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# Standing Committee on Government Operations and Estimates

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Chair: Kelly McCauley





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• (1530)

[English]

**The Chair (Kelly McCauley (Edmonton West, CPC)):** Good afternoon. We are in session.

Welcome to meeting number 32 of the House of Commons Standing Committee on Government Operations and Estimates.

We originally intended to have two different CER meetings. Unfortunately, the library folks were not able to attend today. We've moved them back to April. We have just the one extended round with our witnesses from various ag committees.

We have the Saskatchewan Association of Rural Municipalities, the Saskatchewan Wheat Development Commission, the Western Canadian Wheat Growers Association and Western Crop Innovations. All are appearing virtually.

I understand that all of you have five-minute opening statements. Because we have a lot to get to, I ask that you watch your clock and keep it to five minutes in order to stop me from having to cut you off.

We will have bells probably around five. We have one budget to approve before we rise for that.

Mr. Steinley, the floor is yours. Go ahead, please, sir.

**Darren Steinley (Vice-President, Saskatchewan Association of Rural Municipalities):** Thank you, Mr. Chair and members of the committee, for the opportunity to appear before you today.

My name is Darren Steinley, and I serve as the vice-president of the Saskatchewan Association of Rural Municipalities, or SARM.

Before I begin, I need to declare that I'm first cousin to MP Warren Steinley. However, I'm here solely as a representative of SARM.

It is a privilege to share SARM's perspective on the importance of the agriculture research farms at Indian Head and Scott to Canadian agriculture, rural municipalities and the producers who rely on that industry every day.

SARM represents 296 rural municipalities in Saskatchewan. Our members are on the front lines of agricultural production. When we talk about research and innovation, we are not speaking in theoretical terms. We are talking about the tools producers need to seed their crops, manage risk and keep their operations viable from one season to the next. In that context, the Indian Head and Scott research farms are critical assets not only for the agriculture industry

as a whole but also for the individual farms and ranches across western Canada that depend on practical, proven solutions.

The Indian Head and Scott stations have a long, distinguished history as centres of prairie agriculture innovation. The research conducted at these farms has advanced soil conservation, improved water management and contributed to better crop rotations and agronomic practices that are now standard in most operations. These outcomes are not abstract or academic. They are tangible changes that have improved yields, built soil organic matter, enhanced carbon sequestration and supported the long-term health of the land in ways that directly affect farm productivity and resilience.

From SARM's perspective, one of the greatest strengths of the Saskatchewan agriculture research farms is their applied field-scale focus. Producers need information that is tested under real-world conditions on soils in climate zones that mirror their own. This approach ensures that varieties and practices are robust across multiple environments, which is a key reason they've been so successful throughout the Prairies.

The importance of facilities like those at Indian Head and Scott is only growing as producers are asked to navigate an increasingly complex operating environment. Farmers are being asked to produce more with tighter margins, while also demonstrating stewardship of the soil, water and biodiversity. Robust, locally relevant research is essential to meeting these expectations.

There are also broader economic implications that extend well beyond the farm gate. A strong agriculture sector underpins the fiscal health of rural municipalities, which rely heavily on the agriculture tax base to maintain infrastructure, deliver services and support community life. When producers are more productive and resilient, they are better able to invest in their operations, employees and local economies. The research and innovation supported by the Indian Head and Scott research farms contribute directly to stability and growth across rural Saskatchewan and western Canada.

When research infrastructure like that at the Indian Head and Scott research farms is weakened or lost, the impacts are far-reaching. It's not just a matter of losing buildings or plots. It means losing accumulated expertise, long-term research projects, datasets and the relationships with producers that have been built over many years. Those assets cannot be quickly or easily replaced. Once they are gone, it takes decades to rebuild the capacity. In the meantime, producers and rural communities are left without support. They need to adapt and thrive in a rapidly changing sector.

A study on wheat varietal research and development found that for every dollar that producers' commissions and the Western Grains Research Foundation invested in wheat breeding, they received over \$30 back in benefits. When public money is invested alongside producer dollars, the return on investment increases even further, with billions in benefits flowing from wheat production alone. Saskatchewan research farms are also advancing other cereals, pulses and oilseeds.

SARM would encourage the committee, and the government more broadly, to view these research farms not as a cost but as a strategic asset that delivers returns in the form of productivity, resilience and innovation across the agriculture sector. Investing in research now truly harvests results for decades to come. We are demanding an immediate pause on the devastating funding decision in order to give all levels of government, producer groups and farmers time to discover and implement an equitable solution.

In closing, thank you again for inviting SARM to participate in your deliberations. Rural municipalities and the producers they serve are deeply invested in the continued success of the Indian Head and Scott agriculture research farms.

• (1535)

We appreciate the committee's attention to this issue, and we stand ready to work with you, with government and with partners in the research community to ensure these important facilities continue to serve Saskatchewan's agriculture sector for generations to come.

I'd be pleased to answer any questions you may have.

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

Ms. Velestuk, please go ahead for five minutes.

**Jocelyn Velestuk (Board Chair, Saskatchewan Wheat Development Commission):** Hello, everyone, and thank you for the opportunity to join this discussion.

My name is Jocelyn Velestuk, and I'm a farmer from Broadview, Saskatchewan, and the chair of the Saskatchewan Wheat Development Commission.

Sask Wheat is a farmer-led organization representing over 24,000 cereal producers in the province. Sask Wheat invests farmer check-off dollars into research, market development and advocacy initiatives to grow the profitability and sustainability of cereals production for Saskatchewan farmers.

I would like to start by highlighting that Sask Wheat is a major funder of research both provincially and nationally. Through the Canadian Wheat Research Coalition, or CWRC, a collaboration of

Sask Wheat, the Manitoba Crop Alliance and Alberta Grains, farmers fund core breeding agreements with AAFC and prairie universities, providing over \$9.5 million per year. The CWRC has contributed over \$70.5 million to wheat breeding since 2020.

Farmers are an integral funding partner for public wheat breeding in Canada, with our contributions representing almost half of the estimated total public varietal research and development costs. The cereals industry in Canada is an \$11-billion industry, making it a major driver of the Canadian economy. Last year alone, Saskatchewan farmers sold over 14 million tonnes of wheat and durum. That's over half of the wheat grown in the prairie provinces.

Canadian wheat is renowned internationally for its high quality and functionality. I've heard directly from our customers during the Cereals Canada new crop mission to Southeast Asia that Canada western red spring wheat is the best wheat in the world. However, Canadian agriculture's global reputation for quality and the competitiveness of our agricultural commodities depend on a robust research network. It all starts with the seed and growing the best varieties that help set us up for success on our farms and in the industry.

AAFC is a key partner for Sask Wheat and Saskatchewan farmers. We greatly value this partnership and recognize the tremendous value that has been generated for the industry through AAFC varieties, as well as agronomic research.

Sask Wheat is incredibly concerned about AAFC's ability to meet its current commitments in the core breeding and research activities following these cuts. While the minister and other officials have noted that there has been no reduction in breeding capacity as no breeding scientist positions have been cut, this ignores the fact that the cuts will impact the integrated suite of agronomists, pathologists and support staff who enable breeding programs to function. While individual breeders may be retained or relocated, the enabling capacity that makes breeding programs work effectively is being dismantled.

What truly drives yield improvement is genetics, environment and management systems and the synergies between breeding, agronomy and pathology working together at strategic sites across diverse ecosystems. The closing of Lacombe, Indian Head, Scott, and Portage la Prairie severely reduces the environmental diversity and testing capacity that validates whether genetic improvements actually deliver value to farmers.

While the government has stated that changes and cuts will not impact sustainable CAP programming, we have been informed that the cuts will directly impact many of the wheat cluster activities, with some being cancelled completely. Overall, this loss of knowledge and testing capacity across diverse agro-ecological zones leaves the wheat-breeding system at risk of significant technology gaps in the ability to continue providing elite varieties to farmers. Government needs to work with funding agency partners to address these capacity shortfalls and limit the potential significant negative impact on producers and the agriculture sector.

Sask Wheat and other funding partners with AAFC were not consulted prior to the cuts being announced. A thorough review of the research and plant breeding space with stakeholders should have been conducted prior to the cuts being announced, to prioritize investment areas and develop other solutions to maintain research capacity.

Farmers are now scrambling to save what we can and find a path forward to decrease the risk of research gaps. AAFC needs to work with its research partners, like Sask Wheat, to develop a long-term strategy for AAFC research and public breeding programs to keep the pipeline full of new innovations and prevent technology gaps from occurring.

Thank you for the opportunity to appear as a witness. I would be happy to answer any questions.

• (1540)

**The Chair:** Thanks very much.

Mr. Fransoo, are you taking the five minutes or is Mr. Pawlik?

**Daryl Fransoo (Board Chair, Western Canadian Wheat Growers Association):** Mr. Chair, I'll be sharing my time with Mr. Pawlik, if that's all right.

**The Chair:** Okay. Keep in mind it's five minutes only.

Please go ahead.

**Daryl Fransoo:** My name is Daryl Fransoo. I'm the chair of the Western Canadian Wheat Growers Association. I'm a farmer, and I represent producers across western Canada who are working every day to power the Canadian agriculture economy.

Our members are focused on staying competitive globally. That depends on these three things: reliable access to markets, timely access to innovation and technology, and institutions that work effectively on our behalf. At Wheat Growers, we focus on improving regulatory efficiency, strengthening trade infrastructure and ensuring our public institutions are delivering results for farmers.

We understand the need for fiscal restraint—farmers manage costs every day—but we are deeply concerned about how recent

decisions, particularly the cuts to AAFC, were implemented, and what that means for the future of Canadian agriculture.

I will now turn it over to our executive director, Darcy Pawlik.

**Darcy Pawlik (Executive Director, Western Canadian Wheat Growers Association):** Thank you, Daryl.

Thank you, Mr. Chair and members of the committee.

Having deep experience in taking research to commercialization through distributing angel funding at Ag-West Bio and through running North America's largest cereal seed company, AgPro Seeds, a business unit of Syngenta, and a start-up where I commercialized AI-based crop insurance products across multiple continents, I'll focus on one central point: Fiscal discipline is necessary, but how cuts are made matters just as much as the cuts themselves.

In the case of Agriculture Canada's closure of eight research sites and 665 positions, there is no evidence of a clear strategy without meaningful consultation and without a clear plan for what comes next. That's our primary concern, because Canada is already losing ground. Ag productivity has fallen, from highs of nearly 3% down to under 1%, and going lower. Public agriculture R and D spending has declined by roughly 20% since 2013, and now another 15% is anticipated to be taken off, while our competitors do the opposite.

We heard directly from affected sites that there was no opportunity to provide input, no transition planning and no clear prioritization of programs before decisions were made. At the same time, we are seeing experienced plant breeders leaving the system entirely, which is an ominous sign for what's to come.

This is happening in a broader environment, where execution is already falling short for the ag industry. Regulatory and application timelines remain slow and unpredictable, significant investments to improve processes have not translated into meaningful outcomes, and modernization efforts, which have taken over five years, have been met with limited results.

Canada does not have a knowledge problem; we have an execution problem. We're cutting innovation capacity while increasing the cost of doing business for farmers. That's not a path to competitiveness. To be clear, although many love progress but hate change, we're not one of those groups. We advocate relentlessly for positive reform whenever given the chance, but today we're here to ask for a more disciplined and strategic approach.

We would offer three recommendations. First, pause and review the Agriculture Canada cuts to ensure remaining capacity aligns with clear national priorities. Second, define a national strategy for agricultural innovation focused on productivity, competitiveness and value creation. Third, improve execution across key institutions by embedding accountability for timelines, outcomes and competitiveness into their mandates.

Canada has the foundation to be a global leader in agriculture, but leadership will not come from cutting without a plan; it will come from aligning our strengths and executing with discipline.

Thank you very much for your time and consideration. We look forward to your questions.

- (1545)

**The Chair:** Thanks very much.

We'll finish up with Ms. Oatway, please.

The floor is yours.

**Lori Oatway (Research Scientist, Western Crop Innovations):** Thank you, Chair.

Good afternoon. Thank you for the opportunity to contribute to this committee.

My name is Lori Oatway. My experience as both a seed grower and a research scientist gives me a broad perspective on the importance of research and our research network in Canada. As a seed grower and a producer in central Alberta, agriculture research supports and shapes our businesses through the development of better crop varieties, more resilient production systems and long-term farm profitability.

As a research scientist with Western Crop Innovations in Lacombe, Alberta, I work on developing new cereal crop varieties adapted to western Canadian conditions, collaborating with Agriculture and Agri-Food Canada, producer groups and private industry partners. I also proudly serve as a board member with the Canadian Seed Growers' Association and as a member of the CFIA's advisory committee on plant breeders' rights, further connecting my work as a scientist and a producer.

Ag Canada has been tasked with achieving savings of 15% over three years, with planned workforce reductions expected to impact about 665 positions. The identified savings include the closure of multiple research stations across Canada, which is deeply concerning to our community, our industry, our producer networks and our research collaborators.

The Lacombe Research and Development Centre alone represents 100 jobs. This centre is approximately the fourth-largest employer in Lacombe and the highest-impact employer due to the pro-

fessional nature of positions there. This centre has anchored families and has supported our community for 119 years.

Ag Canada stations in Lacombe, Scott and Indian Head produce critical agronomic and pathology information for the crop variety registration system in western Canada. Because of their unique soil types, climate conditions and established trial protocols, these locations are extremely difficult, if not impossible, to replace. It puts pressure on our variety registration system in Canada, which is mandatory for getting new varieties into farmers' fields.

Public research facilities undertake long-term, precompetitive work that does not yield immediate commercial returns, but provides foundational knowledge essential for the entire sector. Private industry and universities cannot currently fill this gap.

Ag Canada research centres function as a backbone for the integrated national network. The Lacombe facility maintains collaborative relationships with Lakeland College, Olds College and the University of Alberta, and it provides critical infrastructure used by Western Crop Innovations and multiple academic institutions. When centres are removed, we lose not just scientists, but also research connectivity, institutional memory, data connectivity and collaborative trust. Research teams that have taken decades to build will be dissolved.

Breeding a new crop variety typically requires eight to 12 years from initial cross to commercial release. Decisions made today about research capacity will not manifest as impacts on farmers' fields until the 2030s or early 2040s.

The varieties farmers will plant in 2035 are currently being developed. When programs are terminated, we create a void in the innovation pipeline that will only become apparent when farmers face new disease pressures or climate challenges and discover that the research necessary to respond to them was discontinued a decade earlier.

The effects of reduced research capacity will not appear immediately in trade statistics or farm income data. Instead, they will emerge gradually as competitors develop superior varieties, as Canadian farmers lack access to genetics adapted to emerging conditions, as quality benchmarks erode and as the pipeline of innovation slows. By the time these impacts become undeniable, the capacity needed to address them will have been dismantled.

Agricultural production operates on annual cycles, with planning horizons extending three to five years for major operational changes. When expenditure reviews result in rapid closures with minimal advance notice, the agriculture sector lacks time to prepare alternative arrangements.

If industry partners, academic institutions and provincial governments had been provided with advance notice, meaningful transition options could have been explored. These options include the transfer of ongoing trials to alternative sites, negotiated partnerships for maintaining infrastructure under new governance, planned relocation of genetic resources, coordination with provincial and industry funding sources, and recruitment and training of personnel to assume the transferred work.

Instead, the truncated timeline forces reactive rather than strategic responses, increasing the likelihood that valuable research programs will simply be lost due to logistical constraints. The ideal outcome of the committee reviews would be a reversal of the decision to close the Ag Canada research stations.

• (1550)

Going forward, I would respectfully recommend that the committee consider using different assessment criteria, timelines and transition requirements for programs with long-term development cycles, particularly in research; require comprehensive assessment accounting for replacement costs, opportunity costs and long-term economic impacts; establish formal safeguards [*Technical difficulty—Editor*] of irreplaceable research resources; and mandate collaborative transition planning involving affected stakeholder communities, with transparent processes and milestones [*Technical difficulty—Editor*].

[*Technical difficulty—Editor*] infrastructure will shape Canadian agriculture—

**The Chair:** Ms. Oatway, I'm afraid we're well past our five minutes.

We're going to our question period now. We'll start with Mr. Barlow.

Welcome to OGGO, Mr. Barlow. You have six minutes.

**John Barlow (Foothills, CPC):** Thank you very much, Mr. Chair. It's an honour to be here.

Thank you very much to the witnesses as well.

Ms. Oatway, I'm going to start with you and your comment that what you would like to see this committee do is reassess the criteria that Agriculture and Agri-Food Canada used in the closure of these facilities. I guess my argument is that there were no criteria at all.

My first question for you is, are you, as a research scientist, surprised with the loss of more than 600 science and research jobs in AAFC and surprised that the government's own chief science adviser was not consulted on this decision whatsoever?

**Lori Oatway:** We were very surprised. We understand fiscal responsibility. We live with that all the time. However, a lot of the [*Technical difficulty—Editor*] is not only the research being done, but our ability to register new varieties in Canada. Losing key positions like a pathologist, an agronomist and a weed scientist, or even

losing the breeding seed increases that were located at Indian Head [*Technical difficulty—Editor*] to the fields. We needed a much longer time to accommodate those changes and to come up with alternatives.

**John Barlow:** Thank you very much.

Now I'll go to Mr. Pawlik and Mr. Fransoo.

Mr. Pawlik, you were talking about the importance of setting priorities in decision-making with the closure of these research centres. I want to read off some numbers to you and get your opinion on whether this is the right priority.

Over the last five years, Agriculture and Agri-Food Canada has spent more than \$16 million on management consulting, \$22 million on beans for empowerment for women in the Democratic Republic of Congo, \$20 million on building equitable climate-resilient African bean and insect sectors, \$16.3 million on leveraging equality for gender-just poultry, \$10 million on gender-responsive and climate-smart products for the cocoa industry, \$8.2 million on gender-just low-carbon rice and \$3 million on scaling up climate information for women farmers in Nicaragua. They lost \$8.5 million on a bankrupt cricket farm and \$8 million on converting a barn to a storage unit at Rideau Hall.

These are just a few of the many different programs that funds went to and that could have kept these research centres operating for more than a decade.

In your opinion, Mr. Fransoo or Mr. Pawlik, do you feel that these are the right priorities for a government that should be focusing on food security and food affordability?

**Darcy Pawlik:** I guess we'll have to arm-wrestle for the answer, but that's a pretty easy no. We're faced with more challenges than ever before.

You didn't mention anything about trade disruptions. We're undergoing a pretty tough battle on CUSMA with our American friends. In all of these things, we need to enable our farmers to maintain productivity. On that number I gave you, going underneath 1%, we're not keeping up, and the rest of our competitors globally are surpassing us and have already surpassed us. RBC recently provided a number, which is that we need to increase our spending by 36%, and we're going down by 15%. That's a gap of 50% just to catch up.

For the vast majority of everything you mentioned, we need to be cycling it back into our research infrastructure.

• (1555)

**John Barlow:** Just to put a number to Mr. Pawlik's comment about going from 2% productivity growth in agriculture down to 1%, it's a loss of more than \$30 billion in cash receipts in the pockets of farmers. This is a very real number when you see the loss in production of Canadian farmers.

I'm hoping that Ms. Oatway's video is not freezing anymore. I want to ask a question regarding the loss of varietal registration.

When 80% of the wheat and barley varieties grown in Canada come directly from AAFC research, what are the consequences of losing AAFC as a partner in the co-op research and the registration studies? Would the ability to register new varieties be impacted if CFIA and PMRA didn't see AAFC as a partner in that research? Is there an impact, or are there consequences to that?

**Lori Oatway:** Absolutely, and we're seeing some of those right now. We're getting ready to put the crop in the ground, and we are coming up with spots across [*Technical difficulty—Editor*] co-op registration, which means that varieties that we develop here in Lacombe don't have the opportunity to have production data in Saskatchewan, Manitoba or even Ontario.

Right now, we're looking at how we can fill these holes. Can we make sure that it's [*Technical difficulty—Editor*] stable across all of western Canada? We're being hit with some options to grow those varieties with increased costs now, whereas before, we always had [*Technical difficulty—Editor*], so coming up with not only a spot to grow the variety but also the money to put it in the ground has been an issue for us and one we need to solve very quickly.

**John Barlow:** I have one last, really quick question. I have about 15 seconds.

Ms. Oatway, do universities or the provinces have the resources to take on this lost research themselves without AAFC's support?

**Lori Oatway:** At this point, no, I don't feel they do. The expertise needed for this research is very specific, not necessarily in universities. [*Technical difficulty—Editor*] we need more funding and projects. A lot of this research is very location-specific. You can't move it across the country or even within the province without different results.

**The Chair:** Thanks very much.

Ms. Rochefort, go ahead, please.

**Pauline Rochefort (Nipissing—Timiskaming, Lib.):** Thank you, Mr. Chair.

Thank you. Those were all very informative testimonies.

My first question is for Ms. Velestuk.

I would like to better understand in simple terms the lay of the land when it comes to research in Saskatchewan. I understand that Saskatoon is the major research centre. Would that be correct?

**Jocelyn Velestuk:** There are a few different research stations across Saskatchewan. You can imagine that there are a lot of arable acres in Saskatchewan, so there are a lot of different agro-ecologi-

cal zones where we have research stations. All of the research stations, I would say, are important in that.

[*Translation*]

**Marie-Hélène Gaudreau (Laurentides—Labelle, BQ):** I have a point of order, Mr. Chair. The interpreters are unable to—

[*English*]

**The Chair:** I'm sorry. Wait one moment.

Could you start again, Ms. Gaudreau?

[*Translation*]

**Marie-Hélène Gaudreau:** Unfortunately, the interpreters can't do their job because of the poor connection. Can we look into that?

[*English*]

**The Chair:** We haven't heard from them on the chat that there's an issue with interpretation right now. Is it not coming through properly?

We'll suspend.

• (1555)

(Pause)

• (1600)

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

Ms. Velestuk, we're going to try again with you, but I understand that your connection is not the strongest. We're going to start again, and if we can't get you clear enough for interpretation, we may have to pass on you and perhaps have you back at a different time.

Why don't you start again Madame Rochefort?

**Pauline Rochefort:** Is it from the top?

**The Chair:** Yes, please, from the top.

**Pauline Rochefort:** Thank you so much, Mr. Chair.

Ms. Velestuk, I would like to try to understand all the various research organizations that are present in Saskatchewan, maybe starting with Saskatoon, which I understand to be the main research centre. If you could expand on that, that would be greatly appreciated.

**Jocelyn Velestuk:** I hope you folks can hear me better now and that we can get some interpretation going on.

I will answer your question. There are different research stations across Saskatchewan—

**The Chair:** I'm sorry; I have to interrupt. It's not clear enough for interpretation.

We're going to return to Ms. Rochefort. If you want, direct the question elsewhere.

**Pauline Rochefort:** I'll direct it to Mr. Steinley.

**Darren Steinley:** I'd be happy to answer that for you.

Jocelyn, you can help me out if I miss something.

Saskatoon is a large research centre in Saskatchewan. There's also a large one highly involved with wheat breeding and cattle research in Swift Current, Saskatchewan. The wheat breeding that comes out of Swift Current utilizes the Indian Head and Scott research farms as extra locations.

When you do scientific studies, you want to look for repetition and accuracy, so growing in reliable sites in Indian Head and Scott validates the disease research, the yield research and all those other things. With those stations and locations gone, you have no accuracy, and therefore you can't put out good varieties for the future.

These are stations, and as Jocelyn said in her speech, you can't just pick them up to move them to another city. They need to be in specific areas with a specific soil pH, different types of clay or sandy soil, different weather patterns and things like that.

Hopefully that helps you out.

**Pauline Rochefort:** Saskatoon is the main research centre, and then there are satellite locations in Scott, Indian Head, Melfort and Swift Current. Are there any other sites?

**Darren Steinley:** Those are the only sites that I'm aware of.

**Pauline Rochefort:** If we come now to the provincial research centres, are they in similar locations?

**Darren Steinley:** I'm not an expert on this, but in Saskatchewan there's what they call AgriARM. There are lots of producer-driven research groups that have sites at the same location and try to do some cohabiting with the federal stations in order to maximize efficiencies.

**Pauline Rochefort:** I just read online that the provincial network has sites in Indian Head and Scott as well. Would you know if that's correct?

**Darren Steinley:** That's correct. WARC is in Scott, and IHARF is in Indian Head.

**Pauline Rochefort:** To take a different angle, I'm always interested in the rural lens and if it's been applied to some of the expenditures, as we've examined here. It's the librarians who brought up a very good point. They said if agriculture, forestry, fishing and the hunting industry were all combined, they would probably contribute a very large proportion to the gross domestic product in Saskatchewan.

Given that the spending review identified savings across the whole of government, how might the use of a regional lens or, maybe from your perspective, the rural lens have modified the outcomes of this exercise? I know it's a broad question, but I'm interested in your views from the rural perspective.

**Darren Steinley:** I'm not crystal clear on what you're asking there. I'm sorry.

**Pauline Rochefort:** Basically, no one looked at the cuts from a rural perspective. If you had had to look at it simply from that view, do you think the government might have taken a different decision in terms of the cuts that were being recommended?

• (1605)

**Darren Steinley:** You touched on it. Looking at it from a rural lens, for every dollar the producer groups invest—and I can let them chime in on this—it's a 33:1 ROI.

In my ranch business, if I can get a 33:1 ROI, I'm taking it every time. I feel like they're not looking at it as a benefit to the rural economy, which in Canada is 7% of GDP. We're a massive contributor. We're going to lose the ability to earn that income.

Lori made it very clear that we're not going to see results tomorrow or the next day. We're not going to see them for five to 10 years, when those new varieties aren't adapted to the latest insect, the latest disease, climate variability—whatever the case may be. You won't see it tomorrow, but our kids will see it.

**Pauline Rochefort:** I have a final question.

It was mentioned here that there had been no consultation. I think letters that have come forward to the government indicated that there should have been some consultation. In general, if you had to make cuts, which areas would you have identified for cuts?

**Darren Steinley:** Well, I'm not privy to Ag Canada's files and where they go. As an outsider looking in, they look very top-heavy, very manager-heavy.

I would have looked for some cuts in the managerial system and let the frontline workers, who do the work that benefits farmers, continue to do their jobs. There seems to be a heavy use of managers, and we need the frontline researchers doing the work that directly benefits the producers.

**Pauline Rochefort:** Thank you.

**The Chair:** Thanks very much.

We'll go to Madame Gaudreau, please.

[*Translation*]

**Marie-Hélène Gaudreau:** Thank you very much, Mr. Chair.

It's very unpleasant to see what's going on. Agriculture and Agri-Food Canada is looking to save \$154 million by 2028-29. I'm thinking of Quebec farmers who fought to ringfence supply management.

Now, wine makers in Ottawa, Sutton, the Niagara region and even the Okanagan Valley are being told the wine sector support program is no longer.

We're asking them to be resilient, competitive and innovative, and to adopt sustainable methods. Meanwhile, funding for science is being gutted. As you said so well, every dollar invested in science generates \$30 in economic benefits.

I'd like to know how those who are aware of the situation are working thought this. What's their opinion?

[English]

**The Chair:** Who is that directed to?

[Translation]

**Marie-Hélène Gaudreau:** It's a general question. It's for all the witnesses.

[English]

**The Chair:** Mr. Steinley, do you want to start, or Ms. Oatway?

**Lori Oatway:** Yes, I can start.

As a producer, we won't be seeing these effects for some time. Even varieties that have gone through—

[Translation]

**Marie-Hélène Gaudreau:** Mr. Chair, I can't hear the interpretation.

[English]

**The Chair:** I'm sorry. Wait one second.

We'll try again. I think we're back on.

Go ahead, Ms. Oatway.

**Lori Oatway:** As producers, we haven't seen the effects of this quite yet. As varieties are released, it takes some time for them to be developed and put out into the marketplace. Key areas like Indi-an Head, which are producing very valuable seed to go out to producers.... With that institution shutting, we will see delays in getting new varieties into the field.

As a researcher, I'm seeing those effects right now. We have varieties that are going to be registered in Canada, and we struggle to see how we are going to get the disease resistance data required to register those varieties, as well as the stability data as we grow them throughout Canada. We're noticing now that we have locations that aren't able to be grown with the closures, and we're struggling to find dollars to get those crops in the ground right now on a very short timeline.

• (1610)

[Translation]

**Marie-Hélène Gaudreau:** I hope you all heard that. The collateral damage is coming. Before I became an MP, people were already exposing the housing crisis. We're waiting to hit the bottom, and given what's happening, things won't be better anytime soon. I hope we can rectify the situation. I absolutely had to say that.

What do you think, Mr. Steinley?

[English]

**Darren Steinley:** One of the things that have recently been done—and I might have Jocelyn, Daryl or Darcy help me out with this a bit—is the wheat research in midge-tolerant varieties.

Do any of you want to take a stab as to why that's important for agriculture? I can try, but I'm guessing you guys can do a better job than me.

**Darcy Pawlik:** Just in light of Jocelyn's microphone, I'll take a stab, and then she can add in, and we can verbalize it for her.

We have to go back to 2012. I mentioned that we've been seeing cuts for over a decade. We've already been seeing these effects from a reduction in overall new varieties. What you mentioned, Warren, is a good example of the innovation we need: an insect-tolerant variety that farmers use so we can not only reduce some of our pesticide uses to reduce the overall input costs but also give ourselves more resilient agriculture. This will go on to broaden our overall ag economy, because when we have fewer research dollars going in, we have to think of the innovation curve: We have fewer new products that farmers and industry can use.

I appreciate the question, because you mentioned the wine industry and you mentioned horticulture. These are directly correlated to the products we eat. It's not just a Saskatchewan or Prairies problem. Think of the diversity we have in Canada. We're starting to gut it with a reduction in overall spending and research. This is our overall innovation pipeline, and it's been going on for too long as it is. If we're only going to exacerbate that, you can only count on fewer products, less diversity and less resilience. Those are all bad-news stories.

Is that more of what you're after?

[Translation]

**Marie-Hélène Gaudreau:** Yes. I understand.

I too come from a forestry background. When people say we'll do more with less, I say it's impossible. I hope we can change that narrative.

When people talk about food sovereignty or food security, they're talking about our basic needs, and we're missing the boat. We're going to suffer the damage later.

[English]

**The Chair:** Thank you, Madame Gaudreau.

Mr. Patzer, go ahead for five minutes, please.

**Jeremy Patzer (Swift Current—Grasslands—Kindersley, CPC):** Thank you very much, Mr. Chair.

Thanks to all the witnesses for being here.

Mr. Steinley, can you just talk about the nature of all the layoffs? They seem to be from the rural site locations. There don't seem to be any layoffs here in Ottawa from the bigger bureaucracy. It's all from the frontline folks. I'm just wondering if you had a few more thoughts on that.

**Darren Steinley:** Sure, I'd be happy to do that.

Darcy, just so you know, I'm Darren. Warren is kind of my lesser-known cousin, but apparently more famous, so that's okay. That will just feed his ego a bit.

Thank you for the question, Mr. Patzer.

We've seen this in Saskatchewan and western Canadian agriculture for the past 30 years. I had a previous career where I worked a bit with PFRA and AAFC. There was the same level of cuts in I believe 1989 or 1988. They laid off 20% across the board, but in western Canada, in the 10 years before that, they didn't hire any new people, and in eastern Canada, in management office policy jobs, they increased the population by 50%. Then when you cut, it's not the same.

This is what we're seeing again in western Canada. The people who do the relevant research we need in order to grow the crops, feed the world, sequester carbon and do all the good things we're supposed to do—the boots on the ground that give us the technology we need to survive—get cut, and we just have more middle management.

• (1615)

**Jeremy Patzer:** To the Western Canadian Wheat Growers, the consultation piece, I think, is a big part of this. I'm going to read you a quick quote from the departmental plan, and this came directly from the ag minister's mouth:

To position the sector to capture these opportunities, we are beginning to lay the groundwork for the next five-year policy framework set to begin in 2028. Together, with governments and industry stakeholders at the table, we will work to keep our sector on a strong growth curve, feed the world and build the strongest economy in the G7.

I'm hearing from you guys that that wasn't actually the case, that there was no consultation, and I've been hearing repeatedly over and over again that there is no plan. To say that in 2028, they're going to do something, but here in 2026 and 2025, they're doing what they're doing now.... How does that work for you guys in the industry when you see that statement from the minister, but then the action you're seeing on the ground is completely different?

**Darcy Pawlik:** I'll speak to it, and then Daryl can add anything in.

Numbers don't lie. Productivity is going down, sure, but our competitiveness is also going down. We were fifth once upon a time for ag output, and now we're seventh, and we're sliding towards ninth. All of the leading indicators that we currently have are going in the wrong direction, and this has been happening for years now. How that turns around on a dime, I don't see that happening. The consultation that should be happening is around what the next technologies are going to be: How do we get more and better varieties into our hands?

The other really key indicator is that, although we've experienced increases in the volume of goods, they haven't been increasing in value. Although we're putting more through the ports, for example, the value coming back to the farmers isn't necessarily there for anything outside of yield.

I would absolutely agree that we have a bigger problem on our hands, and that doesn't seem like a rational assumption.

**Darren Steinley:** Mr. Patzer, can I jump in again?

**Jeremy Patzer:** Yes, go ahead.

**Darren Steinley:** Typically, SARM wouldn't be the organization arguing for more government. That's not typically where we come from, but these research stations have proven to be effective in western Canada and make producers money. We're really confused as to why something that's successful is cut. Why was there no consultation, as you said? Why aren't we cutting something that's not working for the taxpayers of Canada?

**Jeremy Patzer:** Would it be safe to say that the cuts happening are going to have a severe impact on frontline delivery? The reason I'm asking this question is that we've heard from many other government departments that they can go through this and there will be no impact to service delivery. However, from what I understand, there will be an impact to service delivery for farmers, for producers and for Canadians across this country. Is that correct?

**Darren Steinley:** There will be a 100% impact on farmers if this goes through, without a doubt.

**Jeremy Patzer:** Thank you. I have about 20 seconds left.

Ms. Velestuk, can you talk quickly about the different soil zones in Saskatchewan?

**Jocelyn Velestuk:** Yes. Can everyone hear me now? I restarted my computer. Hopefully that's better.

I just wanted to pop in on this question and answer with the wheat aspect. Wheat is at a precipice. We're at a fine balance where we have to produce quality grain. As farmers, we know this because that grain is used as an improver wheat for our markets. We need those markets in order to grow wheat on our farms, and to access those markets we need varieties. We've been delivering that year after year after year. It's been a really great thing in Canada to have variety development and the best varieties in the world, but we know as farmers that we cannot lose that. That's why we cannot see any gaps and risks.

You asked me to speak about the soil zones as well.

**The Chair:** I apologize for cutting you off after we finally have you back, but we're past our time. Mr. Patzer will have another opportunity.

**Jocelyn Velestuk:** You can hear me, then.

**The Chair:** Yes, right now we can. Let's hope it stays that way.

We will now go to Ms. Fancy for five minutes.

Welcome to OGGO. The floor is yours.

**Jessica Fancy (South Shore—St. Margarets, Lib.):** Thank you very much.

I'd like to mention to Ms. Velestuk that she can always put anything she wants to say into a brief and give that to our clerk. I feel bad. With the questions, you have lots to say.

In rural communities and coastal communities like mine in Nova Scotia—I'm from South Shore—St. Margarets—we have quite a bit of agriculture even though we are coastal. It's home to Lunenburg County, which is the Christmas tree capital of the world.

Right now, in our current geopolitical climate, talks on fertilizer have been key with a lot of the stakeholders in my riding. I have a question in regard to the geopolitical atmosphere and the potential war within the Persian Gulf.

I'm going to go to Mr. Steinley, and then we'll try Ms. Velestuk.

There have been quite a few observers.... In regard to fertilizer, the International Food Policy Research Institute has indicated that "as much as one-third of global fertilizer trade could be affected" by the Persian Gulf. When we're looking at the geopolitical atmosphere right now, I'm wondering what your take is on how it is affecting Canada's agriculture sector.

• (1620)

**Darren Steinley:** Again, the wheat guys can probably talk about that a bit more, but I can talk about it from my ranch perspective.

Nitrogen fertilizer is typically about 800 bucks a tonne. I put it on at about 200 pounds an acre. It's gone up to \$1,200, so you can imagine the significant cost. I spin spread, and it's going to go from \$5,000 to \$8,000. It's going to be very pricey.

It's not only that. Availability is an issue at the moment. We need to get fertilizer to Saskatchewan somehow, some way. I'm hearing reports of a farmer in Morse, Saskatchewan, who didn't pre-order their fertilizer. They've been told by their ag retailer that they're not going to get any.

It's important, absolutely.

**Jessica Fancy:** My partner is actually a horticulturist with a couple of landscape businesses and is in fertilizer. I guess that's why I'm talking about it a lot today as well.

Ms. Velestuk, go ahead.

**Jocelyn Velestuk:** My background is soil science and agronomy. I get to use that on our farm. I also do the financials and the budget for our business. As farms, we are businesses and we have to be able to make money every year.

This year, we're looking at prices for our grain that are similar to three or four years ago, but the expenses have gone up significantly, to where the margins are so thin. I'm looking at the break-even yields that we need. It's more than a good, average year. We never know what the weather is going to throw at us in any given year or what's going to happen geopolitically.

I pre-ordered my fertilizer, and I'm very thankful for that. They're saying that we should make sure we get all the fertilizer home we can in my region here in Saskatchewan. That is the concern.

I know, as a soil scientist, that we need balanced fertility to get both yield and quality from our crops. We're not going to get there if we don't put the fertilizer in. That includes soil testing and everything. We need to be able to get decent yields with the best quality. In order to deliver to our markets and make money on our farms, we need that fertility package.

That's out of our hands as farmers. We don't bring the fertilizer here, but we hope that whoever is in power is able to do that.

**Jessica Fancy:** That's wonderful. Thank you very much.

I'd like to turn now to marketing. I have one minute left.

Mr. Steinley, I have a question with regard to some of the stakeholders within your municipalities.

The government has increased its support for AgriMarketing programs. I'm wondering if you as a rancher, or some of your stakeholders throughout the municipalities, have accessed programs such as our AgriMarketing program. If so, do you feel that they're effective? Have you or your organizations been using this?

**Darren Steinley:** I'd have to say no, I'm not, but I am intrigued by them. I'd certainly like to learn more about them.

I'm not taking a shot, but certainly if somebody who's as involved in agriculture as I am has not heard about them, it's a little disappointing. Maybe we have to do a bit of work on knowledge transfer to the producers.

I would be happy to access them if it was something I knew about.

**Jessica Fancy:** Thank you very much.

**The Chair:** Thanks.

We'll go back to Madame Gaudreau for two and a half minutes, please.

[*Translation*]

**Marie-Hélène Gaudreau:** Thank you, Mr. Chair.

It's really interesting to see once again that science and what ends up on our plates is more than important.

I heard the words "innovation" and "adaptability". They're used in every sector. We really need to be concerned about that. Competitiveness depends on innovation.

What were you told about the cuts being made knowing they were going to affect competitiveness? What reason were you given to justify these cuts, which we've been making for some time?

You can answer the question in turn.

• (1625)

[*English*]

**Daryl Fransoo:** I can jump in.

The main reason is that it came from the top down. Every department was told, "You have to cut  $x$  number of dollars." It's unfortunate that AAFC was put in the same position as other departments, because over the last decade or so, the increased costs that AAFC has borne don't compare with the other government departments'. I found it strange that agriculture had to be disproportionately cut when it is one of the backbones of the Canadian economy.

That is the main reason. We found out at the same time the press found out. It was an unfortunate situation, and the rollout was very poor.

[Translation]

**Marie-Hélène Gaudreau:** Do you agree this decision seems to be a strategic error?

[English]

**Daryl Fransoo:** I can say 100% there was no consultation with sites. There was very little consultation with farmers or farm organizations. There was no transition planning and no prioritization of programs.

In our view, it seems to have disproportionately affected rural western Canada.

[Translation]

**Marie-Hélène Gaudreau:** Thank you very much, Mr. Chair.

[English]

**The Chair:** Thank you, Madame Gaudreau.

We'll go back to Mr. Barlow, please, for five minutes.

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

I'll go back to Mr. Fransoo.

You were answering my colleague's question. Over the last decade, the government, as a whole, has grown by about 40%, so I can certainly see asking for a 15% cut across all departments. However, by contrast, AAFC's spending over the last decade has actually gone down. Making this 15% cut within AAFC actually means that its funding has been cut by 27% over the last decade. This is a disproportionate attack on rural economies and Canadian food production.

Do you feel it is fair to make this sacrifice within AAFC—and the impact it has on farmers—compared to other departments in government?

**Daryl Fransoo:** It sure doesn't look like it's fair.

I don't know if the issue is that decisions were made. It's more about how they were made without a strategic framework. By almost every metric, Canadian agriculture is pretty damn good, but we could be great. Unfortunately, because of decisions like this, we're moving backwards while all of our competitors are continuing to move forward.

**John Barlow:** You talked earlier about priorities, and you can see that this will be, as I said, an almost 30% cut in funding to AAFC. You can look at the increase in the industrial carbon tax on April 1, and to my colleague's question about fertilizer now getting to more than \$1,200 per tonne, there's also a 35% tariff on fertilizer

imported to Canada. Canada is the only G7 country that has a tariff on fertilizer.

Would it not be smart, with the current situation we are facing geopolitically and certainly economically, to make this the time to eliminate the tariff on fertilizer and eliminate the increase in the industrial carbon tax on April 1?

**Daryl Fransoo:** Absolutely. In terms of the tariff on fertilizer, there's also one from Russia that mainly affects eastern Canadian farmers. That's something we would like to see go.

There have been delivery failures across the whole system: PM-RA backlog spending with little improvement, CFIA modernization over five years that has minimal outcome, labour issues that plague us, infrastructure spends that aren't spent where we think they should be spent, and geopolitical issues that are costing us money. To add one more thing onto it, these AAFC closures, it seems like it's just piling on.

• (1630)

**John Barlow:** I want to read a quote from the Minister of Agriculture. We asked him in the House of Commons about these research centre closures and whether there was any chance of pausing them. I found his response very interesting. He said:

...research and development...is becoming less diverse. Public investment in agriculture...which includes [research and development], has declined by 15%. [The] private sector...is down 77%. [Industry and] enterprises...research and development has shrunk by 30%.

It seems like the government's reasoning for cutting the funding to these research centres and closing these research centres is that everyone else is doing it too. To me, that would be counterproductive. When you see a gap in investments in the private sector and university sector, it is the time for AAFC to step up.

Does this seem like an odd message from the agriculture minister as a reason for these research centres being shut down?

**Darcy Pawlik:** I'd love to take this one.

You really start to question where the vision is. We have a problem with Agriculture Canada not having a vision for what 10 or 20 years from now ought to look like.

Through Grain Growers and a few other groups we work with, we've been asking this question: What are the big discoveries going to be? Out west, we've had the benefit of canola being a huge success story. If you fast-forward, we've had some very nice gains in pulse crops, but we aren't really hearing anything about what the next thing will be.

What you're talking about, MP Barlow, sounds like deferral and giving up, but we have some of the best farmers on the planet, who want to see progress. They're here. They make the investments and take the risks every year, but we're not seeing that same commitment from our government. That's something I would like to see turn around.

Thanks for that question.

**John Barlow:** I want to ask a quick question of Ms. Velestuk, since she couldn't answer it in the first round.

What is your response to the fact that the government did not run this by the chief science adviser before making a decision that will cost 600 jobs in research and science? If you have time, what is the impact of losing the premium market for Canadian farmers if we don't have these research centres?

**Jocelyn Velestuk:** We have definitely seen highlighted throughout these closures that a lot of producer money is put into these public programs. Really, we have a public-private partnership between farmer and government. We see an increased need for asking farmers to be at the table when consulting, or even for making these decisions with farmers together.

We've been told that it's time to move forward, but it's been noted that farmers are scrambling. We really want to make sure that we either maintain or grow research capacity.

I want to highlight two incremental gains. These are gains that are had every single year, and—

**The Chair:** I apologize. I have to interrupt you again. It seems to be a habit, but we're past our time.

Members, please allow adequate time for a response.

Perhaps we can get back to you in the next round with Mr. Patzer.

Ms. Khalid, the floor is yours.

**Iqra Khalid (Mississauga—Erin Mills, Lib.):** Thank you very much, Chair.

Thank you to the witnesses.

I'll continue with what Ms. Velestuk was talking about: public-private partnerships.

Agriculture Canada is still the largest agricultural researcher in our country. My thought process behind this shift in investment is that it's more about being efficient and finding ways to build on research, as opposed to investing in buildings—in bricks and mortar.

Ms. Velestuk, I know you were talking about the public-private partnership. Can you talk a bit about the responsibility of and onus on all of agriculture community to come together to support us, rather than saying, "Oh, this is just Agriculture Canada's purview"?

**Jocelyn Velestuk:** Speaking of bricks and mortar, we need infrastructure in order to do research. We need people in order to do research. We need funding in order to do research. All these research stations across the Prairies have been integral to making that program successful. To me, seeing as we grow 80% of the wheat varieties from the AAFC program in western Canada, it's a success in that we have the best wheat in the world. We have the highest-quality grain in the world.

In my mind, we need to keep that up. In order to do that, there is a cost, but there is also a return on investment. When we're looking at how expensive a program is, we need to keep it in context in terms of what this industry is doing for Canada and the public. It's not just a benefit to farmers. An \$11-billion industry is a benefit to Canadians. A 30:1 return on investment is a benefit to Canadians. I think we need to keep that in mind.

Farmers are willing partners. We want to be heard, but we also want to listen and work together towards innovation and change. That's important as we move forward.

• (1635)

**Iqra Khalid:** Thank you. I appreciate that.

I'm really proud to see that Agriculture Canada has a footprint in every single province across our country, given how diverse the agricultural plains are across our country. It's really good to see that.

Picking up on the innovation piece, I had the privilege of having conversations with some Australian members of Parliament who talked about how they deal with irrigation in their desert climate when growing cotton, which takes a lot of water. With partnerships with their growers and partnerships with countries like Canada to do research and innovation, they were able to come up with a system where they're able to completely recycle water and not have to use water to grow cotton. They now have massive outputs of cotton, which they sell to the world.

In terms of what the challenges are, Mr. Fransoo, you mentioned in your statements having reliable access to markets. In the geopolitical time we're in, whether in terms of tariffs, regulatory differences or transportation bottlenecks, what do you think the limitations are? How can we overcome those limitations right now to get our goods to market?

**Daryl Fransoo:** I appreciate the question.

There are a number of things here. We have very old infrastructure, especially at our western ports. That also holds true for the eastern Canadian ports, but a huge percentage of our goods go through the port of Vancouver. We have a couple of bridges there that are 60 years old. They create quite a bottleneck. There are many others place where, if we're talking about spending taxpayers' dollars, there would be a very fast return on investment, on those dollars.

CUSMA is another big thing. Unfortunately, we're dealing with a partner to the south that's not too likeable right now, but it's absolutely essential to our industry that we hammer down and get CUSMA done. The way it stands right now is good. Maybe there are some places we can make it better, but it's absolutely essential to what we do. That's where most of our goods go. We talk about canola and how China was the big issue, when the United States is actually our biggest buyer of canola and canola oil.

CUSMA is very important, as well as infrastructure and labour. There are a lot of places we can improve that would really help the bottom line of Canadian farmers and Canadian GDP as a whole.

**Iqra Khalid:** Thank you.

**The Chair:** Thanks.

We are now going back to Mr. Patzer. I had Mr. Gasparro. I'm not sure if he'll come in time, but we have one more round. Then we'll finish with Madame Gaudreau.

Mr. Patzer, go ahead, please.

**Jeremy Patzer:** Thank you very much.

I'll just pick up really briefly on the topic of water.

Saskatchewan is sitting on a great opportunity for irrigation expansion.

Mr. Steinley, what is the potential for irrigation in Saskatchewan? What impact would these cuts have on that?

**Darren Steinley:** They are going to have a lot of impact on it. There's a potential to double irrigation acres in Saskatchewan and grow high-value crops like carrots, beans, peppers and potatoes. This is for national food security for people in our cities. These cuts will be devastating. There are disease issues. There's teaching the growers. This is new to our growers, and we want to teach them how to do this.

That's not to mention, if I can just get my little dig in there, that we've been asking the Liberal government for an expansion of the Outlook irrigation project for the past 10 years, to increase our GDP. We've been told to go to the Infrastructure Bank and pay for it ourselves. Well, this is for our national interest. We would like to see irrigation expanded through our federal government.

• (1640)

**Jeremy Patzer:** Thank you.

Ms. Velestuk, I've been hearing from a lot of producers about the concerns around the losses for agronomy. I know you have an agronomy background. What impact do these cuts have on the agronomy side, and not just on the scale-up of varieties?

**Jocelyn Velestuk:** At the Indian Head research station, for example, there are some long-term rotational studies. Those really help us over time to see what's happening with the soil, disease resistance and whatnot. Also, there are a lot of agronomic trials that are co-funded by farmers. Most of the agronomic trials are co-funded by producers. We have a huge stake in what happens there.

My farm is only 80 kilometres away from the Indian Head research farm. I've visited there a number of times on their field days and have had the opportunity to talk to the researchers and different farmers there to share different knowledge of the conversation that's happening as we hear about the scientific results they're seeing out there. That to me as a farmer and an agronomist is really important to continue on. We need those stations in order for the farmers surrounding them to participate in these events as well.

**Jeremy Patzer:** Darcy and Daryl, what sometimes gets lost in the Canadian agriculture conversation is the size of the farms we have out in western Canada as compared with the size of the farms in the rest of the country. I think closing down Indian Head and Scott will have a major impact on that, but also on the future, on the next generation of producers. We're already seeing a problem with attracting the next generation of farmers.

Can you talk briefly about the size of farms in the prairie regions and what impacts this will have on the future generation of producers, who we're already struggling to get?

**Darcy Pawlik:** I thought maybe Daryl would want to tackle that since he's the farmer, although I guess my family does have a 30,000-acre farm. I happen to sponsor Canada's Outstanding Young Farmers, so we see the diversity of farms across Canada.

There's no doubt that we're in a very different spot. Keep in mind, though, that if you go to Ontario, the land costs are 10 times what we have out west. In a way, regardless of where you are in the country, the cuts might not be the exact same, but they'll certainly be felt pretty deeply regardless of whether you're out west, out east or out in the Maritimes. It's a value proposition lens that you have to look at it through.

Maybe I'll leave it at that, MP Patzer.

**Jeremy Patzer:** Okay.

Daryl, do you want to briefly touch on what impact it will have for the next generation of producers?

**Daryl Fransoo:** Sure. When we don't spend money on improving things like research or infrastructure, or we ultimately don't fix labour issues, open markets or issues like that, right now it affects my bottom line, and it just trickles down to the next generation. If farming doesn't look to be a good place to choose a career in, young farmers won't. They'll find other stuff. That's a big issue.

**Jeremy Patzer:** Thank you.

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

We'll go back to Ms. Khalid.

**Iqra Khalid:** Thank you very much, Chair.

I want to continue my line of questions with respect to finding efficiencies and building a strong foundation for the next generation of farmers here in Canada.

The University of Toronto Mississauga is in my riding. Some of their research and development is about the impact of climate change on agriculture. I saw one project that a Ph.D. student was conducting about a certain type of weed that is used across the world to control levels of nitrogen in soil, and how climate change is impacting the use of that weed across the globe, which we inherited from Europe, I believe, here in Canada.

I'll direct my question to you, Ms. Oatway. You talked a bit about research and development. How do you, as an association and an industry, work with universities and research institutions in developing the innovation we desperately need in our farms?

• (1645)

**Lori Oatway:** Research in Canada is highly collaborative. Whenever we build a project or get funding for our research, we are asked to do collaborations. We are not experts in every single area. We rely on the expertise of colleagues in universities specifically and the Ag Canada stations. Even now we're looking at projects for, let's say, nitrogen use efficiency. We're bringing in different collaborations from the University of Alberta, Lakeland College and Agriculture and Agri-Food Canada. Some of the organizations in Saskatchewan are very important to our agriculture in Alberta.

We're always looking to diversify our research teams to make sure we have different opinions from all different angles to get what we need to be successful.

**Iqra Khalid:** How does that work? Ms. Velestuk talked previously about public-private partnerships. I want to know how all levels of government and the industry, research institutions and educational institutions play a role in finding a solution. If a farmer goes to XYZ person and says, "Hey, I'm having this issue", does the community formally or informally come together? How does it work?

**Lori Oatway:** In our area, for sure, there are the commission groups, like Alberta Grains. We have results-driven ag research. People on the board of those are producers, so they bring a lot of that information to the boards. They set priorities on where research should be, what they're looking for, what solutions are available and what they're willing to give funding dollars for.

It's primarily producer-driven in a lot of areas, and all of these boards have producers sitting on them, so we have a direct connection to agriculture in our rural communities. Then, as researchers,

we have to make sure that we're targeting those research priorities when we are writing new applications.

**Iqra Khalid:** Lastly, I'll ask Mr. Pawlik a question.

You spoke in your remarks about fiscal discipline and how spending dollars needs to happen within the industry, which I 100% agree with. What I'm asking you is this: What are the concrete recommendations you have? How should the government be spending these dollars? Rather than just throwing money at an issue, are there ways for us to work together to find the efficiencies that the Prime Minister and agriculture minister are looking for? What are your concrete recommendations on that?

**Darcy Pawlik:** Thanks for the question, Ms. Khalid. I think it's a really great one.

One thing we haven't had to date is transparency. In order to make recommendations or understand the priorities, we need information first. Not only have we asked for that, but there have also been ATIPs filed, and they've come back so heavily redacted that we can't figure out what exactly the dollars are being spent on. We don't know what the titles are of all the different individuals within the system.

We really have to start working together. We strongly believe in public-private partnerships. There are lots of different ways to go about doing this, but we can't do it if we almost completely lack any information to do so. That would be the first thing—open up the books to start understanding what we have, who's doing the work and where it is. Then we can start taking a look at what the market needs. I come from private industry, so it's a "market needs" assessment. Then we can start discovering the places that Canada can and should lead in, and we can allocate the research dollars there. That should end up increasing GDP, and hopefully we'll get a nice cycle, so we can put the money back into the system.

**Iqra Khalid:** Thank you very much.

Those are my questions.

**The Chair:** Thank you.

Madame Gaudreau, go ahead for two and a half minutes, please.

[*Translation*]

**Marie-Hélène Gaudreau:** First of all, Mr. Chair, I think it would be totally relevant to invite Quebec producers to appear before the committee to discuss the consequences and challenges they face. I suggest we do that.

We're doing a comprehensive expenditures review, and I'm very concerned. That's what we're studying, and I'm worried. We've talked a number of times about cost reduction, but what worries me the most is the loss of expertise, particularly in the public service. We've been talking about this a lot in recent weeks.

I need to hear the point of view of others, not just the unions, the government or academics. As parliamentarians, we have a job to do and we need to know where we're going. People are already worried. We want to prevent other issues. We don't want another ArriveCAN or Cúram nightmare.

I'm therefore tabling a motion. Given we're on the subject, I think we have time to discuss and debate it so we can move forward.

I have the motion here.

• (1650)

[English]

**The Chair:** May I interrupt for a second? I'm sorry.

Is your intention to move your motion now as a matter-at-hand motion, the one that came out today? Am I understanding that right?

[Translation]

**Marie-Hélène Gaudreau:** Yes, that's correct.

[English]

**The Chair:** Okay. Please go ahead.

[Translation]

**Marie-Hélène Gaudreau:** I move:

That, with regard to the study of the comprehensive expenditure review, the committee undertake a study of no fewer than four additional meetings of hearings on the impacts of cuts to the public service, with particular attention to the loss of expertise, the increased use of outsourcing, and the effects of these cuts on taxpayers and on the retention of internal expertise within the public service; that the committee report its observations and recommendations to the House; and that, pursuant to Standing Order 109, the government table a comprehensive response to the report.

[English]

**The Chair:** Thank you.

Do you wish to speak to this? I consider it in order, as it's on the matter at hand.

[Translation]

**Marie-Hélène Gaudreau:** I'd like to know what my colleagues think.

[English]

**The Chair:** I have Mr. Patzer, and then Ms. Khalid.

We are at the end of our various rounds, so I will dismiss our witnesses.

Thank you very much for being with us today, and thank you for your patience as we worked through our IT issues.

As Ms. Fancy mentioned, if any of you have more information you wanted to share with us but weren't able to because of a lack of time or because of the IT issues, you can forward it to the clerk and

he will make sure it's distributed to members and becomes part of our study.

I'm from Alberta, and it's wonderful to see someone from out west with us today. We are dismissing you. Thanks very much for being with us.

We're back to Mr. Patzer.

Please go ahead, sir.

**Jeremy Patzer:** Thank you very much, Mr. Chair.

I appreciate this motion. We heard some good testimony today, but given the scale of the impact that the CERs are going to have not just on agriculture but also on other industries, I think that adding another four meetings to this study would be good. I see this as a nice addition to what we're already doing here and to the study we're currently on.

**The Chair:** Ms. Khalid, go ahead.

**Iqra Khalid:** Thank you, Chair.

Given that the motion was distributed around three o'clock today, I haven't had a chance to confer with my colleagues. I would ask for a brief suspension so we can have a conversation, if it's okay with you.

**The Chair:** Is five minutes enough?

**Iqra Khalid:** Sure.

**The Chair:** We're suspended.

• (1650)

(Pause)

• (1655)

**The Chair:** We are back.

Mr. Barlow is next on the speaking order.

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

Although I'm not a regular member of this committee, I think the comments raised by my colleague are very apropos. We went through some of this at the agriculture committee as well. It's very important to hear from farmers in Quebec, Nova Scotia and perhaps Alberta and Manitoba. These research closures are happening in every single province except for British Columbia.

The Nappan facility in Nova Scotia is one of the top forage research centres. The one in Quebec City is doing incredible work in forage. In fact, all five of the research centres that focus on forage are being closed. There's nowhere else to transfer this institutional knowledge in Canada if they're closing all five of them. Look at what Indian Head has done in developing minimal till. The implication is that the science that will be lost is generational research that cannot be replaced.

Although you had a number of Saskatchewan representatives here today, I think it's very important that you hear representation from other parts of the country that are going to be equally impacted by these closures, including Quebec and Atlantic Canada.

**The Chair:** Thank you.

Ms. Khalid, go ahead.

**Iqra Khalid:** Thank you very much.

I'm waiting for some very cosmetic amendments, if I can say that, that the substance of the motion 100% agrees with. I think it is important to delve into this study and understand—

**The Chair:** Are you able to read them to us?

**Iqra Khalid:** I'm just waiting for my staff to send them over. I haven't received them yet, but we'll get there eventually.

I want to speak to some of those amendments. The main one is in the first line. We want to change the language to say “no more than four meetings”, and then there is some language cleanup within the text.

I just received the amendment via email, and I'll forward it to the clerk right now, if that's okay. It's in English and French, so we'll circulate that right now.

I can read it out if you like.

• (1700)

**The Chair:** I saw there were some chats. Were these “general agreement” ones?

**Iqra Khalid:** Yes.

**The Chair:** Wonderful. Thank you for doing that.

**Iqra Khalid:** Basically, it's just saying that we want to undertake a study of no more than four meetings on the impact of cuts to the public service, with particular attention to the role of external contracting. The rest of the language stays the same.

I will flip this to the clerk right now.

**The Chair:** Are we fine with that? I don't even know if we need to—

**Iqra Khalid:** It's really minor, to be honest.

**The Chair:** It's “no more than four”, and we're taking out “loss of expertise”—

**Iqra Khalid:** We're replacing it with “to the role of external contracting”.

[*Translation*]

**Marie-Hélène Gaudreau:** Mr. Chair, just before we reach a consensus, which seems likely, I really want to read the amendment in French. I don't know if it was sent.

[*English*]

**Iqra Khalid:** I'm sending it right now. Let me know when you receive it, please.

**The Chair:** Listen, we have one budget here. We could approve that while we're waiting. It's for up to \$500 for the supplementary estimates (C).

**Some hon. members:** Agreed.

**The Chair:** Wonderful. Thank you for approving that.

I'll go over our schedule quickly, seeing as we're waiting.

On Thursday, we have the Treasury Board here for the supplementary estimates (C). Then we're away for two weeks, and then back on the 14th. I'm sorry; you already had this in your schedule. The 21st is open. That's when we're planning to have folks from the library, who were unavailable today. They'll be slotting in on the 21st.

The main estimates have come out. Depending on the outcome of this.... There's also another motion I saw—it hasn't been put forward—on buy Canada. I assume we'll fill in this, and then we'll have Public Works and the Treasury Board on the main estimates. We're probably fill in April and May between this and the main estimates, and we'll go forward from there. The library is the big one, and we'll see them on the 21st.

Mr. Patzer.

**Jeremy Patzer:** I have a quick question.

Now that we've seen Mr. Lightbound back in the House, do we know if he is going to make an appearance at this committee, as we were talking about before? Have you guys had any conversations with him about that?

**Iqra Khalid:** I would encourage the committee chair and the clerk to reach out and schedule something.

• (1705)

**The Chair:** Okay. Thank you. We will try again.

**The Clerk of the Committee (Marc-Olivier Girard):** Is this for the supplementaries or the mains?

**The Chair:** I assume it's for the mains, because we've already...the supplementaries.

**An hon. member:** Yes, we can't do anything for the supplementaries.

**The Chair:** We'll reach out for the mains.

Are we all in agreement?

**Iqra Khalid:** No. Madame Gaudreau is just reviewing it.

**The Chair:** Oh, I'm sorry. I thought you gave a thumbs-up to it.

**Marie-Hélène Gaudreau:** It has fewer meetings in French and more in English.

**Iqra Khalid:** I'm sorry. That was a typo. It's still four meetings.

**The Chair:** We can adopt it, on unanimous consent, as four.

[*Translation*]

**Marie-Hélène Gaudreau:** That's perfect.

[*English*]

**The Chair:** Are we fine with it?

(Amendment agreed to [*See Minutes of Proceedings*])

(Motion as amended agreed to)

**The Chair:** Wonderful. We will consider it—

[*Translation*]

**Marie-Hélène Gaudreau:** Mr. Chair, what's the procedure in terms of submitting a witness list and what's the deadline for the clerk to receive the information and plan everything?

[*English*]

**The Chair:** Why don't we say, for witnesses, a week from this Wednesday, on the break period, by noon. It's not this Wednesday.

**A voice:** It falls on April 1. Reassure me that it's not April Fools.

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

**The Chair:** It's Holy Wednesday. I'll be there after having my feet washed at church.

We'll say noon, a week from this Wednesday.

**Jeremy Patzer:** Do you think we could do it on Thursday?

**The Chair:** Sure.

**Jeremy Patzer:** Thanks, Chair.

**The Chair:** It's noon, a week from this Thursday—not this Thursday.

I'm going to make an assumption. I hope that for the meetings we've already had on the CER, we will roll in what we hear, so we'll have one report rather than doing two reports.

**Some hon. members:** Agreed.

**The Chair:** Wonderful. Thank you for reaching across the aisle to get that settled. We appreciate it.

We're adjourned with about five minutes before bells. Thanks very much.

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