Sylvie Lapointe: Thank you for the question.

As I said, we continue to work increasingly with the Canada Border Services Agency to address these challenges. This is an ongoing collaboration. In fact, the Canadian Food Inspection Agency and our colleagues at the Canada Border Services Agency have identified this as a priority.

**Mr. Richard Lehoux:** Ms. Lapointe, should we intervene with the Canada Border Services Agency? Committee members have the opportunity to ask you questions. Should we also invite the Canada Border Services Agency to take concrete action?

Is there a lack of funding for border control? The Americans are currently challenging the Canada-U.S.-Mexico agreement. The number of disputes is likely to increase.

Is there a lack of resources?

How could we work better together?

• (1700)

Ms. Sylvie Lapointe: Thank you for the question.

We deal with CBSA on a regular basis, in the regions and in Ottawa. We are working with the agency on a priority-setting exercise. The issue of spent hens is certainly one of our priorities. We've communicated this to the agency, and I think they're very sensitive to the importance of this issue.

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

That doesn't quite answer my question. I would have liked to know a little more about what could be done concretely. There are three border crossings in my riding. I'll discuss this with the people from the Canada Border Services Agency.

I'll now turn the floor over to my colleague.

[English]

Mr. Dave Epp: Thank you, Mr. Lehoux.

I'd like to begin with Deputy Minister Forbes. I again met yesterday with representatives from the fresh produce industry. Again, they raised the possibility of PACA—the Perishable Agricultural Commodities Act—with me.

I'm going to reference a response our committee received under your signature early this January. It was written in response to a question from our colleague MP MacGregor. It said, "Furthermore, the evidence to date has concluded that a deemed trust would have significant insolvency policy implications, and potentially serious economic consequences for the fresh produce industry and other stakeholders."

Can you please elaborate on the consequences? If they were addressed, could or would PACA become a possibility?

Mr. Chris Forbes: Thank you for that question.

When we've looked at this, there a number of challenges with the proposals out there. One referenced that the potential consequences of potentially creating priority treatment of one group over another could, in fact, effectively make it more challenging to have creditors. They would be worried about being pushed out of the queue, if you will. I think the worry was more that, by setting them up for special treatment, they could end up being treated less equally, compared with other groups.

Mr. Dave Epp: Thank you.

I note that, in the AAFC's departmental plan for the year, one of the primary objectives is advocating for addressing some international trade rules and barriers. I'll pick up on the earlier comment from my colleague, Yves Perron. Specifically, which trade rules or barriers will AAFC address within this objective?

The Chair: Please give a quick response.

**Mr. Chris Forbes:** I would say we would tackle a range of non-tariff barriers and rules. We'd start with our major trading partners.

I think you're well aware of the issues we're working on with the Government of China for canola and also for reinstatement of some of our meat-packing facilities and pork producers. We're working with the European Union on process and on regulatory aspects that might create barriers there. We're working with a range of countries in Asia and otherwise where there may be technical issues, such as access for our grains into countries in Asia.

The Chair: Thank you, Mr. Forbes.

Thank you, Mr. Epp.

Now we have Mr. Blois for five minutes.

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

Of course, thank you, officials, for your expertise and your ability to answer these questions here today.

Mr. Epp talked about when we had the minister here about PM-RA. I think it's an important point to raise. He seemed to suggest that Bouctouche might have been closed or that there was something to do with a research station that was closed. My understanding—perhaps this is to the deputy minister—is that it was actually closed under the last government.

Can you confirm, if you have the information, whether Bouctouche was actually closed in these main estimates, or am I somehow getting those two points confused?

**Mr. Chris Forbes:** That's a past decision, Mr. Blois, as you referred to.

Maybe I'll also say that there's the PMRA, which is the agency that operates under Health Canada, and there is also the pest management centre, which is part of our science and technology branch at Agriculture and Agri-Food Canada. They work closely together in terms of identifying products—in our case, a lot of the minor use products—for approval and use in Canada.

• (1705)

Mr. Kody Blois: Thank you for that.

In terms of the \$101 million that was in the budget, Mr. MacGregor talked about some of the impacts we've seen on the wine sector and was asking the minister if it would be possible in the 2021 fiscal year, so to speak. My understanding of that budget allocation although there are some more details to be worked out—is that it is somewhat in response to, of course, the excise exemption that used to exist for Canadian producers.

Mr. Forbes, notwithstanding the fact that the details are not out and there are not a whole lot of qualifications, is that actual amount less about an emergency program and more about being able to continue to support our domestic producers in a trade-compliant way?

**Mr. Chris Forbes:** It is indeed. I think that's an accurate statement. It is certainly about how to ensure the wine sector's long-term vibrancy and to support investment and growth in the sector. Yes, those funds would start in the next fiscal year, which doesn't mean we couldn't.... We will certainly strive to have program details consulted on and clear for stakeholders as soon as we can so that they can have those in advance.

**Mr. Kody Blois:** Mr. Forbes, is it fair to say that part of the rationale for its being 2022 is that's when you have agreed with Australia that the initial program has to be phased out?

**Mr. Chris Forbes:** The excise tax exemption is phasing out next July under the agreement with Australia. Certainly any program to support the wine sector will have to be, as you correctly pointed out, trade compliant.

**Mr. Kody Blois:** I think it's an important program. I look forward to the work that I know your department will be undertaking in the days ahead.

In my conversations with stakeholders—and I'm sure my colleagues would likely concur—it seems that more and more issues that are agriculture related are not necessarily directly in the bailiwick of Agriculture and Agri-Food Canada. One of the ones Mr. MacGregor was pointing to involved initiatives to try to incentivize GHG emission reductions in agriculture.

Can you give this committee some sense of the work you do with Environment and Climate Change Canada, particularly around offset protocols and some of the soil protocols that Climate Change Canada is looking at that could actually be of huge benefit for producers?

Mr. Chris Forbes: Thank you for the question, Mr. Blois.

That's it exactly. Environment and Climate Change Canada is developing offset protocols, which would allow, obviously, in our case, for producers to receive payment for practices that would reduce GHG emissions. They are working on a series of offset protocols.

I think for us and for the sector the key will be to make those designs both effective from an environmental standpoint and usable, if you will, by the sector—in other words, administratively feasible for producers either individually or as groups to access—so there are important discussions happening that will facilitate and work with Environment and Climate Change Canada to make sure the perspectives of producers are understood.

**Mr. Kody Blois:** I'm glad to hear that, Mr. Forbes, because I think all of us on this committee would appreciate and encourage you in that regard. I think this is a tremendous opportunity to unlock a lot of the potential that is, of course, already happening and that can continue in that regard. Thank you for that.

I have a quick question in the about 20 seconds I have left. Do we have a deadline on the living labs? I have producer, for example, opportunities in Nova Scotia. I want to get my stakeholders in on this.

Do we have a timeline for when we should be trying to get those proponents to get those types of initiatives into Agriculture and Agri-Food Canada?

**Mr. Chris Forbes:** We are working on rolling out the living labs centres under agricultural climate solutions program. I think we're engaging the stakeholders across the region. I don't have a specific deadline for you, Mr. Blois, but certainly, we're making sure that regionally we're reaching out and connecting with the main producer groups. Certainly, we can make sure that you and your stakeholders are well informed of those timelines.

Mr. Kody Blois: Thank you.

The Chair: Thank you, Mr. Forbes and Mr. Blois.

[Translation]

Mr. Perron, you have two and a half minutes.

• (1710)

Mr. Yves Perron: Mr. Forbes, I have some questions about risk management.

The minister was asked earlier if there was an opportunity to move forward with the program, even if all the provinces weren't behind it. Of course, the minister said it would be difficult to do that.

Is the possibility of moving forward still being considered? Did you do that during the COVID-19 crisis?

I have a sub-question on the number of risk management programs.

Are you considering reducing it to give companies more flexibility to decide when they're ready to invest? This would make them more environmentally and innovatively efficient.

**Mr. Chris Forbes:** To answer the first question, it's true that during the pandemic we granted exemptions from the normal rules.

In terms of risk management, the minister has targeted two-thirds of the provinces and, therefore, two-thirds of the production. We don't plan to change these rules or that approach in terms of raising the compensation rate from 70% to 80%.

Your second question was about reducing the number of programs. Did I understand that correctly?

**Mr. Yves Perron:** Yes, I was asking if there were any plans to reduce the number of programs and give more flexibility to businesses to make decisions on financial and economic issues on the ground.

**Mr. Chris Forbes:** We've been told that our programs are too complicated. The administrative burden is heavy. We're always trying to find ways to reduce that burden in cooperation with the provinces, which administer a lot of the programs.

In the coming months, we will be launching consultations for the next policy framework. We support the idea of reducing the burden.

**Mr. Yves Perron:** Earlier, in response to a question from one of my colleagues, you talked about work being undertaken with China to address the canola issue in particular.

Can you tell us more about that? Is that work progressing well?

**Mr. Chris Forbes:** We have not resolved the difficulties and haven't made the progress we were looking for. Discussions are ongoing with that country.

**Mr. Yves Perron:** I will close by making you aware, as I did earlier with the minister, of the issue of compensation needed for producers who have suffered losses related to long quarantine periods. This stemmed from Switch Health's inability to offer its services in French.

I think that these producers have suffered a grave injustice, simply because they speak French. So I'd like you to consider that as well. I was told earlier that the door was open to additional compensation, if necessary. I think there is a need there.

Mr. Chris Forbes: That is understood.

Mr. Yves Perron: Okay.

Thank you.

The Chair: Thank you, Mr. Perron.

[English]

Now we'll go to Mr. MacGregor for two and a half minutes.

Go ahead, Mr. MacGregor.

Mr. Alistair MacGregor: Thank you, Chair.

I think I have really only one question. Ms. Rood asked earlier about the review of the Canada Grain Act that was going on. My question is going to be regarding more the Canadian Grain Commission. I know they have that surplus investment framework that was accumulated over a number of years, and I know that their departmental plan shows that they expect another surplus for this fiscal year.

Just regarding some of the strategic investments that have been made, do you expect that the Canadian Grain Commission is going to make more strategic investments with this fiscal surplus, or are they going to consider a reduction of user fees as has been called for by some stakeholder groups?

**Mr. Chris Forbes:** I'll try to summarize what I can. The grain commission is obviously independent from my authorities, but the grain commission proposed a reduction in their, I think, three or four user fees earlier this month that would, based on their estimates, reduce user fees by about 30% over the next three years. I think 25% to 30% or about \$55 million is the total, based on their current projection. That's obviously a significant part of their plan.

I don't have any details, Mr. MacGregor, about any further surplus investments that they may be planning to make at this time, or uses of the surplus under their framework.

• (1715)

Mr. Alistair MacGregor: Okay.

I guess in the past those strategic investments have contributed to better grain investigations and to making sure that our quality grading system is far better than it used to be and so on.

**Mr. Chris Forbes:** As well, there's the harvest program they use so that producers can get their grain assessed. They've expanded the range of assessments they do under that, I think, to the benefit of producers.

**Mr. Alistair MacGregor:** Okay. I don't have a lot of time, so I'll end there, Mr. Chair.

Thank you, Mr. Forbes.

The Chair: Thank you, Mr. MacGregor.

We have time to complete the round today, so we'll continue with Ms. Rood for five minutes.

Go ahead, Ms. Rood.

Ms. Lianne Rood: Thank you, Chair.

My colleagues and I keep hearing from all kinds of farmers about issues with the Canadian Food Inspection Agency. I've heard from fruit and vegetable producers, beef and pork producers and from poultry and egg producers, and they keep telling me that with disturbing regularity and frequency inspectors from CFIA are inconsistent in their application of regulations and sometimes even capricious in their inspections.

Here's what I mean by this: We've heard producers tell us that they have seen the regulations applied in one way on one farm and quite differently during inspections on another farm in the same district, let alone in different provinces. In some instances, I've heard that CFIA inspection staff have no predetermined, scientifically backed data to support consistent delivery of these expectations across the industry.

Producers are just looking for simple fairness and consistency of application and inspection. I'm also hearing from producers that some inspectors will change without any notice how they apply the regulations and inspections, again with little regard for science and research. I'm just wondering if you can reassure this committee and the farmers that I hear from that you will investigate how the CFIA applies these regulations and conducts inspections so that we can ensure that these inspections are done with consistency.

Ms. Sylvie Lapointe: Thank you for the question.

Our inspectors are very professional. They work according to national standards that are established across all the different business lines. Of course, we hear that sometimes there can be issues on the ground, but we are open to hearing from industry and to working closely with them to make sure that we are addressing any concerns they've raised.

Of course, there is also recourse to a complaints and appeal office if there are significant concerns that are being raised, but certainly, consistency across all business lines is something that we strive for and to do so in an open, transparent and fair way.

Ms. Lianne Rood: Thank you for that answer.

Another concern that I've had raised by farmers about the Canada Grain Act has to do with their ability to schedule sales with futures contracts for their production.

It's my understanding that in the United States agricultural commodities traders are required to report publicly to the U.S. Department of Agriculture for the quantities and the prices per bushel of what they export and sell, but here in Canada, commodities traders are not required to publicly report the prices per tonne for what agricultural commodities they sell. That leaves Canadian farmers at a disadvantage as they negotiate futures contracts to sell the commodities they produce.

What it means is that, while Canadian commodities traders are getting record prices for commodities exports, many farmers are not seeing those record prices reflected in futures contracts.

I'm just wondering if there are any plans to put in place a requirement similar to that in the United States, to require agricultural commodities traders to report these publicly, both for volumes and exports, and for the prices they receive for those commodities exports.

Mr. Chris Forbes: Thanks for the question, Ms. Rood.

I was unaware of the U.S. requirement. I think I would simply answer that, to the extent this comes up as part of the consultations or other discussions as part of the Canada Grain Act review, I think certainly we're willing to listen and consider the issues that are raised. If this is a concern that comes up in the consultations, we'll be very happy to take a look at it and see what can be done about it.

Ms. Lianne Rood: Thank you, Mr. Forbes.

I've also been hearing from stakeholders in agriculture that much of the department's research funding has been reallocated to other purposes. The industry is concerned that the department appears to be off-loading its research funding role to the private sector and that the private sector will want to protect the results of this research as intellectual property.

Deputy Minister, could you comment on the extent of the department's funding research to support farmers, producers and processors in the agriculture and agri-food sector? • (1720)

**Mr. Chris Forbes:** Yes, it's an interesting comment, Ms. Rood, because I would say it's quite the contrary. Our science and research budget has been rising in recent years.

We're in the midst of and towards the tail end of a big increase in staffing to hire more research scientists across the country. The funding for areas like the agriscience clusters and other projects has been, in the worst case, stable, and in some cases is rising. We've talked a bit in previous answers about the living laboratories, which, as you know, is an increase in our activities.

I would say that overall I think our science and research funding has been growing and our staffing has picked up to help deal both with short-term needs and also with the impending potential retirements of scientists, just given the demographics of the science community.

Ms. Lianne Rood: Thank you very much.

The Chair: Thank you, Mr. Forbes.

Thank you, Ms. Rood.

Now we have Mr. Blois for five minutes.

Go ahead, Mr. Blois.

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

I'll start with Mr. Forbes again. This committee put forward the processing study—or at least it was tabled in the House of Commons—and I don't know if you've had the chance to look over it directly. Of course, one of the recommendations was on the temporary foreign worker program, which is around 10% in agri-food businesses.

The Harper government, as I understand it, cut this program from what used to be 20% and brought it back down to 10%. The committee is recommending that it go up higher and did not necessarily put a number on that.

Yes, this is something that can be at the political level in terms of my own colleagues, but from the administrative level, the bureaucratic level, Mr. Forbes, is this something that you think the department is amenable to in terms of working with other departments to make this a reality?

Mr. Chris Forbes: Thanks for the question, Mr. Blois.

I would say that from our level we certainly have heard for a long time about the challenges that processors and others face in terms of attracting year-round labour to support their activities, and certainly the 10% cap has been an issue for a number of years. I would say that we do engage a lot with the department—ESDC, Employment and Social Development Canada—that is charged with that, and again, as I mentioned previously, in making sure that the sector's perspective and the understanding of the hiring efforts that are undergone are well understood and documented.

Mr. Kody Blois: Yes, you can look at it. I appreciate that.

One thing that I guess I'd go on record as saying is that of course we have the western live price index, which stakeholders have talked about at this committee. I understand that there are some provincial iterations like Quebec's and Ontario's. We don't have a massive beef industry in the Maritimes, but there are a number of producers that are important to their particular communities.

My understanding is that the Canadian Cattlemen's Association and perhaps the Maritime Beef Council are looking at trying to pilot some administrative work on the way that they could incorporate the Maritimes into those other indexes across the country eventually.

Is this something that you're aware of, Mr. Forbes? I know that there's a lot going on and you're running a \$3-billion agency, but is this something you're aware of? Is this something for which you can at least take away my comments today about the importance of what this would mean in the region?

**Mr. Chris Forbes:** I certainly will take that away, Mr. Blois. In fact, as you might imagine, the Canadian Cattlemen's Association and others have raised this with us on a number of occasions. We certainly know that it's a priority for them and for the sector in Atlantic Canada, but also nationally, to extend this. Yes, we're well aware that it is a priority.

Mr. Kody Blois: I appreciate that.

You mentioned, of course, that there's ongoing work around trade and engaging countries and trying to make sure that we have open markets. This is a broader question for you, Mr. Forbes. In sitting here today looking at the way of the world and particularly on the other side of the pandemic, my concern is about protectionist measures in countries, which I think in some cases—and respectfully and rightfully so—are looking at domestic capacity.

That's a good thing, but given the fact that a large proportion of our commodities is export based, is this something that is on your mind as the deputy minister of Agriculture and Agri-Food Canada, and on the minds of your officials, to make sure that we have the resources and the expertise to be protecting our ability to export into these markets beyond what you're already doing?

Do we have some level of concern in the days ahead? I know that no one has a crystal ball, but can you speak to that broadly?

Mr. Chris Forbes: Thanks, Mr. Blois. I have two quick comments.

One is that I think the good news is that agriculture and food trade held up pretty well over the course of the pandemic. It was mentioned that we had record exports. Food moved around the globe as part of food security for many people, so I think there is some good news there—not that we're without our difficulties.

I would say that it is one of the top priorities—if not the top priority—for the department. We spend a lot of time engaging with export markets with our colleagues at Global Affairs, with embassies around the country and obviously with high commissions and embassies here in Canada, our representatives here, to make sure our issues are well understood and to advocate for our sector. As you say, it's a very export-oriented sector. We want to make sure they have the opportunity to take advantage of demand elsewhere in the world.

• (1725)

Mr. Kody Blois: I have about 45 seconds, according to my clock.

On CAP 2023, I know that this is inherently a political exercise as well, between provinces and territories and the federal government, but is there anything you can share with this committee from an administrative perspective, from a departmental level, that you're looking at in terms of priorities, without perhaps breaking the cone of silence on advice you might be giving your minister?

Mr. Chris Forbes: Thank you, Mr. Blois.

I think I'll say that we have a number of existing priorities around the economic strength of the sector, around its environmental sustainability and around public trust and others. Those will certainly I think remain priorities for my provincial colleagues, for me and for the sector.

This engagement on the next policy framework is starting soon. Provincially, it's happening. Federally, it will happen with stakeholders. I think what we'll see is that there's a great alignment of federal and provincial priorities and with the stakeholders and the sector. I think we'll try to refine and deepen some of the successes we've had over the past frameworks.

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

Thank you, Mr. Chair.

The Chair: Thanks to all of you. That is the end of our question round.

I want to thank, from the Canadian Food Inspection Agency, Madam Sylvie Lapointe, vice-president, policy and programs branch. Also, from the Department of Agriculture and Agri-Food, Mr. Chris Forbes, deputy minister, thank you again for coming to our committee.

As well, thank you to Ms. Christine Walker, assistant deputy minister, corporate management branch, who will now leave for the Treasury Board, I believe. We really want to wish you a good future in your new endeavour. On behalf of the committee, I wish you the best.

The officials can be excused.

I'll ask the members to stay so we can vote on the main estimates.

I believe you all have the paperwork. You pretty much know how this works, so we'll go to the different votes.

CANADIAN DAIRY COMMISSION

Vote 1—Program expenditures......\$4,094,435

(Vote 1 agreed to on division)

CANADIAN GRAIN COMMISSION Vote 1—Program expenditures....... \$5,237,236

(Vote 1 agreed to on division)

DEPARTMENT OF AGRICULTURE AND AGRI-FOOD Vote 1—Operating expenditures.......\$605,035,536

Vote 5—Capital expenditures\$49,005,131	With that, I thank you all.
Vote 10—Grants and contributions\$407,506,869 (Votes 1, 5 and 10 agreed to on division)	As a final word of parting, go, Habs, go! Do I hear "on division" on that?
The Chair: That's the end of our vote.	• (1730)
Shall I table the estimates in the House?	Ms. Lianne Rood: It's definitely "on division" on that.
Some hon, members: Agreed.	Mr. Alistair MacGregor: On division.
6	The Chair: Thanks, everyone.
The Chair: We're all in agreement, so I'll probably table it to- morrow.	We'll see you next week.

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