



**HOUSE OF COMMONS
CANADA**

GROWING FORWARD

Report of the Standing Committee on Agriculture and Agri-Food

**James Bezan, MP
Chair**

FEBRUARY 2008

39th PARLIAMENT, 2nd SESSION



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THE STANDING COMMITTEE ON AGRICULTURE AND AGRI-FOOD

has the honour to present its

3RD REPORT

Pursuant to its mandate under Standing Order 108(2), the Committee has studied Growing Forward and has agreed to report the following:

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THE NON-BUSINESS RISK MANAGEMENT PROGRAMS UNDER *GROWING FORWARD*

Report by the House of Commons Standing Committee on Agriculture and Agri-Food

INTRODUCTION

In June 2007, the House of Commons Standing Committee on Agriculture and Agri-Food tabled a comprehensive report on the new Canadian agriculture and agri-food policy, *Growing Forward*, which will eventually and completely replace the current Agriculture Policy Framework (APF). The Standing Committee's recommendations covered the five elements of the new policy framework: business risk management (BRM); environment; science and innovation; renewal; and food safety and quality.

On 17 November 2007, at their meeting held in Toronto, the federal-provincial/territorial (FPT) ministers of agriculture announced that they would "seek the authorities to continue non-BRM programming currently in place under the APF for up to one additional year." Although the Standing Committee report and recommendations also covered non-BRM programs, this announcement by FPT ministers of agriculture has provided the opportunity for stakeholders and the Standing Committee to revisit some of the most sensitive and important areas of these programs. To this end, the Standing Committee held four meetings in the last weeks of 2007 with stakeholders and one with the Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board. Four specific topics related to non-BRM programs that emerged from these meetings are discussed below.

RESEARCH AND INNOVATION

In its June 2007 report the Standing Committee formulated three recommendations on research; these were aimed at streamlining research projects and devoting specific components of the Canadian research strategy to primary agriculture, and at providing better data to producers through the establishment of one-stop access to information about innovation and market access. Recommendation 22 was the flagship of the three recommendations on research and innovation:

On the premise that bioproducts and innovations in the agri-food chain cannot be developed without agriculture, the Standing Committee recommends that primary production research be defined more precisely in the Science and Innovation Strategy, that there be a specific component devoted explicitly to primary production research, and that it obtain its fair share of funding.

One more component, a better balance between public and private research funding, also appears to be essential in building a long-term and sustainable research strategy that can give an advantage to Canadian producers over their international competitors. There is a feeling among stakeholders that the federal government may not be keeping pace with respect to public funding and that, as a result, the private sector is filling the void. The private sector has an important role to play in research and innovation, but so does the federal government. Therefore:

RECOMMENDATION 1

The Standing Committee recommends that the federal government increase funding for agricultural research and innovation activities in order to ensure the improved balance between public and private funding that is part of a strategy to provide an advantage to Canadian producers over their international competitors.

ENVIRONMENTAL PROGRAMS

Comprising 11 programs, the environmental component is by far the most important non-BRM section within the *Growing Forward* policy framework. The benefits of environmental farm plans and other environmental initiatives such as the Alternative Land Use Services (ALUS) are widely recognized by farming and non-farming communities. Not only do they encourage an efficient use of farm resources, but they also create a positive “ripple effect” for the public. Although discussions on these non-BRM programs are apparently going well, there is noticeable uncertainty among farmers with respect to timelines and the availability of funding in the future. Therefore:

RECOMMENDATION 2

The Standing Committee recommends that federal–provincial/territorial government discussions on the future of environmental programs be conducted in a fast-track mode that would send a strong signal to Canadian farmers about the government’s commitment to develop an integrated approach for environmental programs in farming communities.

Beyond the farm gate, environmental values are perceived as a powerful marketing tool, which is increasingly used at retail and food manufacturing levels. This is particularly true in Europe where the agri-food industry has established the Sustainable Agriculture Initiative Platform (SAI) with the main objective to actively support the development of and to communicate world wide about sustainable agriculture involving the various stakeholders of the food chain. The SAI Platform supports agricultural practices and agricultural production systems that preserve the future availability of current resources and enhance their efficiency. This increases the contribution of the agricultural sector to the optimal satisfaction of society's environmental, economic and social requirements.¹

¹ <http://www.saipatform.org/about-us/what-is/default.htm>

Although Canada is a world leader in sustainable agricultural production, this facet of our agriculture is not well known in the marketplace and, therefore, Canadian farmers can't always turn this feature of environmental sustainability into market opportunities. Differentiating products on the basis of higher environmental benefits will not only increase consumers' choices, but also their interest in lower environmental impact practices. This higher interest is essential to the success of government strategies aimed at meeting environmental objectives. Therefore:

RECOMMENDATION 3

The Standing Committee recommends that the government support agri-food industry initiatives that will bring a marketing perspective to the environmental component of *Growing Forward*. Further, the Committee recommends the development of sustainability benchmarks, supported by broad coalitions, including environmental organizations, to better position Canadian agri-food products and commodities in the international marketplace as being environmentally sustainable.

THE NEED FOR A COMPREHENSIVE REGULATORY REVIEW

One of the constant themes raised during Standing Committee hearings, whether as part of the *Growing Forward* study or in the context of other meetings, is the burden created by regulations. In its June 2007 report the Standing Committee pinpointed two areas – the Pest Management Regulatory Agency and the transport of agricultural goods – for improvement, but several non-BRM programs are also known to be highly regulated. The additional year of discussions on non-BRM programs offers a perfect opportunity to review the contradictory effects that often result from an overly rigid regulatory framework that, in many respects, is overdue for review and is no longer relevant to modern agriculture. Therefore:

RECOMMENDATION 4

The Standing Committee recommends that, during the upcoming transition year for non-BRM programs, a comprehensive regulatory review be conducted and that necessary reforms be implemented when non-BRM programs are fully integrated in *Growing Forward*.

GOVERNMENT-INDUSTRY PARTNERSHIPS

Growing Forward is negotiated at the federal–provincial/territorial ministerial level, and is guided by a “common vision of a profitable and innovative agriculture, agri-food and agri-based products industry that contributes to and benefits from the development of vibrant rural communities.” However, many witnesses also stressed the importance of a strong government-industry partnership throughout the complete agriculture and agri-food chain. Whether in commercializing research results or in developing industry-led market initiatives, it is imperative that governments and industry work in close partnership to ensure that this common vision of a profitable and innovative agriculture, agri-food and agri-based products industry becomes a reality. Therefore:

RECOMMENDATION 5

The Standing Committee recommends that a strong government-industry partnership be promoted to ensure a successful implementation of new or improved non-BRM programs to be implemented in the coming year under the *Growing Forward* policy framework.

APPENDIX A LIST OF WITNESSES

Organizations and Individuals	Date	Meeting
Canadian Federation of Agriculture Bob Friesen, President	2007/11/28	5
National Farmers Union Kalissa Regier, Youth Vice-President		
National Farmers Union Colleen Ross, Women's President		
Canadian Broiler Hatching Egg Marketing Agency Errol Halkai, General Manager	2007/12/03	6
Canadian Co-operative Association Carol Hunter, Executive Director		
Canadian Co-operative Association Lynne Markell, Advisor Government Affairs and Public Policy		
Canadian Egg Marketing Agency Harold Froese, Director		
Canadian Turkey Marketing Agency Mark Davies, Chair		
Chicken Farmers of Canada David Fuller, Chair		
Dairy Producers of Canada Jacques Laforge, President		
Saskatchewan Association of Rural Municipalities David Marit, President		
Department of Agriculture and Agri-Food Marc Fortin, Assistant Deputy Minister Research Branch	2007/12/05	7
Department of Agriculture and Agri-Food Danny Foster, Director General Business Risk Management Program Development, Farm Financial Programs Branch		

Department of Agriculture and Agri-Food

Andrew Marsland, Assistant Deputy Minister
Strategic Policy Branch

Department of Agriculture and Agri-Food

Krista Mountjoy, Assistant Deputy Minister
Market and Industry Services Branch

BIOTECanada

2007/12/10

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Philip Schwab, Vice-President of Industry Relations

Canadian Seed Trade Association

Jeff Reid, First Vice-President

Performance Plants

David Dennis, President and Chief Executive Officer

Pulse Canada

Gordon Bacon, Chief Executive Officer

Pulse Canada

Todd Stewart, Board Member

House of Commons

2007/12/12

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Gerry Ritz, Minister of Agriculture and Agri-Food

APPENDIX B LIST OF BRIEFS

Organizations and individuals

Canadian Co-operative Association

National Farmers Union

Saskatchewan Association of Rural Municipalities

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this Report.

A copy of the relevant Minutes of Proceedings ([Meetings Nos. 5 to 9 and 18](#)) is tabled.

Respectfully submitted,

James Bezan, MP
Chair