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Chair: Mr. Kody Blois



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• (1550)

[English]

The Chair (Mr. Kody Blois (Kings—Hants, Lib.)): I call this meeting to order.

Welcome to meeting number 115 of the House of Commons Standing Committee on Agriculture and Agri-Food.

Colleagues, you've been through this song and dance before, so I don't need to go through the reminders, but I will say, for the health of our translators, let's make sure our earpieces are away from our microphones, please and thank you.

[Translation]

To all my colleagues, especially Mr. Perron, I would like to mention that we have done all the sound tests for the witnesses and our colleagues who are present in virtual mode. I would also like to welcome Ms. Brière, Mr. MacGregor and Mr. Epp, who are substitutes. Some of them may be attending a meeting of our committee for the first time.

[English]

I just want to recognize that we're going to move quickly. We're a little bit behind because of the votes, so I will be trying to move quickly. I think we'll probably try to do one round of questions and maybe a bit of a half process on the second one, if we could.

Without further ado, pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, October 24, the committee is commencing essentially a one-session study on the priorities for the agriculture sector in relation to the fall economic statement.

With us today, we have, from the Canadian Canola Growers Association, Dave Carey and Gayle McLaughlin. You are no strangers to this committee. Welcome back.

Before us, from the Canadian Cattle Association, are Tyler Fulton, vice-president, and Jennifer Babcock, senior director of government and public affairs. Welcome back to you both.

From CropLife Canada, we welcome Gregory Kolz, vice-president of government affairs, and Émilie Bergeron, vice-president of chemistry. Welcome back, and thank you for your work.

Last but not least, from Fruit and Vegetable Growers of Canada, we have Massimo Bergamini, who is the executive director. Welcome.

You are all here in the room, so it's great to have everyone back before us.

You have five minutes, at most, for opening statements. I'm normally quite liberal, but today I'll be a little conservative. I know my Tory colleagues will like that. Anyway, you have five minutes.

I'm going to start with the Canadian Canola Growers Association. It's over to you.

Mr. Dave Carey (Vice-President, Government and Industry Relations, Canadian Canola Growers Association): Thank you for the invitation to appear today. I'll be sharing my time with my colleague, Gayle.

CCGA represents Canada's 40,000 canola farmers on any issues that impact their on-farm profitability. With offices in Winnipeg and Ottawa, CCGA is also the largest administrator of the advance payments program.

The canola sector contributes \$43.7 billion a year to the Canadian economy and provides for 206,000 jobs. Exports were valued at \$15.8 billion in 2023. Canola was also one of the top-earning commodities for farmers in 2023, with \$13.7 billion in farm cash receipts.

Canola farmers face both opportunities and challenges. We've broken down our opening remarks into five recommendations.

One is about transportation and labour. Of canola grown in Canada, 90% is destined for export. Rail is the only practical means to move canola from areas of production to export position. In Canada, we have two class I railways, which operate effectively as geographic monopolies.

In the short term, we ask that the extended interswitching pilot, introduced in budget 2023, be expanded to a 500-kilometre radial distance and extended a further 30 months with a path to permanency. This is to account for the grain industry's seasonality and contracting timelines, giving more businesses a chance to participate in providing an accurate dataset for the pilot's evaluation. Taking this action will cost the federal government no money.

In the longer term, we do need to address the frequent and now perennial labour disruptions we see at Canada's ports and with our railways. According to the Canadian Chamber of Commerce, 2023 saw the most days lost due to labour disruptions since 1986.

Our second ask would be to pass Bill C-234.

As co-chair of the Agriculture Carbon Alliance, a coalition of 16 national farm groups, I was disappointed to see the Senate amend Bill C-234. That being said, the amended bill does provide relief to farmers and ranchers through exemptions for grain drying, irrigation and feed preparation, for which there are no viable alternatives. CCGA would like to see Bill C-234 passed at the next opportunity.

It's over to you, Gayle.

Ms. Gayle McLaughlin (Senior Manager, Government and Industry Relations, Canadian Canola Growers Association): Thanks, Dave.

In regard to trade, the 2026 review of CUSMA looms large for our farmers. The U.S. is our largest export market, and Mexico is our third-largest export market, with exports valued at \$8.6 billion for the former and \$1 billion for the latter in 2023.

We have now heard clearly from both U.S. presidential candidates that they view 2026 as a renegotiation, not a review. Given this context and a new administration in Mexico, Canada should be prioritizing this agreement and ensuring that we do nothing domestically to antagonize this critical relationship. CCGA was in Washington, D.C., last week for the 33rd Tri-National Agricultural Accord and heard loudly that Bill C-282 will cause damage to our trading relationships and the CUSMA review, in particular with the U.S.

The CUSMA region will be even more important for our farmers given the significant trade challenges we will face with canola seed going to China, given our government's action on EVs and other imports. We exported five billion dollars' worth of canola to China in 2023.

In regard to Bill C-59, our sector needs clarity around this bill. Canadian farmers are among the most sustainable in the world, and part of our global competitiveness is being able to tell our story to a global audience. The intended and unintended consequences of the greenwashing provisions and the very low threshold for bringing forth a complaint raise serious concerns among farmers.

Finally, regarding business risk management, these tools are important to farmers and provide them with support when they face significant production or income losses. The risk profiles and priorities of today's farmers have changed compared to 20 years ago, when the basic design of these programs began. Closer collaboration with farmers and their associations is needed to ensure that these programs meet the needs of farmers now and into the future.

Thank you.

• (1555)

The Chair: I like the efficiency. Thank you very much.

We'll now turn it over to the Canadian Cattle Association.

Mr. Tyler Fulton (Vice-President, Canadian Cattle Association): Good afternoon, Chair and members of Parliament.

I'm Tyler Fulton, and I'm a beef producer from Manitoba. I currently serve as the vice-president of the Canadian Cattle Association, or CCA.

We're pleased to join you today to discuss our top priorities, particularly in advance of the fall economic statement. CCA's recommendations come with either low or no cost to government. However, they have a high impact for Canada's beef sector and are key to our global competitiveness, growth and continued environmental stewardship.

The focus of my remarks will be on livestock price insurance, or LPI for short. For those who aren't familiar with it, LPI offers price, currency and basis risk protection for all classes of cattle and market hogs. Cattle producers, regardless of the size of their farm or ranch, can insure a forward price for their cattle. LPI is the only program that allows producers to proactively manage their price risk, and it is particularly important for the cow-calf sector. Given the volatility of livestock markets, managing risk is critically important to producers' long-term sustainability.

This past year, the maritime provinces came on board to offer LPI to their provincial producers. This is critical if we're going to grow the herd across Canada. Now that LPI is offered in seven provinces, we're recommending that the government introduce cost-shared premiums. This includes a sixty-fourth cost-shared premium that is equal to the crop insurance program. Given a 60% premium support level and assuming a fivefold increase in producer participation, the federal and provincial governments' combined annual cost would be approximately \$70 million. That's \$42 million for the federal portion. This amount would offset AgriStability payments, because more producers would have been proactively managing this risk, and reduce the need for AgriRecovery dollars in addressing market disruptions.

Cattle producers face significant inequities compared to other agricultural commodities, jeopardizing both our economic viability and our capacity to deliver environmental benefits unique to cattle production.

For example, guaranteed returns through crop insurance with cost-shared premiums incentivize producers to convert valuable pasture land into cropland, directly impacting grassland ecosystems and the vital environmental services they provide. Without a more balanced approach, Canada risks losing valuable pasture land and the long-term sustainability of our beef sector. Between 2011 and 2021, 2.7 million acres of grassland and tame pasture were converted to crop production, resulting in significant declines in biodiversity, carbon sequestration and water management offered through grazing.

Federal and provincial governments, while remaining supportive, have expressed concern about LPI's long-term viability given limited uptake. In the United States, the USDA faced a similar challenge with its livestock risk protection program. However, participation rates grew substantially when premium subsidies were introduced in 2020. Now a substantial percentage of U.S. cattle production is insured and protected under their program. Providing equitable support to offset costs would place the program on a strong foundation and level the playing field.

In addition to LPI, we continue to face regulatory burdens due to bovine spongiform encephalopathy, even though Canada obtained its BSE negligible risk status in 2021. To fully capitalize on this status, the beef industry, in close collaboration with the CFIA, commissioned a quantitative risk assessment to evaluate the harmonization of Canada's specified risk material, or SRM, requirements with those of the United States.

The CCA recommends that government utilize the robust scientific and economic study to expediently align SRM removal requirements in Canada with the U.S. regulations. Differences between Canada and the U.S. on SRM regulations cost the industry approximately \$24 million annually, making our industry less competitive. It should be noted that recent studies have shown that our current SRM policy is the most significant barrier to investment in new small and medium-sized cattle-processing facilities.

The SRM report is very near completion, and we urge the government to commence policy and regulatory changes swiftly and ensure they are included in the government's regulatory priorities.

Thank you for your time. I look forward to your questions.

• (1600)

The Chair: Thank you, Mr. Fulton.

Just as a note of clarification, you mentioned the SRM report. Did I hear you say in your testimony that it's being conducted by CFIA?

Mr. Tyler Fulton: No. As a matter of fact, it was commissioned by contractors but in line with CFIA requirements, understanding that there's a big science component to the risk analysis. We had to make sure that the report was going to be meaningful.

The Chair: Okay. Thank you.

I think it's a really important recommendation and one that this committee should urge and push the government to do.

We will now hear from CropLife Canada, perhaps from Mr. Gregory Kolz.

Mr. Gregory Kolz (Vice-President, Government Affairs, CropLife Canada): Yes. Thank you very much.

Good afternoon, Mr. Chair and honourable members. My name is Greg Kolz. I am the vice-president of government affairs at CropLife Canada. Joining me today is Émilie Bergeron, the vice-president of chemistry. Thank you very much for inviting us to discuss the priorities of Canada's agriculture sector.

CropLife Canada is the national trade association representing the manufacturers, developers and distributors of pesticides and plant-breeding innovations. We advocate for a predictable, science-

based regulatory environment for plant science innovations in Canada. Furthermore, we champion a regulatory environment that both protects human and environmental safety and encourages innovation and competitiveness.

In a recent report, the United Nations Food and Agriculture Organization, or FAO, warns that global hunger and food insecurity are at critical levels. Hundreds of millions of people lack access to nutritious, safe and sufficient food amid world conflicts, climate change, supply chain disruptions and economic shocks, which have all contributed to high food inflation. That said, feeding Canadians and the world will require plant science innovations. Whether it's higher-yielding crops, varieties that are more resilient in the face of environmental stressors, or new crop protection tools, these are all innovations that will support Canadian farmers in their important quest to address food insecurity.

Using less land and fewer resources while achieving higher yields, which is enabled by these innovations, also makes food more affordable, reducing the average Canadian household's grocery bill by about \$4,500 a year. This is why we are urging the Government of Canada to take bold action to enable the Canadian agriculture sector to help address the food security crisis, both domestically and abroad.

How can we unleash the full potential of Canada's ag sector and conquer food insecurity? Well, it begins by cutting red tape and creating a high-efficiency regulatory environment in Canada that will enable our agriculture sector to thrive. The OECD currently has Canada ranked 35th out of 38 member countries in terms of regulatory burden. This is unacceptable. This massive gap is a fundamental roadblock to agriculture innovation, sustainability and production.

In recent years, Canadian farmers have seen considerable delays in the introduction of agriculture technologies and access to safe and effective crop protection products due to a lack of predictability and timeliness in the domestic regulatory system. These barriers to innovation are hindering Canadian growers' productivity and competitiveness. Simply put, the Government of Canada must ensure that our growers have access to the tools and technologies they need, when they need them.

Let's focus specifically on Canada's pesticide management regulatory agency, the PMRA. Over the last several years, we've witnessed the PMRA being seized by a so-called transformation agenda—bureaucratic processes and initiatives that continue to add red tape to the regulatory process and dissuade investment and innovation in Canada.

Ms. Émilie Bergeron (Vice-President, Chemistry, CropLife Canada): Since 2021, product approval timelines have slipped and Canada's reputation as a place with timely and predictable decision-making has dropped, largely due to this politically motivated transformation process. We believe the time has come to redirect transformation agenda funding to core scientific activities and revisit Health Canada's proposed cost recovery scheme—a 256% increase on fees—for a more effective, efficient and accountable approach.

Let's be clear: We're not here today questioning the scientific capability or integrity of PMRA scientists or PMRA as a regulator. We're advocating for an approach that recognizes the key role PMRA can play, and should play, in helping farmers cope with real and significant challenges that can affect food production and the overall sustainability of the Canadian ag sector while maintaining strong health and environmental protections.

Therefore, we recommend that a comprehensive review of the PMRA program and activities be undertaken with a view to eliminating all activities that are not directly linked to meeting their health and environmental safety mandate and supporting the competitiveness of the agricultural sector.

In conclusion, CropLife Canada asserts that the Government of Canada has an opportunity, and in fact a responsibility, to recognize the critical role agriculture plays as an economic engine in this country and provide the support needed to unleash the sector's fullest potential. At a time when Canada's overall productivity continues to decline, we are urging the federal government to identify agriculture and agri-food as a key economic growth sector and take a whole-of-government approach to implementing policies that promote long-term growth for the industry.

We aren't coming to you cap in hand, asking for more money. Instead, we believe the Government of Canada must seize the opportunity to rebuild Canada's reputation as a top destination for investment in innovation by reducing red tape and creating a high-efficiency regulatory environment while maintaining strong health and environmental protection.

Thank you once again for inviting us today. We look forward to answering any questions you have.

• (1605)

The Chair: Thank you so much.

It's over to Mr. Bergamini.

Mr. Massimo Bergamini (Executive Director, Fruit and Vegetable Growers of Canada): Thank you.

[Translation]

Good afternoon, Mr. Chair and members of the committee.

My name is Massimo Bergamini. I'm the executive director of Fruit and Vegetable Growers of Canada.

Our organization represents growers across the country, and our members are involved in the production of over 120 different types of crops in more than 14,000 farm operations.

I would like to thank the committee for the opportunity to discuss the major challenges facing our sector with you.

[English]

Having been in this role for fewer than six weeks, I may not yet have a detailed sense of every issue or policy framework affecting our sector, but six weeks in, I do have a sense of what keeps our members up at night. Climate change and extreme weather, chronic labour shortages, the threat of growing protectionism and a widening competitive divide immediately come to mind.

Last August, our organization provided two comprehensive briefs to the government in the context of its pre-budget consultations. Copies, in both official languages, have been provided to the clerk of the committee as a complement to this presentation. These two submissions, which include a sector-specific look at Canada's greenhouse industry and the challenges it faces, contain some 42 specific recommendations covering everything from business risk management to crop protection, energy and climate change, labour and trade. I will not repeat them here.

What I will do, however, is take a moment to focus on this committee's important report, "Improving the Resilience of Canada's Horticultural Sector".

Would I say your report addresses every issue and every concern? Probably not. What it does do, however, is provide a realistic policy road map to sustainability for Canada's diverse horticultural sector. This is why we view your report's recommendations as nothing less than the necessary starting point for any effort to improve the resiliency of Canada's horticultural sector.

Let's look at some of the top-line examples. First, your report correctly identifies problems with the current suite of business risk management programs and recommends an urgent review before they expire in four years. Second, it proposes simple and pragmatic measures to address the most glaring issues with Canada's temporary foreign worker program. Third, it recognizes the unique risk profile and competitive imbalance faced by Canadian horticultural producers, notably by recommending the adoption of Bill C-280, which would finally mainstream bankruptcy protection for our sector.

If your work, collectively in this committee and individually as champions within your respective caucuses, resulted in real movement on just those three policy areas, it would go a long way toward bolstering our sector and improving food security for all Canadians. I say this because, too often, the good and important work done in committees of the House and the Senate remains a dead letter. We want your report to inspire and inform urgent government action, and we will work with you to ensure that a light continues to shine on it.

Having said that, I do want to leave you with an additional thought. While some may dismiss this as being too technical, too processy or too inside baseball, we believe it must be given serious consideration. I'm talking here about adopting a food lens for all policy development in Canada.

As you know, from gender-based analysis to equity and climate change, the Government of Canada is no stranger to the development of public policy through dedicated policy prisms. While each of these lenses speaks to important policy considerations, few things are more fundamental to the well-being of individuals, of families, of communities and of nations than food security.

Applying a food lens to policy development would mean having the Government of Canada elevate food security to a national priority. In its simplest form, as we see it, it would mean recognizing that all key policy initiatives should answer a very straightforward question: Will this policy enhance or reduce the quantity, quality and diversity of domestic food production? We believe adopting a food lens to policy development, if done in a transparent manner and with clear accountabilities, would change everything.

[*Translation*]

Thank you.

• (1610)

[*English*]

The Chair: Thank you very much.

Colleagues, while I have the floor, there are two budgets that we need to pass quickly. I know you've reviewed them and they will have your support. Those are for our upcoming meeting and study on intergenerational transfer, and also for the priorities of agriculture that we're studying right now. Do we have agreement?

Some hon. members: Agreed.

The Chair: The other piece was mentioned by Mr. Bergamini in relation to Bill C-280.

I understand, Mr. Barlow, that when you were in the chair last week, this came up around the letters. With your approval, I'm going to send the letter on Bill C-280 right away. I think we need to have a more in-depth conversation on some of the correspondence I've received. We'll do that another time, but the letter on Bill C-280 is going out the door today, unless I see any strong opposition.

Seeing none, let's turn it over to questions. There will probably be only one round, colleagues.

Mr. Barlow, you have six minutes.

Mr. John Barlow (Foothills, CPC): Thanks, Chair.

I'll try to ask for indulgence from the witnesses to answer the questions as quickly as possible. I do want to leave a little bit of time for one of my colleagues.

Mr. Bergamini, I think you said something that we're all thinking—that it's important that we elevate the importance of agriculture in Canada.

It's unfortunate. Even you, Ms. Bergeron, mentioned that we need to rebuild our reputation. I don't know why our reputation has

been ruined over the last 10 years by, I would argue, very poor government policy that's painted agriculture in a poor light.

You also mentioned in your opening statement the concerns with PMRA's revitalization, let's say, or cost recovery policy. It's my understanding that Health Canada has increased registration fees on plant protection products. The increase is 256%.

Ms. Bergeron, can you quickly elaborate on the impact this will have on the industry in Canada?

Ms. Émilie Bergeron: Thank you very much for the question.

Yes, PMRA is proposing to increase by 256% the fees that registrants pay for maintaining their plant protection products in Canada. That will have a huge impact on access to innovation and the competitiveness of our agricultural sector.

First of all, this will place the fees in Canada at about seven to 10 times higher than the fees that my members in the U.S. are paying for the same type of products that they're maintaining in the market. This is for a Canadian market that is about 10 times smaller than the U.S. market. It would be a significant competitive disadvantage for Canada if that proposal were to go ahead.

The PMRA is planning to go to a CG1 process with this proposal later in the fall. We're quite concerned that they haven't really consulted the sector following the public consultation that took place back in the spring. We believe, and we agree with the PMRA, that the fee structure needs to be updated, and it has needed to be updated for a long time. We've made constructive proposals to the PMRA, and we've asked them to discuss them further. We believe that our proposal will let them achieve their financial goals by getting the money they need to ensure the long-term stability of their program and making sure we get innovations in the hands of growers, but without impacting the competitiveness of the sector. Unfortunately, we haven't been consulted further on this.

Mr. John Barlow: Thank you for that.

Have they given you any assurances—with these massive increases in fees, which are going to have a pretty negative impact on our competitiveness and on farmers—that any better service or any economic lens is going to be applied to PMRA decisions? Give a yes or no, really quickly.

Ms. Émilie Bergeron: No, there are no assurances.

Mr. John Barlow: A “no” is good enough. That's all I needed to know.

I want to turn to the Canadian Cattle Association.

You were talking about the importance of the livestock price protection program. We've seen the latest report that our herd numbers are lower than in 1987—pre-BSE, even. What would be the impact in terms of growing the herd in Canada if we were to implement this program nationally?

Mr. Tyler Fulton: It's our belief that this is probably the single biggest impact that we could have to reverse the trend of a shrinking herd and to encourage the young producers to come back. That's the critical issue there. You referenced the intergenerational farm transfer issue. We've gone a generation since BSE. Quite simply, we lost them, because the risk to profits was too high.

Risk management is critical in attracting those young producers back to our industry so that they can rationalize the huge investments that they need to make. We see this as being probably the top priority that would actually encourage the industry to grow again.

• (1615)

Mr. John Barlow: Thank you.

I'm going to leave my remaining time to Ms. Rood.

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

Mr. Bergamini, I'd like to start with you, please.

I've heard from many people in my own riding. I come from a produce farming background and am a third-generation farmer who's looking at the intergenerational transfers of land right now.

I'm just wondering if you could tell us how the increase to the capital gains tax is going to affect our produce farms specifically, because we know these land values are a lot more than the land values of some other commodities. What I'm hearing is that there are farms that are now in jeopardy and that this is going to shut down the family farm.

Mr. Massimo Bergamini: Unfortunately, your question falls under the rubric of those issues that I have not had a chance to deal with over the last six weeks, but I certainly understand the importance of it.

Having grown up on a fresh vegetable farm myself, I will discuss this with my membership, and I will get you an answer that we'll share with the entire committee.

Ms. Lianne Rood: Thank you.

Mr. Carey, do you or Ms. McLaughlin have a quick comment on that?

Ms. Gayle McLaughlin: Sure. I'm happy to answer you, Ms. Rood.

Yes, it is of great concern for our canola farmers as well. As I said in my remarks, land prices are going up. Inputs generally, broadly speaking, have been going up over the years as well, and this is creating extra strain and stress on young farmers in particular, our new farmers entering the sector. We believe this essentially moves the goalposts, not only for farmers who are retiring but also for farmers entering into farming, and we have concerns that this will just increase costs for them at a time when costs are already rising.

Ms. Lianne Rood: Thank you.

The Chair: Thank you.

I'll now turn to Mr. Drouin, please.

You might be splitting your time with Ms. Murray, I understand, but you have up to six minutes.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): [*Technical difficulty—Editor*]

The Chair: We're having some issues. You might be on mute, my friend from Glengarry—Prescott—Russell.

It's not working, Mr. Drouin. We might have to cede to Ms. Murray. We'll give you a few more seconds to try.

We'll go to Yves. We'll give him a precedent, and then we'll turn back to our Liberal colleagues.

[*Translation*]

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

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

We now ask our questions before the government members. God knows what the future holds.

Good afternoon and welcome to our witnesses. Thank you for being with us today.

I'll address my questions to Mr. Bergamini first.

I congratulate you on your new position. We're delighted to see you.

You talked about the risk management review that is to happen by 2028, which we're starting now. Everyone on the committee will agree with me that we've been rambling on about the same thing for a long time.

Where do we stand? Has the government started consulting you? Is anything happening, or is there radio silence? Will the government wait until the last three months of 2027 to begin consultations? If so, there will be a three-year delay, just like last time.

Mr. Massimo Bergamini: From our side, we have had no indication that a revision was under way.

I think that, in the course of its meetings, your committee has clearly identified the problem. We're talking about programs that used to be called safety nets, which are not adapted to today's reality, an extremely dynamic reality.

The other aspect that's important to stress is that the reality of 20 years ago is not the same as the one we're working in now. Structures and processes will have to be put in place to ensure constant revision. That's why we emphasize the need for an analysis grid that puts agriculture first. In the absence of this, we check and carry on.

• (1620)

Mr. Yves Perron: Thank you very much.

I'll try to proceed quickly. There are a lot of witnesses, and we don't have much time.

Mr. Fulton, in the case of cattle, we're talking about the bovine spongiform encephalopathy standard, or BSE, and the specified risk material standard, or SRM. I don't know if it's because I'm a bit tired these days, but I get the impression that we're going round in circles. I don't know how many times we've raised this issue in committee. We've already made the recommendation to review these standards. Now you're asking us to review them again. I take it, then, that no evaluation or review of these standards is currently taking place.

Is that what you're telling me?

[*English*]

Mr. Tyler Fulton: To be clear, there is now a new risk assessment. Its public release is imminent, but not yet. What we hope is that the government will take the results of that and immediately reflect them in the regulations going forward.

[*Translation*]

Mr. Yves Perron: I want to make sure I understand you correctly.

You say that a risk analysis is done. However, it didn't come from the government. So the government hasn't yet taken any action in this regard, but, following this analysis, you want it to act quickly.

Is this correct?

[*English*]

Mr. Tyler Fulton: Yes, absolutely.

[*Translation*]

Mr. Yves Perron: Thank you very much.

Mr. Carey, you talked about interconnection with regard to canola. You're asking that the measure, introduced as a pilot project, be extended for 30 months and ultimately made permanent. We're talking about measures that cost nothing and are easy to apply.

I have two sub-questions for you. Why not make this measure permanent now, since the pilot project already exists? Also, are the 160 kilometres in question sufficient?

In fact, I've met people who are talking about 500 kilometres. I wonder if that's reasonable, since it's going to cost the railways a lot of money.

I'd like to know what you think.

[*English*]

Mr. Dave Carey: Our ask is for a 30-month extension. Right now, the pilot expires at the end of March 2025. That's a cliff. At this point, there's no ability to prolong that, so shippers are very reluctant to use interswitching because of the threat of retaliation from our two class I railways.

We're asking for a 30-month extension, which would give us 48 months of data. That also lines up with the statutory review of the Canada Transportation Act. We're asking for 500 kilometres, because 160 kilometres does not allow the Peace Region of northern

Alberta to have access. It has no competition, and right now the pilot is only in the Prairies.

It is at no cost for government to do; it is simply a regulatory change.

[*Translation*]

Mr. Yves Perron: Does the distance of 160 kilometres seem sufficient to you?

[*English*]

Mr. Dave Carey: We're asking for 500 kilometres.

[*Translation*]

Mr. Yves Perron: Thank you very much.

Ms. Bergeron, you talk about facilitating the application of regulations, making them more practical and science-based. We all agree on the substance. Of course, this depends on transparency, and I know that your organization also advocates transparency. You'll remember the little differences we've had on this subject.

Could you tell me how this registry works? Don't you think it would be better for the government to keep this registry? It would be exactly the same, would require nothing more of your organization and would ensure transparency for the public. It might also avoid misunderstandings, like those we've seen in the past.

The Chair: There are 30 seconds left.

Mr. Gregory Kolz: Thank you for your question.

I think that, in this case, my colleague Ian Affleck is more familiar with this issue than Ms. Bergeron and me. We'll get back to you shortly with an answer.

The Chair: Thank you very much.

[*English*]

One thing I would like for a follow-up from the CCA.... Again, I think the specified risk material does matter, as it's on competitiveness. As I understand it, Mr. Fulton, once the scientific report is released publicly, that would then justify the regulatory change that your organization is seeking. I think it would be helpful for this committee to know what that regulatory process looks like. Maybe we don't have the time to get into all the nuts and bolts of it, but the more of that road map we have, the more I think it'll allow us all to advocate strongly in your corner.

Mr. MacGregor, you have up to six minutes.

• (1625)

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Aren't you going to the Liberals?

The Chair: No, Mr. Drouin is still.... I don't know where he's at, so I'm going to go to you for six minutes.

Don't worry. My good Liberal colleagues will get their chance.

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

Welcome back. It's good to see all of you again. Thanks for coming here to outline your priorities.

Mr. Carey, I'd like to turn to you. In your opening statement, I did hear you mention Bill C-234. I've certainly committed on behalf of my party to honour our third reading vote in the House of Commons, so if the bill ever comes back for a vote, we would vote to reject the Senate amendments. However, did I hear you correctly that you're prepared to accept...that even a part of the bill would be better than nothing at all at this moment?

Mr. Dave Carey: For our 40,000 farmers.... Of course, the unamended bill is what passed in the House of Commons, what went through this committee. That is what we would like to see. However, given the Senate amendments and the uncertainty in the Senate, we, as the canola growers, are asking for the amended bill to be passed. Even if the House of Commons rejected those amendments, it would go back to the Senate, and all indications are that it would be further amended at third reading by the Senate. Then we'd end up in a protracted game of ping-pong between the two chambers.

Farmers need the relief now. It's been challenging, with the capital gains changes and with a number of other issues, such as labour issues, so canola growers are supportive of moving the amended bill forward as soon as possible in the parliamentary schedule.

Mr. Alistair MacGregor: Okay, so if parliamentarians could stop speaking to the bill so that we could come to a vote, that would be a good thing for you.

Mr. Dave Carey: The sooner the bill is passed, the better. Then we have to work out, with the CRA, implementation. That's not an easy hurdle—to deal with the CRA post-implementation, post-royal assent—but that would be our ask of parliamentarians, yes.

Mr. Alistair MacGregor: Okay, that's perfect. Thanks for clarifying that.

With respect to interswitching, I get the comments that, with the short timeline that you have had and the shorter distance, it's been hard to get a complete, holistic picture of data. With regard to the regions where you have been able to collect data, can you report anything back? What's it been like so far?

Mr. Dave Carey: Even at the peak of interswitching, during 2014-17, only 1% of grain was moved through it. Typically, it's the canola processors who are big movers of it. It's a corporate negotiation strategy. A shipper can say to one class I railway, "We need 500 grain cars this week." If that railway says, "We can only send 300", the shipper can then call the other class I railway and say, "We need 500. How close can you get?"

With the duration of the pilot being only 18 months and with no path to permanency or no horizon for an extension at this point, many shippers are scared to use it, for fear of retaliation from the class I railways after the expiration of interswitching. Again, it is a negotiation tool. It's not something that is typically used a lot, but it provides the only way our shippers can say.... We have geographic monopolies that, at the best of times, operate as a duopoly. In the worst-case scenario for farmers, if a grain elevator processor gets full, they can't deliver their grain even if they have a contract. Then they can't pay their bills. Increasingly, we're seeing, in your neck of the woods, that all the anchorage or demurrage from vessels is as a result of poor grain car fulfillment from railways.

For us, 80% is good. CN has been pretty good post-labour action. CPKC is still in the 70% of grain car fulfillment. When those ships

anchor, those demurrage costs, up to \$15,000 a day, get passed on through the value chain. Then they have to go back to sea. They cause Vancouver Island residents heartache, etc.

It's a significant issue. It affects our global reputation as an on-time, reliable trading partner.

Mr. Alistair MacGregor: Yes. That is still a very hot topic for my constituents.

I'd like to turn to the Canadian Cattle Association.

Mr. Fulton and Ms. Babcock, welcome back.

I heard your opening comments about the encroachment of cropland onto grazing land. I also want to focus on the tremendous efforts you've made in working with organizations like the Nature Conservancy of Canada and showing how a well-managed, symbiotic relationship between large herbivores and Canada's traditional grasslands can really intensify the ecological health of the area.

Do you feel that government policy is giving enough recognition to those types of efforts and the types of measures you're putting in to place to preserve Canada's traditional grasslands?

Mr. Tyler Fulton: No. We've advocated fairly consistently, definitely over the last five years, to get recognition and to really address the grassland loss that happens largely from a conversion to cropland.

As I relayed in my statement, we think a big part of that is simply the incentives that crop insurance provides within that program to roll the dice and try growing canola, for example, on marginal land that you know wouldn't otherwise really be able to support it. I grow both beef cattle and canola. When there is a program in place that favours one over another, it will influence my decisions on it. Really, the hope is that we can level the playing field so that the market decides what the best use of that land is. Hopefully, the market can reflect the value of that pasture in nature.

• (1630)

Mr. Alistair MacGregor: Finally, I know that this committee, in previous years, especially after the pandemic, was looking at Canada's processing capacity. Do you have any comments you want to make on Canada's current state or on anything the government needs to look at?

Mr. Tyler Fulton: Really, I would just lock down what I was saying earlier. Square one is getting these SRM regulations matched with the U.S. Without that, we cannot attract the investment that we need into our sector in order to grow that processing sector, which is critical. In particular, for the small and medium packers, I have friends who have expressed a desire to grow but also the concern that they can't compete.

The Chair: Thank you, Mr. MacGregor and Mr. Fulton.

We will now go to Ms. Murray online.

I understand that Mr. Drouin is still not able to join us, but I know we'll be in capable hands with you, Ms. Murray. It's over to you.

Hon. Joyce Murray (Vancouver Quadra, Lib.): Thank you very much, Mr. Chair.

Welcome to all the witnesses. Thank you for being here and for sharing with us the information about your members' priorities, which is, of course, very helpful to the government.

I was listening to hear if any of the priorities linked in to our previous discussions on carbon border adjustment and preparing to help defend Canada's agriculture sector in the context of that potential, which we know is not for sure, and we know the sector is not thrilled about the idea. However, preparing for that also means reducing greenhouse gas emissions out of Canada's agriculture sector.

In regard to the cattle industry, for example, I totally understand why livestock price insurance would be a top priority. I'd love to hear what the industry is doing to reduce methane release and the very potent greenhouse gas emission that it is. I'd also like to hear about the plant science innovations. I'm sure there are innovations to reduce climate gas production.

For the Fruit and Vegetable Growers of Canada, whether it's transportation or fertilization, could you give us some highlights as to how you're helping prepare to reduce the impact of potential carbon border adjustment?

The Chair: I'll try to help facilitate.

Go ahead, Mr. Fulton. You look like you're ready to go.

Mr. Tyler Fulton: Thank you.

Absolutely, the beef sector relies very heavily on export markets, on trade agreements. We export roughly 50% of our cattle, or beef, abroad. We are very focused on all aspects that could influence that, not the least of which is, for example, Bill C-282. That's a big concern to our industry. But we are also concerned about carbon border adjustments.

Specifically, you mentioned methane. What I can speak to is a protocol that is designed to allow ranchers and cattle producers to benefit if they can show a reduction in methane production. There are a lot of good, technological, advanced products that we can point to that actually help to reduce that, but it's important that those incentives are aligned with.... Producers can't afford to spend the money on that technology without somehow realizing a benefit.

In general, we identify the fact that we need to do our part, and that's why I would point to the grasslands and the fact that we use

these natural environments that sequester carbon as our places of work, where we produce that beef. We have a great story to tell, and we can talk more about it.

• (1635)

The Chair: Folks from CropLife, there was a reference to you. Would you like to weigh in quickly?

Mr. Gregory Kolz: Yes, thank you.

I would say that, on the whole, the agriculture industry is quite focused on, if not seized with, the idea of being environmentally responsible and sustainable—certainly from a plant science perspective, whether it's the use of plant breeding innovations in order to grow more on less land, under rather adverse conditions, or the ability, for instance, for us to protect the crops we have and ensure a higher yield.

No farmer wants to see their crops go to waste. We want to make sure that we can provide, as I mentioned in our opening remarks, food not only for our country, but for the world. The environmental component and the sustainability element are key to ensuring the long-term success of the industry.

Hon. Joyce Murray: I appreciate hearing that, because I heard your priorities as being food security and affordability, which are critical, but I didn't hear sustainability until now, so thanks for sharing that.

The Chair: Thank you.

Mr. Louis, you have about a minute and 20 seconds.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you very much for your time.

I have a quick question for the Fruit and Vegetable Growers executive director, Massimo Bergamini.

I'm really intrigued by what you said about the idea of putting a food lens on all public policy to make food security a national priority. I think that really resonated with people on both sides of this table, the question of whether the policy would enhance or reduce food production.

I appreciate your sharing this at the federal level. Are you having these discussions at all at the provincial level as well?

Mr. Massimo Bergamini: Not yet, but we intend to. It should be for all orders of government.

Mr. Tim Louis: Okay, thank you. I appreciate that. I think feeding people is a non-partisan issue.

Here is a quick question, in my remaining time, for the Canadian Cattle Association.

Herd levels are down in Canada to levels that haven't been seen since, I think, 1987. In the U.S., their levels are actually down to where they were in 1951, I believe.

If the government were to move ahead with the livestock price insurance, what kind of evidence do we have that this would ensure the growth of this sector? Have you done a study? Is that something that is public, or is it something you can share with this committee so we can advocate?

Mr. Tyler Fulton: I would make reference to some materials that we shared, which reflect the uptake of the program. It's a very similar program in the United States. It shows that when there were cost-shared premiums, it really increased the use of the program.

I would just point back to the fact that the cattle business is risky. What we would identify as our biggest risk is the price risk. Currently, in particular, ranching, or the cow-calf side, doesn't have the tools to really address those risks. This is one that the industry is fully supportive of and that puts us on a level playing field. With the combination of that and land use, but also the lens on a young producer starting up and how leveraged they are, I'm really confident that we'll see a recovery and growth in the cow herd.

The Chair: We're at time.

Thank you, Mr. Louis. Thank you, Mr. Fulton.

Here are two quick questions from the chair.

Do you have a per-animal opportunity cost of SRM? Is that something you can provide to this committee? Knowing how many actual additional costs there are, in terms of not having SRM aligned with the U.S., would be helpful for this committee. You don't need to answer. Maybe my Conservative friends already know.

My second question is for the Canola Growers Association. APAS was on the Hill last week as part of the CFA days. One of the things that were raised was the idea that the rail companies pass the entirety of the carbon price as part of their pricing model down to shippers. Is it your understanding that this is true? Is there any policy argument to say that, although maybe some costs should be passed down, certainly the intent of the carbon price is to actually adjust and drive innovative behaviour, and if that's not happening, the entirety of the cost should not be passed on the sector? Is there validity to that argument?

• (1640)

Mr. Dave Carey: That's my understanding. The newest issue we're dealing with is that the railways are really pushing differential pricing, which means they want to flatten the curve, as opposed to farmers needing access to rail capacity when they're harvesting. We're seeing on the horizon very significant increases to costs from railways for shippers, which impact farmers during peak times of harvest. We have no opportunity to do anything about that. When we're harvesting, South America and Australia aren't, which is when we need to get to market. Significant costs are passed down, absolutely.

The Chair: Okay, thank you very much.

On behalf of all my colleagues, I'd like to thank the witnesses for their work and their testimony here today.

Colleagues, we're going to suspend very quickly, and we're going to turn to the second panel in about two minutes.

The meeting is suspended.

• (1640)

(Pause)

• (1645)

The Chair: Colleagues, we're going to get started with the second panel.

First of all, from the National Farmers Union, we have Katie Ward. Welcome back to the committee.

• (1650)

[*Translation*]

From the Association des producteurs maraîchers du Québec, we welcome Ms. Catherine Lefebvre and Mr. Patrice Léger Bourgoïn.

[*English*]

From the Canadian Federation of Agriculture, we have Keith Currie, president, and Brodie Berrigan, senior director.

Last but not least, from P & D Dykstra Farms Inc., we have Phil Dykstra.

We're excited to have you all before the committee.

Colleagues, we're going to move quickly again. Timewise, we're a bit behind. I know our witnesses will do a good job with no more than five minutes. I will be a little bit stricter today.

We appreciate hearing some of your concrete ideas on low-cost or no-cost measures to support your industry.

[*Translation*]

I now yield the floor to the representatives of the Association des producteurs maraîchers du Québec, who have five minutes.

Ms. Catherine Lefebvre (President, Association des producteurs maraîchers du Québec): Good afternoon, Mr. Chair.

Members of the committee, as citizens, we are all concerned about the financial health of the state. In this context, we won't be submitting requests that would have the effect of increasing the pressure on the current situation. Instead, we will focus our recommendations on the efficiency of the state's human and financial resources, to ensure that the population's food resilience lives up to its expectations. For us, the issue is paramount. The government must set clear performance targets for its public policies, particularly those that direct it towards measures that have concrete and direct effects on the competitiveness of our businesses, while preserving the collective interest.

First, let's address the issue of fairness. As we have repeatedly stated, it is imperative to strengthen controls on imported fruits and vegetables. Canadian regulations do not provide for the same requirements and control measures for companies growing fruit and vegetables in Canada as for imported products. The Safe Food for Canadians Act is just one example. This law imposes numerous traceability requirements on local producers. Numerous inspections and controls are carried out to verify producers' compliance with the act. However, in the case of imports, reliance is placed on importers rather than directly on producers. In our opinion, this is unfair. It is becoming increasingly urgent to document situations of unfair competition. In this respect, our proposals do not involve additional or extraordinary expenditures. We are simply asking for a reallocation of existing resources so that border controls related to food safety, phytosanitary protection and the presence of pesticide residues are strengthened in order to better protect Canadians and ensure fairness in the treatment of imported and domestically produced foods.

Second, let's talk about regulatory distortion. Regulatory distortion occurs when Canadian requirements affect the competitiveness of local businesses. Canadian vegetable producers operate in a highly integrated North American market, so it's essential that Canada's trade rules don't harm their competitiveness. Take the Pest Management Regulatory Agency, for example. This agency imposes Canada-specific requirements for registering a crop protection product. It goes without saying that the health of workers and the public must take precedence over all other considerations. However, the economic impact of decisions must also be taken into account. Most crop protection products are imported from the four corners of the globe, but mainly from the United States. Canada is a small player on the world stage. If Canadian requirements and registration costs are unjustifiable in the eyes of manufacturers, it will be easy for them to give up and not make their products available in Canada. With manufacturer consolidation having taken its toll, the possibility of finding a substitute product becomes slim.

Mr. Patrice Léger Bourgoïn (General Manager, Association des producteurs maraîchers du Québec): We're very concerned about the way the Pest Management Regulatory Agency, or PMRA, operates. We certainly adhere to the principles of scientific rigour and independence in order to protect the health of our fellow citizens, however, we believe that a rigorous but more time-efficient analysis process can be put in place.

Submission times for plant protection products are far too long to allow us not only to adapt adequately to commercial changes, but also to climate change. At present, the PMRA is unable to meet its own timeliness performance targets. We are asking for a corrective plan to improve the efficiency of the current process in handling minor use applications for crop protection products.

Thirdly, let's talk about improving risk management programs. In a context of increasing climate risks, it is necessary to adapt current parameters. Climate change is exacerbating environmental problems and creating new challenges.

More than ever, government programs need to be linked more effectively to companies' personal risk management strategies. Crop insurance and AgriStability need to be reviewed to better reflect new needs. Coordination with the provinces and flexibility to im-

plement innovative solutions that meet producers' needs are required of Agriculture and Agri-Food Canada.

In conclusion, make no mistake. We are not advocating across-the-board deregulation, nor are we reducing the role of government. Sound, effective regulation is the mechanism par excellence and the bulwark by which the public interest is protected. When well designed, regulation aims to manage risk appropriately. We are simply asking for better collaboration with economic players.

For example, if the PMRA were to take into account—

- (1655)

The Chair: I'm sorry, Mr. Léger Bourgoïn. Unfortunately, your time is up. During the question and answer period, you'll have time to say more.

[English]

We're going to the Canadian Federation of Agriculture for up to five minutes, please.

Mr. Keith Currie (President, Canadian Federation of Agriculture): Thank you, Mr. Chair, and thank you to all the committee members. It's good to be back in front of this committee.

As most of you know, my name is Keith Currie. I'm the chair of CFA, and I'm an eighth-generation farmer here in Ontario. As the chair mentioned in the previous session, we recently conducted our Hill day here in Ottawa, last week, where we met with many MPs and senators to discuss our priorities. In a lot of cases, they are part of our pre-budget submission, which everyone can find in front of them, which has a list of these priorities.

I'd just like to situate our recommendations in some broader context. Producers are facing challenges across the country, including interest rates and debt-servicing costs that are the highest they've been since the 1980s. Farmers are also facing more frequent and severe weather events, while at the same time anticipating the next labour disruption in the supply chain. Our sector is also struggling to find workers, with the most recent statistics pointing out a total of nearly 30,000 jobs going unfilled on the farm, costing the sector almost \$3.5 billion in lost revenues. All this is happening against the backdrop of declining agricultural productivity growth when the demand for agricultural products and the food security concerns have increased.

We have several recommendations to target these challenges.

By raising the interest rate portion of the advance payments program and reintroducing the accelerated capital cost allowance, we would help farmers with cash flow and their ability to invest in their operations.

In addition, we recommend maintaining the priority focus on agriculture within the temporary foreign worker program to support farmers' seasonal labour needs, while at the same time supporting pathways to permanent residency for industries with year-round labour requirements.

We would also like to expand the extended interswitching pilot program to encourage competition among railways and enhance the overall efficiency of the Canadian supply chain.

Lastly, on the short-term list, we cannot wait until 2028, when the next five-year FPT framework will be implemented, to address the sector's disaster relief needs. That's why we are recommending that the Government of Canada, in partnership with the provinces, territories and industry, immediately convene a disaster relief summit and strike a task team to look at options to better respond to environment-related disaster events.

We also have several recommendations that might improve the long-term health of Canada's agriculture sector.

First, we need to reduce unnecessary costs and regulatory barriers that threaten our ability to compete internationally. The PMRA and CFIA are key government regulators under the health portfolio that directly impact the availability of pest control products, as well as the labelling, packaging, licensing, certification, etc. of Canadian agriculture and agri-food products. While these functions are critical to maintaining Canada's domestic and international reputation as a supplier of safe, quality agriculture products, decisions are made without sufficient consideration of the economic impacts or the competitiveness of Canadian businesses.

We would also recommend that the responsibility for both the CFIA and the aquaculture sector be transferred to AAFC, to ensure that policies are better aligned with economic objectives and to ensure that all of Canada's agriculture commodities are handled by the same department. Aquaculture is agriculture.

Our second priority involves the Canada Grain Act, which is increasingly outdated and challenged to both protect grain producers and respond to evolving global demands for their products. Another priority involves updating the Canada Grain Act to address key areas of concern to producers, while reaffirming the Canadian Grain Commission's mandate to maintain standards and regulate grain handling in the interests of grain producers.

Furthermore, if we want to reverse the trend of declining productivity growth in Canada, we need to invest in innovation and data-driven technologies. There are several challenges standing in the way of progress, including connectivity limitations, high upfront costs with purchasing precision agriculture equipment, farm data ownership concerns around trust, and how data is being used. As a result, we published a report called "Data as a Foundation for Sustainable Productivity Growth", which includes several recommendations, including the creation of a pan-Canadian data strategy that would coordinate investment in digital skills, research, programming and farm-level data measurement to support Canada's productivity and sustainability objectives.

Finally, we all know that thousands of farmers and ranchers across Canada are heavily reliant on exports, while thousands more rely on rail service to get across critical inputs for essential farm

practices. We need to find solutions that will reduce the risk of future labour disruptions, which are destabilizing for the Canadian economy, the Canadian public and Canadian farming. For that reason, CFA has been calling for the development of a critical food and farm input strategy that would prioritize the transportation of agriculture food products during labour disruptions and ensure Canadian producers have a long-term, stable source of supply for critical farm inputs needed to produce quality agriculture and agri-food products.

Thank you. I look forward to your questions.

• (1700)

The Chair: Thank you very much.

We'll now turn to the National Farmers Union.

Ms. Ward, it's over to you.

Ms. Katie Ward (Past President, National Farmers Union): Thank you very much.

Good afternoon, honourable members of the committee.

I appreciate the invitation to speak to you today concerning the priorities of the agriculture sector on behalf of the National Farmers Union.

As a general farm organization, with thousands of direct members from coast to coast to coast engaged in farming across all commodities and at all scales, the National Farmers Union believes in strong communities, sound policies and sustainable farms. In our view, the priorities of the agriculture sector over the coming years will be centred around concentration, disruption and resilience.

Concentration of suppliers and market outlets for farms and ranchers has been an ongoing concern for a long time now. The cycle of mergers and acquisitions is most recently highlighted by the proposed Bunge-Viterra deal. If the acquisition is allowed, Bunge will become the world's largest agricultural commodity trader, and the minor concessions so far required by the recent European Commission's approval of the deal will have a negligible effect on its ability to use its massive footprint to influence markets, prices and production to advance its own interests at the expense of farmers and consumers.

Corporate concentration in the food-processing and retail sectors has long been an issue for elected leadership and for regulatory bodies to grapple with. Meat-packing plants and grocery retailers are so concentrated that both farmers and consumers are withering under inelastic and uncompetitive pricing structures.

Data ownership, aggregation and transparency are likewise impacted by corporate concentration. From shared data platforms to precision agriculture and advanced data analytics tools, including artificial intelligence and its outsized energy requirements, farmers and ranchers need our elected officials to effectively protect our interests to ensure that we do not end up in the same boat as the general public on social media platforms, with us and our information being a product that's sold to others for their profit while we see negligible benefits. Aggregation of this data increases the risk of exposure that farms and ranches face. Ransomware and malware attacks can affect any aspect of our operations that has a connection to our increasingly online way of doing business.

Data aggregation and sale also have implications for farmland ownership consolidation trends, which have been accelerating in Canada for many years. This ownership concentration is particularly concerning when investment funds and housing developers accumulate farmland, which then inflates the shrinking inventory of farmland that's desperately needed by new and aspiring farmers who could otherwise start new enterprises.

There's great irony in farmland financialization as a strategy by investment funds to hedge against risk in other industries, when farms and ranchers are exceedingly susceptible to geopolitical shocks such as shipping interruptions due to overseas military conflicts, tariffs and other trade disputes between nations, and of course climate events causing disruption to our supply chains, to our ability to market our crops and even to our ability to produce a crop at all. Financialization of farmland is clearly not benefiting farmers in the aggregate, as farm debt currently sits at \$146 billion, interest rates are high and land prices are increasingly decoupled from the productive value of land itself.

The negative impact that climate events are already having on the infrastructure that our industry depends on needs to be recognized as a clear risk to our food security and food sovereignty. Direct effects of extreme weather events caused by climate change have been hitting our farms and ranches for years now, and it will not surprise members of this committee that farmers remain concerned about the inadequacy of existing risk management programs in terms of accessibility, speed of process and financial coverage in the event of both localized and widespread disasters.

When we scan movement by private insurance companies worldwide, the fact that they are departing from entire jurisdictions based on flood or wildfire risk tells us we must both maintain and improve upon effective public risk management programs for agriculture. However, we got into this risky scenario together, and we can work together to mitigate the consequences and to adapt to the disruptions we now face.

As members of this committee know, the NFU is a passionate advocate for a farm resilience agency based upon the incredibly successful Prairie farm rehabilitation administration. We need a Canadian farm resilience agency to facilitate a transparent and independent knowledge exchange and the adoption of ecological practices that will reduce emissions on our farms.

We are also calling on government to reinstitute efficacy testing for non-fertilizer farm inputs that would make use of existing expertise among staff at CFIA and AAFC, which prior to 2013 were a

statistically reliable alternative to fossil fuel-based fertilizers. Farmers are facing more than enough financial risk. We should not continue to force them into a buy-and-try approach to reducing emissions on an ad hoc basis.

• (1705)

On a strategic level, we are nearing the end of the second year of the sustainable agriculture strategy process, and the NFU believes it's increasingly important that the government complete and release the SAS. Going further, we believe the strategy should be used as a basis for expanded programs, policies and funding to help farmers adopt emissions-reducing, resilience-building and biodiversity-protecting practices. Along with Farmers for Climate Solutions and Canadian Organic Growers, the NFU has advocated that the government should consider funding levels on the order of \$860 million in order to meet the sustainability needs of the sector under this strategy.

Of course, sustainability in the agriculture sector cannot be achieved without a plan for generational succession on our farms and ranches. All the topics I've touched on are at the top of mind for our young members, as well as aspiring farmers and ranchers who might not be so young anymore. The NFU's youth and BIPOC caucus members are very engaged around land access issues, the lack of an equitable strategy focused on the farm labour crisis, and the lack of a comprehensive strategy around succession in agriculture, which has resulted in aging farmers relying on the financialization of farmland to fund their retirement, which is further driving farmland out of reach of the next generation while putting our food security and food sovereignty at further risk.

Thank you very much. I look forward to your questions.

The Chair: Thank you very much.

We'll now turn to Mr. Dykstra for up to five minutes, please.

Mr. Phil Dykstra (President, P & D Dykstra Farms Inc.):
Thanks, Mr. Chair.

Ladies and gentlemen, thanks for having me here.

I want to update you a little on what we're doing. I think you were briefed earlier—maybe last year—by the Ontario Pork Producers' Marketing Board in terms of the situation on Ontario hog farms. You will be well aware that, 10 years ago, we lost Quality Meats. That has moved a lot of hogs to Quebec in the last couple of years. Olymel closed a couple of hog-packing plants, which has essentially dispersed Ontario hogs: 25,000 hogs a week are now being sent to other places, mostly to the U.S., while some go to Manitoba.

Anyway, the freight bill is significant. We're exporting into the U.S. ourselves, now. We feel there's been a loss of jobs and added value, and we also feel we're subject to trade and border risks as our live animals cross. We know we've seen trade action on live hogs. Probably every 10 to 12 years, we see something, whether it's MCOOL or anti-dumping, you name it. There are certainly going to be a lot of eyes on the presidential election next week to see how that plays out. Certainly, discussion around Bill C-282 and some of these things gives us pretty big concerns.

What has happened now is that a number of us primary producers—15—have joined together and purchased a small plant just outside of Arthur, Ontario, called Domingos Meat Packers. Domingos Meat Packers was a small provincial plant harvesting 1,900 hogs a week. We now have that business running up to 3,000 hogs a week. We are in the process of pushing dirt, pouring concrete, laying down footings and building a new federal plant just outside of Arthur, Ontario. The goal of this new federal plant will be to harvest, at its capacity, 12,000 hogs a week on a single shift. That, plus the small provincial plant, will bring us to a total of 15,000 a week. We have made a significant investment.

I'm the son of an immigrant farmer. I have a couple of sons farming with me. My wife and I are fortunate to have six grandchildren. God willing, a couple of them will stick around. However, this whole strategy is about sustainability, integrating our business and making sure we're relevant in years to come. Collectively, we put down \$25 million of hard capital. We're in the process of drumming up more cash to put in, and we have leveraged Farm Credit Canada for a sizable loan. All of this is to invest in a new \$60-million facility that will add value to our pork, reduce our transportation costs by \$13 million and reduce our border risk. We're going to add 300 direct jobs in the area of Waterloo and create another 20 management positions. We are feeling pretty grateful and blessed that we can move ahead with a project like this, that we have been able to leverage some good people at Farm Credit Canada, and that we have a good place in Ontario to grow.

We still have a few more priorities that need some attention. We probably won't be able to get those done near-term. We're wondering if there are ways and means we can work together to build, perhaps, a water treatment plant, which would help us reduce the need for water and recycle water. We're looking at things like truck washes to minimize disease risk and enhance our biosecurity. We're in the process of setting up a training centre. We're likely going to need to invest about \$500,000 to train people over the next three years, so there's a lot going on.

Anyway, I don't know how much time I have used. Everyone talks very fast at these meetings. It's pretty impressive. I'll just say

that, if there are any questions afterwards, I will be happy to entertain them. I could talk about this all day.

Again, thanks for welcoming me here and letting me share this opportunity we're working on.

● (1710)

The Chair: That was very well done, Mr. Dykstra. It was four minutes and 53 seconds, so it's right on time. You fit right in here. It's great to have your testimony.

Colleagues, we are going to turn to questions. Four six-minute rounds are about 24 minutes. I will probably allow for one round and a truncated second round for any follow-up questions we didn't get to, in order to be fair to our colleagues in the larger parties.

I'm going to start with Mr. Barlow from the Conservatives for six minutes.

Mr. John Barlow: Thanks, Mr. Chair.

I'm going to be splitting my time with Mr. Epp.

I want to start with Mr. Currie.

You mentioned the PMRA. We had CropLife here on the previous panel, and I didn't have time to ask another question, but I'm going to ask it of you. Over the next five years, \$80 million has been allocated to the PMRA. We certainly heard how the PMRA is increasing the registration fees for plant protection products by 250% and about the impact that's going to have on Canadian farmers. Do you have an idea of where that \$80 million is being spent, and is there some consultation happening with the CFA?

Mr. Keith Currie: The answer is no. I don't know where that money is being spent.

What we have found increasingly with governments in general is a lack of consultation on just about everything, this included.

I think that, as we go forward, it's not about where we're going but about how we get there and how we get there together. Certainly, if the PMRA could be a little more transparent on all this coming about, I'm sure we could find a pathway that would be effective for all parties involved. However, this kind of increase in fees is only going to come back to the producers I represent. At the end of the day, they're going to have to pay this because these costs are not going to be borne by the companies that are applying for these new products that are coming on board.

I don't understand where the fees are coming from, and I don't understand where the money is being spent.

Mr. John Barlow: One example would be with lambda-cy-halothrin. That is one important crop protection product on which it seems the PMRA knows it made a mistake with regard to how that reassessment was done.

I think we heard this from our previous witness, but I want to ask you as well. With this increase in fees and this additional funding, we would be 10 times more expensive than our closest competitor and trading partner, the United States, making us that much more uncompetitive. Are you seeing any better service for this increase in fees or these additional government dollars that have been given to the PMRA?

• (1715)

Mr. Keith Currie: Certainly, CropLife would be better able to speak to the actual service on the ground. However, from what I'm seeing and hearing from my members, the answer is that the service has not changed.

I think it leads into what was mentioned in the previous session. I know there's a private member's bill, Bill C-359, that's been going through the House. It would lean heavily on our trusted partners around the world to help us expedite some of these products that we don't have but potentially could have because our partners are using them. Again, this is a competitive disadvantage.

These are the kinds of things that, through discussions, we hope you could talk about with folks like those at the PMRA in order to make life easier for us on the ground: to be more competitive, to be more productive and to be more efficient.

Mr. John Barlow: Yes, it's a good thing we have good ideas like Bill C-359. That should be a government bill, but unfortunately a government member had to do it as a private member's bill.

With regard to another issue, we do have a study perhaps coming up in the next little while. We've been talking about interswitching, but there's an important date coming up when the railways are relinquishing responsibility for rail crossings that are on private property and farmland. Can you just give us a quick assessment of the impact that this could have on your members—certainly as Canadian farmers—having to take the responsibility for the upgrading of these crossings?

Mr. Keith Currie: My understanding is that the premise around these crossings is primarily around siting, which makes sense from a safety aspect. However, we've had members—particularly in Ontario, where it seems to be a bigger issue than in other provinces, but not exclusively in Ontario—having to potentially spend up to half a million dollars to upgrade crossings. I don't know what farm operation has half a million dollars sitting in its back pocket to upgrade a crossing.

Somewhere along the line, the rules got changed, because the railways were always responsible for these upgrades and for maintaining these crossings. It will be very expensive for those who have rail lines going across their properties, and if they can't afford to pay it, it would literally be cutting farm operations in half.

Mr. John Barlow: Thank you, Mr. Currie.

I'm sure those costs will be insurmountable, but farmers can't pass on those costs to anyone.

I'm going to relinquish the rest of my time to Mr. Epp.

Mr. Dave Epp (Chatham-Kent—Leamington, CPC): I'll be very quick, and I'll stay on the subject of railways, to start.

Ontario has been told that the two major railways will no longer respect the Ontario Drainage Act. Are you hearing that across Canada—that they're also pulling out of other drainage aspects in other parts of the country?

Mr. Keith Currie: We're looking into the cross-Canada part. We certainly are well aware of what's going on here in Ontario with respect to drainage and how they are pulling out of that. Even though things in the act were changed 20 years ago or something, it's just news to us now, so we are looking into the broader aspect of it across Canada.

Mr. Dave Epp: Thank you.

I will switch gears and go to Bill C-280.

I'm going to invite comment from the CFA and our friends from Quebec, the fruit and vegetable growers.

Do you know the position of the Canadian Bankers Association with respect to Bill C-280? Have you seen or heard anything, or have you met with them? Are they supportive of Bill C-280? Are they opposed to Bill C-280? Have you seen a public statement?

Mr. Keith Currie: I can't say that I've seen a public statement, but I've heard they're not in favour of it. They seem to feel it's going to impose some kind of undue financial stress, when the reality is.... I mean, it's a program we had some 20-odd years ago that is looking to be reintroduced. It will give some financial assurance to producers, especially in your area, which is large in horticulture production. When they send a product to market, they're going to get paid for it in the event of a buyer's insolvency or non-payment.

Mr. Dave Epp: I want to give a second to our friends from Quebec.

Do you have a comment on Bill C-280, as well?

The Chair: Go very quickly, because we are at time.

I don't know if that made it through, Mr. Epp.

I will acknowledge this for our friends from Quebec and the CFA: This committee shares the concern about the importance of passing Bill C-280. We've written a letter to the Senate saying, "Get on with it", especially with a vote of 320 to 1 in the House. It has clear and uniform support in the democratically elected House of Commons. We share that concern.

Thank you, Mr. Epp.

We'll now turn to Ms. Taylor Roy.

You have six minutes.

Ms. Leah Taylor Roy (Aurora—Oak Ridges—Richmond Hill, Lib.): Thank you, Mr. Chair.

I will be sharing my time with my colleague Mr. Louis.

My question is for Mr. Phil Dykstra.

First, I want to thank you for the project you are part of. I'm sure it's welcome news to Ontario hog farmers and the agri-food sector overall. We know it's going to add value to what we're doing in Canada. Since the closure of Olymel, this has obviously been much needed. I know it's going to add value, and we're going to see reduced emissions through shorter drives. You mentioned the cost of that. It's also about environmental cost and greater food security for Canada. You mentioned the border issues, as well. Vertically integrating like this is something that I think all Canadians think is wise, especially now, when pork is one of the lower-cost animal proteins available. It's very important. We want to support a Canadian gate-to-plate initiative.

I'm wondering if you can talk about what support you have received from the Government of Ontario, and what measures our government could take, in addition to the FCC credit package, to support the development and sustainability of this producer-owned pork-processing plant in Arthur, Ontario.

Also, before I go there, I want to commend you, because I noticed in the prospectus you sent over that you're also focused on net zero and environmental sustainability. Thank you for that.

• (1720)

Mr. Phil Dykstra: Thanks for the question.

At this point, we are in the process of meeting with MPP Matthew Rae out of Perth—Wellington. We have another scheduled meeting with them to further outline our needs. Probably the biggest needs, from a provincial perspective, are related to infrastructure. We expect we're going to have to spend another \$1.5 million to bring up-to-date hydro power into the plant. We would dearly love to eliminate the need to truck in propane, but rather pipe in natural gas. We will be using that. Those are a couple of things we will focus on at the provincial level.

When we talk about being net-zero, we want to reduce our transportation. A lot of our transporters have to leave and go elsewhere to wash their trucks. You're probably also aware of the African swine fever risk—ASF. We are tapping into CFIA funds to work at setting up the old plant to be used for welfare. Should we have an African swine fever outbreak—God help us all if we do—we will have a plant set up that can deal with some of the fallout of that. The truck wash piece would help in managing the risk of disease and moving things beyond our little plant there. That's a big piece.

The next piece, of course, is water treatment. We'd like to put a DAF system in there. We think that would be very beneficial, since a processing plant uses about 300 litres of water per hog per day. We go through a lot of water. If we can recycle and reuse that and not tax the aquifers underneath us, it would also be very beneficial and help our sustainability plan.

Ms. Leah Taylor Roy: Thank you very much, Mr. Dykstra.

We want to ensure that these facilities are environmentally friendly and conserve our water, so those sound like good initiatives as well.

I am now going to pass my time to Mr. Louis.

Mr. Tim Louis: Thank you for that.

Before I get to the questions, I just wanted to mention a study I'd like to do. Hopefully, it has an interest to all of us, specifically my colleagues from southwest Ontario. The spotted lanternfly is an invasive species that poses a significant risk to agriculture. It's been in the United States, and now it's been spotted in southwest Ontario. It can lead to damaged crops, increased production costs and reduced yields.

I would like to put a notice of motion that, given that spotted lanternflies have been detected in Windsor, Ontario, posing a threat to agriculture, the committee invite officials to appear and brief the committee on testing, surveillance efforts and threat mitigation steps being taken to protect Canada's agriculture sector in southwest Ontario, and that one in camera meeting be set aside for the study.

In the interest of time, I won't discuss it now. I just wanted to put that down as a notice, and we can talk about it a bit later.

I will get to the questions.

Ms. Ward, can you expand on how the National Farmers Union is promoting sustainable farming practices among its members? What supports would you like to see increased as we move forward with our policies?

• (1725)

The Chair: We have about 45 seconds left, so answer in that time, if you could.

Ms. Katie Ward: Thank you for the question.

We actually have piloted a series of NFUniversity webinars over the last number of years, inviting ecological speakers and practitioners to exchange knowledge with our producer members. We're very engaged, as a founder of Farmers for Climate Solutions, as well as working on the sustainable agriculture strategy and consulting on that. We're very focused on spreading the word about ecological agriculture and agroecology to our members.

The Chair: That's perfect.

[*Translation*]

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

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

I thank the witnesses for being with us. I'll try to proceed quickly, since I have a lot of questions to ask, but little time to do so.

Mr. Currie, earlier, a witness raised—

The Chair: I'm sorry to interrupt, but there seems to be a technical problem with the interpretation service.

Mr. Yves Perron: Yes, I noticed it. I was trying to concentrate.

The Chair: I'll stop the clock.

It seems to be working now.

Please continue, Mr. Perron.

Mr. Yves Perron: Do I have to start all over again?

The Chair: Yes, if you don't mind.

Mr. Yves Perron: All right.

I thank the witnesses for being here with us. I'm sorry if you didn't hear my introduction. I'll try to proceed quickly, so please try to give me fairly brief answers.

Mr. Currie, earlier, a witness referred to Bill C-282 as a problem for the environment. From my point of view, it could be positive, because it promotes local consumption and limits overproduction.

What's your opinion on this?

[*English*]

Mr. Keith Currie: From that aspect, yes, Bill C-282 is a bill that involves supply management, which is a domestic production program. Certainly, by means of only producing products for domestic consumption, you're limiting transportation factors and you're producing food locally, so it's reducing your carbon footprint overall, so, yes, supply management certainly does that.

[*Translation*]

Mr. Yves Perron: Thank you very much.

Many witnesses talk about the Pest Management Regulatory Agency, PMRA, product registration and delays. There are significant delays. As was mentioned, the U.S. market is bigger than ours, so multinationals will get their products registered there first.

Mr. Currie, is it possible to consider collaboration with countries that would have similar requirements to ours? Do you think it would be a good idea to share responsibilities and try to establish uniformity within North America, if not with Europe?

Please give a brief answer.

[*English*]

Mr. Keith Currie: Absolutely. It's not only from a cost perspective, reducing costs. You're not reinventing the wheel. You're not trying to create another study that will come to the same result. Certainly, I would caution that any studies done elsewhere still need to go through that peer review aspect to verify the validity of the study done. Certainly, it would not only expedite access to products, but also cut the cost down tremendously.

[*Translation*]

Mr. Yves Perron: That's fine, thank you very much.

I'd like to hear from Quebec vegetable growers on the same issue.

Mr. Patrice Léger Bourgoïn: We're talking about an integrated market. We need to think further about market integration. We're talking about integration in product marketing, but can we work up-

stream and have integration in the registration of different crop protection products, for example? It's a question that needs to be considered.

Mr. Yves Perron: Thank you very much.

Ms. Ward, I'll ask you the same question.

[*English*]

Ms. Katie Ward: I definitely agree that any harmonization would still need to go through peer review, but I would always caution that harmonization doesn't become a race to the bottom. We need to maintain the standards we want for our products and the safety of our consumers here in Canada.

[*Translation*]

Mr. Yves Perron: Thank you very much. You raise a very important point.

Of course, there's no question of lowering the quality standard. Rather, we need to keep it the same, in addition to improving efficiency and homogeneity between markets where there is a lot of trade.

I'll come back to Quebec market gardeners. We recently conducted a study on reciprocity of standards, and you raised this issue again. Obviously, this measure would probably cost the government nothing. We could take the resources we allocate in the summer to inspecting local produce and use them to inspect produce from outside. Maybe that would make all the difference.

I'll give you about twenty seconds to react to this.

• (1730)

Ms. Catherine Lefebvre: All we're asking is to move the workforce and impose on foreign producers the same inspections that Canadian producers must undergo.

Mr. Yves Perron: That's wonderful. Thank you for your clear and relevant answers.

Ms. Ward, is there anything you'd like to emphasize?

If I give you about twenty seconds, what recommendations would you give the committee?

[*English*]

Ms. Katie Ward: My core recommendation would be to push for an advance on the sustainable agriculture study. I think this is going to provide the means for farmers and ranchers in this country to have the tools to move forward in achieving our climate goals.

[*Translation*]

Mr. Yves Perron: Thank you. You really are wonderful witnesses, you respect my speaking time.

Mr. Chair, I see myself obliged to use some of my speaking time to ask you a question.

Earlier, you mentioned the letter about Bill C-280. At the same time, we had adopted the possibility of sending a letter about Bill C-282, which I'd like to send.

Should we now hold the required discussion on this? Can we instead set aside time to do so at the end of the meeting out of respect for our witnesses?

The Chair: In my opinion, after questions to witnesses, it will be possible to take a few minutes to discuss the letter to be sent on behalf of the committee regarding Bill C-282.

You have 30 seconds of speaking time left.

Mr. Yves Perron: Thank you. I'm going to offer these 20 seconds to the Association des producteurs maraîchers du Québec.

Is there anything else you'd like to highlight?

Ms. Catherine Lefebvre: I certainly want to emphasize the need for the rapid execution of risk management programs. Given climate change, this is crucial to the survival of Quebec vegetable producers.

The Chair: Thank you very much.

Mr. MacGregor now has the floor for six minutes.

[English]

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

Thank you to each of our witnesses for being with us today.

Ms. Ward, maybe I'll start with you. When you were making your opening comments... You and I, of course, have discussed the development of a Canadian farm resilience agency before, but it was interesting that on the NFU website, you put that in the context of what we did in the 1930s in response to extensive drought conditions, which drove thousands of people off the Prairies. The Prairie farm rehabilitation administration was basically set up to help farmers conserve soil, prevent erosion, develop water resources and manage pasture land in response to the conditions they were facing. The NFU argues that with what we're going through today, the CFRA is going to be a similar response to a similar crisis.

Can you elaborate on that and put on the record some of the things you're hoping this agency will do to help farmers build that resilience to what we're facing right now?

Ms. Katie Ward: When the dust bowl hit in the 1930s, it was beyond the scope of any one farm, commodity group or province to tackle on its own. It required a degree of co-operation and working at scale to craft a solution and implement practices that, for a lot of farms, were new at the time—reversing or taking out shelterbelts, instead of putting them in.

What we are seeing now, depending on where you are, is that you're either facing drought again, or atmospheric rivers and wildfires.

The system the PFRA put in place instituted expert knowledge exchange. You'd have agronomists and agrologists who were independent of profit motive going to farms and giving advice to farmers and ranchers. You knew the advice you were getting wasn't just trying to sell you something. It came with a mandate to improve sustainability on farms. Those civil servants were welcomed onto

farms, no matter what the political winds of the day were, or what the jurisdiction was. It went on for decades. Those experts were very respected for facilitating knowledge exchange and passing along new information and science to farmers, so they could put in place more sustainable practices.

This is the kind of thing we really need to use as an argument against border carbon adjustments, which one of the members mentioned earlier, because we need to have a strategy in place. We need to have arguments built up, saying that we are taking action on these issues and improving our practices on our farms. This is going to provide the baseline scientific data, as well, that we're going to need to back up those claims.

• (1735)

Mr. Alistair MacGregor: I know farmers are deeply suspicious of an “Ottawa knows best” approach. Luckily, we have a lot of amazing farmers out there who are pushing the envelope and demonstrating real results. Their land has been able to withstand a major extreme weather event and come back much more quickly than, say, that of neighbours who are not engaged in the same kinds of practices. There's also a strong financial incentive there, in that you're not only protecting your farmland ecologically, but you're back up on your feet much more quickly, and maybe with less government intervention.

How do you think the establishment of CFRA...? Is this going to be, in your vision, a “by farmers, for farmers” kind of agency that avoids this sort of bureaucratic trap we might fall into?

Ms. Katie Ward: I think relying on the model of the PFRA.... There are still a lot of farmers in the Prairies—it was a prairie-specific agency—who had great respect for the scientists, agronomists and agrologists going on farms and doing workshops and knowledge exchanges, and for things like the experimental farms and stations that were, in some cases, spread across the Prairies. There definitely has to be an aspect of knowledge sharing among farmers, but there is a data-gathering, scientific aspect to this, which is, in a lot of cases, beyond the scope of many farms and ranches.

We need to be able to prove that our practices are working. As long as you are able to make the argument that you're taking the profit incentive out of this for the people giving the advice, that builds a large measure of trust.

Mr. Alistair MacGregor: Thank you.

Mr. Currie, I've asked officials repeatedly about whether business risk management programs are properly equipped for some of the challenges of farming in the 21st century. You said we can't wait until 2028, when the new partnership is to be renegotiated.

Can you give this committee a sense of the scale of the disconnect? How short are these programs now falling, given the realities so many farmers are facing with climate-related disasters and impacts on their operations?

Mr. Keith Currie: There are two aspects to it.

One is the timeliness aspect. Whether it's AgriStability or AgriRecovery, they're slow in responding to farmers' needs from a financial aspect, whether it's for an atmospheric river, a drought or the hurricanes in Atlantic Canada, whatever the case may be. The speed of delivering the funds is necessary to get people back on the road.

The other aspect is the capacity of the programs to meet financial demands. Environmental issues should not just be borne by Agriculture. All of government needs to be involved in making sure we are doing everything we can regarding preventative measures, so we can recover quickly—to your point—and prevent damage with this action.

That's why we feel this discussion needs to happen sooner rather than later, and not wait until 2028, when SCAP comes up for renewal and we need to open it up again.

The Chair: We're at time, Mr. MacGregor.

Thank you, Mr. Currie.

Colleagues, that brings us to the end of our round of questioning. Obviously, we're a little bit delayed, but I'm going to address the point that Mr. Perron raised.

I think it would be appropriate to release our witnesses.

• (1740)

[*Translation*]

On behalf of all my colleagues, I'd like to thank all the witnesses not only for their testimony, but also for the work they do to support agriculture across Canada.

[*English*]

Colleagues, very quickly, I wasn't in the chair last week, but I understand that on the advice of all parties on this committee, there were two letters drafted. One was on Bill C-280, which I have moved with your expediency. It is now going off to the Senate. On the advice of my vice-chair, as he and I discussed, all senators are going to be tagged on that, not just the Senate committee that is dealing with Bill C-280.

On Bill C-282, obviously, I did receive a bit more correspondence. I have the draft here. I just need some guidance because, ultimately, the letter in my name is a reflection of where this committee is at. You have all had the chance to review this letter. Are you good with sending this off to the Senate?

I see your hand, Mr. Barlow.

Mr. John Barlow: Thanks, Mr. Chair.

Certainly, in conversations with people around the table, as the Conservatives, we can't support sending this letter to the Senate, and I'll give two reasons why.

I'll stick with what my initial concern was, which is that this bill was not studied at this committee.

One paragraph in this letter, in particular, which I understand my colleague Mr. Perron does not want to remove, is the game-breaker for us. It says that, under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the Comprehensive Economic and Trade Agreement with the European Union and the Canada-United States-Mexico Agreement, market access for Canadian supply-managed.... That paragraph basically says that it has undermined supply management, but supply management was part of the negotiations of all those trade agreements, and I think for us to say that free trade is a bad decision for Canada sends a very bad message.

If that paragraph stays in, I would ask that this go to a vote on whether we're going to send this or not.

The Chair: I'm happy to hear other sentiments.

Mr. Perron, go ahead.

[*Translation*]

Mr. Yves Perron: I thank Mr. Barlow for his comments. However, I don't interpret the paragraph in question in the same way at all. It explains that there have been concessions in the negotiation of the last three trade agreements. It doesn't say that we shouldn't trade and that trade isn't good for Canada—quite the opposite. All it says is that these concessions weaken one of the three pillars of supply management—import controls—and destabilize the system, which will eventually cease to function. If we took that away, we'd take away the argument that tells senators why they should pass this bill. I ask you to keep it. We can hold the vote, if you wish.

When we agreed to send a letter to the Senate about Bill C-280, which I also think is very important, by the way, we added Bill C-282 to it, and there was a consensus. So I think we could come to a consensus. If not, let's move on to the vote, Mr. Chair.

[*English*]

The Chair: Thank you, Mr. Perron.

Are there any other comments from colleagues?

Seeing none, I will take up your request, Mr. Barlow, to have a vote on, as I understand it, removing the second paragraph of the drafted letter. That's what you're supporting. Is that correct?

Mr. John Barlow: We can just vote on whether or not to send the letter.

The Chair: Okay.

(Motion agreed to: yeas 7; nays 4 [*See Minutes of Proceedings*])

The Chair: Colleagues, we will move forward as has been agreed on behalf of the committee.

I have nothing else for you. On Thursday, we will be studying the intergenerational transfer of farm assets. Two meetings are set aside, on Thursday and on Tuesday. I, unfortunately, won't be able

to chair, but Mr. Barlow will. You'll be in good company with him helping to lead us along.

The meeting is adjourned. I will see you next week.

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