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—
Chair

Mr. James Bezan

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•(1535)

[Translation]

The Vice-Chair (Mr. André Bellavance (Richmond—Arthabaska, BQ)): Good afternoon and welcome.

You are aware that, in a few minutes, our chair will be tabling the report that, happily, we were able to produce before the break. So I will be sitting in for Mr. Bezan until he gets back.

All today's motions were duly tabled before the committee. The first motion is from Mr. Larry Miller.

Mr. Miller, please tell us about your motion, which is now open for debate.

[English]

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Thank you very much, Mr. Chairman.

It's a pretty self-explanatory motion, Mr. Chairman. You, I believe, were present on our APF tour, at least through eastern Canada. Prior to that, one of the things we had was an in camera meeting here back in late May, I believe, this past spring, to deal with some of the issues that were very contentious. It was also to basically deal with some of the perceived monopolies and things that may distort the marketplace, not just for the consumer, at the end of the day, but for small agribusiness, including grocery stores, which are in kind of a bad position.

The motion is pretty straightforward, and I would certainly ask that everyone support it.

[Translation]

The Vice-Chair (Mr. André Bellavance): Are there questions or comments on the motion?

Are you ready for the question?

Some members: Yes.

(Motion agreed to)

The Vice-Chair (Mr. André Bellavance): Thank you.

Mr. Atamanenko, your two motions are in order, and both were tabled at the same time. You may therefore choose which one you would like us to discuss first.

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): We could start with the one that deals with Mr. Measner.

The Vice-Chair (Mr. André Bellavance): Could you read it, please?

Mr. Alex Atamanenko: Yes. It reads as follows:

That the Standing Committee on Agriculture and Agri-food recommend that the government immediately reimburse farmers for an amount equivalent to the severance package of Mr. Adrian Measner, which was incurred when the government fired him from his position as president of the Canadian Wheat Board.

I just want to explain the logic. There were costs.

[English]

There were costs incurred when Mr. Measner was fired. It would be logical for the government to assume those costs, as opposed to the Wheat Board and the farmers, and that's all this motion says.

[Translation]

The Vice-Chair (Mr. André Bellavance): Mr. Anderson.

[English]

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Chair, it's good to be back here talking about an old, favourite subject.

I just have a couple of questions on this, and then maybe I'll have a comment a little bit later.

This is basically impossible to do, so I'm not sure why the motion has been made. Mr. Atamanenko calls on the government to immediately reimburse farmers. I'm wondering what he's suggesting there, because that's pretty undefined. Do they get 10¢ each? How do we go about reimbursing farmers?

Second, it is for an amount equivalent to the severance package. I don't know if Mr. Atamanenko knows what that severance package is, and I don't think anyone else does. I'm just wondering if he can enlighten us a little as to how he would see this motion being carried out.

Mr. Alex Atamanenko: I'd like to thank my honourable colleague for being here. It's nice to see you back, David.

The intent of the motion is that when we reimburse farmers, we reimburse the Canadian Wheat Board, which is the farmers' organization. They incurred the costs. The Wheat Board spent money, money was spent, and they should be reimbursed.

What is the sum? Obviously, those people in the Wheat Board know what that sum is. That should be a negotiation with the government. So they would get that reimbursement back. It's as simple as that.

•(1540)

Mr. David Anderson: Mr. Chair, I don't think we have enough information to support this motion.

There may be another direction we should go with this, and that is, rather than immediately reimbursing anyone, we should maybe sit down and take a little bit of time to study Mr. Measner's past package—what he had in terms of salary and benefits, bonuses, memberships, and those kinds of things—and then we would also take a look, perhaps, not just at his severance package but at his retirement package and the benefits the Canadian Wheat Board has extended to him.

I think there need to be some questions asked about the benefits he received, and potentially any benefits his nuclear or extended family may have received.

If you're going to support a motion like this, we need to go much further than this motion of Mr. Atamanenko's. I would actually be willing to make an amendment. If the committee decides that they would like to have that amendment, I'd be willing to make an amendment that we study Mr. Measner's severance and retirement packages, as well as his last two years of salary and benefits, in order to determine whether those numbers are reasonable.

Mr. Larry Miller: I have a point of order, and you can correct me if I'm wrong.

I believe, Mr. Chairman—and it's along the same lines as what Mr. Anderson was just referring to—that this motion is out of order only because in order to make a decision on this, whether we should or we shouldn't, I certainly don't think it's appropriate. At the very least, Mr. Chairman, how can any of us be expected to vote on this without having the details of the compensation package? I think that needs to be tabled in front of this committee. If we have to deal with that in camera, then so be it. I think it's very irresponsible of us to even consider this question without having all the details in front of us.

The Chair (Mr. James Bezan (Selkirk—Interlake, CPC)): The motion is a recommendation, so on that point of order I'm going to have to rule that it's not a point of order because this is just a recommendation.

I have Mr. Bagnell, Mr. Lauzon, and Mr. Anderson.

Hon. Larry Bagnell (Yukon, Lib.): Thank you, Mr. Chair.

My first part is a point of order clarification. Mr. Anderson was talking about two different motions. I think he was talking about two different motions, and at the moment I'm talking about the second one that was handed out in my package, which is related to the extra costs of the Canadian Wheat Board as a result of the government changes to the election rules.

The Chair: We're on the other one.

Hon. Larry Bagnell: As the chair said, this is a recommendation. In the grand scheme of the Government of Canada these aren't huge amounts, and the government can sort out the details. I'm quite happy to support this motion as presented.

The Chair: Okay.

A point of order, Mr. Anderson.

Mr. David Anderson: I'm wondering if this is even in order, because it's recommending that the government spend a sum of money, and I understand that's beyond the committee's ability to demand.

The Chair: On that same point of order?

Hon. Wayne Easter (Malpeque, Lib.): Yes. This would not require a royal prerogative. This is actually due to the government monkeying in affairs of what is not even a crown corporation and costing primary producers money. It's not about a royal prerogative. It's about compensating the Wheat Board for the problems the government created.

The Chair: I will just go back to Mr. Anderson's point of order. Because this is only a recommendation, and it's not binding upon the government—it is just a motion—it's within the realm of this committee to bring forward such recommendations.

Mr. Lauzon.

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): With all due respect to Mr. Atamanenko, whether it's a recommendation or a motion, I have a hard time supporting something that's so open-ended. How do we know whether we're talking about \$50,000, \$500,000, or \$50 million? Until we have some specifics, how do you make a recommendation? I don't feel comfortable committing this government or any government to an open-ended amount, so I would not be supporting the motion in its current form.

The Chair: Mr. Anderson.

Mr. David Anderson: Mr. Chair, I was prepared to make an amendment—I had suggested that earlier—so I wasn't sure if that was accepted as an amendment or not.

• (1545)

The Chair: Your amendment is...?

Mr. David Anderson: It is that the Standing Committee on Agriculture and Agri-Food study Mr. Measner's severance and retirement package, as well as his last two years of salary and benefits, and that would include things like membership, salary, benefits, bonuses, health care, insurance coverage, and ongoing obligations that the board and the government would be expected to have towards Mr. Measner.

The Chair: I would like that in writing. Do you have that written out?

Mr. David Anderson: I do.

The Chair: Mr. Anderson, it's just so we have that for the clerk's information.

Members of the committee, the minister has arrived, and I understand we have 30 minutes. We're in the middle of this debate. Do we need a motion to adjourn the debate on this motion and then allow the minister at the table?

Mr. Easter.

Hon. Wayne Easter: Procedurally, Mr. Chair, I don't know whether it's a motion to adjourn or suspend the debate, but we want the unequivocal understanding from the chair that we will come back to this motion and Mr. Atamanenko's following the minister's presentation.

I will say that we're not too happy with half an hour with the minister when we should be having two.

The Chair: The way the motion should read is that we suspend debate while the minister is at the committee and that we will return to the amended motion upon the minister's leave of the table.

I need a mover and a seconder.

Okay, Ms. Skelton.

On this motion, Mr. Atamanenko.

Mr. Alex Atamanenko: That was the question I had.

The Chair: Do you have a question on this?

Mr. Alex Atamanenko: No.

The Chair: All in favour of suspending debate?

(Motion agreed to)

The Chair: Mr. Ritz, please come to the table, if you would.

Mr. Atamanenko.

Mr. Alex Atamanenko: How much time will we have with the minister?

The Chair: My understanding is 30 minutes.

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food): I have an hour. Well, I have a 45- to 50-minute presentation.

Some hon. members: Oh, oh!

The Chair: We have an hour with the minister.

We do appreciate your making the extreme effort to be with us today. I understand that our committee is unfortunately falling at a time when you have other cabinet duties. We do appreciate your taking time out of your hectic schedule to join us.

In light of only having an hour with the minister, if you guys are agreeable, we'll do five-minute rounds so that as many people as possible can get in.

Minister, please begin with your opening comments.

Hon. Gerry Ritz: Thank you, Mr. Chair.

It's a pleasure to be here today. I'd actually have been here earlier, but Wayne said I couldn't come while he was in China, so we had to readjust our schedule.

I'm happy to be here. Let me say, it's great to be back at the committee. It's kind of funny being at this end of the table—

An hon. member: You're talking too fast for translation.

Hon. Gerry Ritz: You want me to go slower? Well, it's hard to be an auctioneer and get the job done at the same time.

Some hon. members: Oh, oh!

Hon. Gerry Ritz: Sorry, guys. I apologize. I'll try to keep the jokes slower so you get them and can translate them properly.

It's great to be back here.

Jean-Denis and Jean-François, it's a pleasure to see you gentlemen again. We had some great times at that end of the table.

I certainly enjoyed my time with the committee. I think we got some very productive work done. It's a pleasure to appear before cabinet now and move ahead on things like the Grain Act, which we spent a lot of time on here, and discussions on the Wheat Board. I'm sure Mr. Easter will have questions on that shortly.

I've had a tremendous opportunity in my four months as minister—coming up within a couple of days here—to meet with just about every farm group across the country. There's been some tremendous input. I had my first face-to-face with the provincial ministers in Toronto in mid-November. We got agreement in principle on the new suite of programs moving ahead April 1, 2008. We also agreed on a transitional timeframe of up to one year to get the non-business risk side—the environmental farm plan, succession planning, that type of programming that's tied into the business risk management suite—in place as well, and those talks are going extremely well.

I had a tremendous opportunity—and Wayne was with me—to travel over to Rome and have a number of bilateral meetings with other countries to talk about agricultural trade. When we were coming back from that, the Russians followed us home and spent a couple of days here talking about livestock, dairy, beef, genetics, and innovative techniques. There have been some tremendous negotiations and discussions between our CFIA and their regulatory body there as to how we handle things like avian flu and the lessons learned from BSE, and those types of things.

We've developed a very good, respectful dialogue with our major trading partners. A case in point is the U.S. We've had some glitches at the border. There's been some extra testing required. We've been able to keep that to a minimum and actually have them lift that testing in a very short timeframe.

We are following up on our dialogue with the Canadian Wheat Board. We've had very respectful exchanges. We kept it below the media radar screen, and I think that's led us to some very forward thinking. There is still a tremendous optimism out there in western Canada that these changes will happen. Farmers are very intense businessmen, and they really analyze the market worldwide. They're seeing wheat above \$10 in the U.S. They're seeing durum above \$20 in the U.S. Of course, we're getting in the \$6 to \$11 range for our products. They're wondering why there is the discrepancy. We're working on that.

We've made some significant announcements for agriculture moving into the next phases of biofuels. I made those announcements early on. It is now within the Agriculture Canada mandate to move forward on the whole biofuels situation. We have announced the 10¢- and 20¢-per-litre subsidies that are available on ethanol and biodiesel respectively.

Livestock is a challenge at this time, and I'm certain we'll be facing some questions in the House of Commons, but please be assured that my officials and I have been actively engaged on both the pork and livestock files. We are reaching agreements on what we can do and how quickly we can do it. I do have ongoing meetings with the sector and ongoing meetings with my provincial counterparts as to what they feel they can do. The next one will be face to face with the pork council, meeting with my officials today and me tomorrow. I just recently had meetings with the livestock sector, the cattle industry in particular. We are seeing the opening of the U.S. border to older livestock. That is a very positive step. Having said that, of course, we are waiting with bated breath for the R-CALF injunction to be heard on December 19, and we'll have to see where that goes. We do have allies in the States on the R-CALF proposal, and we are making use of them at this time.

We have announced \$600 million in new federal moneys that will be available to the livestock sector, and farmers as a whole, as early as January of the coming year. Very shortly before Christmas, everyone will get a letter as to what their portion of that \$600 million will be, to give them an idea of what's coming. We are talking about targeted cash advances for the cattle and hog sector, and those discussions continue.

• (1550)

I have tasked my CFIA officials with coming up with—and I saw this in the draft of your report that will be coming forward on the livestock sector—the costs of the regulatory regime in Canada as compared to the U.S., our major trading partner. We are analyzing that to see what we can do on those files, as to where the discrepancies and disparities are. We will address that shortly.

We are looking at the cost of SRM removal and traceability. Those costs always end up at the farm gate, and how do we make sure that everyone who is sharing in the benefit shares in the cost? We will be doing some more work on that. There is a pool of money to address SRMs and try to get more value out of them.

A lot of the bilaterals and agreements that we will be doing as I travel over the next coming months. Barring a federal election, we are lined up to do Mexico, Cuba, China, Japan, Hong Kong, Russia, and so forth, as we start to develop those other markets so that we're not so heavily reliant on the U.S. market. We will continue to work on those.

I think there's a tremendous opportunity for agriculture in this country as we move forward. We have dropped the ball as a federal government over the last number of years on science and technology. We've let a lot of that go to the private sector, and our producers are paying for that in not having access to products and procedures that are of more cost benefit to them. We will ramp that back up in the coming days. Innovation certainly plays a big part in the new face of agriculture in this country.

Those are just some of the things we've been working on in the last four months, continuing on with the great work that Chuck Strahl started.

I'm happy to take your questions. We have some time left to do that.

Mr. Chair.

• (1555)

The Chair: Thank you, Mr. Minister.

Mr. Easter, for five minutes, please.

Hon. Wayne Easter: Thank you, Mr. Chair, and welcome, Minister.

Although you said you and I might get into the Canadian Wheat Board, I do not intend to get into the Canadian Wheat Board issue today. It is before the courts. I think it's fair to say that you had 13.8% support for your position; that's not adequate. But definitely, the previous minister, the Prime Minister, you, the parliamentary secretary to natural resources, and a few others on the government side have shown absolute contempt for Parliament by ignoring the motions in Parliament and reports that came from this committee,

and have shown absolute contempt for the courts in the way you're handling that issue. That's all I'll say on the matter.

The most urgent issue at the moment, no question about it, is the crisis facing the hog and beef industry. We're losing producers daily. We haven't been getting any answers from you, sir, in the House. I would hope you could answer more specifically today. I will say this in the beginning. I've heard the \$600 million announced four times now. I hope that adds up to \$2.4 billion. But the \$600 million is not going to cut it for the hog industry and your members know that. It's not going to cut it. The Canada Pork Council has asked for an immediate program in terms of loan guarantees.

So my question is this. Have you, as minister, or has your deputy minister provided any direction with respect to the creation of any ad hoc program or any other kinds of programming beyond CAIS advances to address this beef and hog crisis? We need some specifics in terms of what you've proposed.

Secondly, you answered in the House yesterday that you would answer shortly. Can you be specific as to the date the Government of Canada is going to do something, other than the \$600 million, to deal with this crisis? We're losing producers every single day. We can't wait until after Christmas. We have to have an answer and we have to have one now. They need a date and they need specifics.

The Chair: Mr. Minister.

Hon. Gerry Ritz: I'll start off with your tirade on the Wheat Board to begin with. When you analyze it, 62% of the farmers in western Canada supported some change, some sort of open market attitude at the Wheat Board. The Wheat Board itself has come to that idea, too, that it's going to have to change, because it's losing market share.

If we had that same plebiscite today, Mr. Easter, I'm sure it would be in the 75% to 80% range, judging by the calls I get from the affected farmers in my area.

Moving on to the livestock sector, we've had very productive talks with the sector, with the provincial governments. As to an exact date, no, I cannot give you that. We have assured the sectors that there will be announcements before Christmas that will allow them to start to move ahead to work with that.

I have had discussions with the chartered banks, with Farm Credit Corporation, and no one is foreclosing at this point on any particular sector. There are certainly case-by-case issues that have been ongoing longer than just this latest glitch in the market.

The dollar is down. Interest rates are down. A combination of their portions of the \$600 million that will be available in early January and the targeted cash advances are what has been on the table at this point, that have had agreement between my department and the provincial departments.

I do have ongoing discussions with the provinces coming up tomorrow afternoon, and we'll have to wait and see what comes out of those discussions. I cannot commit to anything at this point, until we have those discussions with the affected provinces as well.

• (1600)

The Chair: You have about a minute and 10 seconds.

Hon. Wayne Easter: Thanks, Mr. Chair.

So you are committing that there will be an announcement before Christmas, and it will contain some specifics so the industry can take these points to the bank.

I disagree with your statement, Minister, with all due respect, that no one is foreclosing. I can show you. I've been with some people who've been foreclosed on in the last eight weeks, and it's not pretty.

The Chair: You have a point of order, Mr. Storseth?

Mr. Brian Storseth (Westlock—St. Paul, CPC): My translation may not be working, but I just wanted to set the record straight.

The Chair: Sorry, Brian, you are subbed out right now.

Mr. Brian Storseth: I'm still allowed to talk; I just can't vote.

The Chair: That's up to the rest of the committee members.

Mr. Brian Storseth: It's in the Standing Orders, Mr. Chair. You should consult with your clerk.

The Chair: He doesn't agree. You cannot ask questions.

Mr. Brian Storseth: All right. Maybe Mr. Easter would like to clarify the record as to what the minister actually said.

The Chair: You have about one minute left.

Hon. Wayne Easter: So on foreclosures, I differ on that opinion. There are foreclosures happening.

On the beef and hog industry, I think it's wrong to use the provinces as a fallback position. Sometimes the federal government has to show leadership. Previous federal governments did that by coming out with payments on their own and asking the provinces to come in later. This crisis is of a magnitude that we absolutely need a commitment now from the federal government.

Second, if you have time, the EU announced subsidies for their pork exports. I find it a little puzzling that our industry is sometimes a little too concerned about the trade agreements, and we don't want to ruffle feathers there. But has your department done any analysis of what that will mean to our industry? Is the Government of Canada going to challenge, under international trade law, those subsidized exports from the European countries in the hog business?

Hon. Gerry Ritz: My hope is to have some fairly succinct announcements before Christmas. I will know more after I speak with my provincial counterparts tomorrow.

The biggest thing the livestock sector—cattle and pork—has given us are guidelines saying that whatever we do cannot be trade challengeable. They're very concerned about that.

To your point about the European Union, they have made the announcement on the 75¢ per kilo. There are a couple of other hurdles it has to go through yet, so it's not in play. As soon as we saw that announcement, I drafted a letter and sent it to the commissioners of the EU saying we were discouraged by that, as we move forward in Geneva to a new WTO agreement.

I also have calls in to the U.S., Australian, and New Zealand governments to work together to push back on that particular issue. So we are being as proactive as we can, given the fact that they haven't actually implemented it yet.

Hon. Wayne Easter: Thank you, sir.

The Chair: Your time has expired.

Monsieur Bellavance.

[*Translation*]

Mr. André Bellavance: Thank you, Mr. Chair.

Clearly, I will not take the five minutes I am allowed to say my piece, but I sense a certain lack of respect for our committee. Mr. Chair, it is probably important that you hear what follows.

I feel a little rushed. The minister has shown up out of the blue. In other committees, when a minister is invited, we have some kind of advance notice of when he is going to appear. I am quite capable of asking questions. But I do not understand why things are different here than in the other committees.

We even dig people out of jail to come and testify at committees, while we here have the hardest time getting the minister, and then he appears out of nowhere. We thought we were going to have a filibuster on a motion dealing with the Canadian Wheat Board, but instead, we have the minister with us for a short time, and so on.

In any event, I was getting ready to say that I was disappointed not to have seen him before the break. So, I am pleased that he is here, but I would like to...

[*English*]

The Chair: Monsieur Bellavance, I announced at the end of the committee meeting on Monday that there was a good chance that the minister was going to be here, and he would try very hard to attend the meeting.

[*Translation*]

Mr. André Bellavance: I did not hear that.

[*English*]

The Chair: There were no guarantees at that time, but we were—

[*Translation*]

Mr. André Bellavance: I understood that he wanted to come, but, look, his name does not appear on the orders of the day.

Enough whining about it. Mr. Minister, I am happy that you are here before Parliament rises for the break.

I am going to continue along the same lines. People have come to give evidence to the committee, as a matter of urgency, and have asked us for help. So we are passing that request for help to you. Just today, the chair of this committee has tabled our committee report. I do not know if you have had a chance to become familiar with the report on the crisis in the pork and beef industries. You told Mr. Easter that you have a meeting scheduled for tomorrow or at least some discussions about the pork sector.

Although you have said that are not in a position to announce anything here, as Canada's Minister of Agriculture and Agri-food, are you ready to respond to the requests of pork producers, that is, to their requests for loans? The request poses no problem under World Trade Organization rules. This is what pork producers are asking for as a matter of urgency: loans. Are you in favour of that request? Is it your intention to support it in your discussions tomorrow and to work towards implementing it?

•(1605)

[English]

Hon. Gerry Ritz: Absolutely. I apologize for my lack of announcement or fanfare in coming before the committee. I know you gentlemen are up to speed on the agricultural issues, so I didn't think you'd need much of a head start. It was my only opportunity before Christmas, and I wanted to be here before Christmas because of the livestock situation.

The minister from Quebec, Monsieur Laurent Lessard, is my co-chair in the fed-prov meetings. He and I will be having a short discussion on the agenda before the meeting tomorrow. It is basically, at this point, completely on the livestock situation, with nothing on Growing Forward, and so on. We have agreement in principle on that, so it's strictly the livestock situation across the country that we will be discussing as to what the provincial governments are prepared to do. There are programs that we share 60-40, and we want to make sure they are onside with those as well, and they are affordable and fairly quick in their delivery.

We are certainly seized by this. When we had our first fed-prov meeting in November in Toronto, we came in a little earlier on the Friday evening and spent three hours discussing livestock, before we went on to the Growing Forward situation. Hindsight is always 20/20. If we had been able to bring in the new suite of programs a year ahead, as we proposed to do, a lot of this would have been mitigated by the stand-alone disaster component. We would have been able to funnel money through there a little differently than we do now.

But nothing is off the table at this point. We're having these discussions with the hog sector specifically. They're hurting more than the cattle sector at this point. They cycle faster so they're going down quicker than they were before. The difference in the dollar really hurt them quite a bit. We're seeing 75¢ per kilo talked about from the European Union, which again is going to build on that open wound. So we are addressing it all. Hopefully by the end of tomorrow we'll have some more concrete actions in mind.

[Translation]

Mr. André Bellavance: As to the beef sector, I had written to you about Quebec beef producers who were asking for \$50 million over two years to help them adjust to the new standards on specified risk material. You told me that it was really not possible to do.

Why, exactly? Of course you are aware that the new standards require beef producers to incur additional costs while American producers, their direct competitors, are able to get money from the sale of SRM, which our producers cannot do.

Until very recently, E. coli standards were also more stringent for our producers at the American border. They were at a clear competitive disadvantage. Yet you told me in your letter that it was

not possible to grant the request for \$50 million over two years to enable our producers to adjust. Nevertheless, the standards have once more been imposed quite quickly. It seems to me that the assistance could very well have been provided, in order to let the producers get back on their feet.

Why do you not want to do it?

[English]

Hon. Gerry Ritz: Sure. Back up just one little bit, Mr. Bellevance. It was actually the agricultural sector, the livestock sector, cattle particularly, that called for that level of SRM removal and traceability and so on to help open markets. During the BSE crisis, we went ahead and did that. Of course, we are looking at—what will I say?—some extra cost to the Canadian industry at this point that is unfairly weighted against them, as opposed to our trading partners, and that's the point you're making.

I don't disagree with that. The situation we find ourselves in is that the \$50 million that the Canadian Cattlemen's Association and the provincial arms of that are asking for would in no way get back to the farm gate. It would get into the processing sector and possibly into the feedlot, but there's no guarantee that it would get back to the farm gate in any significant way.

We are looking at different ways of addressing the SRM situation and at maybe taking certain products away. We've actually been overqualified on SRM removal at this point, compared to our competitors, because we needed to get the border back open during BSE. We're still behind with the Japanese market. We are going back into the American market in a big way, but it is due to our traceability and our SRM removal that we have been allowed to do that, and that has taken some of the sting out.

We do have \$130 million available—\$80 million federally, \$50 million provincially. That pot of money is available for SRM removal costs. There's a pilot project in Montreal in which they're taking those rendering products and making biodiesel out of them. There are other companies that are putting biodigesters in to develop power. I was in the Maple Leaf plant in Brandon, and they're putting in a biodigester to use up a lot of their.... They do 1,300 hogs an hour, 75,000 a week, and they have a lot of offcuts and offproduct that they are now rendering and turning into biodiesel. The offshoot from that is power to generate back into their whole plant. So it's a completely integrated situation.

Those are the types of things that I think are going to help us in the long run and that I think will do far more to stimulate the economy than that \$50 million. There's really no program or plan for how that would be applied.

We are getting a lot better trade treatment from countries due to the processing sector we have here, due to the CFIA regulations. As tough as they are to bear right now, you know, in the long run, they will pay off for us.

•(1610)

The Chair: Thank you. Time has expired.

We'll go to Mr. Miller.

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

I will be splitting my time with Mrs. Skelton.

Thank you, Mr. Minister, for being here today. I, for one, welcome you here any time, even if it is only for an hour.

Mr. Minister, we all know the issue and the problems right now in the pork and beef sectors. There are some things the government can do and some we can't. One, of course, is dealing with a high dollar. High feed costs is another one that's hitting those industries right now. There's a bit of overproduction in there that figures into it, and also, especially in the cattle end of it or the beef end of it, we're still not fully over the BSE whack. So we have a lot of things ahead.

One thing this committee did not too long ago pass a motion unanimously to have the department look into a review of all CFIA inspection costs—not just at slaughter and packing plants, but at the border as well—which affect both pork and beef heavily. I know that when I came to you with the idea of having that, you were very favourable towards it, and I thank you for that. I believe the study is well under way.

I'm wondering if you have any kind of update you can give me on how that study is going, what you may have found to this point, and what we may do about it?

Hon. Gerry Ritz: I've had those discussions with CFIA officials, Larry, as well as with the departmental officials at Agriculture Canada. They are seized by this at the moment. They are looking at every regulation, every cost, and comparing them with those of our major trading partner, the U.S., and seeing what the USDA does and doesn't charge for what we do. They will have some numbers for me on certain portions of that by the end of this month, and then by the end of January, they hope to have the whole package ready for me showing what we charge for that the Americans don't and what the effect or significance is, and so on.

We have to be careful that we do not jeopardize our food safety in any way when we're doing this. Having said that, there are a number of operations and things we do on a cost-recovery basis that the USDA absorbs. The basic taxpayer pays for it out of the global money in the States.

We are cognizant of that. It's one of those things that is not trade challengeable. You can take away taxes and take away regulatory costs, and it's not trade challengeable. We'll look at that. Even if the dollars aren't as significant as we think, because there has been a moratorium on price, on cost-recovery, for the CFIA since the mid-nineties, there's the psychological benefit of saying that we're not doing that anymore. Certainly I'm more than willing to have a look at it.

It may be the type of thing we can't say, *carte blanche*, we're not going to do anymore, but we can certainly implement a holiday, year by year, on some of those regulatory costs, and that's what we're working with right now.

•(1615)

Mr. Larry Miller: Thank you.

The Chair: Ms. Skelton.

Hon. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC): Thank you, Minister, and it's great to see you again this afternoon.

You mentioned a couple of things. You mentioned food safety, and I would like to find out more about your science and innovation agenda.

When you were speaking about trade with countries, you mentioned the Russians. Are you looking at live animal trade or are you looking at embryos? Can you explain a bit more about that, too, please, sir?

Hon. Gerry Ritz: The Russians and a number of countries—Mexico, Cuba—and the Chinese have all expressed interest in live animals as well as boxed beef. They're very impressed by the genetics we've developed.

Of course, our cattle and hog producers are some of the most innovative in the world. In Alberta we have a producer who has developed a hog that is circovirus immune, so they're very interested in those types of things.

Out of the University of Alberta and with some work at the University of Saskatchewan, we have developed vaccines that make animals less susceptible to *E. coli*. Even as you grind the hamburger and carry on down through, I won't call it a preservative, but that immunity is there. So there is tremendous opportunity to market those types of innovative situations around the world.

In light of food safety—of course, we've seen the media stories on this—we were already starting to do some work ahead of that. We have 10,000 food importers in this country, and a lot of different product comes in that does not have the same scrutiny applied to it as to our own domestic product. That has to start to change.

We're looking at programming whereby that would be done at point of exit, not after it gets into the country. Certainly that would make us much more proactive than we are now.

We are trading more and more. I know there's the food sovereignty movement out of Quebec, but it's very hard to have food sovereignty when... I think it was Bernard Landry who said we don't grow pineapples here. And I take his point, but there are things we can and should be doing.

I'm very concerned with what constitutes “product of Canada” as opposed to “made in Canada”. We are starting to look at a regulatory regime that would correct some of those anomalies. It's a concern.

There is work under way with the Minister of Health, the Minister of Industry, and me to address some of these labelling challenges and some of these food safety challenges we're facing.

Hon. Carol Skelton: Thank you.

The Chair: Thank you. Your time has expired.

Mr. Atamanenko.

Mr. Alex Atamanenko: Thank you very much for being here, Minister.

I wanted to let you know I've had good discussions with your deputies, both at CFIA and your deputy minister. We have a good working relationship, and I'd like to thank you for facilitating that.

My first question is with regard to biofuels. This is a major initiative. It's something that's been thought about for a long time. There are concerns about that, and I know we will be addressing some of them later, in the next year.

Are there safeguards built in to ensure our producers aren't undercut by, for example, cheap U.S. corn coming in as fuel for the ethanol industry? I think that is taking place in southern Ontario. That whole potential of palm oil and sugar coming in from the southern hemisphere has just devastated many countries and forests.

If they're not in place now, I'm wondering what safeguards you can envision to protect our producers and make sure that what we do is right and that we're not making life worse for people in the southern hemisphere.

Hon. Gerry Ritz: I'm not sure how we'd make life worse for them, Alex. I'll start with that point first.

As we develop more and more free trade.... I had the great opportunity to meet with Dr. Braithwaite, who heads up a group, and the initials are IICA, based out of.... Oh, I've just lost it.

Hon. Wayne Easter: Costa Rica.

Hon. Gerry Ritz: Costa Rica. Thank you, Wayne.

It involves a number of Central American countries who have gone together to get economies of scale when they start to negotiate on agricultural situations. Canada is one of the largest contributors to that group, and in working with them on a case-by-case basis we have developed some trade lines bringing their products in. We are cognizant of the sensitive products like sugar, dairy products, and other SM5 products, and so on. We're working around those situations.

Having said that, there's a tremendous opportunity for us to take our expertise to them and help them grow better products, more environmentally and organically friendly products, and those types of things. It's working very well. He thanked us for our input on that.

We are doing a number of bilaterals with other countries as well to facilitate trade in agricultural goods. We do overproduce in this country to some extent and we do export a tremendous amount of that product. But we have to make sure that what's going out is safe and what's coming in is safe.

On the biofuel side, it's a tremendous chance for producers to be involved. We have structured our products for the biofuels industry so that there is producer involvement. A lot of the subsidies that are available from the federal government are based on the fact that there are producers involved in any particular physical structure and in delivering a product to that. They will make a case-by-case basis as to where they buy their product.

Having said that, there is no surplus of corn in the U.S. and there won't be for the near future as their ethanol industry ramps up. They are an energy-starved nation, as are we, and an industry-challenged nation.

I don't see the use of U.S. corn. I toured the GreenField facility in Johnstown just by Prescott the other day. They are going to be buying between 20 million to 25 million bushels of local corn on an annual basis to produce some 175 million litres of ethanol on an

annual basis. They're looking at feeding into that Ontario market. They're also looking towards the future where they can double the capacity and start to export ethanol across the line.

There's a tremendous opportunity for farmers to be involved, not just to deliver to a different warehouse door but actually be part of the next step up in the food or energy processing sector. I think it's a tremendous opportunity.

• (1620)

Mr. Alex Atamanenko: At this point in time, you don't see a threat by other feedstock coming in from other countries to displace what our farmers are producing?

Hon. Gerry Ritz: Not at this point, I don't, Alex. That's something we might address on a case-by-case basis, but I haven't seen the demand for anyone. We produce some of the best product in the world.

Of course, corn is an excellent ethanol feedstock. In GreenField's mind, in terms of why they built in that particular location, there was that quantity of corn that really didn't have a market secured for it. They've gone in there, and they're actually contracting right now for farmers to start delivering corn a year from now, when they'll have their start-up date. It's a tremendous opportunity for local farmers there to fill that niche.

Mr. Alex Atamanenko: Also, you mentioned trade and some of the bilaterals we're doing. In the report we did, one of the recommendations was on food security. Other recommendations were to buy Canadian and institutional buying. Then we had the report from your department. One of the main threads going through that is that we've got to be very sensitive to our trade obligations.

I'm wondering what your thoughts are, as it seems whenever we try to really do something, do what's right, support local producers, or food sovereignty, we've got this big cloud of trade obligations, whereas other countries don't seem to worry about that. I'd like to know what your philosophy is in that whole regard.

Hon. Gerry Ritz: I don't think it's that other countries don't care to the same extent we do or don't adjust to their trade challenges as we do. It's economies of scale. We probably export more per capita than any other agricultural country in the world. We're just that good at it.

I think consumers are getting more and more concerned with what they're eating and what they're able to buy. They want truth in labelling on the store shelves so they know exactly what is in the product. There's a tremendous number of examples out there that you can point to that say "this is made in China", "this is made in India", but it's in a jar that says "product of Canada" because the label, the jar, and the processing was done here. We need to be better equipped to make those decisions off the store shelves.

I think it's very important too that we start to analyze the environmental footprint on the cost of that food. When you look at transportation of the little gherkin pickles from India as opposed to what comes out of the greenhouses in Quebec and Ontario, etc., you've got to start to analyze that environmental footprint and what it costs to get that product here. Even though it's cheaper to buy, what was the environmental footprint?

Consumers are getting more concerned with those types of situations as well. That's leading to the drive behind the food sovereignty movement and different things like that. We've actually put some money into the food sovereignty issue to try to drive a pilot project that we can work with on a federal scale. We'll have to see what that looks like at the end of the day. I had a discussion with some of the folks at the UPA the other day on that issue.

There's a tremendous amount of possibilities out there, and I think we have to be much more innovative than we've been up to this point. I don't think farmers any longer want to be hewers of wood and drawers of water; they want to be innovators, businessmen, and they want to sell their product to the world.

• (1625)

The Chair: Thank you. Time has expired.

We do have bells ringing. I don't think it's fair if we start into another round; we're not going to get all the way through, because we have to get into the chamber to vote.

Hon. Wayne Easter: Mr. Chair, I don't think the vote is.... We are two minutes away from the chamber. I would strongly—

Mr. Guy Lauzon: Those are 10-minute bells.

Hon. Wayne Easter: Well, that's fine. Maybe we have six minutes left—

Mr. Guy Lauzon: No, we don't.

Hon. Wayne Easter: —that would allow some important questions.

We've waited for months for the minister to get here; I think we should take the full time available. Those guys on that side can meet the minister in caucus, although they never say much, obviously, when they meet him. They can meet him any time at all.

Mr. Guy Lauzon: I have a point of order.

The Chair: Go ahead, Mr. Lauzon.

Mr. Guy Lauzon: In order to continue, it requires unanimous consent. This side is not prepared to grant it.

Hon. Wayne Easter: We are in an official committee meeting here, Mr. Chair.

Mr. Guy Lauzon: These are the official Standing Orders.

Hon. Wayne Easter: The meeting's been called till 5:30. The bells are ringing. It's a 30-minute bell; the vote is at 5:45—

Mr. Guy Lauzon: It's a 10-minute bell.

Mr. Brian Storseth: On a point of order, could I get some clarification?

The Chair: On a point of order, I'm just going to read into the record the Standing Orders. This is Standing Order 115(5):

Notwithstanding Standing Orders 108(1)(a) and 113(5), the Chair of a standing, special, legislative or joint committee shall suspend the meeting when the bells

are sounded to call in the Members to a recorded division, unless there is unanimous consent of the members of the committee to continue to sit.

The bells are ringing. My duty is to suspend this meeting unless you have unanimous consent to continue to sit through.

Hon. Wayne Easter: The vote is at 4:45.

The Chair: The bells are ringing; I do have a duty.

Mr. Storseth has a point of order. He does have privileges at the table. He can raise points of order.

Mr. Brian Storseth: He was wrong before.

The Chair: I do apologize for that.

Mr. Brian Storseth: No problem.

The Chair: When he returns to the table, Mr. Anderson loses his....

Mr. Brian Storseth: On a point of order, Mr. Chair, I think we need to just all sit back for a second. Could you clarify if these are 10-minute or 30-minute bells? Then I'd appreciate the ruling of the chair on where we're moving from this. We don't need to get into some animosity about this. We can relax.

The Chair: According to what we're getting from the table in the chamber, this is a 30-minute bell. The vote is at 4:50. While that's contrary to what's coming from the government side, regardless, the standing order is in place; my duty is to suspend with the bells unless there's unanimous consent to extend.

Is there unanimous consent?

On this point of order, go ahead, Mr. Bellavance.

[*Translation*]

Mr. André Bellavance: I did not want to get ahead of you, but I was going to ask for unanimous consent.

I still wanted to make it clear that Mr. Lauzon had already indicated that he would not agree. I do not know what is going on, why we are in such a hurry. Everyone said that they were very happy to see the minister. I was the only one to feel a little rushed and to say that he was appearing out of the blue, but that we were still happy to see him before Christmas. Now, all of a sudden, the parliamentary secretary no longer wants to see the minister.

I am sure that the minister is not uncomfortable; since the session started, he has been answering our questions, and things were rolling along nicely. I think that we should try for unanimous consent.

[*English*]

The Chair: Mr. St. Amand has a point of order.

[*Translation*]

Mr. André Bellavance: We are asking him questions and he is answering, as always.

[*English*]

Mr. Guy Lauzon: Mr. Chair, we can return right after the votes.

The Chair: Just wait, please. I recognized Mr. St. Amand.

Mr. Lloyd St. Amand (Brant, Lib.): Thank you, Mr. Chair.

The minister is here. He presents to me as being very anxious to do his duty—very anxious, for instance, to entertain questions from the committee. I'd be surprised if the minister wanted to take leave now, when he doesn't need to be in the chamber—nor do any of us—for another 20 minutes. He's come here and he's accommodating us. I suspect he would like to accommodate us for about 15 more minutes.

Hon. Gerry Ritz: My concern isn't the chamber; it's the cabinet meeting I left upstairs.

The Chair: Mr. Lauzon, you had a point of order.

Mr. Guy Lauzon: What if those are 10-minute bells? You'd better be damned sure.

The Chair: Do you have a point of order you wanted to raise, or is it on this point of order?

Go ahead, Mrs. Skelton.

Hon. Carol Skelton: Mr. Chair, I have something. I'm getting information from the lobby. It says it now may take place sooner than 4:50 and to please proceed to the lobby. That's what I have here.

The Chair: Yes, we're getting called in. My duty is to suspend.

Hon. Gerry Ritz: Mr. Chair, we could just stay here. Then there'd be an election and everybody would be happy.

The Chair: Thank you, Mr. Minister.

I'm going to suspend the meeting because I don't see unanimous consent.

Minister, thank you for attending. We do appreciate it. It was unfortunate that bells started to ring.

The meeting is suspended.

- _____ (Pause) _____
-
- (1655)

The Chair: I'll call us back to order.

We're going to return to the motions. We have Mr. Atamanenko's motion and Mr. Anderson's amendment.

Mr. Anderson, would you read that amendment into the record?

Mr. David Anderson: Well, we've had some discussions. The clerk was a little concerned about the way I worded it. I talked to him about rewording it so that it will be in order.

I'd like the clerk to read it, if he would.

The Chair: All right.

Please go ahead, Jean-François.

The Clerk of the Committee (Mr. Jean-François Lafleur): Thank you.

The amendment proposed by Mr. Anderson now reads that the motion be amended by replacing all the words after "Agri-Food" with the following:

study Mr. Measner's severance and retirement and pension package as well as his last 2 years salary and benefits, including membership, salary, benefits, bonuses, health care insurance coverage and on going obligations, relating to his dismissal by the government from his position as President of the Canadian Wheat Board.

The Chair: Mr. Easter.

Hon. Wayne Easter: Mr. Chair, I think you should rule the amendment out of order. It clearly changes the intent of the motion.

The intent of the motion was for the Government of Canada to live up to its responsibilities for having dismissed a CEO against the wishes of the board of directors of the Canadian Wheat Board, which really they had...they could do, but I think it violated their responsibilities to do so.

Measner was left with the choice to either break the law and keep his job or obey the law and be fired by the Government of Canada. He chose to obey the law, live up to his responsibilities as CEO of the board—

Mr. David Anderson: On a point of order, I don't know if Mr. Easter doesn't understand or if he's deliberately trying to mislead us here.

Mr. Measner was never told to deliberately break the law. If he'd followed the government's directions, he would not have been doing that. So I think we need to understand that.

The Chair: Okay, go on.

Hon. Wayne Easter: I don't want to belabour this point, but the fact of the matter is that in Mr. Measner's position, he's obligated, as CEO, to obey the wishes of the board of directors. The Government of Canada asked him to go against what the board of directors was telling him.

So if he abided by the law according to the Wheat Board Act and took his direction from the board, he would be fired. He accepted that, because the government was basically saying to him that he could keep his job if he basically broke the law and went against the wishes of the board.

Mr. Chair, this amendment is out of order because it changes the intent from holding the government to its responsibility and tries to dig into information that the parliamentary secretary already has available to him, since he has responsibilities for the Canadian Wheat Board.

• (1700)

The Chair: Mr. Anderson and then Mrs. Skelton.

Mr. David Anderson: Well, in terms of rationale, I met with the clerk in order to put this—

The Chair: Just before you go on, Mr. Atamanenko had his hand up.

Is this on the point of order or on the amendment?

Mr. Alex Atamanenko: If the amendment is in order, then I would just like to call the question.

The Chair: On the point, Mr. Anderson.

Mr. David Anderson: I'm willing to go to the question; I just wanted to explain why I made the amendment.

I talked to the clerk in order to ensure that the amendment is in order. It's important. As I pointed out, the original motion is poorly worded. It talks about reimbursing farmers, with no clear understanding of that, in spite of what Mr. Atamanenko understands that to mean.

But specifically here, it's important that we take a look at not just the severance package but also the pension and retirement packages that were offered to him from the board. Those last two years of salary actually set up the pension. We need to understand what was included in the last couple of years that determined the pension and retirement package. Those include a number of things, such as memberships, as is mentioned there.

So we'll certainly go to the question, but it's important that we look at this.

The Chair: Mrs. Skelton.

Hon. Carol Skelton: No, I was just going to say that I would like to hear from Mr. Atamanenko on what he thought about it, but he already beat me to it.

I simply wanted to know what you were thinking, whether this was fine with you or not.

The Chair: Mr. Atamanenko.

Mr. Alex Atamanenko: I think we should get it over with as soon as possible and vote. That's why I called the question.

The Chair: Are there any other comments?

We're voting on the amendment. Everybody understands what the amendment is?

(Amendment negatived)

The Chair: Carrying right on, then, we'll go back to the main motion, Mr. Atamanenko.

Mr. Alex Atamanenko: I would like to call the question on the motion, if I can.

The Chair: You can't call the question.

Is there debate on the question?

Mr. Anderson.

Mr. David Anderson: Thank you, Mr. Chair. We may not be debating this as long as some people would anticipate, but I think it's important for the record that we ask why the opposition does not want to reveal the information to farmers about the cost of Mr. Measner's severance and retirement package. We thought it was important that if we're going to take a look at that, the farmers, who are paying the bill for him in western Canada, particularly in terms of any retirement or pension packages, need to know what that package was that he was getting. I think it's also important for them to understand what salary and what benefits he was getting in the past as well.

Hon. Wayne Easter: A point of order.

The parliamentary secretary is debating the amendment.

The Chair: No. The amendment is done.

Hon. Wayne Easter: That's right, but he is debating the amendment that was already defeated. He's talking about what he hid in his amendment.

The Chair: I believe, Mr. Easter, that he is talking about the reimbursement of the severance package, and he's making a case about what the severance package is based upon, so he is open to carry this discussion forward.

Mr. David Anderson: Some day Mr. Easter will learn that volume doesn't overcome substance.

Hon. Wayne Easter: Some day you'll learn your responsibilities as parliamentary secretary too, maybe.

The Chair: Mr. Easter, Mr. Anderson has the floor.

Mr. David Anderson: You don't need to get personal, Mr. Easter. We're just trying to find out for western Canadian farmers what kind of money they're having to spend, and we think it's reasonable. We don't think it's unreasonable for western Canadian farmers who pay the bill to have an understanding of what the retirement and pension benefits are for a person who—

● (1705)

Hon. Wayne Easter: [*Inaudible—Editor*]

The Chair: Let's be talking through the chair, please.

Mr. Anderson.

Mr. David Anderson: I'm going to have to slow down a little bit here I think and maybe explain some things, because Mr. Easter doesn't seem to be interested in listening.

We think it is important that western Canadian farmers have access to this information. The reason we think that is important is that western Canadian farmers are paying the bill. So I'm not sure why the opposition is trying to deny western Canadian farmers the opportunity to find out what they are paying, what the cost to them is to pay Mr. Measner not just his severance package but his retirement package. I'm surprised that Mr. Atamanenko didn't support that as well. He seemed to have an interest in Mr. Measner's severance package but has no interest in western Canadian farmers understanding what the other benefits are that Mr. Measner is receiving. Mr. Easter is making the point that perhaps the minister has access to information. I'm sure he does, because he's responsible for the Canadian Wheat Board, and the government is given that mandate in the legislation, but western Canadian farmers do not have that information.

So that's the point I'm trying to make. The original motion here is almost not understandable, because it talks about the government immediately reimbursing farmers for the extra costs. Mr. Atamanenko says that means the Canadian Wheat Board. That's not what the motion says.

So I guess we're going to oppose the motion. The opposition may pass it, but it doesn't mean anything as it's written there, so I'll leave it at that.

The Chair: Mr. Miller.

Mr. Larry Miller: Mr. Chairman, first of all, I have to agree with Mr. Anderson that I do think that probably wheat and barley producers affected by the Canadian Wheat Board certainly do want to see those figures. But I want to go back to my earlier argument that to vote on something around this table without having all the information.... You wouldn't run your business or make a major decision on something to do with finances if you didn't have all the information. As I said, if that information—and I'm talking about the benefit package and everything that Mr. Measner received—has to be done in camera, then so be it, but I can't support anything based on nothing. What are we really voting on? We don't know.

Until we have that information here, I'm opposed to the motion.

The Chair: Mr. Lauzon.

Mr. Guy Lauzon: I agree with my colleagues, but there's another thing, Mr. Atamanenko. On the extra costs incurred by the Canadian Wheat Board, you say you want to give that to the farmers. Now I understand that the farmers buy into the Canadian Wheat Board, but I think you're mixing apples and oranges here. On the motion, as it's read, there would need to be a wordsmith have a look at it, because I can't see how you can reimburse farmers when the cost was borne by somebody who wasn't the farmers. It's sort of a contradiction.

The other thing that it really gets back down to is, how much is the government going to be on the hook for? Is it going to be \$50,000, \$500,000, or, as I said, \$50 million? I don't think anybody around the table has a clue, until we follow something like Mr. Anderson's advice. Let's get some figures, and then we can make an intelligent decision, and maybe we should do it or maybe we shouldn't. But until we get that, how do you, as Mr. Miller says, make a good business decision when you don't know the facts? It's not a good, informed decision.

The Chair: Mr. Easter.

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

I certainly support the motion. Although it's not said, and maybe Alex could answer this, when he says, "recommend that the government immediately reimburse farmers", I expect he means through the Canadian Wheat Board, and maybe he can answer that.

I have a couple of points. The Parliamentary Secretary to the Minister of Agriculture asked, how much is the government on the hook for? The amount would be exactly the same amount as western Canadian farmers are on the hook and paying for as the result of the government's actions—the firing of Adrian Measner for doing his job. That's how much, and we don't know.

You'd think if you had a sensible government, they would have found that out before they took the illegal activities they took in terms of putting gag orders on the board, firing directors, firing the CEO, etc.

Hon. Carol Skelton: Mr. Chair.

The Chair: Do you have a point of order, or is it debate?

Hon. Carol Skelton: I have to disagree with Mr. Easter.

Mr. Atamanenko asked to have the question put before us here. Let us go on. We don't need to have Mr. Easter go off on a tirade about something. I think Mr. Atamanenko asked to have the question put, so let's—

The Chair: Mr. Easter.

Hon. Wayne Easter: I would—

The Chair: I do ask that when you are discussing this, we talk about the issues surrounding Mr. Measner—

Hon. Wayne Easter: That's what I'm talking about. What we're talking about is the severance for Adrian Measner—

Mr. Larry Miller: How much?

Hon. Wayne Easter: And maybe the members opposite don't want to hear the facts, but the facts are—

Mr. Larry Miller: No.

Hon. Wayne Easter: —that farmers are already paying for that severance as a result of the actions of the Government of Canada.

Surely, because of what the government did, the government should compensate western Canadian farmers through the Canadian Wheat Board for the severance they had to pay for the firing of the CEO without cause as a result of the government's actions.

This was a man who was CEO and had 32 years of experience in the industry. As I said earlier, it was basically insinuated, if not directly told to him, that he could break the law and keep his job or he could obey the law and get fired. That was the reality of the situation.

• (1710)

The Chair: On a point of order, Mr. Anderson.

Mr. David Anderson: Once again we need to clarify Mr. Easter's misleading us, I guess, because he claims to know the situation here. Mr. Measner was not told to break the law or left in a situation where he had to break the law. I think Mr. Easter's hyperbole is probably okay for him, but he should be accurate here and reflect that.

Hon. Wayne Easter: It is the reality, Mr. Chairman, but that's not unusual from this government. We saw the same thing last night, with what they're trying to encourage the regulator over nuclear energy to do. They're encouraging them to break the law as well.

The Chair: Mr. Easter, that's irrelevant and not on topic.

Hon. Wayne Easter: In any event, Mr. Measner was well respected around the world. He was seen as one of the best CEOs in the grain industry. As a result of the government's actions, the Canadian Wheat Board lost that individual. He has a right as an individual to ask for severance, and because it's as a result of the government's actions, farmers shouldn't bear the cost of his severance pay.

It should be the Government of Canada that bears that cost, and that's what this motion is all about, and I support it fully.

The Chair: Wayne, I ask that you clarify that Mr. Measner was CEO for 32 years.

Hon. Wayne Easter: He wasn't CEO for 32 years; he was 32 years in the grain industry and CEO.

The Chair: He was CEO for how many years?

Hon. Wayne Easter: I believe it was four or six.

The Chair: Okay. I have Mr. St. Amand, then Mr. Anderson, and then Mr. Atamanenko.

Mr. Lloyd St. Amand: I was simply going to say, Mr. Chair, that I think all of the points, relevant and irrelevant, have been made. I think the positions are pretty clear and I would suggest that the question be asked.

The Chair: I can't do that because I still have speakers on my list.

Mr. Anderson.

Mr. David Anderson: Thank you, again, Mr. Chair.

Mr. Easter may have said more than he wanted to. He talked about the government's actions and how he feels the government should reimburse the Wheat Board, but somewhere he said that sensible government should know what those numbers are. I would argue that a sensible opposition should be asking what those numbers are. They're asking us to spend a pile of money, but they don't seem to have any interest at all in finding out what those numbers are. I saw this motion the other day and I thought it didn't make sense. It doesn't talk about the Canadian Wheat Board; it talks about reimbursing farmers. In that context, it's not clear.

If the opposition is going to call on us to spend a certain amount of money, we think it's responsible to find out what these numbers are. It's clear that they aren't particularly interested in that. We think they should be.

Clearly there's a lot more than just the severance that is costing money. Mr. Measner's last couple of years of salaries and benefits, which were extensive, I understand, would have contributed to the pension and retirement package he has. We think it's important that we take a look at those numbers. Those are just a couple of the numbers. In terms of the salaries and benefits, we think it's important to take a look at the bonuses, because that would have an effect on the pension and severance package as well.

I think the bonuses are an important thing, for a couple of reasons. One is that through much of the time that Mr. Measner was the chairman of the Canadian Wheat Board, the volumes the board was trading in actually went down. It seems to me that there's an even bigger issue than just severance packages. As a committee, we could potentially take a look at the board's policy in terms of its bonuses over the last few years. If they're talking about performance bonuses, and Mr. Atamanenko wants farmers to make sure they're getting value for their money, perhaps we should be taking a look at that situation as well. Are these bonuses being given as performance bonuses, or are they a salary that was hidden from farmers' eyes? I think the salary was posted, but the bonuses never were, so farmers never understood precisely what Mr. Measner's salary was. That's an issue that certainly needs to be looked at. I think we need to take a look at those bonuses.

There certainly have been issues raised about memberships. The Canadian Wheat Board seems to have a number of memberships that have been part of their package. We need to take a look at those. Any extended health care coverage I think would be something that farmers would be particularly interested in. They don't have that kind of coverage. We need to take a look at that as well.

Mr. Chair, I'm prepared to go on all night, but I think I've probably spoken long enough on this.

Mr. Easter has talked about the fact that sensible government needs to take a look at these numbers. It would be my challenge that the opposition should be sensible and insist that we look at the numbers.

● (1715)

The Chair: Mr. Atamanenko.

Mr. Alex Atamanenko: As we're going around the discussions, there are a lot of members who aren't pronouncing my name correctly. We can have a little lesson after the session on that.

I would just like to call the question on this.

The Chair: I have one more member on my list.

Mr. Lauzon.

Mr. Guy Lauzon: I will defer.

The Chair: Okay.

Are we ready for the question?

(Motion agreed to)

The Chair: Okay. We will go to the next motion on our list.

Mr. Alex Atamanenko: I move:

That the Standing Committee on Agriculture and Agri-Food recommend that the government immediately reimburse farmers for the extra costs incurred by the Canadian Wheat Board (CWB) as a result of the government's changes to the election rules after the process for a Director's election had already begun.

This basically addresses the election that took place of directors at the Canadian Wheat Board, where halfway through there were changes and costs incurred to the Wheat Board, and thus to farmers through the Wheat Board. I would just like to introduce this motion to reimburse them for those costs. That's basically it.

I suppose we could go back and forth discussing the pros and cons of the Wheat Board, which we did, but I'd like to have a chance to have a vote on this motion.

The Chair: Ms. Skelton.

Hon. Carol Skelton: I would just like to ask Mr. Atamanenko what changes were made during that election?

The Chair: Alex.

Mr. Alex Atamanenko: There were certain changes with regard to who was eligible to vote in directors' elections, and mailings had to be sent out to clarify certain changes. There were others. I don't have them in front of me, but there were a number of them, and costs were incurred. That's the main point.

The Chair: Mr. Anderson.

Mr. David Anderson: Again, this is ridiculous. If people are going to bring motions forward, they should understand that the voters lists that were reduced actually reduced the expenses of the board. There may have been additional costs for sending out some mailings, but there certainly were savings made, because they didn't have to send out packages to the people who were taken off the list.

So I would suggest that if Mr. Atamanenko could tell us how much those extra costs were, we could take a look at them. But again, he has brought a motion forward here. There may or may not have been extra costs. This actually might have been a savings to them. Nobody knows. There certainly has been no study or work done on this to indicate there were extra costs. We're to vote on a motion when he doesn't know what the costs were and doesn't even know what all the changes were.

The Chair: Mr. Atamanenko, do you want to respond?

Mr. Alex Atamanenko: If there were not costs, and the motion is passed, it would probably be irrelevant, right? Let's have the motion and let's investigate. If the costs were there, let's reimburse them. That's all.

Mr. David Anderson: Did he ask that we should investigate the costs? Was that what he said?

Mr. Alex Atamanenko: No.

The Chair: Mr. Miller.

Mr. Larry Miller: Of course, I'm opposed to this. This motion is even more ridiculous than the previous one, but I'll give you one example of some of the mix-ups that were in the vote that's referred to.

A guy from Saskatchewan and his wife both owned separate properties. The man told me this last January. His wife leased her land to another active wheat farmer. The husband also leased his land to another farmer. So there were leases to two different farmers. The husband was ruled ineligible to vote, but the wife was still eligible. He said this example only touched the tip of it. He was actually a supporter of the Wheat Board; she was not. What he said at the end of the day was that the voting was so mixed up and out of place that there were thousands of people who actually voted who shouldn't have. That was even after some of the changes were made to try to correct that problem. Probably the thing didn't go far enough, but certainly there appeared to be a lot of ineligible voters beforehand, people who hadn't actually farmed for 30 years but were still called wheat producers.

So I'm opposed to the motion, Mr. Chairman.

• (1720)

The Chair: Mr. Lauzon.

Mr. Guy Lauzon: I think this is another open-ended motion, with all due respect.

This committee is here to make good, sound recommendations, responsible recommendations, to the government, and I don't feel comfortable making a recommendation with an open-ended amount.

This amount, in relative terms, is probably going to be insignificant, but do you have any idea of how much it might be? I ask this question just as I asked it about any other motion. Do you have any idea of the number we might be talking about?

Mr. Alex Atamanenko: No.

Mr. Guy Lauzon: I don't feel comfortable supporting it.

The Chair: Mr. Easter.

Hon. Wayne Easter: Thanks, Mr. Chair.

I guess we're again back to the principle of a government subverting democracy and causing extra costs to the Canadian Wheat Board. I think it should be understood that all those costs the Canadian Wheat Board endures are borne by primary producers. The extra costs incurred by producers are as a result of the government's action, so in any normal circumstance, the Government of Canada should compensate the board, or, in this instance, as it says, producers, for those extra costs that have been caused. The facts are clear.

There was a balloting process started. Some people were informed that they would be able to vote. Their package never came in the mail because the Government of Canada, the Minister of Agriculture, basically changed the process on the list partway through the process. So there's no question in our mind. There are extra costs borne by western producers as a result of government actions, because they are responsible for the costs of the board.

So I support this motion. It only makes sense that when the government is responsible for increasing farmers' costs, subverting democracy, as they've done in this case, the Government of Canada, and not western primary producers, should bear those costs.

The Chair: There's nobody else on my speakers' list.

Mr. Guy Lauzon: Can you call the question?

The Chair: We're ready for the question.

(Motion agreed to)

The Chair: The next motion is Mrs. Skelton's.

Hon. Carol Skelton: I brought forward this motion on Monday, Mr. Chair, and it was the following:

That the Standing Committee on Agriculture and Agri-Food condemn the message in the calendar produced by the Kerrobert Credit Union and ask Agriculture and Agri-Food Canada to investigate how this calendar was funded and if any other Credit Unions are using a similar template for their calendars.

I was very concerned because this calendar, on one page, gave the advice to eat a meatless meal once a week in order to help the environment. I felt that this was both misleading and based on false or oversimplified information. This sidebar includes a glaring error by stating that it takes 2,200 litres of water just to make a quarter pound of hamburger. This figure is a misreporting of a discredited U. S. figure of 2,200 gallons claimed by an unqualified author over 15 years ago. The correct Canadian figure at this time is 15 litres of water or 3.3 Canadian gallons. And it's certainly less today given the advancements in animal husbandry methods and technology.

Now since that time, I have gone forward and I have talked to credit unions in Saskatchewan. This Credit Union Central of Canada sends out calendars every year to credit unions in Canada, and the credit unions can pick which calendar they want.

There were some credit unions that picked this calendar, not realizing that it was in there. I was very concerned a couple of weeks ago when we heard from witnesses who came to testify that they worked with credit unions or with cooperatives, and I wanted to make sure the Government of Canada wasn't paying for this false information that went out.

I talked to the credit union manager. Immediately when they discovered this, they pulled the calendars from their credit union. That made me feel very much better, but I have grave concerns that this was done. I think we should be supporting our meat producers in this country and agriculture right across this country, because they are the true environmentalists.

I understand Mr. Lauzon has an amendment to this motion.

•(1725)

Mr. Guy Lauzon: Yes. If Mrs. Skelton would agree to a friendly amendment, I think we can go even a little further and make the amendment that the Standing Committee on Agriculture and Agri-Food send a letter to the Credit Union Central of Canada expressing its displeasure with the template calendar that they have distributed with an anti-farming message on it. I would seek unanimous consent to do that.

The Chair: You're just moving an amendment. We can't take a friendly amendment. You're moving an amendment to Carol's motion.

Do we have a copy of that?

Mr. Guy Lauzon: You have now. It's there.

The Chair: We're discussing the amendment to the motion.

André, you had your hand up.

[*Translation*]

Mr. André Bellavance: Are you asking me if I have anything to say on the amendment?

[*English*]

The Chair: Do you have discussion on the amendment?

[*Translation*]

Mr. André Bellavance: No, I have nothing to say on the amendment.

[*English*]

The Chair: Go ahead, Mr. Atamanenko.

Mr. Alex Atamanenko: I'd like to hear what the amendment is, but, Carol, I would just like to know, this is basically because it's a slap in the face to farmers? That's what you're saying.

Hon. Carol Skelton: Most definitely.

Mr. Alex Atamanenko: It's not so much whether it's 2,000 or 1,000 litres; it's just because it's a slap to beef farmers.

Hon. Carol Skelton: I'm very concerned that this kind of calendar could be going into.... We have credit unions right across Canada. If this kind of information is going into cities, it's false representation. We need to support our agricultural industry. We should not be putting this kind of information out to communities.

Mr. Alex Atamanenko: Okay. Thank you.

The Chair: We may have a concern that this amendment may not be in order because it changes the intent. Originally we were talking about the condemnation of the message, and we're no longer talking about that.

Hon. Wayne Easter: I suggest, Mr. Chair, that we just agree to copy the motion to the Credit Union Central of Canada and have the chair write a letter expressing the committee's concern.

The Chair: That's what I had, actually, as my suggested amendment.

Hon. Carol Skelton: Thank you very much, gentlemen.

The Chair: I've fiddled with this a bit myself. I'm not making this as an amendment, but if Wayne wants to make....

It reads "That the Standing Committee on Agriculture and Agri-Food condemn the message in the calendar produced by the Kerrobert Credit Union"—

Hon. Carol Skelton: You don't even need Kerrobert. Well, it was the Kerrobert Credit Union.

Mr. Guy Lauzon: It has to go to the Credit Union Central of Canada.

The Chair: I'm getting there, please. I'll continue:

and Credit Union Central of Canada for producing this template for their calendars, and that the chair of the Standing Committee on Agriculture and Agri-Food send a letter to Credit Union Central expressing this concern.

Mr. Larry Miller: Don't interrupt the chair when he's had a long night.

The Chair: We are public.

Go ahead, Monsieur Roy.

[*Translation*]

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): I just have one question.

You are talking about Kerrobert Credit Union Limited, but are you sure that it was all credit unions that used the calendar? Would it not rather be some credit unions?

[*English*]

Hon. Carol Skelton: They sent templates out to a lot of credit unions, and—

[*Translation*]

Mr. Jean-Yves Roy: OK.

So it is not all credit unions. The motion is not correct, then.

[*English*]

Hon. Carol Skelton: But Credit Union Central sends them out to credit unions—

[*Translation*]

Mr. Jean-Yves Roy: OK. That's fine.

[*English*]

Hon. Carol Skelton: —and they sent them out to—

The Chair: Credit unions can decide which ones they want.

Mr. Bellavance is next, and then Mr. Atamanenko.

[*Translation*]

Mr. André Bellavance: Mr. Chair, in the letter you want to send, it seems that you want to use the word "condemn". That is a problem for me. I eat meat three times a day, seven days a week, and, as you can see, I am in great shape. Of course, that is not true, but I eat a lot of red meat. I do not agree with the message and I have a hard time with it.

We have freedom of expression, but we should be careful with our choice of words. Instead of saying “condemn”, I would prefer us to “express our disappointment with” or “our disagreement with” the message. I feel that would be more appropriate than “condemn”.

• (1730)

Mr. Jean-Yves Roy: It would be more diplomatic.

[*English*]

The Chair: Go ahead, Mr. Atamanenko.

Mr. Alex Atamanenko: If we reworded the motion, does that...? We're not asking Agriculture and Agri-Food Canada to investigate how it was funded; we've changed the motion to write a letter. Is that what we're saying?

The Chair: I believe Mrs. Skelton has already talked to Ag Canada and they've already looked into it. There were no government dollars used in this. Am I correct?

Hon. Carol Skelton: Right now all the information I could get is that no public funds have gone into this. It's Credit Union Central of Canada that did it—and I love red meat too, André.

The Chair: Okay.

We do have bells. We are going to vote on the amendment to the motion.

All those in favour—

[*Translation*]

Mr. André Bellavance: What does the amendment say?

[*English*]

The Chair: I'll read it back.

[*Translation*]

Mr. André Bellavance: Is the word “condemn” still there?

[*English*]

The Chair: Then I'll read it back in English. It says:

That the Standing Committee on Agriculture and Agri-Food condemn the message in the calendar produced by the Kerrobert Credit Union and Credit Union Central of Canada for producing this template for their calendars; and that the chair of the Standing Committee on Agriculture and Agri-Food send a letter to Credit Union Central of Canada expressing this concern.

We are voting on the amendment.

[*Translation*]

Mr. André Bellavance: So nothing I said counts? No one said anything.

[*English*]

The Chair: Well, you never moved an amendment. Do you want to amend the amendment? Do you want a subamendment?

[*Translation*]

Mr. André Bellavance: I would like to change the word “condemns” to “expresses its disagreement with” the message.

[*English*]

The Chair: Okay, so “condemn” becomes “disagree with”.

We're voting on André's subamendment.

All those in favour of the subamendment?

(Subamendment agreed to)

(Amendment agreed to)

The Chair: We have two housekeeping items that I do have to deal with before we adjourn for the Christmas break.

The first one—I need somebody to move this—is for reimbursement of expenses to witnesses.

Mr. Larry Miller: So moved, Mr. Chairman.

The Chair: Okay. The motion is:

That the draft budget for the Committee's study on the Collapse of the Beef and Pork Sector Revenues to the amount of \$39,700 be adopted.

It is moved by Larry.

(Motion agreed to)

The Chair: The second one is:

That the draft budget for the Committee's study on the Collapse of the Beef and Pork Sector Revenues to the amount of \$18,700 be adopted.

(Motion agreed to)

The Chair: We still need to vote on the motion as amended, on the Credit Union Central.

(Motion as amended agreed to)

The Chair: I remind everyone that following votes I'm hosting a Christmas supper for members of the committee up on the ninth floor in Justice, room 901. I look forward to seeing everybody there.

Good Christmas cheer.

We are adjourned.

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