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Chair

Mr. Bev Shipley

Standing Committee on Agriculture and Agri-Food

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• (1550)

[English]

The Vice-Chair (Mr. Malcolm Allen (Welland, NDP)): Let me officially gavel this meeting to order. This is meeting number 56 of the Standing Committee on Agriculture and Agri-Food on March 24, 2015.

We'll give you a few minutes to catch your breath, Mr. Verkaik. You've been scooting between buildings or different rooms.

Mr. Jason Verkaik (Chair, Ontario Fruit and Vegetable Growers' Association): Thank you.

The Vice-Chair (Mr. Malcolm Allen): You are our lone witness today. Normally we would allow you 10 minutes to make the first presentation. Then there will be a series of questions from the members. By all means, Mr. Verkaik, go ahead.

Mr. Jason Verkaik: Thank you so much. This is my first time with something like this. I'm newly appointed to the Ontario Fruit and Vegetables Growers' Association as chair.

Today I guess we're discussing interprovincial trade barriers. Is that correct?

The Vice-Chair (Mr. Malcolm Allen): That's correct, sir.

Mr. Jason Verkaik: Some of the challenges in the industry that we're facing are from one province to another. If one province has an excess of vegetables, let's say, they will bring it to another province's food terminal, and there will be what we in the industry call "dumping". They'll be bringing it there at a very cheap price, or cheaper than they're selling in their own province, and this puts up a challenge when the other province has a lot of that commodity around.

Those are some of the challenges, especially when it comes to some provinces getting subsidized for transportation or in one way or another for that product. It creates an unfair competitive playing field. Across the country, we would like to see more of our trade barriers being with neighbouring countries rather than the provinces. We'd like to see energy and time spent dealing with it on a national level, rather than a provincial level.

There have been a number of incidents in which one province can go to another province, but if that other province goes back to the province, where it's not subsidized with transportation or something, they're very I guess acute in not accepting the product there. They hold it very well to their own. We'd really like to see a balance and an understanding of where these subsidies are put into play. We don't think they should be allowed in that way.

The Vice-Chair (Mr. Malcolm Allen): Is that the balance of your presentation, Mr. Verkaik?

Mr. Jason Verkaik: Yes, it is.

The Vice-Chair (Mr. Malcolm Allen): Okay. You have up to 10 minutes, but you can use as much or as little time as you wish. That's entirely up to you.

Mr. Jason Verkaik: Fair enough.

The Vice-Chair (Mr. Malcolm Allen): Based on that, we'll now start the rounds of questioning with Madam Brosseau.

Ms. Ruth Ellen Brosseau (Berthier—Maskinongé, NDP): Thank you, Chair.

I thank the witness for coming. I'm sorry you had trouble finding the room, but we appreciate your input and your help with this study.

As you know, agriculture is very important to the Canadian economy, with one in eight jobs due to agriculture and agrifood. You were talking about the interprovincial trade challenges and the subsidizing that happens with transportation. Do you have any solutions to propose?

Mr. Jason Verkaik: We would really like to see restrictions on that, especially when we're going interprovincially. I don't think one province should be subsidizing transportation when another province doesn't. It doesn't show competitiveness as a nation. We want to be working as a Canadian agrifood country, rather than hurting each other interprovincially. So maybe—

Ms. Ruth Ellen Brosseau: You represent—

Mr. Jason Verkaik: I'm sorry. Go ahead.

Ms. Ruth Ellen Brosseau: No, I'll let you finish.

Mr. Jason Verkaik: Maybe there's legislation to be put in place that frowns upon doing something like that.

Ms. Ruth Ellen Brosseau: One thing we hear a lot in meeting with farmers and different stakeholders is that there are problems with the labour force. Have any of your members ever brought up problems with acquiring farm workers?

Mr. Jason Verkaik: In horticulture, our sector, labour is one of the most key components, outside of the weather, in what we do. Sixty per cent—and I'm using that as a rough number—of our input costs are directly related to labour.

We have a great program nationally with the F.A.R.M.S. program, the foreign agricultural worker program. We're able to access workers from the Caribbean and from Mexico. That is a vital program for what we do. As for accessing labour outside of that program for what we do, it would be nearly impossible to fill the needs of our sector.

Ms. Ruth Ellen Brosseau: The riding I represent is halfway between Montreal and Quebec City. There are about 34 municipalities. A lot of my farmers who use seasonal temporary foreign workers have had a lot of issues. The application process isn't very clear, and they've had a lot of issues with getting those workers in on time. Last year, the Province of Quebec lost about \$53 million in revenue because of trouble in getting the workers in on time.

Could you talk to us about any other suggestions or any other issues that you see facing the fruit and vegetable industry when it comes to interprovincial trade?

Mr. Jason Verkaik: To talk first about the challenges in Quebec with the program, would that be under—I don't want to pronounce this wrong, and forgive me if I do—the FERME program, which is the equivalent of F.A.R.M.S. for what we do here in Ontario? Is that correct?

• (1555)

Ms. Ruth Ellen Brosseau: Yes.

Mr. Jason Verkaik: I know that in the media there has been a lot of negativity about temporary worker programs that maybe do not relate directly to agriculture or what we saw happening with McDonalds and different things. Those are different programs.

I think what's happened in the last couple of years with that in protecting the F.A.R.M.S. and FERME programs is about being able to make sure that all the farmers are doing their due diligence in putting in an ad at Canada's Job Bank and in putting in another ad. I think they tightened up on all the protocols, which were already in place, just to make sure that everyone was doing what they were supposed to be doing to access these workers.

Sometimes when it gets down to a farm level where things... How can I say this? Sometimes the farmers struggle with doing some of the paperwork that's involved. However, I believe it's necessary for us to have to go through that type of paperwork and do all of that. I think that sometimes that's where the struggle is and that's where sometimes people may lose workers.

There were also some challenges with ordering your workers on time. You have to order them a few months in advance, and if you do not do that... In Jamaica, there's a security protocol that they have to go through and there are criminal background checks that have to be done, and if they're not given enough time on that end from when the farmers order the people, they won't get them on time because of the process.

Also, when you put your ads in the Job Bank, they have to be running for so many weeks or so before you can actually access the number. All the information is there and it's easy to understand, but sometimes it unfortunately falls through the cracks with some farmers.

The Vice-Chair (Mr. Malcolm Allen): Thank you very much. The time is up.

Mr. Keddy, please.

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Thank you, Mr. Chairman.

Welcome to our witness. Congratulations on your new chairmanship role.

We are talking about interprovincial trade barriers here, and not the foreign workers program, so I'll stay away from that and ask my colleagues to stay away from it as well.

I do take your words to mind. I'm very familiar with the program in Nova Scotia. To my knowledge, no farmer has lost the ability to access workers if they've done their paperwork properly—that's the bottom line on it—and have enough lead time. If you're in the middle of harvest and suddenly decide that you need two more people, that's problematic. You have to figure it out before that.

On the interprovincial trade issue, we often look at our trade regime with foreign nations, as you've mentioned. It works quite well. We have a system of parameters in place, including anti-dumping legislation, countervailing tariff legislation, and phytosanitary restrictions, all of it written down and all of it very clear for people to follow.

Within that realm of parameters, there are always some issues that we take exception to. It amazes me that provincially, where we're looking at somewhere in the range of \$42 billion in interprovincial trade, we don't have a similar program. I wonder if your association has ever thought about that or looked at the possibility of actually being part of a Canada-wide, pan-Canadian effort that would put clear parameters in place.

One issue you brought up was anti-dumping. Someone is actually selling below the cost of production a product that you're producing in your province. You cannot do that internationally. There's no reason why we should be able to do it provincially. It would just call for better planning all the way around. I'd like your comments on that.

Mr. Jason Verkaik: On the anti-dumping, selling for below the cost of production is obviously very detrimental to our industry, but sometimes it goes a little broader and a little wider than that.

Let's say I'm going to pick a crop of onions. In Quebec, they grow onions. In Ontario, they grow onions. In Manitoba and out east, they grow onions. There's a little difference when we're talking about British Columbia and Alberta, because of logistics. There are different challenges in that.

Let's say that if we're talking about Quebec, Ontario, and the provinces where transportation is a little easier to deal with, onions are generally harvested around the same time and sold at the same time throughout the season. Because it's an open market, if the onion price is set at \$12 for 50 pounds of onions. That's the price in this province, and it's pretty general. Depending on your customers, there are fluctuations, give or take a dollar. In one province, the cost of producing that 50-pound unit of onions is between \$4 or \$5, depending on the season.

We can sell those onions. Let's say we have an overabundance of onions in this province right now. We want to clear it out so that we have room in our storage facilities. We had a good yield. We can't move them all here, so let's go to the Toronto food terminal, take a bunch of onions there, and sell them for \$8 or \$7.50. That's not selling below the cost of production, but what it does to that provincial market is that it sets a new price point and the market has to follow.

When you're talking about food processors, different chain stores, and some of them that the food terminal would sell to, you're really going to see it. As soon as that one cheap price comes in, we're going to see the whole market affected, and we will be taking \$5 out of the pockets of all the farms and the packing houses with that.

I'm not talking about setting up a quota system or a price system, but sometimes it can get very close to the anti-dumping line without being dumping.

• (1600)

Mr. Gerald Keddy: I hear you.

The Vice-Chair (Mr. Malcolm Allen): You're actually just slightly over, Mr. Keddy. Thank you very much.

Mr. Eyking.

Hon. Mark Eyking (Sydney—Victoria, Lib.): Thank you, Chair.

Jason, thank you for coming.

As a vegetable farmer for 20 years, I know what challenges you have, whether it's growing, harvesting, or trying to market and make some money. I think it's one of the hardest things you're dealing with agriculturally, especially with the competition.

I have a couple of questions.

You talk about how dumping comes back on you. Right now, the United States has put on a bond, I guess, for people who have to ship down to the States, whether it's tomatoes or produce from Ontario or any province. There's this big bond up front now to ship our stuff down there. How is that going to impact on the commodities that are being sold, whether it's in the Montreal market or the Ontario market, if they can't sell their product or if it's not feasible to sell their product south of the border?

Mr. Jason Verkaik: If we're not able to sell south of the border, that would be very detrimental to what we do. On the trade relations we have, I'm going to speak as a country now. When it comes to horticulture, I'm going to give you some rough numbers, so don't hold me to them, but they'll give you the idea.

There's \$12 billion in trade between Canada and the United States. Some of that stuff gets filtered through the United States when it's coming through Mexico or Chile or places like that. We export to the United States produce that's worth about \$3 billion. We import produce that's worth maybe \$4 billion, and then there's the other stuff that's coming from other countries and filtering through the States.

That trade relationship with the United States is vital, and it is imperative that we have access to that market. Something like how we were protected under the PACA-like trust issue was a very... Having that reciprocity taken away from us was a real big challenge.

As for posting bonds to move our product to the United States, that's tough.

• (1605)

Hon. Mark Eyking: They're saying here that you have to put up a \$50,000 bond just for a \$25,000 complaint, so when you're selling your tomatoes within Canada, you take your chance on dropping the price instead of shipping them south of the border. We know that's important, and it's important for the industry. I think the government realizes this and we'd like to see fast action on that.

The second thing is the dumping part. It's a tricky business. I think most farmers would agree that they want to be on a level playing field. When a farmer in Holland Marsh in Ontario or a Quebec grower have the same tools, whether it's a grant for refrigeration, both provinces have the same. Do you think the federal government has to look at this overall so that you're not putting one apple grower at a disadvantage with programs compared to another one? Do you think we have to have more it more streamlined and uniform across this country?

Mr. Jason Verkaik: Absolutely, and it really is important to keep people.... It's easy to compare Ontario and Quebec because we do very similar things. We're neighbours. There are no mountains between us. It really works. We're not that far away from each other. For one province to have access to something that another province doesn't, the competitive disadvantage to that other province really will show itself.

Look at minimum wage differences from one province to another. When we're dealing with 60% of our expenses as wages, that minimum wage from one province to another can really change. I understand that's not a federal thing to control, but it does set up a disadvantage.

We talk about pesticide regulations from one province to another. When they try to supersede what we have with the PMRA, the federal monitoring for pest regulations, that becomes another challenge to a province and to fair trade interprovincially.

Hon. Mark Eyking: Jason, I have one last question dealing with retailers and processors. They're getting bigger. Is that having an effect on, for instance, the buying patterns? For instance, for strawberries, where they bring in tractor-trailer loads of strawberries from California when Ontario's coming on, do you find it's getting more difficult with the retailers and processors because they're becoming bigger and they're more North America based?

Mr. Jason Verkaik: Here's one of the challenges when it comes to a bigger company. Take a company like Loblaw. They have 250-plus stores, so if you're selling them strawberries, you have to sell them enough for their 250 stores. If Ontario were bringing in strawberries and could bring in enough for these two weeks at 150 stores, how is the corporate Loblaw going to say that 150 stores can get strawberries but the other 100 stores can't? As companies get bigger, that does end up shortening our local season with those stores, because we have to meet the demand of the whole corporation.

The Vice-Chair (Mr. Malcolm Allen): Thank you very much.

Mr. Payne.

Mr. LaVar Payne (Medicine Hat, CPC): Thank you, Mr. Chair.

Thank you for coming today, Jason.

The interprovincial trade study is an interesting one. We've heard about all kinds of different issues so far.

Selling your product and making sure the efficiencies you have in getting it to market are very important to you and to the customers. Is there any particular regulation, province-to-province, that is causing your industry a particularly difficult time or is burdensome for you?

Mr. Jason Verkaik: I'll be honest. I can't pick one out at this time. With me being new to this job, there's a lot of information, and I can only take in so much at a time. There's a little more studying I have to do to get into the regulations. I would be happy to get back to you with an answer on that.

• (1610)

Mr. LaVar Payne: That would be great.

You did talk about subsidies. Are you aware of transportation subsidies from one province to the other? Which provinces are providing the subsidies that are creating the problems?

Mr. Jason Verkaik: The subsidy question has come to me from a few people who are complaining and bringing it to the attention of our organization. We are looking into that. It's not always easy to find the subsidies, because sometimes they're buried in other things. It's not a specific subsidy for transportation. There definitely has been a complaint about dumping from the Quebec market to the Toronto food terminal. There have been enough complaints to raise a red flag, and we are seriously looking into it.

Mr. LaVar Payne: Okay.

The other thing you touched on was the PMRA. In our international trade negotiations, we have science as a basis for determining issues between countries, particularly the basis of our products going to Europe, say, or here. Anything we're selling there has to meet certain scientific criteria. I understand that particularly in Ontario now they're talking about some issues with the neonicotinoids and that may or may not create problems for your industry or for other provinces wanting to bring vegetables and foodstuffs from other provinces to Ontario. I wonder if you have any comments on that.

Mr. Jason Verkaik: It is a challenge when a provincial government makes a decision that's not based.... I look at that as a federal decision to make. When a provincial government makes a decision such as the neonicotinoids one, that's not the way we should do that. The federal government should be allowed to say, "Wait a minute, you can't do that." Because it will create....

Right now, you have all the other provinces that deal with this on high alert. Not only are other provinces on high alert, but the United States is on high alert about what has happened here, because we have the media, the public, and people in Hollywood who have become very good scientists. They're deciding for us. They're not letting science make the decision for us.

Neonicotinoids are important to our industry, as are bees. Bees are vital to our industry. I know that this is affecting the corn and soybeans more, but that will directly relate to us. If they choose to pick another chemical or product that we use to safeguard our ability to produce food and we lose one because there's some activist who

says "it's doing this" without getting the scientific base behind it, oh, it's a slippery slope that we're going to be going down. We're going to lose our ability to be competitive and also feed ourselves locally.

Mr. LaVar Payne: I don't think the federal government has a role. If the province decides to do that, that's up to the province in terms of setting their own regulations, but I agree that it is a problem.

In Alberta we have all kinds of bees, and I believe Alberta is using the nics as well and we haven't had any problems. I think a scientific base is really important to making sure of what is actually happening with the bee population.

Mr. Jason Verkaik: Yes, it needs to—

The Vice-Chair (Mr. Malcolm Allen): Thank you very much, Mr. Verkaik. The time is up. Maybe you'll be able to incorporate that answer into another comment or question from someone else.

Madam Raynault.

[*Translation*]

Ms. Francine Raynault (Joliette, NDP): Thank you, Mr. Chair.

Mr. Verkaik, you talked a lot about how some provinces have subsidies for transportation that are buried in other subsidies. You also brought up the lack of labour. Given that farmers aren't too fond of red tape, workers' arrival can be delayed.

Has your association done any research on the impact on interprovincial trade? Were there any losses from the dumping of tomatoes or other fruits in your province or in another province?

• (1615)

[*English*]

Mr. Jason Verkaik: There are no direct studies that I am aware of at this time. The information we usually get comes in real time. It's hard to study something that's not consistent. If there's a shortage of one product or another, nobody is going to be complaining because a price is high. That's going to be in demand in the United States and Canada or wherever it goes.

If there's a very good crop year and we have fewer exports because the Americans have had a very good crop year, that's when the issues start to come up. We never know when it's going to happen. It happens at a moment's notice, depending on the year. It could be something that happens for three weeks or two months and that could depress a market.

But to do a five-year study or a three-year study...? It's really going to be hard to pinpoint what happens, because for a lot of that time things are happening in real time.

[*Translation*]

Ms. Francine Raynault: Very well.

Does international trade affect domestic trade, as far as your members are concerned?

[English]

Mr. Jason Verkaik: Definitely it would. If I'm speaking for Quebec and Ontario, we need to export 35% to 40% of what we grow to New York, Boston, Chicago, and down into Florida on the eastern seaboard. It's having that trade to the United States and that freedom to export that take away the excess from the provinces. That allows a better balanced trade within the provinces because we're not fighting amongst each other in trying to move the same amount. We can't force people to eat more tomatoes, onions, and carrots, but we do have other access abroad that strengthens interprovincial trade.

[Translation]

Ms. Francine Raynault: What would you say are the main challenges with domestic trade? What are the issues your association has to deal with?

[English]

Mr. Jason Verkaik: I think the main challenge for whatever commodity—we represent over 150 different crops with our organization—when it comes to selling is having an oversupply. There can be an oversupply for many different reasons. It can be a bumper crop year. It can be a bumper crop year in Canada and in the United States.

I can give you an example. I'll go back to onions. The reason that I stick with onions is that it's one of the crops I grow, so I'm familiar with it. Because of the sanctions right now on Russia, the European onions, the onions from Holland, let's say, that would have gone into Russia can't go there. What the Dutch will do is subsidize transportation and move some of their onions to the Caribbean islands and some to the South Pacific.

Washington State is a large grower of onions in the United States, and if the Dutch access some of their markets in the Pacific by going out that way, then Washington State can't move their onions that way because of the transportation subsidies on the Dutch onions. Then the Washington onions get put on trains and go over to New York, and New York is a very important market for Ontario and Quebec onions. So the Washington onions come over, and even though we are in closer proximity, the Americans are very good at buying American first, and they would bring over those Washington onions.

Then we don't have the access to that 35% or 40% of the export market we need. Those onions now stay within the province. Now we have to fight, and the price keeps dropping because the farmers are scared that they won't be able to move those onions and they'll start rotting. They say, "Well, we had better take a cheap price rather than have to pay to dump them."

You can see how trade is important and how the global intricacies of how it all works can really affect us, right back to the province.

• (1620)

The Vice-Chair (Mr. Malcolm Allen): Thank you very much.

Mr. Zimmer, please.

Mr. Bob Zimmer (Prince George—Peace River, CPC): Thank you, Chair. It's good to have you in the chair today, Malcolm, although normally our chair does a good job himself.

I wanted to talk to Jason. You farm onions, and I noticed that in 2011 that you won the Ontario Outstanding Young Farmers award, so you're quite a farmer, I would say.

Mr. Jason Verkaik: By the way, somebody else did beat me—

Voices: Oh, oh!

Mr. Bob Zimmer: I'm from B.C., a member of Parliament, and the B.C. guy on agriculture here. The wine bill that we had was meant to break down the interprovincial barriers as well, the national barriers to selling wine across provinces. We thought we had all the provinces on board to a certain extent. We thought the trade would happen as soon as we enacted this bill.

I think in good faith that the bill is still a good bill, but the problem—or the blessing, depending on how you look at it—is that provinces are still very independent in what they decide to do with their own regulations and their own laws. Although it would be nice to say that this is the way it's going to be, provinces are the masters of their own domain in a lot of ways. It's very difficult for us to change a particular rule in this regard, especially with dumping. It would be a challenge to say that one province can't do something and another province can. That's the challenge before us.

The question I have for you, though, is whether there are barriers to trade in your industry that are just natural barriers. Are certain provinces more susceptible to wanting certain products? Do Quebeckers eat more tomatoes than people in Ontario or do Manitobans eat more onion? Is there any kind of marketing arm of your particular group that is looking at new emerging markets within Canada and maybe talking about the economics, maybe a demand barrier that's within our provinces?

Mr. Jason Verkaik: Research definitely is always being done on that, especially for new Canadians who aren't European-based. When we're talking about people coming in from India and from Asia, they have a different cultural cuisine, let's say.

When new immigration to Canada starts from a country... You can take a look at history right back to when the Dutch came in the 1920s and 1930s, when the Italians came in the 1960s, and when Asians started coming in heavily in the 1980s, along with the Indians. They have taste preferences. There are some products we didn't grow here in this country that they would definitely pay a high price to import, because it's tied to them religiously and culturally, and it's very important.

A lot of research has looked at changing what we grow to meet the demographic change in regard to some of these populations within the country. Right now, work is being done on Asian eggplant and East Indian eggplant. We've done work on an East Indian red carrot. They also need okra, bok choy, Shanghai bok choy, and all the different Asian lettuces. There is definitely work being done on trying to take some acres out of what we grow too much of and putting some acres into that.

There's a slow transition, because if you don't get it just right, you can't sell it. The flavour, the taste, and the look have to be exactly what they have back home or they're not interested.

Mr. Bob Zimmer: Thank you for that, Jason. It's encouraging to know that you're so much into looking for solutions and trying to find new markets within Canada.

I have one other question with regard to what my colleague from Alberta said previously. You talked about dumping. Again, are there any kinds of regulatory barriers that you're aware of specifically as they relate to your industry? That's what this study is meant to get to the bottom of: those the little red tape things that get in the way.

If there's any way we can dig into these and deal with them as parliamentarians, that's what we're really trying to do with this study. It's to target those little things that are stumbling blocks for you guys. Are there any other little barriers to trade that you can think of within your industry?

• (1625)

Mr. Jason Verkaik: Not to be making light of the situation, the mountains get in our way a little bit. It really is an interesting dynamic when you look at Canada as a whole, coming right across from British Columbia.... We rarely sell produce into British Columbia because of the logistics around that. They're more apt to trade with California because of the proximity of transportation and the logistics. However, when California is in a drought and very low on product, we have shipped to British Columbia, because some products aren't available. The geography of the country definitely does play into some barriers.

On rules and red tape, again, I'll be honest, that's a learning process for me. We have been studying this more and more and looking at what we can do, because we want to benefit all Canadian farmers.

Sometimes I think that if we could find new and emerging markets to take the pressure away from us, then you wouldn't have these little things between provinces that really challenge us. If we can protect against dumping from other countries and really focus on trying to find new markets and work toward new markets outside Canada, then maybe some of these interprovincial issues that crop up from time to time will slowly disappear, because we'll have the markets to support it.

The Vice-Chair (Mr. Malcolm Allen): Thank you very much. Your time is up.

Normally we would go back to the New Democrat side, but because it's late and folks may have made other arrangements schedule-wise, I'm going to allow each member of the committee to have their rounds.

I'm going to Mr. Maguire and then to Mr. Dreeshen to finish off.

Mr. Maguire, please.

Mr. Larry Maguire (Brandon—Souris, CPC): Thanks. I just have a couple of quick questions.

Thank you very much for your presentation, Mr. Verkaik.

You mentioned that there are a lot of exports. I believe you said that there is \$3 billion in exports now to the U.S., with \$4 billion in imports. Is that correct?

Mr. Jason Verkaik: Yes, and those are rough numbers. There are studies for that. If you want, I can email you some information so you would have that more readily available, but yes.

Mr. Larry Maguire: It's comparative in those values. Is that from Canada or from Ontario?

Mr. Jason Verkaik: It's from Canada.

Mr. Larry Maguire: You indicated that you have exports of about 30% to 35% to the U.S. Is that from Canada as well?

Mr. Jason Verkaik: It is. Because I represent an organization that has 150 different fruits and vegetables, it's not true for every one of them. There are such variances with that export number.

For some crops, where you're talking greenhouse vegetables, the cucumbers, tomatoes, and peppers grown in greenhouses, and where you're talking carrots, onions, beets, parsnips, apples, and different things like that, you're going to have more of an influence on the export market. There are some other things we grow that might not have as much need for that export market. Look at ginseng. That's very export-dependent to China.

It really presents challenges in finding out what each crop really needs, but that's stuff that we definitely look at all the time.

Mr. Larry Maguire: There must be differences, then, just in the amount of.... Before I go on, I guess as a follow-up question to that, how many of those would be self-sufficient? How many of those 150 products would Canada be self-sufficient in?

Mr. Jason Verkaik: That's a great question. I wouldn't even begin to guess at an answer at that.

We do have supporting organizations that are part of the Ontario Fruit and Vegetables Growers' Association, and they would probably have those numbers individually. For me to have a number for every one, unless they're presenting me with a direct problem, would be a challenge.

Again, if there's information you would like on certain commodities that have more of a challenge with interprovincial barriers, that's information we can gather and get to you.

• (1630)

Mr. Larry Maguire: Just to finalize this, then, you mentioned the transportation subsidies as a concern, because each province has its own way of doing it. We've seen some issues with other products—processed products and red meat and that sort of thing—moving from province to province. Is there anything in the packaging side of your industry that is an impediment as well in regard to interprovincial trade?

Mr. Jason Verkaik: From what I'm familiar with, most of the packaging we have has on it "Product of Canada", graded "No. 1". You might have an address for where the packing house is or where the farm is where that product is coming from, to be able to tell if it's from Quebec, Manitoba, or Ontario. Our grade standard is a federal grade standard. When you have that on the package, other than in an address for where the farm is, there really is no issue on the packaging from that aspect.

Mr. Larry Maguire: The size of those packages is pretty similar across Canada as well, then?

Mr. Jason Verkaik: It is. In Ontario, you have "Foodland Ontario". You might have some cases where this is a voluntary thing for a local promotion and you have some people putting that Foodland Ontario symbol on their packaging, but that's not a requirement or anything.

Mr. Larry Maguire: Thank you.

The Vice-Chair (Mr. Malcolm Allen): Thank you, Mr. Maguire.

Mr. Dreeshen.

Mr. Earl Dreeshen (Red Deer, CPC): Thank you very much, Mr. Chair.

I'll perhaps take a little different tack, and take a look at not just the vegetables as you are trying to sell them, but the vegetables in regard to the seed that you're trying to get, and of course your producers have to deal with seed as an issue.

We talked earlier about the concerns with the neonicotinoids and so on, and whether you're dealing with flea beetles or whatever other issues have to be dealt with. I certainly did appreciate your comment on the difference between coming out of a drama class and being a microbiologist in terms of the movie stars coming up with their ideas as to how things should be.

I'm curious. Can you perhaps talk a little about the growing side of it, about the seeds you have, and whether there happen to be any restrictions as far as transportation of seed goes, whether it's for your potatoes or your carrots and so on? Can you enlighten us in that regard?

Mr. Jason Verkaik: The seed industry is a completely different industry. We're reliant on other companies outside of Canada, really, to produce seed for the majority of what we do. Again, there are a lot of differences if you're looking at getting stock for apple trees or vines for grapes. But if you're going into fruit and vegetables, where you're actually putting a chemical coating on the seed to protect against, as you said, the flea beetle....

The neonicotinoid issue right now is directly related to corn and soybeans. Outside of that, there has been no other movement, but I think the precedent that this has set is very dangerous for the agricultural industry, and it could present problems down the road if somebody decided to pick something as the next evil target and then legislation is made around that. That's where the danger comes in. Right now, our access to seed and chemically treated seed is all done through the PMRA. The studies are all there. Everything is science-based. Right now, there are no issues on getting seed for doing what we do. There is an abundance, and we have some good controls on some of those things.

Sometimes people don't understand the environmental benefit of some of these controls compared to what was done when my grandfather farmed. Farmers use the best technology and the best information of the day to make their decisions. They've done that right since the beginning of time, and that continues to happen. As new information comes out, farmers embrace it.

Farmers have to work directly with the chemicals. They are the ones most exposed and most at risk, and most farm families are very healthy people. Being able to put this on the seed protects the farmer and his family, but also protects the environment and is a better thing, so we should embrace that kind of science and technology.

• (1635)

Mr. Earl Dreeshen: Thank you very much.

I think that is perhaps a perfect place to leave it, so thank you again.

The Vice-Chair (Mr. Malcolm Allen): Thank you, Mr. Dreeshen.

Thank you, Mr. Verkaik, for your testimony today. We appreciate it.

If the committee is willing, I did notice that Mr. Verkaik suggested that he would send us some numbers.

Mr. Jason Verkaik: Yes.

The Vice-Chair (Mr. Malcolm Allen): Sir, if you could provide that to the clerk of the committee rather than to individual members, that would be greatly appreciated. I recognize that you said a couple of times there were some numbers that you didn't have right in front of you. If you would be able to supply those to the committee, that would be of great benefit.

We certainly appreciate you taking the time. We apologize for the confusion. It seems that finding the room was a bit of a chore for you, but we appreciate your tenacity in actually finding it and joining us today.

Mr. Jason Verkaik: Thank you.

The Vice-Chair (Mr. Malcolm Allen): To my fellow colleagues today, thank you very much for allowing me to chair, and thank you very much for your indulgence in allowing us to wait for Mr. Verkaik to show up and give testimony. Thank you very kindly.

With that, we're adjourned.

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