



House of Commons
CANADA

Standing Committee on Agriculture and Agri- Food

AGRI • NUMBER 032 • 1st SESSION • 38th PARLIAMENT

EVIDENCE

Thursday, April 7, 2005

—
Chair

Mr. Paul Steckle

All parliamentary publications are available on the
"Parliamentary Internet Parlementaire" at the following address:

<http://www.parl.gc.ca>

Standing Committee on Agriculture and Agri-Food

Thursday, April 7, 2005

• (1535)

[English]

The Chair (Mr. Paul Steckle (Huron—Bruce, Lib.)): The chairman calls this meeting to order. We have quorum. A number of members are yet to come, but given the circumstances surrounding the House, and people leaving early for reasons we all know about—and who knows if they will ever come back—we're happy to have our people here today as we continue our study and our presentations in regard to Bill C-27.

Today we want to look further into the implications of Bill C-27 as they apply to the Canadian livestock identification issue. We have the Canadian Livestock Identification Agency here today: Dennis McKerracher, vice-president; Randy Eros, director; and Mike Dexter, general manager. I believe Michael is going to make the presentation.

I want to thank my colleagues from Quebec for agreeing to allow us to put the English version on the board. We only have one computer, but we do have the presentation in both languages on paper. If you want to switch to the French halfway through...we have agreement to go ahead with English.

Mr. Dexter, you're on. How long is the presentation, by the way?

Mr. Mike Dexter (General Manager, Canadian Livestock Identification Agency): It's ten minutes, at most.

The Chair: That's wonderful, and then we'll begin the question period. This will be a one-hour presentation. We have one hour of committee today dealing with the report.

Mr. Mike Dexter: Dennis McKerracher will start off with a brief introduction, and I'll do the main presentation.

The Chair: Go ahead, Mr. McKerracher.

Mr. Dennis McKerracher (Vice President, Canadian Livestock Identification Agency): Thank you, Mr. Chairman, and thank you, members, for taking the time to hear our presentation today.

Effective, pragmatic, auditable, verifiable, and national are some of the adjectives that help define the goal of our national identification and traceability system. Our request for mandatory premise registration is driven from our need to satisfy this critical component in order to complete and implement our Canadian system. Recognizing global realities, Canadian livestock producers are demanding their organizations move forward on the implementation of a national identification and traceability system, and they do that with a sense of urgency; my phone tells me that.

Producers, value chain members, and government partners realize that to maintain and enhance Canada's excellent reputation on food safety, specifically our animal health status, and to provide necessary improvement to emergency management preparedness, a comprehensive, multi-species, national identification and traceability system is a must. Individual producers cannot effectively mitigate risk from a foreign animal disease or food safety crisis; a national approach is required. Mandatory livestock identification is only half the package we need to obtain our desired results.

Mike Dexter will now give you a presentation of the brief in the packages.

Mr. Mike Dexter: Thank you, everyone, for this opportunity.

The reason we're here is because the Canadian Livestock Identification Agency requests that the Canadian Food Inspection Agency Enforcement Act include authority to create a mandatory livestock premises registry.

As to the current ID programs that are active at the moment, the Canadian Cattle Identification Agency, which started in 1998, created the framework of the Canadian cattle identification plan in 2001. That's incorporated in the health of animals regulations. In 2002, ATQ in Quebec started, with the mandate of tracing beef, sheep, and pork. Both of these systems have been created for aspects of animal health. In 2004, the CFIA amended the health of animals regulations to include ovine animals. There are many more ID programs running in Canada at the moment, most of them for purposes of genetics, breeds, and so on.

Regarding the background of the Canadian Livestock Identification Agency, in 2003 the board of directors of the CCIA recommended and proposed that an overarching body be created to represent all livestock species in Canada. The vision of the CLIA is to create this initiative, to create an organization that can help the development and delivery of species-specific animal identification and traceability programs.

Our mission is to show that Canada has an effective national animal identification system that supports the financial viability of the nation's livestock and food animal industries by minimizing the impacts of foreign animal disease, reinforcing our domestic and export market access, and improving the competitiveness of Canada's food animal industries. The objectives built from that mission are incorporated in our bylaws.

As to our representation, our member body, we have seven livestock commodity groups at the board. We also have the Canadian Veterinary Medical Association and the Canadian Meat Council as voting members. We have the Canadian Animal Health Coalition, Can-Trace, and ATQ as associate members. Then we have ex officio members: Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, and all the provincial and territorial ministries have been invited to join. At the moment, a number of those are attending our meetings.

Concerning animal health and premises registration, there has been an increased risk of foreign animal disease with globalization and the increasing density of livestock operations. Animal health, food safety, and market forces demand traceability, and traceability of animal movements is dependent on premises identification.

There have been a number of studies and activities that have supported the move to traceability in the livestock industry. The APF calls for 80% full-chain traceability by 2008. The federal-territorial-provincial veterinary epidemiological association, in February 2004, recommended the premises identification registry as the cornerstone of a traceability system for Canada. The international task force post-BSE that came to look at Canada's response to BSE recommended further investment in development of identification systems and traceability systems in Canada. The Canadian Animal Health Coalition has done a number of studies over the last few years looking at emergency management, animal health, and measures to mitigate the risk.

• (1540)

In 2004, the livestock commodity groups sent a letter to the Minister of Agriculture—they had agreement from 16 organizations, and the letters are included in your packs—requesting mandatory premises registration. The Judge Haines report in Ontario recommended premises registration be a cornerstone of traceability. In the United States, the United States animal identification plan, again, has premises registration as a key foundation to traceability.

The premises definition that has been worked at...the Canadian Livestock Identification Agency has a working group that has produced a paper on premises registration and is working further on producing a framework for premises registration in Canada. The definition has been agreed on by the board of the Canadian Livestock Identification Agency. This is the definition they've based their studies on: "A premises is a parcel of land associated with a legal description or geo-referenced coordinates on which or on any part of which animals regulated under the Health of Animals Regulations are kept, assembled, or disposed of".

Under existing legislation, section 64 of the Health of Animals Act provides authority for animal identification. In the proposed enforcement act, Bill C-27, there is a provision for authority for traceability. There is no authority in the existing or proposed legislation for premises registration.

In conclusion, the recording of an animal's movements is dependent on having origin and destination points of premises to describe the movements. A mandatory national premises registry that builds on the current national infrastructures is required by the livestock industry in Canada to be adequately prepared for effective management of an animal health crisis.

Thank you.

The Chair: That's the end of your presentation?

Mr. Mike Dexter: That's it.

• (1545)

The Chair: Thank you very much.

Given that we have about three-quarters of an hour, I'm going to limit the questioning period and response time to five minutes per person to try to get in as many as I can in the period that's left.

Mr. Ritz, would you begin?

Mr. Gerry Ritz (Battlefords—Lloydminster, CPC): Thank you, Mr. Chairman.

Gentlemen, thank you for your presentations.

On the premises definition, I just had a couple of thoughts occur to me. I don't know if you've thought of this or not, but does a national park fall under your premises definition? We have a lot of animals running around in national parks; we have TB problems. We're actually going out to Riding Mountain to have a look. Does that fall under there?

Mr. Mike Dexter: It could be, yes.

Mr. Gerry Ritz: Does it or doesn't it?

Mr. Mike Dexter: We are not looking at wildlife at this stage. If there's a—

Mr. Gerry Ritz: The concern I have is that the CWD problems we had in Saskatchewan may or may not have come out of the wild animals. If you're going to target my elk producers and force them through a bureaucratic maze, how do they protect themselves from wild animals if they don't fall under the same category?

Moving on from that, do you grant temporary premises definition to, say, a rodeo or the RCMP Musical Ride? How do you handle something like that, as they move from community to community?

Mr. Mike Dexter: The premises where they hold the show would have to be registered as a livestock premises.

Mr. Gerry Ritz: On an annual basis?

Mr. Mike Dexter: Yes.

Mr. Gerry Ritz: So there's an inspection annually of that? It's vacant, but would it have to be disinfected in between? I mean, the devil is in the details in all this stuff, and that's what I'm getting to—the costs and the bureaucratic levels it's going to take to implement this. How far do we go?

Mr. Randy Eros (Director, Canadian Livestock Identification Agency): Certainly there is a need to answer some of the additional questions you put on the table, but the primary purpose of this is to provide us with a geographic location for livestock. There are other issues, and certainly we have Equine Canada involved in the Canadian Livestock Identification Agency. There are specific details, but what we've understood, through consultation with our members and all those who signed that letter, is there's a need to start with a premises ID.

Will it need to be annually inspected? Maybe 20 years down the road that might be something coming down the tracks towards those of us who are in livestock to protect livestock production. I don't see it right now, but we do see we need to be able to identify those locations where livestock are either raised or transported through.

Mr. Gerry Ritz: My question stands. I would still have some concerns there.

Who would be the enforcement mechanism for this? Are you thinking of the CFIA under Bill C-27?

Mr. Randy Eros: That's what we're looking at, yes.

Mr. Gerry Ritz: You talk about premises identification, inspections, and so on, however many times a year it happens. Do you have any idea of the added cost that's going to flow back down to producers? Who's going to bear that?

Mr. Dennis McKerracher: I would like to say a couple of things on those points, because they're valid points.

I'm a livestock producer. I'm a hog producer. I live southwest of High River. I want mandatory premise registration because I'm concerned about my livelihood; that's why I want it.

I'll use a bit of analogy. We have a state-of-the-art fire hall. That's the country of Canada; it's state of the art; we have a state-of-the-art fire engine. That's the Canadian herds, the beef, the bison, the elk, the dairy, the swine, the sheep, etc.; our herds are state of the art. But if there is a fire or a contagious disease, we don't have a map of the city.

With regard to cost, I'm very cognizant of cost. I've lost a lot of money in the pork industry in the past few years. The way we look at the cost at the producer level for ID and traceability, each one of the commodities will build their own system. It will be based, though, on some national minimum standards. This will be on a phased-in approach; we don't want to start with the Cadillac; we want to start with something that's pragmatic.

But we want something our trading partners and the IOE recognize, something that gives us security in our business such that the banks and other people will talk to us, and we right now today want to have mandatory identification of livestock. We do not have mandatory premise registration, so we cannot do the one-up, the one-down, the tracing, the tracking.

I don't know if that's helpful to you.

Mr. Gerry Ritz: I'm wondering why you can't do the tracing and tracking now. Every time I move an animal and put it in my horse trailer or whatever, I have to fill out forms, and if I'm caught without those forms, I'm in big trouble. It doesn't matter whether I'm taking them to a show or an auction mart or just down the road to ride with my friend. I'm supposed to fill out these forms.

• (1550)

Mr. Dennis McKerracher: Say I ship a hog to my processing plant in Lethbridge. If there's a problem, they can come back to me. Because of our infrastructure, they know the hog came from me. But where did I get it from? Where did that person get it from? Where has it been?

Mr. Gerry Ritz: So those records do not exist at this time?

Mr. Dennis McKerracher: That is correct.

The Chair: Your time has expired. I will be very vigilant here.

Madam Poirier-Rivard, five minutes.

[Translation]

Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ): Thank you, Mr. Chair.

Could you explain what the relation will be between you and the Canadian Cattle Identification Agency when the CFIA system is operational?

Mr. Randy Eros: The relation will be the same as with any member of the CFIA.

Ms. Denise Poirier-Rivard: Here is an example. I raise goats, and all of them are identified. They are pure-bred goats, and a number is tattooed in their ears. They can be tracked everywhere they go. A cost is attached to each animal.

When this system is implemented, what will happen with animals that are already identified? At this time, the producer pays most of the cost. How will the cost of identifying each animal be shared?

Mr. Randy Eros: We are not dealing today with the identification of animals. I am a sheep producer. I bought my own tags and paid for them. The issue now is the identification of farms. There is no regulation for that. I put a tag on the ears of my sheep, and when they leave my farm, it is easy to know they come from the Randy Eros farm. But where is that farm? There is not enough information. This is the situation at this time.

I give you the example of a goat producers association. They are still working within the national livestock identification program. Like Dennis McKerracher said, we have the opportunity to develop a program for each species, but we need a data base for all programs. This is needed to identify farms, slaughterhouses, rodeos, and all the places where animals go through.

Ms. Denise Poirier-Rivard: If I get this right, animals will not be individually identified. In the case of goats, there is not tagging. The ID is tattooed in their ears. The registration identifies the male and female parents and grandparents.

Mr. Randy Eros: This does not exist yet for goats.

Ms. Denise Poirier-Rivard: I own goats myself, and I know that is the way they are identified.

Mr. Randy Eros: I mean, in Quebec, they use Quebec regulations.

Ms. Denise Poirier-Rivard: Right.

Mr. Randy Eros: In this case, these regulations are national.

Ms. Denise Poirier-Rivard: You are not yet ready to consider the situation this way. We are not talking about individual animals, but about premises.

Mr. Randy Eros: You are right. We are talking about premises. The regulations on animal identification already exist. We have a program for sheep, and regulatory requirements are already included in the legislation. But there are no regulations on farm identification.

In our case, we need this legislation here.

Ms. Denise Poirier-Rivard: How is the data base going to be controlled? How will that work?

[English]

Mr. Mike Dexter: The database would be built on existing national infrastructure. There already exists the Canadian Cattle Identification Agency. There are 82 running in Quebec. My idea is to have a distributed collection process and administration process so regional and provincial organizations can register the premises, and that information will flow to a national data warehouse.

For example, in Quebec, where they are already registering premises, that would continue. They would continue to maintain that, and that data would then flow to a national warehouse. If there was an emergency, the CFIA would have access to that warehouse; they'd have one spot where they could get all the data nationally.

[Translation]

Ms. Denise Poirier-Rivard: On page 7, you talk about the judge Hains's report in Ontario on the meat inspection system in Ontario. It recommends the development of a provincial farm-to-fork traceability system. Could you explain further what this system is all about?

• (1555)

Mr. Randy Eros: Last year, in Ontario, a case one packing plant was involved in caused quite a stir. The result was a long report with 114 recommendations on livestock production. One of them said that the province of Ontario should implement a traceability program like Quebec did.

Ms. Denise Poirier-Rivard: That is not what I asked.

Mr. Randy Eros: ATQ is also a member of this organization. Once in a while, we check what is going on in Quebec. Outside Quebec, we sometimes say that that province started with a program which is a Cadillac.

Ms. Denise Poirier-Rivard: When you talk about Cadillacs, you have Quebec in mind?

Mr. Randy Eros: It was the case to start with. They started with a process with a whole traceability system, but some element were missing. For example, they were identifying each farm on a 10 kilometre scale. But if animals are moved within this 10 milometer zone, we do not need to register the moves.

[English]

The Chair: Your time has expired, sorry.

You mentioned the word "warehouse". Where is the warehouse? Who is the warehouse? Is it CFIA, or who is this?

Mr. Mike Dexter: The national data repository would be controlled by the CLIA, the Canadian Livestock Identification Agency.

The Chair: So this would be a stand-alone?

Mr. Mike Dexter: It would probably be both. The idea is that it would be both but on the infrastructure of the CCIA, on hardware and software that already exist. The idea is not to create new infrastructure, not to duplicate efforts, and not to spend money where we don't have to. The entire process of investigating this has been around trying to utilize existing infrastructure, both organizational and technical.

Mr. Randy Eros: If I could, I'll just add to that. The CCIA started with some funds from the federal government to develop an ID program for the cattle industry, and part of that was a commitment to look at expanding that and including other livestock industries. This is a result of that whole process, which has struck the Canadian Livestock Identification Agency, and of the realization, as the CCIA's mandate expanded and included other livestock, that we really need to grow beyond that.

But we don't want to reinvent all of that work that's been done; we want to make use of it. The CCIA has been working to expand their database to include things like this national registry.

The Chair: All right.

Mrs. Ur.

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): I'm sorry I missed most of your presentation, but I did a quick read here.

Reading one of your first slides, it says: "The Canadian Livestock Identification Agency requests that the Canadian Food Inspection Agency Enforcement Act include the authority to create a mandatory livestock premises registry".

That being said, should this have been in existence three years ago, how would BSE have been different? How would it have improved what happened if that had been in existence?

Mr. Randy Eros: There are probably people from the CFIA who could better answer that, but I would suggest that the speed at which we could locate any outbreak is increased because we are no longer just dealing with who, but where. That's really what a lot of what this is about: the where. Where is the animal right now? Where did the animal move to? It's not just who owned it, but where did it move from and to, which is critical in foreign animal disease outbreaks.

And some of them are a little more critical in time than BSE is. As an example, BSE is a slow-spreading issue. With something like foot-and-mouth, which is a very rapidly spreading disease, it becomes much more critical that we know where the animal was and where it went.

Mr. Dennis McKerracher: I think also we must realize that BSE is not a contagious disease and it's not a food safety issue, it's a political issue. What ID and traceability does is mitigate risk from foreign animal disease, primarily contagious disease, and it reduces the size or the crisis with regard to food safety. It zeros in, targets areas, and in conjunction with things like border surveillance zones in Canada, they're all complementary.

With regard to your question, if you move that over to something like avian influenza, this is basically a model that ID and traceability would address, because we're also looking at multi-species.

• (1600)

Mrs. Rose-Marie Ur: I can maybe see it with avian flu, because you're certainly not out tagging every chicken in the chicken coop, and I can maybe see the premise being of a registry.

I'm not a cattle producer, so I find it hard to understand where... and I'm all for improving health and safety and trade if we move to something better with what we're doing with our animals, but as long as we have a highly sophisticated tagging system on our animals, I can see that being a fairly efficient way of ensuring that we can track those animals. I think CFIA did a pretty darn good job with our cases.

Mr. Dennis McKerracher: Yes, CFIA did a very good job with BSE. I must point out, though, that with regard to individual identification of livestock, there again it doesn't give you the whole story of where they have been. It gives you an ending point and a starting point, and then you can do the work to find out, hopefully, the middle points, with cooperation. But we have to remember that in my sector, the pork sector, for instance, individual identification of hogs will be the exception, not the rule. Most pigs will move in group or lots, such as poultry.

Mrs. Rose-Marie Ur: As I say, I'm all for food safety and all the rest, and I think it's good to move forward, but is the cost rationale taken into full consideration to ensure that what you are asking for is certainly something affordable for our producers? With the way their funds have been the last several years, to add another tag to their bottom line, and that's negative, there's only so much they can endure. So I don't know whether this is the right thing at the right time.

Mr. Dennis McKerracher: I'm a producer, and I can't afford not to do it.

Mrs. Rose-Marie Ur: But if you're a hog producer—and I do have a few friends in that business—and you have a state-of-the-art HACCP program in the port—

Mr. Dennis McKerracher: We have an on-farm food safety program. That's totally different from an identification and traceability system.

Mrs. Rose-Marie Ur: Yes, I understand that. But it's—and I know it's not the same—like premises registration, in a way, because you have to meet approval, or you have to live up to a standard within your pig farm.

Mr. Dennis McKerracher: It's a HACCP-based food safety program on-farm, and most commodities have that.

Mrs. Rose-Marie Ur: That's correct. I just don't see the correlation in that.

Also, I read here, "Our request for mandatory premise registration is driven from a need to satisfy this critical component...." Driven by whom? What other country? Are there a lot of countries that have this premise registration?

Mr. Randy Eros: Our closest neighbour to the south has indicated it in the development of their national ID program. They're probably two years behind where we are. They have identified premises ID as integral, and it's part of their program. In terms of keeping in step—and you'd always like to think you were half a step ahead of your neighbours—we really need that. We, as the producers, see a need to develop it.

The other thing is that the request to ensure the enforcement is included in the act, so when it comes down the road, it can be done. Currently there's no national identification requirement in this

country for goats—to borrow the example from earlier—but the regulation exists to enforce that, when it's developed.

This is about including in the legislation the regulation to enforce it at this point, because when we get around to doing it, we want to have the regulation in effect.

The Chair: Mr. Julian.

• (1605)

Mr. Peter Julian (Burnaby—New Westminster, NDP): Thanks very much, Mr. Chair.

Mr. Eros, you mentioned trading partners in your presentation. You mentioned the United States is moving towards that. Do other countries have mandatory premise registration now?

Mr. Randy Eros: Most of the European Union.

Mr. Dennis McKerracher: Ireland has a very good system. I can't list all the countries that have good systems. Do you know how many, Mike? There is a host of them.

Mr. Peter Julian: For the full spectrum of livestock, or just portions?

Mr. Mike Dexter: For the full spectrum of livestock.

One of the things with communicable diseases is the movement of animals becomes the vector of the disease. To understand where animals have moved and where they possibly commingle.... You might have a foot-and-mouth disease outbreak after a truck with hogs on it drives past a cattle farm. It's airborne, and that could infect that farm. If you don't know where those animals have gone, from what farm to what farm, or if they stopped at a siding, and things like that.... If you have the premises, you can start building the vectors, and you can build a system that can analyze that. That's why most countries, when they've introduced traceability systems, have realized the foundation is knowing where the farms are. You can't build a movement model if you don't know where the farms are, because how would you describe a movement or record a movement? An animal moved from here to there, but if you don't know where here or there is, you can't describe or record it.

It is the same in the United States, with the USAIP. They started building and looking at all the parameters for animal identification and traceability and came back with premises identification as a core and foundation of the whole model they built in the United States, one of the primary things that will be implemented before anything else. It's like the foundation; without it, you can't do much more.

Mr. Peter Julian: Has England implemented?

Mr. Randy Eros: Yes, for obvious reasons.

Mr. Peter Julian: Presently the CCIA has a database; premise registration is not mandatory, but it does describe some of the premises. To what extent does the existing database cover premises? Do you have any estimate on that?

Mr. Mike Dexter: What they have at the moment is the address and postal code of the farmer, but in many cases it's where the farmer might live, not where the animals are, which doesn't help us. We need to know where the animals are kept, so we need to get more precise.

The CCIA are developing what they call the premises allocator, which is a means to give a unique identification number to each premises. That's already been developed. In fact, the first release of it is due in the next week or two.

What we don't have is a national database for the cattle industry to start registering their premises on. They hope to have, by the end of this year, all cattle premises registered across Canada. They will have that in their database.

If the pork sector, the sheep sector, and so on start registering their premises, we could end up with multiple databases. We don't have a way to enforce it. We're trying to bring this together into one place—one single warehouse this filters through to—and then have an enforcement mechanism, or at least have the option of enforcement.

Mr. Peter Julian: At this point, there's not necessarily any compatibility between databases being developed by other members or affiliates of the CLIA?

Mr. Randy Eros: The ATQ and the CCIA have compatibility. That was one of the things that were important in the development of the cattle program, that the CFIA, which actually does the enforcement on both of those programs, be able to track animals through both systems. So they are working together.

One of the things about the enforcement issue and putting regulations in place for the enforcement is that we can go ahead and do all of those things. The cattle are a good example of going ahead and developing that. But without enforcement, it means you don't have to. Those kinds of things without enforcement, regulations without enforcement, are really just a good idea.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Or a bad one.

Mr. Randy Eros: You know what? Regulations without enforcement are really just a recommendation. That makes it difficult for those of us who are trying to farm.

Mr. Dennis McKerracher: Also, getting back to the national database, if I as a producer have hogs on my farm, sheep, and also cattle, I don't want to have to register three different ways and have three different premises IDs. I want to do it comprehensively and do it once, and also I want it to be meaningful so in the case of an emergency the CFIA gets the correct information.

The Chair: Your time has expired.

We'll go to Mr. Miller.

Mr. Larry Miller: Thank you, Mr. Chairman.

I'm sitting here thinking, watching a bureaucracy being created—or trying to be created—that if it wasn't so disgusting, it would almost be humorous.

Anyway, the CLIA likes to talk about a premises registry as if there's no control whatsoever in our livestock industries. Go back to the recent BSE one; I think Mrs. Ur touched on this. Within hours we knew where the cow came from. Within days or less we knew where all or most of the offspring were, and it went from there. So how do you justify carrying this as far as it is now?

One thing is that on top of the regulations we already have, costs are always incurred within the industry. They're never paid for by the consumer. They're always absorbed by the producer.

So you go in here, the beef industry has a thing in place, I believe the sheep industry does, the hogs too, and what have you. I want you to explain to me how this proposal is going to work when it comes to the poultry industry—which Rose-Marie also touched on—the turkey industry, and fish farms. How are you going to do it in the domestic rabbit industry? In my own riding I have a couple of domestic pigeon operations, large ones. How are you going to control all these?

When it comes down to it, costs need to be the same in all sectors of the livestock industry, or as a beef producer, which I am, or if I'm a hog producer or whatever, I'm at an unfair advantage if I have to do something within my industry that someone else does. I want you to explain to me how it's going to work in the various other industries.

• (1610)

Mr. Randy Eros: The important thing here is that as industries we will decide the speed at which we want to adapt our traceability programs. I'll use my industry, the sheep producers. We've decided that currently our need for identification requires me to put a 31¢ tag in the animal's ear when it leaves my farm of origin. As an industry, through industry consultation, we've decided that's where we need to go.

The next step we took was to make available but not mandatory an RFID tag for producers. We're the ones directing the pace at which we need to go.

We alluded to the feather industry. They signed the letter requesting the creation of premises ID regulations. They don't necessarily need to take that step tomorrow, but they see the need for the ability to enforce the regulatory regime if and when they as an industry decide to move forward.

This is as much about preparation as about anything else, because it doesn't exist now. The regulations to enforce it don't currently exist.

Mr. Dennis McKerracher: On the pork industry side of things, which I know best, we've just completed our pilot studies. We're going out with cross-country consultations. We have an idea of what our system would look like, and we will put costs to that. There again, it's producer driven, and producer input and requests are what will put it together.

What we as producers are concerned about is that we've rolled the dice for quite a long period of time and we can't afford not to be prepared for an animal disease outbreak. We just can't.

Mr. Larry Miller: I'm going to go on, Mr. Chairman. It's going to be interesting to see whether we are going to take this back when it comes to the poultry industry. Are we going to go back and have to know where every egg came from? Are we going to have an Inkjet printer in every laying cage? It's just about that ridiculous in some cases.

On this new mandatory registration under Bill C-27, I don't believe it would provide the sufficient strength for a mandatory registration under this new national livestock thing. If so, and if that's the truth, can you explain a little more what really would be different from what's currently in force?

Mr. Dennis McKerracher: Could you just repeat? You're asking what...?

Mr. Larry Miller: I want to know really what the main differences are and what—

Mr. Dennis McKerracher: Right now there is mandatory animal identification and the request is for mandatory premise registration, as Mike was talking earlier about the point A to point B.

Mike.

Mr. Mike Dexter: Under the Health of Animals Act, there is authority in there to create new regulations for animal identification.

In the CFIA enforcements bag of Bill C-27, there is authority built in there to create or build regulations around traceability, but there's no authority in it to build regulations for premises registry. What we're asking for is that authority to build regulations in there, so that when these things evolve, there is an act under which we can have regulations drawn up.

Right now that authority is not there, so we have a gap. We have animal identification. We have proposed authority in terms of building regulations for traceability, but there's nothing for the foundation of premises. What we're asking at this stage is for that authority to be built.

•(1615)

The Chair: Okay, we're moving to Mr. Easter.

Hon. Wayne Easter (Malpeque, Lib.): Thank you, Mr. Chair.

I want to deal with that point specifically, but first, welcome and congratulations for your work.

I think you're right, Randy, that we are two years ahead of the Americans in terms of identifications systems and, to a great extent, traceability, and it's as a result of efforts made by some in the industry.

But on the point you raised—the Health of Animals Act and animal identification, it provides authority for traceability, but is it not true that in order to have traceability, then you also must have the identification, whether it's premises or whether it's animal, in order to do that traceability?

I think under section 56 of the act, under regulations.... And I think all you're asking for here...and I don't want to see us in the position, Mr. Chair, of making CFIA be the big hammer that says this must be done. I think our intent through the legislation should be to give authority for your industry. If you want to do A, B, C, and D, then you have the authority to do that. But the industry needs to be safeguarded in such a way that it's not government imposing.

Paragraph 56(u) states, “establishing and regulating systems to ascertain all places of origin or destination of regulated products”, etc. Does that not do what you want done? If it doesn't, then we need to....

Go ahead, sorry.

Mr. Mike Dexter: The advice we've had is no, that would not give us the authority to have regulations created for mandatory premises registration.

Hon. Wayne Easter: Then we are going to have to look into that.

I know a number of people are concerned about getting into premise identification, but I can tell you, we had the experience of potato wart in my province, and we identified every parcel of land. Some of it can never grow potatoes again. We've soil-sampled every acre that has had potatoes in it for the last three years. We've taken all the soil from under every grader to soil-sample, and that's part of our international commitments, so we can stay in the international market.

I had an individual in my office last week. Every time he goes into a field, his equipment has to be disinfected. He's all in liquid pig manure; 88 times—you can imagine how nice that is—disinfecting that equipment in three days, to drive in and out of the fields. But it has to be done. I'm not opposed to it. It has to be done in order to meet our requirements, because we can't allow potato wart to spread. It's in the soil. That's where you can get to.

Mr. Chairman, I do agree, but it has to be at the request of industry. They should have the authority to do what they want done, and we need to do that by way of the legislation. I don't want it to be government imposing its will.

Are there any other problems with the bill other than this? I know this is your request, but in terms of the bill as a whole, are there any other points?

Mr. Randy Eros: We really came just to present on this issue. We have representation from many different livestock industries, and our representation really just comes from their request to include this.

•(1620)

Hon. Wayne Easter: Thank you, Mr. Chair.

The Chair: Then we'll move to Mr. Gaudet. Are you ready?

[Translation]

Mr. Roger Gaudet (Montcalm, BQ): Thank you, Mr. Chair. Good afternoon, gentlemen.

My concern is that our products are always better than the Americans', but we keep buying theirs while they refuse ours. What more will we get out of this?

Mr. Randy Eros: It will not change American attitudes. It is a political matter. We trade with other countries. We sell pork in Japan. It is a great market for other industries also. Of course, if we could change the attitudes of the Americans, it would be helpful. We could put in place a program that would be the same for both.

If the Americans create their own identification program and we do not, they will have one more reason to suggest that Canada is not up to par. But when we talk about trading with partners, we must not consider only the Americans.

Mr. Roger Gaudet: If we are indeed ahead of them, how come they slammed a 15% tariff on pork? I cannot understand. You are telling us that the Americans are giving us models, but they do not even implement them in the USA, and we end up paying. It is just as if we had a 15% exportation tax on the hogs you are selling.

In Quebec and Canada, we are the very best, and we end up paying. Is this because we do not have a strong enough policy on softwood lumber, pork, and any other exported commodity?

[English]

Mr. Dennis McKerracher: The decision came down yesterday, and with regard to the dumping duty on hogs, it was in Canada's favour five to zero. We won the case. After it is published, the NPPC has a 20-day appeal period, but we won.

There's one thing you alluded to and Randy mentioned earlier, our export business. When I've met with buyers from Japan, one of the things they've asked about is what we're doing in order to mitigate any closure of pork exports to Japan. They're concerned about our ability to supply. What do we have in place so if there was a contagious multi-species disease, we could zone off or contain that in a buffer zone, a contagion zone, and continue trading in other areas so they could still receive some product? ID and traceability would accomplish that.

[Translation]

Mr. Roger Gaudet: I find this issue very disturbing. Yesterday, you won by five to zero, but the Americans will appeal this decision and we will end up waiting four or five years for the matter to be settled, just like we do for softwood lumber or any other commodity. Are you sure of what you are saying?

[English]

Mr. Dennis McKerracher: I don't know if it will be appealed. I don't know what the Americans are thinking, but I can tell you that the ITC ruled five to zero in our favour.

[Translation]

Mr. Roger Gaudet: I agree, but let us go back to the beef and cattle issue. The American government agreed, but a judge said no. And the Americans have plenty of judges.

Mr. Randy Eros: Mr. Gaudet, there is also something else. This is not just a trading matter. There is also the animal disease issue. Even if we forget about our trade relations with the Americans, this is a very important issue for us. We are talking here about

[English]

foreign animal disease.

[Translation]

We need this system to help us solve this problem.

Mr. Roger Gaudet: That is not what I find disturbing. Our food products are said to be top quality. The Americans are three or four spots behind us, but they dare close their border to our products. And there is nothing we can do. When we have disease problems or other similar problems, it would be useful to have sanitary areas. Would that be possible? I hope we will get something out of all that. Canada is a great country.

•(1625)

Mr. Randy Eros: With sanitary areas, Manitoba and Ontario stand a good chance to get results. We are talking about the West Hawk Lake situation because it is in Canada. It is the only spot where is possible to close all communications between two zones in our country. There are similar zones, for example in Vancouver Island and PEI. It is a good thing. And it is another piece in the puzzle.

Mr. Roger Gaudet: Will that be profitable? That is what I want to know. Ontario is far from Alberta, but Montana is just 2 kilometres away. It is sometimes difficult to understand.

I have no more questions.

[English]

The Chair: I have about two minutes. Who has a short two-minute...?

Back to you, then every side has had two persons questioning. I'm going to give the last one to the NDP.

Mr. Peter Julian: Thank you very much.

We were just talking about a database. Presuming you have the regulations in force and were able to move forward, how long do you think it would take to put this program, mandatory premises registration, in place?

Mr. Mike Dexter: I don't think that it would take long to build a database. We could probably have that up and running, depending on funding, in six months. I think the bigger task will be getting the regions and provinces organized and the commodity groups organized to collect the information, and that can take some time. How long? I don't know, because it's already evolving.

Ontario has already started a government-industry partnership to build the premises registry. They've started. They're going to be producing a white paper soon. They're going to form an organization. They're going ahead. Quebec already has it running; they already have their premises registered. The cattle industry is starting. It's starting to evolve. One of the roles of the CLIA is to coordinate the efforts of those organizations and, where it's not happening, to help them make it happen.

It's a difficult question to say exactly how long. We would like it as fast as possible.

Mr. Peter Julian: Looking at international examples, what has been the track record for an implementation of a system like this?

Mr. Mike Dexter: It takes some time getting the technical infrastructure, the databases, and the hardware in place, getting the organizational infrastructure functional and working. And then building up the compliance, that takes time as well. You're probably looking at a few years to get to a state where you have realistic compliance.

We're also looking at it a bit differently from the way it's been done internationally in many places, where they've had a central organization facilitating the collection and maintenance of data. That becomes expensive. That evolves into a bureaucracy. We're trying to avoid that by using existing infrastructure. Commodity groups already have organizations in each province. Many of the provincial governments have this.

Mr. Randy Eros: It took four years from the formation of the CCIA to the first tag being mandatory. That's just to give you an example of how long that kind of thing can take.

The Chair: Thank you very much.

I gather from what I've heard today that there's simply one request from you. Under the new Bill C-27 proposed, you would ask for the authority to create a mandatory livestock permit register. Is that your issue and the only issue?

Mr. Randy Eros: Yes.

Mr. Mike Dexter: Yes.

Mr. Dennis McKerracher: Yes.

The Chair: So we don't anticipate any more amendments, changes, or requests from you, because I'm asking for all bodies who've come before the committee to send them to the chair through the clerk before the 22nd. That's just so you are given the same notice as all other groups.

Mr. Gerry Ritz: This is on that point, Mr. Chair. Who would actually pay for the construction of that?

Mr. Randy Eros: Who would pay for the construction of the legislation?

Mr. Gerry Ritz: No, we got that; we're going to pay for that. It's the actual physical infrastructure you're trying to create. If we put it into Bill C-27, who's going to fund it?

Hon. Wayne Easter: Mr. Chair, all that's been asked for is the authority to create. Keep in mind there's a letter on record in the pack from 14 organizations that are basically supporting the authority. I think we need to ask these organizations when they come before us.

• (1630)

Mr. Gerry Ritz: Organizations are one thing; the producers who belong to them are another. There's a disconnect.

Hon. Wayne Easter: But they are the organizations.

The Chair: We must move on.

Thank you very much for presenting today. This is very helpful. I think you've presented your case well, and it will be part of our considerations as we go towards developing the final text of Bill C-27.

Mr. Dennis McKerracher: Thank you, Mr. Chair.

Our president, Keith Flaman, wanted desperately to attend today, but I think a cow must have got in his way. He wasn't able to make it.

The Chair: Well, give our best regards to him anyhow.

Thank you very much for appearing.

I'm going to suspend for just a few moments while we clear the room and go in camera.

[Proceedings continue in camera]

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

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

**Also available on the Parliamentary Internet Parlementaire at the following address:
Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.