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—
Chair

Mr. James Bezan

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• (0910)

[English]

The Chair (Mr. James Bezan (Selkirk—Interlake, CPC)): I call this meeting to order.

Today we have an order in council appointment before us. Elwin Hermanson has been appointed to the position of chief commissioner of the Canadian Grain Commission.

Welcome, Elwin. It's good to see you.

This is according to Standing Orders 110 and 111. I just want to read into the record off the start, just so we know what the rules are here today, out of Marleau and Montpetit, starting on page 863 on line 447:

The obligation of a witness to answer all questions put by the committee must be balanced against the role that public servants play in providing confidential advice to their Ministers. The role of the public servant has traditionally been viewed in relation to the implementation and administration of government policy, rather than the determination of what that policy should be. Consequently, public servants have been excused from commenting on the policy decisions made by the government. In addition, committees will ordinarily accept the reasons that a public servant gives for declining to answer a specific question or series of questions which involve the giving of a legal opinion, or which may be perceived as a conflict with the witness' responsibility to the Minister, or which is outside of their own area of responsibility or which might affect business transactions.

[...]

Further, when we get to questioning:

...the committee may call the appointee or nominee to appear before it...to answer questions respecting his or her qualifications and competence to perform the duties of the post to which he or she has been appointed or nominated.

[...]

This is on page 876 now:

The scope of a committee's examination of Order-in-Council appointees or nominees is strictly limited to the qualifications and competence to perform the duties of the post. Questioning by members of the committee may be interrupted by the Chair, if it attempts to deal with matters considered irrelevant to the committee's inquiry. Among the areas usually considered to be outside the scope of the committee's study are the political affiliation of the appointee or nominee, contributions to political parties and the nature of the nomination process itself. Any question may be permitted if it can be shown that it relates directly to the appointee's or nominee's ability to do the job.

A committee has no power to revoke an appointment or nomination and may only report that they have examined the appointee or nominee and give their judgement as to whether the candidate has the qualifications and competence to perform the duties of the post to which he or she has been appointed or nominated.

I just wanted to make sure we have that on the record and we know what rules we are playing by for today.

With that, I invite Mr. Hermanson to provide his opening comments. Please keep it to less than 10 minutes.

On a point of order, Mr. Easter.

Hon. Wayne Easter (Malpeque, Lib.): Mr. Chair, in terms of what you've read out, could we ask the clerk to provide that to us? Well, I suppose it will be in the minutes, so it will be fine that way for future reference.

The Chair: It's in the minutes for future reference.

I'll just remind you, it starts on page 863-864 of Marleau and Montpetit, and then from 876-877.

Hon. Wayne Easter: I just haven't made that stuff my bedtime reading yet, Mr. Chairman. I know Brian has.

Thank you.

The Chair: Okay.

Mr. Hermanson, please.

Mr. Elwin Hermanson (Chief Commissioner, Canadian Grain Commission): Good morning, and thank you, Mr. Chairman.

It brings back some memories, and I would say good memories, being back in committee. Not too many times have I sat as a witness, although I have sat as a witness before committee in the past. I have sat in the chairs of the honourable members and I found it a very rewarding experience. I feel honoured that I would be asked to appear before your committee this morning.

I have a statement that I believe is less than 10 minutes. To make sure that it is, I'll undertake it right away.

Honourable members, I am pleased to appear before the Standing Committee on Agriculture and Agri-Food today. I understand that the principal reason you have invited me to appear before you today is to discuss my appointment as chief commissioner to the Canadian Grain Commission. I would first like to make a brief statement and then I would be pleased to answer any questions.

To begin, I would like to underline what an honour it is for me to work on behalf of Canadian farmers and Canadians at large as the chief commissioner of the CGC. As Canada's grain industry regulator, the CGC is responsible for Canada's grain quality and quantity assurance systems, grain research, and producer protection. As chief commissioner to the CGC, I am personally committed to these important objectives and to upholding Canada's world-class brand reputation.

As you know, my appointment comes at a time of change and modernization for the CGC, as reflected in Bill C-39, An Act to amend the Canada Grain Act, which was recently introduced in the House of Commons. The CGC needs a strong management and sound guidance to lead it during this period of transformation.

Throughout my career, honourable members, I have displayed strong skills both as a leader and as a manager. I have an extensive background in agribusiness and public service in Canada, with 32 years of farming and elected experience at both the federal and provincial levels. As a farmer, I managed my family farm in Beechy, Saskatchewan, which is a diversified operation producing grains, pulse crops, and oilseeds, and it includes a commercial cow-calf operation. At the federal level, I served as a member of Parliament for the Saskatchewan riding of Kindersley—Lloydminster from 1993 to 1997. During that time I served on the same committee as you represent today, the Standing Committee on Agriculture and Agri-Food. I also demonstrated my leadership skills participating on the steering subcommittee and working as the leader of the official opposition from 1999 to 2004 in the Saskatchewan legislature.

Throughout my career, one of my priorities was the development and the communication of agricultural policy. I'm proud to say that my political success was founded upon my knowledge of the agriculture sector. In fact, my years spent in public service have depended on strong support from farm communities and farm families. I accepted the position of chief commissioner to the CGC because of my profound desire to serve Canadian farmers and Canadians generally.

As I mentioned earlier, my appointment as chief commissioner comes at a time of change and modernization for the organization. I must say it's an exciting time to be grain farming. I recognize that it's also an equally difficult time in the livestock sector. The Canadian Cattlemen's Association is in town. I've run into some of them, and we certainly feel for the economic pressures they're feeling now. But commodity prices are at an all-time high for cereal grains, and oilseed producers are finally beginning to reap the benefits of what they sow.

While Canadian farmers continue to serve traditional export markets, new opportunities are becoming available. Canadian grain is increasingly marketed to niche markets and domestic value-added enterprises such as livestock and biofuels processing. To sustain this growth, both farmers and the grain industry are seeking more opportunities and a more cost-effective grain handling system.

Many grain sector stakeholders, including farmers, have been requesting updates to the Canada Grain Act for many years. In this context the Minister of Agriculture and Agri-Food introduced Bill C-39, An Act to amend the Canada Grain Act, to the House of Commons last December. Bill C-39 represents the Government of Canada's vision of a modern CGC, one that is positioned to meet the changing needs of today's grain sector. The government is focused on reducing mandatory regulations and unnecessary costs while maintaining the advantages of Canada's grain quality assurance system.

Honourable members, I understand that while your respective parties have agreed on the need for modernization of the act, they may not all completely agree on the details of that change. The final

outcome of a bill must be decided by members of Parliament, and it is the role of the chief commissioner to administer the Canada Grain Act as passed by Parliament. While it is the duty of the CGC to support the government's agenda and policy direction, I will not, nor will the CGC, prejudge the outcome of Parliament's deliberations.

• (0915)

I want to clearly state the commission's principal responsibility is to administer the Canada Grain Act.

The chief commissioner must lead the organization to ensure ongoing protection for producers and Canada's reputation for high-quality grains and must be supportive of the government's agenda. This leads me to discuss recent criticism of an op-ed article I produced for two different western Canadian publications.

First, I would like to clarify that the op-ed article was intended as a personal introduction to farmers and the grain industry in my new role as the chief commissioner of the CGC. Second, my objective was to reassure producers, grain industry stakeholders, and customers of Canadian grain that Bill C-39 will not weaken the grain quality assurance system. Third, farmers need to be reassured that producers will continue to be protected under the Canada Grain Act.

Honourable members, before I respond to your questions, I also wish to address one final issue, the CGC memo to employees. The CGC memo has been referred to as a government gag order in both the media and in the House of Commons. There is no government gag order, and the allegations of political involvement are unfounded.

No one in the office of the Minister of Agriculture and Agri-Food or in the Prime Minister's Office requested that CGC management issue this memo. It is an internal document that was produced by the CGC senior management on its own in response to employee questions about political activities regarding Bill C-39.

The CGC directive to employees regarding their political activities is based on the Values and Ethics Code for the Public Service. It states that public servants are free to express their views about the amendments to their members of Parliament as long as they don't publicly criticize the government. The Values and Ethics Code for the Public Service also clearly states that public servants must loyally implement ministerial decisions lawfully taken. I would also like to clarify that this code has been in effect since 2003.

In closing, honourable members, it is clear that the CGC is facing an exciting period of modernization and change. I also wish to reiterate that it is the CGC's duty to support the government's agenda and policy direction. I am confident that the integrity of the grain quality assurance system and the reliability of Canadian grain exports will be maintained; in fact, I'm committed to that outcome.

Finally, it's with a deep sense of pride in this 96-year-old institution that I assume the position of chief commissioner to the CGC. I look forward to serving farmers and all Canadians in my new position.

Thank you very much.

The Chair: Thank you, Mr. Hermanson.

We're going to kick off with seven-minute rounds.

Mr. Easter, you're up first.

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

Elwin, you've had an interesting career since you first came here with the Reform Party in 1993. You had strong opinions then, and there's certainly nothing wrong with that, but you are in a different position now. A number of rumours are going on out there, and I'd like to clear them up before I get into the meat of the issue.

The current minister was your campaign manager in 1993, wasn't he?

• (0920)

Mr. Elwin Hermanson: Yes.

The Chair: Again, I have to remind Mr. Easter that according to the rules in Marleau and Montpetit, one of the areas considered to be outside the scope of the committee is the political affiliation of the appointee or nominee.

Hon. Wayne Easter: Mr. Chair, this government has said there'd be absolutely no patronage. There were going to be committees to look at these appointments. I see this as a fair question.

I have no problem if Mr. Ritz was Elwin's campaign manager; it doesn't deny him qualifications. I just want to know what the connection is.

But you're disallowing the question.

The Chair: Before I entertain that, Mr. Lauzon, you have a point of order?

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): I think you've made a decision on this issue and I think Mr. Easter should respect that.

Hon. Wayne Easter: I respect the decision.

The Chair: There is a decision, and for the witness's benefit, you don't have to respond to any comments that are outside the scope of our examination of you today, and definitely anything to do with political affiliation is outside that scope, as has been described by the rules.

Hon. Wayne Easter: You won't allow this either, I guess, Mr. Chair, but I understand that Mr. Ritz also worked as a constituency assistant for Mr. Hermanson, I believe, and did a good job.

The Chair: Mr. Miller, on a point of order.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): It comes under the rules as well. He even said it; he admitted it before he said it, and he still said it. It's not allowable, but he got it on the record.

The Chair: Mr. Lauzon.

Mr. Guy Lauzon: Mr. Chairman, I think there comes a point where you're going to have to make a decision as to whether Mr. Easter is—

The Chair: Mr. Easter is fine. I'll let him burn up his time in any way he sees fit, but his questions have to relate to the competence of the appointee.

I'd ask that you direct your questions that way, Wayne.

Hon. Wayne Easter: Elwin, I was looking through some of the statements you've made since 1993. You will actually, I think, find this one kind of funny, because I find myself asking the same questions as you were asking when you were in my position here.

I was looking back to November 21, 1995, when you were asking questions on the Canadian Wheat Board. I'll quote you: "It seems that the minister fears allowing producers the right to determine how they market wheat and barley." We're having that same problem today, that the minister won't allow a vote on wheat and barley marketing.

I guess, before I get into the CGC, in your current capacity, do you have any views on the Canadian Wheat Board, or is that virtually neutral?

The Chair: Again, Mr. Hermanson, you don't have to respond to that, because you don't, as an appointee of the government, have any influence over the direction of the Canadian Wheat Board.

Again, it's outside of the scope of the study we're doing today, Mr. Easter. I ask that you get pointed to the qualifications as they relate to the Canadian Grain Commission.

Hon. Wayne Easter: All right, Mr. Chair.

On page 6 of the act, it basically defines the duties of the chief commissioner of the Canadian Grain Commission. You did mention in your opening remarks the issue of the op-ed piece. In all honesty, having been a politician for so many years, I can understand your expressing your point of view. But in the role of chief commissioner of the Canadian Grain Commission, do you think now it was a mistake to write that opinion piece?

Mr. Elwin Hermanson: Thank you, Mr. Easter.

I'm glad I finally get to say something here. I was getting worried that I wasn't going to be able to—

Hon. Wayne Easter: The committee has changed since you were here. We used to get along.

Mr. Elwin Hermanson: There are couple things that I don't mind putting on the record, and I hope I'm not breaking any rules of the committee.

First, years ago Minister Ritz and I were colleagues. But this had no bearing—from either my perspective or his—on my decision to let my name stand for the chief commissioner's position.

Second, with regard to the Canadian Wheat Board, the board is a client of the Canadian Grain Commission. It is my intention as chief commissioner to have a positive relationship with the Canadian Wheat Board, as we would hope to have with all our clients. Beyond that, I don't believe it is the role of the chief commissioner to speak on Wheat Board issues. I haven't and I won't.

You talked about the op-ed piece. When I assumed the position of chief commissioner on January 21 of this year, senior management from the commission, including the other two commissioners, approached me about writing an introductory letter. We worked on the op-ed piece with three purposes in mind.

The primary purpose was to identify me with the Canadian Grain Commission. That is why I was signatory to the letter. I wanted the industry, from producers to customers abroad, to know that the new chief commissioner for the Canadian Grain Commission was Elwin Hermanson.

The second reason we wrote the op-ed piece was to reassure farmers, the industry, and customers of the Canadian Grain Commission that Bill C-39 would not weaken Canada's grain quality assurance system. That's the *raison d'être* for the Canadian Grain Commission. That's the reason for the Canada Grain Act—to ensure that Canada's grain quality assurance system is second to none in the world, which I believe it is. It's my commitment to maintain that quality. We discussed the impact of Bill C-39.

Finally, I wanted to state that farmers will continue to be protected under the Canada Grain Act. I wanted to make it known that the Canada Grain Act would remain in existence under Bill C-39, and that it would continue to provide farmers with the protection they had experienced in the past.

Those were the three purposes for writing the op-ed article. I concurred with that decision then and I concur with it now. Those objectives were correct. I think it's unfortunate that it's become a political football, because it was never intended to be that.

• (0925)

The Chair: Mr. Bellavance.

[Translation]

Mr. André Bellavance (Richmond—Arthabaska, BQ): I would like to make a comment before I begin. The last time I saw a chairman with an opened copy of Marleau and Montpetit in front of him, it was when Alphonso Gagliano testified about the sponsorship scandal. The Conservatives were really unhappy with the fact that the chairman was so inflexible regarding questions about his appointment as ambassador to Denmark. No questions could be asked other than those deemed acceptable by the chair or the members of the Liberal Party. It is funny to see the shoe on the other foot today, don't you think?

Welcome, Mr. Hermanson. In order to judge the competence of a person, one must obviously take a look at his past, the actions taken and the statements made. Since you were a member of Parliament from 1993 to 1997, you had the opportunity to participate in many debates in the House of Commons or in Committee.

I would like to know, first of all, as a purely technical matter, what is the amount of your salary.

[English]

Mr. Elwin Hermanson: My salary is in the range offered to people in the GCQ-8 level—\$204,400 to \$240,000. I can't remember the exact number, but it is in that range.

[Translation]

Mr. André Bellavance: And how much are you paid?

[English]

Mr. Elwin Hermanson: I'm not sure if that's an infringement. Usually I'm not asked exactly what I make. I'm not sure if I'm supposed to say. If it's the will of the committee, and if it's proper that I disclose it, I will. I recognize that this may have an impact beyond the committee. It certainly is within that range, and it's neither the maximum nor the minimum.

The Chair: Mr. Hermanson, just to interject for the members' benefit, you're a GCQ-8. This is part of the order in council salary range, at \$204,300 to \$240,400.

As to his specific salary, once again we're talking about his qualifications and competence, not about his salary. That's outside the scope of the rules.

• (0930)

[Translation]

Mr. André Bellavance: I disagree. At any rate, his salary is being paid by the people. They also pay ours and ours is published in the press. Even the additional salary you are paid as chair and what we get as vice-chairs are available everywhere.

At any rate, you make between \$204,000 and \$240,000. We need to determine if your qualifications justify such a salary. You have been an MP for the Reform Party from 1993 to 1997. Could you tell us who were your riding assistants?

[English]

Mr. Guy Lauzon: On a point of order, I think we dealt with that.

[Translation]

I believe it has been ruled on a point of order that this subject could not be raised.

Mr. André Bellavance: I simply asked who were his constituency assistants when he was an MP. In my view, the fact that he was a member of Parliament is part of...

[English]

The Chair: We aren't talking about political affiliation here. We are talking about the job that he did as a member of Parliament.

I'll leave it up to Mr. Hermanson as to whether he wants to address it.

Mr. Elwin Hermanson: Again, this is no secret. I had two constituency assistants during my period as a member of Parliament, and a couple of constituency assistants while I was a member of the Saskatchewan legislature.

I think what the member is referring to is that one of the constituency assistants who served me for part of my term as a member Parliament is the current Minister of Agriculture. That's no secret. It's certainly nothing that I find problematic. I reiterate that the relationship had no bearing whatsoever on my decision or, I believe, on my appointment to the Canadian Grain Commission as chief commissioner.

[Translation]

Mr. André Bellavance: Mind you, I was not casting blame, it was a simple question. I believe the people are entitled to know that the current Minister of Agriculture has been your constituency assistant and your campaign manager in 1993.

I said earlier that it is interesting to look at the record to see what statements you made on specific occasions. On December 12, 1996, the House of Commons was considering the creation of the Canadian Food Inspection Agency. You can look it up in the Hansard. At that time, you supported amendments from the Bloc québécois regarding the setting up of the agency, but also the appointment process in this regard. You said that the Reform Party had proposed an amendment to Bill C-60 that said:

No appointment shall be made under subsection 10(1) unless it is approved by a subcommittee of the House of Commons committee struck or established to consider:

(a) matters related to agriculture;

There were a number of other subparagraphs. Do you still hold the same opinion on this matter?

[English]

Mr. Elwin Hermanson: You're now asking me to get into a policy area. In my former life, I was happy to speak on policy issues. In this current position as the chief commissioner of the Canadian Grain Commission, it's really not proper for me to speak on policy issues, particularly those outside my area of jurisdiction. So I will try to uphold the code of values and ethics that I have agreed to subscribe to.

I don't want to be disagreeable. I would like to cooperate. Obviously there is an inclination to speak out on a political issue outside of my jurisdiction, but I have disciplined myself to not do that.

The Chair: As a public servant, as somebody who's here at the pleasure of government, you do have the right to decline to answer that question. It is policy outside your area, and you're not here to give policy advice or say anything that might jeopardize your relationship with the minister.

[Translation]

Mr. André Bellavance: I believe that in order to determine the competence of an appointee, it is important to look to the past to find out what the person said. You also stated:

Party loyalty has become the main criteria in making appointments to various boards, without public scrutiny and without the merit principle being the main factor.

[English]

Mr. Elwin Hermanson: My decision to seek the position of chief commissioner was made after I reviewed the qualifications that the candidate should have. When I read those qualifications—and there are a number of them—I felt like the shoe fit. During all my time in public life I have sought to serve a country that I love a whole lot and a province that I very much appreciate. I saw this position as a way to extend that service, based on the qualifications and experience that I had attained in my lifetime.

• (0935)

[Translation]

Mr. André Bellavance: You said other interesting things, such as:

No one was appointed by the Conservative government who did not have references as a strong supporter of the Conservative Party.

You also stated:

It is sad to see Conservatives and Liberals trying to outdo each other by handing out appointments tainted by patronage. Under the Conservative government of Mulroney, Marjory LeBreton was effectively the minister of patronage.

[English]

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Chair, on a point of order, I question the relevance of what I've heard. And second, could Mr. Bellavance slow down a little bit so that the interpreters can keep up with him? I'm sure that would be appreciated not only by this side, but also—

[Translation]

Mr. André Bellavance: It will be a pleasure.

[English]

The Chair: Mr. Bellavance, your time has expired. You're already at eight minutes. I'm going to call that question out of order.

We'll move on to Monsieur Lauzon.

Mr. Guy Lauzon: Thank you very much, Mr. Chair.

Welcome, Mr. Hermanson.

With all due respect, the reason I think we should concentrate on your qualifications rather than your political past is that if we went down the political road, we probably wouldn't have had the last commissioner, because I understand that the husband of your predecessor—the husband of Ms. Chris Hamblin, Lorne—was actually a Liberal candidate in the 1983 Manitoba election.

So I think we don't want to go down that road. I think what we want to do—

An hon. member: There's a point of order.

[Translation]

Mr. André Bellavance: If we cannot raise stories such as this for even 30 seconds, I do not see why Mr. Lauzon should be able to do so. This is wrong.

[English]

The Chair: I agree.

Mr. Lauzon, I ask that you make your comments relevant to the competence of the witness before you.

Mr. Guy Lauzon: Thank you very much. And I'm really—

[Translation]

Mr. André Bellavance: If the Committee agrees, I am willing to let Mr. Lauzon continue. Indeed, I find this perfectly fine, as long as both sides are allowed to do so.

[English]

The Chair: I agree, and I'm going to rule Mr. Lauzon out of order on that and ask that he get very pointed on the question before us about the competence of the witness.

Mr. Guy Lauzon: That's exactly what we're trying to do here.

We have a gentleman here who, according to his resumé, is eminently qualified for his post.

Mr. Hermanson, I understand that you own and operate a farm in Beechy, Saskatchewan. Now, I am assuming that you grow grain on that farm.

Mr. Elwin Hermanson: Yes, we do grow grain. A long time ago we grew spring wheat. In more recent history we have primarily focused on durum wheat. That is part of our rotation. We have also grown other cereals, including barley and canary seed, and oats if the season is late. We've grown oilseeds and mustard. We have grown pulses, both yellow and green peas. We have grown lentils, and we've tried the odd other little thing, but it's probably best not to go into that. And we've grown feed grains, of course, because we have livestock as well.

Mr. Guy Lauzon: So with the exception maybe of Ms. Skelton, you probably know that industry better than anybody sitting around this table.

Mr. Elwin Hermanson: Well, I certainly have first-hand experience, because prior to entering politics I made my sole living from agriculture, and it's always been an important aspect of the my life and that of my family.

I might just add that there are three commissioners, and all three of us have a farm background. We all grew up on farms, and two of us have been active farmers. So we're part of a team at the commission that has that first-hand practical experience and knows what it's like to have to earn a living from the soil.

Mr. Guy Lauzon: That seems to make sense.

In your comments, you said, "Many grain sector stakeholders, including farmers, have been requesting updates to the Canada Grain Act for many years". I'm sure you heard that first-hand from your fellow farmers, if you will, the farmers in Saskatchewan where you have your farm. Over the years, with how many people would you say you have discussed this very issue on which you are now in a position to be able to effect some change?

Mr. Elwin Hermanson: It's been a long time, because we were discussing some of these issues when I sat on this committee and we had the chief commissioner of the Grain Commission come before us. Of course, I had to try to get feedback for my constituents to find out what their position was on the Grain Commission and other issues.

I can tell you, quite frankly, that there is support for the Canadian Grain Commission among all stakeholders in the industry, particularly among producers, and support for the work of the Grain Commission continues and is strong today. The fact that the Grain Commission is not in the news every other day is a good thing. It is doing good work, and the farmers appreciate that.

That being said, the other thing farmers are particularly concerned about is input costs. I would imagine this committee is very aware of the fact that input costs are one of the greatest impediments to a positive bottom line, even with higher commodity prices. Within the Grain Commission and among farmers, there has been discussion for quite some time about how those input costs could be reduced as they relate to the Canadian Grain Commission. That is the area that Bill C-39 tries to address, and it's obviously something I'm hearing from producers.

• (0940)

Mr. Guy Lauzon: In summarizing what you've just said here, I assume you've heard from quite a large cross-section of the farming community, the grain growers, that there is need for some updates to this Canada Grain Act. Is that the feedback you've received?

Mr. Elwin Hermanson: Absolutely. Farmers individually, farmers through their organizations, and other stakeholders in the industry have said that there are mandatory costs in the...and this committee, I believe, has said that. I don't want to put the words in your mouth, but I read a recommendation from this committee that said that we need to be cognizant of reducing mandatory costs to producers.

Mr. Guy Lauzon: And who do you serve?

Mr. Elwin Hermanson: I serve under the Minister of Agriculture.

Mr. Guy Lauzon: But who do you—

Mr. Elwin Hermanson: And the mandate is to serve producers. I answer to the Minister of Agriculture, but my mandate is to serve producers and to enforce the Canada Grain Act.

Mr. Guy Lauzon: So I would assume that you have had a lot to do with producers. They're your neighbours. They've been part of your life for probably your whole life.

Mr. Elwin Hermanson: Absolutely. But it's not just producers. When I was involved provincially in Saskatchewan, of course, it was the issues of the entire province. But the agricultural issues have always been, if not all, certainly a significant part of the issues that I have been challenged with and tasked to speak on and to develop policy in regard to.

Mr. Guy Lauzon: Let me just go on the record, Mr. Hermanson. I think the people you're there to serve are very fortunate to have somebody with your qualifications. I really believe you are going to do an excellent job.

Thank you very much, Mr. Chair.

The Chair: Thank you. You had time left, but it's okay if you don't want it.

Monsieur Atamanenko, the floor is yours.

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): Oh, thank you.

Thanks very much. It's been a pleasure meeting you, Mr. Hermanson.

Let's look at some of the policy that this bill is proposing. Our committee, as you know, did a study on the Grain Commission. Some of us feel that perhaps we went too fast, that there are things in the recommendations that maybe should have been looked at again.

The committee recommended, for example, increasing funding for the Grain Commission to ensure long-term sustainability. The bill doesn't address this.

The committee recommended that the Grain Commission receive adequate funding to be able to properly benchmark other options through a cost-benefit analysis in a three-year pilot. The bill supersedes these recommendations by aggressively cutting regulatory responsibilities and services immediately.

How would you comment on that?

The Chair: Just before Mr. Hermanson begins, this is outside of the scope of today. Today we're talking about Mr. Hermanson's qualifications. I'm sure we're going to have Mr. Hermanson back when we have Bill C-39 at committee, and at that point we'll address it.

Again, coming back to the rules, he is not here to advise us on policy; he's here to implement the Canada Grain Act as we, as a committee, make our recommendations back to the House when we report it back.

Do you have a point of order?

[*Translation*]

Mr. André Bellavance: I just want to point out that the witness himself mentioned Bill C-39 in his speech. So I do not see why we could not raise it.

[*English*]

Mr. Alex Atamanenko: The other point I'd like to make is that Mr. Hermanson did address this. He did write the op-ed. How are we to assess the qualifications of someone who is going to be leading the Grain Commission if we have no idea what—

The Chair: I agree with you. He did raise it in his opening comments.

I'll leave it up to you, Mr. Hermanson, whether or not you wish to respond.

Mr. Elwin Hermanson: Yes, I'm happy to respond.

First of all, I will offer to the committee that when Bill C-39 comes before this committee I would be happy to come back, and I will bring experts with me from the commission, as is deemed appropriate, so that we can answer your questions as deeply as you want to drill down.

In just a general way, I would comment that Bill C-39 accommodates some of the recommendations of the committee. Obviously anyone who can read would recognize that not all of the recommendations of the committee are dealt with in Bill C-39. I'm not sure it's unusual for a government to deal with some and not all.

I could tell you where there is common ground and which recommendations are not dealt with in Bill C-39, but I'm not sure there's benefit in going over what we all are aware of. All I can tell you is that I've read the bill, I've read the committee's report, and I recognize where there is concurrence and where there are issues that aren't dealt with. Perhaps they will be in the future.

That's a political decision; that's not the decision of the chief commissioner. We're in place to advise the minister and to deal with what's on the table.

• (0945)

Mr. Alex Atamanenko: I'll pursue another question.

Some feel that the pressure for the change is coming from those sectors of the grain industry that stand to benefit from the weakening of the regulatory environment. Some organizations, some farmers, are saying that farmers have not been asking for changes. Others are saying that they want the changes. I'm wondering what the feedback has been in your discussions with farmers, in Saskatchewan in

particular, in regard to this. What's the feeling that you've been able to discern?

Mr. Elwin Hermanson: The commission has dialogued with producer groups right across Canada with regard to Bill C-39. We're playing an information role, trying to explain to them what's in the bill. Quite frankly, there are parts of the bill that actually strengthen the role the Canadian Grain Commission would be able to enact. There is the administering of penalties that has increased. There is the "subject to inspection", which has expanded to processors and to grain dealers, whereas before it was just to primary elevators. So there is some expansion of powers of the Canadian Grain Commission. There is also reduction of mandatory services.

My observation is that while a lot of the industry hasn't cast judgment one way or the other, generally they think the direction is correct. I think this committee in some of its recommendations was moving in the same direction, as I mentioned in my statement. There are disagreements at a party level as to some of the details, but I think generally the reduction in some mandatory services that aren't required any longer is pretty generally accepted by the industry, from producers right through to buyers of Canadian grains and Canadians as a whole.

Mr. Alex Atamanenko: As commissioner, how would you ensure that the proposal to do away with KVD...? There are "for" and "against" people. Some are saying, hold on, let's wait until we put something in place, the bill, and the minister would like to get rid of this right away. How can the Grain Commission ensure—

Mr. Brian Storseth: On a point of order, Mr. Chair, as Mr. Atamanenko just pointed out, that's not a "for" and "against" position. That's a "for" and a "for later" position. The movement that we've been doing on KVD is something that Canadian farmers, especially across the Prairies, have been moving for, for quite some time, and are very happy to see movement for.

I just want to clarify the record.

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

Mr. Alex Atamanenko: I'd just like to say that there are many farmers who are opposed to the change in the KVD. Many, of course, are concerned that it's coming too fast. How can the commission ensure them that the high quality of Canadian grain will be maintained during that interim period?

Mr. Guy Lauzon: On a point of order, Mr. Chair, we're going down the policy road again.

The Chair: We are. I agree with you, Mr. Lauzon.

Mr. Atamanenko, I ask that you again get back to the qualifications.

Mr. Hermanson.

Mr. Elwin Hermanson: I respect the decision of the chair, but just for the member's information, there is an industry group, which includes the Canadian Grain Commission, that is tasked with dealing with the KVD issue. Again, we'd be happy to come back at a subsequent time and discuss this issue with the committee, but my understanding is the industry is working aggressively to be able to deal with the new regime under the removal of KVD as a criterion for the registering of new varieties.

Mr. Alex Atamanenko: I guess my last question will be this. As you know, there's a complaint against you to the Public Service Commission. What's your reaction?

Mr. Elwin Hermanson: First of all, I would preface my comments by saying the relationship between the management of the CGC and employees across Canada has been very positive and very constructive over the history, even recent history, of the Canadian Grain Commission. That being said, it's never easy if you're looking at a new act or an amended act that would remove some mandatory services and result in some job losses. I'm not happy about that, because we have excellent employees and we have employees who are proud of the Grain Commission. Quite frankly, as chief commissioner, I'm very proud of our employees.

That being said, the mandate of the Canadian Grain Commission and certainly the mandate we're given under the Canada Grain Act, both the existing act and the one you are considering, is to look out for the best interests of producers and Canadians as a whole. As you know, input costs for producers is a huge issue right now. If it came to whether or not we'd preserve jobs versus doing what's best for grain producers in Canada, I am charged and the commission is charged under the act with putting producers first.

● (0950)

The Chair: Thank you.

Mr. Boshcoff.

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Thank you very much.

Of course, we are here to analyze competence and qualifications, and your resumé seems rather thin. Many of my graduate students have longer, more comprehensive resúmes than this. A lot of your administrative experience, if this is what the job entails, seems to be of a biblical or religious nature, as opposed to in a corporate organization such as this.

It's hard to determine whether there will be forward thinking or unbiased thinking, that there's no ideological lock here. So my two questions will be to determine whether as a progressive thinker...and I know the Conservatives don't like the word "progressive" anymore.

First, as standing operating procedure, the use of opinion editorial pieces that set a personal agenda outside of the organization but effectively determine its course is an issue we are concerned about here. It means that you'll be operating outside the board or the mandate.

The second question is on policy and procedures. In terms of your own management style, would you continue to muzzle an employee or threaten them with discipline if they spoke about bills such as Bill C-39?

Those are the two questions, and if there's time left over—

The Chair: We are in a five-minute round.

Mr. Ken Boshcoff: I understand, Mr. Chair.

Mr. Elwin Hermanson: I wish I had more than five minutes to answer that. There's a lot of stuff there.

On the op-ed piece, that was not a personal decision; it was a decision of senior management of the Canadian Grain Commission

of which I was a part. The recommendation came to me, upon assuming my responsibilities, that an op-ed letter should be written. It was worked upon corporately by me, the other commissioners, and senior management at the Canadian Grain Commission.

There was agreement throughout the management of the organization that the letter was appropriate; it was a way of introducing me; it was a way of assuring producers that grain quality would be maintained in our grain-handling system and that the Canada Grain Act would continue to protect producers. That was the purpose of the letter, and I think it is an indicator of solid management.

What was the second part of your question?

Mr. Ken Boshcoff: It was on policy and procedures and administrative capabilities—the muzzling of employees.

Mr. Elwin Hermanson: I would first point out that the e-mail to employees went out on December 21 and my appointment took place on January 21. When that decision was made, I was not yet appointed as the chief commissioner of the Canadian Grain Commission.

However, upon assuming that responsibility I talked to senior management about the memo, and I'm satisfied that they were following proper procedure, as directed by the Values and Ethics Code for the Public Service and the result of a Supreme Court of Canada ruling on the proper relationship between management and employees when dealing with a political issue. Where loyalty to government and freedom of speech seem to clash, there are some set guidelines; there's a prescription in place. It's my understanding that the Canadian Grain Commission followed that to a T.

Mr. Ken Boshcoff: Thank you.

Mr. Lloyd St. Amand (Brant, Lib.): Mr. Hermanson, thank you for being here.

I'm sure you would agree that you are not the only person in Canada who would be a suitable candidate for the position you now have.

● (0955)

Mr. Elwin Hermanson: We've had some excellent commissioners in the past and we will have some excellent ones in the future. I'm sure excellent people applied for the position. I was confident in my qualifications, and I was pleased to be accepted based on those qualifications.

Mr. Lloyd St. Amand: I don't know if the numbers are in the hundreds or the thousands, but I think you're agreeing that there are many individuals who could as adequately and competently fulfill the tasks you have now been appointed to fulfill.

Mr. Elwin Hermanson: I would agree with that, but there would be very few people in Canada with the unique background and abilities I bring to the table.

Mr. Lloyd St. Amand: One of those background factors is your lifelong affiliation with, first, the Reform Party of Canada—

Mr. Larry Miller: On a point of order, Mr. Chair, it's irrelevant, it's not allowable, and the member knows that.

The Chair: Mr. St. Amand, before you came here, I did read into the record pages 863-864 and pages 876-877 of Marleau and Montpetit, saying that we cannot question appointees as to their political affiliation or on issues of policy development. We're here to look at their qualifications and competence.

Mr. Lloyd St. Amand: I'm looking at what I assume is a resumé prepared by Mr. Hermanson.

The Chair: We can talk about his being a member of Parliament, but....

Mr. Lloyd St. Amand: In his resumé he talks about being the Reform Party agriculture critic from 1993 to 1997, so I just wanted to—

The Chair: I'll read for you the one sentence that's particularly important here. It's on page 876 of Marleau and Montpetit:

Among the areas usually considered to be outside the scope of the committee's study are the political affiliation of the appointee or nominee, contributions to political parties and the nature of the nomination process itself. Any question may be permitted if it can be shown that it relates directly to the appointee's or nominee's ability to do the job.

We're talking about his ability to do the job and not about his political affiliation. Those are the rules. That's according to Marleau and Montpetit.

Go ahead, Mr. Miller.

Mr. Larry Miller: The member can talk about the witness's role as an agriculture critic, but not his affiliation. Is that correct?

The Chair: That is correct.

Mr. St. Amand, you have time for one question.

Mr. Lloyd St. Amand: It sounds, Mr. Hermanson, that some of your colleagues are getting a little defensive about what is clearly obvious: your involvement with....

Mr. Hermanson, would you agree that ideally it would be preferred by everyone if the commissioner were a person with no antecedents in any political party, or does that help? Does it help to be a member of a certain political party?

Mr. Elwin Hermanson: No. I think what is important are the skills and qualifications a candidate brings to the position. Let me just paint the picture for you of the three commissioners of the Canadian Grain Commission.

I mentioned that all three of us have farm backgrounds. One of the commissioners, the one who is called "the commissioner", has a background on the industry side. He was involved, among other things, with Agricore United. Of the three of us, he is probably the best expert at technical issues.

The assistant chief commissioner's background, other than being a producer himself, which is very important, is in producer organizations. He was the president of the Grain Growers of Canada and has been involved with B.C. producer organizations, so he brings that perspective to our management team.

My background is in many leadership and management positions and in communication. I've got business experience plus experience as an elected person. Those of you sitting around the table would know the skills required in that regard.

The three of us, by the way, work very well together. Based on my almost two months of experience now, I'd say we work well together. We're a good team. We have some common background and skills and we have some diversity. That makes us a strong team. I don't know if there was an architect behind all this, but I'm quite excited about the commissioners who are in place and the backgrounds, skills, and history that we bring to the table.

The Chair: Thank you.

Before I turn this over to Mrs. Skelton, I notice on your resumé that you've been a farmer since 1975, and I take exception, as a farmer myself, to Mr. Boshcoff's comment that just because you're a farmer, you have a very thin resumé. I think farmers are business operators and—

• (1000)

Mr. Ken Boshcoff: Under no circumstances did I say that. You should be ashamed of yourself.

The Chair: I think if you check the blues—

Mr. Ken Boshcoff: I had no intent of saying that, and I certainly did not. I did not. I just said he has a very thin resumé.

The Chair: Well, running a farm operation since 1975, I'd say, is a fairly big commitment to do as a farm operator, and we're here for—

Mr. Ken Boshcoff: I'll say it again: he has a very thin resumé. I certainly respect farmers to the utmost, and—

The Chair: They're farm business managers, and that comment I take as a personal offence.

Mr. Ken Boshcoff: Well, you should not. I would never say that about a farmer—never.

The Chair: I would hope not.

Go ahead, Mrs. Skelton.

Hon. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC): I'm sorry, Mr. Boshcoff.

Mr. Chair, when Mr. Boshcoff made that statement, I took offence to it too, as a producer and a grain farmer and a farm partner since the 1960s. I really think that graduate students coming out of university today have not lived and experienced what a grain farmer has experienced in Saskatchewan since the 1970s, so I take offence to it, and you cannot become a farmer by reading a book. That's just my point.

Mr. Hermanson, your skills are well known in Saskatchewan.

Mr. Ken Boshcoff: I have to rise again on a point of personal privilege. At no time did I ever say anything close to what has just been alluded to by the honourable member. I'm only talking to this resumé. Look, there it is, right there, a page and a half. I'm talking strictly about Mr. Hermanson and his own career, so there.

Mr. Brian Storseth: On a point of order, Mr. Chairman, if Mr. Boshcoff wants to rise on a point of privilege, he will be able to do so in the House.

The Chair: You can do that in committee. A point of privilege can be raised at any point in time. I will review the blues, and we'll have to report back at the next committee meeting.

Go ahead, Mrs. Skelton.

Hon. Carol Skelton: Mr. Boshcoff and I usually get along pretty well, Mr. Chair, but a lot of people don't have professional resumé writers, either.

Mr. Hermanson, I want to go back to the Canadian Grain Commission's grain research. Is that part of your bailiwick? Are you going to be working on the grain research the commission does?

Mr. Elwin Hermanson: One of the unknown gems of the Canadian Grain Commission is the research component. I don't know if members have been to the head office of the Grain Commission in Winnipeg, but you're certainly invited. We have a grain research laboratory that is doing exciting things, and it has benefited producers mightily.

We do research into ways to process Canadian grains to access the Asian market. That's one section of the work of the Grain Commission. We are constantly doing milling tests on wheat. We're doing tests on barley for malt and other purposes. The dollars that the Grain Commission has put into the pockets of producers through the work of the grain research laboratory is, I believe, an unknown that should be more widely publicized. It is one of the credits to the Grain Commission that I think even producers aren't fully aware of.

By the way, we're certainly fully committed to the ongoing work of the research. And if Parliament were to even expand that role for the Grain Commission, we would certainly be prepared to take it on, because we recognize how important it is.

Hon. Carol Skelton: I don't know whether this is a question you could answer. As a former producer, now that you've accepted your new position and you've moved to Winnipeg, why do you think the research the Canadian Grain Commission does is so valuable for all Canadian farmers?

Mr. Elwin Hermanson: Well, because we are in the marketplace and we are fighting for market share for our product. Canada needs to meet its own domestic requirements, and we need to export product in a world where there are other countries trying to sell to the same customers. We have to have the best product with the best qualities. We have to communicate that to customers so we can bring the highest returns to producers and increase market share if and when possible. We have been doing that and we need to continue to do that, because it impacts the bottom line of producers and it determines to a large degree whether or not the industry is profitable.

• (1005)

Hon. Carol Skelton: Do I have much time, Mr. Chair?

The Chair: You have a minute.

Hon. Carol Skelton: With the whole input cost problems that Canadian farmers are having right now, I think grain research and that part of the Canadian Grain Commission is so important to Canadian producers. Would you agree?

Mr. Elwin Hermanson: I would agree with that. I would also agree that it fits in very nicely with our overall mandate to provide grain quality assurance for our customers, both Canadians and our customers abroad. It is an integral component of what we do. It's equally important to the grading work we do, the setting of standards we do, the arbitration work, the licensing, and our role in registering varieties. It's all very important work, but do not underestimate the importance of research in that equation.

Hon. Carol Skelton: Thank you.

The Chair: Thank you.

[*Translation*]

Madam Thi Lac.

Mrs. Ève-Mary Thāi Thi Lac (Saint-Hyacinthe—Bagot, BQ): Good morning, Mr. Hermanson. I have several questions to ask. I would like to ask first about the memo that was sent by the manager of the Canadian Grains Commission on December 21 of last year. This letter stated that if you identify yourself as an employee of the CGC in a letter to the editor and criticize the policy of the government regarding the commission, this could cause a perception that your views on government policy are biased and that you are unable to implement the government's policy in an impartial way.

When you accepted your appointment on the following January 21, this means that you agreed to subject yourself to this gag order.

[*English*]

Mr. Elwin Hermanson: Thank you for the question.

Obviously I disagree with the word “gag”. It was definitely not a gag order. That is a term that has been used by the media here in Parliament, I understand, but it is certainly not an accurate description of what occurred, as far as the commission is concerned.

What occurred was that employees of the Canadian Grain Commission contacted the management to ask to what degree they could express opinion and be involved politically in regard to this issue, where in fact there could be some job loss. The response was according to the book, according to the Values and Ethics Code, in line with the Supreme Court of Canada decision that they should be able—

[*Translation*]

Mrs. Ève-Mary Thāi Thi Lac: I appreciate that, but you yourself violated that rule on February 7, after your appointment, when you wrote that as chief commissioner of the CGC you strongly supported this legislation and reiterated the commitment of this organization to provide value to producers.

By making that statement, don't you think that you showed a certain lack of restraint contrary to your duty to act in an impartial fashion?

[*English*]

Mr. Elwin Hermanson: No, absolutely not, Mr. Chair. We were being responsible in leadership in following the Values and Ethics Code that we are charged to follow. We were acting prudently, in line with the ruling of the Supreme Court of Canada. To do otherwise would have been irresponsible.

[*Translation*]

Mrs. Ève-Mary Thāi Thi Lac: In your preliminary remarks you stated that “[...] public servants are free to express their views about the amendments to their members of Parliament so long as they do not publicly criticize the government.”

Some countries have such a policy but these are dictatorships. I was very surprised to hear that statement this morning. I am flabbergasted.

Do you consider yourself as political staff or as a servant of the State?

[English]

Mr. Elwin Hermanson: My position is called the deputy head. I'm the chief commissioner of the Canadian Grain Commission. That is a public service position, and it is in that light that I undertake my duties and fulfill my role.

• (1010)

[Translation]

Mrs. Ève-Mary Thāi Thi Lac: Right now, I am not questioning your qualifications but your judgment. You might well say that you did not impose a gag order to your staff, but you make statements that run contrary to the memo that you sent to them. This is interference. You mix up two mandates: a political mandate and a public service mandate.

[English]

Mr. Elwin Hermanson: No.

Mr. Chair, that is not the case whatsoever. I have stayed entirely out of the political component of this issue. Even in the op-ed piece I didn't refer to political parties. I referred once to the minister, once to the House of Commons, but primarily stayed with responsibilities of the Canadian Grain Commission. The only reason I mentioned the minister and the House of Commons was because the bill had been introduced in the House of Commons with the memo, which again, I would remind members, was issued before I assumed my responsibility. I discussed this with senior management after my arrival. I am pleased, not that there's an issue but that they handled it correctly, that they were responsible, that their responses were within the guidelines they are required to act on.

I think the issue has been—

[Translation]

Mrs. Ève-Mary Thāi Thi Lac: Mr. Hermanson, the role of a senior official...

[English]

The Chair: Your time has expired. I'm sorry.

Mr. Storseth, the floor is yours.

[Translation]

Mrs. Ève-Mary Thāi Thi Lac: This is too bad because I had an excellent question.

[English]

Mr. Brian Storseth: Actually, I think it's Mr. Miller.

Mr. Larry Miller: Thank you, Mr. Chairman, and thanks to the witness for coming here today.

Mr. Hermanson, after reading your resumé and hearing some of the questioning around the table, there's no doubt in my mind about your qualifications. The only argument that somebody would give, and certainly not a valid one, is anything based on partisanship. I think that argument will go on forever. When somebody gets a role such as what you have ahead of you here, that argument will always come from the opposition people, if they think so. So that's irrelevant in the whole thing.

The fact that you have some political experience and the fact that you have been involved in agriculture actually hits home very closely. I married my good wife in 1975 and started farming full time, albeit with my father, for a number of years. So I can relate to that, and I've been through a lot of the same experiences.

In your role here, Mr. Hermanson, one of the things I'd like to hear you talk about is that things have changed and are changing still, as we speak, in the grain industry, and through the ethanol and biofuels industry, and through some of the recent trade agreements that have been reached by this government and some that are still being negotiated, which definitely are going to benefit agriculture as much or more than any other sector of Canadian business. I'd like to hear your ideas on how you're going to use your position here and direct the grain industry to deal with those.

I think another one that's really positive is that Canadian farmers, especially western farmers, have made it quite clear how happy they are to be able to have a choice in barley sales. There could possibly be a large increase in barley acreage across the country.

So I'd like to hear you speak a bit about those three things, the challenges and how your role will help direct them and help the industry come out of it in the best shape at the end.

Mr. Elwin Hermanson: Thank you for the question.

First of all, the agriculture sector is a large one, and the Canadian Grain Commission deals with the grains component of that sector. Whatever we do has to be within the mandate of the Canada Grain Act, either the current one or future acts as determined by Parliament. So anything I do, anything the commissioners do, anything the Grain Commission does has to be under the auspices of the Canada Grain Act. I want to make that very clear.

That said, under the Canada Grain Act as it currently exists and as it would exist under Bill C-39, we are a player in the registering of new varieties to meet the challenges of current and future market opportunities. You mentioned biofuels. There are also feed grains, agronomic principles, and disease resistance. The work we do at the Canada Grain Commission equips producers or gives producers the seed, if I can be really blunt, to help them prosper in the agriculture economy that they are in and will face into the future.

I consider that role to be very important. Anything to do with food I think is incredibly important, because food is such a critical ingredient that, as Canadians, we take much too much for granted. The Canadian Grain Commission is one of the factors that ensure quality of food. The CFIA is another, and Health Canada is another. But we have our niche; we have our role to play in ensuring the safety of grains. All this is for the benefit of producers.

There is a change in agriculture. Back when I started farming, which I guess was about the same time as you did, sir, they were still cooping boxcars. Now we're moving to IP, where a lot of our grain is moving through containers, which provides some challenges for the Grain Commission. Under the existing act, we're set up to handle carloads of grain, and not so much containers.

So these are challenges of the future that the Grain Commission has to stay on top of, and we have to function within the Canada Grain Act to serve producers, serve the grain industry, and serve Canadians in such a way that this industry prospers and that the farm sector is a healthy one.

● (1015)

Mr. Larry Miller: You briefly mentioned CFIA, Mr. Hermanson. Do you see anything in the immediate future in working with CFIA that could benefit the grain industry? Do you have any comments on that?

The Chair: Mr. Hermanson, I'll ask that you keep your response very brief.

Mr. Elwin Hermanson: Very briefly, we are currently cooperating with the CFIA. We're accredited to do some work on their behalf, and I think that provides a benefit to producers.

The Chair: Mr. Easter, you have five minutes.

Hon. Wayne Easter: Mr. Hermanson, in response to a question from Mr. Lauzon, I believe it was, you said you serve under the Minister of Agriculture. What do you mean by that?

Mr. Elwin Hermanson: I mean that while I'm not a deputy minister, my title is deputy head and I am directly responsible to the Minister of Agriculture. I submit my reports to the Minister of Agriculture; he tables those reports in the Parliament of Canada. That is the structure under which the Canadian Grain Commission functions, and it has been for quite some time.

Hon. Wayne Easter: I'm aware of the act, but are you implying that you take your direction from the minister?

Mr. Elwin Hermanson: In some regard. He provides us with a statement of direction.

There is another component, which we haven't talked about this morning, where we act as a quasi-judicial body. In that regard we are totally at arm's length from the minister, because in that role we are an arbitrator between producers and others in the grain handling system, or industry stakeholders themselves.

Hon. Wayne Easter: That's one of our major concerns. I think you can see that from the questioning from the opposition.

The history of this government has been to basically undermine the independent authorities of regulatory bodies, the Canadian Wheat Board being one. They didn't like the CEO challenging them and speaking for the board, as was his responsibility, and they fired him. It was the same with the nuclear regulator—the Canadian nuclear safety commissioner. She was fired for having done her job under the legislation.

My concern is not necessarily on your qualifications, but where you will take your direction from. Will you have the independence to stand up to the minister when concerns arise? You did mention the other two commissioners, the assistant commissioner and the deputy commissioner, and I know both of those folks as well. But I also know, like you, that they've long been advocates against the Canadian Wheat Board. Their views very much parallel the minister's.

I'm concerned about the weakening role of the Canadian Grain Commission. I laid it out on the table in the beginning. I do think it

was an error, and I was hoping you would say it was an error, in terms of your strong promotion of Bill C-39.

In any event, you did say to Mr. Lauzon that there were many farmers who expressed support for Bill C-39. In your role as chief commissioner, have you had any concerns expressed on the opposite side—very strong concerns—about Bill C-39 and where it might go?

I don't know whether that's in order or not, Mr. Chairman.

● (1020)

The Chair: I'll leave it up to the discretion of the witness. He has talked about Bill C-39 already, so I guess that door is open.

Mr. Elwin Hermanson: I wouldn't describe it, Mr. Easter, as strong concerns, but I would say that there is some uncertainty as to the practical results of the implementation of Bill C-39. That's an area the commission was involved in for some time prior to the tabling of this bill. In fact, that discussion and advice regarding these same issues was given to the previous government. It goes back to the 2002 independent report that was talking about the removal of some mandatory services that are currently provided by the—

The Chair: Time—

Mr. Elwin Hermanson: I want to get directly to your question about my role.

I have committed to uphold two values. One is that public servants will give honest and impartial advice and make all information that is relevant to a decision available to a minister. That is one of my roles as a deputy head, and I intend to give honest and impartial advice.

The second is that I will loyally implement ministerial decisions lawfully taken. That also is part of the code. And that applies to my role as the chief commissioner of the Canadian Grain Commission, but only as it pertains to the Canadian Grain Commission.

When it comes to the issue of the Canadian Wheat Board, that is not an issue we deal with, other than, as I mentioned, that the Wheat Board is a client of the Grain Commission, and we would deal with that client in the same way as we would deal with all other clients of the commission.

We don't involve ourselves in the Wheat Board issue. I understand that is an issue. Of course, from my past life, I know that's an issue. But in my role as the chief commissioner of the Canadian Grain Commission, we deal with Grain Commission issues and those alone.

As a final point, I would reiterate that the commission plays a role as a quasi-judicial body totally independent of the minister. I understand that role. At no time has there been any indication from the minister or from the government that the relationship or that role would change.

The Chair: Time has expired, sir. I'll go to a third round later.

Mr. Storseth.

Mr. Brian Storseth: Thanks very much for coming, Mr. Hermanson.

This must be a nervous time for you. Many of us who sit on this side, as you have in the past, often dream about being able to be where the rubber meets the road, in a position such as you have, so there must be many things you're looking forward to doing.

I have several questions for you. I'll start with your op-ed piece. Do you believe you've been identified with the Canadian Grain Commission now?

●(1025)

Mr. Elwin Hermanson: With regard to the op-ed piece, certainly there's been some recognition. I've been asked to represent the commission in different places as a result of that hookup. I have to be careful about what I say, but outside the realm of politics, the response has been positive. That is what we were intending and hoping for. That was the purpose of the communication.

Mr. Brian Storseth: I can tell you that some of my producers who read the op-ed piece were very happy. It was the first time they realized you were with the Grain Commission. They recognized your name and they were very happy to see you there.

That leads to my second question. Do you believe this op-ed piece has reassured some farmers in the industry that the impacts of Bill C-39 won't weaken the grain quality assurance system? I know that several of the producers in western Canada I've heard from who've read the op-ed piece were happy to see the information in the op-ed piece. Do you believe this was a success?

Mr. Elwin Hermanson: I think it's not complete. Obviously the bill is still under consideration. We understand that and we are prepared to carry out the Canada Grain Act, no matter what form it is in.

That being said, I wouldn't say there is either a.... Except for maybe a very few people, there isn't a cheerleading section, nor is there a naysayer section. Most producers are in between. They want the information. They generally agree with the principle of reducing their costs—and of course not too many of us would disagree with that. They are asking questions about how Bill C-39, if it is implemented, will impact this, that, or the other.

The role of the Grain Commission is to provide them with the information as best we can, and I think we do a fairly good job.

Mr. Brian Storseth: Absolutely. In any industry you look into—and agriculture is no different—you need stability, and one of the worst things for our producers is not knowing the direction in which things are going and not knowing the issues to be highlighted that will be coming up. And I believe your op-ed piece, as well as things that followed that were written by the Grain Commission, have helped to reassure producers.

I believe it's an important role. You need to continue to get out there as the commissioner to ensure that our producers have that information and have that stability. I think it's vital, and I think you've taken some excellent first steps in your early days in this position.

How much time do I have left, Mr. Chair? I guess I'll quickly go through a couple more questions.

I don't see anything on your resumé that precludes your being an excellent commissioner of the Canadian Grain Commission. Do you see anything that does?

Mr. Elwin Hermanson: I had actually hoped we would talk more about that. It has come up several times, but then we've never actually gotten to the point where I could talk about my qualifications. And the clock is ticking here.

I would just say that I've had many leadership roles in the private sector, in the non-profit sector, and in the public sector. And I have a very good success rate in all three of those areas.

I guess the most successful I've been, particularly as it relates to agriculture, is that in the province of Saskatchewan an overwhelming number of people from the agriculture sector—from rural Saskatchewan, from farm communities—wanted me to be in charge of the province and be in charge of a \$6-billion-plus budget that affected not only agriculture, but health care, education, the environment, justice, municipal politics, and federal-provincial relations. And they overwhelmingly asked me to take on that responsibility. That, to me, was the highest honour that could ever be bestowed upon an individual.

Somebody complained about my resumé being too short. I could have stretched it out longer if I had wanted to. I don't even know what version you have. It could be the one that's on the website, for all I know. I think I have a public record that speaks loudly enough for me. I don't feel particularly comfortable going around blowing my own horn.

●(1030)

Mr. Brian Storseth: Thank you very much. I appreciate your dedication.

The Chair: We'll go to Mr. St. Amand for five minutes.

Mr. Lloyd St. Amand: Mr. Easter has one question.

Hon. Wayne Easter: Go ahead.

Mr. Lloyd St. Amand: Mr. Hermanson, you were appointed on January 21.

Mr. Elwin Hermanson: That's correct.

Mr. Lloyd St. Amand: And the op-ed piece was published on February 7.

Mr. Elwin Hermanson: That's correct.

Mr. Lloyd St. Amand: I presume that it was submitted and then eventually published. So it seems to me—and correct me if I'm wrong—that you saw doing an op-ed piece and supporting Bill C-39 in a public way as one of your very first tasks. Is that fair to say? It's certainly one of the first things you did.

Mr. Elwin Hermanson: It's one of the first things I did, and as I mentioned—I can't remember if it was in my statement, I reiterate it if it was—it was a management decision that was recommended to me. And that management decision had been made even before I assumed the position on January 21. The management team thought that the new chief commissioner should be introduced, should clarify some issues around Bill C-39, and should assure producers that grain quality assurance and the Canada Grain Act would be complied with.

That was brought to my attention, and I agreed with that. We made a few changes. Actually, I toned some things down, if you can believe that, and we submitted it.

Mr. Lloyd St. Amand: I mean this in an inoffensive fashion, so please don't misunderstand or take personal offence. But when I read the op-ed piece, which is a glowing, almost gushy endorsement of C-39, and when I factor in the timing of it and some of your presentation this morning, I'm concerned, frankly, that you see your role as being almost blindly, unwaveringly supportive of the government, almost to the point where you would see the commission as being something of a lackey or a lapdog to the government.

Tell me why that's not a fair comment.

Mr. Elwin Hermanson: That's not a fair comment, because as I said previously to Mr. Easter, I am committed to giving honest and sincere and accurate advice to the minister on issues. That is one of the responsibilities I have. Some of you know me. Most of you don't know me, but there are some people who know me and know that's my style. I don't mince words. I'm not a provocative combatant, but a spade is a spade with me, and I will fulfill that role.

Mr. Lloyd St. Amand: I understand.

Would you agree that your Bill C-39 op-ed was very supportive of the government?

Mr. Elwin Hermanson: It wasn't supportive of the government; it supported the objectives of Bill C-39.

Hon. Wayne Easter: This is where the rubber hits the road, Elwin. As I said earlier, qualifications are one thing. I think it's right and proper for you to give information to the minister straight up front, but as you said in your remarks, "loyally implement ministerial decisions, lawfully taken". Bill C-39 is not lawfully taken as yet. It's a ministerial government position; it's not the law under the act that you're to operate under.

My concern is not necessarily about qualifications, but where does your responsibility really lie as chair of the Canadian Grain Commission? I believe the chair said you'd be welcome to come back here as chair of the Canadian Grain Commission. But will you be speaking for the Canadian Grain Commission or the minister? The op-ed piece on Bill C-39 leads me to believe you would be a mouthpiece for the minister, to be blunt about it. That's a serious problem for us.

The Chair: Mr. Miller has a point of order.

Mr. Larry Miller: I believe the witness made it quite clear that the recommendation came from management before he got there, and from his experience as a farmer and a producer of grain he supports the contents of Bill C-39. That is part of his job, and I fail to see the connection.

• (1035)

The Chair: That's not a point of order, that's debate.

Mr. Easter.

Hon. Wayne Easter: His job as chief commissioner of the Canadian Grain Commission is to administer the act that was duly passed, not be a spokesman for the minister on proposed legislation. That's my concern.

My original question was, do you see that op-ed piece as a mistake? I think it was a tragic mistake, because it makes you seem to be not independent of the minister, to be the minister's promoter of Grain Commission business. Qualifications set aside, that's my concern.

As a member of Parliament, I respect the work you did previously. You and I might have disagreed on the issues, but you were always honest and up front with me on the issues, and I'm being honest and up front with you. I have concerns about that article, and I've heard lots of complaints. It destroys the independence you need to have as an independent chief commissioner.

The Chair: Mr. Easter's time has expired, but I would ask that your response be brief.

Mr. Elwin Hermanson: I wish I could take more time, but I simply don't accept that conclusion. I have been over this ground before as to the purpose of the op-ed piece. I have made it very clear where my role is to be independent from the minister and where my role is to be supportive of the initiatives lawfully taken by the minister.

I am currently, along with my team, complying with the Canada Grain Act as it now exists. We will continue to do that as long as it is the law. If a new act comes into place, since we are the Canadian Grain Commission, we should be able to comment on it because we are the experts on the Canada Grain Act. We are making those comments in a responsible and non-partisan way, and we will continue to do that.

The Chair: Mr. Lauzon.

Mr. Guy Lauzon: Thank you very much, Mr. Chair.

Once again, Mr. Hermanson, I'm going through your resumé. In a past life I was a public servant, and I know about living under the code of ethics. I also used to teach resumé writing. Contrary to what Mr. Boshcoff says, I want to compliment you on your resumé, because we always taught that you should write a two-page resumé. We've all looked at resumé that are nine pages long, and quite frankly, you're either going to sell yourself in the first 30 seconds or you're not. So I compliment you on an excellent resumé, but I particularly compliment you on the content.

Before I go there, I want to apologize for my colleagues on this side of the table and for all farmers. I have farmers throughout my whole riding, and I want to apologize on their behalf for the comments that were made this morning that farming isn't a credible experience. The farms in my riding are multi-million-dollar operations, and I'm sure—

Mr. Ken Boshcoff: Mr. Chairman.

The Chair: Do you have a point of order?

Mr. Ken Boshcoff: Mr. Chairman, that quote does not exist. It will not show in Hansard. No one even came close to saying anything like that. The gross distortion that Mr. Lauzon is making is absolutely fraudulent. No one said that.

The Chair: And I agree, I never heard that particular comment.

Mr. Lauzon, I ask that you retract that statement.

Mr. Guy Lauzon: Point taken.

Mr. Hermanson, I have hundreds and maybe thousands of farmers in my riding, as you probably know. All of these people on certainly this side of the House have lots of farmers in their ridings. On their behalf, I do apologize for the comments that were made. These are multi-million dollar operations. When it comes to running a farm today, I have so much respect for farmers. Theirs is a much more complicated business than the average small business throughout the country.

So I just wanted to clear that up. That's certainly not the way I feel, and I probably speak for every farmer in the country.

The other thing I want to say is that I actually respect the fact that you graduated from the Full Gospel Bible Institute. I think that education is.... I'm sure that is a good school, and I compliment you for that.

Getting back to the role of a public servant, after 23 years of being a public servant, it seems to me you would understand the role of a public servant. Maybe you could expound on that. You were talking about the responsibility of the people who work for you and about your responsibility. I'd like you to reiterate that for the committee, please.

● (1040)

Mr. Elwin Hermanson: First of all, thank you for your very warm comments.

With regard to my college education, one input I got from that experience was that I was taught it was important to be a good citizen. That was one of the most valuable components I received from that education, that it's important to serve, and I have tried. As I say, I don't want to blow my own horn, so I won't go beyond that, but that training helped me in my public service.

Perhaps my more practical, hands-on involvement with understanding public service came from the four years I chaired the public accounts committee in Saskatchewan. That may not be shown on my resumé. At times on a weekly basis I would have deputy ministers and key officials from departments come before our committee. They would explain the work of their department. They would deal with the problems as pointed out by the provincial auditor in Saskatchewan. We would make recommendations. They would report on how they had been able to comply with those recommendations.

It was almost like being at the highest level of academic training in a very practical sense. I would see departments that were run well by public servants, where the opposition was hard pressed to find fault with them. I was part of the opposition chairing that committee. I would find other departments that had recurring or habitual problems. They had problems with senior management, problems with their employees.

So I was able to draw some conclusions as to what made a good public servant and where problems and potential pitfalls lay. I saw that over a four-year period.

Maybe I'm preaching to the converted here, but if anyone ever gets a chance to serve on a public accounts committee, by all means take it. Some people think it's boring, but I think it's fascinating. You understand the public service, you understand what public service is,

and you see what's good and what can be improved upon. I also had the benefit of hearing from the provincial auditor, an unbiased third party who provided me with invaluable lessons and training.

Mr. Guy Lauzon: Thank you very much.

The Chair: Monsieur Bellavance.

[Translation]

Mr. André Bellavance: Thank you.

Mr. Hermanson, the least one could say is that you are luckier than Adrian Measner and Linda Keen. Do you think these people would have lost their job if they had done what you did?

You were barely appointed when you staked a position by writing this open letter on Bill C-39 published in *The Western Producer*. All the colleagues around the table here have mentioned this op-ed piece of February 7. You were appointed on January 21.

Personally, I religiously read *The Western Producer* just as I read *La Terre de chez nous*, because I want to also know what is happening out West. When I read this piece, my feeling was that a senior official who had just been appointed, you were carrying the minister's and the government's message and that this was pure partisanship since Parliament has not even finished considering this bill. You must have known that it is controversial. A memo was even sent to employees to tell them that they had no right to speak about it if their comments were critical of the government. You will not admit that this is a gag order, but I call this censorship. People only have a right to speak if they will not criticize. You knew then that the bill was attracting criticism and that it was in the government pipeline, but you nevertheless went ahead with this open letter saying that you support Bill C-39 as is. In my view, this was a partisan comment.

You did what Mr. Measner and Ms. Keen refused to do. They lost their job and you kept yours.

[English]

Mr. Elwin Hermanson: Mr. Chair, I cannot and would not comment on what has happened in other areas of government. I simply have no knowledge of what occurred in those areas.

With regard to the op-ed piece and with regard to the memo that went out to employees, I think I've been over that two or three times. I'm not sure if there's anything I can add. I would just reiterate that in both cases our objectives were, I believe, correct and according to the codes that we're required to follow.

● (1045)

[Translation]

Mr. André Bellavance: In order to assess your qualifications, we must determine, as my colleague Ève-Mary said, the quality of your judgment. By writing this letter, I believe that you infringed on the privilege of Parliament to decide whether any given bill is good or not. This is interference. You are now a senior official. You have been appointed to a senior public service position. You have been a member of Parliament, which is not a blemish. We would be crazy around this table to say the contrary. Nothing prevents an MP from getting another job once they are no longer elected, we all agree. However, it is no longer the same job, it is no longer a partisan job.

As I quoted your own words when you talked about the Canadian Food Inspection Agency in 1996, no one has been appointed by the conservative government unless having references as a strong supporter of the Conservative Party. At that time, you were a Reform member so you knew what you were talking about. Today, you had barely been appointed when you immediately took position in support of a bill that is dear to the government. You are doing the government's job. The members, the parliamentary secretary, everybody says this is a very good bill. But you have just been appointed as a senior official and it is not your job to say whether a policy is good or not. Your job is to implement legislation once it is passed.

Did you not act hastily by stating your views while the bill had not gone through all parliamentary stages?

[English]

Mr. Elwin Hermanson: Thank you.

Mr. Chair, one of my responsibilities as the chief commissioner is to communicate to stakeholders. The purpose of the op-ed piece was to communicate, not to parliamentarians—although we're happy that they read the piece—but to producers in a way that would assure them that grain quality assurance could be maintained under the bill and that the Canada Grain Act would place the interest of producers as a primary importance. That was the purpose of the communication, and in my opinion the communication accomplished what it set out to achieve. I fulfilled my role as a communicator in that regard.

Other than that, I can repeat myself, but I think that's about the only new perspective I can bring to the member's question.

[Translation]

Mr. André Bellavance: Mr. Hermanson, I will tell you the difference. If Bill C-39 had become law, I would never have faulted you for having written such an op-ed article stating that the legislation had to be implemented, because that would have been your job. It does not matter whether the bill had been passed unanimously or on division, Parliament would have enacted legislation and it would have been your job as chief commissioner of the Canadian Grains Commission to implement whatever law Parliament passes. This is normal. The problem is that you commented on a bill before it was passed.

[English]

Mr. Brian Storseth: On a point of order, Mr. Chair, I've tried to delay this as long as I can out of respect for Mr. Bellavance this time, but I have two points, Mr. Chair.

First of all, the Canadian Grain Commission needs to have a position on this. When we bring them before the committee, it will be before the law is enacted. It happens all the time, in the transport committee and everywhere else. We ask the experts their opinion on it before the law is enacted. It's critical for farmers to know that.

The second point is that it was the Conservative government that actually wanted to implement an appointments commission, and it was the opposition that stopped it. The opposition trashed Gwyn Morgan, a respected individual, businessman of the year in Calgary—

[Translation]

Mr. André Bellavance: Is this a point of order? It is not a point of order.

Ms. Ève-Mary Thai Thi Lac: Mr. Chairman, is this a point of order?

[English]

The Chair: Brian, if you have a point of order, make a point of order. Otherwise, it's just debate.

Your time was expired about a minute and a half ago, so if you can get to the point of your final question, Mr. Bellavance, please do.

[Translation]

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

In fact, this is what I tried to explain. There is a difference between supporting a government legislation once it has been passed and doing so before. You have been able to express your views in this open letter but the employees of the Canadian Grains Commission did not get the right to do the same.

Could you have made a mistake or lacked judgment by publishing this letter in *The Western Producer* on February 7?

[English]

Mr. Elwin Hermanson: I'll try to keep it very short.

I do not believe it was a mistake. The bill that was tabled was not hypothetical. We weren't talking about a hypothetical piece of legislation. We were talking about actual tabled legislation upon which we have had input. These issues were discussed, and the commission was providing input back. I know that as early as 2002—because I have the independent report that was received in 2002—the commission has had input on these very issues through the evolution of what is now Bill C-39.

Producers and stakeholders wanted to know what the impact of Bill C-39 would be, and we tried as honestly as we could to communicate that. I think that's a proper role for the Canadian Grain Commission to play. It would be irresponsible not to communicate to producers what the impact of the bill would be.

I don't think that as members you would argue that eliminating mandatory procedures at the commission that I think most members feel are unnecessary is an unwise thing. Our mandate under the existing Canada Grain Act is to work to the benefit of producers. That is our mandate, and in the communication of the impact of Bill C-39, I believe we were fulfilling that mandate.

•(1050)

The Chair: Mr. Atamanenko.

Mr. Alex Atamanenko: Right now, at the government operations committee, they're listening to Justice Gomery tell them how this government has not followed through on recommendations, one of which was to make merit-based appointments.

I believe you are a sincere person and I respect your qualifications and your background. I do believe I could say that you are a victim of circumstance. I think we're here looking at your appointment as grain commissioner as another partisan appointment. I'm wondering how this government can defend making an appointment based on—I'll say it—party credentials and on ties with the minister.

I'd like your comment on that, please.

Mr. Elwin Hermanson: My appointment was not made on the basis of my relationship with the minister. It was based on the qualifications that I was required to have, and I have a list of them here.

Quite frankly, I think I rate pretty highly on all those qualifications. It was on that basis that I agreed to put my name forward for the position, and I at no point in the process sensed that I was receiving any special attention, nor were any shortcuts taken. I went through the same hoops as everyone who would apply for any position would go through. The result was that I won, and I accepted that I won based on my qualifications. If it were any other way, I wouldn't have accepted the position.

Mr. Alex Atamanenko: We're not allowed to talk politics and we're not allowed to be partisan, but we can talk philosophy. There is a philosophy in our country that many subscribe to that talks about less government, deregulation, and privatization. Those who often believe this philosophy believe we should be downsizing various agencies. In this case, we have the possibility of a loss of 200 jobs at the Grain Commission. You mention that you value the workers, yet you're saying some will have to go. How can we do that and maintain the quality of the Grain Commission as we move forward?

Mr. Elwin Hermanson: If the chairman will indulge me, let me give you an illustration. I hope this is a relevant illustration, and if it isn't, I apologize.

If I purchase an automobile in one province and want to move it to another province, it has to undergo an inspection, as a rule, to ensure that it's safe. But if I move that vehicle from one point to another point within the same province, I am not required to have an inspection done on that vehicle. What we were finding increasingly in the grain industry is that we were inspecting grain that, for lack of better terminology, was staying within the same jurisdiction. It was a cost that most people—maybe not 100%, but most stakeholders—would agree was not a necessary cost. Does it mean that in the case of your vehicle, if you thought there was a problem with it, you wouldn't have it inspected, if it were your choice, and that you wouldn't incur that cost if you felt it was required?

Does that help you to understand why the commission and, I think, stakeholders feel that some of the mandatory costs, as they occur under the current Canada Grain Act, need to be made optional and to be determined by those within the same jurisdiction? To me, that illustration made sense.

This doesn't mean that the inspections can't take place. Under the new act, those inspections can take place; they just won't be done by the Canadian Grain Commission. Those who inspect the grain would have to be approved by the Canadian Grain Commission. It doesn't mean that the Canadian Grain Commission can't monitor the quality of grain that moves; we still have the ability to monitor, to ensure that the quality is there and that registered varieties are involved. We

have all of the powers that producers need to ensure that the grain quality assurance is there.

It's on that basis that we put this as the priority ahead of what you said were 200 job losses—though we don't know exactly how many there will be. It's not that we're happy about the jobs; but again, our primary responsibility is to work on behalf of producers in the grain industry and to the benefit of Canada. That's what we're trying to do.

• (1055)

Mr. Alex Atamanenko: Thank you.

Mr. Chair, is it appropriate for me to make a motion at this point in time?

The Chair: It is.

Mr. Alex Atamanenko: I would like to make a motion that—

The Chair: We've gone through four rounds, and the time has just about expired. It's the appropriate time in committee to—

Mr. Elwin Hermanson: Can I say thank you?

The Chair: Thank you, Mr. Hermanson. We really do appreciate your appearance.

Mr. Elwin Hermanson: I want to thank the committee for asking me to appear. I feel very honoured that you would take a couple of hours out of a very busy schedule to hear about my appointment to, and the work of, the Canadian Grain Commission.

I wish you well in your future deliberations.

The Chair: I'm sure we'll see you here again, as we often call the Canadian Grain Commission before committee for their expert witness on various issues, and will do so for the upcoming Bill C-39 when it gets to committee.

Mr. Atamanenko, the floor is yours.

Mr. Alex Atamanenko: The motion I would like to propose is the following: that in the judgment of the committee we disagree with the appointment of Mr. Hermanson as chief commissioner of the Canadian Grain Commission.

The Chair: We have a motion on the table.

Do you want to expand upon that?

Mr. Alex Atamanenko: Very briefly, and it's not to question Mr. Hermanson's integrity. I believe he is a victim of circumstances. I believe that his ties with the minister are too close, and I believe his background would make it very difficult for him to be non-partisan in his dealings with the government on behalf of the farmers.

I'll leave it at that.

The Chair: Mr. Miller is first, and then Mr. Storseth and Mr. Boshcoff.

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

Of course I'm certainly not going to support this motion. In hearing the testimony, reading the resumé, which is an excellent resume, and learning something that I found out through the meeting, which was re-endorsed by my colleagues here, Mr. Atamanenko and Mr. Easter, about Mr. Hermanson's integrity, if I'd had a chance for one more question, it was going to be along the lines of what I really heard here today, which as I said was reinforced by two of our members across the way, about that integrity and basically Mr. Hermanson's honesty and shoot-from-the-hip style. I try to be that way—well, I don't know whether I try to be, I am that way—and what I find is that people who have a tendency to do that speak from the heart. They speak the truth. If I'd had one question, it would have been whether the thought ever crossed Mr. Hermanson's mind to change his mind when he saw the recommendation from management, when he first took over his position, when he thought about the political side—and to just take away any possible political heat, if I could use the term, that he's taking here and that I think is unjustified.

I know I can't put words in his mouth, but I think his answer would have been, absolutely not. That's the kind of guy we need here—a guy, person, lady, and what have you. I think it's very credible.

I think this motion smacks and stinks of pure partisanship, and it's unfortunate. This should be about qualifications. Everything right up to and including integrity has been endorsed here about the man's ability. It should be a non-issue.

• (1100)

The Chair: Mr. Storseth.

Mr. Brian Storseth: Thank you very much, Mr. Chairman.

If you'll just stay with me, I beg the committee's deference for just a minute.

First of all, I do not believe that the opposition members, in particular Mr. Easter and Mr. Atamanenko, can actually endorse this. Unfortunately, there was much conversation about whether or not a farmer is qualified. I think Mr. Boshcoff has set the record straight that he believes farmers are competent and qualified to hold this position, and he's nodding his head yes.

I can quote Mr. Easter himself. He said he did not doubt your qualifications or competence.

If I can have the committee turn to page 877 of Marleau and Montpetit,

A committee has no power to revoke an appointment or nomination and may only report that they have examined the appointee or nominee and give their judgement as to whether the candidate has the qualifications and competence to perform the duties of the post to which he or she has been appointed or nominated.

This motion, if we report it back to the House, has to be along those lines. We have to be speaking directly to the candidate's qualifications or competence. It is on the blues that several members of the opposition agreed to his qualifications and competence.

So I don't see how this motion can go forward.

Thank you.

The Chair: The way the motion is worded, it says that they're disagreeing with the appointment, so it's open-ended.

Mr. Brian Storseth: Standing Order 111(2), Mr. Chairman...and if you refer to Marleau and Montpetit, page 877, just before the topic of subject matter, studies, as I quoted:

A committee has no power to revoke an appointment or nomination and may only report that they have examined the appointee or nominee and give their judgement as to whether the candidate has the qualifications and competence to perform the duties of the post....

That is what we have to report back on. It's very clear in the Standing Orders.

The Chair: The motion is just saying they disagree with the appointment. It doesn't have a reason why.

Do we have to stipulate the reason it's in there? It does stipulate on page 877 that we have to report back and we have to give our judgment as to whether the candidate has the qualifications and competence to perform their duties. You have to be more specific.

In the past, when Mr. Johnson was appointed to the Wheat Board as a director, we brought forward.... When we reported back that we didn't agree with the appointment, the committee said that they'd failed to demonstrate that they have the qualifications necessary to fulfill the requirements.

So it has to be a lot more specific. I think I'm going to have to agree with Mr. Storseth that this motion is out of order.

I believe that if you guys want to....

Hon. Wayne Easter: Can I make another one, then, Mr. Chair?

The Chair: You can amend the motion. Are you going to move an amendment?

Hon. Wayne Easter: I don't have it in front of me, but my amendment would be "as he failed to respond to the concerns of the committee with respect to demonstrating the qualifications necessary to fulfil the requirements expected of the position of chief commissioner of the Canadian Grain Commission".

That's along the lines of Bruce Johnson's motion.

I would move that amendment. If Brian wants to argue competence, if competence goes to the issue of being independent of the government, that's my concern. We've seen the op-ed piece, which is promoting legislation that is not yet the law and does in fact sway public opinion along the lines that the minister wants it swayed.

The history of this government, the record of this government, is absolutely clear: anybody who stands up to the Prime Minister is fired. What we need in these positions, as chief commissioner of the Grain Commission, or head of Canada's nuclear regulatory authority, or head of the Canadian Wheat Board, is people who are going to be strongly independent of the government. The article that appeared in several western papers leads me to believe this chief commissioner would be more of a spokesman for the government than an independent regulator administering the Canada Grain Act, so that's where I'm coming down on it.

If the record of the government weren't so bad, that it just puts people in place who speak its line, then we could look at it differently. But the record is terrible, so we have no choice but to oppose this appointment.

•(1105)

The Chair: Okay, I'll just read the amendment. It's an addition. We'll probably have to wordsmith this a bit yet.

This is an addition to Mr. Atamanenko's motion, that after "Canadian Grain Commission", we add, "as he has failed to respond to the concerns of the committee to demonstrate the necessary...".

Are we saying "qualifications"?

Hon. Wayne Easter: Yes, qualifications.

The Chair: So "qualifications to fulfil the requirements expected of an appointee to the Canadian Grain Commission."

That is the amendment.

Mr. Boshcoff, Mr. Lauzon, and Mrs. Skelton.

Mr. Ken Boshcoff: Thank you very much, Mr. Chair.

With regard to qualifications, in studying the resumé further, I would have to say that Mr. Hermanson's experience as a farmer is in one of the most noble professions. It certainly lends quite a bit of credence to his application. My concern then becomes one of independence and experience in terms of managing an organization such as the CGC.

Thank you very much.

The Chair: Mr. Lauzon.

Mr. Guy Lauzon: Thank you, Mr. Chair.

It's a little disappointing that the very motion is concerned, apparently, with the possible partisanship of our appointee, yet here we see partisan politics at its highest level.

The initiator of this motion and the person who amended it both have said, without reservation.... To quote Mr. Easter, he said he has no concern about his qualifications, and Mr. Atamanenko, "I respect your qualifications."

If this isn't partisanship, how is it possible for a mover and somebody who has amended a motion to be on record as saying that and then put that motion forward? This is hypocritical at best.

The Chair: Mrs. Skelton, Mr. Atamanenko, and then Madame Thi Lac.

Hon. Carol Skelton: Mr. Chair, I sit here with great disappointment in my colleagues.

As a person from the province of Saskatchewan, I have known Mr. Hermanson over the years. I have known his personal service to his province, to the people of Saskatchewan, to the agricultural community. I know what he did while he was a member of the Legislative Assembly of Saskatchewan, and the partisanship I see going on today almost breaks my heart.

I think that being involved in political life doesn't mean that you cannot uphold your pledge when you take a position. When I retire from this place, I hope that just because I served the people of my province, and those people put me in and gave me the privilege of serving here, I will not be taken to task by a group of people saying I'm not qualified to hold this position.

I'm very pleased that Mr. Hermanson applied for the position and received the position that he did receive. He's very well respected in our province. And it gives me great disappointment, because over the years, sitting across from Mr. Easter, Mr. Boshcoff, and Mr. St. Amand when they were in the government of this country, I saw people appointed who I maybe would have called at that time political appointments.

I find this a really partisan position. I really think Mr. Hermanson is a very credible appointment and I believe we should be supporting him totally.

•(1110)

The Chair: Go ahead, Mr. Atamanenko.

Mr. Alex Atamanenko: I have a couple of comments on qualifications.

When I look at this resumé, I admire the involvement with the Christian Embassy goodwill visit to Vietnam and the fact that he did spend time as an MLA and as leader of the opposition. That's major experience. I admire that, and that's what I meant when I talked about admiring his qualifications.

However, whether we like it or not, we are in a very political time. We've got Justice Gomery telling us we should be very careful on the appointments we make because others have made mistakes and mistakes are being made now, so in that sense it is partisan.

I think Mr. Hermanson is a victim of circumstance, and I don't think he should have been appointed by the minister in light of what's happening. For that reason—and his background—I don't support his nomination to this post.

The Chair: Go ahead, Madame Thi Lac.

[*Translation*]

Mrs. Ève-Mary Thaï Thi Lac: You know that I am newly elected and I had, just as you when you were first elected, to set up a team of assistants. We receive all sorts of resumes in our offices. Based on their resumes, people can look very impressive and so you invite them to an interview. But it is not only the resume that is indicative of how the person will do the job, there is also what is called judgment. Very often, when we meet people in an interview, it becomes apparent that the best resumes do not always belong to the best people, those who show good judgment. Sometimes, it does not even become apparent in the interview, only later once the person has been hired. Sometimes, things turn out very well, but it happens that people who work for us show a lack of judgment.

Earlier, I asked Mr. Hermanson if he considered himself as political staff or as a senior official. He answered that he viewed himself as a senior official. The job of a senior official is to implement legislation and not to express opinions on a given bill. I am of the view that he showed a clear lack of judgment. This is why I say that we should dissociate his judgment and his resume.

[*English*]

The Chair: Thank you.

Go ahead, Mr. Miller.

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

Ms. Skelton's comments have really, I think, gotten to the root of what we're talking about here.

I'd like to go back to Mr. Atamanenko's comment. I respect Alex as much as anyone on this committee. I think he's a genuine individual; Mr. Storseth too. But the only way that Mr. Hermanson can be a victim of circumstance here is if we make it that way, "we" being this committee. And I believe we're on the way to that if this motion passes.

Something that Mrs. Skelton said really made me think. A few months back, when the Prime Minister appointed John Manley to prepare and study the issue of Afghanistan and come back with a report, my first thought on it was, "Wow, will he stay non-partisan?" It was just a passing thought. A number of my constituents said the same thing to me. But at the end of the day, I told my constituents, "Look, Mr. Manley was a well-respected MP when he was in Ottawa, to my knowledge, and we have to give somebody with that kind of qualifications the chance to do the job."

At the end of the day, the fellow came back with a report that I believe was honest. It was not, in any way or shape, partisan or what have you.

The same thing applies here. It's about qualifications. We've had some members across the way talk about his ability. Mr. Boshcoff just re-endorsed that. Mr. Hermanson's experience as a farmer is definitely an asset. His experience as a politician is definitely an asset. He knows how the system works. His integrity has been endorsed more than once. This is a non-issue—except partisanship, if we allow it to be there.

As Mrs. Skelton said, if the fact of being a member of Parliament would disqualify, for instance, Mr. Easter, after his days are done here, from having some kind of agricultural appointment, I think that would be a dang shame—as it would be for me, or you, Mr. Chairman, or anyone else. If the qualifications are there, that's what we should be looking at.

So I would just ask everybody here to really look at this honestly and leave the partisanship aside. The man is qualified. I fully endorse his appointment to this position, and I think history will prove that this is a great appointment.

I think I should leave it at that, Mr. Chairman.

• (1115)

The Chair: Mr. Lauzon.

Mr. Guy Lauzon: I've been very impressed with this committee since I've been on it. We put farmers first, and we take the concerns.... I know that other committees are experiencing some difficulties, probably originating over partisanship. I would implore the members of this committee: if there ever was a time to all get on the same page, it's today.

We have a candidate who meets every qualification. Three of the opposition members have lauded this gentleman, as we have. I think we would be doing a disservice to our committee, a disservice to the farmers, and a disservice to Mr. Hermanson if we did endorse that motion.

Thank you.

The Chair: Mr. Easter.

Hon. Wayne Easter: This is not partisan, Mr. Chair, as much as the government side wants to make it look that way.

I went on at length before about the importance of the independence of people in these kinds of positions. I gave you the examples: the Canadian nuclear regulatory authority, the Canadian Wheat Board, and so on.

As Alex says, Mr. Hermanson finds himself in a position of, really, circumstance. The government's record is terrible in—

Mr. Larry Miller: On a point of order, Mr. Chairman, Mr. Hermanson has not proven, in his days there, that he can't do the job. For the individuals Mr. Easter is talking about, there was a reason why. I'm not going to get into those. I think it's all gone public enough. There's a huge difference, and he knows it as well as I do.

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

Hon. Wayne Easter: On the point of order, Mr. Chair—

• (1120)

The Chair: It wasn't a point of order, but go ahead.

Hon. Wayne Easter: The reason was that Adrian Meisner stood up to the minister on behalf of his board of directors, who were elected by producers, and the Prime Minister didn't like it, and he was fired.

Ms. Keen did her job for the same reason, and the Prime Minister didn't like her standing by the laws of the land, so she was fired.

In this case Mr. Hermanson in his remarks basically said, "The Values and Ethics Code for the Public Service also clearly states that public servants must loyally implement ministerial decisions, lawfully taken." Well, the article on Bill C-39 was not the law. The law is what I showed you earlier in that big binder, the Canadian Grain Commission Act. That's the law. This is a proposed law. There are lots of concerns. We're hearing from the agriculture union and concerns from producers over many areas in Bill C-39 or the Canadian Grain Commission changes.

Mr. Hermanson said, and I quote in the article, "As chief commissioner of the CGC, I strongly support this legislation and reiterate this organization's commitment to providing producers with value." Well, that is basically, in my view, the minister's voice. I don't want to hear the minister's voice. I want to hear independent opinion from the Canadian Grain Commission based on their mandate.

When we call the chief commissioner before this committee in his capacity when we're reviewing Bill C-39, I expect him to answer with a position of independence. Some of it will agree with the minister; some of it will disagree. But to make a blanket statement, "I strongly support this legislation", very shortly after it came out, when there are so many concerns by producers out there, shows me there isn't the independence from the government that's necessary for this position.

Mr. Larry Miller: And he should trash the bill even though he doesn't believe that.

Hon. Wayne Easter: No, he shouldn't trash it or praise it. He should do an analysis of the bill from the Canadian Grain Commission's perspective and show independence from the government.

The Chair: Mr. Atamanenko.

Mr. Alex Atamanenko: Can you call the question?

The Chair: We can't call the question. We don't entertain those type of dilatory motions during debate.

The floor is still open. Anybody?

Seeing no one, I'll now take the question on the amendment of Mr. Easter adding in after "the Canada Grain Commission": "as he failed to respond to the concerns of the committee to demonstrate the necessary qualifications to fulfil the requirements expected of an appointee to the Canadian Grain Commission."

The question is on the floor.

An hon. member: A recorded vote, please.

The Chair: This will be a recorded vote.

(Amendment agreed to: yeas 6; nays 4)

The Chair: Now we are on to the main motion as amended:

That in the committee's judgment it disagrees with the appointment of Mr. Hermanson as Chief Commissioner of the Canada Grain Commission as he failed to respond to the concerns of the committee to demonstrate the necessary qualifications to fulfil the requirements expected of an appointee to the Canadian Grain Commission.

This will be a recorded vote. Is there any further debate before I call the question?

(Motion agreed to: yeas 6; nays 4)

The Chair: Is there any other business?

I will now entertain a motion to adjourn. Before we adjourn, for the information of the vice-chairs of the steering committee, we'll meet right after this right in this room.

Is there a motion to adjourn? Mr. Lauzon.

The meeting is adjourned

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