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Chair

Mr. Pat Finnigan

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• (1200)

[*Translation*]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): Welcome, everyone. We are starting the second hour of our meeting, which is open to the public.

This morning, it is our honour to welcome the new Minister of Agriculture and Agri-Food, the Honourable Marie-Claude Bibeau.

Ms. Bibeau, congratulations on your new position as Minister of Agriculture and Agri-Food.

We are also pleased to welcome Annette Gibbons, Associate Deputy Minister, Agriculture and Agri-Food, as well as France Pégeot, Executive Vice-President, Canadian Food Inspection Agency.

Welcome to you all.

Madam Minister, we will start with you. You have 10 minutes for your opening remarks.

Hon. Marie-Claude Bibeau (Minister of Agriculture and Agri-Food): Thank you very much, Mr. Chair.

[*English*]

I'm so pleased to have this opportunity to meet with you for the first time.

As you know, these have been some very busy first weeks for me since I took over the portfolio at Agriculture and Agri-Food Canada on March 1. I've embraced my new role with a lot of enthusiasm. I thought I had the best job as the Minister of International Development, but I must admit that I very much enjoy Agriculture and Agri-Food as well.

I will certainly be relying on the expertise around this table. Thank you for your important work. I know you are exploring the issues that matter for the industry—climate change, non-tariff trade barriers and a food policy for Canada, to name just a few.

This morning I am pleased to outline some of the key priorities we are focusing on at the department and across the government.

The government has high ambitions for our agricultural trade. Taken together, our trade agreements are giving our farmers a competitive edge in 60% of the global economy. Canada is the only G7 member to have trade agreements with all the others.

The government's top priority is to regain full market access for our canola seed exports to China. At the same time, we are ensuring Canadian producers have the support they need. The industry has been very clear that farmers will need additional assistance this year to manage cash flow pressures. That is why yesterday the Minister of International Trade Diversification and I announced that the federal government will amend the regulations of the Agricultural Marketing Programs Act to increase the loan limits under the advance payments program.

The regulatory amendment will change the loan limits for the advance payments program for 2019 as follows: Advances will increase from \$400,000 to \$1 million on all commodities, and the first \$100,000 will remain interest-free on all commodities except canola, for which the interest-free advances will be eligible for up to \$500,000. These measures will give producers the support they need to manage their cash flow. As well, we are extending the AgriStability enrolment deadline by two months without penalty, from April 30 to July 2.

These measures reflect the commitment of federal and provincial governments to work together to respond to the needs of farmers and industry. Our working group with industry and provinces has been meeting weekly, and today again, and is focused on supporting the sector, including the importance of diversifying into new markets.

[*Translation*]

Our canola working group has been meeting weekly to discuss ways of supporting the sector, including the importance of diversifying into new markets.

We are diversifying our trade through agreements like the CPTPP, which will eliminate tariffs on canola products going into Japan. Already, Canadian beef exports to Japan have doubled in the first two months of 2019, compared to the same period last year. And Canadian pork exports to that country increased by nearly 14%.

Next week, I will travel to Japan to participate in the G20 agriculture ministers' meeting. While in Japan, I will meet with Japanese industry leaders and officials from several countries to advance Canada's agricultural trade.

We are optimistic that, as more Canadians pursue opportunities created by the CPTPP and the free trade agreement with Europe, we will see these numbers grow.

At the same time, we are protecting our pork industry by taking measures to keep African swine fever out of Canada.

Canadian pork producers depend on exports to sell 70% of their production. We are investing in stronger border controls and stronger inspection of feed imports.

Canada is taking international leadership on African swine fever. On Tuesday, I addressed an international forum on the subject that we organized in partnership with the United States. Twenty-five countries participated, including the European Union.

Canada's trade strategy is strong and balanced. At the same time, we know that our trade agreements have impacts on our dairy, poultry and egg producers, who are subject to supply management.

• (1205)

That is why the 2019 budget proposes an investment of up to \$3.9 billion to deal with income losses associated with the CPTPP and the free-trade agreement with Europe, and to protect against any reduction in quota value.

Since I took the position, I have had many meetings with producers, processors and those who represent them. I also attended the first meeting of the strategic working group for dairy. Our common goal is the long-term competitiveness of our dairy, poultry and egg producers.

Another major priority for us is to launch a food policy for Canada.

Last week, we had a great discussion on the food policy with some key stakeholders at the food security symposium in Toronto.

In the 2019 budget, we are proposing to invest \$134.4 million to support the food policy, the first of its kind for Canada. The policy sets out an ambitious vision of ensuring that all people in Canada are able to access a sufficient amount of safe, nutritious, and culturally diverse food. It seeks to make Canada's food system resilient and innovative, to sustain our environment, and to support our economy.

The future is full of promise for Canada's agriculture and agri-food industry. Demand for Canadian food continues to rise, and Canada has the competitive advantages to meet that demand sustainably.

I look forward to working with you and all stakeholders to help our agriculture and agri-food sector grow, innovate, and prosper.

Thank you.

The Chair: Thank you, Madam Minister.

We will now open the discussion and move to questions.

Mr. Berthold, the floor is yours for six minutes.

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Thank you very much, Mr. Chair.

Welcome, Ms. Bibeau. Congratulations on your appointment as Minister of Agriculture and Agri-Food. May I dare to hope that, after a few weeks, you will say that the best job you have had is Minister of Agriculture and Agri-Food, not Minister of International Development. At the moment, agriculture is an absolutely fantastic area.

Madam Minister, we are happy that you are here. It has been almost six months since we have had a minister of agriculture and

agri-food with us. You will understand that we have a lot of questions and that one hour will not be enough. So I will focus on certain points, especially the canola crisis, as I am sure you suspected.

It took three requests for an emergency meeting, nine requests for an emergency debate in the House, the involvement of farmers and provincial premiers, and of the leader of the official opposition, for the Prime Minister to finally understand the urgency to intervene in the canola crisis. On Monday, he raised the limit on loans made under the advance payments program.

What was the tone of the most recent conversation you, as the minister, had with Chinese authorities, with a view to finding a solution to the current crisis?

Hon. Marie-Claude Bibeau: Mr. Berthold, let me start by telling you that the canola file arrived on the first Tuesday after I took the position. It has been a priority for me, and for our government, since the first day.

Mr. Luc Berthold: Since that time, have you spoken to Chinese authorities about the canola crisis?

Hon. Marie-Claude Bibeau: I sent a letter to my counterpart and I received a reply. This is done on a daily basis...

• (1210)

Mr. Luc Berthold: What was that reply, Ms. Bibeau?

Hon. Marie-Claude Bibeau: The reply is that we have to continue the discussions.

We have discussions...

Mr. Luc Berthold: So, you were not well received.

Hon. Marie-Claude Bibeau: ...on a daily basis with the Canadian Food Inspection Agency.

Mr. Luc Berthold: You, personally, were not well received and you have had no discussions with Chinese authorities about the current canola crisis.

Hon. Marie-Claude Bibeau: I have had no discussions.

Mr. Luc Berthold: Are you ready to get on a plane today in order to meet with Chinese authorities and settle this crisis?

Hon. Marie-Claude Bibeau: Absolutely.

Mr. Luc Berthold: What is stopping you from doing that? Are you going to do it? How are you going to go about this? Why are you not booking your plane tickets to go to China to settle the crisis?

Hon. Marie-Claude Bibeau: That is looking at the situation a little simplistically, Mr. Berthold. There is a working group and I am working very closely with my government colleagues.

Mr. Luc Berthold: Wanting to settle a crisis is not simplistic, Madam Minister. What farmers want...

Hon. Marie-Claude Bibeau: Your solution is quite simplistic, Mr. Berthold.

Mr. Luc Berthold: ...is for you to help them, Ms. Bibeau.

Hon. Marie-Claude Bibeau: If you let me answer, I will be happy to do so.

I am working closely with my counterparts in the provinces, with industry leaders and with farmers' representatives. We have formed a working group and, together, we are assessing all the options on the table and the best ways to proceed.

Mr. Luc Berthold: So, let's talk about that.

Hon. Marie-Claude Bibeau: The decision of our committee is to not hold a political meeting at this point.

Mr. Luc Berthold: Let's talk about that, Ms. Bibeau. A growing number of experts, provincial ministers of agriculture and provincial premiums are asking Canada to be firmer with China. They feel that not taking a strong position with China only makes the situation worse. We saw that this morning, given what is happening in the pork industry. Every time we hesitate, the crisis grows.

A lot of people feel that the solution must also come from the political side. Are they all wrong?

Hon. Marie-Claude Bibeau: We have a committee that, I believe, represents the industry and the major stakeholders in this matter very well. In addition, we have an action strategy and we are following it. In Canada, we set ourselves apart by maintaining international trade relations based on...

Mr. Luc Berthold: But...

Hon. Marie-Claude Bibeau: ...the international trading system.

Mr. Luc Berthold: Actually, Madam Minister, that doesn't seem to be working, unfortunately. The losses have now been going on for two months. The Canola Council of Canada estimates that the losses may reach up to \$1 billion for Canadian canola producers. We sense no urgency on the part of your government to settle this crisis. You talk about committee meetings, consultations and legal rules. But has anyone in the government at least bothered to call China's ambassador here in Canada to try and get some diplomatic discussions started?

Hon. Marie-Claude Bibeau: There have been discussions at various levels.

Mr. Luc Berthold: With the Chinese ambassador?

Hon. Marie-Claude Bibeau: As you know, Minister Freeland is responsible for diplomatic relations. As Minister of Agriculture and Agri-Food, my priority is to defend production—

Mr. Luc Berthold: Has anyone else in the government—

Hon. Marie-Claude Bibeau: Yes, sir?

Mr. Luc Berthold: —talked to the Chinese ambassador about the canola crisis?

Hon. Marie-Claude Bibeau: There have been discussions at various levels. I'm not in a position to confirm exactly who it was or when it happened, but what I'm telling you—

Mr. Luc Berthold: So in your working group, you don't tell each other what you are each doing. The Minister of International Trade Diversification and the Minister of Foreign Affairs do things, but the Minister of Agriculture and Agri-Food, who is responsible for production, farmers and markets, is not aware. She doesn't know what Ms. Freeland is doing.

Hon. Marie-Claude Bibeau: Yes.

Mr. Luc Berthold: She doesn't know who Ms. Freeland is talking to.

Hon. Marie-Claude Bibeau: Mr. Berthold, I work very well with Ms. Freeland. You asked the Minister of Agriculture and Agri-Food to appear before you. I'm telling you that my—

Mr. Luc Berthold: We also asked Ms. Freeland to appear before us. Do you think she should?

Hon. Marie-Claude Bibeau: The Minister of Agriculture and Agri-Food is the one before you. I'm telling you that my mandate is to defend our Canadian producers and products. That's what I'm doing. I have an obligation to defend the quality of our Canadian canola, and I do so with all the determination in the world.

Mr. Luc Berthold: Do you believe China's claims?

Hon. Marie-Claude Bibeau: I also have a duty to ensure that our inspection system remains robust. It's truly a fundamental issue, and our farmers understand that very well.

Mr. Luc Berthold: Do you believe China's claims about the quality of Canadian canola?

Hon. Marie-Claude Bibeau: I have asked for evidence. I still haven't received any. This canola shipment was inspected before and after, and there was no evidence that it did not meet Chinese requirements.

Mr. Luc Berthold: So—

The Chair: Thank you, Mr. Berthold.

Mr. Luc Berthold: That's too bad.

The Chair: Mr. Longfield, you have the floor for six minutes.

[English]

Mr. Lloyd Longfield (Guelph, Lib.): Thank you, Mr. Chair.

Thank you and welcome to our committee.

We continue the discussion this committee has had on canola, and I know that shortly you'll be receiving a letter that we're putting in through the chair to discuss some of the issues we've talked about this morning, so I'll leave that to the letter. Your response coming back to us will be anticipated, and we'll be very interested to see how that goes.

I'm really interested also in the food policy. We did an in-depth study that could have been a best seller in Guelph. We had professors who were using our study in the classrooms. Some came to me with dog-eared copies with notes all over them. Guelph is now asking me, "We have a budget of \$134 million, when can we see that report?" Do you have a timeline on when we'll be able to see the food policy so that we can have further discussions in Guelph?

•(1215)

Hon. Marie-Claude Bibeau: I wish I was able to launch the food policy before the summer. I'm really working hard on it and I'm very proud of the food policy. I had the chance to have a round table with different industries from the agriculture sector in Guelph last week.

Mr. Lloyd Longfield: Good. Yes, that's right. I was somewhere else.

Hon. Marie-Claude Bibeau: That was very interesting. Talking about the food policy, there are different elements, as you know, like access. I will take for granted that you've read all the budget.

Mr. Lloyd Longfield: Yes.

Hon. Marie-Claude Bibeau: Maybe I can take this opportunity to speak a bit about the part of it that is to promote Canadian production.

I think it is very important. I don't want it to be limited to a marketing strategy but really to put a lot of emphasis on building the pride and trust of Canadians when they look at our Canadian agriculture. This is something that is dear to my heart.

Mr. Lloyd Longfield: Good. I spoke to the Friends of the Guelph Public Library last week, and even they were talking about food security. They asked me to give them a presentation on food security, and I said that this is within our food policy discussions. The City of Guelph has put in a smart cities application for a circular food economy looking at reducing food waste.

Could you comment on food waste in relation to climate change or in relation to the budget?

Hon. Marie-Claude Bibeau: Yes. The way that the food waste component will be deployed or rolled out is connected to what you just said, because we want to make it a challenge to really find innovative ideas that we will later on be able to scale up. This might be of interest for your team.

Mr. Lloyd Longfield: Yes.

Hon. Marie-Claude Bibeau: Last week, still in the same region, I had a chance to participate in a symposium on food security. I realized it was very diversified in the sense that we had very big processors, NGOs, food banks and farmers all in the same place, and I've been told that this network and the fact that they are still working together started with the consultation on food policy. I think it's very promising.

Mr. Lloyd Longfield: Yes. Since we've never had a food policy, it's creating some discussions. We weren't even thinking of including mental health, and we're going through the completion of a report on mental health and then working with Health Canada. This is another example where there are provincial and territorial responsibilities as well as federal responsibilities.

Could you maybe comment on how you are working with provinces and territories to try to coordinate some of these efforts?

Hon. Marie-Claude Bibeau: I understand the importance of it and, as you know, my parliamentary secretary takes this file very seriously, and he is feeding me this subject. Yesterday I thought it was important to include it while talking about the canola farmers.

You are right that we have to do it in collaboration with the provinces since they are responsible for public health. It's a work in progress.

The other thing on which we will have to work with the provinces is the school food program. It's not related to mental health, but both of these subjects will be part of the conversation we need to have with the provinces.

Mr. Lloyd Longfield: Yes, food touches everything. It's social.

Hon. Marie-Claude Bibeau: Oh, yes.

Mr. Lloyd Longfield: It's environmental. It's economic. The schoolchildren need support. Unfortunately, in Ontario, it's going in the wrong direction right now. We're hoping we can support it in some way. I know the local Rotary Club has picked up the cause to try to help feed kids before school.

To change channels to the African swine fever, you mentioned in your opening comments an international forum and the work that's being done there. We have a large processing plant in Guelph and we also have Maple Leaf Foods in Guelph. They are both concerned about the food supply security to make sure we don't get infected, as China is. You would think that would become an opportunity in China, if they are losing protein out of their supply by up to 40%.

Is there an opportunity there for us internationally to build up our shipments?

• (1220)

Hon. Marie-Claude Bibeau: I really wish it will turn into an opportunity, and it's a possibility as long as we are being extremely careful going forward with new measures to protect ourselves.

We had the forum this week and I'm working in close collaboration with my counterpart, Secretary Perdue, as well, on the subject because it's really a matter of the continent first. I take it extremely seriously. The first thing we've done is to invest to get more detector dogs and to add to the verification we make around animal feed.

Mr. Lloyd Longfield: Yes, that's right.

Hon. Marie-Claude Bibeau: These are things that we have already done.

Mr. Lloyd Longfield: Great.

Hon. Marie-Claude Bibeau: I'm making zoning and compartmentalization a priority element of the meeting I will have with my provincial counterparts in July. The discussions have already started within Canada and with our neighbour as well, because I think it's also an important part of what we need to do to protect ourselves.

[*Translation*]

The Chair: Thank you, Minister.

I have to go to the next speaker.

Mr. MacGregor now has the floor for six minutes.

[*English*]

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Minister Bibeau, welcome to our committee. It's good to see you.

You may recall that I was on the international trade committee when you appeared on April 2. We had a conversation at that point about the delegation that you wanted to send to China. I missed the early part of your interaction with Mr. Berthold, but you made those statements on April 2 that you had sent a letter and that you were hoping to get the president of the CFIA there.

How much longer are you willing to wait before we regard it as an insult to Canada that China is unwilling to meet with us, unable to provide further scientific evidence? I appreciate the supports you have given to our farmers, but it just doesn't seem we're getting anywhere closer to a resolution with China. How much longer are you prepared to accept their ignoring us before we take other steps or look at other options?

Hon. Marie-Claude Bibeau: We have different options on the table, and we are having very transparent conversations with our partners on the working group. We have to take into consideration—it's the first English term that comes to my mind—comparative advantages: who we are as Canadians, how we do business as Canadians, the sizes of our various industries involved in terms of business and trade with China. This is not an easy question.

It's important that we be extremely careful not to elevate or to amplify—

Mr. Alistair MacGregor: At the same time, we have to voice our displeasure when someone like the president of the CFIA can still not get to China. That's not a small bureaucratic position in our government.

Hon. Marie-Claude Bibeau: No, I agree with you, but it's very delicate. We are putting in the balance the different sensitivities of each element. Each of us is working and pushing what we have to push. I already said what my role is. Minister Freeland has hers, and Minister Carr as well.

I cannot answer your question clearly. It's not because I don't want to. It's because I don't have the answer to it. I don't have a date, and if I say, "If by May 10", you know—

Mr. Alistair MacGregor: I have other questions, sorry. I have limited time. That's something I just wanted to know. We will be keeping track of—

Hon. Marie-Claude Bibeau: Okay. I wish I could answer more clearly, but...

Mr. Alistair MacGregor: On behalf of all farmers, I just hope the Government of Canada's paying attention to the things they do.

The next issue I want to talk about is tariff rate quotas. It's safe to say that our supply-managed sectors have not been feeling a lot of love lately with the undermining of our import controls and the loss of market share. However, when I speak with our processors, specifically with relation—

• (1225)

Hon. Marie-Claude Bibeau: May I ask for a clarification?

Mr. Alistair MacGregor: Its our tariff rate quotas.

Hon. Marie-Claude Bibeau: Yes, I'm always listening to the floor, but are you talking about supply management like eggs and poultry?

Mr. Alistair MacGregor: I'm talking about supply management initially, but I'm going on to what our processors are concerned about.

Hon. Marie-Claude Bibeau: Okay.

Mr. Alistair MacGregor: With our tariff rate quotas, you're allowing, with the European Union, 55% to go to retailers and only 45% to dairy processors. Our dairy processors have good-paying jobs in rural communities, like yours, across Canada. I just want to know why you are not allocating more tariff rate quotas to our processors. Why are you giving it to retailers, who have other secure sources of income, when our processors are able to understand the market, understand what types of cheeses are in demand and understand how we can import those in a controlled way that will not put our domestic industries at risk?

Can you give this committee an assurance that you will give our domestic processors more of a share of the pie of our tariff rate quotas?

Hon. Marie-Claude Bibeau: As you know, really it's Minister Carr who is in charge of that. What I know—

Mr. Alistair MacGregor: But you do sit around the table with him and this is also under your file.

Hon. Marie-Claude Bibeau: Yes. What I know, and I'll start with the partnership agreement—

Mr. Alistair MacGregor: Yes, I know that's 80:20, but I'm talking about the European one, in which you're giving retailers more than our processors are getting.

Hon. Marie-Claude Bibeau: I know about it, but I can't give you an answer on whether we are going to change the TRQs.

Mr. Alistair MacGregor: If our retailers are importing cheeses that are already readily available in Canada, then you're going to be importing hard cheeses that are putting our domestic industries at risk. Does it not make sense to give more of an allocation to our domestic processors, who have an intimate understanding of the local market? I just want some assurance that you're aware of this problem and you're going to deal with it.

Our domestic suppliers, our processors, they have already suffered enough under these trade deals. Surely you can throw them a bit of a bone with this particular part, with the tariff rate quotas.

Hon. Marie-Claude Bibeau: I can assure you that I am aware, I understand, and that my priority with our supply-managed industries right now is to roll out what we have promised in the budget.

Mr. Alistair MacGregor: Thank you.

Quickly, I have a final question with regard to the animal transport regulations. Our shippers have indicated they have quite a concern with the new regulations that have come into effect. They've told us that they have a 99.6% safe transportation rate. What kind of science did your department use as a reference for putting the new regulations in place?

Our transporters are concerned these will actually lead to decreased animal safety by unloading them more often.

Hon. Marie-Claude Bibeau: I have heard that, but I'll let my colleague from the CFIA answer since you're asking for evidence.

The Chair: Give a short answer, please.

Ms. France Pégeot (Executive Vice-President, Canadian Food Inspection Agency): Thank you very much.

Essentially, we have had a lot of consultations with various industry members. We have looked at all the science available in that area. We have looked at international standards and the regulations that we have put out are actually the best options possible in light of all the evidence that was in front of us.

Mr. Alistair MacGregor: Can you supply that to the committee, the reasoning behind the regulations?

Ms. France Pégeot: Yes.

Mr. Alistair MacGregor: Thank you.

[Translation]

The Chair: We'll now go to Mrs. Nassif for six minutes.

Mrs. Eva Nassif (Vimy, Lib.): Thank you, Mr. Chair.

Welcome, Minister. Thank you for joining us.

You have recently announced compensation for our supply-managed farmers. Can you elaborate on those announcements and investments intended to help our farmers?

Hon. Marie-Claude Bibeau: Absolutely.

As you know, I was following this issue closely with the Parliamentary Secretary before I took office.

The \$3.9 billion announced in the budget includes \$1.5 million for an insurance program should the value of quotas go down. In addition, there is \$2.4 billion in compensation for supply-managed producers, dairy farmers, but also poultry and egg producers. Of that amount, \$250 million has already gone to support investment projects for dairy farmers. Now I really need to analyze and move ahead with the allocation of the remaining \$2.15 billion in compensation to all dairy, poultry and egg producers. If all goes well, that should be done within the next two months; that's truly my goal.

Our commitment to processors remains strong, but we were not in a position to include an amount in the budget when it was announced because discussions still needed to be held with processors.

I heard the message of dairy farmers loud and clear: they are asking for direct and fair compensation, meaning in proportion to their quotas. Their message is really crystal clear to me.

Since then, I have had some discussions with Pierre Lampron, the president of the Dairy Farmers of Canada, and also with Mathieu Frigon, the president of the Dairy Processors Association of Canada. It is important for me to really understand the advantages and disadvantages of the various options available.

The next steps will be to meet with cabinet to agree on the best option and then appear before the Treasury Board to implement the

financial mechanisms that will enable me to distribute the compensation.

• (1230)

Mrs. Eva Nassif: I have another question, and it's about women.

Minister, I'm not sure whether you know this, but I am also a member of the Standing Committee on the Status of Women. Many women farmers and women working as farm managers appear before that committee. Their efforts are often not properly recognized.

What is the government doing now to help these women take their place in the agricultural sector?

Hon. Marie-Claude Bibeau: This issue is of great interest to me. I launched Canada's Feminist International Assistance Policy, so I was already on that path. I am surprised to be the first woman in Canada to hold the position of Minister of Agriculture and Agri-Food. We all know how involved women are on family farms, but we find that they are poorly represented at the decision-making tables.

The first example I can give you is the working group for dairy. There was a working group on compensation, and there is now a working group on the outlook for the various supply-managed industries. I had the opportunity to participate in the first meeting with representatives from the dairy sector. I'm sort of challenging producers by asking them to ensure that, as they define the vision for the dairy sector, women and young people are fully heard. We are also working for them, for the young people.

When I travel, I try to hold round tables with women in agriculture. They are often mothers, wives or daughters of dairy farmers who become farm owners. These young women's message is clearly the same as that of women in politics: family is a major issue and they think twice before taking on responsibilities far from home. Culture is also a major issue.

As a woman minister, I believe that one of my roles is to push our partners to find ways to have greater representation of women and young people at the decision-making tables.

Mrs. Eva Nassif: Madam Minister, will you take action to help young women entrepreneurs take over the agricultural sector? Is there any financial assistance for women and youth?

Hon. Marie-Claude Bibeau: Yes, there is what is called the agri-diversity program, which aims to help diversity in all its forms.

Maybe Ms. Gibbons would like to add information about another program I am less familiar with.

Ms. Annette Gibbons (Associate Deputy Minister, Department of Agriculture and Agri-Food): The program's name in French escapes me.

[English]

Mrs. Eva Nassif: You can say it in English.

Ms. Annette Gibbons: It's Farm Credit Canada.

[Translation]

There was an announcement, in March at least, about a loan program for women producers.

Hon. Marie-Claude Bibeau: Yes. I'm the one who announced it. I had a memory lapse.

We are talking about \$500 million to help women entrepreneurs access loans, mentoring and skills development assistance. It's not just loans. We also want to create a whole environment to support them and help them develop their skills.

Mrs. Eva Nassif: What is there for young people?

Hon. Marie-Claude Bibeau: For young people, there is the agri-diversity program, among others.

This morning, I met with 4-H Canada, a youth organization that develops leadership.

Ms. Annette Gibbons: We also provide funding to 4-H Canada to develop projects and continue to do that.

Mrs. Eva Nassif: Thank you, Madam Minister.

The Chair: Thank you, Mrs. Nassif.

We now go to Mr. Breton for six minutes.

Mr. Pierre Breton (Shefford, Lib.): Thank you, Mr. Chair.

Madam Minister, thank you for being with us today. The discussion is very interesting.

I would like to talk about something that is of great concern to me, and to many farmers and agricultural producers. There are many of them in our region, as you know, since our ridings are next to each other. The issue is innovation on farms.

As we know, our agricultural producers are not only agricultural producers; they are entrepreneurs who manage SMEs. They want to innovate, they want to be even more productive, and that is extremely important. This is all the more important today, in a context where labour is increasingly scarce. They must therefore upgrade their facilities. We want quality products, but in sufficient quantity. Our products are sought after not only here in Canada, but around the world. Demand is very high.

Our government has done different things in recent years. I would like to hear your perspective on this. What is our government doing to help these extremely important companies that want to modernize further?

• (1235)

Hon. Marie-Claude Bibeau: When I first joined the department, it was a revelation to me, first of all, to see how much the Department of Agriculture and Agri-Food was involved in international trade, but also to see how much it was linked to science and innovation. We really support these sectors in various ways.

I have in mind a program administered by my colleague, the Minister Bains: the Strategic Innovation Fund. This fund covers a wide range of sectors, and contains \$100 million earmarked for the agricultural sector.

Unless I'm mistaken, it is administered in Quebec by the Economic Development Agency of Canada for the Regions of Quebec, or EDC.

Ms. Annette Gibbons: It's administered by Innovation, Science and Economic Development Canada.

Hon. Marie-Claude Bibeau: That's right. It is administered by our regional development agencies. In Quebec, we still talk about EDC.

So there is \$100 million to develop or support innovative businesses in the agricultural sector. It's really a great opportunity for them that needs to be talked about.

Mr. Pierre Breton: So it's an envelope from the Department of Agriculture and Agri-Food, but is administered and managed by Canada Economic Development. That's what I understood.

Hon. Marie-Claude Bibeau: Ms. Gibbons, would you like to clarify?

Ms. Annette Gibbons: This program doesn't receive money from our department. It comes from the Department of Innovation, Science and Economic Development.

Mr. Pierre Breton: Excellent.

Ms. Annette Gibbons: We have another program, called agri-innovation, which funds innovation in various forms. This can be for both producers and companies that process agricultural products.

The department also does a lot of science research in partnership with universities and industry. We always aim for innovation in agricultural methods.

So there are many things in this regard.

Hon. Marie-Claude Bibeau: The projects I've seen recently—I've announced a few of them, particularly in the context of agri-innovation—often focus on environmental innovation, including reducing greenhouse gases. This matter is at the heart of the eligibility criteria.

It's fascinating to see how not only processors, but also producers and farmers are using increasingly sophisticated methods that are better for the environment.

Mr. Pierre Breton: It's impressive. I encourage us to continue to invest in innovation among our agricultural producers. It's extremely important. Above all, these entrepreneurs are very grateful.

I have another question, which was addressed in part earlier by my colleague Eva Nassif. It deals with the next generation of farmers. We talked about the next generation of women and diversity. There are really extraordinary programs.

In terms of succession, there are young people who want to own a farm, whether it is that of their parents, another family member or people to whom they are not related. However, land is expensive. Obviously, it isn't easy to convince these young people to come and work as farm owners.

What has our government done on this issue? What is your perspective on young farmers, succession?

Hon. Marie-Claude Bibeau: The issue of intergenerational transfers has been a major concern of mine from the beginning. As a member of Parliament, this is something I hear regularly in the field.

I know Farm Credit Canada is working on the file and thinking about different options. There is also work that needs to be done by the provinces. I am thinking of access to land, for instance. There is a responsibility that falls to the provincial governments as well. So we could have this reflection with them.

It's something that's on my radar. We have some partners who are evaluating this. I have asked for some studies, but I am not in a position, at the moment, to give you concrete examples or very specific commitments. That being said, it's certainly something that concerns me.

Mr. Pierre Breton: Thank you very much.

• (1240)

The Chair: Thank you, Mr. Breton.

I'll now give the floor to Mr. Berthold and Mr. Dreeshen for six minutes.

I think you're going first, Mr. Berthold.

Mr. Luc Berthold: Thank you, Mr. Chair.

I would like to ask for the unanimous consent of the members of the committee to speak to the letter that Mr. Longfield mentioned earlier and that we are about to send to the minister. This letter was prepared in camera. If everyone agrees, I could talk about the content of the letter.

[English]

Mr. Lloyd Longfield: The minister hasn't even seen it yet.

[Translation]

Mr. Luc Berthold: You understand that there is something in the letter that the Liberal members of the committee... Actually, I'd like to point out that they haven't talked much about canola today.

Madam Minister, do you think the restrictions on canola are politically motivated, yes or no?

Hon. Marie-Claude Bibeau: I can't answer with a yes or no.

Mr. Luc Berthold: Do you think Canada should appoint an ambassador to China? Do you think that could help to solve the crisis, yes or no?

Hon. Marie-Claude Bibeau: If you want to play this game, Mr. Berthold, you won't get many answers.

Mr. Luc Berthold: So I see that you are refusing to answer.

Thank you very much.

I'll let Mr. Dreeshen continue.

[English]

Mr. Earl Dreeshen (Red Deer—Mountain View, CPC): Thank you very much.

Madam Minister, you indicated that you'd written to your counterpart in China and that you have not heard back. We have a situation where tariffs were placed on pulses in India. I'm curious

whether or not we're getting any responses back. We also have issues where there are non-tariff trade barriers on durum wheat in Italy. It's interesting...whether or not we're getting any responses back. When we are dealing with a country like China and they see the lack of action that we take with all of these other issues that Canadian farmers have, perhaps that could indicate to you why it is that farmers are so concerned and so upset.

When a question comes, such as whether we're going to have an ambassador in China who actually knows what is happening.... This is such a critical time. There are lots of ambassadors who we could move around to make sure that this happens. It is a very serious question.

There are also discussions, as you said, that you're going to go to other countries, to Japan. Do you know what the crush capacity is for Japan? Because people would insinuate from that discussion that there is another extra market that you can have for this canola. Are they not already at maximum capacity? It means that this canola has to go somewhere.

Hon. Marie-Claude Bibeau: There were many questions in your question.

I understand that we have different issues with China, with durum wheat in Italy, with pulses in India. I think we should not look at them with the same lens because there are different reasons that we have challenges. In some cases, it could be more a matter of prioritizing their own culture. Another one could be more a citizen movement. What we really want to insist on—and we are pushing in different international and multilateral forums—is to have an international trade rule order. This is the reason we're pushing it because—

Mr. Earl Dreeshen: Therefore, you're talking about a science-based decision—

Hon. Marie-Claude Bibeau: Absolutely.

Mr. Earl Dreeshen: —but we also know, and we've heard from all of the actors associated with this, that there is no science-based reason for our canola not being accepted. You indicated a moment ago that you couldn't answer that, but other people are answering that for you. They are making sure that we understand that this is a political issue. I think it is so important that this is recognized.

We have other political issues, and I'm looking at the time today and hoping for opportunities maybe the next time you come so that we could speak about them. You spoke about a food policy for Canada and you indicated that you had gone to Toronto to be able to bring a group of people together to speak to that. I suggest that your food policy should be going out, and you should be talking to the producers of food—

• (1245)

Hon. Marie-Claude Bibeau: We are.

Mr. Earl Dreeshen: —not just considering what the newest trend is and what the next commercial and market share approach is going to be from various companies. Go speak to the producers, and I appreciate that that is something that you're looking at.

The Manitoba agriculture minister talked about a new aid plan and suggested that it is not a substitute for trade when we're talking about the advance payment program. People perhaps get the wrong impression. All you are doing is getting an opportunity to borrow more money. Your bank knows that this is a lien on the crops that you have, and if you're going to get canola—it was \$10.50 a bushel about two months ago, it's down to \$9.50—you've already lost that. If we can't do something to help the markets, what are you going to pay this money back with?

I think it's significant, the amounts raised. For the amounts, you probably have to be a farm of at least 6,000 acres before you ever would be able to come close to reaching the maximums that are there. Are you looking at other things that you could do in the meantime in order to help us through this crisis? By that, I'm specifically speaking to discussions with the Chinese.

Hon. Marie-Claude Bibeau: I'm ready to answer any questions you have asked today when I have an answer to give you. First, just to make it clear, we are talking with the farmers. The working group is very important. We're talking directly with some farmers but also with their official representatives. We are making our path forward to solve the crisis with China, to solve this situation with China with them.

I understand what you said about the APP, the advance payments program: It's a loan. The objective of this program is to facilitate farmers' lives in terms of cash flow to allow them to get the best price at the best moment. This is what we have been asked for by the Premier of Saskatchewan—just to give one example—and also by the working group.

We are monitoring the situation. We are doing what we think is the best thing at the right moment. The first top priority is to reopen the market with China, and we are taking all the actions we think are best to find a solution to that.

The Chair: Thank you, Madam Minister. I'm going to have to pass it on to the other ones. I know there's a lot of material there, and hopefully we'll get to answer it.

Mr. Peschisolido, you have six minutes.

Mr. Joe Peschisolido (Steveston—Richmond East, Lib.): Mr. Chair, thank you.

Minister, welcome to our committee. This is your first visit. I'm sure it will be the first of many visits.

As you know, in British Columbia we're having a resurgence of farming. There's a whole new crop of young farmers getting involved and attracted to the land. There's a great organization called the Canadian Young Farmers' Forum, and they have a very strong presence in B.C.

Can you talk a bit about what you or the government is doing to encourage individuals to get involved in farming, and talk a little about young farmers and how we're interfacing with them?

Hon. Marie-Claude Bibeau: We are interfacing in different ways. As I had the chance to say—but maybe I said it in French—it is very important to me to get the new generation involved.

We see that they are anxious to own land and to buy farms. There's really a challenge because our farms now are worth.... You know, it's

a lot of money. We have to do better to support them and to ease the intergenerational transfer.

It's important to have the new generation around the decision table as well. This is also something that, as the first woman minister, I take as a personal responsibility, to work with the different associations to make sure that they think about it seriously and take concrete actions to make sure they have more diversity on their boards.

We have different programs supporting them, like AgriDiversity. There are some programs that target the new generation and the lowest represented groups in the business.

• (1250)

Mr. Joe Peschisolido: Minister, you mentioned diversity in farming. In B.C., as you know, we have a vibrant traditional farming sector but also a very vibrant organic sector.

Hon. Marie-Claude Bibeau: Yes.

Mr. Joe Peschisolido: In my neck of the woods, in Steveston—Richmond East, we have both.

Can you talk a bit about what the government is doing to encourage organic farming?

Hon. Marie-Claude Bibeau: Do you want a concrete example? It's really a sector that is also of great interest. I think that when we roll out the food policy and especially promote Canadian products, there will be something very interesting to do with them.

Did you have something else to add?

Ms. Annette Gibbons: I'm just going to say that we have ongoing working groups with various agricultural sectors, and there is an organic—we call them value chain round tables, and we do have one with them. There's an opportunity there to really get a good sense of what the issues are and to be able to address their priorities through our various programs. I would say it's really writ large.

Mr. Joe Peschisolido: Yes.

Mr. Longfield earlier talked about a tragic situation with African swine fever. In British Columbia, as you know, we had a vibrant hog industry that is now non-existent. In B.C. there are no slaughterhouses for export. Given the geographical proximity of British Columbia to Asia—China, Korea, Japan—do you think there is a possibility of reviving a hog industry and perhaps an organic hog industry?

Hon. Marie-Claude Bibeau: It goes a lot with the leadership of the industry and the specific region. I'm always hopeful that we will have it.

You just talked about the value chain working group. It makes me think that it's important to have more processors in Canada. I think we are exporting too much raw production. We should work and invest in processing. It would obviously be good for the economy, but it would also ease our trade because when the product has been transformed or processed I think it's easier to export, in terms of phytosanitary rules.

Ms. France Pégeot: I'm not sure it's easier, but we're there for them too.

Hon. Marie-Claude Bibeau: Yes.

Mr. Joe Peschisolido: As a country, Canada has trade deals with very important sectors in the world, with Europe. We just finalized a trade deal, the trans-Pacific partnership. I'm not sure what exactly we're calling it now. Can you talk a little bit about your plans in diversifying our trade, both into Asia and Europe?

Hon. Marie-Claude Bibeau: Definitely. Minister Carr would obviously be more eloquent on this, but having signed the partnership agreement and the agreement with Europe opens up doors for us, particularly since we are among the first six to sign the partnership agreement. We really have to take advantage of that.

I know Minister Carr will be leading a trade mission shortly, and while I will be in Japan for the G20, I will also use the opportunity to be accompanied by some of the leaders of industry and have meetings to open doors. I've also offered to communicate and to contact my previous contacts from my previous jobs, since I have travelled a lot in some of the countries that could be of interest for our Canadian exports. We are looking at that.

[*Translation*]

The Chair: Thank you, Madam Minister.

[*English*]

Mr. Shipley, go ahead for five minutes.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Thank you very much, Minister, for being here.

Canola, March 4—it was two months ago when the notification came through and the certifications were pulled. You have said that you're looking at many markets, new markets, and that you meet every week. Is that all?

• (1255)

Hon. Marie-Claude Bibeau: I'm sorry. Could you...?

Mr. Bev Shipley: My concern, Minister, is that this happened two months ago. We, at this committee, tried three times to get witnesses together to come to this committee before we eventually got a meeting. In the House of Commons, we asked a number of times to have an emergency debate and we were turned down, because this is not a priority for the government.

You wrote the letter to your counterpart. How many times have you picked up the phone and talked to him?

Hon. Marie-Claude Bibeau: It has been a priority since day one. You have waited six weeks to ask a question at question period.

Mr. Bev Shipley: Let's go back.

Mr. Lloyd Longfield: You were filibustering us.

Mr. Bev Shipley: I'm filibustering...?

Mr. Lloyd Longfield: You were in the House.

Mr. Bev Shipley: How many conversations have you had with your counterpart? You wrote a letter, but how many conversations have you had with that counterpart?

Hon. Marie-Claude Bibeau: I already told you that I didn't talk to him.

Mr. Bev Shipley: Why?

Hon. Marie-Claude Bibeau: I haven't had the opportunity to have a conversation with him.

Mr. Bev Shipley: I think that's the frustrating part, Minister.

I know you're new at the portfolio, but quite honestly we have a crisis in our agriculture industry. A question was asked about how it is we do not have an ambassador. There was—

The Chair: Mr. Shipley, it looks as though we have a vote. I don't know if we want to—

A voice: There's no vote.

The Chair: There's no vote? Okay. The light just flashed a couple of times, so maybe it was a false alarm.

You can keep going, Mr. Shipley. I'm sorry about that.

Mr. Bev Shipley: Thank you.

I asked about the status of replacing the ambassador. There really wasn't an answer. I guess that's not your portfolio, but you also sit around the cabinet.

The next question is whether you have started the initiation of a WTO appeal on this.

Hon. Marie-Claude Bibeau: We have a chargé d'affaires who is very experienced, and we have daily conversations with the Chinese on the canola situation. We have decided not to start a process with the WTO, because we don't think it's the right moment to do such a thing.

Mr. Bev Shipley: When do you think it would be?

Hon. Marie-Claude Bibeau: We are monitoring the situation, getting advice and thinking about it with the working group as well, because we value the thoughts of our partners.

Mr. Bev Shipley: The problem, Minister, is that when we were asking to have input into it... I don't know if you know when canola is planted, but they're at it. We were asking prior to that, in order to get assistance. It was May 1 when you made the announcement about the advance payment program. There was no indication coming from the government or from the Prime Minister to answer the question about where you're at with replacing the ambassador, who would be our spokesperson and our salesperson for Canada.

There has been no indication to us about the option of a WTO appeal. I'm just wondering who's actually around the table supporting our farmers? We're getting talk, but there doesn't seem to be any action.

We're just looking for some indicator that would give our producers some sense of action. We can give these programs—and I don't take away from those programs because they're voluntary; they can use them or not, and that's good—but the bigger part of it is... You talked earlier about markets. I don't know where they are. You didn't expand on that. You didn't expand on the WTO or the ambassador, and those are three critical points.

I'm just wondering and asking when we can expect to hear something on those timelines.

Hon. Marie-Claude Bibeau: Once again, you have chosen your indicators, but we don't believe that those you have chosen are the right actions to proceed with. I encourage you to speak with the people representing our farmers, such as those in the working group. I believe they will tell you that we are there to support our farmers. We were there from day one, and they know that.

• (1300)

Mr. Bev Shipley: Who do I ask, Mr. Chair, to find out those answers?

The Chair: Madame Minister, we would complete our round with one more question, if you're okay with that.

Mr. MacGregor.

Mr. Alistair MacGregor: Thank you.

I want to revisit the issue of tariff rate quotas again. You said you're aware of the issue. As the Minister of Agriculture and Agri-Food, are you prepared to give an opinion here at committee as to whether our domestic processors should have more of the tariff rate

quota allocated to them from the trade deal with the European Union, given that retailers have most of it right now?

Hon. Marie-Claude Bibeau: I have worked more on the one for the partnership agreement than for CETA, so no, I'm not prepared to give you a clear answer now, but I would be pleased to come back to you.

Mr. Alistair MacGregor: Thank you.

The Chair: Thank you.

This will be all we have.

[*Translation*]

Thank you for appearing before us, Madam Minister. When you are a major player on the international scene, you can expect to have major problems that extend globally. We therefore wish you the best of luck in resolving them.

[*English*]

Thank you, everyone. This will conclude our meeting.

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