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Chair

Mr. Larry Miller

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• (1605)

[English]

The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)): Order, please.

I hope everybody had a good weekend.

I'd like to thank all our witnesses here in the first segment for being with us here today. We have representatives here from the Bison Producers of Alberta, Piller Sausages, the Canadian Pork Council, and the Canadian Sheep Federation; and we're televised here, I see.

Anyway, who's going to start off here? The Bison Producers of Alberta.

Mr. Olson, you have 10 minutes or less.

Mr. Thomas Olson (Chairman, Bison Producers of Alberta): Thank you very much, Mr. Chairman.

My name is Thomas Olson. I am the chairman of the Bison Producers of Alberta. Perhaps I can give a little background to the BPA and its interest in food safety.

Bison producers in Alberta represent approximately 25% of the bison production in the world. We supply bison throughout Canada, the United States, and Europe.

Food safety is an important issue to us. A previous failure in Canadian food safety almost destroyed the bison industry in Canada and Alberta, through no fault of the bison producers. In 2003, BSE was discovered in a beef cow in Alberta. The borders immediately closed. Bison meat, which was mostly exported, was now unable to move across international borders and, unfortunately, because of rules in Canada, was not able to move across provincial borders either. A disease that bison does not get, from feeding practices that bison producers do not use, caused a financial meltdown in the bison industry from which it has not yet recovered.

This was a problem that we understand was due to irresponsible behaviour by CFIA in failing to prohibit feeding practices that could reasonably cause BSE. We understand that it was not a failure of science, but a failure of political and bureaucratic will—a failure to do what was right. Unfortunately, those who caused the problem did not bear the consequences of that problem.

What is the role of a primary producer in food safety? Bison ranchers expect to do their part. Clearly, food safety begins on the

ranch, and ranching practices can affect not only the quality of the food but the safety of the food also.

Because bison were the keystone species on the prairies, they have a natural ability to deal with our climate and our rangeland. Bison are naturally healthy animals, with highly evolved immune systems that help them to deal with disease more effectively than domesticated and imported livestock species. Accordingly, bison producers avoid using chemicals that could have the effect or perceived effect of compromising food safety. Antibiotics are not common with bison producers. Many ranchers do not use them at all, and those who use them use them sparingly and with the advice of a veterinarian. Certainly, they are not part of the regular diet of bison.

Because bison are well adapted to native rangeland, there is less need for producers to rely on various pesticides, which have become perhaps all too standard in agriculture. We do not use growth stimulants, including hormones, in bison. We adhere to the philosophy that bison are healthiest and produce healthy food when they are not unnaturally crowded or subject to unnatural stressors.

The BPA would like to emphasize two objectives for food safety.

First, BPA believes that the protocols and enforcement of food safety must be effective; that is, they must achieve the desired results. It should be done with a scalpel, not with a meat cleaver. It must precisely deal with the potential food safety problems. Without effective food safety protocols, we cannot assure the consumers in Canada of the safety of their food, nor assure our trading partners of the safety of our food.

Secondly, food safety protocols must be reasonable and practical. In our rush to ensure food safety, we cannot substitute effective protocols with endless paperwork and other busy work; otherwise we will have either more expensive food or a food industry that is not competitive, or both.

The cost of food safety is a societal cost and should not be borne by the producer alone. There is a tempting trend amongst governments to offload the cost of food safety onto primary producers or perhaps others in the food chain. Food safety is a public issue and needs public funding. If all of the costs of food safety are borne by producers, the following consequence will arise: the cost of food will increase. To the extent that food safety causes increased food costs, it becomes a regressive tax. Certainly the costs of food safety should not be borne by those most vulnerable in our society, including children. This is a societal cost and must be borne by society.

Primary producers and others in the food chain may become uncompetitive in Canada and abroad. This will mean a reduced food industry in Canada, less tax revenues and less employment. Certainly there is no need to hamstring the cashflows of the food industry with the costs that should truly be public costs. Food safety should be part of the Canadian infrastructure.

●(1610)

Already, over half the bison in Canada are exported live to the United States to be processed there. There are many reasons for this, but the main reason is that it is simply cheaper to process animals in the United States than it is in Canada. Adding more costs to the Canadian system will only cause it to sink under the weight of endless bureaucracy.

Processors and, indirectly, producers already pay for food safety features, including the cost of inspectors, rendering costs, and the costs of increasingly expensive testing. These costs are significant and make our industry less economic and our food more expensive.

Food safety protocols must be practical and reasonable. The BPA has had great frustration with CFIA and its political overlords, who have accepted some of CFIA's practices that might be summarized in some cases as straining at gnats and swallowing camels.

A costly example of CFIA's failure is its failure to provide for interprovincial meat sales from provincial processing plants that meet food safety requirements. We understand that CFIA does not dispute that most provincial plants in Alberta meet all reasonable food safety requirements, yet CFIA has not allowed interprovincial meat sales from Alberta plants. This exacerbated the problem that arose from BSE when Alberta producers, who produce a quarter of the bison in the world, had to consume most of that bison in Alberta because we could not get it across provincial borders.

The issue of the lack of bureaucratic will masquerading as food safety has been on our agenda for a long time. I met with the former Prime Minister and the former Minister of Agriculture and explained the problem to them. The former Prime Minister said, "So you're telling me that a bison slaughtered in Alberta and processed in Alberta is safe for an Albertan but not safe for an Ontarian." When I replied "yes", he turned to the Minister of Agriculture and said, "That's stupid. Fix it." It's now several years later and it's not fixed. In fact, it's on the waiting list for surgery and may never get fixed.

I would like to say just as an afterthought that while this committee is looking at food safety, I cannot help but comment that it seems odd that we focus so narrowly on disease that comes from unsafe food but, at the same time, do not discuss disease that comes

from unhealthy food. If we were to solve all of our food safety issues, we would still have a food supply that is often unhealthy. Never has so much "safe" food caused so much disease in the people of this nation.

Illnesses from unsafe food, while important, pale in comparison to illnesses that arise from unhealthy but safe food. We have a nation with a tremendous amount of obesity, heart disease, adult onset diabetes, and similar diseases. Bison is low in fat, high in protein, and high in micronutrients, yet schools are full of unhealthy food and snacks. There is little consumer education or awareness about the healthy Canadian food choices that are out there. When will the healthy food that we produce in this country get the support from government to compete with the unhealthy food that is far more lucrative and far more promoted in advertising?

In closing, I wish to reiterate that food safety protocols must be effective, practical, and reasonable. We hope this will start with the Government of Canada properly bearing its share of the costs of food safety and with CFIA providing for the interprovincial sale of meat from safe provincial processing facilities.

Thank you, Mr. Chairman.

●(1615)

The Chair: Thank you very much, and thank you for keeping under the time. I appreciate that.

Now we'll move to Piller Sausages and Delicatessens Ltd. Mr. Stein and Mr. Laws, you have 10 minutes or less, please.

Mr. James M. Laws (Executive Director, Canadian Meat Council): I'm going to be speaking first. I'll do my comments in French. Peter will complete his comments in English.

[*Translation*]

Good afternoon, everyone. My name is James Laws and I am the Executive Director of the Canadian Meat Council in Ottawa. With me today is Peter Stein, Director, Quality Assurance and Food Safety, Piller Sausages and Delicatessens Ltd.

Piller's is one of North America's largest producers of European sausages and delicatessen-style meats, famous for award-winning products, such as Black Forest ham and European-style dry cured salamis. They also make the number-one selling dry-cured pepperoni in Canada according to ACNielsen data. They are headquartered in Waterloo, Ontario.

Their customers are nation-wide and they also export to the United States. And some of their customers are considered high-risk customers like hospitals, retirement homes etc. They recognize, as do others, the responsibility of supplying these types of customers from the top down.

Piller Sausages and Delicatessens Ltd. has been a member of the Canadian Meat Council for 35 years. Just last month in Montreal at our 89th annual conference Wilhelm Huber Senior, the founder of Piller's, was presented with our President's award for outstanding service and support to the Canadian Meat Council. He served on our board for many years as does his son Conrad Huber, now a past president and a member of our executive committee.

Wilhelm Huber Senior is the founder and chairman of the board of the Piller's group of companies and he has been a fourth generation master butcher and sausage-maker since 1949—that's 60 years. He immigrated to Canada in 1954 from Austria with only two suitcases and got his first job in Montreal with Sepp's Sausages as master sausage-maker. In 1957, he moved his family to Waterloo, Ontario with \$500 and started a company called Piller Sausages and Delicatessens Ltd.

Today, the Piller's group of five federally registered companies consists of Piller's Sausages, Kretschmar, Golden Valley Farms, Piller's Fine Foods and Piller's Distribution Centre and employs over 700 people. And Piller's is still a Canadian family-owned and run business with Wilhelm's two nephews and three sons on the senior management team. In fact I believe there is a history book on the family that is currently being passed around the table.

As meat processors we are one link in the food safety chain in Canada. From the farmer to the slaughter and cut plants to the processors like Piller's to the retailers and finally the end user we all need to have food safety up front and centre so that we pass on a safe product to the next link in the chain. This chain is the same and carries the same responsibility no matter if you're a local, provincial or federally registered establishment. It's a matter of principle, attitude and accountability.

Piller's was a provincial plant 41 years ago. And then they made the change to become federal in 1968. They have been very successful since then proving that the successful transition from provincial to federal is very possible.

Peter Stein was hired by Piller's in February of this year to be their new Director, Quality Assurance and Food Safety. Peter has been active on our technical committee for 12 years and has been a member of our Listeria working group since last summer. He is also on the industry best practice committee specifically contributing to the sanitization component. Peter worked for over 20 years for JohnsonDiversey—a leading global provider of commercial cleaning and hygiene products and technical support for food safety. Peter specifically provided the technical support to the meat and poultry sectors in plant hygiene and sanitation programs. Peter has been through most federal meat processing plants across Canada and many in the United States, and he likely knows more about in-plant Listeria control than anyone I know.

● (1620)

Listeria control is about good plant hygiene—good manufacturing practices, and cleaning the plant and equipment. But, it's also about equipment and building design; it's about proper maintenance and cross-contamination control; it's about control of the flow of people and products in the work environment and it's about environmental sampling of the packaging room and slicers and beyond.

I'll pass it over to Peter to explain what's been happening at Piller's.

[English]

Mr. Peter Stein (Director, Quality Assurance and Food Safety, Piller Sausages and Delicatessens Ltd.): Thank you very much, Jim.

What I'd like to do first is to pass around some of our products, just to show you some of the things we make, and then I'll continue on with my thoughts.

Good evening, everyone. As Jim said, my name is Peter Stein and I'm the director of quality assurance and food safety for Piller's.

I first wish, on behalf of the Piller's group of companies, to extend our condolences to the families who experienced loss during last year's listeriosis outbreak.

As an industry, we share in the responsibility of food safety in Canada and beyond. We believe that food safety is not a competitive edge, and we are working with the Canadian Meat Council and industry to focus on improving food safety in our own plants and across the industry. At Piller's, we have internally raised the bar in food safety and we take full responsibility and ownership of the commitment to ensure that our plants produce safe product for our retail and food service customers and, ultimately, the end consumer.

I have been looking forward to presenting to you today and discussing who we are and what we are doing to improve food safety in our facilities. Of course, I can only speak for our organization on these matters, and I look forward to your questions afterwards.

Last summer the processed meat industry changed forever in public perception and confidence. This, in turn, has changed the food industry, and I think the same can be said for the CFIA. We all need to work together and do the right things to improve and restore consumer confidence and product safety, by walking hand in hand down the same road in the same direction.

I assure you that recently the pace of change has increased significantly: changes in what the end consumer expects from our industry, confidence in the food safety of the products they buy. But end consumers also want more value, lower salt, less fat, allergen controls, and a cleaner ingredient list. As well, our customers have expectations for us to produce products with a longer shelf life, and we experience market pressures from imports and changing Canadian export regulations.

For us at Piller's, we are singularly focused on stepping up a number of programs and initiatives in each plant to be proactive in an ever-changing environment. As a result, we have been continually improving our food safety programs and systems corporately. We look for potential issues and concerns, then investigate the risk and follow the science in making our corrective action decisions.

These would include more aggressive sanitation practices, including two equipment inspections during the sanitation shift. We have implemented daily food-contact surface sanitizing before production starts, at breaks, lunch, and shift changes. We have new sanitation equipment that allows better cleaning of parts that are normally difficult to clean by hand. We are changing sanitizer chemistry to a more effective and aggressive program that is less affected by water quality and is specific to proteins. We have implemented a three-tier program for packaging equipment disassembly and cleaning protocol, including deep internal testing for bacteria. We are increasing our quality assurance staff in every plant to improve our monitoring capabilities. We hired a corporate quality assurance and food safety director to help bring an overall consistent focus on food safety. We are on track to double our micro-testing across the board for environmental and product testing. We are actively looking for problems even where we currently have no surface evidence of there being any.

Our most recent food safety news is that we have installed two new high-pressure cold pasteurization machines that cost our company over \$8 million. We are taking food safety seriously. We invested heavily in this new processing technology, including the two largest high-pressure processing units in North America. Piller's had looked into this technology years ago and decided to move forward in November 2006. The initial reason for entering into this \$8 million investment was for removing additives and preservatives from the ingredient lists, as requested by our customers. This technology kills all bacteria, including pathogens, from the products already in their retail packages without the additives. I have some examples here of samples that are treated and untreated just to show you that there really is no difference in the appearance of the product.

• (1625)

Having said all this, Piller's did have their first voluntary product recall this April. There were no illnesses reported. It was a small recall, with very little product, involving only one plant and involving only one piece of equipment in that plant. We did go over and above what CFIA recommended and voluntarily recalled any product that was still in circulation from that line. We acted quickly and made the right decision with no hesitation. What happened to us this April just confirmed to us that listeria is a clean-plant concern, and no matter what is being done in the name of food safety, there is always opportunity and the need for improvement.

In every one of our four production facilities in Ontario, we use state-of-the-art meat processing equipment, the most up-to-date smokehouses, and the highest quality slicing and packaging production machinery. All of our facilities are fully networked with the most advanced high-tech computer systems. As a result, we have the capability to manufacture all our products at any one of our facilities, so we can meet the demands of any customer, any request, any time of the year.

As of April 1 this year, the new listeria testing program has caused our registered warehouse facility in Waterloo to store over 700 additional pallets of product on a hold and release program, waiting for test results at any one given time. Meat processing facilities, including ours, employ highly professional food science and microbiology experts to maintain their food safety programs. We also endeavour to work closely and openly with CFIA to help them understand our processes and to implement and follow federal programs correctly. We do encourage CFIA to implement their new initiatives fully and properly in all federal establishments equally to ensure consistency and uniformity. We have recognized that this can be a challenge at times.

I didn't want to close without presenting a comment or a wish list. So some of the things we at Piller's feel strongly about are as follows:

One, imported products must meet the same standards and regulations as we face here in Canada.

Two, all plants, both provincial and federal, should be included in the scope of the new listeria policy released this past April 1. This safeguards all potential customers.

Three, more and faster access to new industry innovations and interventions is needed.

Four, the food industry is now the largest in Canada, recently surpassing the automotive industry. Therefore, we need the same access to government research and innovation funding to facilitate widespread food safety improvement nationally.

Five, we must have clarity of interpretation and consistent implementation of existing and new regulations and programs across Canada.

Thank you very much for your time. We look forward to any questions you may have.

The Chair: Thank you very much, Mr. Stein.

We now move on to Canadian Pork Council. We have Mr. Rice and Ms. Lawrence here.

Mr. Martin Rice (Executive Director, Canadian Pork Council): Thank you.

Ms. Lawrence is going to make the presentation.

The Chair: Okay, thank you.

Ms. Dawn Lawrence (Canadian Quality Assurance (CQA) Program Coordinator, Canadian Pork Council): Good afternoon, and thank you for the opportunity to present to you today the views of the Canadian Pork Council on food safety issues.

The production of safe food is of primary concern to all involved in the agrifood industry. Canadian hog producers see the implementation and demonstration of production practices that address food safety at the farm level as central to their business activities.

Beginning in 1995, the Canadian Pork Council assembled a team of food safety and production experts to develop a system that would be used by primary producers to evaluate, document, and have their production practices verified to demonstrate due diligence in their activities. When the program was launched in 1998, the hog industry was about to face a crash in the price of hogs, and producers questioned the necessity of implementing a program that reflected practices that were largely already in place. The answer then, as now, is that the program allows producers to demonstrate what they are doing.

The CQA program introduced the HACCP approach on the farm. At the time, HACCP was being widely adopted by the processing industry but was new to the farm sector. Since that time, 19 commodity groups, including the CPC, have agreed to create HACCP-based on-farm food safety programs. Simply put, we are HACCP-based rather than pure HACCP, because the risk analysis that is conducted is done at the national level and translated into materials for producers to use on the farm, rather than having each production unit develop its own HACCP model.

Participating production units are enrolled through the provincial hog boards and implement the program as it is laid out in the program materials. To gain and maintain recognition on the program, a production unit must undergo an annual validation, essentially an audit, to ensure that all CQA requirements are being met. These requirements address potential chemical, physical, and biological hazards that may be introduced to the pig during production. Hazards such as drug residues, broken needles, and bacterial contaminants are controlled on the farm through the implementation of strict protocols related to the use of medications, whether these are administered directly to the pig or delivered through feed or water; the storage, mixing, handling, and delivery of feed; barn sanitation and bio-security, including rodent control; and staff training. Bio-

security will also be addressed through the newly created Canadian Swine Health Board, ensuring that hog producers have the latest information and approaches to minimize disease risks.

The success of the CQA program tells the story. There are approximately 7,000 production units, representing over 70% of total Canadian production and over 90% of hogs slaughtered in Canada. Almost all federally inspected packing plants and many provincially inspected plants have made CQA recognition a condition of sale. That is, producers can sell to these plants only if they are on the program.

The program provides assurances to customers and consumers that Canadian hog producers are committed to doing all they can at the farm to control potential food safety hazards. With pork exports to over 100 countries valued at \$2.7 billion in 2008, providing these assurances is critical.

Although in its 11th year, the CQA program continues to evolve. Administrative and technical committees conduct ongoing work to ensure that the CQA program maintains currency in scientific understanding, production practices, and legislative developments.

With the program structure in place, we are now able to add new elements. Animal care has been identified as an important public concern. In consideration of that, an animal care program was introduced in 2005. While participation in this element is still growing, the CQA program and structure have made launching this initiative a smoother undertaking.

Additionally, new activities for access to specific export markets are also easier to implement. For example, a protocol for Paylean-free pork exports to certain countries has been developed, and we are looking at other possible initiatives.

The existence of a solid national on-farm food safety program is critical. It means that one standard is set for food safety, preventing a proliferation of company-specific or province-specific initiatives. While on-farm food safety programs are industry driven, government involvement is key. The collaboration of the Canadian Food Inspection Agency in the development of the programs and the recognition process is essential in providing credibility to customers of Canadian pork.

It can also be argued that government funding to help in the ongoing maintenance of these programs is important. Funding has been available for development and implementation, but not for ongoing program maintenance. Producers bear the cost of implementing these programs; there is no premium available to them. While these programs offer a benefit to the industry and a public good, they essentially add to the cost of production for our producers.

• (1630)

Funding for food safety research and the role of on-farm controls is also required.

Government commitment to on-farm food safety also needs to be in the domain of an efficient and streamlined regulatory system. Hog producers have been unable to access new veterinary products in as timely a fashion as producers in other countries. Despite the continual examination and review of Canada's drug licensing system, Canadian producers remain at a disadvantage. We recognize that Canada is a small market for veterinary products, but our sector is competing in the global market. It is critical that our regulatory system be the most competitive possible.

We cannot appear here today without mentioning the financial crisis facing Canadian hog farmers. Our industry has been a solid contributor to the Canadian economy, yet it has been faced with severe market shocks over the past three years, the most recent being the H1N1 influenza A, unfortunately known more commonly as swine flu.

Surveys conducted in the aftermath of H1N1 show that while most Canadian consumers remain confident about the safety of pork, fully 8% of those surveyed believed it was possible to get H1N1 from eating properly cooked pork. In addition, while 90% of consumers will not change their pork consumption as a result of H1N1, or will eat more pork, 10% are eating less pork. Some of this is likely to be permanent. These are serious impacts on consumers as a result of a virus that has nothing to do with food safety. This has impacted hog producers at a time when they can ill afford any more shocks.

Farmers are doing their part and will continue to do their part to produce safe food. Governments need to support these efforts and to ensure producers can operate in the most competitive environment possible.

Thank you.

• (1635)

The Chair: Thank you very much.

We now move on to Ms. MacTavish from the Canadian Sheep Federation.

Ms. Jennifer MacTavish (Executive Director, Canadian Sheep Federation): Thank you, members of the committee, for the opportunity to be here today.

The Canadian Sheep Federation is a national non-profit organization that represents over 11,000 Canadian sheep producers. It has eight provincial members and three associate members: the Canadian Co-operative Wool Growers, the Canadian Sheep Breeders' Association, and the Canadian National Goat Federation. The Canadian Sheep Federation plays a key role in the development,

implementation, and management of programs that enable the industry to remain competitive, innovative, and responsive, such as the voluntary scrapie flock certification program, the bluetongue insurance program, the Canadian sheep identification program, and the food safe farm practices program.

Food safe farm practices is a national HACCP-based program that the industry began working on in 1997. The development of this program was truly a collaborative initiative, with representatives from both federal and provincial governments, member associations, and producers working together. In 2005, the program received technical recognition from the Canadian Food Inspection Agency. This producer-driven program examines all areas of production and outlines management options that are designed to minimize food safety risks. It is based on "must do" good production practices. Good production practices are operating procedures that promote food safety and production efficiency. The program also makes recommendations on practices geared to facilitating the production of a safe, high-quality product.

To date, the CSF has provided training to over 1,000 producers, either through workshops or through online training. In addition to training producers, the federation is working towards technical recognition for its management manual. Canadian sheep producers understand the importance of, and are committed to, supplying safe, high-quality lamb. The food safe farm practices program is just one program that they have access to. They also participate in the Canadian sheep identification program and various health programs that contribute to the safety and quality of their product. Together, these programs allow producers to anticipate problems, develop troubleshooting techniques, and reduce on-farm risks to food safety. The food safe farm practices program, in particular, allows producers to prove that they are doing what they can to minimize food safety risks.

One of the challenges the industry has with the food safe farm practices program is the producer's ability to recoup the additional costs of implementation. There needs to be some incentive for producers to participate. In the best-case scenario, producers will be implementing the program in response to market incentives under which they get paid a premium for the added assurance that they have been certified by a food safety program.

Especially in the lamb industry, where so much of the lamb being consumed is imported, there is a real need to ensure that the programs producers participate in do not put them at a competitive disadvantage. It is the issue of competitiveness that may cause some producers to hesitate when being asked to implement the program. One way to ensure that Canadian lamb producers remain competitive is to require imported products to meet the same standards that Canadian producers must meet.

Work also needs to be done to harmonize meat processing codes in Canada into a single standard. Currently, it is difficult for Canadian lamb producers to access some Canadian markets. With 60% of Canadian lambs being processed in Ontario—90% are processed in provincially inspected plants—it's difficult for Canadian producers to have access to, let alone compete in, markets such as British Columbia, which is Canada's second largest lamb-consuming market.

Producers must also be price competitive. The food safe farm practices program has the potential to increase production costs for lamb producers, and they have limited options for cost recovery. This could cause the program to be too costly to implement, or it could drive up the cost of Canadian lamb, making the imported product more attractive to consumers. Both scenarios are troubling. In both cases, there is the potential to lose Canadian producers and there is limited ability to ensure that Canadian consumers have access to high-quality, safe product, especially when the imported product does not have to meet the same standards as the Canadian product does. Food safety is not just the responsibility of Canadian producers.

If we are going to continue to deliver the safe, high-quality food that Canadian consumers have come to expect, then a collaborative approach, which includes producers, processors, retailers, consumers, and government, is required. With such an approach, the cost of ensuring the supply of safe, high-quality food is shared.

● (1640)

To date, the industry and government have enjoyed a collaborative approach to on-farm food safety. Both recognize the need for on-farm food safety programs, and while the government has provided some financial support, expertise, and guidance during the development, they have recognized that in order to be successful, food safety programs need to be developed and managed by industry in order to ensure that they are practical on farm and meet individual industry requirements.

Government support with development and training has been greatly appreciated. However, the issue now is program implementation, ensuring that producers are audited and that commodity organizations have the resources for ongoing maintenance of the program.

It should be noted that the costs of developing the on-farm food safety programs have not rested solely on the shoulders of government. One of the real benefits of this process has been the recognition of producer time as a contribution to the cost of development. Additionally, national and provincial organizations, which are funded through producer levies, have also contributed substantial amounts of time and money.

Canada's collaborative approach to on-farm food safety programs is also seen among the commodity groups. The commodity organizations that are currently working on their food safety programs sit together around the Canadian On-Farm Food Safety Working Group table, where they can discuss common challenges and share information. The capacity to do this has proven to be invaluable. It is vital that this collaborative approach to on-farm food safety continue. While Canadian lamb producers remain dedicated to the production of safe, high-quality product, the Canadian govern-

ment must make this same commitment and ensure that Canadian producers remain competitive.

Thank you.

The Chair: Thank you very much.

We now turn to questioning, with Mr. Easter for seven minutes.

Hon. Wayne Easter (Malpeque, Lib.): Thank you, folks, for coming.

Peter, I'll start with you because you are involved in basically a family operation.

What we're looking at is the experience of listeria and the overall food safety issue, and we—certainly on this side—would like to find some accountability in the system as well. Accepting responsibility and accountability seems to have been missing, but we'll set that aside for the moment. In the experience of the listeriosis outbreak last summer, it seemed to fall on plant management or ownership to be the spokesman for the Canadian people on food safety. Mr. McCain was out there; he accepted responsibility.

How should that be handled in the future? It seems to me that we need government responsibility or independent agency responsibility at the end of the day—an independent body that can talk about food safety in the Canadian system. To leave it up to plant management, I think, puts them in an impossible spot. They have a role to play, yes, but what's your view on it? How can we ease the strain on an operation that may find itself in a similar position to that of Mr. McCain, when its people have a whole lot of other things to deal with and seem to be the spokesman on food safety as well?

● (1645)

Mr. Peter Stein: Thank you. That's a very interesting question.

When you go through a situation like that at any scale, certainly the responsibility is with the facility and with management, whether it be ownership or not. However, you are dealing directly with CFIA, and dealing with different branches of CFIA, whether operations or the OFSR. It would be better, in my opinion from having gone through it, to work as a team and to approach the media and the public as a team, to work together in that sense rather than have the onus of response be on the facility or on management.

I understand your question very well. It's not to say that CFIA, when we had our incident, wasn't there. They were, and the people we know and work with every day were very helpful. At the same time, different programs and different departments kick in once this happens, and because of that, at least we noticed that there was a bit of a disconnect. We took the initiative and did what we had to do, above and beyond what was required or even necessary. That's just the way our company is. Those are the morals and the ethics of the way we do business.

But yes, it would be nice to work together with CFIA or with government agencies, to approach the public together and move forward that way through any kind of incident like that, absolutely.

Hon. Wayne Easter: Mr. Olson, in terms of the food safety protocols, you mentioned the words “rational” and “practical”, which seems difficult in this town. I'm not sure who else it was who talked about the requirement for import products to have to meet the same standards as we do.

My question is really to the group as a whole, whoever can answer it.

I think we're finding—not only, Mr. Chair, at this particular committee, but at the regular standing committee as well—that Canadian producers.... It doesn't seem to matter what they're in—Dawn mentioned veterinarian drugs—our system is slower. As a result, it hurts our competitiveness. We have regulatory requirements on food products and safety standards, yet the countries we compete against that are sending product in here don't seem to have the same requirements, and yet their products end up on our shelves. Product from countries that are using different veterinarian drugs that are not approved within Canada—in fact, a lot of American pork—is on our shelves these days.

How do we get around that? How do we get to a system that, as you say, Thomas, is rational and practical, not overburdensome, but has the requirements that are there in terms of meeting the needs of Canadians and food safety? Do you have any suggestions?

Mr. Thomas Olson: Let me give you an example of things that I think are not practical. On the question of provincial plants and federal plants, one of the issues we discussed with the former Minister of Agriculture was the fact that federal plants require things like paid parking lots, while provincial plants don't. It's not a food safety issue, yet it's a regulation; it's a requirement. The point is that if we can get to issues that really matter, then let's focus on those and let's not focus on all the other stuff that really isn't critical to food safety. If we focus and keep our eye on the ball, then we're not going to miss it. If it's too diverse, we have too much regulation of stuff that really doesn't matter, we run up the costs, and we miss the ball.

Hon. Wayne Easter: Does anybody else want to add to that? Martin.

Mr. Martin Rice: Thank you.

I think we should be looking at trying to have greater international standardization on food safety tolerances, on maximum residue limits, things of that nature. We do have reference to the *Codex Alimentarius* of the FAO, and the World Health Organization bulletins, and so on, but I think that until we have a greater commitment to using those international tolerances, and not only using them when they're to the U.S. or anyone else's advantage, I think it would help us get over this matter of each country doing its own separate examination of safety data. I think it would remove some of that situation that we find right now, going into China, where we use a product that they don't allow. The largest international producer of that product is China. Obviously they aren't officially using it in the country, but it's the largest source of it in the world.

We have these strange situations in which I think we may have to require some greater commitment to use these international tolerances and not only use them as a reference.

• (1650)

The Chair: Thanks, Mr. Rice.

Mr. Bellavance, seven minutes.

[Translation]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Ladies, gentlemen, thank you for your testimony.

Mr. Laws, welcome back. During your last visit, the meeting was rather short. We would have liked to continue asking you questions for a little longer. We will therefore take advantage of the fact that you are with us once again.

I would like to go back to the testimony you gave the first time you came. You spoke about the rate of testing. You said that the Canadian Meat Council participated in CFIA consultations on the new Listeria control measures that came into effect in April. You said that you still had questions that have not been resolved around this issue. I would like to ask you some very specific questions. You said that the policy should be amended to set the rate of testing based on the risk of the product produced. Do you want to create two categories? Are we to believe that some industries would require fewer tests, whereas others would need more?

I am concerned about the rate of testing. When I listen to Mr. Stein's testimony, I believe they are doing everything in their power to have the most tests possible, in order to ensure that their industry is bacteria-free. And yet, it seems to me to be quite a big business.

I would like more details on this issue. It appears to me to be somewhat contradictory; I would like you to talk a bit more about this subject.

Mr. James M. Laws: Thank you for your question.

Perhaps Martin could pass around a few of our products. Please note that in the case of a product like pepperoni, which is dry and salted, Listeria cannot develop, from a scientific perspective. We have a policy that varies according to three different categories. If you use an anti-microbial agent, the number of mandatory tests is reduced. If you use an anti-microbial agent and there is a packaging process, the number is further reduced. On the other hand, people want the policy to be the same for a product like pepperoni and for a product that contains much more water, in which Listeria could very well develop. We believe that makes no sense, from a scientific point of view. We want to have some flexibility.

Perhaps we could get some products from the corner and pass them around.

There is the process that Peter explained to you. The company is using very high pressure. A product that is processed in the big machine we are talking about and that has been submitted to a pressure of 87,000 inches per... It is impossible for Listeria to survive under this pressure. We therefore believe that the policy should be amended to reflect this reality. That is why, in our opinion, there is not enough flexibility.

Furthermore, imagine that someone has built a state-of-the-art plant, that is only one or two years old, and that has separate rooms for each line. Then imagine that there is another building, perhaps even older than I am, that requires much more testing because of its design. There must be some kind of compensation for companies that show they always have excellent results. We are talking about mandatory agency tests.

• (1655)

Mr. André Bellavance: Mr. Laws, I understand what you are saying very well. However, consumer confidence is at stake. Perhaps I do not clearly understand what you are asking for, but if there are fewer tests for certain categories of food or businesses, I do not know if consumers will have confidence. That is what worries me.

Mr. James M. Laws: We believe this should be the case.

It is simply a difference in mandatory testing. Plants will almost certainly have their own testing. When they are able to prove, on occasion, day after day, that they have a very state-of-the-art process, there should be some flexibility. It already exists in the policy. If we use anti-microbials, we can reduce the number of mandatory tests. That is why we want a more flexible policy based on the risk.

This is right. It is a policy being implemented for the first time. We accept the policy, but we also want to be able to show that we have new processes, new technologies and we want to be compensated for our investments.

Mr. André Bellavance: The issue of new technologies was addressed the last time you appeared before the committee, but only very briefly. I believe the committee meeting was over, but you had given us more explanations.

Perhaps Mr. Stein could explain how this new technology works. I believe it is Spanish. We're talking about a machine that produces an enormous amount of water pressure. It uses pressurized water which kills the bacteria. This would seem to be of interest for all companies, except that I see that it is very expensive. You have two machines that cost \$8 million.

Is this a technology that will become more and more popular, and perhaps, as is the case for many technologies, it will become cheaper over time? Do you use it for all of your products? Could you explain to us how it works and how it eradicates the bacteria?

[English]

Mr. Peter Stein: Absolutely. Thank you very much for the question.

I think everybody has seen this picture. This is a picture of one of our machines in one of our facilities. We use these two machines to treat or process all the products that go through that one particular facility.

The product is packaged in its finished package, and then it is put into this machine. The machine is closed, the chamber is filled with water, and then the water is pressurized to 87,000 pounds. It sits at that pressure for a number of minutes, then the pressure is released. The product comes out the other end and looks the same as when it went in.

What happens in the process is that any living organism cannot withstand that pressure, the microbial functions that bacteria go through can no longer function, they're disrupted, and they die.

That's why it's in its finished product, in its package, and nothing can survive that process. It's a very clean, efficient process. The only net effect to the product is it comes out a little bit wet, and then we dry it off and package it off.

It's a very good procedure for killing the bacteria, if there are any in the product. We already have typically less than 10, or even less than three, count per gram going in anyway, which is a very low count. But you get a four-, five-, or six-log reduction from going through this piece of equipment, and you really have no bacteria. There are no bacteria left. We are continually doing tests. We have zero count coming out the other end. It's a great technology for that.

The problem is that it's very expensive. It's a batch system, not a continuous system, and to be able to do all the volume that we have in all our facilities would require many machines. So it's an expensive proposition, and of course you have to pick the products that you put through there, whether they be a lower-salt or a higher-risk product or what have you. But the technology is excellent, and we're using it on a full-time basis.

I think yes, absolutely, it's something that the industry is going to use and embrace, and you will see more of this technology in the coming years.

• (1700)

The Chair: Thanks very much, Mr. Stein.

Mr. Allen, seven minutes.

Mr. Malcolm Allen (Welland, NDP): Thank you, Mr. Chair, and thank you to everyone for coming.

I think perhaps you weren't actually finished. Maybe we'll continue on a bit, because it seemed you wanted to say some more about the equipment.

Perhaps, as you tell us a little more, you could address the issue of where it was developed, where it was first used, so we get a historical context of where it's coming from as the next generation, in a sense, to get us to that place where we all want to be, whether we be the primary producers or the end consumer, and that is food that we all feel comfortable and safe with. There isn't anybody in the chain who doesn't want that, whether it be the primary producer or those of us who only have forks in our hands. All of us want the same thing. You'd find unanimity in this committee about that, and throughout the country as well.

Mr. Stein, you may have a few more minutes with that.

Mr. Peter Stein: Thank you very much.

It's important to note that this technology really allows the ingredient list to be backed off. In other words, you don't necessarily need to put the preservatives into your ingredient list that you would if you didn't use this technology. This is a benefit and is really the primary reason Piller looked into this a few years back.

Also, as Jim mentioned, the testing protocol that we have to undergo from CFIA is the same for any product, even for a product that goes through this technology. As a matter of fact, this is pretty new technology. There is nothing in the regulations that dictates how we deal with this. We may be able to lower one category in testing, but honestly, the product is pasteurized in its package. Really, there is no risk to this product once it passes through the system. It passes through the system only in one way. If there are any faults or errors, the system shuts down and doesn't open. It has to be recovered, and we go through the system properly, maintaining and reaching that 87,000 psi, so there is really no way for anything to go through that isn't treated. It's a very safe, very accurate technology that gives us tremendous results.

As I said, it's definitely something that's going to be at the forefront; however, it's extremely expensive. It adds cost to the product, very minimal, but it's something that we feel in our organization is a very proactive approach to providing our customers with peace of mind on the food safety aspect of our products.

I'm not sure if everybody can do it, but certainly we made the investment before any of the listeria outbreak last summer and so forth. This was already in the works a year before that, so I think you will definitely see an increase in the use of this.

It was originally started to treat vegetables, I believe, and the units were very small, or much smaller. It has now been adapted for larger types of processing. You can treat hundreds of kilograms at a time in one cycle of this unit. The way the technology has improved over the years shows in how large a batch this technology can process. This unit is fully 20 feet high and 50 feet long. It's a big piece of equipment and weighs in excess of 200,000 pounds. It's a very robust piece of equipment that needs to be that size if you're going to be containing that much pressure. But we feel that's definitely part of the way of the future for food safety.

● (1705)

Mr. Malcolm Allen: It's interesting to note that you said the company actually looked at the equipment to back off on preservatives, and I think salt was mentioned in the earlier statement.

This leads me to Mr. Olson, because you said something that was intriguing. It's not by omission from here, but it is a sense that it isn't as closely watched in the committee as you would probably like, which is really about healthy choices as part of the food safety chain.

So here we have one company that talked about buying technology to help reduce.... What I think they probably are saying—at least in the case of sodium—is that it would be a healthier choice if we all had less sodium in our diets. They went to a different technology, and you have indicated that's perhaps the one piece that we are not necessarily as involved in looking at as we might otherwise be.

I'm interested in your comments around how you would like to see us look at that vis-à-vis what you have heard from Mr. Stein.

Mr. Thomas Olson: Clearly, that kind of technology is the very thing we should be talking about. Not only does it make safer food, but it allows us to have healthier food, because in the end, safe food that's not healthy is no answer; it's only a partial answer.

Mr. Malcolm Allen: For some of our diets—mine included—you're probably correct. Some of us don't always make the best choices, and unfortunately, parliamentarians don't necessarily get to make the best choices here either sometimes.

What I've heard from nearly every group that's been represented—and the clerk will correct me if I'm wrong—is that it seems to me that every group primarily represents producers. And I'm looking at Ms. MacTavish now and Ms. Lawrence and Mr. Rice and Mr. Olson, for that matter, who have all talked about the cost. Whether it be a HACCP or farm safety program, or whatever acronym one uses—because we all love acronyms, I know—they work wonderfully well, but one of the things is the cost.

I don't want to sound overly naive, but no one has actually asked the question, what does it cost you? I want to preface that by understanding that we're not talking thousands of dollars per animal, and we all kind of get that, I think. But no one has ever said to us, “Well, this is the actual cost” in the sense that we can't recover. That seems to be the other piece of that question, because there isn't a way to incentivize it, as you said, when it comes to selling the product, because folks simply expect the food to be safe.

So if the government is going to pick up the cost—and I know I probably don't have much time to get it—but what is the sense of the cost there? Do you have a sense of that cost?

Ms. Dawn Lawrence: For the Canadian Pork Council, the average cost per producer for just the audit is probably about \$500 or \$600 per producer per year. That doesn't include the cost of implementation, or the timing commitment that's put into developing the protocols and maintaining the records, but just the audit. We have about 7,000 producers. So if we looked at the lower end of that, we're looking at \$3.5 million per year in audit costs. And the operation of the program itself, at the national office and with our provincial board's contribution to that, is about \$1 million on the administrative side.

The Chair: Mr. Olson, or Ms. MacTavish, would you like to comment on that?

Ms. Jennifer MacTavish: I would just like to concur with Dawn on the costs of the program for producers. One of the issues around incentives in the lamb industry is that right now we have such a shortage of Canadian lamb on the market that you can pretty much sell whatever you produce. If nobody is demanding that a producer be on a food safety program and, therefore, be willing to pay for it, there's no incentive for producers to be there.

The Chair: Ms. Lawrence, do you want to comment further?

Ms. Dawn Lawrence: At the opposite end of the spectrum, once the hog industry got things rolling for a couple of years with our program, a number of packers, rather than offering an incentive for being part of the program, were cutting the price by 25¢ or 50¢ per hundredweight per hog going into the plant if they were not in the CQA program. So the producer was bearing the cost of implementing the program. Not only were they not getting paid more if they were implementing the program, but they were also losing money on their hogs if they were not implementing the program. Since that time, it has evened out, because we do have so many packers; but producers are not seeing an increased price based on the fact they are implementing these food safety practices on the farm.

• (1710)

Mr. Thomas Olson: To give you an example with bison, the cost, we understand, of the health and safety issues in the slaughter plant for bison runs at about \$50 a head per bison, which has been passed back to the producer. That includes the cost of the inspector, the cost of rendering—and remember, rendering an animal doesn't get BSE—and finally, the cost of all the testing that has to go on there. At \$50 a head, it doesn't sound like a lot, but that's part of the reason we had over half of the bison, over 30,000 bison last year, going to U.S. plants, simply because it's cheaper.

The Chair: Okay, thank you very much.

Mr. Anderson, for seven minutes.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Thank you, Mr. Chair.

I want to thank the witnesses for being here today. I think we have a good mixture of witnesses to get some answers on some broad questions.

I actually want to talk about national meat standards in national and provincial plants in one minute, if most of the people could get ready to give me their thoughts on that, but I wanted to talk first to Mr. Laws.

You had some concerns, I think, about the pre-market registration for labels, and I don't think you had a chance to address that the other night. Do you want to address that now?

Mr. James M. Laws: I certainly can. Thanks for the question.

We had read in some media reports that some groups had been saying that this pre-market label approval process was a food safety issue. I did send a letter to each member of this food committee, wanting to clarify that we, the Canadian Meat Council and our members, strongly disagree.

Getting a label pre-approved—that's the important part, *pre-approved*—by somebody sitting in Ottawa who may never have been into a meat plant in their lives has nothing to do with food safety. What does have to do with food safety is making sure that the label on the container is correct.

The meat industry gets a double whammy. We have to go through this pre-market label approval process, but we already have inspectors in the plant. I mean, that's where the rubber hits the road. We have inspectors in the plant, and they can go up and say, "All right, what are you making today?" They can check the product formulation. They can check the label. That's what the inspectors

should be doing in the plant. They have to make sure that whatever is on the container is in there. The consumer, if they have child who's allergic to peanuts, wants to make sure that there are no peanuts in that. Somebody sitting in Ottawa who may pre-approve the label has nothing to do with it. They have no idea whether the guy has accidentally put peanuts in or not.

So that's where it stops. As well, if a product label says that the product is either fully cooked or not fully cooked, the guy sitting in Ottawa has no idea whether that product has been cooked or fully cooked. Another important consideration is cooking instructions.

We all know that the products recalled last year—resulting in this committee's creation—all had labels that were pre-approved in Ottawa, showing you again that it has nothing to do with food safety.

There were other arguments used by people—for instance, that you have to worry about products coming in from foreign markets. Well, that is true, but that's why the Americans come up and audit our system and the CFIA goes down and audits theirs. They similarly rely on the inspectors down in those plants to make sure that, yes, what they've put in the product is what's in the product.

Interestingly enough, before last August in Canada, you were not allowed to import a product that had sodium diacetate as one of its ingredients. That's too bad, because had we been able to import ready-to-eat meat products from the United States with sodium diacetate in them, the products would have been safer than the ones sold in Canada. Finally, we have that approval from Health Canada.

So we couldn't disagree more with the comments some other groups have made about pre-market label approval. There are other challenges with the pre-market label approval process; it has nothing to do with food safety.

Mr. David Anderson: Mr. Stein, you seem to be agreeing.

Mr. Peter Stein: Absolutely.

Mr. David Anderson: Okay.

I'd like to spend more time on that, but I don't have a lot of time here, so I'll go back to the issue that Mr. Olson had raised about plants across the country.

We've had witnesses say that we need a national standard that applies to everybody. We've had other witnesses say that we don't need that, because what it will do is destroy the smaller plants; it won't be feasible for them to continue operating. Is it possible to have different standards? Is it necessary to have different standards? Or do we need to go to that one standard for every plant across the country?

Start wherever you want, but I'd like to hear from a variety of people.

●(1715)

Mr. Thomas Olson: Well, certainly the federal plants have standards. We understand that those standards are driven in part by our trading partners.

Mr. David Anderson: If we need some standards like that, how do we keep the smaller plants open?

Mr. Thomas Olson: In terms of the standards that may be required by trading partners, if in fact all those requirements are driven by our trading partners, the next question is this: what does food safety really require? I'd go back to the question asked by the former Prime Minister—namely, why is something that's safe in Alberta not safe for somebody in Ontario? If we're looking strictly at food safety issues and not at other political issues or other kinds of objectives, then it seems to me there is only one standard: is the food safe or is it not safe?

To the extent that there are small plants that are unable to meet food safety standards, it seems to me there is a bigger question of why we're allowing that food into our system. But to the extent that we have rules that are not practical.... For example, I was told—I could be wrong on this—that there is a requirement for there to be both male and female restrooms. At a small plant, one restroom might be adequate for the two people who work there.

If we can get back to practical rules, then food safety is not compromised, and smaller plants that have safe food don't have to meet requirements that really don't deal with food safety, or at least with food safety on that scale.

Mr. David Anderson: But there is a political issue, which is that if we want to export, some jurisdictions require standards that we wouldn't necessarily apply in this country. That doesn't mean the food is not safe or is produced at a different level; it just means that if we want access to that market, we have to reach those levels.

Mr. Thomas Olson: That's right. So it seems to me you could have a round federal seal for export and a triangular seal for domestic consumption.

Mr. David Anderson: Okay. Are there any others?

And do we need a national standard in the country, or is it good to have a variety of standards for those smaller plants that are producing into limited markets?

Ms. Jennifer MacTavish: The smaller plants that are producing in limited markets are what keeps our industry in business. So we really don't want to do anything that's going to impede their ability to process more lambs.

We'd perhaps like to see a reciprocal agreement across provinces. We don't have enough lamb for the consumers in Canada. We're not looking to export huge quantities of lamb; we just want to be able to ship it out of Ontario and into British Columbia so that British Columbians can eat Canadian lamb. If there were a reciprocal agreement among provinces so domestic trade could occur, that would be wonderful. We do not want to put the smaller processing plants in any kind of a position where their livelihood would be threatened.

Mr. David Anderson: Is there anyone from the bigger processors who would like to comment?

Mr. Peter Stein: I understand that one hundred per cent. I think the inequities are in the cost of inspection, in the cost of testing, in the expectations of our customers and the retailers, which are higher and more costly to carry for federal establishments than they are for provincial establishments.

I'm not saying that you have to have a paved parking lot. We have inspectors on site every day, and we are scrutinized to a great extent. We have the added cost of mandatory testing, of meeting all these internal regulations. It is only fair. If we're going to be sharing counter space in a retail facility, the consumer will not be able to tell, unless they know what the legends mean, the difference between provincial—

Mr. David Anderson: Can I interrupt you there? The reality, though, is that you're not sharing counter space. And we heard that at the agriculture committee, when I was there. The smaller processors are working into a limited market. They only have access to that. You folks are working into a large market, trying to set up on a national basis. The reality is that if you have a problem with your product, it will affect a lot more people than the product of a small plant, which may affect 10 or 20 people, will. You're potentially affecting thousands of people.

Mr. Peter Stein: That's absolutely correct.

There is overlap, and I have seen it myself. I have worked with provincial plants many times in Ontario—I think with most of them, actually. The main contention, I understand, is that we're held to a higher standard. It's very costly, and it's difficult to compete, even where we do overlap and where we do compete on a cost basis, because of the added cost we have to maintain the federal standard, whether it be in Ontario or in shipping across Canada.

●(1720)

Mr. Martin Rice: I would say just a quick word. We have not, in the Canadian Pork Council, ever had to take a position on whether there were two systems operating. It has been a fact of life for a very long time.

But if you had interprovincial movements of provincially inspected product, I guess our concern would be how to ensure that it didn't move into international commerce. A lot of our requirements do evolve from that relationship we have with the U.S. and a lot of other jurisdictions.

If a product moves out of the jurisdiction where it has been provided inspection, it becomes problematic for the CFIA, which doesn't... I don't think we can reasonably expect CFIA to confirm that a product moving into another province meets that province's requirements, because every province is slightly different. So it becomes fairly complicated. I know, though, that several times over the years they have tried to arrive at a common Canadian standard, and it seems to have bogged down each time. Maybe we can find circumstances that can be more successful next time.

The Chair: Thank you.

Before we move on to the next round, here is a question on the same subject we've been talking about around the table; it concerns provincial standards and coming up with something that works.

I have a good example in my own riding, with the major groceries stores. We know they're part of our competitiveness study, but they've taken an issue here in Ontario, and it's probably the same in other provinces, whereby they will not allow their grocery stores, whether they are part of their chain stores or are independent groceries...because even the independent groceries have to purchase a lot of their stock wholesale through them. They have stipulated that these grocery stores cannot sell provincially inspected beef—and I presume it carries into pork and probably anything else—in the stores.

There's a gentleman in my riding who runs his own independent grocery store. He appeared before this committee a while back. He has a store and he's also a part owner of a provincially inspected slaughter facility. They just won two awards in the last couple of months for quality, but in his own store he's not allowed to sell provincially inspected meat.

Could I hear some of the commodity groups, or even Mr. Laws or Mr. Stein, comment on this? It is an issue. I certainly don't have all the answers and I don't think this committee has, but we're trying to find some, and there are some problems across the country provincially versus federally. I would appreciate having comments on this issue.

Mr. James M. Laws: I'll comment briefly.

Peter has commented, and it's true that he's been across many plants. We've seen Ontario come a long way since the Justice Haines report back in 2004. The new regulations are very strict. But some of the provinces, such as Saskatchewan, I think, and maybe even a few plants in Quebec, have no inspection whatsoever. That's the dilemma, that there is quite a disparity among the provinces. If the provinces could reach an agreement whereby they all came up to Ontario's standard, for instance, that would be a good thing to do.

Certainly it's a very difficult question to answer: why can you buy a product in Ontario, and that's fine, but you can't buy it somewhere else? It's difficult to answer that question.

The Chair: Okay. Before I turn it over to Mr. Stein, could you also consider in your responses whether you think it's right that a grocery store chain should be able to do that? I know it's not illegal, but I'd like to hear some comments on it.

Mr. James M. Laws: It may be because some provinces are not up to the standard of Ontario, for instance, and because they may print a flyer that goes right across the country every week and need

to have a supplier who can supply nationally. That's a dilemma for business owners.

The Chair: This is Ontario I'm talking about.

Mr. Stein.

Mr. Peter Stein: If a provincial facility is not able to get into a large chain, from what I've been told it's usually because of the shelf life. They may not have the shelf life required by a chain to hold product for a certain length of time on their shelves.

What I also wanted to mention is that the variation in provincial facilities is tremendous. I've seen some provincial facilities that are very clean; they rival the best federal facilities. I've seen the other extreme as well, which we don't get on the federal side. You do definitely get a range on the federal side, but not close to what I've seen personally on the provincial side. We need to narrow that. If some can do it, then why can't they all do it?

I think that's part of our legacy from when we were provincial. We made the switch to federal and have been very successful. I think on the food safety and food processing side of it, this should be feasible, absolutely.

● (1725)

Ms. Jennifer MacTavish: To your second question, whether it is right that grocery stores can only access certain products from federally inspected plants, the short answer is no.

If our focus is on the consumer and the consumer is looking for a Canadian product or a local product—if they're in Grey or Bruce County and want Grey-Bruce lamb—they should have the ability to access it. Trying to educate them on why they can't is cumbersome and a little bit difficult. If we're going to focus on the consumer and on what the consumer wants, we should be able to find a way to provide them with a product that they are demanding.

The Chair: Mr. Olson.

Mr. Thomas Olson: Mr. Chairman, on the question of the standards for non-export federal, it seems to me we know what food safety requirements are. This is not new science. CFIA could set a standard and a plant could either meet it or not. It may not be, it would not be, the full standard required for export, but it would meet all food safety requirements. That doesn't mean that any plant in any province that doesn't meet that standard can't continue to comply with provincial law, whatever that law may be, but it certainly would break down the barriers we have in this country for moving meat back and forth.

It seems to me that while we shouldn't be compromising food safety, we've got to have a practical approach to this, and certainly we could allow interprovincial movement of meat from those provincial standards for livestock industries like bison and lamb and others that simply don't have the numbers to justify large federal plants.

The Chair: I have a last comment on Mr. Stein's, about the different regulations and what have you from province to province. We're all aware of that, but it still goes back to Mr. Olson's comment that he made about it being safe to eat here in this province, but not in another. It's hard for the public or even any of us to get our heads around.

Ms. Bennett, for five minutes.

Hon. Carolyn Bennett (St. Paul's, Lib.): Thank you very much.

I'm very much taken by the cold pasteurization solution. Obviously this is a new technology that's very expensive. I would like to know, first, whether this is just for products that are sealed. The product in question that caused this committee was large, industrial-size, going to nursing homes and those sorts of things. Would this work for that kind of product?

Mr. Peter Stein: That's a great question.

Yes, it can be used for larger, whole-muscle, or larger big hams or big turkey roasts and things like that, which are for food service and then sliced later. It does work for those just as well. But as soon as you open the package, all bets are off. The product is safe in the package; it can have a best-before date of August, but if you open it today, you have a few days to consume that product.

So yes, it would work very well, but as soon as that product is opened, especially on the food service side where there's a deli or you're at an old age home or at a hospital where they're opening that package and then slicing part of it today, part of it tomorrow, or the day after or what have you, then it depends on how clean and aseptic and what their hygiene standards are.

Hon. Carolyn Bennett: Yes, but where we want to go is where we started at this. If this were milk, it's no longer an option as to whether things are pasteurized. The fact is that now you've got a system to do it with cold, that doesn't alter the taste or the quality of the food. Do you think this is the future, and should smaller plants come together to buy one, and could there be a cooperative? Eventually, are we going to eat stuff that has not been cold pasteurized?

• (1730)

Mr. Peter Stein: First, it's not a silver bullet. This is not something that lets you take it easy and slack off on your sanitation or your plant hygiene or your good manufacturing practices. You have to be as diligent as if you didn't have this equipment, number one. But absolutely, if someone can't afford it and others can, and somebody may charge someone to put it through, why not? That is something that could happen. I don't know. I don't think it's happening now.

Hon. Carolyn Bennett: I have two questions.

There's a lot of debate or maybe not too much debate about whether we have enough inspectors. I think everybody knows we don't have enough at the border. In terms of people's plants and

things, the debate between audit verification, and obviously, as a physician, knowing what the lab tests show in terms of swabs and things is an important piece of paper to be looking at. Could the panel sort us out on whether they think there are enough inspectors? What is the role of the audit verification in terms of CFIA?

Then, just to help out the analysts a little bit, maybe in the next round or whatever, if you would tell us what needs to be in the recommendations, it would help our job a lot, because it affects your livelihood.

For Mr. Olson, there is a huge concern about CWD, chronic wasting disease, in the game farms. I want to know whether you feel, in terms of food safety, that some of the elk and some of the other game farms are putting our food system at risk.

Mr. Thomas Olson: Let me answer the last question first. As to the CWD issue, I can't speak to that. Bison don't get CWD, and our practices are to try to keep animals unconfined, in large ranges, to try to restore the ecosystem at the same time as we restore the bison.

I can't say I'm not familiar with those practices. It strikes me that if there's a food safety issue there, there's a food safety issue. It has to be dealt with. We just don't have that issue in bison.

The Chair: Okay, thanks.

Does anybody else want to comment? Mr. Rice, go ahead.

Mr. Martin Rice: The members of the Canadian Meat Council are going to be much more informed than we are in terms of the efficacy of the inspection system that's in the plants, but I guess we would share the view that more can be done with the data that is being collected in plants and the data that is being generated by these on-farm quality assurance programs, which we don't really see as being utilized to their potential yet to help in addressing present risks.

The Chair: Thanks very much, Mr. Rice.

Jim.

Mr. James M. Laws: I'll just comment very briefly as well.

We talked about it last time: inspectors certainly need to have regular training. I don't believe they're given enough time to get that regular training. If you look at a package like this, 10 years ago this wasn't on the shelf. It has a modified atmosphere here. They replaced the oxygen in the atmosphere with nitrogen and CO₂ from the atmosphere, and it's regular atmosphere just minus the oxygen. It's a resealable package. It has longer code dates. When an inspector was hired 20 years ago, this product wasn't around then. Things have changed. A lot of things have changed. We have new products. The CFIA needs to constantly reassess what the risk is with food products out there. They're the ones who need to determine, okay, they have all kinds of inspectors in the slaughter facility, maybe they need to move some around. They'll have to assess that.

Hon. Carolyn Bennett: And maybe they should put a lock the bathroom door. It doesn't matter if it's a man or a woman.

The Chair: We'll move on.

Mr. Shipley, five minutes.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Thank you, Mr. Chairman.

Thank you, witnesses, for coming out.

Mr. Stein, you've talked about moving from a provincial to a federally licensed facility. Is there a different standard at a federal facility for domestic products than there is for international products?

• (1735)

Mr. Peter Stein: That depends on where you're sending it.

Mr. Bev Shipley: So actually we have three standards, then. We have provincial, federal domestic, and federal international standards?

Mr. Peter Stein: If you're sending product to the U.S., they have a certain standard. If you're sending product to Japan, they have a different standard—the EU as well. Some will accept products that are treated in a certain way; others will not. So there are different regulations we have to meet, yes.

Mr. Bev Shipley: This is actually a significant issue for our small abattoirs and for our producers—examples are the seed producers, a number of pork producers, and actually even a number of beef producers—the importance of having provincially licensed.... But if we have a federal system that is actually only above the provincial ones to meet a federal domestic requirement, and all the rest of the federal ones are to meet somebody else's requirements, we only have federally inspected plants, then, that are there to meet Canadian standards, which are different from some of the provincial ones. Is that a fair assessment?

Mr. Peter Stein: It's definitely different, absolutely.

Mr. Bev Shipley: We've had discussions around this table for a number of weeks now. Is food safer now than it was 10 or 15 years ago?

Mr. Peter Stein: Absolutely.

Mr. Bev Shipley: Do we have more illnesses and deaths than we did 10 and 15 years ago, based on...?

Mr. Peter Stein: From what I understand, from the numbers that I've seen from the USDA, there are more instances, because more people are reporting. It's similar to food-borne illness, where people get flu-like symptoms and don't report it. They just tough it out and stay home. Now people are actually reporting it; doctors are reporting it. I think more testing is being done and more reporting is being done, which is translating into higher numbers. But the food is safer today than it was 15 or 20 years ago, absolutely.

Mr. Bev Shipley: Are there any other comments?

Mr. Rice.

Mr. Martin Rice: On this matter of international versus domestic, I think the one thing that CFIA does is this. For each of those export customers, where there is a difference, they take the responsibility to certify that the product does meet that difference. Increasingly, in trade agreements and elsewhere, we are looking for countries to accept our system so we don't need to have them look at each of our

individual plants. Again, it is a single system, I think we would say, that countries are accepting under the federal system—

Mr. Bev Shipley: It actually isn't, not according to Mr. Stein.

Mr. Peter Stein: For the most part, for instance, between USDA and Canada, the systems are very similar, but there are differences. In their products they are allowed to use interventions that we are not allowed to use. Only 10% of what they're allowed to use we're allowed to use here. If you were to export to the EU, there are certain things you can't put in your products, that they will not accept, and it's the same thing for the Asian market. They are for the most part very similar, yes, but at the same time there are key differences that will prevent us, in some cases, from shipping to them.

Mr. Bev Shipley: Mr. Stein, you mentioned that on April 1 you had a recall. You'd mentioned CFIA. I didn't get the words down, but you wished you could work closer together or something.

I'm trying to learn from the lessons learned, quite honestly. Can you help us? Can you tell me, what are the missing communication links? What can we do to help so that when there are these recalls, or when there's an incident that happens, everybody is actually pulling together on the same harness, so that we're reading from the same page?

I'll let you do that one first.

Mr. Peter Stein: That's a big one.

The operations group is who we deal with on a day-to-day basis. When there is a situation where there's a positive test that comes in, another group, the OFSR, gets involved through CFIA. They're part of CFIA as well. They seem, for us anyway, to operate independently of the operations group. We were dealing more with OFSR than we were with the operations group. It was difficult because the operations group, even when we talked to them, deferred to the OFSR in many cases. I don't blame them for that. They're not on the risk-based side of the business of the CFIA, but at the same time, those are the people we deal with on a continuous basis. The OFSR does not know our facilities, doesn't know our processes, and the operations people do.

There was a disconnect there, and we had to operate on our own. We had to make decisions ahead of what the OFSR was doing, and we brought everything back because it was a small recall. We had to take the bull by the horns, so to speak, and make the decision and move forward quickly.

• (1740)

Mr. Bev Shipley: I would think that at some point in time there has to be a—I think “disconnect” is the wrong word—separation, because they are in fact an inspection agency. They cannot be in bed or be seen to be in bed, in terms of that collaboration, with any company. I think everybody recognizes that.

But somewhere there is a problem, and it's usually in the communications gap. In terms of going forward, I'd ask you if you, from your firm's perspective, have any suggestions—suggestions that are not in the lessons learned—on how to bring that about. If you could provide the committee with this, it would help us to continue to learn should there be another incident.

The Chair: Thanks, Mr. Shipley.

Mr. Peter Stein: Do you want me to make a quick comment on that?

The Chair: I think he's requesting something.

Mr. Bev Shipley: Yes, I was. I'm just asking if he can, though. If he can make a comment on it, it would be appreciated.

The Chair: Okay.

Mr. Peter Stein: I think a good example that happened to us was when we made a decision that was ahead of the risk-based team's decision. They were doing a risk assessment on two products, and we said, you know what, it's so small a recall that we're going to bring everything back, and so we basically did the risk assessment. We didn't even wait for the risk assessment to be done. We just said, you know what, this is so small, we're just going to bring everything back and be safe, even on a product that we knew was already tested to be safe. We just brought it all back. It was from that product line, on a line that was still out in circulation. We brought it all back. We did that proactively.

The OFSR said, my goodness, what are we going to do now? They've made a decision. They're going to bring everything back. We did our own press release, and it would have been a great time for them to come and say, "This is what we need, to be proactive for the end consumer. They're doing the right thing bringing everything back." And they just didn't know how to deal with that. We did it all on our own. It would have been a great time for them to be working together with us and stand with us and say, "This company is doing the right thing; they're being proactive, bringing everything back even before we finished our assessment of the risk."

The Chair: Thank you. You're out of time.

Seeing the time, ladies and gentlemen, what I'm going to do here is take one more round at three minutes each, so that it's equal. That includes the answer. I'm going to go as far as three and a half minutes, and I am going to cut off whoever is speaking at that time. I'm going to try to be fair.

Mr. Easter, three minutes.

Hon. Wayne Easter: Gee, he's tough.

The Chair: Well, I'm trying to be fair here and yet get in all the questions.

Hon. Wayne Easter: That's a new development. We like that, Mr. Chair—

Some hon. members: Oh, oh!

Hon. Wayne Easter:—that trying-to-be-fair business.

In your presentation from the Canadian Meat Council, Jim, you say we must have "clarity of interpretation and consistent implementation of existing and new regulations and programs across Canada". If there's anything I've learned in these hearings and

in some of the phone calls I've made on this issue across the country—it's why I asked the question earlier on rational and practical—it's that there is a lot of confusion out there. Somebody spoke earlier about two systems; we actually have 14 systems, or thereabouts, in the country. Each province has a system that's a little bit separate.

How are you suggesting we get there in terms of that doing away with the confusion, getting the clarity and interpretation and consistent implementation, without going to just one inspection agency? One of my problems with CFIA in terms of dealing with some of the problems at plant level that I've had to deal with is that even at that level, sometimes there's no such thing as common sense.

• (1745)

Mr. James M. Laws: It's a challenge. I think that's why the Canadian Food Inspection Agency put in place this compliance verification system. It was to try to get consistency across the country, because every plant is a little bit different, and an inspector's view of something might be a little different. I can tell you that when the listeria policy was released, we still had lots of questions. Even reading it, we thought it was difficult to read. I know at one training session we went to, one woman stood up and said—and she was in charge of quality control for a place—"Look, I had to read this nine times before I really understood it." We found it was written in a complicated fashion. It's difficult. How are you going to write regulations that are in simple and clear English? Many of us found it difficult to read.

So that's one thing: try to write regulations that are clear.

Hon. Wayne Easter: I've been on this kick for a little while now. Is part of the problem that we have people at the top agencies—not just CFIA—and at the top of departments in this town who have not come up through the system? They've come in at a management level and they can manage the numbers, but they do not understand the very industry they're supposed to be managing. They haven't been an inspector on the floor or whatever. Is that part of the problem?

Mr. James M. Laws: We certainly have seen examples of that in the past, yes. There was policy written in Ottawa by people who had never been in a meat plant, yes.

The Chair: Thank you very much.

Mr. Bellavance, three minutes.

[*Translation*]

Mr. André Bellavance: Mr. Rice, I wanted to get to the crisis affecting the hog sector, particularly because of the flu that, as Ms. Lawrence was saying, people at the beginning were wrongly calling the swine flu.

Within this committee, obviously, we have spoken a great deal about bacteria. The entire agri-food industry is affected when something happens, for example at Maple Leaf's or somewhere else. It could be an issue of imported fruits or vegetables. It has happened that spinach coming from other countries—I believe it was from the United States—was contaminated with the E. coli bacteria. This is why people were buying less spinach in Quebec and in Canada. People's perceptions are very important.

Your industry was the victim of a crisis whereas there never should have been one. I am wondering if the government really did its job in terms of communications on this issue. People in my riding know that I am my party's agriculture critic, and many of them talked to me about the A (H1N1) flu, particularly at the outset when people were saying it was the swine flu. People were even making jokes about it because they knew that I was visiting a lot of producers. They asked me if I had visited any hog farms and if they were going to catch the flu.

I know there was a barbecue here on Parliament Hill and I believe that all of my colleagues present around the table went to it. Personally, I went to show people that you can safely eat pork. Beyond that, should we not have been a little more proactive by clearly explaining that there was absolutely no danger in eating pork throughout this period?

If you have any recommendations to make, I would like to hear them, as well as hearing your answer to the question I have just asked.

[English]

Mr. Martin Rice: Thank you very much.

Also, I thank many of the members around this table today who came to our barbecue two weeks ago, because it had the enormous benefit of giving producers a sense that they weren't dealing with this by themselves.

We were, I think, one of those bodies that were trying to get rid of this word "swine" that was attached to this flu. Health Canada has formally moved to the term "H1N1", but quite often was referring to "human swine flu". We don't see the need for putting the word "swine" in there. Really, I think H1N1 would suffice. That has caught on now. Using the term "human swine flu" still leaves this sense that there is a link with pork meat.

It has been an enormous challenge. In fact, as Don has referred to, we've lost some consumers in terms of their confidence in pork safety, and for no good reason, as you've suggested.

The Chair: Thank you very much.

On that, Mr. Rice, I had one of those pork barbecues to try to get the word out there in my own riding too, and it's amazing how people responded to it. I was actually pleasantly surprised to see how many urban people in the riding already basically knew about the issue and did trust pork. That is a positive thing.

Mr. Allen, for three minutes.

• (1750)

Mr. Malcolm Allen: Thank you, Mr. Chair.

I'm not sure if it was you, Mr. Laws, or Mr. Stein who talked earlier about how, when it comes to ready-to-eat meats, we should be more specific in what we do here about high-risk consumers. One of the things we did hear during this outbreak last year was that the majority of folks who actually succumbed to this illness were indeed the elderly and those who may have been immunosuppressed. Warnings went out at certain points about breastfeeding mothers, young babies, pregnant women, the elderly, and those who might be immunosuppressed.

Taking that into account, do you have any thoughts around how we decide to give warnings? Should we necessarily look at one group before another? When we talk about labels, should there be warnings on certain ready-to-eat meats to suggest to certain groups that they ought to be more cautious than others? Or should there be none of those sorts of things?

Mr. Peter Stein: My opinion is that there should be no need for that. You make a product that is safe. The shelf life tells you over what period of time that product is safe and beyond; the shelf life is never the end of when that product is actually safe. I feel that a safe product is a safe product. It should be safe no matter whether it's low-salt or not, in my opinion.

The Chair: Do you want to respond to Mr. Allen?

Mr. James M. Laws: I'll just add as well, however, that there certainly was information disseminated in the United States, for instance. I think one of the recommendations the Meat Council made the last time we presented here was that we believe there should be a Canada-U.S. food safety authority that would be responsible for identifying what are the new risks or the risks for people and their health. It should really be someone in the health community who is making sure that those people who are in the high-risk categories, be they in long-term health care facilities or not, are certainly aware of the published situations. For instance, I believe the policy states that if you are going to serve these products, it's fine, but make sure you heat them, reheat them to steaming hot, or choose products such as these dry-cured pepperoni that don't support the growth of listeria.

As a whole in Canada, I think we certainly could have done a better job of making sure that those working with the elderly at the long-term health care facilities were fully aware of those recommendations that were already out there.

The Chair: You have a few seconds, if you have a closing comment, Mr. Allen.

Mr. Malcolm Allen: I appreciate Mr. Laws' comments. The only difficulty I have with food as "safe" is that peanuts are safe for me, but not for somebody who has an allergy. Clearly, for those at the high-risk level when it comes to ready-to-eat meats, it's like having a peanut allergy for some of them if indeed something goes wrong.

We haven't been able to absolutely say unequivocally that nothing goes wrong. There are those who are simply at high risk. If we're not educating them, and if indeed we're not helping them, we're doing them a disservice.

I think Mr. Olson said it very succinctly. There is only one food safety, that's it, and that's safe food.

The Chair: Thank you very much, Mr. Allen.

We'll now move to Mr. Anderson for three minutes.

Mr. David Anderson: We've heard a lot of contradictory testimony or statements at committee here. We heard from some witnesses that there was not a failure of inspection, that there was really nothing that could have been done in terms the requirements and expectations. We've heard from others that we need twice as many inspectors on the floor—that's the solution to the whole problem. We've heard that we need better data analysis over the long run to be able to see trends. We've heard that we need visual inspection, that it's really the key to what's going on here. I guess I'd like to get your reaction to that.

I also want to ask, Mr. Stein, as you're an expert in this, was it a mistake to cancel environmental testing in 2005? Is that something that would have helped prevent what happened last year? And you support the changes that were made on April 1, from what you said earlier. Is that correct?

Mr. Peter Stein: Are you referring to the increased testing that started April 1?

Mr. David Anderson: Yes.

Mr. Peter Stein: I think it's a good thing that we're testing more. However, as Jim said earlier, what we're testing and the way it was implemented for certain things didn't make a lot of sense in some cases. That needs to be sorted out. For example, why are we testing something that doesn't support the growth of listeria, or that actually kills it?

Having said that, when you're looking at micro results, it's almost reactive. We need to start looking. What we do is look for places where we don't expect to find it, where we're not having issues, and we look for it there and we clean there. There's no substitute for having a good sanitation program in all departments on all shifts. So the maintenance people—

•(1755)

Mr. David Anderson: Was it a mistake, then, to remove that environmental testing in 2005?

Mr. Peter Stein: No, because I think the onus was put on the industry, and the industry asked for it. It's the same thing with HACCP. When HACCP came in, it was something the industry wanted. But you have to test in the right places and you need to know what to look for. I think many of us in the industry have learned a lot in the last year as to where to look and where to find it, and what the impacts are. Where we were traditionally looking before was not good enough.

Mr. David Anderson: Okay, I think we probably have about a minute left.

What other new technologies are coming forward? You've told us about one that you're using that's fairly expensive. Mr. Bellavance talked to you about that. But what kinds of new technologies are out there that look like they're going to be really useful for you folks?

Mr. Peter Stein: There are a number of interventions that can be used, which the U.S. is taking advantage of and is using in their facilities as ingredients—all the way from irradiation to different types of additives. They've been on the table for many years at the Canadian Meat Council, since I've been on the council and its technical committee. And I just—

Mr. David Anderson: What would you recommend? We have to make some recommendations.

What would you recommend if you had your choice?

The Chair: Be very brief.

Mr. Peter Stein: Well, I think irradiation is something we need to look at. Absolutely.

The Chair: Thanks very much to everybody for keeping to the time.

I want to thank our witnesses for being here. I think we had some great questions and, certainly, some great answers that will help us here.

Mr. Rice.

Mr. Martin Rice: Really quickly, I'm wondering if it's of any use to the committee to look at the concept of equivalence that is used in the international—

The Chair: Concept of what?

Mr. Martin Rice: Equivalence is a concept in the WTO codes on sanitary and phytosanitary barriers, providing a way for countries to deal with each other and not require each other to have identical systems, but system results that are equivalent.

I don't know if that is a concept that can be brought into this federal versus provincial inspection realm or not.

The Chair: Well, I think the members of the committee would like to hear about anything and everything, Mr. Rice, for their report. So if you have some information you think would be useful to us, we would probably be more than happy to receive it. Okay?

Mr. Martin Rice: Okay.

The Chair: Thanks, again.

We're going to recess for a maximum of 10 minutes, and then get into our next segment.

•(1755)

_____ (Pause) _____

•(1805)

The Chair: I would like to welcome our witnesses here.

First of all, we have Mr. Hutton from the Federal Accountability Initiative for Reform, better known as FAIR, with us live. And by video we have Mr. Terry Pugh, executive secretary of the National Farmers Union.

Welcome, gentlemen. Thank you very much for participating.

Mr. Pugh, I'm going to turn it over to you for 10 minute or less.

Mr. Terry Pugh (Executive Secretary, National Farmers Union): Thank you very much, Mr. Chair.

My name is Terry Pugh. I'm the executive secretary of the National Farmers Union, based out of Saskatoon. I want to thank you very much for the opportunity to participate here.

A lot of our elected officials are still out seeding, unfortunately. I apologize for not having a written presentation in French. There will be a document. It has been circulated to the clerk and you will get that in a few days.

The NFU welcomes this opportunity to present its views on the issue of food safety to this committee. The NFU is a non-partisan nationwide democratic organization made up of thousands of farm families from across Canada, who produce a wide variety of commodities. Our mandate is to work for policies designed to raise net farm incomes from the marketplace and promote a food system that is built on a foundation of financially viable family farms that produce high-quality, healthy, safe food. We encourage environmentally sensitive practices that protect our precious soil, water, and other natural resources, and we promote social and economic justice for food producers and all citizens.

As family farmers, of course we are committed to a food system that provides safe and healthy food to people in this country and abroad. Food production is more than a business to us. We strive to ensure that the agronomic practices we use are safe and sustainable, and we welcome regulations that are designed to assist us in achieving those objectives. In fact, the vast majority of our members voluntarily exceed regulatory expectations in their efforts to produce safe food. Farmers are prepared, of course, to accept a reasonable cost, but it's important to ensure that costs are not unfairly downloaded to farmers. Food safety costs should be fairly shared by government and private industry as food safety and health is a social concern.

Farmers, of course, are one link in the food chain. Products of our labour and our land are destined to pass through many hands before they end up on consumers' dinner tables. The potential for problems, therefore, in the food system increases with each step along that journey. The trend toward large-scale highly centralized processing and distribution of foodstuffs over long distances has accelerated the probability that when food-borne contamination is not detected at its source, the results are disastrous and widespread. Of course, the tragic listeriosis outbreak, which occurred in 2008 as a result of unsafe processing facilities at the Maple Leaf plant in Toronto, profoundly shook the trust Canadians had, until that time, in their food system.

The NFU is a strong advocate of regulatory measures that put protection of the public at the top of the priority list. The NFU is strongly opposed to self-policing by food processing companies. Our policy, which is fairly long-standing, says food must be adequately tested, regulated, and inspected. These critical tasks must be performed by a sufficient number of adequately funded, independent, publicly paid inspectors.

At the most recent NFU national convention, which was held last November, a resolution was passed that called on the NFU to lobby the federal Department of Agriculture and Agri-Food and the CFIA, requesting first that plant inspection and testing be carried out by qualified CFIA inspectors and that the original number of paid government inspectors at meat packing and processing plants be also reinstated.

The Canadian public, of course, does not want industry to police itself. The poll conducted recently by Nanos, which was released on May 20, showed that 70% of Canadians believe Ottawa should invest more resources and be more hands-on in policing the safety of food. I think this tells us Canadians believe that the CFIA, in fact, should be the agency responsible for ensuring food safety and that the Government of Canada is where the buck stops. It's not

necessarily the industry. We acknowledge the fact that the industry did take steps to move on the contamination when it was discovered. But really the buck doesn't stop with industry; it stops with the regulator.

The collapse, of course, of the financial system showed what the consequences of deregulation are. The financial system collapse, of course, devastated the economies of most of the world and destroyed the faith of many people in the so-called benefits of the free market and deregulation.

● (1810)

So the listeriosis tragedy fundamentally shattered the notion that food processing companies will always put the interests of their customers ahead of their bottom line. The process of deregulating Canada's food inspection and moving to a system of self-policing by food processing companies has clearly placed consumers at risk. Over the years there has been a gradual handing off of food safety oversight to the processing companies themselves, and the role and authority of the inspectors employed by the CFIA have been reduced dramatically. The testimony by Bob Kingston, I think, pointed that out very well.

The CFIA has had its budget cut over the years, and public food inspectors have seen their workload increase. Last year we saw the move to deregulate provincial meat inspection at slaughterhouses in Manitoba, Saskatchewan, and B.C. Before 2008, of course, federally registered meat establishments were required to comply with an annual mandatory full systems audit conducted by the CFIA. However, we've seen that a shortage of inspectors at the CFIA qualified to conduct these audits meant that this did not happen as often as required.

The Harper government further changed that in April 2008 by moving to the compliance verification system. As we heard from Bob Kingston's testimony, the compliance verification system itself would work in theory, but we do need resources behind that at the CFIA in order to make that actually happen properly. What has happened, of course, is that the compliance verification system has shifted the CFIA inspector's role increasingly off the plant floor and toward auditing paperwork. The Maple Leaf plant was not subject to a full systems audit for at least a year prior to the outbreak. I think that does speak to the importance of these audits.

We have over 800 federally inspected meat plants across Canada and only 1,100 fully qualified processed food inspectors and 230 meat hygiene vets currently on staff. So CFIA inspectors are stretched to the point where it's impossible for them to adequately monitor the facilities that they're responsible for. We've heard before that the inspector at that plant in Toronto was responsible for seven facilities at the time of the outbreak. This really points out that there are problems in trying to ensure that the system actually works as planned, or as it's supposed to. The union has shown that the staffing levels are well below the minimum levels required to properly conduct those meat inspections. There is, in fact, a critical shortage of those inspectors.

I think it would be a grave error to continue with the policy of industry self-policing. The reality is that it's necessary to increase the staffing levels and authority of CFIA inspectors to ensure compliance by private companies with those safety rules. In order to verify that companies like Maple Leaf are not cutting corners at the expense of Canadian consumers, the CFIA does need inspectors on the plant floor doing visual inspections of conditions that may lead to contamination and physically confirming that all the safety protocols and requirements are being respected. Under the current system of simply having CFIA inspectors rely on documents, that tells them, of course, that the company knows how to complete paperwork, but it doesn't really do an adequate job.

We've seen this process of deregulation also pop up in other areas that directly affect farmers. For example, in the Canadian Grain Commission we've seen grain inspections being shifted over to the private sector. We've seen the gradual cutbacks at the Canadian Grain Commission. We've actually seen the same process happen with the CFIA, where every year the amount of money that's set aside for the Canadian Grain Commission to properly inspect is always cut back, just like it is at the CFIA. That directly impacts on farmers, because it increases the potential liability for those farmers if there is contamination of grain in the bulk handling system.

• (1815)

We've also seen, just recently, that situation...the CGC, of course, is aggravated by another recent move to further reduce farmers' access to on-site inspection services. Earlier this spring it was announced that the CGC service centres in Brandon, Moose Jaw, and Melville, which all offered on-site inspections, will be closed. So this is a very important aspect of the food system as well.

We've also seen changes to the seed variety registration system that give increased decision-making power to seed and chemical companies, which basically control the genes that are going into many of the genetically modified seed varieties that are coming on the market. The system would allow them to put those varieties into the market a lot faster, without the same sort of testing and the same sort of insurance that the seed varieties would be equal to or better than existing varieties that are out there.

In conclusion, we really believe that the deregulation of the food inspection system jeopardizes the health and safety of consumers in Canada and abroad. We recommend the recommendations put forward by the food safety first campaign to hire additional inspectors, to put in a moratorium on industry self-policing policies, and to remove the obstacles preventing CFIA inspectors and

veterinarians from taking immediate action on shop floors when they see violations at the processing plants. And we really think we should restore the system of public audit reports that was cancelled under pressure from the meat industry.

Thank you very much for that.

The Chair: Mr. Hutton, for 10 minutes or less, please.

Mr. David Hutton (Executive Director, Federal Accountability Initiative for Reform (FAIR)): I'd like to thank the committee for the opportunity to give testimony.

I represent FAIR, which stands for the Federal Accountability Initiative for Reform. FAIR is Canada's first public interest organization created to protect whistle-blowers, by which I mean employees who speak out to protect the public interest when they see wrongdoing. FAIR has been doing valuable work in this field for the past 11 years.

I'm going to cover two closely related topics in my remarks. The first is that I want to comment on the nature of the management systems upon which the industry and, ultimately, the public are increasingly dependent for ensuring food safety. I'll also comment on the vital role that whistle-blowers play in protecting the public when these systems fail and on the challenge of protecting these people.

I'll start with the food industry. As we have heard in this testimony over the past several weeks, the food industry is changing rapidly, from a host of modest family farms to a few industrialized producers operating on a huge scale. Just like transporting people in ever larger passenger planes, this creates economies of scale. It's very efficient while it works, but when it goes wrong, the result can be catastrophic, with many lives lost.

We've also heard a great deal about management systems being implemented in industry as a safeguard. I want to comment on that, because before I took on my current role, I spent my career in industry as an executive and a management consultant working in management systems. I've been working in this field since the mid-eighties, which is before the food industry began to become interested in this subject.

I've written a couple of books on the subject that have been translated and distributed on four continents, so I feel comfortable in making some observations about management systems. I'd like to tell you that obviously without these systems and the techniques they embody, it would not be possible today to build a reliable automobile or to safeguard the blood supply or to launch man into space. It's no accident that HACCP, which we've heard so much about, had its origins in NASA.

As our food system evolves into a vast industrial complex, it won't be possible to have a safe food supply without very expert and diligent implementation of these systems. However, these systems, as effective as they are when they are working well, are fragile. This is a key point, because they require considerable expertise to implement and absolutely consistent support from management, from the CEO right down.

The moment that the technical expertise is compromised or the management support weakens, then the system begins to degrade and will likely soon fail. All it takes for our food supply, then, to be poisoned is for one company in financial difficulty to start cutting corners, or for one manager, perhaps on a night shift somewhere, to overlook a problem rather than stopping the production line to fix it. We're only one bad actor or one incompetent decision-maker away from a catastrophe.

This is not an empty claim. The U.S.A. recently suffered a devastating salmonella outbreak, one of many outbreaks they've had. This particular one sickened an estimated 19,000 people in 43 states. It contributed to nine deaths and triggered the largest food recall in U.S. history and, indeed, an international food recall. All of this was caused by one family-owned peanut plant in Georgia. That's right.

About half of those who fell ill were children, so you begin to see how vulnerable we are. That's why it's absolutely essential, in my opinion, that we have mechanisms in place to inform us when things are going wrong, before disaster strikes.

I'll turn to whistle-blower legislation. The typical whistle-blower is not someone who rushes off on some kind of crusade or to find problems and publicize them. They are typically ordinary employees doing their jobs conscientiously who find themselves in a situation where they see some wrongdoing going on or have come into possession of some information that is embarrassing to their employer or their bosses. Then they put themselves at risk by trying to bring that to management's attention.

• (1820)

The whistle-blower is someone who puts his or her career at risk in trying to protect us. It's not someone who is acting irresponsibly. I think it's just plain common sense that if everyone in the food industry—in government and the private sector—could speak out freely if they saw matters of concern, then we'd be a lot safer than we are today. There is compelling statistical evidence from other sectors suggesting that whistle-blowing is potentially the most effective way we have for exposing problems and wrongdoing.

Some of you might be thinking, well, shouldn't people come forward anyway? Why do they need protection? But I'd like to emphasize that the typical experience of someone who tries to draw attention to concerns their bosses don't want to hear about is that they suffer vicious and calculated reprisals—attempts to isolate them, to make their colleagues frightened to speak to them, and to humiliate them. This abuse and bullying typically goes on until the employee can't take it anymore. At some point their doctor will say to them, "You can't go to work any more because it's killing you." At that point, the organization has succeeded in ridding them from the workplace and silencing them.

It goes further than that, because employers will very often make every attempt to prevent the whistle-blower from being employable. So they not only lose their immediate job, but also their career. One U.S. expert remarked that the typical fate of a nuclear engineer who blows the whistle is to end up selling computers at RadioShack—and that's certainly my observation too.

The consequences for these people and their families are enormous: loss of livelihood, loss of their careers, loss of their

homes, and very often the loss of their families. And they typically end up with post-traumatic stress symptoms, including nightmares, flashbacks, chronic depression—and regrettably, some are driven to commit suicide.

You might think this type of behaviour would be expected from a firm whose profits are threatened, but surely not from government employers. As Canadians, we've been raised to trust our government, but you'd be entirely wrong to do that. I want to give you just one or two examples.

The founder of this organization, FAIR, is Joanna Gualtieri, who blew the whistle on waste and extravagance in Foreign Affairs in the early nineties and was harassed out of her job. She sued her bosses for harassment, and that lawsuit is now in its eleventh year. You could ask, how could it possibly take so long? Well, government lawyers, paid by us, have dreamed up more than 10,500 questions to put to her and have subjected her to more than 30 days of pretrial examination, when the norm is one day.

This is not an unusual example. You've also heard of Shiv Chopra and the Health Canada whistle-blowers who lost their jobs after testifying to the Senate. The Senate was unable to protect them, and they've had to take legal action to try to regain their jobs. Their hearings have been going on for close to five years now.

In Canada, we're latecomers to whistle-blower protection. The Public Servants Disclosure Protection Act came into force in 2007, and it was claimed to offer ironclad protection to whistle-blowers and to be the Mount Everest of whistle-blower legislation around the world. Unfortunately, those claims seem quite ridiculous today. We have a Public Sector Integrity Commissioner, who is an agent of Parliament, with a substantial staff and a budget of \$6.5 million, and after two years of operation her office has not found a single example of wrongdoing in the entire federal public service. So our view is that whistle-blowers in Canada are not in any way protected, and there's not even the pretence of protection for them in the private sector.

I'm going to leave you with one very simple message, which is based on two decades of experience I've had with management systems and from what I've learned about whistle-blowing in the past five years or so. If you don't remember anything else, then please remember this. In my opinion, unless we create effective whistle-blower protection for the people working in the food industry, from the public servants who make policy and oversee the industry to the managers and workers on the production lines, Canadians will continue to die needlessly because of avoidable failures within the food supply.

•(1825)

I'm not claiming this is a comprehensive solution. Obviously there are many things that have to be done. But I'm saying it's a very important component that can provide a safety net when everything else goes wrong.

Thank you.

The Chair: Thank you very much, Mr. Hutton.

We now move to questioning. Mr. Easter, seven minutes.

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

Welcome, Mr. Hutton, and Terry from Saskatoon.

I like the background behind you there, Terry. It's much better than the one the minister carries around with him.

Mr. Terry Pugh: Thanks. Do you mean the Canadian flag?

Hon. Wayne Easter: No, there's no Canadian flag there.

Anyway, Terry, my first question is to you. You did go to the issue of responsibility. One of the things that shocked me about the president of the CFIA, in her presentation before the committee, was that she basically said CFIA was not responsible for food safety, that it is the responsibility of the industry. What's your view on that, and who should be responsible?

Mr. Terry Pugh: I think clearly the government and CFIA are the ones that are responsible. When you say that industry is ultimately responsible, then you're placing the onus for all the regulations, for basically setting the rules, on industry and saying that the government is the regulator, and that basically lets them off the hook. It's important that they are the regulator, but it's also the role, I think, of the government and Parliament to put those rules in place to protect the public interest. The public interest has to be first and foremost here. If you have industry setting all of the rules, then clearly the public interest won't have the ultimate priority. It will perhaps be on an equal footing with the profit motive, but it will not be out there by itself.

•(1830)

Hon. Wayne Easter: Clearly, in your presentation you did say that you're strongly opposed to the self-policing that seems to be happening in the system. Since the listeriosis issue, where the inspector was responsible for seven plants in Toronto, I think he's now responsible for basically one. So there is an improvement there.

Am I correct that your opinion is that the inspectors should be from an independent third party, preferably government, and that they should be on the plant floor?

I'll ask Mr. Hutton for his view on that, as well.

Mr. Terry Pugh: I'll start first.

Yes, absolutely, it should be an independent third party. Of course, the difficulty with CFIA is that it has a dual mandate in which it's not only responsible for ensuring the safety of the food system but it is also responsible for helping promote exports and so on to other countries. It's charged not only with facilitating the industry's success but also with safeguarding public interest.

It's a very fine line, I think, when you're trying to balance those two. Which one gets priority when it comes to the crunch here? If you have an agency whose primary role is ensuring that the public interest is protected, then I think it's very clear where that priority lies. Having inspectors on the shop floor...I think what we've seen with that plant in Toronto where they said, "Yes, we've made a mistake, now we'll get back to a reasonable workload for that particular inspector", shows that the system of trying to stretch those people beyond what's reasonable simply doesn't work.

Hon. Wayne Easter: The same question, to you both—and maybe you could answer at the same time, Mr. Hutton—is about the imported product, not only in terms of our own internal domestic food safety systems, but how we should be handling product that's imported into this country. What should the rules be under that, as compared with what both Canadian farmers and Canadian industry have to abide by?

Mr. David Hutton: I'm not a specialist in food safety, particularly; I work across many industries. But I will try to give you an answer. It relates in a way to the incident I mentioned in the U.S.A. whereby, basically as a result of the failure of their oversight, a very small plant was able to cause a huge outbreak.

I think we have to treat foreign suppliers as not having systems and therefore rely more on product inspection, unless we have very convincing evidence that they have a system that works. It's the same logic as internally: it takes a lot of expertise and commitment and consistency to establish a good food safety system. We have seen an example, in Maple Leaf, of how a rather small oversight of not doing proper analysis of the environmental testing led to the problem not being discovered.

You have to have producers establish their capability, like the case with passing a driving test, before you can give them the privilege of being inspected in a different way. You should assume that suppliers do not have the capability to manage process control and all that type of thing until they have absolutely demonstrated that they do have that ability.

Hon. Wayne Easter: Terry, do you have anything to add on imported food?

Mr. Terry Pugh: Yes. I think the standards we hold imported food to should be the same as Canadian standards. It's important to make sure that we don't put Canadians at risk by importing food that falls below the standards we have for our own nation. It's important that we make sure we have sovereignty over the rules and the regulations for our food safety in Canada.

The Chair: Okay, we're going to move on, because we have votes.

Speaking to the witnesses, you hear bells ringing. We have votes in a few minutes.

But Mr. Bellavance, you'll have seven minutes. I'll have to hold you to that pretty well, André. Thank you.

• (1835)

[Translation]

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

Thank you for your testimony.

Mr. Hutton, it's interesting to have the views of an expert from an organization that protects those who make disclosures. The events that occurred before the listeriosis crisis revealed the deficiencies in the Canadian food safety system. I would refer you to the case of Luc Pomerleau, an employee of the Canadian Food Inspection Agency. On his computer, at his work station, he discovered a government plan to cut the agency's operating budget by 5% and increasingly rely on the industry to inspect foods. There was a whole series of similar measures.

We cannot even accuse Mr. Pomerleau of public disclosure, because he did not reveal the plan publicly. He told his union that there were to be cuts, and possible job losses. It was quite understandable for him to pass on the information to the appropriate people. He did not hack into the computer system to find the plan, nor did he break into a safe—words we have heard used here—to get the document. Yet, he was dismissed by the Canadian Food Inspection Agency for having done no more than his duty. Obviously, Canadians ended up hearing about what happened. It's fortunate that this plan, which was a secret at the time, no longer is.

I would like to know your views, since you work in the industry. Can we consider Mr. Pomerleau a whistle-blower? In this day and age, how can we still dismiss an employee because he notified his union he had discovered a certain document?

[English]

Mr. David Hutton: I agree with you that Mr. Pomerleau seems to have been simply doing his job, and it's regrettable that he was dismissed. I think it's very telling that he has never claimed to be a whistle-blower. I don't believe he has approached our Public Sector Integrity Commissioner's office. In his position I wouldn't either, because he won't get any protection there.

Basically, public servants, regardless of what kind of legislation and claims we are making, are not protected. What happened to Mr. Pomerleau for a very innocent and, in my mind, very appropriate action is typical of what happens to people. We have people coming to us all the time telling us about the harassment they're receiving for much smaller actions than that. So it's very regrettable.

We wrote an article that appeared in *The Hill Times* saying that it's possible that this crisis could have been averted if we did have proper whistle-blower protection in Canada. First of all, the plans could have been made public much earlier so that we could have debated them. Secondly, we could have heard from inspectors in the field when they were having difficulty with the implementation of these plans. And thirdly, we could have heard from people in the food industry about what's actually going on, what's common practice. We had a failure in one of the biggest and most well-known organizations in the country. What's happening elsewhere? Are we not running risks elsewhere? We won't ever know unless these people are protected.

[Translation]

Mr. André Bellavance: The scandal is that the issue was public health and food safety. Instead of being transparent and explaining the plan, since someone had found it, the agency acted like a regime of terror. The example of Mr. Pomerleau was probably taken note of in the entire CFIA, and even in other government departments, carrying the message of what would happen if anyone was unfortunate enough to dare inform people. I repeat that, in this case, Mr. Pomerleau notified his union of the coming changes, which were worrying for Canadians in terms of public health. I consider that your work is important, since we still do not have the system we need to protect people like him.

• (1840)

[English]

Mr. David Hutton: This is true. So I urge the committee to recommend whistle-blower protection for the industry.

I brought along a document. There's legislation going through the U.S. Congress at the moment; it's being debated. I have a summary here, and it's available on their website. It has a whole laundry list of, I think, very sensible actions that they are taking, or proposing to take, in the U.S. to try to get their food system back on track. Right in there, the very last item under “general provisions”, is providing whistle-blower protection for people in the food industry. That's something they are certainly looking at, and I think we should do the same.

The Chair: Mr. Bellavance.

[Translation]

Mr. André Bellavance: Could you please give your draft to the clerk, so that she can have it translated and have it distributed to everyone? Thank you.

[English]

Mr. David Hutton: Yes, I will.

The Chair: Thanks very much, André. I appreciate that.

We're going to have to recess for as long as it takes to vote. We just have one vote, gentlemen, so we'll try not to hold you up too long.

• (1840)

_____ (Pause) _____

• (1900)

The Chair: We will call our meeting back to order.

I thank our witnesses for their patience.

Mr. Anderson.

Mr. David Anderson: I wonder if we have quorum or if we should wait until Mr. Easter gets back. He probably wants to hear the rest of this as well.

The Chair: I don't believe Mr. Easter is coming back. I think Ms. Duncan is sitting in for him.

Mr. David Anderson: Okay.

The Chair: We do have quorum and we'll resume our questioning.

I believe Mr. Allen is next, for seven minutes.

Mr. Malcolm Allen: Thank you, Mr. Chair.

Thank you both for your patience. At least there's only vote tonight and not three or four.

Perhaps, Mr. Hutton, I could start with you. We heard in earlier testimony—and I'm not sure if you're aware of it or not, but let me give you a quick synopsis—that the CVS, which is part of the compliance system that they were putting in place, was started as a pilot program. According to Mr. Kingston, who testified, it's a verification system that actually was never verified by CFIA after the pilot was done to see if it actually worked. Yet the constant harping on it that I hear from everyone is that this is a science-based program and these are science-based initiatives. So wouldn't one want to verify a science-based system, since we put it in place and utilized it?

As someone who's an expert in systems, do you think it makes sense to put a verification system in place that was never verified as to whether it fully operates and works well in the first place?

Mr. David Hutton: The answer is clearly no. There clearly is a need to re-evaluate how you provide oversight as the industry moves towards these management systems. But the great risk here is to be too naive about what industry is capable of and therefore to move to a mode of inspection that really isn't going to do the job.

For example, when an organization is simply not technically capable or capable in its management of implementing a system competently, what you end up with is a facade of paperwork that can conceal all kinds of incompetence and even wrongdoing. So it's important in that situation for the oversight to go behind that and to start looking at what's happening on the line and in practice, whereas if you have a very competent organization that has established a system that has been proven to work for a while, maybe you can operate in a different mode and give them credit for that.

I think your question about the CVS is very appropriate. It doesn't make sense to roll out something that hasn't been tested.

• (1905)

Mr. Malcolm Allen: The other piece I found interesting, when you talked about whistle-blowers, was one of the things we've heard from food inspection people when they spend a lot of time on the floor. Not discounting what they saw as they did physical inspections, the great debate is, well, you can't see listeria. Well, I recognize that the x-ray glasses in the back of the comic books you bought never did work, so we understand that. But what they did say that I thought was extremely interesting was that, not just from time to time but very often, plant employees would come up to inspectors on the quiet, or on the QT, as one might say, and tell them that they ought to look at such and such.

I don't know. Maybe you're an expert on the whistle-blower situation, but that seemed to me almost like an internal whistle-blower operation happening, but no one was ever identified because the inspector would then go and do what they needed to do based on that information. Of course, there's no repercussion against the inspector, because the inspector is a third party, not directly beholden to or employed by that particular agency or that particular body.

With less time on the floor, their argument was that it took away from that. I wonder what your comments around that are as to the system being perhaps more accurate or at least being more effective.

Mr. David Hutton: That's a good question.

The employees would be a good source of information for inspectors. It has been my experience, working as a management consultant, that simply by creating a safe environment for people to talk you would soon find important information about an organization that their own senior management were not aware of, even though everybody else knew. That kind of channel for employees would be helpful. It would be even more helpful if the employees had some kind of protection to do this officially to their own management.

Looking at other jurisdictions and other sectors, there's a pattern. There's a failure of more than oversight. The agency doesn't want to upset industry or rock the boat, and so the inspectors are under pressure not to report things. We've seen that in aviation. I think you'll find a lot of that going on in the U.S. With the salmonella outbreaks, there were whistle-blowers who tried to draw that to the attention of the FDA. If the agency that's providing the oversight is not prepared to pay attention to its own inspectors on matters like this, then you really have a problem, and that's when they need to be protected to go somewhere else.

Mr. Malcolm Allen: I've heard more acronyms in the last two months than I've heard in my previous career, and they're all based on these systems. They all sound wonderful, and they probably are all wonderful systems, but no one has yet told me how they verify that they actually work and whether they have people qualified to work inside them. There doesn't seem to be a method of determining whether the people running the system are qualified to make it work. The systems are imposed on top of a workforce that's already there, who may or may not have the skills to do it. With an overreliance on a system, are we more safe or less safe than we were when we were just looking at a system to see whether it would work?

• (1910)

Mr. David Hutton: You should never accept that any organization has a system working until you see the evidence. You typically would need a fairly in-depth audit to make sure the system is actually working. If it's not working as it's supposed to, then it's simply a facade, and all kinds of things could be going on that you might never find out about unless you probe behind it.

The Chair: Mr. Anderson.

Mr. David Anderson: Mr. Pugh, are you aware that we put \$113 million into the food safety action plan, that we've hired 200 more inspectors, and that CFIA's employment levels have gone up 13%?

Mr. Terry Pugh: Yes, this is a point that you made to Bob Kingston, and I think it was covered fairly well in his testimony. The amount of money that's going in is laudable, and many of the places you're putting that money is important to the laboratory work. The question is whether we need more front-line inspectors. This is very important.

Mr. David Anderson: You said that we've cut the budget to CFIA. But when I looked up the numbers, I found that in 2005-06 they received \$489 million in funding; in 2006-07, \$571 million; and in 2007-08, \$639 million. Can you tell me how that amounts to a cut? That's a substantial increase in each year. The only years in which the CFIA budget was cut were 1994, 1995, and 2005, when the Liberals themselves cut the budget.

Mr. Terry Pugh: Well, the important thing is—

Mr. David Anderson: I don't think we need to spend a lot of time on that. It's clear that it's gone up by \$150 million in two years, so there has been a significant increase.

I wanted to go on to another issue: food supply. Today you folks sent out a news release talking about the captive supply of beef. It's important that you be accurate in your information. In your news release you said that the captive supply of Canadian cattle is as much as two-thirds of the animals slaughtered each week, or 66%. When we check with CanFax, their figures tell us that packer-owned cattle accounted for 10% of fed cattle procured in April. Forward contracts are 7%. That amounts to about 17% of cattle that you could even use under a broad definition of captive supply.

Can you tell us how you get from 17% to 66% in your figures?

Mr. Terry Pugh: Actually, no, I can't, David. That was done by our resource department and I didn't actually see that. Sorry.

Mr. David Anderson: I don't know if this is part of the fundraiser you guys seem to have a couple of times a year, where you pick an issue that you take to the membership. I think they need to be accurate, because other information from CanFax said that 65% of cattle were traded on the cash market last year, which was up slightly from 2007, when 63% were traded. I think your research department needs to go home and take a look at their information and maybe redo that. Maybe they could even put a correction in the *Edmonton Journal*, which is where the article was published today.

You talked about the compliance verification system and quoted Bob Kingston and some of his concerns. Do you support that system?

Mr. Terry Pugh: The system itself works when you've got the resources there to make it work, David. It's important, though, that you make sure the system itself is working. I think the last question simply addressed that. I don't know if the pilot project that was implemented was actually ever verified as working properly.

Mr. David Anderson: Mr. Kingston obviously wanted more inspectors on the floor, because he's the union head and clearly he'd like to see some more people employed under his watch.

One of the things he really seemed to be criticizing was shifting towards analyzing data patterns. We've heard from a number of witnesses that this really seems to be crucial, and that if they'd been doing that last year they might have found this problem before it sprung up in the Maple Leaf plant. Do you have any concerns with that? He really wanted to have a lot more visual inspection. Most other witnesses have told us that's not necessary and we really need to be analyzing the data, the trends, the test results that are coming back and those kinds of things.

Mr. Terry Pugh: It's the combination of the two, David. Just looking at those data trends, if you don't do anything with it and if

you're not seriously looking at how to correct those trends when you find them, making sure the positive test results for listeria are reported to the inspector, just having it there in a binder and so on, that doesn't actually bring it to their attention.

So finding those patterns is important, but also so is taking steps to correct it, because the system Maple Leaf had in place was of their own design, but the problem took place even though they had that system, which went above the regulations, as Michael McCain pointed out. It didn't actually lead to detection of the problem.

•(1915)

Mr. David Anderson: Last winter you did some work with R-CALF in the United States and you were working together on a project down there. I think there was a joint press release that came out. I'm just wondering if that had anything to do with food safety or food supply for our producers in western Canada?

Mr. Terry Pugh: For the record, we don't work with R-CALF and it was not a joint press release.

Mr. David Anderson: Oh, I had information that I think I got in your press release, where it talked about the work you were doing with them, and I guess I was concerned about that because they typically have not been a friend to any Canadian farmers.

So you are disavowing any connection with them?

Mr. Terry Pugh: Absolutely.

Mr. David Anderson: Good, I'm glad to hear that.

Mr. Hutton, I'd like to shift to you. Earlier in your presentation you seemed to have a concern about larger farms, that the trend towards larger farms could lead to...and I think the quote was "many lives lost". We heard from the witnesses prior to you that food safety has been immeasurably improved in the last 10 or 15 years, and I think some of that has actually been due to the fact that farms are bigger and in some ways able to take the cost of some of these safety compliance mechanisms as a smaller part of their budget.

Can you tell us what it is about larger farms that's going to lead to these many deaths that may occur? It seems to me we've got better standards now than we've ever had.

Mr. David Hutton: My remark was not aimed at farms particularly, but at the industrialization of the industry and operating on a larger scale. My point is that when you're in that situation—and I made the analogy with aviation, where you're flying larger planes and more people—it means that when there is some kind of problem, it can be a much more serious problem with more loss of life.

We all understand that in the past when there were lots of small farms, occasionally a farmer might have some kind of problem and sicken some of his neighbours, but it would be unlikely in the past that a single peanut plant, for example, could cause the largest recall in U.S. history.

Mr. David Anderson: I'd like to ask both of you a question then. We talked to the earlier witnesses about this.

Do we need one national standard for meat safety, a meat standard, or can we have two or three standards across this country and still deliver a safe product to the marketplace? If we need one standard, how do we protect the small plants?

Mr. David Hutton: I don't think I'm particularly qualified to answer that question.

Mr. David Anderson: Okay.

Terry, you probably have some thoughts on that.

Mr. Terry Pugh: I'd like to take a stab at it, David, if I could.

I think actually what you raise is a very important point. Federally inspected plants match a standard that's designed for across Canada and for export, but it doesn't necessarily mean that the meat is actually safer than what's produced in provincially or even municipally approved plants. So this is important.

We do need local abattoirs, and I think it's important to have regulations in place that ensure a safe meat supply, but it also has to be appropriate for the facility. As long as safety is the primary objective, I think we can be flexible enough to ensure that happens.

The Chair: Thank you, Mr. Anderson.

Mr. Pugh, for clarification, we had a witness here a couple of weeks ago, Mr. Kingston, whom you have referenced three or four times. What's the connection between Mr. Kingston and the NFU? Does he work for the NFU, or is he a member of the NFU? I just wonder what the connection is there.

Mr. Terry Pugh: The connection is that we talk together and we have communication. The common objective in that is to ensure that there is a safe food supply from the farm to the table. It's common sense that the farmers who produce that food have a vested interest in it. The workers in those plants have a vested interest in ensuring that safe food supply as well. When there are concerns that come up, I think it's important for everyone to talk, and they may come up with common solutions as well.

• (1920)

The Chair: Thank you.

I agree. We're all here to try to make food safety good, and what have you. I just wondered about the connection. That was all.

Ms. Duncan, you have five minutes.

Ms. Kirsty Duncan (Etobicoke North, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses for coming. It's very interesting to learn from you.

Dr. Hutton, it's my understanding that Americans came here to verify our systems last year, to make sure our food systems were safe, and that concerns were posted on the American website

afterwards regarding a Maple Leaf facility in Quebec. This information would have been available to our federal officials; however, no action was taken.

First of all, did Maple Leaf have whistle-blower protection?

Mr. David Hutton: I don't have any specific knowledge about Maple Leaf, but I would say it's one thing for an organization to claim that it protects whistle-blowers, and it's another thing for it to be real.

If you look at our own crown corporations here, there is actually a requirement as part of the Public Servants Disclosure Protection Act for all government departments and crown corporations to have an internal disclosure system that people can use, if they choose, before they go to the Public Sector Integrity Commissioner. If we look at that, what we find is that many of the largest employers have had zero findings of wrongdoing and zero disclosures. Canada Post has had not a single disclosure through that system in the past year, yet there is a whistle-blower right now in the news, Mr. Christian Dumont, who was hounded out of his job for drawing attention to a practice of selling afternoon routes, which has all kinds of problems for the integrity of the mail system. For his trouble, he lost his job. The courts have repeatedly found in his favour. Canada Post has been ordered to pay him \$80,000. They still refuse to pay. A seizure order has been issued against them.

What I'm saying is that the contrast between what an organization may say it's doing and what actually happens in practice can be a very large discrepancy.

Ms. Kirsty Duncan: So that's important, looking at what's actually happening in business. Thank you.

I think you mentioned at the beginning that we don't have it for public servants. Do you think whistle-blower protection would have made a difference to federal inspectors, because they would have known there was a problem in the Quebec plant? This was posted on the American website, yet nothing was done.

Mr. David Hutton: I think it's very important when we look at whistle-blower protection to include the public servants, because what we see happening in other jurisdictions—and there's evidence of this in Canada too—is that agencies with the job of providing oversight actually discourage their inspectors from reporting. There are many reasons why they might want to do that. None of them are good reasons, and none of them are good for the public interest and public health.

Ms. Kirsty Duncan: Thank you.

I'll ask another question, if I may. What might whistle-blower protection look like for the food industry in Canada?

Mr. David Hutton: I think you need some legislation that would cover all employees. Basically, the idea is to make it an offence to retaliate in any way against someone who raises concerns and to give them a safe place to go in addition to their management. They should go to their own management first, but there should be somewhere they can go if their management doesn't listen, or if the management starts to make reprisals, and raise it to another level. Ultimately, they should be able to go public if they're not getting due process and their concerns are not being investigated properly. That's what it would look like.

You need well-written, strong legislation, because the problem for a whistle-blower is that they're typically up against the full resources of their employer. If you look at government departments, they will give a blank cheque to the justice department lawyers to go and do what it takes to tie up this poor person in the courts forever. It's important that the legislation be well written and strong.

• (1925)

Ms. Kirsty Duncan: Thank you.

What resistance do you think there has been to allowing for whistle-blower protection within the food industry, and what do you see as the challenges going forward?

Mr. David Hutton: I don't think it has really been discussed within the food industry. I hope that an enlightened management would see this as a plus, but there's always the fear in any organization that by giving some protection to people who know about problems, you may be exposing yourself to embarrassment and negative publicity, whereas the reality is that if they were to pay more attention to people who have the courage to talk about the problems, they would be able to deal with them at an early stage and, therefore, avoid the sort of problems we've seen with this outbreak.

The Chair: Thanks very much, Ms. Duncan.

We'll go to Mr. Shipley for five minutes.

Mr. Bev Shipley: Thank you, witnesses.

I want to go back to Mr. Pugh for a minute.

You made some comments, and I know my colleague followed up on those. You focused quite a bit on Mr. Kingston, the union representative who was here, not acknowledging, quite honestly, that there had been more inspectors, nor that there had been money put forward in terms of what we've done over the last budget or so.

Something else also became really clear but was not mentioned—and maybe you can just help me with clarification on that. When we get front-line inspectors—and by the way, there was about a 7% increase in front-line inspectors—who are certified, do you know if they can be certified for more than one position or not?

Mr. Terry Pugh: Yes, they can.

Mr. Bev Shipley: Is it an understanding that they actually move around from one area—maybe horticulture, maybe livestock, maybe food processing—to another, depending on the area of need at the time?

Mr. Terry Pugh: I'm not an expert on this, so I have to acknowledge that there is some movement, according to the testimony. When you asked Mr. Kingston the question, he said that

there was that sort of movement, and he said it was very rare in the meat inspection department.

Mr. Bev Shipley: I think it likely is rare, because actually I think one of the things we found out is that of the 12 million to 13 million food-borne diseases that happen every year across this country, there's a very small percentage that actually get into that sort of crisis situation. So when that crisis situation happens, my understanding is that's when they move, rather than necessarily on a daily basis. I think that would make some sense.

Mr. Terry Pugh: Clearly, when you have a crisis, you're going to concentrate resources to combat that crisis, absolutely.

Mr. Bev Shipley: One of the things you mentioned in your speech was something about deregulation of the food safety system and that actually, over the last couple of years, there had been this deregulation of the food safety system.

I just want to review a little bit. There has been the implementation of the CVS. There were additional regulations added on April 1 of this year. We extended, actually, the data analysis system for the patterns that develop. Then actually, if I remember right, there are stricter sanitation and safety requirements that have been put into the regulations. Those are only four I can think of right now.

I'm wondering how that fits in with the comment that deregulation of the food safety system seems to be happening.

Mr. Terry Pugh: Ultimately, it's who's responsible for setting up and enforcing these measures. Is it industry that's regulating itself? Is it the role of CFIA to look at the audit reports or the various reports that come in through that system? Or are they checking on the shop floor as well as reviewing those very important reports?

When the CFIA is responsible for ensuring that, then they have the authority to go in to make sure that any problems they see are corrected, right? When the inspectors look at something that is of concern to them.... They used to be able to go into a plant and see something that was out of the ordinary or something that was a concern. They could stop the process of production right there and have that machine taken apart. Now that's not happening. To look at a record, say, later on and try to catch a problem that's already happened just doesn't have the same impact.

• (1930)

Mr. Bev Shipley: What you're saying, then, is that now that is not allowed.

Mr. Terry Pugh: My understanding is that it's not taking place in the same way.

Mr. Bev Shipley: That's not what I'm asking, actually. I'm talking about deregulation. You're saying that things have been deregulated. Now you're saying that, well, they actually used to be able to go in and could shut the plant down. Are you saying that this government has actually put something in place to prevent that from happening?

Mr. Terry Pugh: The system in place right now puts the onus on the company to carry that out.

Mr. Bev Shipley: Okay. I have just one more quick one in terms of that deregulation.

It is still incumbent upon the person on the floor, if they see something wrong—as Mr. Allen said, they used to be able to talk to someone—to actually do something about it. I don't think there's any question about that.

Mr. Terry Pugh: Oh yes, absolutely. Part of the problem is the opportunity to talk to an inspector. They don't have that same amount of time in the plant or the same environment in which to just approach—

Mr. Bev Shipley: We just had a witness previously who said that they actually do that. They actually do go and make those comments, and they do get passed on.

The Chair: Thank you very much.

We'll now move to Ms. Bennett for five minutes.

Hon. Carolyn Bennett: Thank you, again, both of you, for coming.

Mr. Hutton, I want to know if you looked at the situation that happened in terms of the whistle-blower at CFIA, which preceded this event, and what happened in terms of that person being fired.

Mr. David Hutton: What I did was read very carefully everything that appeared in the media about it.

I did actually make some attempts to contact Mr. Pomerleau. The message I got, I think from his union, was that it wasn't a whistle-blower issue. He didn't want to be seen as a whistle-blower, and it shouldn't concern us.

To me it has a lot of the hallmarks of that type of situation. Someone is basically punished very severely for doing something that would seem to be not only the job but something we would expect the person to do because of his or her professional duty. I don't know a lot of the specifics, other than what I read in the media.

Hon. Carolyn Bennett: Under comprehensive whistle-blowing legislation, what would have happened to him?

Mr. David Hutton: What would have happened is that he would have perhaps felt confident that he could go to the Public Sector Integrity Commissioner and that his case would have been investigated. If it were found, for example, that he had suffered reprisals as a result of what he had done, then the people responsible for that could be disciplined, up to and including the point of losing their jobs. That's the theory and that's what our legislation says. But the practice is that our Public Sector Integrity Commissioner, in the past two years, has not found a single case of reprisal against an employee. There's a tribunal that she can bring into action to adjudicate cases when she believes there is reprisal. That tribunal has never sat.

In the U.K., when they established similar legislation some time ago, during the first three years the tribunal adjudicated more than 150 cases. That's more than 50 a year. This is a smaller jurisdiction, but the ratio is infinity—there has not been a single case—and we know from surveys of Stats Canada that more than one in five federal public servants report that they've suffered reprisal, mostly at the hands of their bosses. Our experience is that what will guarantee

a reprisal is to try to blow the whistle. We think that close to 100% of those people suffer.

• (1935)

Hon. Carolyn Bennett: In places where there has been legislation about, say, sexual harassment, it becomes mandated that there must be a designated person in the company or in the department that is a “safe place” for people to go to tell their story. I think it's sometimes very hard to tell your immediate boss, or even harder sometimes to tell the boss above your boss.

Would this be part of comprehensive whistle-blowing legislation, to your mind: that somebody be designated as almost the ombudsman for this?

Mr. David Hutton: Yes. It's actually one of the principles of this whole field that, where it makes sense, people should try to take it up the line through management in their own organization before they go outside. If the organization clearly has a track record of paying no attention to those and punishing people, then obviously they shouldn't bother with that process. But within our current legislation, there is a designated management person within most government departments and crown corporations to whom people should be able to go to make disclosures.

But as I mentioned earlier, that system is largely inactive. The numbers being reported through that system are very small. I mentioned the Canada Post case, in which there was not a single disclosure, in an organization that we know has had a history of labour problems. Corrections Canada is another one. So the theory and the reality are ending up in different places.

Hon. Carolyn Bennett: Thank you.

The Chair: You basically have ten seconds left. Do you have a closing statement, very quickly?

Hon. Carolyn Bennett: Yes, I just wanted to apologize to Mr. Pugh for the discrediting line of questioning that came from the opposite side.

The Chair: That's quite a statement.

Mr. Bellavance, you have five minutes.

[*Translation*]

Mr. André Bellavance: It's odd that Ms. Bennett finished on that note, given that I was just preparing to talk about the mock trial through which government members put Mr. Kingston, who is president of a union. Mr. Kingston is unfortunately not here to defend himself. If government members consider that the very fact of being a union president is somehow negative in and of itself, I can say that I do not share their view. I myself was president of a union when I worked at a radio station. The people around me, and others who worked at the station, felt that this was an advantage, insofar as I would be very familiar with the environment. I would think this also applies to Mr. Kingston, who was an inspector. He's very credible when he talks about his organization, because he knows it extremely well.

Regarding Canadians in general, you made a brief mention of the Nanos survey during your presentation on food hygiene and safety. I would like you to give us more details on the fact that most people believe the government should take the lead in guaranteeing the application of safety standards. In Canada, 73% of Canadians believe the government should have final responsibility for its food safety system.

You must be aware that the committee has heard Minister Ritz, as well as Ms. Swan, and almost everyone at the head of the Canadian Food Inspection Agency. They all said they were very happy that the president of Maple Leaf took responsibility. But Canadians do not share that view.

Do you yourselves, and the people you represent, believe that ultimate responsibility for food safety rests with the Canadian government?

• (1940)

[English]

Mr. Terry Pugh: Absolutely, that's correct, yes.

I think the underlying fundamental assumption of the Canadian public is that the government's job, your job as an elected person, is to make sure that laws don't get put in place or regulations aren't put in place that fundamentally harm Canadians. The public interest, the objective here—and the people believe that it's the government's role—is to regulate industry, private enterprise, to regulate the economy basically. There are certain freedoms that industry has, of course. But in the end, the people put their trust in their elected representatives, and the government agencies and institutions that they put in place, to protect people's interests. They're placing that trust in Parliament and their institutions.

So absolutely, that fundamental trust can't be simply transferred to the private sector. The role of government is to make sure that it functions properly in the interests of the constituents who elect them.

[Translation]

Mr. André Bellavance: In fact, the idea of handing over food inspection to the industry is exactly what was being proposed under Mr. Pomerleau's plan, referred to earlier. I'm referring here to the Conservative government's plan. The number of inspectors and the amounts invested are also subjects that seem to be a laughing matter to the Conservatives. Either way, statistics clearly indicate that on average, one inspector is responsible for inspecting five plants. Yet, it has been stated that the inspector working on the Maple Leaf plant had seven to inspect. I think you are the one who shared these statistics with us. We also learned that inspectors were increasingly focusing on paperwork rather than inspections out in the field, or in the plants. Regardless of what we say or what we do, some aspects of the food safety issue are not up to par, and this is one example. There is no doubt about that.

Also, we recently learned that the Canadian Food Inspection Agency was supposed to create an emergency fund to deal with crises like listeriosis and this fund would have come out of its operational budget. The money allocated for this purpose represents perhaps 10 or 15%. There is talk of additional funds being disbursed, but perhaps the agency may have to use this money to create a contingency fund. Well, this is not new funding, but rather a portion

of its own operational budget. Statistics can be interpreted in any number of ways, but you did point to a certain reality.

[English]

Mr. Terry Pugh: Yes, when you transfer—

[Translation]

Mr. André Bellavance: Excuse me for interrupting you, but it seems as though some people are laughing on the other side.

[English]

Mr. Terry Pugh: —resources internally or externally, something is going to suffer if you're going to respond to a crisis. The crisis, of course, is what draws people's attention to the fact that there needs to be regulation.

This is what happened in the stock market crash. Everything was going great, until it didn't go great, until everything crashed, and then all of a sudden it was a problem that there wasn't enough regulation. But before the crash, of course, it was pointed out that everything was going up, so the lack of regulation was actually a good thing then, in the eyes of some people.

You need regulation whether times are good or bad. It's important that you have those systems in place and, as Mr. Hutton said, that you have protection for people who point out things that are going wrong.

Take the whole example of bovine growth hormone. There was an attempt to introduce this into the Canadian milk supply system a few years ago. That was actually prevented largely through public opposition to that growth hormone. It was a whistle-blower at Health Canada—three whistle-blowers, actually—who saw what was potentially coming down the line with that and took steps to ensure that the milk supply system was not put in jeopardy.

• (1945)

The Chair: Thank you, Mr. Pugh.

Mr. Allen, five minutes.

Mr. Malcolm Allen: Thank you, Mr. Chair.

Thanks to the clerk for providing the information that revived the dead donkey that delivered the documents from CFIA that I was talking about last week. I guess I was mistaken; the donkey didn't die after all. It made its way here, three legs or not.

Mr. Hutton, I have a question about the systems based on this. I had asked a question of Mr. Cameron Prince, who's a vice-president at CFIA, about whether he would provide me documentation about the compliance verification system. He said yes, he could and he would, and they did late last week. Part of that was asking whether the compliance verification system tasks had been done, of which there are five, according to their list.

According to this, it says that in regard to CVS tasks delivered April 2008 to January 2009—and I know you don't have the documentation in front of you, so let me just quote it to you, sections 1, 2, 3, and 5—there were 135,457 tasks delivered, and 134,764 tasks planned. They had actually delivered more than 100%.

But for section 4, which is the system design and reassessment, which was a new assessment, it says to see the explanatory note, which read:

Section 4 verification tasks are associated with periodic, comprehensive assessments of the company quality systems by a specialized team of food safety specialists once every two years. CFIA does not have complete data for section 4 tasks at this point, because they were to be completed over a two-year period ending March 31, 2010.

So if I do the arithmetic, I know they wouldn't have started to do it until March of last year. They can't give you a temporary report. They are saying, "Well, it's a two-year period, and I can't do it until the end."

Does that seem logical to you, that when you have a system that was in crisis last year—clearly, they had a serious outbreak and they had 22 deaths—somehow the system couldn't be made such that you could say, "Here's what we see at this point based on what we know to date, albeit incomplete", and not have at least some sort of information driven out of that one task?

Mr. David Hutton: I think you make a very good point about the timeliness of this type of information.

I don't want to start commenting on the specifics of Maple Leaf, other than what I know from public information, but it would appear from what we've heard in testimony before this committee that the failing they fell into was a fairly common one of gathering information that was very valuable for process control purposes and then failing to analyze it in a way that would show where the problem was.

I think the relevance to your question is that if they had had oversight from well-qualified people who understood what these types of systems were supposed to do, that failing would have been pointed out at a pretty early stage, because they essentially had an important part of the system be non-functional. I think that would be bound to come out in the type of comprehensive audit that section 4 apparently talks about.

Mr. Malcolm Allen: Which I guess leads to the question, why wouldn't you accelerate it, since it seems your system didn't work?

Mr. David Hutton: Yes, one of the points I would come back to is that I think it's a grave mistake to take on trust that an organization has a functioning management system until you've verified that for yourself in a fairly comprehensive way. If you don't do that, then you run the risk of allowing an organization to maintain a facade. Behind that facade of paperwork and activity, the thing isn't really working the way it is supposed to and they perhaps don't even have the technical capability to do that. I think it would be a very important part of the oversight to do these sorts of comprehensive audits in a very timely fashion, not dragging out over two years, and for that to be a prerequisite for any kind of change in inspection regime this organization is subject to.

● (1950)

Mr. Malcolm Allen: So from a system's perspective, for someone who has been in this field for 20-plus years, as you said, and you had a serious situation.... I know you don't want to comment on the Maple Leaf piece. I'm not asking you to do that. But let's extrapolate that to some other industry that has had some serious occurrence in their systems that has led to some sort of catastrophe of some

description. I don't know how else to describe 22 deaths except as a major catastrophe. Would one not want to accelerate their audit processes to see what went wrong, to see if it couldn't be corrected more quickly?

A third party validator comes along and says, "We need to validate that for you, because folks are looking at you saying they don't think you've got it right." Would that place not also want to be validated by that third party so they can put their hand up and say they're validated? I know from the manufacturing sector, when they developed all the new ISO 9000, 9003, and 14000 programs, that these are all externally validated systems. They're not done internally by the manufacturer. Those manufacturers aren't responsible for food safety. In some cases, they're making widgets and they have to be validated from the outside.

Mr. David Hutton: Yes, I think your point about the importance of the validation process is very well taken. I'd also like to point out that when we're talking about disasters, to me the whole process of looking into this disaster is flawed in many ways. I don't think the members of this committee would view this process as being as comprehensive and as thorough as the public would like.

If you look at air disasters when there's loss of life, a very intensive investigation happens. The site of the accident is maybe treated like a crime scene. All sorts of specialists are brought in to examine in great depth what happened, and that process can take a considerable amount of time and money. So it seems to me that, with the best efforts of the committee, we don't have in place in Canada at the moment an adequate way of fully investigating a serious occurrence and really getting all the lessons from it. We're dependent on what the supplier has told us and what we're able to find out through this process.

The Chair: Thank you, Mr. Hutton.

Mr. Anderson.

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

I want to ask both of you. Do you believe that food safety in this country is substantially improved from 10 or 15 years ago?

Mr. David Hutton: It's hard for me to say, but when I look around at.... I work across many sectors, and what I see happening is a pattern across many sectors of responsibility that has been taken away from government, handed to industry, oversight being reduced. I see oversight agencies being starved of resources, being given management that may not be completely in tune with what they're supposed to be doing, pressured to approve actions or industry initiatives that are not appropriate. I can't put my hand on my heart and say I know exactly what's going on in the food industry. But what I see is a very consistent pattern in this country, in the U.S.A., and in other countries of a type of deregulation going on that is being done irrationally and without adequate oversight.

Mr. David Anderson: We've already explained that this is not what's happening here. Do you feel your food supply is safer now than it was 10 or 15 years ago?

Mr. David Hutton: I've no way of making that comparison, but I don't have any great confidence that the system is as safe as it needs to be.

Mr. David Anderson: Mr. Pugh.

Mr. Terry Pugh: I don't think it's safer, David. I think in many ways we'll be lucky if it is as safe as it was. We've actually got a lot more trade happening globally around the world. Sources of food are much more widespread. Food is transported great distances, and there are simply more hands that it has to pass through, more stages, and I think there's more opportunity for problems to occur in the food system when that happens, of course.

That's not to say the entire food system is like that. I think there has been tremendous progress in certain areas. For example, I would say the organic sector is very safe. There's a lot of regulations in place now, a tremendous amount of traceability and so on, that people who are organically certified have to go through.

I don't think you could make a blanket statement that it is safer or unsafe now. I think the possibility of problems is increased because of the distances and the centralized nature of the processing.

• (1955)

Mr. David Anderson: I find that an interesting response, because earlier when we asked one of the other witnesses who actually is in charge of food safety, he said that without a doubt it has improved dramatically. There was no hesitation in his response, so I find it interesting that we have two different responses to that question.

Mr. Pugh, I called you a little earlier on some information in your news release. You had referred to a food safety first website, and when I looked at it, I saw that there's a whole pile of what I would call, politely, one-sided misinformation on there. I'm only wondering, when you referred to that, did you know that's a website set up by Mr. Kingston's group last year when they were bargaining for a new contract, and that was the initial reason for setting up that website?

Mr. Terry Pugh: Well, actually, the website is set up by various groups: the Canadian Health Coalition, the Professional Institute of the Public Service, Public Service Alliance of Canada, Registered Nurses Association of Ontario, Syndicat Agriculture Union, and the Canadian Federation of Nurses Unions. So I would say there's a fairly broad cross-section of organizations in there.

Mr. David Anderson: Some of those folks need to go back and check what's on there, because I would say there's some serious

misinformation on that site. If those organizations want to maintain their reputation, I would suggest they look at what's there and correct that information as soon as possible.

Mr. Pugh, originally you implied in your statement that this was really an issue of putting the bottom line ahead of consumers. I think that's pretty close to a quote from you, and you were talking about last year's problems. Do you see it that way? Do you see what happened last year as an issue of someone putting the bottom line ahead of consumers?

Mr. Terry Pugh: Yes, absolutely. The process that was in place did not adequately protect Canadians, and what happened was that 22 people died. Now we've seen steps taken to address those fundamental problems that were happening there. So yes, I think when you have a process that basically reduces the amount of inspection, the ability of the CFIA inspector to step in, then that does put the public in jeopardy.

Mr. David Anderson: The reality, from what the witnesses said to us, I think, is that no one anticipated there would be a problem with that machinery. In fact, the manufacturers themselves didn't, the inspectors didn't, the regulations didn't, the people who were using it didn't, and the CFIA inspectors didn't. It was one of those issues that no one could have seen ahead of time, according to the information we have. But you seem to be saying that somehow corporate greed was responsible for no one knowing or understanding that there might be an issue with that machinery that we now know was an issue.

Mr. Terry Pugh: I didn't say corporate greed. I said that when you have systems in place that will have the process of making sure there's proper inspection...if that's not in place, then clearly the public is going to be put in jeopardy.

The Chair: Mr. Pugh and Mr. Hutton, thank you very much. Our time has come to end here, but I'd like to thank you very much for being part of our review and study on food safety. I look forward to our report.

Mr. David Hutton: Thank you.

The Chair: The meeting is adjourned until next Monday at four o'clock.

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