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Chair

Mr. Pat Finnigan

Standing Committee on Agriculture and Agri-Food

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•(0845)

[Translation]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): Hello everyone.

[English]

Welcome, everyone, as we move along with our study of the APF. I call the meeting to order.

With us today we have the Dairy Farmers of Canada, with Madam Caroline Emond, who is not a stranger to this committee.

[Translation]

Welcome, Ms. Emond.

[English]

We also have with us Émie Désilets, assistant director of dairy production research.

[Translation]

Hello, Ms. Désilets.

[English]

From the Turkey Farmers of Canada, we have Mark Davies, chair, and Phil Boyd, executive director.

Welcome, Mr. Davies and Mr. Boyd.

As usual, we have up to 10 minutes from each organization.

Mr. Davies, you have the floor.

Mr. Mark Davies (Chair, Turkey Farmers of Canada): Thank you very much, Mr. Chairman.

I'll quickly introduce myself. My name, as stated, is Mark Davies and I'm the chair of Turkey Farmers of Canada. I have a farm in the Annapolis Valley in Nova Scotia where I raise turkeys, and I've done so for 25 years. I'm also a second-generation farmer. The farm itself has been around since the first year of supply management for the agency. We bought our farm then.

Once again, thanks for inviting us to present our comments on the next APF.

I'll give you a bit of background on our industry. TFC represents 535 farmers across our great country, in eight member provinces from Nova Scotia to British Columbia, who generated farm cash receipts of almost \$400 million in 2015. Over the last five years, farm output has grown by 12%, driven by a growth in production for value-added activity of 19% over that same period.

Across the chain, the turkey sector generates 14,000 jobs and adds economic activity in the amount of \$3.3 billion per year, providing Canadians with 95% of their demand for turkey meat and related products. The sector imports \$37 million in turkey meat, and exports are valued at \$32.4 million per year, based on the 2015 statistics. Canada is also home to a globe-leading turkey genetics sector, specifically supported within the domestic quota system for many years.

Turkey farmers operate, as you well know, within a supply management structure and view supply management as a significant component of Canadian agriculture, including from the standpoint of a business risk management program in and of itself. That's how we view supply management. This has been recognized by parliamentarians and governments and was reinforced in the July 2016 Calgary ministerial statement, and we believe that it will continue to be a strong plank in the next policy platform.

The Canadian Federation of Agriculture, of which we are a board member, presented to the committee last week. The CFA has put significant work into contributing to the development of the next policy framework. As you develop and finalize recommendations, we encourage the committee to give the CFA a heavy weighting on their presentations and their objectives.

Our experience at TFC has been largely focused in two areas: research cluster funding through the Canadian Poultry Research Council, and the development, implementation, and review of our on-farm programs specifically dealing with on-farm food safety and flock care. In both cases, our sector has seen benefits from the current and previous framework. This experience shapes our comments for the next policy framework in light of the current and emerging influences on the Canadian agricultural and agrifood sector.

Moving along to the objective for today, which is the next policy framework, the Calgary statement sets out the key areas of focus for the next policy framework, but we will focus our comments on the following three elements today: first, research and innovation; second, the link between agriculture/agrifood and the public; and third, growth in the domestic value-added activities that it supports.

First is research and innovation. We support the cluster funding process that has been in place for the last two policy frameworks. The approach has created opportunity for our sector specifically linked to our TFC research strategy. We see the language of the Calgary statement as a positive indication of where ministers would like to go, at least directionally.

In particular, there are two key pieces to which we would like to draw your attention. First, the strengthening of science, research, and innovation capacity is needed, and the need to address it is not without urgency. The second piece is the supporting of research activities that require sustained commitment. Both of these objectives need attention and further development as Growing Forward 2 ends and the next framework comes into play.

The cluster funding model has been helpful to us and our partners in the Canadian Poultry Research Council, and this five-year model is helpful to our sector and to the researchers. We wonder if there is a way to create a longer-term span on the funding side. This would allow for a more flexible approach to ongoing research and addressing the needs as they emerge.

Finally, on the question of capacity, as you know, there are no federal research facilities for poultry at this point in time. It's very concerning to our industry as a whole. It is very important that the poultry sectors do not get overlooked as federal funding targeted to existing facilities increases now and into the new framework. We believe that it's worth a very considered discussion when it comes to the funding of research for poultry.

The second element is public trust. We all know that this has been in the public eye, especially in the last three to five years, where it has really come to the forefront for a lot of people in understanding how things work in the agricultural world.

● (0850)

As we're all aware, the agriculture and agrifood sector is facing a challenge as well as an opportunity, as the public and consumers rightfully want to know more about production of the food they consume and the consequences of food production and processing on our national resources and our environment. As noted by others, there can be a trust gap—and it is sometimes significant—between the science-based innovation that we use and the consumer acceptability of that innovation. We believe it can be bridged by an understanding of this innovation. Creating that understanding will maintain and deepen the public trust in Canadian agricultural production and food processing.

We've also engaged in the public trust network that was initiated about one year ago. This is an important priority for us. We would support an integrated approach between governments and industry in terms of reinforcing confidence and building trust, as per the Calgary statement, but this has to include consistency of standards applications on product coming into the Canadian market. That's not a new position for anybody in agriculture. Continuing support of programs that work towards, amongst other things, addressing consumer confidence and support for initiatives that bring improvements to practices is certainly warranted.

The last point is value-added growth. The further processing or value-added segment of the market, as I noted in my opening comments, has been the driver of growth in our sector. The value-added activity is strong, and farmers are meeting the needs of the sector through a flexible and market-driven approach to setting our turkey supply. We have also developed and implemented programs that focus on food safety and flock care. Both are important to customers and consumers. These should include an emphasis on value-adding in the next policy framework and they are of high

importance to our farmers, especially if the Trans-Pacific Partnership is implemented. Our sector will face high import access and we expect that access will be used to import meat processed to a secondary level—I am referring to boneless meat, which is really the economic driver, and what is mostly imported into Canada—that will be used to a finished level. This represents an area in which a well-informed and integrated approach along the domestic supply chain, with the support of governments, is critical to maintaining and increasing domestic output.

In conclusion, I would like to thank you all today for the opportunity to appear. We've been able to hit only the very high points on three major areas of focus, three areas that overlap with our business plan, which, coincidentally, we just completed in Calgary in May. We see a real dovetailing here of initiatives. It's really no surprise, given the ongoing changes within Canadian agriculture and agrifood. We all have the same focuses now. We're ready to engage collaboratively with you on the committee, with the government, and with officials as required. Thank you for your time.

The Chair: Thank you so much, Mr. Davies.

[*Translation*]

I now give the floor to Ms. Caroline Emond of the Dairy Farmers of Canada.

Ms. Caroline Emond (Executive Director, Dairy Farmers of Canada): Thank you very much, Mr. Chair.

[*English*]

First of all, I thank you, on behalf of the Dairy Farmers of Canada, for this invitation to participate in this very important study on the next agricultural policy framework. I will start my presentation in French.

[*Translation*]

With me this morning is my colleague Émie Désilets, assistant director, dairy production research, for the Dairy Farmers of Canada. She is very familiar with the current framework so she will be able to answer your questions.

The Canadian dairy sector makes a huge contribution to the Canadian economy. According to the latest study conducted by EcoRessources ending in 2015, Canada's dairy sector contributes approximately \$20 billion to the GDP, and \$4 billion in tax revenues, every year, while sustaining 221,000 full-time equivalent jobs across the country. From 2013 to 2015, this represents a 5% increase in contributions to the GDP, a 5% increase in tax revenues, and a 3% increase in jobs. In addition, dairy is either the top or second agricultural sector in 7 out of 10 provinces. Furthermore, unlike other jurisdictions where farmer's incomes are heavily subsidized, Canadian dairy farmers receive no direct subsidies and derive their income from the marketplace.

The development of the new strategic framework is crucial to our sector. It will of course be difficult to cover the topic in detail in 10 minutes. We will nonetheless be available to contribute throughout the development process.

A number of programs affecting our industry contribute directly to achieving the objectives of the strategic framework, whether market growth or sustainable development. It is clearly important to maintain and indeed increase investments in partnerships with the dairy sector.

I will now say a few words about the AgriInnovation program.

Following a consultation with dairy sector stakeholders, the Dairy Farmers of Canada, or DFC, this summer adopted a national dairy research strategy for the next five years. DFC and its members are currently working to coordinate investments in dairy research and leverage partnerships at all levels to maximize farmers' investments in research, and generate targeted outcomes to advance the sector.

DFC strongly believe that the next strategic framework should maintain the overall government-industry ratio of investment at 75/25 for non-profit organization applicants. If the ratio changes, industry might not be able to compensate for reduced government contributions, which would decrease research capacity and efforts.

In order to maximize the effectiveness of the research continuum, there should be no interruption between GF2 and the next strategic framework. Access to all government and university researchers under GF2 is appreciated. This access has been a key component in maximizing the success of collaborative and multi-disciplinary projects. DFC consider that all types of research and projects that are deemed important to the industry should continue to be eligible and funded under the next program.

Furthermore, it is critically important for DFC to continue to be able to fund randomized clinical trials for human nutrition and health research under the cluster program. Such trials provide the strongest levels of scientific evidence in order to inform clinical and public health guidelines. As these trials are generally longer, very expensive to conduct, and normally difficult to fund under our other funding programs, the cluster program presents a unique and very important opportunity for us in this regard.

Finally, DFC requests that the next APF keep investing to ensure the rapid and efficient dissemination of research results, new knowledge, and new technologies. Moreover, the next strategic framework should be more flexible in terms of the budget and work plan in order to address issues that emerge during the research period.

The role and responsibilities of cluster recipients in the management of the intellectual property developed under the program should be reviewed and better defined.

● (0855)

I would like to provide a few concrete examples of the cluster under GF2.

Canadian dairy genetics are among the best in the world. Since 1988, the total value of Canadian dairy genetic exports, including dairy cattle, embryos and semen, rose from \$68 million to \$140 million in 2015.

With regard to sustainable development, carbon equivalent emissions from dairy farms were reduced by over 25% between 1981 and 2006 as a result of efficiency gains made on farms. This

trend has continued to show a steady decline in GHG emissions from dairy farms of approximately 1% per year.

Research outcomes have resulted in science-based standards for the animal care assessment stream of DFC's proAction program.

Milk products, regardless of their fat content, do not increase cardiovascular risk. In fact, a growing body of evidence indicates that milk products are associated with a reduced risk of cardiovascular disease. These are some concrete examples of the investments made in the research cluster.

I would like to say a few words about the AgriMarketing program. I mentioned the proAction initiative, comprises six modules: animal care, food safety, traceability, biosecurity, and the environment. It is an on-farm sustainability program launched by DFC to foster more innovation and improvement within the dairy industry, as well as to build and maintain public trust. The Canadian dairy industry is unparalleled in the quality and safety standards that are rigorously set and adhered to by all our farmers.

Some components of the proAction initiative are administered under the assurance systems stream of the AgriMarketing program of GF2. DFC will be reapplying for funding for the continued development and implementation of proAction under the next APF.

This kind of program requires some flexibility in order to adapt to market conditions. In addition, DFC strongly recommends that AAFC reduce the approval delay period for projects falling under the AgriMarketing program, and offer bridge funding between GF2 and the next APF.

With the dismantling of TraceCanada, DFC suggests that AAFC ensure continuous eligible funding for livestock traceability projects, including implementation and operational costs.

Environmental farm plans are also very important to us and we would like to contribute to discussions on their evolution and on the national approach currently being developed.

Finally, since June 2015, DFC has been asking the federal government for an investment equal to 50% of the cost of implementing proAction on Canadian dairy farms. The total cost is estimated at over \$200 million in cash outlays and producer time over the next ten years. We believe this would be a constructive way for the Canadian government to invest in a sustainable and innovative dairy industry that could be administered under the next APF.

● (0900)

[English]

I will conclude in English.

While DFC's focus in this submission has been on the element of the new APF that directly impacts the dairy industry, as a member of the Canadian Federation of Agriculture, we would like to state our support for each of the CFA's recommendations.

In closing, it's important to say that the government's long-term commitment towards supporting the agricultural sector must go beyond the five-year framework for the AFP. The government must recognize agriculture and the role of dairy as a strategic growth sector.

While DFC considers supply management to be one of the best business risk management tools, the next APF can play a critical role in supporting the investment of the Canadian dairy farmers and making it into a sustainable future for our sector.

There is a need for increased funding for the entire program. However, it is important to know that any increase in funding for a particular stream should not come at the expense of any other program administered under the next APF.

It is critical for the government to recognize the knowledge and expertise of the agricultural sector. If you put the right tools in our hands, we will continue to innovate and lead our industry to a sustainable and prosperous goal.

I know that you all have on your mind a big question about CETA. I just want to let you know that I do not have any information or reaction I can share with you. I will be pleased to take your questions on research, and even on the new logo, if you want to, that we launched this week. I look forward to the discussion.

[*Translation*]

The Chair: Thank you, Ms. Emond.

We will now move on to the question period.

Mr. Gourde, you have six minutes.

Mr. Jacques Gourde (Lévis—Lotbinière, CPC): Thank you, Mr. Chair.

Thank you to the witnesses for being here this morning.

My first question is for you, Ms. Emond.

On the weekend, the European free trade agreement was signed. No doubt you have a tremendous amount of work to do as a result.

During the negotiations, the Conservative government had established a compensation program for Canada's dairy farmers. In the House this week, the Parliamentary Secretary to the Minister of Agriculture and Agri-Food said that it would be a transitional program. So there will be some compensation during the transition.

I don't know if you would agree, but from my point of view, that is not the same thing. Some journalists specializing in agriculture are suggesting that there is an agreement on a transition program. On Monday, the government set out a transition program and journalists are already aware of it. Were you aware of it? Have you participated in developing this program? Do you have any comments to make on it?

We are members of the House of Commons and the government has not yet told us anything about the development of a transition program. We had heard instead about a compensation program. We are frustrated. For your part, you should have played an active role in this process. We should have been informed before journalists commented on it in specialized journals.

● (0905)

Ms. Caroline Emond: Thank you for your question.

My answer is no. The journalists do indeed have more information that we do right now.

Mr. Jacques Gourde: To your mind, are a compensation program and a transition program the same thing or is there a difference between them?

Ms. Caroline Emond: We have made representations to the government. It has all the information we could have provided on the impact and the way it could approach certain situations. I would have to know what the announcement says before forming any judgment. I am not able to form a judgment right now. I have no information that would enable me to assess what is planned one way or the other.

Mr. Jacques Gourde: Should Canadian dairy farmers be nervous about a potential precedent regarding the difference between a compensation program and a transition program? In my opinion, legally speaking, they are not the same thing.

Ms. Caroline Emond: I have to admit that I share your curiosity. I am also eager to understand the difference between these two terms. As mentioned, there is a process in place. Journalists had an information session with Global Affairs Canada, but we did not attend. So I cannot say more than I know, which right now is nothing.

Mr. Jacques Gourde: We have always fought for the principle of compensation. According to this principle, if a market is lost, compensation is provided. A transition program can help people deal with changes in the market or provide some support for marketing efforts. Perhaps the transition program includes recognition of lost markets?

Ms. Caroline Emond: I can only hope. All we can tell you is that we made representations to the government to discuss the losses resulting from the implementation of CETA. We did our job.

Mr. Jacques Gourde: Can you remind us of the extent of the losses expected from the import of tonnes of cheese?

Ms. Caroline Emond: They are in the order of about \$100 million for producers and about the same for processors. Based on our calculations, the annual losses could range from \$200 million to \$300 million in perpetuity, since these losses are recurrent.

Mr. Jacques Gourde: Do you think cheese producers, which are often small dairy farmers with niche products, will be the first to feel the effects of this agreement?

Ms. Caroline Emond: As I already said, we have made efforts to support small and medium-sized cheese processors. We also worked with them to form a coalition in order to give them access to import quotas. That is one of the measures proposed to mitigate the impact on small cheese producers. We still do not know to whom the quotas will be awarded.

Mr. Jacques Gourde: Should these import quotas be awarded first to those who already produce cheese? These cheese makers invest a great deal of money to produce cheese while complying with Canadian standards.

Some people want these quotas, but they are just distributors. I think it is easier for someone to put cheese in a freezer, to buy small trucks, and to make deliveries around town rather than investing \$10 million, \$15 million or \$20 million in production.

Consider Fromagerie Bergeron, for example, which is in my riding. It already produces and exports cheese and it would also like to import it. Companies like this invest and create jobs in the riding. This company employs more than 200 people. If it had import quotas, that would give it leverage to export its own cheese. If it is possible to buy cheese from Europe, it should also be possible, through European brokers, to export cheese that is produced here.

Would that give these processors some leverage? Would it enable them to export and import cheese? We also have access to the European market, but it will be very difficult to penetrate that market.

Ms. Caroline Emond: We took part in all the consultations on the administration of tariff quotas, and our position was that tariff quotas should indeed be awarded to small and medium-sized cheese producers.

Mr. Jacques Gourde: Let us set aside the Costcos of the world that would like the lion's share of the market. In all regions of Canada, we might allow these cheese makers who purchase milk from Canadian producers to make investments. They are prepared not only to purchase milk at Canadian prices, but also to try their luck on the export market.

• (0910)

The Chair: Thank you, Mr. Gourde.

[English]

Now Ms. Lockhart, for six minutes.

Mrs. Alaina Lockhart (Fundy Royal, Lib.): Ms. Emond, I appreciate your testimony today, and I appreciate your responsible commentary on CETA. As you said, we don't have all the information now, but I can assure you that we're very committed to ensuring that the dairy industry succeeds.

Under the context of today's hearings, we're focused on the agriculture policy framework. I want to talk to you about what innovation looks like for the dairy industry, specifically for producers and for the processors. Could you talk to us a bit about how APF could assist in that way, so that we can be successful going forward?

Ms. Caroline Emond: Innovation is key, and I've told you a few times when I've come to this committee that the producers has been investing a lot in the last few years to innovate, to improve the economy, and to improve farm practices. When I've mentioned proAction, it's exactly that. It's a program to innovate and make sure that we follow the best practices. The Going Forward 2 money has been used to support the efforts of the farmers, because we do invest ourselves. It maximizes our investment. It makes sure that we can grow our industry, that we can develop the technology, and that we can make sure that we maximize that.

I think one important element of the presentation was related to knowledge transfer. It's one thing to do research, but the next thing is to make sure it's been used and it's been disseminated to the producer. That's the second phase of our national strategy. I've

mentioned in the presentation that we have worked to ensure coordination among the provinces, and that we focused on priorities so we can all work together and maximize our dollars.

The second aspect of it that we'll complete for 2018 is a knowledge transfer strategy, as well. This is key. It has to be part of access to the farmers.

Mrs. Alaina Lockhart: You mentioned collaboration amongst provinces and that sort of thing. From a regional perspective, as we move across Canada, are there things that are going to strengthen the industry in certain regions, and do you have any specifics on those as far as the investments by processors, producers, and government?

Ms. Caroline Emond: That's why we need all of those tools for co-operation. That's why the leadership is important at the federal level. I know the provinces have been contributing, because everybody has a role to play, but we need to make sure we all work in the same direction. That's where priorities are so important because over the years there's a lot of goodwill, but it happens that some universities or some groups will be working on the same thing across the country, and that's why we value the national strategy.

Even now we have a national dairy council where we share with stakeholders to make sure that we maximize all the research that we do. Coordination is key. There are a lot of good things that can be done in the provinces, but the provinces can learn from each other, as well. We need to make sure that we spend every dollar we have wisely and maximize it.

Mrs. Alaina Lockhart: Okay. You had spoken in your presentation about research and flexibility, and also about the difference between smaller research clusters and different funding.

Could you speak to that a bit for us?

Ms. Caroline Emond: Yes and that's why I'm glad I have Émie with me, because we had the discussion last night when we were preparing. Research is a different environment. When we talk about flexibility, the world of research is a special world, and sometimes when you have criteria and a framework that is so rigid, it just makes it very difficult to pursue a goal. It happens sometimes from one year to another that a project will continue, or for x reason, it couldn't be completed.

The universe of research is very different, and sometimes it is not being taken into consideration in the development of policy. We understand governments have rules. We're not playing against rules, but we're making sure that we have the flexibility to adjust, adapt, and provide the support to our researchers at a time when it's needed. The aspect of agility more than flexibility but an understanding that it maybe it's a different universe....

Mrs. Alaina Lockhart: You mentioned the smaller projects would be termed differently, as support.

What would some of those smaller projects be?

● (0915)

[Translation]

Ms. Émie Désilets (Assistant Director, Dairy Production Research, Dairy Farmers of Canada): This comment, in the text, was related to the fact that certain groups are very well organized, especially DFC. As Caroline said, we have developed a strategy and are working with the provinces. Since we are already organized, we think we deserve research support. For smaller groups that need help getting organized, if only to define their priorities, it is important, but a research project might not be required. That was essentially what we meant.

[English]

Mrs. Alaina Lockhart: Thank you.

The Chair: Welcome to Mr. Randall Garrison who is with us today.

You have six minutes.

Mr. Randall Garrison (Esquimalt—Saanich—Sooke, NDP): Thank you very much, Mr. Chair. In the last Parliament, I spent six months on the agriculture committee, but most of that time we were talking about things connected with the wheat industry. I have exactly one wheat farmer in my riding, so today is a better day for me to be here. I do have small producers, especially in the cheese industry. On Vancouver Island, dairy, poultry, and turkey production are very important.

The context that I bring to the table is the same that I've been concerned about for many years, and that's the question of food security in all its senses, safe food, access to supply, as well as affordability. I will ask some questions in that context.

The other thing that has always concerned me is, we can have a very good agrifood policy framework, and I know that is what this committee is working on with this study, but if we change the context, we can undermine that strategy. So I do want to ask some things about impacts of trade agreements on the framework, maybe not so much on the compensation side.

I have to start with turkey, because that's dear to my heart. My grandparents were turkey farmers. My partner, who came from Indonesia and is an immigrant to Canada, came here and discovered turkey. I can now recommend to you curried turkey, if any of you haven't tried it. I'm trying to expand the industry in terms of a new use for turkey.

I was interested in hearing a little more from you, Mr. Davies, about the potential impacts of the TPP and CETA in terms of loss of market for turkey producers.

Mr. Mark Davies: It's good to hear you're a fan of turkey. We're always looking for those. I didn't think I would come and get recipes, but that's also a bonus. This committee is squarely on the ball.

In all seriousness, though, thank you for the question. Interestingly enough, we're partnered today with DFC because in the context, not of CETA but TPP, we have more in common with them than we do with our other feathered friends because of the impact. That is basically because of the structure of our market.

As I indicated very briefly in my presentation, our market is driven really on the white meat market, the breast meat. That is literally all that comes in across the border. It just displaces the rest of the bird, to put it in elementary terms. You can't just grow the breast meat. That poses a huge issue to us in displacement.

The access will be up about 71% over the totality of the 10 years when it comes to its full fruition, if it is signed and implemented. It's a significant hit for the turkey farmers of Canada. When you talk about compensation, we have lots of questions. As Caroline indicated before, we're sort of just wondering at this point what that's going to look like.

We, being in supply management, would still prefer to get our dollars and our livelihood from the marketplace. We stand firmly behind that. Having said that, if part of your market has been undermined through this, then of course you're looking for compensation. We do not see it as a subsidy, but squarely as compensation for lost market in order to rebuild and continue to invest.

On CETA specifically, it's not really an issue for the poultry industry. I'll just speak for turkey and in general for the poultry industry. Because they're both high-value markets, it's really a net zero game. It's really dairy, as everybody knows, that has had issues, but we still share their concerns because it sets that precedent. We saw that unfold in the TPP shortly thereafter.

As they do in dairy, we support trade. We're not anti-trade, as has been indicated sometimes in the press. We get a lot of bad press in supply management. I don't know why. I might be biased.

Really, it comes down to the fact that we have a very strong system here in supply management, in poultry and in the dairy sector, and that has to be maintained. It has an ability to contribute to the rural fabric of this country and to the small towns, which we know are under pressure and struggle now, especially with an economy that is basically a little flat over a few years. The projected outlook is not as rosy as people would hope. Supply management becomes more of an integral part of rural Canada.

● (0920)

Mr. Randall Garrison: I guess you had this attempt to shift some of the argument from compensation to a transition, and I have a real concern about that as a concept, because it seems to me that it raises the danger of a downward spiral. In other words, what are we transitioning to? Is it to less and less market share?

Can you say something about how that would impact other things? It's obviously potentially a disaster for businesses, but for the industry, how can the industry work on innovation and invest for growth in the future if we're in a transition to a smaller market share? I don't understand how that would work.

Mr. Mark Davies: To be quite frank, that's the first I've heard of transition. That, to me, smacks of short term, which is what comes into my mind, and that would concern me, because it's not just a.... This is pure speculation on my part. You never want a band-aid solution just to get over that initial hump. As you said, that's a race to the bottom, and that's what we've always said at supply management with some of these trade deals, and not specifically just Canada, but any deal that becomes more global. You have to look at the trade deal as a whole, but you want to make sure that nowhere is it just a race to the bottom.

We all want to provide the consumer with a low-cost and healthy alternative when it comes to food and quality products, and provide in Canada, as we do at TFC and DFC, high standards of food care and animal care. We have these programs in place, and we realize that is the cost of doing business in the world we're in today. We all understand that, and we're not looking to recoup all that, but it also has to be a system where it's recognized and is part of the value when producing your product.

If you're up against another country—and we all know the same argument, and it was indicated in my presentation—what are the standards for that product coming into our country?

The Chair: Thank you, Mr. Davies, we're out of time. Sorry about that.

Thank you, Mr. Garrison.

Now Mr. Peschisolido, for six minutes.

Mr. Joe Peschisolido (Steveston—Richmond East, Lib.): Madame Emond and Mr. Davies, thank you for being here today and giving us your insight.

I'd like to follow up on Mr. Garrison's point. I am also from B.C. I'm not from the island, but from Steveston—Richmond East, or let's just say the greater Vancouver area.

We had a joint event with Minister Letnick, the agriculture minister for B.C., and Minister MacAulay. We utilized funds from the framework agreement to create a secretariat and a booklet of products to send to Asia. There weren't many products from the turkey industry or the dairy industry.

Is Asia a market that you are looking at, and if it is, what would be the strategies utilizing the next framework agreement, and public policy in general, so that we can attain that?

Perhaps Madame Emond and then....

Ms. Caroline Emond: I will make the bridge with the discussion we had earlier. Supply management is providing the predictability and the fair revenue to producers so they don't focus on their survival. They focus on innovation, and they focus on developing and producing the best quality product possible for the consumer. I think that's the basis of what this agricultural policy is doing with supply management.

When we talk about export, it's important to understand that it's not export at any price. It has to make sense for the producer. It has to make sense for the processor.

Dairy, particularly, is a sector where only 9% of the production around the world is exported. It's mainly a local commodity. There

are some exports and there are some opportunities, but I think it has to be assured that it's not at the expense of the domestic market that we have developed. We have invested in educating people on the nutritious value of the product, on the aspect of protein. We have grown that market, and we are really working to promote our domestic market, but it's true some chunk of it is given away.

One thing is for sure, the stability of our domestic system is where we take our strength, and that's where we develop our expertise. I have mentioned Genitech before. It is stable because of supply management, and because we were able to invest a dollar in innovation and to develop our expertise. We have great expertise.

• (0925)

Mr. Mark Davies: In the interest of time, I won't repeat everything Caroline said, but I agree wholeheartedly with her statement.

All I'm saying—and I'll let Mr. Boyd add some context to this—is that is something we're well aware of. In the Asian community, we don't enjoy the same popularity that chicken does. In fact, our popularity probably hovers around zero. It's just not part of Asian culture. Boy, we wish we could, because it's something we're very aware of and companies are always looking for ways to produce new products that reflect Canada's makeup, quite frankly.

I know that this a focus out in B.C. They, of course, understand this in the turkey industry. We have halal turkey, we have kosher turkey, the list goes on, and curry turkey, as I've heard today. Once again, the list goes on and on.

Yes, we see it as an opportunity, but as far as trade in turkey with China, no.

Phil, do you have anything to add?

Phil Boyd (Executive Director, Turkey Farmers of Canada): I think you've covered everything.

Mr. Joe Peschisolido: We were talking about public trust and the consumer is king. Also, following up on Mr. Garrison's point on consumer issues, on public trust, at that same announcement—I'll go back with Minister Letnick and Minister MacAulay—the narrative was for Canada to become a superpower on exports in food. Unfortunately, there are some folks, rightly or wrongly, who view that the practices in producing the food are either bad for the environment, bad for the animals, or bad for the health.

How can the framework help the industry in allaying the concerns of the public in those areas?

Mr. Mark Davies: I think specifically, as I had indicated earlier, —and, again, my comments were brief and didn't go into detail—this is where research comes into play. For instance, in a very broad sense, in the last 25 or so years in the turkey industry alone, and it's reflected in other poultry, the conversion rate, which is the pound or kilogram of feed to produce a kilogram of meat, has been cut in half. That goes to your carbon footprint.

I know that poultry has one of the lowest carbon footprints for the amount of energy expended, land mass used, etc. It's very efficient that way, so we're well poised for the future world that we need to feed. We've all heard the figures that are astounding. Poultry is always held up as one area that has, I guess, a foot in the door already.

Having said that, the research, when it comes to animal care and transport of animals.... These are all files that are priorities at our agencies and we continue to work on, and therein lies the programming that we have. Right now, except for a handful of producers at any one time that are experiencing issues, we're basically at 100% for our programs and they're mandatory in every province.

The Chair: Thank you.

[Translation]

We will now move on to the second round of questions.

Mr. Drouin, you have the floor and you have six minutes.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you, Mr. Chair.

I am pleased to hear that Mr. Gourde is concerned about supply management. In politics, you know, you have to put your money where your mouth is, Mr. Gourde, and right now you are supporting a candidate who wants to eliminate supply management.

More seriously, Ms. Emond, you spoke about the proAction program. Can you tell us what its objectives are?

Ms. Caroline Emond: Thank you for your question, Mr. Drouin.

ProAction addresses exactly what your colleague said about consumers' interest in best farming practices and in the source of their food. One of its objectives is to show Canadians and our clients, processors, that we are doing everything in our power to produce the best quality possible, in the best environment possible, while respecting animals and the earth. That is what proAction does best. It is a program developed by producers and for producers, with a high degree of engagement.

One of the benefits of supply management is that we represent all producers right across Canada. So our program applies to all of them. There are many programs around the world, but they are voluntary or apply only to part of production. In Canada, we all produce according to the proAction system. So that can strengthen the message to consumers about all our work to reassure them and to demonstrate best practices.

We talked earlier about research and how you can help us. Investing in the implementation and development of proAction is one thing. I will send you our research priorities for the next cycle. You will see that they pertain specifically to ways of improving animal welfare and reducing our environmental footprint.

We have the smallest carbon footprint in the world as regards dairy production. There is more work to be done in this regard. All of our research projects focus on improving our farming practices and on producing milk in the most respectful way possible.

● (0930)

Mr. Francis Drouin: Has Growing Forward 2 helped on the research side as far as developing the proAction initiative is concerned?

Do you know what the penetration rate for the proAction initiative is among your farmers? Right now, does it stand at 25% or 50%?

Ms. Caroline Emond: The initiative is deployed in phases, based on modules. That's how we started.

We have begun implementing the animal care module, so all of that work is just getting under way. It's important to point out that the proAction program consolidates on-farm best practices. The milk quality module for Canada's dairy farmers has been in place for 15 years. We've added components to this consolidation of practices.

The implementation will make it possible to follow through on on-farm best practices.

Mr. Francis Drouin: Has Growing Forward 2 helped some producers acquire robotic equipment? About six months ago, we visited a farm where the producer had made an investment in robotics. So, instead of spending three hours milking his cows, the farmer now spends three hours looking for ways to improve the health of this cows.

Has Growing Forward 2 been helpful in that regard? How can we improve the next agricultural policy framework to help producers integrate robotics into their processes?

Ms. Caroline Emond: I have to answer in a bit of a roundabout way. As I said earlier, income stability and the capacity to invest in research would pave the way for farm development and investment. As Mr. Davies can tell you, our farmers are business people who want to operate as efficiently as possible, so they invest, and they have done so in recent years. They invest their own money to build barns and install robotic equipment.

I think the next policy framework could help our producers by supporting the implementation and acquisition of technologies and equipment, as is the case in other countries. Governments in some countries provide partial funding for the purchase of technologies and equipment, such as green technologies and biodigesters. Certainly, then, there are ways to support purchases, and that's an option worth exploring.

Mr. Francis Drouin: How much time do I have left, Mr. Chair?

The Chair: A minute and 10 seconds.

Mr. Francis Drouin: Farm renewal is an issue I care deeply about because a number of producers in my riding are over 55 and, in some cases, their children aren't interested in taking over the farm. They haven't invested in the operation for 10 or 15 years. At 60 or 65 years of age, they don't feel the return on investment is worth it and so don't make the investments needed to continue running the farm.

How could the new policy framework support young farmers who are interested in that transition?

Ms. Caroline Emond: That's an excellent question.

A bit earlier, I talked about ongoing investments as opposed to one investment every five years. The new plan should demonstrate a genuine commitment to agriculture given the important role it plays in our economy. It should also recognize the value of agricultural work, learning and training.

To use an expression that may not be entirely appropriate for a parliamentary committee, I would say that we need to make farming sexy again.

We need to highlight the value of agriculture and show young people the sector's important place in society. We mustn't turn our backs on them. The young people investing in new operations are incredibly dynamic. They are full of ideas and plans. Our job is to make sure forward-looking policies are in place so that these farmers can continue to invest in agriculture.

● (0935)

The Chair: Thank you, Ms. Emond.

Thank you, Mr. Drouin.

[*English*]

Now we have Mr. Shipley, for six minutes.

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

I want to first of all say congratulations to the Dairy Farmers of Canada on the introduction of their new logo. I can tell you that the blue cow, around our home, is the one that gets looked at, so I hope this supplementation and this marketing tool are going to come along and just make a good thing better.

I wasn't going to say this, but you just mentioned something that struck me. In agriculture, as my good friend over here mentioned, there is a concern that the average age of farmers is 55 and that is because in the agricultural world, what we do is not very sexy. That's not right. I have to tell you that I disagree with that. I'm looking at this book about the agricultural workforce, and I'm looking at the farming around my area, whether it's supply management or not. Why is it 55? I can take you to farm after farm where the father doesn't want to leave, and he's my age or older, but the next generation is coming along. Why is it coming along? Because we've made the industry sexy, sorry to say.

I will be honest with you folks. I'd take the majority of our young entrepreneurs and farmers and stick them in a room with any CEO or CAO of a company, and say let's talk about business.

I'm not concerned about it being 55. I'm a long ways past that, but it was always 55. What we have is a brilliant, energetic, technologically advanced group of young people. I'll take you from farm to farm, and you'll see that the number of women who are involved in the management and the workings of them is really quite something. Why? I talk to students coming out of university, and I ask them what they're going to do. "What do you think about farming? Are you thinking about science? Are you thinking about chemistry? Are you thinking about engineering?" I tell them that agriculture has all of those. With regard to research and innovation, this is an industry in which you can have a job, and it will be a good job, because you're in one of the most progressive industries.

I think it's a sexy industry, and I tell that to the young folks, and I want to now try to relate that to the APF.

Any time we see an industry that in seven out of the 10 provinces is ranked number one or number two, then we have a great amount of dedication and respect for it. That's the way it is.

First of all, Dairy Farmers, can you help me? There's a new research facility in Elora. How does that work in terms of the five-year cycle and getting a research project at that facility? You say it's too restricted in terms of the flexibility, so can you give me an example of what we can do to use that as a facility? It is brand new and quite amazing, quite honestly. How can we improve so that the research that comes through that facility...?

Mark, I know you don't have your own, but help me with some of the ones that you have.

Research leads to innovation, which leads to productivity, which often leads to markets, whether domestic or international.

Maybe, Caroline, you could start and then we'll go to Mark.

Ms. Caroline Emond: Let me just say that the passion, energy, and dynamism of our agriculture industry are very well known by the people who know agriculture, but we need to talk to urban people now. They're the ones who need to understand our job and the hard work and devotion of farmers.

Mr. Bev Shipley: If I have time, that will be my second question.

● (0940)

Ms. Caroline Emond: Exactly. That's why I thought we need to make it sexy to them, because we know that already. We're talking to converted people.

What can we do? There are a lot of things that need to be done, and I don't believe that we have enough time in this committee. As I said, we offer our help at any time to give you hints on how to improve.

When you go from one cycle of five years to another cycle of five years, there's always uncertainty. In our presentation, we talked a lot about transitioning, because from one cycle to another, we don't know how the rules will change. Will there still be money? Will agriculture still be important? I think there is the longer vision of commitment, and then, yes, you do have a program or framework that is for a shorter period of time, but that always creates uncertainty. When you talk about building facilities, investing, and building a team of researchers, that needs some continuum. You cannot plan for just the next five years.

Mr. Bev Shipley: Does it mean having more of a living document that is flexible with the times and the changes within the industry? Is that sort of what you are saying?

Ms. Caroline Emond: Yes, it's a living...a continuum.

Mr. Mark Davies: I appreciate the comments on the concern of those who are 55. I'm so thrilled that I fall slightly under that. I'm still a young farmer, as they say, but my father is 82. He is still on the farm, because he loves it. Having said that, it's not as much of an issue in supply management. For that second generation, it's not that much of a conversation. It just happens, because of the stability—but because of the recent talks in trade, that is not as sure a thing as it might have been 10 years ago. It's about taking a second look, which someone should. I think it speaks well for supply management and the structure, reinvestment, and programs that different agencies have to encourage youth to get involved.

When it comes to the investment itself, in recent... Just very quickly, off the top of my head, and Phil can correct me or add to any of this—

The Chair: I guess we are going to have to stop you. We're out of time, unfortunately. This will conclude this round about APF this morning. I want to thank you for coming here and being part of our discussion on this. I'm sure it will be part of our report and recommendations.

[Translation]

I'd like to thank everyone for meeting with the committee today.

We will take a short break to give the witnesses time to exit the room and give our next panel a chance to take their seats.

[English]

I'm sure we'll talk again.

Thank you.

• (0940)

(Pause)

• (0945)

The Chair: Welcome to the second hour of our continuing study on APF. Today with us in this part of the discussion we have the Canadian Agricultural Human Resource Council with Doug Chorney and Portia MacDonald-Dewhirst, and also Canadian Organic Growers with Ashley St Hilaire, director, and Geneviève Grossenbacher.

In full disclosure, I've spent a lot of hours with Mr. Chorney and Ms. MacDonald-Dewhirst as part of the Canadian Agricultural Human Resource Council, and they do fantastic work. Probably the good thing about it is I'm not going to be able to ask you questions and so it will be very much impartial, but I certainly want to highlight the work you've been doing for the past few years.

Also, on Canadian Organic, part of my farm is certified organic and so again I will not be able to ask any questions. I will be very neutral on this one, but I'm sure it's going to be a very good discussion.

We'll start with opening statements from Ms. MacDonald-Dewhirst for up to 10 minutes.

• (0950)

Ms. Portia MacDonald-Dewhirst (Executive Director, Canadian Agricultural Human Resource Council): Thank you very much. It's a pleasure to be here with you today to help you as you consider the new policy framework for agriculture.

We all enjoy the benefits of abundant, healthy, safe, and affordable food in Canada due to a world-class food system, one that feeds our 37 million Canadians, and as the fifth-largest exporter, one that feeds a multitude of people around the world.

This system relies on people—farm and food businesses and their workers—to grow, harvest, prepare, and package its delicious products. Unfortunately, the business of farm and food production is struggling to find enough workers, and its future is in jeopardy.

Our research clarifies that 10 years ago, the industry was 30,000 workers short. Today that figure has doubled to 59,000 workers, and there are clear expectations that it will double again in 10 years to 114,000 workers.

On-farm job vacancies are exceptionally high, at a 7% vacancy rate. The national average for other industries is only 1.8%, so this is a clear exception and a clear problem. It's costing the farm industry \$1.5 billion in lost sales revenue each year. That's \$1.5 billion on the primary agriculture side alone.

These vacancies exist despite extensive efforts by business owners to recruit and attract workers. There are lots of reasons for this. The work typically happens in rural Canada. A lot of it is seasonal. And many Canadians are that much more removed from farming backgrounds and so don't even think about working in this industry.

This is certainly something to be worried about. Not only is this an industry that supplies the food we eat, it's also a huge driver of Canada's economy, as you well know, accounting for close to 7% of Canada's GDP.

What's good for you and me, our families, and Canada as a whole is to ensure that this industry thrives. Right now, the sustainability and growth of our food industry is at risk. As you contemplate the next policy framework for agriculture and agrifood, it's critically important that this risk be acknowledged and mitigated in an intentional and strategic way. We can't put our heads in the sand and 10 years from now be in a position where we realize that we have a shortage of 114,000 workers.

However, at this point, there's no overt mention of the workforce issue in the next policy framework. This is true despite the fact that farmers and producers have been clear and have indicated that it's the number one risk to business success moving forward. What is required in the new policy framework is that we specifically address the workforce shortage and support Canada's food systems' competitiveness and growth.

This can be accomplished with the addition of a seventh priority on labour, business development, and competitiveness. It's actually a title Agriculture and Agri-Food Canada has used in its own consultations with industry on the next policy framework, recognizing that this component was missing.

This seventh priority area would support key recommendations of Canada's national labour task force, which many of you are very familiar with, to strategically implement the workforce action plan. A labour, business development and competitiveness priority could achieve great things.

First, it should involve building a national career awareness initiative, a campaign to clarify the extensive and exciting work opportunities the industry has to offer. Building public trust is now recognized as an important activity for the industry, and when we clarify how food is produced, we have an opportunity to also clarify who's involved and what a great industry this is to work in.

The second thing the seventh priority should involve is improving diversity in the sector, including the full participation of women in the industry. If we want this industry to thrive and grow, we need to ensure that it's filled to capacity with the brightest people who are willing to push innovation and success.

● (0955)

That means we as an industry need to do better, to encourage more Canadians, young and old, those from rural and urban backgrounds, men and women, and new Canadians to consider working in this sector and ensure that there are no barriers to entry or advancement for anyone in the industry.

Third, the next policy framework's seventh priority should also involve the development of affordable and accessible training including online learning options to ensure that workers in the industry get access to the latest and most effective production techniques as well as the latest and best practices in human resource and management techniques, no matter how busy or how remote their location is.

A strategic plan has been well researched and documented by the labour task force to tackle this labour challenge. The agriculture and agri-food workforce action plan should also be managed and implemented as a seventh priority. It includes clear short-, medium-, and long-term solutions to ensure the industry can get ahead of this challenge and address it in a meaningful way to advantage the industry to grow and thrive into the future.

So before you take your next bite of whatever it is you're going to take as a snack or lunch, think about those extensive job vacancies and that 7% job vacancy rate. Think about the stress those empty positions have on our businesses in this industry and the role of government in labour policies, immigration policies, and agricultural policies. Think about what's at stake for you and me, our families, and all Canadians if we don't work together to solve this in a meaningful way.

That's it for me.

Mr. Doug Chorney (Vice-Chair, Canadian Agricultural Human Resource Council): Thank you for inviting the Canadian Agricultural Human Resource Council, CAHRC, to be here today. I'm here as a producer from East Selkirk, Manitoba, where I produce grains, oilseeds, and vegetables. I'm a member of the Keystone Agricultural Producers of Manitoba, which is an implementation partner of the Canadian agriculture and agrifood workforce action plan. I'm also the vice-chair of CAHRC.

CAHRC has quantified the labour gap farmers are facing today and in the future. Portia also identified for you the current vacancy rates. At this juncture, industry stakeholders are requesting that our government policies be responsive to their needs as employers, in order to fill positions and run their farms and processing operations.

We eat three times a day. Canada depends on the agriculture and agrifood industry, our Canadian consumers, our trade exports, our workforce, and our Canadian economy. The industry is seeking to work with the federal government on a whole-of-government approach.

This is where Agriculture and Agri-Food Canada has an important leadership role to play. Agriculture labour needs to be the concrete seventh priority of the next policy framework, because workforce shortages are affecting all of the Agriculture and Agri-Food Canada's proposed priorities: innovation, public trust, sustainability, and international markets and trade. It's the number-one business risk issue and is severely affecting our capacity for value-added agriculture and agrifood processing.

Under the new seventh priority for labour, business development, and competitiveness, there are four initiatives that could be actioned to address the inadequate supply of workers. These priorities will help position Canada to become a future food superpower with a strong, highly skilled, and trained agri-workforce.

Number one is improving diversity. We support women's inclusion and participation in the workforce. Women currently make up 30% of the agriculture workforce, and outreach initiatives are needed for under-represented groups, including women.

Second, we need to grow the agri-workforce, and we need national career initiatives. We know we need to get Canadians engaged in agriculture, and agriculture offers quality career opportunities with competitive wages. A national career campaign is needed to raise awareness and to disseminate agricultural career opportunities to media influencers, educators, and the public, increasing industry's access to labour with under-represented groups such as youth and the unemployed.

Third, we must increase training. We need to improve the knowledge and skills of workers through the development of affordable, accessible training, including online e-learning to ensure that farm and food workers in rural Canada have access to training support.

Finally, we have the Canadian agriculture and agrifood workforce action plan, a strategic road map for jobs and growth in rural Canada. The action plan is a collaborative industry effort. It is the culmination of over four years of work by 26 members of the agriculture and agrifood labour task force, 13 AAFC value-chain round tables including seafood, and 77 agricultural groups and companies supporting its implementation. It is critical that this strategy be adequately funded, allowing the plan to be actioned.

● (1000)

The Chair: Mr. Chorney, I'm going to have to cut it here, because we're already past your time.

Now we'll go to the Canadian Organic Growers.

[Translation]

Ms. St Hilaire, you have a maximum of 10 minutes. Go ahead.

[English]

Ms. Ashley St Hilaire (Director, Programs and Government Relations, Canadian Organic Growers): Good afternoon, Mr. Chair, and honourable members of this committee. Thank you for inviting me to speak today about Canada's next agricultural policy framework.

My name is Ashley St Hilaire and I am a director with Canadian Organic Growers. I am joined here today by Geneviève Grossenbacher, who runs an organic farm in Quebec and was the vice-president of Canadian Organic Growers for many years.

Canadian Organic Growers is Canada's only national organic charity with supporters and chapters in all regions of Canada. Our focus is on education. We produce a number of textbooks on organic agriculture. We publish a national magazine and host a national organic lending library, and we offer a suite of programs and courses on organic production and the Canadian organic standards.

Organic agriculture combines tradition, innovation, and science to the benefit of the environment and our economy. Organic production systems are becoming more efficient and more productive, and our government has played a big role in improving our techniques through funding of the organic science cluster.

The science clusters are a fantastic program that provides a crossroad for industry and government to partner on research. The funding ratio of 25% industry and 75% government for this program was an achievable cost-share ratio for our burgeoning sector that otherwise lacks consistent funding sources. We have been informed at consultations that the cost-share ratios would change from what they are now to a possible 60/40 government-industry cost share under the new framework. Should this cost share change to this proposed 60/40 split, not only does that put a greater burden on industry to fundraise for Canadian agricultural research, but it incentivizes industry to fund research that only benefits proprietary projects and not projects that focus on public goods, such as sustainability and pollution reduction. Thus, to this committee, we recommend a flexible cost-share ratio that maintains a 75/25 cost share for projects that generate a public good, limiting the 60/40 cost share to projects that only develop proprietary products and techniques.

In the next agricultural policy framework I have also read that the government plans to enhance knowledge and technology transfer. I very much hope this to be true, because the entire \$1.1-million budget for knowledge transfer that was included in the organic science cluster application was cut completely. I strongly urge this committee to not let knowledge transfer activities fall to the bottom of the priority funding list in the next policy framework.

Moving to the topic of the organic marketplace, I want to share some facts with you. As of 2015, there were over 5,151 operators with organic certification in Canada. This includes producers, handlers, and manufacturers.

Canada has the fifth largest organic market in the world, valued at \$4.7 billion a year; and this is up from \$3.5 billion in 2013.

Recent consumer studies show that 56% of Canadians buy organics every week and that 80% of these consumers plan to maintain or increase their organic purchases.

The demand for organics in Canada is increasing at a rate of 16% per year and domestic supply is not keeping pace.

Organics in Canada remain a burgeoning sector still representing less than 2% of Canadian agriculture. However, with the support of our government, we have established ourselves on the global market and have negotiated organic equivalency agreements with 90% of our major trading partners.

You may ask me to provide some trade data on organics. Unfortunately, that is not something I can do at this time because our government rarely segments out organic data from any data it collects on agriculture and trade in this country. We need more data so our sector can continue to measure our success and the success of the investments made by government in organics, and to understand the challenges and risks our industry faces. In the next agricultural policy framework we would like to see organic data segmented out from all agricultural data that the government collects. A good starting point would be to add an organic question to the next census of agriculture.

Returning to the topic of trade, it is important that this committee recognize it is the rigour and reputation of the Canadian organic standards that allows for organic trade agreements to exist. As you know, our Canadian organic standards, which are developed by industry, are owned by the government through the Canadian general standards board, and Agriculture Canada pays \$39,000 a year to the CGSB to keep the Canadian organic standards a public resource.

It's important that this committee recognize that the Canada organic brand is owned by the government, and every five years the Canadian organic standards must be reviewed and revised in order to keep them relevant and compliant with our international equivalency agreements.

• (1005)

The cost to do the most recent review, completed just this year, was over \$1 million, which included \$600,000 in fees to the CGSB paid by the Treasury Board, \$300,000 from the agri-marketing program, and \$100,000 fundraised by industry. The review process is onerous and time-consuming, but it is absolutely necessary.

Our sector is facing a new risk. We're being told that government funding for our standards revisions will be cut. I must point out that the maintenance of the organic standards held in other countries, such as the United States and the European Union, is fully funded by government.

If our government chooses not to fund the next review of the Canadian organic standards in 2020, this would likely lead to a collapse of the Canada organic brand and would invalidate all our international equivalency agreements. I urge this committee to not let that happen, and secure support for the maintenance of Canada's organic standards in perpetuity in the next agricultural policy framework.

Another important topic to cover is the expansion of the organic products regulations, the legislation that governs the Canadian organic sector and is now part of the Safe Food for Canadians Act. The scope of the organic regulation is limited to food products, animal feed, and seed, but the organic marketplace, in reality, includes many other agricultural products, such as organic pet food, personal care products, plants and flowers, textiles, and a new emerging opportunity, organic marijuana.

That means, as a result of their regulation, that imported non-food organic products are being sold in the Canadian marketplace, while Canadian organic operators are restricted from certifying these same products with the Canada organic brand. A step in the right direction within the next agricultural policy framework would be to work with the organic sector to expand the organic products regulations to include all agricultural products. This was done in the United States and has worked well in creating new domestic and export opportunities for organics.

Why organics at all?

Organic agriculture is an example of a successful clean-growth industry that offers a model for promoting climate-friendly food production and allows farmers to command a higher premium for their products. Organics are less dependent on non-renewable resources and manufactured inputs, and build resilience in the face of climatic extremes.

Environmental services are also inherent in organic production and are well documented. Organic systems store higher levels of carbon in the soil. They promote biodiversity, enhance soil health, reduce pest outbreaks, reduce nutrient leaching, prevent contamination of water, and use energy efficiently. Organics are attracting new farmers to our rural communities, and many of these people are women. On top of this, organic certification uses a third party assurance system that is monitored and enforced by the CFIA.

When you put all this together, you can conclude organics in themselves are a business risk management tool that can help all farmers mitigate against price and input volatility, negative environmental impacts, energy use, and public trust issues. On top of that, consumers in Canada want organics, however our domestic supply in this country is not keeping pace.

The Canadian organic opportunity is waiting on our doorstep, and much more can be done in the next agricultural policy framework to support the organic approach to producing food. This approach spans all sectors of agriculture and goes all along the value chain. That's what makes us unique.

What I've had time to discuss today is only the tip of the iceberg. I can list a few more recommendations that I would be happy to discuss with this committee.

For the next policy framework, we recommend that this government consider developing an environmental goods and services tax credit that rewards and incentivizes environmental stewardship on farms. Metrics measured for a tax credit could include reduction in energy use, increases in carbon soil sequestration, and prevention of nitrogen loss.

We recommend that a revenue-neutral system for carbon pricing be developed that reinvests revenues from agriculture into the industry. These revenues could be used to fund an environmental goods and services tax credit.

We recommend that the government perform a life-cycle assessment and energy audit of the entire Canadian agriculture and agrifood system. The assessment would look at each sector in detail, with a focus on embedded energy use on farms, in transport, processing, retail, and in the kitchens of Canadians.

● (1010)

The U.S. and the United Kingdom have completed the same assessments, which should be looked at as an example for Canada.

We recommend that, in the next policy framework, flexible business risk management tools be developed, which could include and should include comprehensive production insurance for organic operators that recognizes diversified operations. We support the maintenance of the AgriInvest and advanced payments BRM tools. We recommend that public trust programs, should they be included in the next framework, focus on assisting industry and building transparency and assurance systems to better address consumer demand for these pillars of social licence.

The Chair: Thank you.

Now we'll begin our round of questions, starting with Mr. Anderson for six minutes.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): I want to thank our witnesses for being here this morning. It's exciting to hear from groups that are really looking forward to the future and see very strong opportunities for agriculture. I don't have a lot of time, but I have a number of questions.

I was wondering, for the organic folks, what provinces have effective organic promotional research programs and whether you see a way that APF could tie the federal programs together with the provinces. Who's doing a good job provincially and is there a way that we can tie that into APF?

Ms. Geneviève Grossenbacher (Organic Farmer, Canadian Organic Growers): Thanks for that question. It's an excellent question.

Indeed, we do see that some provinces have better support promotion. You're particularly curious about that, right? I know that Quebec, for instance, is a great province to look at. For instance, under Growing Forward 2, they have invested \$10 million over three years to support the growth of organics. That started only a year and a half ago and already there are reports that we could share with you showing the increase in transition that has meant and the increase in certified organic production that has led to.

It has increased production and there are a lot of studies coming out now that also show that they've budgeted money for promotion within the public, and that has also translated to weekly sales of organic products. So that's definitely one to turn to, but also I know that in B.C. and the Maritimes there have been a lot of successes, as well as in Ontario.

Mr. David Anderson: Can I ask you a question? This is changing direction. Is there something that we can recommend in terms of export market development for you? You talked about separating out the organic trade data. I think that's a good idea and an important component, but are there other things that APF could do for you to develop our export market and trade? That's one of the components and one of the things we've been talking about over the last couple of weeks here.

Ms. Ashley St Hilaire: Yes, and there has been some progress made in that. The CFIA and the market access secretariat are working together to make that process more transparent and to allow industry to participate more in those discussions, because, for the most part, they have been very much happening. The equivalency agreements are happening behind closed doors, so industry has not participated. The equivalency agreements are complicated. Often-times not all of the products qualify for the equivalency.

With every different country, there's sort of a different equivalency agreement and it makes it a bit complicated. For that reason, it's imperative that our industry be consulted on those agreements. Up and coming right now is Mexico and, it looks like, South Korea. So it's necessary to hold the CFIA and the market access secretariat to those promises to engage industries so that we can negotiate fairer organic equivalency agreements.

The U.S. one is particularly problematic, and we could submit some very detailed comments about what needs to be rectified there.

• (1015)

Mr. David Anderson: Do you find yourself being invited on the trade trips and those kinds of things? Are you part of the group of people who are typically invited along or could the government do better than they've done with that?

Ms. Ashley St Hilaire: No, we're not invited. I've never been invited.

Mr. David Anderson: Is that something you'd recommend?

Ms. Ashley St Hilaire: Absolutely, yes. Sure.

Mr. David Anderson: Okay, terrific.

I'm going to switch back to human resources. Trying to address the needs in agriculture, as far as human resources go, is almost as broad a subject as it is for the general workforce. Can you identify where the shortages are? Are they on the farm?

Farms are very different, of course. Commodity grain farms or whatever have very different labour needs than do fruit and vegetable farms. Are they in the processing sector? We know meat, in particular, has had issues in western Canada, but where are the shortages specifically? Where do you anticipate the problem being the worst, and where is it going to be easiest to address that issue?

Ms. Portia MacDonald-Dewhirst: That's a difficult question to answer. The shortages are across the board. They're being felt in every commodity, especially those that are labour intensive, so that's the horticulture industry for sure. They're being felt as significant factors in the low-skilled arena, but also in the high-skilled arena. We're looking at general farm workers, where businesses are reporting extensive shortages, but they're also reporting extensive shortages for technicians, and for supervisors and managers of operations.

It really is across the board. This is not a targeted problem. It is something that's being felt in all regions of Canada, in the commodities and at all levels of the industry, both in primary production and absolutely on the processing side as well.

All 13 of the value chain round tables of Agriculture and Agri-food Canada have signed on as supporters of the workforce action plan, because this is such an issue for all 13 value chain round tables at various levels within the value chain.

Mr. David Anderson: It is such a challenge, because it goes right from trying to encourage people to take some of those basic jobs, even on regular commodity farms. The level of skill that's needed in order to operate million-dollar machinery is something that most people don't have, and there are no training programs for it, so farmers have to take a bit of a risk even in terms of hiring people. Also, then, you have large-scale commercial operations. I'm glad you're trying to address this, but it is a huge challenge.

You mentioned that the area of labour, business development, and competitiveness needs to be a seventh component there. Do you have any idea of what kind of funding that component would require? There seems to be a set pool of money, and we're adding pillars and trying to figure things out. Our bureaucrats wouldn't give us any answer on whether there is going to be more money or if it's just going to be divided up in a number of ways.

The Chair: I'm going to have to stop it here.

Perhaps you can answer it in another question, if you wish.

Now we'll move to Mr. Longfield for six minutes. Thank you.

Mr. Lloyd Longfield (Guelph, Lib.): Thanks, Mr. Chair

Thanks, Mr. Anderson, for going down that road. It's good to have you on this committee.

Mr. David Anderson: You don't say that every day.

Voices: Oh, oh!

Mr. Lloyd Longfield: Not every day, but I think that on that line of questioning I'm heading down the same road. Maybe that's why I'm liking it.

On the workforce action plan, I was bristling a little when you were saying that it is the seventh pillar. It should be the first pillar, and it really should go through all pillars.

On the work you're doing on labour shortages, Mr. Chorney, you mentioned the whole-of-government approach, and this goes into ESDC and IEDC, into innovation and immigration, and then into the provincial jurisdictions. I want to dwell on the provincial area a bit to say that in Guelph we have the specialist high-skills majors programs at high schools. We have Conestoga College trying to get people into the food processing centre that they've developed. In many of the programs at the University of Guelph, there are four jobs for every graduate.

How do you see the federal government, through this policy framework, coordinating with provincial jurisdictions where education quite often falls under provincial jurisdiction? Could you just tease that out a bit for us, please?

I'm sorry to take a minute and a half for my question.

• (1020)

Ms. Portia MacDonald-Dewhirst: That's okay.

Certainly, the whole-of-government approach is needed to address this challenge, with leadership, though, from Agriculture and Agri-Food Canada. That's the ministry that needs to care most about this problem. That's why we want to see this as a priority, stated in an overt way with a clear strategic attack on this through some kind of plan that gets actioned and managed along the years.

It needs to include partnerships with provinces to get into the game of career awareness and continuing the good work of Agriculture in the Classroom at the primary level, of 4-H, of leveraging those best practices into the high schools, of leveraging green certificates and SHSM, those high school programs that exist, and moving that through the college and university experience.

We need to do a better job of telling the good story that as a graduate there are so many jobs waiting for you, but that story isn't being told right now. To go back to the earlier question around how much it would cost to initiate this, I think we also need to ask ourselves what are the risks of not doing this. Right now, primary production is already losing \$1.5 billion. Processing is losing almost the same, if not more. We have a real risk if we don't address this. Yes, it will be costly, but there's a huge risk in not addressing it.

Mr. Lloyd Longfield: It sure would help to get some range of cost forward.

Ms. Portia MacDonald-Dewhirst: Absolutely.

Mr. Lloyd Longfield: My colleague to the left of me had a private member's bill that went through the House yesterday on attracting people to Atlantic Canada to try to help with the processing gaps and skills gaps that we have that could be filled through immigration.

The problem we have is data. We've got several problems, one of which is data, getting good labour market data. You mentioned that in your binder that you've left with us.

Also I want to touch on rural broadband. You talked about doing knowledge transfer and doing e-learning. Could you maybe touch on labour market information, how Statistics Canada might help with that as an example, and also investment in rural broadband?

Ms. Portia MacDonald-Dewhirst: I'll speak to labour market information. It's something that CAHRC has invested a lot of time and energy in doing. We work with all of our commodities associations across Canada trying to gather good details about what's going on in the labour market. We do that with funding from ESDC. We need to do more of that. We need to ensure that we keep track of what's going on with this labour shortage because this is a time when everybody wants evidence-based policy. We need to demonstrate that there is a shortage, that we have a plan, and that we're attacking that plan in a diligent way.

As it relates to investments in rural Canada, Doug, maybe you can speak to the importance of that.

Mr. Doug Chorney: Yes, certainly we've seen rural broadband improve dramatically in recent times, but gaps still remain, and when you're doing things like developing a job or through CAHRC collaboratively looking at all opportunities for employment, you need to have access to high-speed Internet to do that. I think that's a key piece.

But in terms of getting back to the cost of the programming, I think a lot of it is not new money. It's maybe just as much as redirecting money we're already spending. My sound bite on agriculture is this. We have tremendous opportunities. We've solved a lot of our problems. We've got production. We've got new novel approaches to production. We've got markets in the exports.

What are the two constraints that we can do something about? Number one, transportation; number two, labour. We can do something about those. Let's be proactive. Let's solve that problem.

Mr. Lloyd Longfield: Thanks.

Under the new Calgary statement, we talk about value-added in agriculture and agrifood processing. I'm originally from Winnipeg, and I know East Selkirk quite well. In the south part of the province, there are a lot of equipment manufacturers. There are a lot of equipment manufacturers in rural Ontario. Really across rural Canada, there are a lot of equipment manufacturers. Labour is one of the challenges.

Could you maybe speak to manufacturing as it relates to what you're putting forward?

•(1025)

Mr. Doug Chorney: Manufacturing has access.... In southern Manitoba for example, a lot of immigrant workers come to be part of the future. I was in St. Brieux, Saskatchewan last year to tour the Bourgault air seeder factory. They are using domestic labour for the most part. They're really an economic boom for the St. Brieux area of Saskatchewan. It's a real success story of Canadian innovation and industry. I think this is a big part of driving our economy. We need to have the economic development to support growth in this country for us to get ourselves in a leadership role.

The Chair: Thank you, Mr. Chorney.

Thank you, Mr. Longfield.

Now we have Mr. Garrison for six minutes.

Mr. Randall Garrison: Thank you both for your presentations.

I know, when you talk in terms of labour shortages, that urban people don't want to get into farming. I don't find that problem in my riding; I actually find a different problem. There is a great deal of interest among young people in becoming organic farmers. They see two big obstacles. One is access to land, and two is access to credit to allow them to get started.

So I guess I'm going to ask my questions to Canadian Organic Growers. What can we do in the strategy to tackle that problem? I see lots of young people who are frustrated in not being able to become small producers in the kind of model that we've had in the past.

Ms. Geneviève Grossenbacher: I'm really glad you asked that question because we also have done a lot of work with new entrants and we have found exactly what you said. By far, access to land is the top issue and then access to capital. Often, it's also for business development, since there is really a lack there. The third one would be access to training, but that does vary by region.

Another big problem is farming in the north because there is not much agricultural policy in the territories.

We fully support the seventh pillar on labour, business development, and competitiveness, and maybe young farmers or new entrants do fit there or perhaps they are a pillar of their own. Definitely, it is something that we need to address. The average age of farmers is 55 and 85% currently don't have someone to take over. Meanwhile, the paradox is that we have tons of people wanting to start farms and most of them want to farm in more sustainable ways, often organic, and yet they're not able to access the land. We have a huge opportunity here to help them access land, but I think we would need something like a farm renewal pillar within that.

Labour is also attached, so I totally agree with what you said. We don't necessarily need that much money. Sometimes it's just adapting current grants. For instance, with the current focus on labour and to qualify for summer student jobs, people must be under 30 and have specific training, yet what we find is that a lot of the new entrants are coming to agriculture from different backgrounds and often as a second career. Even if we could just remove those stipulations from the grant application, we would really open up the pool that farmers can have access to. Also, if there is any way we can have a top-up to their salary to incentivize the market for people who want to return

to a farm, so they don't get only minimum wage, that's something that could be interesting.

I'm not sure if that answers your question.

Mr. Randall Garrison: In one part of my riding, in the most rural part, there has been some innovative work done. One of the obstacles they found was zoning, which didn't allow a second family to live on the farm if they weren't related. They're trying to get the zoning changed so that a new young family could move onto the farm and actually take over from the existing farmer.

The other question I've had from a lot of the people who want to farm is about the orientation of Agriculture Canada and Farm Credit Canada seemingly geared to agribusiness and the large scale.

I had a fairly receptive meeting with Farm Credit Canada. One of the issues was how much of your income has to come from the farm before you're eligible for the credit and the obstacle this created in the beginning because how can you actually get that income from the farm until you get some credit at the beginning? I don't know if you've run into that with the small organic producers.

Ms. Geneviève Grossenbacher: Yes, what we're seeing again is that there is a trend of new farmers coming in. There are definitely a lot of people from farming family backgrounds entering the market, but the biggest, fastest growth is people who are not from farming backgrounds. In terms of those situations, access to land is even more problematic and because of that they tend to start medium- to small-scale enterprises where access is relatively easy, where you don't need to have \$1 million and up in infrastructure, and where the land doesn't cost as much, so better supporting those farms would be key.

Actually I'm going on a tangent. You were specifically wanting to ask...?

•(1030)

Mr. Randall Garrison: In terms of Farm Credit Canada, for instance, the rules about when you're actually a farmer make it very hard to start farming.

Ms. Geneviève Grossenbacher: We have more recommendations we could send, but some things like AgriInvest are currently available. Would it be possible to extend it to aspiring farmers, so that farmers can put money aside and if they don't start farming, they never get the money from the government, but if they do start farming, they have helped save some money to start into farming?

We have other recommendations that we'd be happy to share.

Mr. Randall Garrison: I would ask the human resource council if you have any comments on those same problems for start-up farmers.

Ms. Portia MacDonald-Dewhirst: Yes, you mentioned succession issues and certainly there are pockets of really great practices. There are examples of family farms that have no one from the family who is interested in taking over the farm, working with somebody else outside the family and figuring out a plan, so creative solutions have been tried. We do develop case studies and then support some training around some of those options that exist to bridge those two pieces together.

Mr. Randall Garrison: Is there anybody making those examples or those success stories available to other Canadians?

Mr. Doug Chorney: I think the Canadian Young Farmers' Forum is an excellent venue to highlight some of these success stories and we have a young farmer committee with Keystone Agricultural Producers of Manitoba. We work very hard to engage the next generation of producers.

I'm on the board of directors of the Manitoba Agricultural Services Corporation and we're designing and tailoring tools for young producers to minimize the amount of capital required for them to access financing to get them started. I see this as a really important national priority.

The Chair: Thank you, Mr. Chorney and Mr. Garrison.

[*Translation*]

Mr. Breton, you have six minutes.

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

Thank you to the witnesses for joining us.

My questions are mainly for the Canadian Agricultural Human Resource Council representatives.

This is an area I am keenly interested in. I was conditioned by my previous career. I spent my whole life working as a director of human resources in various businesses where I had to manage the kind of shortage you're talking about, so I'm well-versed in solutions, a bit like you.

Point three of your presentation focused on training, colleges and universities, and the importance of providing as much training as possible.

From a cultural standpoint, when we wanted young people to take a greater interest in science, we equipped primary schools with microscopes, not waiting until the college or university years to take action. The discussion focused on training earlier, but we should also be talking about education for young children to get them interested in agriculture. Have you explored that possibility?

[*English*]

Ms. Portia MacDonald-Dewhirst: Yes, you're right, we have to get people interested early in the options. We work with Agriculture in the Classroom nationally and in the different provinces to encourage their programs.

One of the things the council does, aside from labour market intelligence, is analyze the jobs that exist in modern agricultural operations, and pull all that together into a national, agricultural, occupational framework that clarifies job descriptions and what can be expected within the day in the life of somebody in particular, you

know, a pen-checker in a cattle feed operation. What is that job? What does it look like? What can you expect?

All of that information we compile and then we make that available to those who are considering careers, and we work with Agriculture in the Classroom nationally and provincially to bring that to those groups, because those associations are the experts in how you translate information to teachers and to students.

We're really worried about that component. I agree 100%, we have to get people interested in food, in food production. It goes back to building public trust, and when we get people excited about how food is produced and get them trusting that, the logical next step is, "This is also a great place to work, and I can grow food myself and be a part of this system." The growth potential is quite exciting in this industry in terms of the burgeoning world population estimates and where Canada is positioned with the Canada brand, and all of our lands, to be able to feed the world going forward. But it is about ensuring we have a next generation of talent that's interested to support that.

• (1035)

[*Translation*]

Mr. Pierre Breton: I have another question, this time about point one of your presentation, diversity. That's another issue I care about.

You talked about getting women to take a greater interest in agriculture. Where I'm from, we looked at labour shortages in various fields, such as the tourism and retail sectors. A very important task force was set up to interest retirees or semi-retired people in the region in working in those fields. They are people who weren't necessarily looking for a full-time job but who had time on their hands and were looking for a new occupation. I think that's an avenue worth exploring. I'm not sure whether you've looked into that.

My second question is about temporary foreign workers. I know they are a resource that many of Canada's producers and processors rely on heavily right now. Do you see areas where the program could be improved?

[*English*]

Ms. Portia MacDonald-Dewhirst: We are certainly concerned about ensuring that all under-represented groups in the Canadian labour market find their way to agriculture—we are talking about youth, persons with disabilities, indigenous people, and women—to ensure and encourage broad access.

I like your idea about part-time. We are doing some pilot projects to test some theories. It's important that we test little ideas in locales. We work with local agencies to encourage refugees and new Canadians to consider agriculture. It takes time and energy, but these are important projects to pursue.

In terms of temporary foreign workers, that's a big file for us. We work with the national labour task force to better understand the concerns of industry across the value chain as it relates to the 45,000 temporary foreign workers who come into this country and the needs moving forward.

Recommendations were prepared by the parliamentary standing committee for the HUMA report. CAHRC had the opportunity to present as a witness. We presented a lot of the research of the labour task force, and the recommendations reflect that. They are quite supportive of a lot of the recommendations in the workforce action plan, so we'll see how those recommendations get implemented.

As you said, the temporary foreign worker program is a big component of supporting this industry and a part of the short-term solution for addressing the labour challenges, ensuring that we continue to have access to international workers, as required, when Canadians are unavailable for positions in the industry.

The Chair: Thank you, Ms. Dewhirst and Monsieur Breton.

Mrs. Lockhart, go ahead.

Mrs. Alaina Lockhart: Today's conversation is really interesting to me. I have been doing some study on immigration, and my background is actually in human resources.

One of the things we were talking about in immigration, although it certainly applies to human resources as a whole, is retention. Do you have any data on turnover in agriculture, either in processing or in production, and is that a challenge?

Ms. Portia MacDonald-Dewhirst: Retention is definitely an issue in the industry.

There are some commodities that are doing really well. The aquaculture industry is able to retain its workers. We are not sure why, but the data bears that out. Perhaps they are doing a really good job selecting the right candidates. Perhaps it's their efforts in onboarding or training, or the retention practices within their businesses. For the most part, the aquaculture industry is doing well.

There is quite a bit of churn in some of the other industries. More work needs to be done.

We are an organization that doesn't just do research; we also provide tools. We built a cost-of-turnover calculator and a benchmarking tool for turnover for the industry, which is just about to be released, so that those in different regions and in different commodities can compare themselves against their peers to understand where they sit in the turnover for their business and whether they are at the golden standard—and, if not, what they can do about it. We provide some practical tools and training around what can be done to support better retention in the industry, and we do quite a bit of training around that.

It's definitely quite costly for the industry. Part of it is a function of the lower-skilled jobs. People are testing out jobs and deciding whether they are a good fit for them or not, and that can be a challenge for those businesses. I'm thinking about the meat processing plants, etc.

• (1040)

Mrs. Alaina Lockhart: As we talk about a whole-of-government approach to strengthening the workforce, strengthening rural Canada, and that sort of thing, one of the things... Lloyd already mentioned broadband Internet; obviously, people want to have access. Another is housing. How does that impact the agriculture human resources?

Ms. Portia MacDonald-Dewhirst: It is a challenge. It's a challenge for those who bring in temporary foreign workers to provide housing that is affordable under the \$30 rule. Rural Canada doesn't have all sorts of housing options, so it is a challenge moving forward. In one of the key pieces of research that we've done with new Canadians, encouraging them to consider working in the agricultural industry, the best approach that has worked has been to take groups to rural communities and have the communities sell themselves to those families. We find that communities need help to do that. So there's a housing component, but there's also a community service component. What's the schooling like, and what activities will children and spouses be able to engage in? There's a whole host of things that have to happen as it relates to supporting this issue. We have a labour challenge, but we have to take not only a strategic approach but a multi-pronged approach to deal with this, and we've talked about some of those ways today.

Mrs. Alaina Lockhart: You might want to keep an eye on the study that the immigration committee will be doing, I think it will be in the spring, on retention of and attracting newcomers to Atlantic Canada, because it will apply across Canada.

Ms. Portia MacDonald-Dewhirst: Absolutely. Thank you.

Mrs. Alaina Lockhart: My next question is on the organic sector. You mentioned in your presentation that there were some real successes in the Maritimes. Being from Atlantic Canada, I was interested in those. I wonder if you could expand on that for us.

Ms. Ashley St Hilaire: Atlantic Canada has a very strong organic association, the Atlantic Canadian Organic Regional Network. It has a very strong partnership with government that has resulted in provincial regulations being implemented in Nova Scotia, as well as funding for a number of programs for transitioning to organics, and working with government to better understand the needs and challenges faced by organic producers, because it is a big opportunity for the Maritimes to pursue.

Do you have anything you want to add?

Ms. Geneviève Grossenbacher: The growth across provinces in organic looks very different. In the prairies, it's really the field crops and the grain production; but in the Maritimes, B.C., Quebec, and Ontario, most of the growth is happening in the horticultural sector.

In the Maritimes what we're seeing is a lot of bio-intensive modes of farming. That goes back to your question in terms of access to capital and access to infrastructure. Often farmers are getting in and need only 10 acres or less to be profitable and to make, sometimes, six-figure incomes. The Maritimes has been really successful in supporting the entry of those farmers, but as you said, what has been key is that there is an organization such as ACORN.

What we're seeing is the need to support the backbone organizations that support farmers across Canada in terms of developing their businesses, and that's currently lacking. So if there could be support in the next agricultural policy framework in terms of knowledge transfer, supporting the organizations that do the work of training the farmers and making sure they access land, that would be critical.

• (1045)

The Chair: That really wraps up the time we have with this panel.

I thank the panel for being here. It was very informative and certainly it will be good information as we table our report. Thank you so much for appearing. I'm sure we'll be talking again.

Before we leave, folks, Mr. Anderson would like to bring one point of interest to us.

Mr. David Anderson: Mr. Chair, I would like to ask the committee to consider requesting a briefing from Ag Canada and Health Canada on the crisis faced by our ranchers in southeast Alberta as a result of the report of the tuberculosis in one animal there. I don't want to politicize this and we're trying not to, but we have dozens of family farms where ranchers are going to be directly impacted by this. If we could hear from the ranchers as well as the departments, I think it would be good for us.

I'm not demanding that we do that right now, but I think we should consider doing that fairly quickly after the break if this issue continues, as it seems to now. Perhaps this is just to give the departments a heads-up that the committee might be asking them to come, so that they can do that on fairly short notice. I think it would be good for us, and it probably is our responsibility to ask for that as well.

The Chair: Perhaps think it over during the break week, and when we come back, we can decide if we want to do that.

Before we leave, also, we've just heard that the supplementary estimates have been tabled in the House. If we want to spend time on this—and if not, it will be approved—there are two days where we could potentially move things around. November 22 and 24 are days that we could use if we decide to address this.

Mr. Anderson.

Mr. David Anderson: I think we'd love to take a day to look at those. Certainly we'd like to extend an invitation to the minister to be here as well to discuss them.

The Chair: That would give us a bit more time.

Mr. David Anderson: Sure.

The Chair: We agree on that.

That is all I have. Again, thank you to the panel. Have a safe trip back.

The meeting is adjourned.

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