



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

---

# Standing Committee on Agriculture and Agri-Food

EVIDENCE

**NUMBER 121**

Tuesday, December 3, 2024

---

Chair: Mr. Kody Blois





## Standing Committee on Agriculture and Agri-Food

Tuesday, December 3, 2024

• (1610)

[English]

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

Welcome to meeting number 121 of the House of Commons Standing Committee on Agriculture and Agri-Food.

I don't need to go through the reminders. We do this all the time.

We do have before us today Minister MacAulay and his officials because we're going through supplementary estimates (B) 2024-25.

Pursuant to Standing Order 81(5), the committee will commence consideration of the supplementary estimates (B) 2024-25, votes 1b, 5b and 10b under the Department of Agriculture and Agri-Food, referred to the committee on Monday, November 18.

Thank you, Minister, for your work on behalf of Canadian farmers and your service to the good people of Cardigan in Prince Edward Island.

I'll turn it over to you for any opening remarks, and then we'll go to questions.

Colleagues, you might be wondering about timing. We will do one hour with the minister and his officials. Then we normally have an additional hour with officials. With your blessing, I think we'll probably truncate that to about 30 minutes. We'll allow for rounds of questions with the officials, but I'll work with you guys accordingly.

Minister, it's over to you. Welcome to the committee.

**Hon. Lawrence MacAulay (Minister of Agriculture and Agri-Food):** Thank you very much, Mr. Chair.

It's a pleasure to be back here with my new deputy minister, Lawrence Hanson, as well as assistant deputy minister Tom Rosser, and Robert Ianiro from the CFIA. It's good to have them here.

Like you, I've had a busy few months since I was here. Just a few weeks ago, I travelled to Beijing to advocate for Canadian farmers and producers and to highlight Canada as a reliable supplier of high-quality agriculture and food products.

Our two countries have significant challenges to work through, but I know you folks meet with and speak to stakeholders on a regular basis, so you know just how important that market is to them. Many sectors have been strongly advocating for me to visit since my return to agriculture.

In June, I travelled to the World Pork Expo in Iowa, and I toured an impressive grain mill in Minnesota that relies on quality and reliability of Canadian oats. I was pleased to meet with the governor of Iowa and the agriculture secretaries for Iowa and Minnesota and to impress upon them the importance of our integrated trade in agriculture.

I also look forward to working with my new counterpart, Secretary-elect Rollins, to make sure that our agricultural trade remains strong and integrated, to the benefit of both of our countries.

I know the member for Foothills likes to travel to Prince Edward Island, so this summer I thought I'd pop down to his neck of the woods in Calgary, just to visit the Stampede. We received a warm welcome—no surprise—from many folks. It was great to see firsthand the impressive work being done there. While we were there, we also announced \$6 million to help Canadian beef producers grow their markets around the world.

Just last week, we had a great trip to Regina for Agribition. I was able to meet with my new counterpart in Saskatchewan, Minister Daryl Harrison, attend the burning of the brand and meet many stakeholders.

Over the last few months, we have announced over \$30 million for five research clusters in crops, barley, bioproducts, organics and poultry.

I'm so pleased to report that the grocery industry is moving towards a grocery code of conduct with the support of all the major grocers. I would like to thank all the members of this committee for their work in helping get this code off the ground.

Unfortunately, extreme weather events continue to impact our farmers. We're working with the provinces and territories to help farmers better adapt to the impacts of climate change, but in the meantime, we'll continue to support our farmers when they're dealing with extreme weather.

We have recently partnered with New Brunswick and Quebec to provide up to \$47.2 million under the AgriRecovery program to help producers in these provinces with the extraordinary costs due to serious water damage to their crops.

I know that members are very eager to ask me about the supplementary estimates, so I'll provide an update before taking the questions.

The supplementary estimates before you total \$123 million. This includes nearly \$60 million for the sustainable Canadian agricultural partnership. I'm sure members of the committee know full well how vital this funding is to provide support for Canadian farmers right across the country.

There's \$25 million for the poultry and egg on-farm investment program. There has been a lot of talk in the House of Commons lately about supporting our supply-managed farmers, but it's vitally important that we pass the estimates so that we can get the funding to them.

We also have nearly \$20 million to begin the renewal and expansion of the local food infrastructure fund. I know that most of the members here support the national school food program. The expansion of this fund will help to assist this important program.

This is just a bit of what's in the supplementary estimates this year, but I think it shows quite clearly how important it is that we get them passed in the House. I hope that members will put politics aside and vote to get the funds out the door so that we can keep helping farmers and Canadians.

Thank you, Mr. Chair. I look forward to members' questions.

• (1615)

**The Chair:** Thank you, Minister MacAulay.

I apologize to officials. I jumped right in with the minister, and I didn't introduce you.

Thank you, again, for your work in the ministry and with CFIA.

Colleagues, we will get to questions.

You'll notice that Stéphanie isn't with us. We have a different clerk, who has also given me some handy 30-second and one-minute signs. You know that I'm usually very liberal as your chair in giving time, but I will signal with these to give you a sense of the time to keep it in order here today.

We will turn to the questions. We'll get two full panels, with three for the Conservatives, three for the Liberals and two rounds of questions for the Bloc and the NDP members. We'll start with the Conservatives, and I presume it's Mr. Barlow, for up to six minutes.

We'll go over to you, Mr. Barlow.

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

Minister, you said in your preamble that you were in China to advocate for Canadian agriculture. However, the headline in the media when you returned was "Canada's agriculture minister given cold shoulder by Chinese government on trip to Beijing". That was the headline after your recent return from that trip.

Did you try to secure a meeting with your Chinese counterpart prior to leaving for Beijing?

**Hon. Lawrence MacAulay:** Mr. Chair, I'm sure my colleague understands how vitally important China is to our export market. He's also fully aware that we export \$11.5 billion of goods to China. Of course, the sectors were advocating quite hard that I make this trip since I came back to agriculture.

It was a short trip, a quick trip, and it was on and off. It was off, and then the sectors kept pushing. I made the trip there and met with a number of exporters from this country and with a number of importers from China.

There's one thing I did learn—

**Mr. John Barlow:** Minister, did you have a meeting with your Chinese counterpart?

**Hon. Lawrence MacAulay:**—and that is how vitally important it is when you sell a product to a foreign country that you follow up with representation. That is what we did. What we did in China was meet with the people who buy the products from our country.

We want to make sure—

**Mr. John Barlow:** Thanks. I have a minute. You know how this works. I have a limited amount of time.

You did not have a meeting with your Chinese counterpart—

**Hon. Lawrence MacAulay:** I think the way this works, Mr. Chair, is that he asks the question—

**The Chair:** Hold on there, Mr. Minister and Mr. Barlow. I've stopped the clock.

You can appreciate, as the chair, that I want to give the liberty to my honourable colleagues to ask questions.

Minister MacAulay, I know you certainly want to explain, and we want to give room for that.

Within reason, I'll have to intervene to make sure, for the translators, that we do not have both of you talk over each other. I would ask, certainly, if it's a relatively pointed question, Minister, that you try to stay relatively pointed. That would be helpful. We'll try to avoid that overlap.

Go ahead, Mr. Drouin.

**Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.):** On a point of order, Mr. Chair, if the opposition is insinuating that staying in your basement and doing international relations—

**Mr. John Barlow:** That's not a point of order.

**Mr. Francis Drouin:** —or trade from your basement is a good thing, then they should follow their leadership, and it's a great thing. However, on our side, we believe that the minister should show up and—

**Mr. John Barlow:** It's not a point of order. You'll have your time, Mr. Drouin. You'll have your six minutes when you can talk about that all you want.

**Mr. Francis Drouin:** —actually do the work that needs to be done.

**The Chair:** That's not a point of order.

Again, it's a balance here. Don't make my job overly hard today. That goes for everyone.

Mr. Barlow, I have stopped the clock. I'll go back.

Again, Minister, certainly we want to hear an expansive piece on what you're doing, but we have to be mindful of managing time for our colleagues as well.

Go ahead, Mr. Barlow.

**Mr. John Barlow:** Thank you, Chair.

Clearly, he did not have a meeting with his Chinese counterpart, so I'm not sure how you're advocating for Canadian agriculture when you can't even get a meeting with your Chinese counterpart, who put punishing tariffs on Canadian canola.

Minister, in 2022, you gave \$8.5 million to Aspire Food Group to build a cricket factory, which is now in financial trouble. Minister, did you review its business plan before granting the \$8.5 million? That's a pretty clear yes or no question.

**Hon. Lawrence MacAulay:** Mr. Chair, I thank my honourable colleague for the question.

Of course, he indicated it quite clearly, and he referred to my Chinese trip before he asked the question. I again emphasize that it's so vitally important. I know my honourable colleague is very interested in trade to make sure that we sell our grain products to China. In fact, the importers indicated so clearly to us that if we're going to sell products, we have to be there.

On the issue of crickets, I certainly appreciate and understand the question. Of course, it was fully evaluated. I was not the minister at the time, but that makes no difference. It would be fully evaluated by the department and by my ministry, of course, or by the minister of agriculture at that time. These decisions are made in that manner. It's evaluated by the department.

You asked me a question, so you have to give me a minute to—

• (1620)

**Mr. John Barlow:** Yes, you answered it. You said that it was reviewed.

Last July, your government forked over another half a million dollars to this food group. Is that correct? It was to Aspire Food Group.

**Hon. Lawrence MacAulay:** I'd have to evaluate exactly what we paid in the last six months to a year.

**Mr. Francis Drouin:** [*Technical difficulty—Editor*] he's talking about crickets.

**Hon. Lawrence MacAulay:** Of course, it's an industry that's going through a restructuring, as my honourable colleague is fully aware.

**Mr. John Barlow:** If that's the case, that you know they're restructuring, why did you give a business that you know is financially struggling another half a million dollars?

**Hon. Lawrence MacAulay:** Of course, it would have to depend on a business plan. That's how evaluations are made by the department and by the minister.

Do you have anything to add on that, Tom?

**Mr. Tom Rosser (Assistant Deputy Minister, Market and Industry Services Branch, Department of Agriculture and Agri-Food):** Just briefly, Minister, maybe I would add that those starting to grow insects on a commercial scale for protein, principally for the pet food market, are sort of start-up businesses. These are novel things. There is some risk associated with ventures of that nature.

**Mr. John Barlow:** Thank you.

The maximum contribution from AAFC for the AgriInnovate program, which this got funding for, was \$5 million, and yet you gave them \$8.5 million. Why was this group given an additional \$3.5 million over the cap in AgriInnovate?

**Hon. Lawrence MacAulay:** Mr. Chair, we'd have to evaluate that situation. This decision that was made was fully evaluated by the department, of course. Advice was given to the minister, of course, but the decision was made by the minister.

**Mr. John Barlow:** You overspent by almost 33%. You gave this company over what the cap is on AgriInnovate, and you don't know why they were given an additional \$3.5 million over the \$5-million cap in a failing business.

**Hon. Lawrence MacAulay:** My honourable colleague, I'll turn it over to my deputy, but of course it was evaluated.

**Mr. Lawrence Hanson (Deputy Minister, Department of Agriculture and Agri-Food):** Thank you, Chair.

We'll try to come back in this session with the amount on AgriInnovate. I admit that this precedes my time in the department, but it seems unlikely to me that we would have exceeded the AgriInnovate contribution level. We'll come back to you quickly on that.

**Mr. John Barlow:** The company is more than 50% owned by two billionaires, Mr. Risley of Clearwater Seafoods and Mr. Lapham. It's interesting that they were given in excess of the cap.

My final question, Mr. Minister, is this. Three years ago, your predecessor said she was optimistic that the self-imposed ban would be lifted in a couple of weeks on the P.E.I. seed potato ban. That's 1,103 days ago, and still that ban is in place.

I ran into a number of P.E.I. farmers this week at a young farmers event in Alberta, and they all want to know when this self-imposed ban on P.E.I. seed potatoes will be lifted.

**Hon. Lawrence MacAulay:** I thank my honourable colleague for his interest in the seed potato industry in Prince Edward Island, but I think he's fully aware of why the ban is there. We export over 90% of what we produce in Prince Edward Island. We have to be sure that it meets the requirements of the United States. He understands that we did have a problem with potato wart. This ban was put in place to make sure that the border stayed open.

I think anybody who's exporting potatoes from Prince Edward Island fully understands that and fully supports what's taking place. I'm sure my honourable colleague does too, because he knows very well what—

**Mr. John Barlow:** The people in P.E.I. certainly do know who's on their side.

**The Chair:** Hold on, Mr. Barlow. You're way out of time.

I'll turn it over to Mr. Drouin.

**Mr. Francis Drouin:** I just need 30 seconds, Mr. Chair.

I am troubled by the questions that were asked about crickets. I get it. Dr. Leslyn Lewis, the conspiracy theorist who wears tinfoil hats, asks questions about crickets and is somehow trying to convince Canadians—the opposition is eating on this, eating crickets—that our department is forcing Canadians to eat crickets.

Mr. Chair, it is outrageous.

**Mr. John Barlow:** It's a waste of money.

**Mr. Francis Drouin:** It is outrageous. They know it. There's a petition online. Their leader, the leader of the official opposition, has pushed this thing. It is crickets and it is BS.

Mr. Chair, I will cede my time to Ms. Leah Taylor Roy, who will ask much more intelligent questions than I've heard from the opposition.

• (1625)

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

Thank you, Mr. Chair.

Thank you very much to Minister McCauley, Mr. Hanson and the rest of the witnesses here from the Department of Agriculture and CFIA.

First, I'd like to thank you, Minister McCauley, for going to China and for supporting Canadian farmers even though things were tough. We know that, especially when times are tough, supporting our farmers with their buyers in foreign markets is very important. Your going there and really making an effort to have those in-person relationships makes a big difference. I know that's something you excel at, so thank you for doing that.

I want to circle back a little bit to the canola farmers. We know that these are tough times for them right now. In terms of going in there and trying to talk to their buyers, the government is also helping canola farmers through the clean fuel regulations. We know that when trade is precarious, when times are difficult, it's better to have local markets and to try to develop markets here. I think that is also a way in which we are helping our farmers.

I actually want to switch my questions over to the organic sector. A couple of months ago, and you just referred to this, our government made a funding announcement to advance sustainable farming practices in the organic sector. I have a number of constituents who are organic farmers. Could you expand on that a little bit and talk about how you're supporting sustainable farming practices in the organic sector? What are the specific goals for this funding?

**Hon. Lawrence MacAulay:** Thank you very much.

It's an important and valuable question. You're fully aware of the organic agricultural sector and how it needs to be increased. We import organic products in this country. We could produce more, and we could be exporting products. There is no doubt. That's why the funding is there. It's to increase that and make it more sustainable.

When I was in the ministry previously, we helped organic farmers on the organic standards, which you know all about. It's so important. Those, I believe, are up again. We're working with organic farmers to make sure they have the standards in place. As you know, to meet the requirements of the EU, things have to change.

The organic agricultural sector is vitally important. It's like the mutton industry. There are areas of agriculture we're not producing enough in. There's an open market for this stuff, both inside and outside this country. That's why we're pushing so hard to increase the sectors so they become more self-reliant and of course export, too, which is important.

**Ms. Leah Taylor Roy:** I think the market opportunity is great. We know there's a premium paid for organic products. It also often helps smaller farmers sustain themselves and operate.

We talked about the investments you made in Aspire. As somebody who's been an entrepreneur in small business, I know that sometimes working capital requirements exceed your earlier expectations. Additional funding is needed to help you move forward and get you to scale, to get you to that point. I appreciate that our government has been taking some risks and going into areas the private sector wouldn't go into. That's the job of government. I would say that if we never had a project fail, we wouldn't be doing our job. If we're not taking risks, who is? That is what government and innovation should be doing. I want to thank you for that, as well.

I'll now turn briefly to supply management and the poultry and egg on-farm investment fund, which I know you've also been talking about. There's money in the supplementaries for it.

I'm wondering if you can tell the committee what you've heard from producers about how important the funding allocated to this program in the supplementary estimates is.

**Hon. Lawrence MacAulay:** Being a farmer myself and someone involved in the supply management sector, I'm fully aware of the value of supply management and the effort made in the House to make sure it remains secure. As you know, we initiated the supply management program over 50 years ago. I've been involved, and I'm fully aware of it.

The egg industry, along with every other agricultural sector in the country, needs to continue to expand. That is why that funding is there. It's to help them increase their production. It's simply that. We don't want to have to import the products. We want to make sure we produce them ourselves.

Farm Credit, as you're no doubt aware, is now making moves to make more venture capital available. You're right. If every venture capital dollar is returned, we didn't do enough of a venture. Venture capital is meant to take some risk, of course with some evaluation of the programs. We want to make sure that is done. I'm certainly pleased about Farm Credit being able to do this. They'll be able to hit many sectors, including the supply management sector and others in agriculture, which is so vitally needed.

• (1630)

**Ms. Leah Taylor Roy:** I think that's the difference between entrepreneurs and journalists.

**The Chair:** Ms. Taylor Roy—

**Ms. Leah Taylor Roy:** People who have been there understand it, and people who write about it don't, necessarily.

**The Chair:** Thank you.

Unfortunately, we're at time.

I haven't gone into the cards, because we're not used to that tradition at this committee.

[*Translation*]

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

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

I want to thank the witnesses for being here, especially the minister.

I'm going to jump right in, because I have a lot of questions. If I get short answers, we'll be able to cover more topics, and that will be good for everyone.

Minister, I'll start with the duck industry, which is struggling right now. Mr. Ianiro can chime in. We can come back to this in more detail in the second hour.

One issue is the approval to import genetics from France. I know the work is being done conscientiously, but, from the outside, some things don't make sense.

It's been over a year since we found a genetics supplier in France that doesn't vaccinate its ducklings. We can import those ducklings safely, but we're still waiting for approval to do so. Canadian Food Inspection Agency representatives went to France in early September. Now it's almost Christmas, and the last I heard from Minister Holland is that they hope to have the report by the end of the year. Don't you think these delays are unreasonable?

Our duck industry is in trouble. That is unfortunate, because this industry is based in Quebec, it is very dynamic, and it produces a high-quality product. I want to hear your thoughts on that.

[*English*]

**Hon. Lawrence MacAulay:** Thank you very much.

I understand your concern. I'm not surprised to hear it. You've voiced it a number of times. Of course, I am certainly not going to dictate that the CFIA is not doing its job. The fact is, as you know, we wouldn't be exporting nearly a hundred billion dollars' worth of agricultural products if the CFIA wasn't doing its job.

Robert, I'll let you handle this, but we're not.... We expected this question.

[*Translation*]

**Mr. Robert Ianiro (Vice-President, Policy and Programs, Canadian Food Inspection Agency):** Mr. Perron, thank you for your question.

We are in the process of completing the evaluation, and the report will be done in early 2025. We will then determine whether we can make changes to the ban on importing genetics that you just mentioned. A decision will be made very soon.

**Mr. Yves Perron:** Thank you for that, but the delay is unreasonable for the duck industry. We have find a way to move faster.

Still on the subject of the duck industry, we know that cases of avian influenza have recently appeared here. I don't want to look like the guy who doesn't care—I definitely do—but, in other countries, when a flock is considered low pathogenic, it is monitored and it can still be slaughtered and sold. In Canada, in contrast, things move very quickly and flocks are destroyed before the results of the tests to determine whether the animals are low or high pathogenic are even available. Here's a concrete example that was shared with me. Three flocks were declared low pathogenic. Two of the flocks were destroyed before the test results were received. Fortunately, the third was saved thanks to the test result.

This isn't about not being careful. I want to make it very clear that I'm not a scientist, but is Canada moving too quickly? Other countries, such as France, the Netherlands and Poland, do not slaughter animals considered to be low pathogenic. I gather they even send some to us. In all likelihood, these birds are being imported, while here they are being destroyed.

If our choice is to follow the science and be extremely strict and destroy the flocks, that's fine, but shouldn't producers receive adequate compensation? They're not compensated after the birds are destroyed. According to producers, it costs between \$20,000 and \$30,000 per building to clean up and pay workers. What do you think of that, Minister? Don't you think we could do better?

• (1635)

[*English*]

**Hon. Lawrence MacAulay:** On the avian flu, there's a lot in B.C. in particular. It's a big issue. The cleanup is a big issue, and with the difficulty you have with ducks, the CFIA has to be careful and make sure that it makes the right decision on this.

Robert, I don't know if you have any more to add to that.

[*Translation*]

**Mr. Robert Ianiro:** I do have a couple of things to add, Mr. Perron. If you want to discuss this further in the second part of the meeting, I can tell you more about it.

[*English*]

I just want to be clear that the three farms I think you're making reference to are suggesting that there was a detection of low pathogenic avian influenza. I want to be clear that low pathogenic avian influenza can very much and very quickly turn to other strains of high pathogenic avian influenza.

We actually detected this particular case in these three farms at the slaughter plant. It shows that our surveillance is working in detecting this at slaughter. You're correct that we compensated the producers. I think the challenge is they were compensated at the rate of a regular duck, whereas in this case, the producer was disappointed insofar as he wasn't getting market value for foie gras.

[*Translation*]

**Mr. Yves Perron:** Thank you, Mr. Ianiro. We'll come back to this in the second hour because I have more questions for you, and you'll probably be the one responding.

Minister, we were talking about avian flu, but let's move on to African swine fever.

Is Canada ready for an outbreak? We recently met with pork producers to discuss creating zones. These zones will help us prevent what just happened with avian flu, when containers ready for shipment were not shipped after a declaration was received. If these zones are negotiated with the countries we export to before cases are reported, we can minimize the damage. Are you having discussions about this? Is anything happening? Is there an emergency fund for this?

[*English*]

**The Chair:** We're at the time. I will allow the minister to respond.

I'm going to caution my colleagues to be careful with the patience of the chair when we get right down to it and you're still reaming out a question at zero. That's not how this is supposed to work.

Go ahead, Mr. Minister, for a brief response.

**Hon. Lawrence MacAulay:** Yes, we have a zoning agreement with Italy and other countries around the world. We're working hard to create zones because, pray to God, it doesn't happen in this country. A lot of work is being done in the country, tabletop exercises, on how we would deal with the African swine fever should it ever hit here.

When I was minister previously, it was a big issue. Then I came back, and it's still a big issue. However, we kept it out of the country to this point, and pray God we can. We're taking every measure possible.

**The Chair:** Mr. MacGregor, you have six minutes. We go over to you.

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

Welcome back to the committee, Minister.

With my first question, I want to talk to you about the persistent case of food price inflation. I will acknowledge that the rate has gone down, but a lot of Canadians are still feeling the pinch. There has certainly been some work done in terms of giving more legislative authority to the Competition Bureau. I know there's an industry-led grocery code of conduct. That aside, a lot of Canadians are still feeling the pinch because, in the middle of our food supply system—and this, I would argue, is harming both our producers and consumers—we still have a severely concentrated marketplace in grocery retail.



Over the last few months I attempted with my limited resources to introduce legislation to address the problem of shrinkflation, to have some kind of transparency on how unit pricing is done, but also to try to get more food co-operatives set up in Canada so that we can provide some honest competition to the big grocery giants.

I understand that these areas fall primarily under the purview of your colleague, the Minister of Industry, but my question for you, Minister, is, given this persistent problem, why have you failed in advocating with your colleague to get this problem addressed? It's not like it's new. Canadians have been suffering through this for several years now.

**Hon. Lawrence MacAulay:** You're right that the problem is not new and it's a big issue, but you're also right that prices have adjusted somewhat, but not enough. You're also right that the Competition Bureau, under the Competition Act, which is not under my jurisdiction, has been changed in order to allow more competition in the country. I think that's what you want to see happen, too. Of course, if you're going to have more co-ops and more competition in the sector—yes, of course, competition is the spice of business—it brings everybody to a reality, and I would be very strong on that.

• (1640)

**Mr. Alistair MacGregor:** Okay, but again it's fallen to me, as a member of the opposition, to actually come up with legislative proposals.

What I want to understand is why the Government of Canada, with its considerable resources, has not done the same. I understand that we are in a bit of a deadlock in the House, but that doesn't stop your government from coming forward with, at least, some proposals on the matter.

**Hon. Lawrence MacAulay:** Well, as you know, the grocery code of conduct, which was quite an issue, and—

**Mr. Alistair MacGregor:** It's industry-led.

**Hon. Lawrence MacAulay:** It's absolutely industry-led, with some assistance from government, but that is more of a long-term.... It's long term, but my understanding is it's not going to lower the price of groceries; it's just going to make it more fair and more visible as to what takes place.

Being a farmer, I well understand. You hear, “from the gate to the plate.” There's no problem at the gate but before it gets to the plate, yes, there is a problem.

**Mr. Alistair MacGregor:** I think we have to tackle the middlemen, Minister. Thank you.

I want to switch to the SCAP. As you know, that is in place from April 1, 2023—last year—until March 31, 2028. We had numerous witnesses who are quite concerned that with that locked-in timeline, there's little room to change programs, which may not be adequately serving the population they're designed for. This has come from no less than Keith Currie, president of the Canadian Federation of Agriculture.

Minister, given that we are locked in and you have, in the supplementary estimates, \$42 million listed here, what are you doing to respond to the needs of farmers, which have been clearly brought forward to this committee? What are you doing to alleviate their

concerns and, maybe, show that you're willing to take some leadership on this, and possibly finding ways to make sure that these programs are more responsive, and not waiting until March 31, 2028?

**Hon. Lawrence MacAulay:** Of course we want to make them more responsive, I can assure you, and that's my job to do that. Any program that is more difficult to deal with, we would certainly take action on it.

I'll let the deputy explain the requirements for this, but we want to make sure that in any program, no matter what—and in agriculture, sometimes it's the problem to get it in a form that people understand and are able to access—at any time that I can do anything to make it more accessible, I will do it, for sure.

**Mr. Alistair MacGregor:** Well, maybe I will come back to your deputy in the next round because I only have just over a minute left with you, and I want to make sure that I have questions with you.

Minister, I'm sure you've met with the National Farmers Union before. It has long been calling for the establishment of a Canadian farm resilience agency to better build capacity in your department for better climate adaptation. We know that farmers are repeatedly telling us that they are on the front lines of climate change.

The on-farm climate action fund did a lot of contracting out to approximately 12 third party organizations rather than have that in-house capacity. How do you react to their proposal for this Canadian farm resilience agency? Are you going to treat this matter with the seriousness that it deserves and try to actually build that in-house capacity rather than fall prey to what the federal government usually does, which is contract that out and lose that important knowledge that we could have in-house with our great public servants?

**Hon. Lawrence MacAulay:** Alistair, thank you very much.

What we want to do.... Sometimes we have to go outside of the department in order...if we don't have the proper clientele in place to deal with it.

**Mr. Alistair MacGregor:** How are you going to build it—in-house?

**Hon. Lawrence MacAulay:** I don't know if I'm going to hire more people to do this.

**Mr. Alistair MacGregor:** You're the minister, sir.

**Hon. Lawrence MacAulay:** Yes, but also we want to make sure that the funds go to where they should go. That is what we want to make sure they do.

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

Thank you, Minister.

We'll now go to our second round.

Ms. Rood, you have up to five minutes, please.

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

Minister, we recently heard testimony that refunds to farmers from the fertilizer tariffs were withdrawn and that they've been ordered to pay those tariffs back—with interest, at that.

Minister, was this your decision? If not, whose decision was it? Do you have the authority to make decisions of this kind, or do you have to defer to the Minister of Environment for agricultural policy?

**Hon. Lawrence MacAulay:** Are you talking about the Russian fertilizer ban? As you know, that was—

**Ms. Lianne Rood:** I'm talking about the tariffs.

**Hon. Lawrence MacAulay:** Yes, and you know why they were put in place.

**Ms. Lianne Rood:** Of course. However, last week at committee, we also heard from the fertilizer company that refunds were given for the tariffs collected. Then, 11 months later, the government came back and said that farmers actually owe it this money back and have to pay interest on it.

• (1645)

**Mr. Lawrence Hanson:** This is an ongoing discussion between the firm and Canada Border Services Agency, which has carriage of this issue.

**Ms. Lianne Rood:** Minister, was it your decision, then, to reverse the decision on the tariffs?

**Hon. Lawrence MacAulay:** No, it would not be my decision. It's a border issue.

**Ms. Lianne Rood:** Thank you.

In 2021, the Liberal government made all rail crossings require the same safety standard, including rail crossings on farms, even where they're only used a couple of times per year. Was there a rise in rail accidents on these private crossings?

**Hon. Lawrence MacAulay:** I don't have the details on that.

**Ms. Lianne Rood:** Then what prompted the Liberal government to make those changes to the regulated crossings on private lands?

**Mr. Francis Drouin:** I have a point of order.

**The Chair:** Hold on, Minister and Ms. Rood. I've stopped the clock.

Go ahead on your point of order, Mr. Drouin.

**Mr. Francis Drouin:** As the honourable member has heard from the previous testimony, this would have been a regulation change started in 2014 when she and her party were in government. It was only the implementation date that got delayed.

I want to provide facts. Facts are important in this discussion. The Minister of Agriculture and AAFC have nothing to do with that. That's a Transport Canada issue, and I think we'll be hearing from rail transport companies on Thursday.

**The Chair:** Ms. Rood.

**Ms. Lianne Rood:** Again, Minister, would you have made a representation to the Minister of Transport, given that you're the agriculture minister, to make those changes at the regulated crossings on private lands despite...?

**Hon. Lawrence MacAulay:** If I was here, possibly I would. If it was involving agriculture, I would have input.

**Ms. Lianne Rood:** Are you aware how much it will cost an average farm to upgrade a crossing?

**Hon. Lawrence MacAulay:** No, I'm not.

**Ms. Lianne Rood:** I can give that to you. It's going to cost between \$600,000 and \$2 million per farmer.

Do you know how much it would cost to maintain those crossings annually?

**Hon. Lawrence MacAulay:** That's something I would have to look into. I haven't received a complaint on that, and perhaps I will after this committee hearing. I would certainly not want to see farmers faced with something like that, and I'll try to deal with it.

I think farmers and all sectors understand that I work on their behalf, but this is something I'm not abreast of, actually. I will deal with it. You've brought it to the forefront, and I'm sure we'll hear more about it from this day on.

**Ms. Lianne Rood:** Thank you, Minister.

I'll just let you know that the media reports say that it's going to cost up to \$200,000 annually for a farmer to maintain those crossings. I know many farmers are wondering how they're going to pay for the upgrade and maintain the crossings. I'm just curious why the Liberal government would allow these railroads to download these costs onto farmers.

**Hon. Lawrence MacAulay:** Number one, I would have to have somebody bring it to my attention and, if they did, I would certainly work with the farmers to make sure to not let...because I'm fully aware, being a farmer, that the ones who pay the price, in the end, are always farmers. Sometimes governments help, but farmers end up paying, without any question, and I don't want to see that.

**Ms. Lianne Rood:** Thank you.

Farmers asked for an extension to the November 25 deadline or to find some common-sense safety standard for these rail crossings. Did you encourage the Minister of Transport to delay the implementation of these onerous changes?

**Hon. Lawrence MacAulay:** My discussion with the Minister of Transport would be a cabinet issue, and I will not be discussing that here.

**Ms. Lianne Rood:** Would you extend it, Minister?

**Hon. Lawrence MacAulay:** I would have to know the details of it before I would—

**Mr. Francis Drouin:** I have a point of order.

Obviously, this is a transport issue. I respect the honourable member, but the Minister of Agriculture does not have the authority to extend that power. Obviously, he's made some advocacy at cabinet—

**Ms. Lianne Rood:** It's on farms.

**Mr. Francis Drouin:** By the way, no farmer has paid a single cent yet.

**Mr. John Barlow:** Not yet.

**Mr. Francis Drouin:** Transport is working on this issue. We're talking about 10 farmers right now. They will work on this issue, and our government will get it done.

**The Chair:** What I will say—

**Mr. John Barlow:** I have a point of order.

**The Chair:** I will go to you, Mr. Barlow, in a second.

As your chair, I feel that we want to have a certain amount of leeway. I think Mr. Drouin is right that this is a transport issue. The minister is well within his right to be able to take questions in relation to any conversations he may have with the Minister of Transport.

To Mr. Drouin's point, I was in Ontario last week, and I do think this number is down to 10 instances, but certainly, Ms. Rood, you're well within your rights to ask about it.

I will go to Mr. Barlow, and then we'll move on.

**Mr. John Barlow:** Thanks, Mr. Chair.

If the Liberal members want us to censor the questions we have for the minister, by all means, maybe we'll share them before the meeting, but I think it's up to us to decide what questions we ask the minister, not to have them approved by Liberal members before we ask those questions.

The Liberal Minister of Agriculture represents farmers, as he just said, so I think these are questions that farmers are asking, and we are advocating on their behalf.

**The Chair:** Okay, we've established that.

Ms. Rood, you have 70 seconds left. I'll let you continue.

• (1650)

**Ms. Lianne Rood:** Sir, we've heard testimony from farm families on how the capital gains tax is effectively shutting down next-generation farmers. You've publicly stated that you were not consulted beforehand. I'm curious why you were not.

Was accelerating the decline of family-owned farms and the risks posed for Canadian farmland ownership considered when making these tax changes?

**Hon. Lawrence MacAulay:** I have had many conversations in cabinet on many issues. I know that what you're referring to is that I indicated that I do not write the budget. I still say that I do not write the budget, but I do know what goes on with agriculture; however, I am not the Minister of Transport. It's difficult to answer questions that relate to other ministers.

On the capital gains tax—

**Ms. Lianne Rood:** Minister, I can ask another question on that, then, that would relate directly to you.

**Hon. Lawrence MacAulay:** —as you know, we increased the capital gains tax exemption to \$1.25 million. You're fully aware of that.

**Ms. Lianne Rood:** Minister, how will this tax increase impact the economic viability of the family farm and the ability of next-generation farmers to carry out the tradition of farming?

**The Chair:** We're at time, Ms. Rood.

Go ahead, Minister, if you would like to finish.

**Hon. Lawrence MacAulay:** Of course, for any small or medium-sized operation, with the tax change, it will mean that they pay less capital gains tax, and I think my honourable colleague is well aware of that.

**The Chair:** I'm going to turn it over to our honourable colleague from Malpeque, who is joining us virtually.

It's over to you, Mr. MacDonald.

**Mr. Heath MacDonald (Malpeque, Lib.):** Thank you, Chair.

Thank you, Minister, for being here. It's an interesting conversation so far.

I'll go back to the original questions relevant to the crickets. There are a lot of crickets in that room, Minister.

The PM visited the incoming president in Washington. We never heard a word from the opposition praising that move. We have a new office in Manila which you opened up in the Indo-Pacific. We haven't heard a word about that. You went to China, and they're condemning you for going to China, which I think is a strange move. We have a new school food program where we're going to support local suppliers and farmers. We have a sustainable Canadian agriculture partnership. We talked about the interest in young farmers and, if we don't continue to build on that program, which is in the supplementary estimates....

Minister, I want to ask you a very specific question. Why do you think the Conservatives will vote against supplementary estimates when we have agreements with provinces and territories and when we're investing millions of dollars to help farmers and producers? They're saying that they represent farmers. I just heard that over and over again, but here's a program that is very significant in Atlantic Canada and very significant in Prince Edward Island that's been successful, and I'm still scratching my head and wondering why the Conservatives would vote against it.

**Hon. Lawrence MacAulay:** Heath, thank you for the question, but it's awfully hard to answer questions for other people or departments.

You mentioned the school food and infrastructure programs. We had a great announcement on Prince Edward Island about the school food program. We joined with the Premier of Prince Edward Island. I understand there are just under 200,000 children receiving a meal every day in schools right across this country. That figure will continue to expand. It's so important that we have these programs in place. My wife, being a teacher, fully understands what happens when children.... Truly, kids go to school hungry. It's a tough situation. I'm certainly proud to be part of a government that is trying to deal with that kind of issue and put some food into the bellies of children. I'm proud of any other program, too.

Of course, with that, you're helping farmers, too. Everything we can do to have more food consumed helps farmers. There are many other programs we have.

Heath, I can't answer the question as to why the Conservative Party of Canada would vote against it. They could probably answer that question.

**Mr. Heath MacDonald:** Minister, I want to turn to the beef industry.

Obviously, it's an industry you've worked very closely with and have a good relationship with, as many other Liberals in your caucus do.

I want to know how we are supporting the Canadian beef industry around the world to ensure those exports are maintained and maybe expanded into different countries.

• (1655)

**Hon. Lawrence MacAulay:** The office in the Pacific Rim area makes sure that we're there in that area. As I heard in China and the Pacific area, if you're going to sell products in those areas, you have to be there. You have to be present. That's why that office is open. It opens the market for beef. It also opens the market for potatoes. In fact, I believe the potato marketing board in Prince Edward Island is going to send four containers over there. It just opens more markets. It will open markets for grains and oilseed, too.

That's all so important. That's what we have to do. We have to expand our trade and diversify as much as we possibly can. I know we depend on the States. A large portion of our market is there. However, if there is anywhere else we can sell products, we want to do that.

As I said before, if you're going to sell a product somewhere, the government and people involved in the industry have to be there to answer questions from the importers. They're the ones who buy the product.

Thank you very much, Heath.

**Mr. Heath MacDonald:** Chair, how much time do I have?

**The Chair:** You're at 20 seconds, so if you want to get on my Christmas card list this year....

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

**Mr. Heath MacDonald:** Chair, I'll go back to the Minister.

If the funding is not approved due to delay tactics by the opposition, some of these local projects may not be achievable. I hope

they see the light, put partisan politics aside and vote to continue to support our farmers.

Thanks, Chair.

**Hon. Lawrence MacAulay:** I fully agree with you, Heath.

**The Chair:** We're getting close to Christmas, so let's hope we can all find good, non-partisan spirit heading into it.

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

**The Chair:** Go ahead very briefly, Mr. Barlow.

**Mr. John Barlow:** Very briefly, I know the Liberal colleagues have been upset by some of the questions we've been asking.

I have to ask why the Liberal member for Malpeque did not ask a single question about the seed potato issue, which is a crisis in P.E.I.

**The Chair:** We're getting a little—

**Mr. Tim Louis (Kitchener—Conestoga, Lib.):** That's not a point of order.

**The Chair:** I've become a bit liberal here, but we're having some fun back and forth.

[*Translation*]

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

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

Minister, thank you for your co-operation. I'd like to get back to the pork issue.

If I understood your response to my previous question correctly, you're saying there are negotiations under way with the countries we sell pork to create zones if cases of African swine fever occur. That's great. However, Bloc Québécois members have met with pork producers, and they asked for an emergency fund for just such an eventuality. I assume they met with you, too, or with people from your department.

Are you working on setting up such an emergency fund?

[*English*]

**Hon. Lawrence MacAulay:** I'm always working on emergency funds, Mr. Perron. We have programs in place to deal with emergency situations. As you're fully aware, the BRM programs are set up for that. You and I discussed the issue in your province, and it came to fruition.

I didn't hear from you, but we got that done.

[*Translation*]

**Mr. Yves Perron:** Minister, that brings me to an interesting subject, the AgriRecovery program, which we discussed for Quebec. You just alluded to it.

If I understand correctly, in 2025, we should receive \$22.2 million to repair damage cause in the summer of 2023. Businesses disappeared over those two years. Will you bring them back to life when you give them their cheques? To be honest, it makes no sense. We need to rework the programs.

I have another question for you.

This week, I met someone who works for the committee responsible for auditing Agriculture and Agri-Food Canada. I was interested in how these people collect data. They told me that they had also contacted people from your department, but had not yet received a response. I hope you'll meet with them. Will you? Will you soon be reworking the agricultural insurance programs, which we both know are no longer working?

You have 30 seconds for your reply, Minister.

[*English*]

**Hon. Lawrence MacAulay:** Yes, and it was discussed in Whitehorse at our last federal-provincial-territorial conference. It's not an easy issue to deal with, because you're dealing with provinces, territories and the federal government. It's certainly true that the programs need to be adjusted to fit the times, and we're working hard to do that, but you have to work with the provinces in order to do that.

Your point is well taken. The programs need to be adjusted, and we're working hard on that. I thank you for that question.

**The Chair:** Thank you to you both.

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

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

Minister, my colleague Richard Cannings, whom I share this committee with, had a good meeting with the Deans Council for Agriculture and Veterinary Medicine. I understand from that meeting that they submitted a funding proposal for vaccine development to address the spread of zoonotic diseases, like H5N1, but that funding request was denied.

When it comes to this specific area, there's a lot of collaboration between you and Minister Holland because of the nature of how the CFIA works.

Given the fact that in British Columbia, a teenager became infected, this still poses a very grave risk to our entire poultry industry. As the minister responsible for agriculture, do you not think the decision to deny that funding to the Deans Council, which does incredible work, was short-sighted?

• (1700)

**Hon. Lawrence MacAulay:** Thank you very much, Mr. MacGregor. I appreciate your question.

You fully understand that I will not evaluate whether a vaccine is appropriate or not, but—

**Mr. Alistair MacGregor:** I understand that.

**Hon. Lawrence MacAulay:** —I understand that your question is whether I think—

**Mr. Alistair MacGregor:** It was the funding to develop the vaccine.

**Hon. Lawrence MacAulay:** It's on developing a vaccine.

We have spent a lot of money as a government to develop vaccines in many different areas.

I'll let Robert deal with that question.

**Mr. Robert Ianiro:** Mr. Chair, through you, I'm not familiar with the request that is being referred to and what involvement the CFIA would have had in that decision. As it was pointed out, there's no doubt this would have been closely tied with Health Canada, but I would be happy to take that request away.

We invest, for sure, in both ASF and HPAI vaccinations with other governments worldwide. I would have to take away this particular issue that's been raised. I'm not familiar with it and what would have led to the denial of funding.

**Hon. Lawrence MacAulay:** We'll get the information for you.

**Mr. Alistair MacGregor:** Okay. I would appreciate it if you could submit that to the committee.

I only have a few seconds. On the subject of temporary foreign workers, there have been some problems identified with the program. How are you advocating with your colleagues around the cabinet table to make sure that the pathway to permanent residency...?

If they're good enough to work here temporarily, which many do for years on end, how are you continuing to advocate for that pathway to be strengthened toward permanent residency?

**Hon. Lawrence MacAulay:** I'm glad you brought up temporary foreign workers. It's a big issue, and it's held at 20% for agriculture. That is vitally important.

There is an issue with immigration and housing, which we had to address. Temporary foreign workers are vitally important to the agricultural sector. I can assure you it was a hot issue. I'm very pleased that we were able to keep it at 20% because it's used in your province and right across the country. In fact, the apples would not be picked if you did not have foreign workers, and I'm fully aware of that.

**The Chair:** We're going to go to our final five minutes for the Conservatives and five minutes for the Liberal colleagues, and then we'll excuse the minister because that will be an hour. We'll then have a little time for the officials.

Mr. Steinley, it's over to you for five minutes.

**Mr. Warren Steinley (Regina—Lewvan, CPC):** Thank you.

Minister, thank you very much for coming to Regina. It's not been since 2019 that we've seen a Liberal in Saskatchewan, so they're kind of like unicorns—we hear about them, but we don't see them very often. I appreciate your coming out.

**Hon. Lawrence MacAulay:** Thank you.

**Mr. Warren Steinley:** The last time we chatted we did talk about the capital gains tax. I'd like to revisit that conversation where you said you weren't aware that it was going to be in the budget, which is a bit of a surprise, but you've had your answer to that.

Since it has been delivered in the budget now, how many stakeholder consultations have you had about the capital gains, and could you table the names of those stakeholders you met with specifically on the capital gains increase?

**Hon. Lawrence MacAulay:** I think my honourable colleague is well aware of what I said last time. You can interpret it whatever way you like.

I said I do not write the budget—and I do not write it. I also can assure you that whatever involves the agricultural sectors, I am fully involved and will continue to be as long as I'm minister.

You're fully aware, too, that we increased the capital gains tax exemption to \$1.25 million and also—

**Mr. Warren Steinley:** I agree with all that, Mr. Minister.

I'm just wondering if you have a list of stakeholders from the ag sector that you have consulted with about the capital gains increase since it was delivered in the budget.

**Hon. Lawrence MacAulay:** I continually consult with the agricultural sector. Every day, I think, I talk with a set of different sectors of agriculture, and I'm very pleased to do it.

**Mr. Warren Steinley:** Have they talked about the financial burden they feel this is going to be on the next generation?

We had the Dochertys here at committee. The son broke down in tears in committee because of the financial pressures he's feeling because of the capital gains increases. He believes he won't be able to carry on the family potato farm because of this government's policy direction.

• (1705)

**Hon. Lawrence MacAulay:** Everybody is entitled to their interpretation. As you are fully aware—I think you're aware—this change will help small and medium-sized agricultural farmers across the country. There are large firms that will pay a bit more, and that's simply how it is.

This was put in place. You have to adjust the tax system and, in fact, we have many programs in place like the pharmacare program, the child tax benefit, all these dental programs, continual programs.

**Mr. Warren Steinley:** Thank you. I know about those programs.

The Liberals made a commitment that it's only going to affect 0.13% of the population. I haven't heard from a farmer, in talking about succession planning with their kids, who has not been affect-

ed. In fact, in 2004, the total farm debt was \$48.9 billion across Canada, and in 2023, the total farm debt was \$140 billion.

How do you think the increase in capital gains is going to increase the debt load on the next generation of farmers? How do you believe they're going to make a go of it, Mr. Minister?

**Hon. Lawrence MacAulay:** Well, the increase in the capital gains exemption is going to help farmers, and I think you know that. It went from \$1 million to \$1.25 million. Then there's the Canadian entrepreneurs' incentive. There are a number of programs—

**Mr. Warren Steinley:** Farmers don't qualify for that program.

**Mr. Francis Drouin:** Yes, they do.

**Hon. Lawrence MacAulay:**—that will help farmers and make sure they're able to continue on.

**Mr. Warren Steinley:** The Grain Growers of Canada said that this capital gains tax increase will mean about a 30% increase on farmers across the board. That was their number.

Do you think that the Grain Growers of Canada had that wrong, or do you agree with that number?

**Hon. Lawrence MacAulay:** What I can tell you is that this capital gains tax change will help small and medium-sized enterprises right across this country to transfer their properties. Without that, they would have more difficulty. This will help small and medium-sized farmers right across this country.

**Mr. Warren Steinley:** I'm not sure how that's possible, Mr. Minister. I'm reading from a release—

**Hon. Lawrence MacAulay:** I can tell you that it's possible, really, with—

**Mr. Warren Steinley:** I'm reading from a release asking the federal government to reverse their harmful capital tax gains for the agriculture sector. It is signed onto by the provincial ministers from Alberta, Saskatchewan, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Manitoba. All of these ministers have said this is going to damage the agriculture sector in our country.

Are those ministers right? Is your government policy not going to help farmers across our country?

**Hon. Lawrence MacAulay:** All I can do is tell you, my friend, what this will do. This will help small and medium-sized operations be able to transfer their property.

I think my honourable colleague is aware of that.

You know that's right.

**The Chair:** We're at time, Mr. Steinley.

Sorry, Mr. Minister, but that is five minutes.

There are a couple of things I want to say to Mr. Steinley.

I've spent a good time in your province—a beautiful time in Saskatchewan—so the minister's a good Liberal—

**Mr. Warren Steinley:** [*Inaudible—Editor*] two Liberals.

**The Chair:** —and maybe Mr. Drouin is as well.

I'll say, certainly when we talk about the proposed capital gains, I do want the committee to recognize that the government has extended that to agriculture from \$1.25 million to \$3.25 million. The measures have not passed, to be fair, but that is the intention of the government.

Mr. Louis, go ahead for five minutes.

**Mr. Tim Louis:** Thank you, Chair.

Thank you for being here, Minister.

I wanted to highlight the positive impact of the local food infrastructure fund. I appreciate your time here, and I also appreciated the time that you came to visit Kitchener—Conestoga to see first-hand the positive impact of that funding. The goal of that program is to improve accessibility to nutritious and local food, and it helps purchase and install essential infrastructure and equipment.

In Kitchener—Conestoga, the local food infrastructure fund has been a game-changer. The Wilmot Family Resource Centre, which you and I visited, received \$23,000 from the fund to help acquire a refrigerated van, which is a vital tool that delivers fresh food and locally-grown produce to families in need in my community.

I also wanted to highlight that local farmers have been incredibly generous, and I'm sure not just in my riding but across the country. When they have a bit extra, they donate. They donate chicken, pork, squash, corn, honey, eggs and all of these things just because they're part of our community, and I wanted to thank them publicly. Organizations in Kitchener—Conestoga like the Wilmot Family Resource Centre and Woolwich Community Services are tirelessly providing those essential services and support.

That local approach is what I appreciate so much about the local food infrastructure fund, because people are receiving services from their neighbours. They're part of the community already and they're familiar faces and friends.

In your travels across Canada as Minister of Agriculture, specifically in those smaller communities, can you share how you've seen that local food infrastructure fund help Canadians?

• (1710)

**Hon. Lawrence MacAulay:** Tim, at the Wilmot Family Resource Centre, that was a touching event to see what took place there and to see so many people who cared. You received some funding, and it's certainly on full display what the value of that funding is.

As you know, we put \$63 million into the last budget, and we need to make sure that we quit playing games in the House and get these estimates through and make sure that this money becomes available, because, without a doubt, what you're doing helps so

much the people who have less in your area. That's right across the country. I see it right in my own district too, right in my own home community, where there's a community fridge.

The infrastructure program is so vitally important to help people. You also have that refrigerated truck, which means they're able to deliver food around. It's just so heartwarming to see, but I think the most heartwarming part of that trip was seeing the people who worked so hard and cared so much about the people who had less. That means so much. Without a doubt, that's going on right across the country. I've seen it in many places, but it's a great display in your area.

**Mr. Tim Louis:** I'm concerned, and Canadians are concerned. If the Conservatives are blocking the supplementary estimates, what's at stake for programs like that, which are feeding families?

**Hon. Lawrence MacAulay:** We have to quit blocking the House and get the estimates through. That's what's required. They have to be passed to make sure these funds are available to the people who need them right across the country.

You see the value of it. You see the results of what can take place when programs like this are put in place, and I was certainly pleased to be there to see it. Of course, it's just a demonstration of what takes place right across the country and the need there is.

That's so important, Tim.

**Mr. Tim Louis:** Thank you for that.

With the recent election in the United States of Donald Trump as president, farmers here and producers across the country are wondering how this new U.S. administration could impact our agriculture sector.

You have experience working with the previous Trump administration. Can you share with us how you can help prepare our government for the challenges that might be ahead?

**Hon. Lawrence MacAulay:** Yes, I was there during the last Trump administration. We got along very well, to say the least, with the Secretary of Agriculture. In fact, the secretary ended up on my farm. I invite people to my home—to my farm. My wife says, “Quit inviting people or they're going to come.”

When the Secretary of Agriculture says he's coming, that's quite a fuss. It was a great fuss. He came to the farm and, in fact, we had a great rapport. I hope to be able to deal with Secretary-elect Rollins. I understand she was brought up on a farm and understands the agricultural sector.

Without question, for the beef industry right across the country, we understand that sometimes the cattle go back and forth across the border four or five times before they're butchered. They might be born in Saskatchewan, raised down west or in Florida, grazed on the prairie and then go back and forth three or four times. These are the kinds of issues that are so intertwined.

Everything is so intertwined with us and the U.S. and they're such a valuable customer. We understand that. I think the Prime Minister's trip last week was so important because you have to be there and you have to make sure you keep those great relations up. We will continue to do that.

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

Colleagues, that brings us to the end of our first hour of today's meeting.

Minister, thank you for being here before the committee.

I speak on behalf of all my colleagues when I say thank you for your work on behalf of Canadian agriculture. We'll let you get on with your day.

Our officials will stick around, so colleagues, I'm going to suspend just for a minute or two and then we'll be up with the officials.

The meeting is suspended.

• (1710) \_\_\_\_\_ (Pause) \_\_\_\_\_

• (1715)

**The Chair:** We're back in session.

Thank you to our officials.

We've added Marie-Claude Guérard from Agriculture and Agri-Food Canada.

We have Mr. Xu, who is with CFIA.

Welcome. Thank you for being here.

We'll go right into questions.

Mr. Epp, you have six minutes.

**Mr. Dave Epp (Chatham-Kent—Leamington, CPC):** Thank you to the officials for being here.

In the opening round, the minister stated that he had not or was not aware of the railway and the private crossings issue. I find a bit astounding that he would not have been briefed on that.

I want to also go into the railway issues, but with drainage.

Specifically, what federal change in policy or in legislation has led to CN Rail declaring that it no longer is subject to the Ontario Drainage Act?

**Mr. Lawrence Hanson:** Thank you, Chair.

I do say that I should defer to Transport Canada colleagues on this. I will note, just on the rail crossings in the first instance, that I think a lot of work has been going on to identify potential exemptions, either temporary or longer term. I'll leave that with them.

I've met with multiple stakeholders since I started this job. This issue has not been raised personally with me. On the drainage issue, I'm very sorry, but I think that in terms of regulating and working with CN, that would probably be a question better answered by Transport Canada officials.

**Mr. Dave Epp:** CN is actually being sued by Perth East, which is a municipality in Ontario. CPKC is being sued by my own municipality of Chatham-Kent.

I know the Ontario federation has written extensively, publicly, on behalf of farmers, so I'm a little surprised that AAFC.... I know the Ontario Minister of Agriculture has written to the Minister of Transport.

What has AAFC done? Has it made representations to transport on this issue, both the crossings, I guess, and on drainage in particular?

• (1720)

**Mr. Lawrence Hanson:** Chair, to my knowledge, on this drainage issue, no representations have been made to me from any of our stakeholders. I will ask Tom if any have with him.

**Mr. Tom Rosser:** Although I meet regularly with provincial and national stakeholders—probably dozens a year, if not hundreds—they have not raised it with me, nor has it been raised directly with the minister in any of the meetings of his that I have attended.

**Mr. Dave Epp:** By way of background, both CN and CP have declared that they are no longer subject to provincial legislation on drainage, yet they have complied with that for over 100 years.

The Ontario Drainage Act was the single first piece of business undertaken by the Ontario legislature when it was formed because it's so important to Ontario farmers. For 100 years, the federally regulated railways complied with it. Five years ago, they stopped and now municipalities are suing them.

In fact, there was no regulatory change or policy change. They found a loophole in the legislation when the railways act was morphed into the Canada Transportation Act and the Railway Safety Act.

Has the AAFC done no work on drainage in Ontario and other places with respect to federal legislation?

**Mr. Lawrence Hanson:** I will never say that we have never done any work on a specific issue in case we have, but I will say, just to reiterate the point from my colleague, that this issue has never been brought forward to us by any of our stakeholders. To my knowledge, it's not something that we're actively engaged on.

**Mr. Dave Epp:** Thank you.

I'll switch gears a bit and go to fertilizer. I'll focus not on potassium or nitrogen but on phosphorus, which Canada lacks in its present capacity. Eastern Canada, where I'm from, has in the past largely depended on imports from Belarus and Morocco. Florida is the main source of phosphorus into Canada.

What work has the department done with respect to the threat of 25% tariffs? How will that affect our Canadian ag industry?

**Mr. Lawrence Hanson:** In the immediate aftermath of the announcement from the president-elect, needless to say we've been talking to all our stakeholders about this. They're bringing up the issues of the tariffs.



I will just defer to the comments that have been made by the Prime Minister and the Deputy Prime Minister about the desire to work closely with the incoming American administration, given the mutual dependencies of the agriculture sector across the border.

**Mr. Dave Epp:** Has AAFC done any work at all on enhancing Canada's own supply of phosphorus?

**Mr. Lawrence Hanson:** Not to my knowledge, but I'll turn to Tom on that.

**Mr. Tom Rosser:** We certainly have engaged with ag fertilizer stakeholders on the security of supply and availability of different types of fertilizers over the past several years, including looking at what options might exist to increase domestic supply for those who are reliant on imports.

**Mr. Dave Epp:** Can you table with the committee any information on that, specifically with the possibility of enhanced mining of phosphorus in Canada?

**Mr. Lawrence Hanson:** Any information we have on this we'll be happy to table.

**Mr. Dave Epp:** Great. Thank you.

I'll switch gears again and go to the grocery code of conduct, which the minister raised. What makes Canada different? It's an issue that I've certainly followed. I'm sure the department has followed the evolution of the development of the grocery codes of conduct in the U.K. and Australia. What makes Canada different from those two countries that will allow us not to have to follow that same process that unfurled in both of those countries in lock-step?

**Mr. Lawrence Hanson:** In terms of how we're different, I will just say that this is an issue that we have worked on with provincial and territorial governments. It was discussed at the Whitehorse meeting, which the minister referred to earlier today. There was a consensus among federal and provincial governments that an industry-led voluntary approach was the most effective means at this time, notwithstanding what others might have done.

**Mr. Dave Epp:** Great. Thank you for that.

Are you aware of the other steps that have evolved in the other countries?

**Mr. Lawrence Hanson:** I believe the other models are a little bit more *dirigiste*, if I may say. The idea was to tailor the situation to the Canadian situation. Again, there was a consensus at a federal, provincial and territorial table that this was the way to proceed.

• (1725)

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

Mr. Drouin, you have six minutes.

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

Thank you to our witnesses for being in front of us.

My honourable colleague asked about the Ontario Drainage Act. The title speaks for itself. Has the Ontario government sent us a letter to request our help to enforce their own act?

**Mr. Lawrence Hanson:** To my knowledge, no. If there were such a letter, I imagine it would have gone to Transport as opposed to our department.

**Mr. Francis Drouin:** Right. The issue is that the Ontario Drainage Act was passed in Ontario and not at the federal level. For decades now, CN and CP have not been Crown corporations of the Government of Canada. I understand there are federal regulations that they must follow, but at the same time, we expect our rail lines to follow provincial regulations wherever they may cross. I think this is an issue where I hear where the stakeholders are at, but at the same time, if provinces want to enforce their own act, then they have the power to do so. I hope they do it. I fully support our farmers and our municipalities who are facing those particular issues.

Mr. Chair, over the last few days, I've noticed that on Twitter there's a campaign of disinformation on a food additive. I would like to direct my questions to CFIA in terms of how we approve food additives in Canada. It's been raised that there are those who are advocating to provide public trust into our system, while at the same time there are certain professors who are providing mistrust in the system in terms of not providing real data.

When a private sector company asks CFIA for a food additive to be available in Canada, what is the particular process? Will CFIA treat this as a food additive or perhaps a drug? What's the balance there in terms of ensuring not only public safety but also animal safety and human health, at the end of the day?

**Mr. Robert Ianiro:** Thank you, Mr. Chair, for the question.

I just want to clarify that if we're talking about food additives for human food consumption, that would be for Health Canada. If it's related to a feed additive for animal feed, there is a process that is administered by the Canadian Food Inspection Agency.

In particular, the ingredient that is being referred to is 3-NOP, which is a feed ingredient that has recently been approved in Canada. It is actually approved in the U.S. and the EU for use in beef cattle. It was recently approved in Canada for use in dairy cattle and in beef cattle. It is approved because it is a known reducer of methane emissions in cattle, which are a key contributor to greenhouse gas emissions.

There is a robust process in place. They go through an evaluation at the CFIA. There is a consultation process. In particular, for 3-NOP, that ingredient was consulted on from November to December, after which it was added to the ingredients table. That allows manufacturers to make a determination on whether or not they want to use that additive in their feed.

We regulate the ingredient.

**Mr. Francis Drouin:** Just so I understand it correctly, that consultation period was public. Anybody, Joe and Jane Porch or farmers from Dalkeith or St-Albert, could have commented—anybody from anywhere in Canada could have commented—on that particular ingredient.

I don't want to pick on 3-NOP. I'm asking just in general about feed additives.

**Mr. Robert Ianiro:** Mr. Chair, the answer to the question is any time we look at adding a feed ingredient to our ingredients table, there is a consultation. It is typically 30 days.

If we're referring to nitrooxypropanol, or 3-NOP, in particular, that consultation was open from November 16 to December 16, and then it was put on the ingredients list at the end of January 2024.

**Mr. Francis Drouin:** Let's say the CFIA missed something. You've clearly outlined that Europe approved it before and the U.S. has approved it. I'm assuming that the CFIA, on a continuous basis, if there is new scientific data that is presented, would consult with its like-minded partners, as it always does. Is that correct?

• (1730)

**Mr. Robert Ianiro:** Yes, we're obviously always looking at new, emerging science. If there is any evidence to suggest that something has become unsafe based on the intended uses, absolutely, that is correct, Mr. Chair.

**Mr. Francis Drouin:** Great.

Mr. Chair, In the spirit of Christmas, I will cede my time.

**The Chair:** I'll take that at the end.

Go ahead, Monsieur Perron, for six minutes.

[*Translation*]

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

Thank you, Mr. Drouin.

Mr. Ianiro, let's talk more about duck. I didn't want to waste my time with the minister on this earlier, but I'd like you to explain something to me and to the industry people. The importation of genetics from France was halted because of avian flu and because of the vaccine that's in use over there but is not wanted here in Canada. Apparently a supplier over there who wasn't vaccinating was found quickly. According to my information, this file has been active for over a year. In early September, a team from your agency visited. Now it's almost Christmas, and I'm being told the report should come out in 2025.

Don't you think that process is taking a long time? The industry being kept waiting, and it's at risk because it can't produce.

**Mr. Robert Ianiro:** Thank you for the question.

To make sure my answer is 100% accurate and concise, I'll reply in English, if that's okay.

[*English*]

First and foremost, I would say that we acknowledge the issue and the challenge you're clearly outlining, which producers in Quebec are facing.

In response to a decision made by France to vaccinate their commercial duck population, we made a decision at that time to impose restrictions on the import of all poultry from France, including ducks.

Our current belief is there are some risks in introducing HPAI into Canada. That being said, as it was mentioned, we are in the process of conducting an evaluation—we are doing that with the US-DA—and there was a visit to France.

The risk assessment I mentioned earlier is in the final stages of being completed. That's what I understand. It is at that point in time that I think we'll revisit the current bans that are in place, particularly on the duck genetics. If there is reason to revisit that and allow a more flexible approach for the importation of duck genetics, or even other ducks and duck by-products, I can assure you that we will endeavour to do so, based on the issues that have been raised here.

[*Translation*]

**Mr. Yves Perron:** Thank you for that.

I'm still having a hard time understanding why the process is taking so long. Is there a shortage of resources? Do you have enough resources to do this work?

[*English*]

**Mr. Robert Ianiro:** Thank you for the question, Mr. Chair.

[*Translation*]

I wouldn't say there's a shortage of resources. My understanding is that the visit happened just a few months ago, I believe, and, as I said, the evaluation is being finalized.

[*English*]

What I can add is that it clearly is a pressing issue, and I can personally commit to ensuring that the evaluation is completed in short order and, perhaps more so, that we look at the findings and render a decision on what flexibilities could be introduced as soon as possible.

[*Translation*]

**Mr. Yves Perron:** Thank you very much, Mr. Ianiro.

Again, you might be the person who can give me more information about pork.

I was pleased to hear the minister say that he's working on setting up an emergency fund in case African swine fever shows up here. If I understand correctly, talks are under way with the countries we export pork to. The idea is to make zoning arrangements so we aren't forced to block all exports.

That's what happened with duck. The announcement was done in a hurry and was very general. Containers of ducks that had already been slaughtered were ready to be shipped. These frozen products posed no risk, and companies suffered heavy losses.

[*English*]

**Mr. Robert Ianiro:** Mr. Chair, there is no doubt that the CFIA is taking the threat of the introduction of ASF into Canada very seriously. It obviously would have devastating impacts on the industry.

We obviously are focusing on prevention, on biosecurity and, in particular, on the preparedness activities. Part of those preparedness activities is to promote business continuity. One of the elements of that business continuity is ensuring that we have international zoning arrangements in place.

We currently have zoning arrangements for the U.S., the European Union, Singapore, Vietnam and Hong Kong. That makes up about 39% of the pork exports in dollar value from 2023. We are in the process of continuing our negotiations with the United Kingdom, Japan, the Philippines, South Korea, Chile and Mexico. When those are completed, that would actually have coverage through these arrangements of just under 79% of our annual dollar value of pork exports from 2023.

As it relates to how we would deal with any surplus hogs in that event, I will have to turn to my colleagues at AAFC.

• (1735)

[Translation]

**Mr. Yves Perron:** Thank you for that.

I would like to talk about the issue of access to veterinary products, which Mr. MacGregor alluded to earlier, but I'm not sure which witness can speak to this.

We know there's a shortage of veterinarians and that many veterinarians come from outside Canada. They have to take an exam to be certified. There's one centre in Quebec and another in Winnipeg, I believe. I was told there's a capacity issue. Have steps been taken? The veterinarian shortage impacts agricultural production, and that's a huge problem.

**Mr. Tom Rosser:** Mr. Chair, my Canadian Food Inspection Agency colleagues may be better equipped to answer the member's question than I am.

I just want to say that we're aware of the situation. Ideas have been put forward for increasing veterinarian training capacity, especially for veterinarians trained abroad, so we can make sure they're able to practise in Canada. We've talked to veterinarians and universities about ways to do that.

[English]

**The Chair:** Mr. MacGregor.

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

Mr. Hanson, I'll turn to you. I know you were about to answer, but my time was short with the minister. I want to return to the line of questioning I had on the sustainable Canadian agricultural partnership.

You have asked the Parliament of Canada to approve \$42 million in the supplementary estimates for contributions to the cost-shared programs. Back on October 29, Keith Currie, as president of the CFA, appeared before this committee. I want to quote some of his testimony for you.

He said:

...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.

This is not the only time the CFA and others have made this call. I think there is quite a lot of concern about waiting all the way until March 31, 2028.

Can you inform this committee what steps the federal department is taking in terms of leadership of the provinces in addressing these very real concerns?

**Mr. Lawrence Hanson:** Thank you, Chair.

Begging the chair's pardon, I wonder if I might make good on a promise I made in the round with the minister and respond to an earlier question without taking away from the current member's time.

**The Chair:** Certainly, you're entitled. Mr. MacGregor can ask the question. Are you talking in terms of providing the documentation?

**Mr. Lawrence Hanson:** No, I'm sorry, it was a question from Mr. Barlow in the first round, and I promised the information. I just want to make good on that promise, but I don't want to detract from Mr. MacGregor's time.

**The Chair:** Okay.

**Mr. Alistair MacGregor:** Is that a commitment to provide documentation?

**Mr. Lawrence Hanson:** No, sorry. Maybe I'll do this in order.

I believe that the member asked about the funding for Aspire Food Group and whether or not it was inconsistent with the program terms and conditions. I just wanted to flag that the member is quite right that, if you go to the website, it would say normally a maximum of \$5 million. I will clarify that the program terms and conditions do allow for a contribution of up to \$10 million, so it was consistent with the program Ts and Cs. I wanted to clarify that in response to the member's question.

Thank you, Chair.

I have had the pleasure of meeting with Mr. Currie multiple times since I've started this job. I will say that it's important to understand that the SCAP, although it's a five-year agreement, it doesn't mean that the entire system of supports for producers are frozen in amber for that five-year period. There are constant discussions on how we can strengthen elements of the program. To give just one example, there was a discussion at the federal-provincial ministers' meeting this summer about potential adjustments to the AgriStability program to deal with very specific issues in the cow-calf sector. We are continuing to talk about how we can make the AgriRecovery framework operate more efficiently, to the minister's point. We're certainly not in a situation where the program suite and the statutory programming under BRM can't be adjusted for five years.

• (1740)

**Mr. Alistair MacGregor:** Thank you, Mr. Hanson.

I know that you as officials have been asked about the grocery code of conduct, and we know that this was primarily industry-led but that there were contributions from the Government of Canada.

It is a voluntary code at this point, but I do believe there are ways the government could make it mandatory if it's not effective. I'd like you to explain to this committee what particular benchmarks would have to be met in order for the government to intervene. What are the markers? How bad does it have to get if this code fails before the calls for mandatory participation would prompt you to take action?

**Mr. Lawrence Hanson:** I don't think I will speculate on this kind of set of factors that would lead to a change of approach on the code of conduct.

Again, to reiterate the earlier point, because this is a shared undertaking with provincial and territorial governments, were there ever to be a change or a pivot on that in some sort of different direction, it would be something that we would want to talk about it in an intergovernmental context, and I don't think it would be right for me as an official in one single order of government to speculate on what form that would take and why it would happen.

**Mr. Alistair MacGregor:** Okay, fair enough.

I'd like to also ask about the funding for the local food infrastructure fund that you have in the supplementary estimates. Like Mr. Louis, I also have constituents who benefited from this funding, and I do believe that, at its heart, it's very good for establishing much-needed resiliency in local small communities like my riding.

What I want to know from the department is how you are measuring the outcomes of this program in terms of recipients who have received money. How are you measuring how that local resilience and infrastructure has been built up over time? What are the markers you're looking for to measure the success of the program?

**Mr. Lawrence Hanson:** Thanks for the question, and Marie-Claude should add anything to my answer that she might wish, but I think the threshold answer to that would be kind of similar to what we would do in any kind of new program, which is, after a suitable period of time, a program evaluation to determine the impacts.

**Mr. Alistair MacGregor:** What would a suitable amount of time be for this? I'm just curious.

**Mr. Lawrence Hanson:** Marie-Claude, I don't want to put you on the spot. I don't know if we have a standard time before we launch a program evaluation, so I'll turn to you.

**Ms. Marie-Claude Guérard (Assistant Deputy Minister, Corporate Management Branch, Department of Agriculture and Agri-Food):** I would say that this funding is over the next three years, and usually an evaluation is after each three years of the program. That's where we will see the evaluation and look to the outcome for the program.

**The Chair:** We are a little over time, but I wanted to be gracious. I know. I'm very flexible and very liberal.

Mr. Barlow, you have a very quick intervention on a question around documents or tabling additional information.

I will be fair to any other colleagues if you have anything very quick. Otherwise, I have a few questions, and then we're going to get out of here.

**Mr. John Barlow:** Thank you, Mr. Chair. I appreciate the indulgence.

Mr. Hanson, you mentioned that there is some leeway with that program up to \$10 million. Could you table with the committee what the decision was that allowed the Aspire Food Group program to go from the \$5 million to \$8.5 million? What was the specific trigger that allowed that to go to \$8.5 million?

Last, you're requesting \$14.46 million for operating expenditures. Can you table with the committee how much of that will be spent on outside consultants and how much has been spent on outside consultants each year going back 10 years, broken down by services at AAFC?

**Mr. Lawrence Hanson:** I will say that we're happy to provide information on the incrementality on the Aspire Food Group program. I don't know if it would be characterized as a trigger or what, but we are happy to provide the information that we have.

With regard to consultants and professional expenditure, I will defer to Marie-Claude, but I'm sure we can table information on that. I will just add that, especially in recent years, as a result of responsible government spending, all departments were required to lower the expenditures on these, and we are doing just that. With regard to the historical record, however, I'm sure we can provide any information we have.

● (1745)

**Mr. John Barlow:** Thank you.

**The Chair:** We'll leave that for the officials to table.

Colleagues, I'm just going to ask a quick round of questions.

The first is for the CFIA.

I have a document here that was prepared by, I think, 13 or 14 different organizations. It's called "Improving Access to Veterinary Pharmaceuticals, Veterinary Health Products, Livestock Feeds and Veterinary Biologics in Canada".

Mr. Ianiro, Mr. Drouin took you down a line of questioning about the good work the CFIA does, and I understand the important role you play.

I have been an advocate, asking how we can try to align information sharing amongst agencies—I know that some of that work is done—to allow for the expedition of some of these approvals that are so crucial for the agriculture industry.

I believe there's a meeting coming up around this. Can you speak to the work that we're doing around microbial resistance and making sure that we can try to have a breadth of approvals that really matter? Veterinary approvals from the CFIA are down by 40%. That's concerning, I think, for the agriculture sector. How do we find that balance and give you the tools necessary?

**Mr. Robert Ianiro:** I think you're making reference to a recent white paper that was submitted by a series of stakeholders. I don't have all the details in front of me, but what I would quickly share is that we're definitely working with our partners at the Public Health Agency of Canada and at Health Canada because we're all kind of involved in varying degrees with these approvals.

Also, at the CFIA, I know that we're proactively trying to have meetings with a variety of industry members, as well as with, in particular, the Animal Nutrition Association of Canada, on how we can better prioritize getting submissions into Canada because there are market factors where, in some cases, submissions just are not made into Canada for whatever reasons that are business decisions. I think there was a recent meeting. I was not present at that meeting. I know that there will be continued discussions to see whatever we can do.

The other piece I would just add is that we are always looking at ways of streamlining our approvals and seeing how we can leverage—and we already have certain authorities to leverage—foreign decisions, obviously of like-minded countries. I think it's still a work in progress.

However, I would want to share with you, Mr. Chair, our commitment to continue to find ways of streamlining that and getting more products into Canada and approved into Canada as expeditiously as possible.

**The Chair:** No, I think that's extremely important. I don't want to speak for every member on this committee, but as the chair, I will say that this is something I hear consistently from commodity groups. I know you have a difficult job at the CFIA of balancing public safety, but we also need these tools for food security and for the success of our men and women who are out producing food.

It's good to know. Here is what I think this committee could benefit from: Are there regulatory or legislative pieces that are needed, above and beyond resourcing, to try to help support that initiative you have committed to us publicly to do?

Can I ask about bees? This committee has put up a recommendation for the CFIA to revisit its bee policy, particularly around the importation of bees. There is a bit of a split, I would say, in the industry between local honeybee production and their associations. However, certainly from the pollinators' perspective, we do allow for the importation of queen bees from California. Has the CFIA updated any of its guidance or process around the importation of bees, particularly from the state of California, in package form?

**Mr. Robert Ianiro:** With regard to the honeybees, you are correct that there are currently restrictions in place. We are in the process of completing a risk assessment. In fact, it's out for consultation. This is specific to honeybees, both queens and packages. We do allow importation from a variety of countries right now.

Specifically on pollinators, it is also something we are assessing to determine whether or not we can add the importation of pollinators from other countries. I know there were some issues last pollination season, in particular on the east coast, and we did work with some of the importers to try to find a way to make sure we assess where these pollinators are coming from. In fact, I think in some cases they were coming from Mexico, and we're definitely seized with this to ensure there are no negative impacts for the upcoming season.

• (1750)

**The Chair:** When could we expect that assessment and decision to be made by CFIA? Do you have a timeline?

**Mr. Robert Ianiro:** For the assessment on the honeybees, I understand that consultation is currently public, and it is a 60-day consultation period. We're consulting on the risk assessment that's been put out and on the proposals that would be put forward to determine how those risks can be mitigated and managed in order to look at adding more countries in the way of honeybees.

On the pollinators, I don't have a timeline. I'd have to get back to the committee on that one.

**The Chair:** It would be helpful for this committee if you could table that.

This is for the folks at Agriculture and Agri-Food Canada.

Again, thank you for the work that you do.

Deputy Minister Hanson, I was surprised you didn't get more questions on the Canada-U.S. relationship given some of the threats of tariffs and, obviously, the work that needs to be done by the government. Is there work being done within the department on cross-border mutual benefits? I think there are things we can do, such as aligning on certain harmonization of policies where it makes sense for farmers in Canada and the United States.

Is there some scoping work being done by your ministry on things of mutual benefit between industries in Canada and the U.S. just as we start to take an even deeper look at this relationship in the days ahead?

**Mr. Lawrence Hanson:** Yes, there are the built-in elements of the shared interests of the two countries. As members of this committee will know well, we are key export and import destinations for one another, up to and including the fact that livestock will often travel across the border, so there's a great deal of supply chain mutual dependency here.

On the issue of regulatory collaboration, this is always an ongoing issue with us, but there is also a formal kind of regulatory realignment process with ongoing work led by the Treasury Board, which is working with the United States on those issues as well.

**The Chair:** I don't want to presuppose where we may go in January, but this could be an interesting area of study in terms of cross-border collaboration, particularly on the harmonization piece around the regulatory aspect. Certainly for our folks at CFIA, I know there's a lot of good work, and we'd love to be able to encourage that work to even continue deeper.

Thank you, colleagues, for your indulgence on a round of questions.

I will, on your behalf, thank our public servants for their work on behalf of Canadian agriculture. Thank you for appearing today.

**Mr. John Barlow:** Mr. Chair, on the fertilizer letter on Sollio, did we come to a decision on that?

**The Chair:** I was not here on Thursday, as you know, but I will ask the clerk. She is away. We are meeting on Thursday, so I will make sure in the interim period that—

**Mr. John Barlow:** Can we just leave a little time there, then?

**The Chair:** Yes, I will make sure we set aside time.

**Mr. John Barlow:** Great. Thank you.

**The Chair:** That's a good reminder, colleagues, that we will see you Thursday on the rail study.

Before we go, we had better approve the estimates. That's why we're ultimately here.

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

**An hon. member:** We almost got away with it.

**The Chair:** I could get fired as the chair.

**Mr. Warren Steinley:** We were that close.

**The Chair:** We were that close. You should have let me hit the gavel.

First of all, I'll ask for unanimous consent to consolidate the vote. I assume that won't be a problem. I presume it will be on division.

**Some hon. members:** Agreed.

**The Chair:** We will now vote on the supplementary estimates.

DEPARTMENT OF AGRICULTURE AND AGRI-FOOD

Vote 1b—Operating expenditures.....\$14,466,757

Vote 5b—Capital expenditures.....\$21,809

Vote 10b—Grants and contributions.....\$102,097,436

(Votes 1b, 5b and 10b agreed to on division)

**The Chair:** Shall the chair report back to the House?

**Some hon. members:** Agreed.

**An hon. member:** On division.

**The Chair:** Thank you very much.

The meeting is adjourned.

Thank you.









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

---

### SPEAKER'S PERMISSION

---

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

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

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

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

---

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

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

---

### PERMISSION DU PRÉSIDENT

---

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

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

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

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

---

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :  
<https://www.noscommunes.ca>