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Chair

Mr. Pat Finnigan

Standing Committee on Agriculture and Agri-Food

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• (1530)

[Translation]

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

[English]

Welcome, everyone, to the Standing Committee on Agriculture and our study on food policy.

Today, we have some guests again.

I want to remind the committee that we will go into the business section 15 minutes before the end.

We almost have a new committee today. Mr. Shipley, who was formerly on our committee, is back, replacing Mr. Berthold, I assume. Madam Cheryl Gallant is here for Sylvie Boucher, and Mr. Martin Shields for John Barlow. Also, on the Liberal side, Peter Fragiskatos is replacing Francis Drouin.

Again, we have to cut 15 minutes from the two hours, so I will probably cut seven and a half minutes from each side so we will have equal time for everyone.

From the Canadian Meat Council, we have Mr. Christopher White, president and chief executive officer; and Mr. Ron Davidson, senior vice-president. Welcome, both of you, to our meeting.

From the Canadian Produce Marketing Association, we have Mr. Ron Lemaire, president, who has been here before. Welcome.

From CropLife Canada, we have Dennis Prouse, vice-president for government affairs, who has also been here before.

Welcome to all of you.

We will get going with a seven-minute opening statement.

We'll start with the Canadian Meat Council. Mr. White, go ahead.

Mr. Christopher White (President and Chief Executive Officer, Canadian Meat Council): Thank you, Mr. Chair, for the invitation.

Good afternoon.

My name is Christopher White. I am the president and CEO of the Canadian Meat Council, and to my right is my colleague Ron Davidson, senior vice-president, international trade and public affairs.

I'll start by telling you, very briefly, a bit about the Canadian Meat Council, and then I'll go into our specific remarks about what a food policy for Canada means to us, based on the four parameters that you've set out.

The Canadian meat packing and processing industry accounts for \$28 billion of sales within Canada, \$6 billion in exports, and 66,000 jobs, making the meat industry the largest employer in the food processing sector. Meat packers and processors provide a market outlet to feed grain and livestock farmers; support the economies of local communities in all regions of Canada; offer consumers an unequalled source of safe and high-quality protein; and export high-demand, value-added consumer products.

I'll take the four themes that you have outlined. Let me start with "increasing access to affordable food". From our perspective, this encompasses two fundamental components: first, the ability of farmers and processors to produce food, and second, the ability of consumers to acquire food.

The two objectives, in our mind, are quite distinct. Adequate food requires a policy framework that permits farmers and processors to obtain a positive economic return on investment and labour. Affordable food requires a policy framework that includes access for that segment of the population which is unable to purchase food at a price that sustains production. The pursuit of affordable food should not be allowed to impede the production of sufficient food.

[Translation]

Mr. Pierre Breton (Shefford, Lib.): Mr. Chair, there are people taking photographs in the room even though they're not allowed to do so.

[English]

The Chair: On a point of order, photographs are not permitted in the hall, so I would ask that you delete the ones you've taken and hopefully not take any more.

Thank you so much.

• (1535)

[Translation]

Excuse me, Mr. White. You can continue.

[English]

Mr. Christopher White: I hope they got my good side.

I'll go back to the previous point.

From our perspective, the pursuit of affordable food should not be allowed to impede the production of sufficient food. In the absence of adequate food, affordability would be a moot point.

In terms of improving health and food safety, food safety is without exception the number one priority of the Canadian meat industry. New sanitation, processing, packaging, refrigeration, and laboratory testing technologies all contribute to continuous progress in food safety.

The meat industry, as you would imagine and as you would hope, is the most intensively regulated and inspected component of the food industry. International confidence in Canada's food safety system permits us to export to over 100 countries, including the United States, the EU, and Japan.

With respect to nutrition and health, most Canadians consume an abundance of foods, but many do not obtain the nutrients they require for good health. Overfed but undernourished is a rapidly expanding paradox that we live with.

Meat has been a part of the human diet since time immemorial and is recognized by the WHO as an important component of a balanced diet. A compact source of good nutrition, meat contains numerous wholesome and essential nutrients that are critical for good health and life. These would include protein, minerals, all the B vitamins, and vitamin D that we need. Unlike plants, meat contains all the essential amino acids that the human body requires and is a natural source of vitamin B12.

Canadians, on average, consume red meat at levels consistent with Canada's food guide. However, protein and nutritional requirements vary widely based on age, gender, and other factors. It is for this reason that generic statements such as "Eat less meat" are not only overly simplistic, but also in fact can be deleterious to the health of individuals.

For example, while iron deficiency anemia is the most common nutritional deficiency in Canada, iron in meat is more easily absorbed and utilized by the human body than iron found in grains or vegetables. As per capita meat consumption has been falling, obesity has become an increasing concern. Meat supplies significantly fewer calories and more nutrients than many plant proteins.

Many Canadians would obviously benefit from eating more vegetables, fruits, and whole grains, and this can be accomplished by choosing empty-calorie foods less often. While fruits, vegetables, and whole grains are underconsumed, discretionary sugars and fats are overconsumed. In short, there is no need for the average Canadian to change the amount of meat they enjoy, but everyone should be mindful of balancing their diets.

Not only does food production contribute to climate change, changing climate also makes food production that much more difficult. The challenge for humanity will be to satisfy the increase in global food demand while decreasing the environmental footprint per unit of food production. Reducing greenhouse emissions and improving environmental performance are already priorities for the livestock and meat sector. The greenhouse gas footprint of Canadian livestock and meat production is among the lowest in the world, and the value chain is committed to continuous and further improvement.

It would be counterproductive should livestock and meat production become subject to policies that impede Canadian producers and processors to a greater extent than those incurred by foreign competitors. The perverse outcome of this scenario would be reduced meat production in this country in favour of increased meat production in countries with a higher environmental footprint.

Speaking now to the growing more high-quality food component, two characteristics of Canadian society are a relentless reduction in the number of farms and ever-increasing urbanization. While the population has increased by 400% since 1921, the number of farms in Canada has decreased by 77%. In the absence of increasing productivity and scale, it would not have been, nor will it be, possible to satisfy either the increasing population or the low food price expectations of most consumers. Farm consolidation and an increased capital and technological investment will continue to be propelled not only by the retirement of current operators, for whom the average age exceeds 55 years, but also by the paramount necessity of ever-increasing productivity.

The production of more high-quality food must be pursued not through the increased use of land, water, or energy, but primarily by intensified research and incentives leading to increased productivity, efficiencies, and scale by all links in the value chain. Its achievement will require the adoption of underutilized existing, as well as still to be discovered, technologies.

Any policy, program, or decision that reduces competitiveness or constrains the development or the adoption of new technologies will have negative implications for consumers as well as for the world's food security, the environment, and global stability.

• (1540)

International competitiveness is an absolute necessity for the sustainability and growth of the Canadian livestock and meat sector. The Canadian market is already quota- and tariff-free for pork imports, and increasingly so for beef and veal. Should Canadian meat production and prices fail to remain globally competitive, this country would lose not only its exports markets, but production for the domestic market would quickly be at risk as well.

The Chair: Mr. White, could you complete your presentation? We're just about out of time.

Mr. Christopher White: Sure, Mr. Chair. I have maybe 30 seconds left. Thank you.

The Canadian Meat Council supports the endeavour to create a food policy for Canada. However, if this effort is to be successful, it is of paramount importance that the process include balanced representation of all interested stakeholders, including producers, processors, scientists, and consumers.

Thank you for your time.

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

Now we'll go to Mr. Lemaire, from the Canadian Produce Marketing Association.

Mr. Ron Lemaire (President, Canadian Produce Marketing Association): Thank you, Mr. Chair and members of the committee, for the invitation to speak today regarding a food policy for Canada.

In Canada, the fresh produce industry has an economic impact of close to \$16 billion on GDP, supports over 181,000 jobs across the country, and plays a significant role in supporting the health of Canadians. This initiative has tremendous potential to strengthen our food system, increase consumption of healthy, safe, and nutritious foods, and ensure that we have a sustainable, integrated food supply for generations to come.

As you all have recognized throughout the consultations, food is complex and brings together social, economic, academic, and community actors who have all voiced the importance of their roles within this new policy.

I'd like to focus on three broad themes that CPMA believes are vital to the success of a food policy. These themes are an integrated food systems approach to both design and strategy; the need to drive population health and industry prosperity; and the establishment of a robust multi-stakeholder governance structure that reflects the entire food supply chain and its system partners.

As a food industry, we are no longer able to work in silos. Our success is based on diversified domestic and international partnerships that enable innovation and support consumer needs and demands. I would urge the government to develop a food policy using an integrated food systems approach that takes into account all actors involved in the production and delivery of food, including primary producers, health professionals, social actors, and others. While primary production is immensely important and foundational to a systems model, we need to recognize the importance of the entire system to allow Canadians to enjoy the fruits of our labour, excuse the pun. An integrated food systems approach will ensure that all actors involved know the role they play within the food policy and how they can engage in cross-framework interactions with diversified players in the system to meet the policy goals together.

A key component of this food systems approach is the recognition that imported fruits and vegetables are important and necessary, given current demand. While Canadians will continue to support local and in-season products, imports of fruits and vegetables that we cannot produce in Canada or products that are out of season are crucial to our integrated food system and meeting consumer food needs. To feed Canadians, a national food policy must not only look at an integrated food model that supports a strong domestic supply, but also to one that recognizes our significant reliance in Canada on imported produce to meet our consumer needs for year-round safe and affordable fresh fruits and vegetables.

As a final point on adopting a food systems approach, industry and provincial and territorial buy-in to the policy is essential. The draft food policy information provided throughout the consultations connected many social issues affecting communities and Canadians around the country. Alignment of these social concerns within a food policy must also be supported with aligned provincial tools and a realistic economic strategy at the federal level.

To that end, all strategies and recommendations within the food policy should be aligned with the goals of the new agrifood economic strategy table and with the government's objectives of increasing agrifood exports to \$75 billion by 2025. These final two elements support the fourth pillar under which the policy focuses on growing more high-quality foods within Canada.

Working in isolation, these goals, objectives, and strategies run the risk of duplicating efforts at best, or being contradictory at worst. Together, these policies could launch the agrifood sector into a new age of growth and prosperity.

Let me now turn my attention to a core focus of our membership: connecting population health and industry prosperity. In short, how do we increase consumption of fresh fruits and vegetables within this food policy? According to a recent study published by the *Canadian Journal of Public Health*, three-quarters of Canadians do not eat the recommended number of daily servings of fresh fruits and vegetables as proposed by Canada's food Guide. This same study found that Canadians' lack of consumption of fruits and vegetables creates an economic burden of over \$4 billion annually. The research is clear: increasing consumption of these by 20%, or one serving a day, would mean we would be able to reduce the economic burden by approximately \$880 million annually over five years.

At this time, Canada is the only G7 country not to have some form of national fruit and vegetable health or nutrition policy.

● (1545)

We believe that the creation of a new food policy is an opportune time for Canada to finally set a benchmark or target for increasing consumption of fresh fruits and vegetables. This target would not come without rewards. Increasing consumption of fresh fruits and vegetables is good for the health of Canadians, and also has a significant positive impact on the Canadian economy and agriculture.

While this consumption goal is ambitious, it would support and address many cross-cutting social and health issues facing Canadians. To that end, our industry recognizes that access to fresh fruits and vegetables varies across the country and by community, especially those communities in remote regions with harsh climates. As an industry, we are committed to working with government, civil society, and academia to try to resolve the issue of improved fresh fruit and vegetable access, both physical and financial, in these communities.

Additionally, as further support for these challenges, we have signalled our willingness to engage with the government's new working group on the development of the food sector in the territories, as outlined in the recent Canadian Free Trade Agreement.

Finally, I would like to address the theme of governance of this new food policy. CPMA has been working collaboratively with other stakeholders within industry, civil society, and academia to discuss how this new policy can be governed. We propose that the government establish a new, permanent, national food policy council, comprising stakeholders from each of the groups that I just mentioned, as well as government representation. Furthermore, a whole-of-government approach to governance and implementation must be established, with a centralized secretariat to support the council, measure success, and to help coordinate departments across government. Indeed, the success of this policy will be directly tied to the strategies for implementation or lack thereof.

Again, I would like to thank the committee for inviting me today to discuss this initiative. I would be pleased to answer questions during the question period.

Thank you.

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

Now from CropLife Canada, we have Dennis Prouse for up to seven minutes.

Mr. Dennis Prouse (Vice-President, Government Affairs, CropLife Canada): Thank you, Mr. Chair.

On behalf of CropLife Canada and our member companies, I will say that we very much appreciate the invitation to appear today.

CropLife Canada is the trade association representing the manufacturers, developers, and distributors of plant science innovations, including pest control products and products of modern plant breeding, for use in agricultural, urban, and public health settings. Our mission is to enable the plant science industry to bring the benefits of its technologies to farmers and the public. Those benefits manifest themselves in many different forms, including driving agricultural exports, creating jobs, strengthening the rural economy, increasing tax revenue for governments, improving environmental sustainability, and increasing access to safe and affordable food for Canadians.

We believe that any discussion about a food policy for Canada should include agriculture. After all, agriculture is the industry responsible for food production, and Canada has built a reputation for producing some of the safest, highest quality food in the world. In order to continue to build on this success, a national food policy must encourage science-based decision-making around food and agriculture that enables innovation. This will help drive Canada's economy and build on Canada's position as a global leader in high-quality food production.

If we take a look at history, Canadian farmers have always been among the early adopters of technology. This has helped make them leaders in producing safe, affordable, and sustainable food for Canadian consumers and the world. Technologies like pest control products and biotech crops have played an important role in sustainably increasing agricultural production in Canada while maintaining the high safety standards we have established in this country. These advancements have resulted in economic gains, environmental protection, and cost savings for consumers. For example, plant science technologies alone contribute \$9.8 billion to Canada's GDP every year. These technologies have also allowed

farmers to be more productive on existing farmland. In fact, without pesticides and biotech crops, Canadian farmers would need to cultivate 50% more land to produce what they grow today. This would be devastating for Canada's biodiversity.

Consumers benefit from these technologies also. Without plant science technologies, Canadians would pay about 55% more for food on average. That's roughly \$4,400 a year per family. Thanks to modern agriculture, Canadians enjoy better access to a nutritious, affordable, and abundant food supply nowadays, more than at any other time in our history. It is important that a Canadian food strategy enables this to continue.

We think it's very timely that the Government of Canada is consulting on a national food policy in light of the Advisory Council on Economic Growth's recent report to the government. A national food strategy can and should play a role in supporting some of the recommendations set out by the council. The report highlights the agrifood sector as an important area of potential growth for the Canadian economy. The report points out that Canada's potential agricultural output greatly exceeds the needs of our own population. This is our opportunity to become an even greater source of high-quality food for the world's growing middle class, while continuing to supply our domestic population with affordable, nutritious, and healthy food.

According to the Barton report, innovation is the key to unleashing agriculture's potential. Canada is not the only country pursuing innovations in agriculture, however. As others pursue advancements in data analytics, automation, and genomics, Canada must act quickly or risk being left behind.

The Barton report identifies several barriers to success for the Canadian agrifood sector, one of which is the challenge of how to increase productivity. Agriculture must continue to adopt new technologies and innovations, such as pest control products and products of modern plant breeding, to increase productivity.

One of the other key barriers to success identified in the report is the need to expand Canada's trade capacity. Canada lacks preferential trade agreements in several markets with high potential. Without access to these markets, Canada cannot successfully leverage one of its major competitive advantages: its large agricultural land base. A national food policy can help position Canada to achieve the agriculture and agrifood export targets that are outlined in budget 2017 and in the Advisory Council on Economic Growth's report.

When it comes to agriculture and food, Canada is respected around the world for its strong science-based regulatory system. This commitment to science-based regulation must continue, and we must seize opportunities to improve efficiencies and streamline regulations where possible to drive greater innovation and competitiveness. As you'll see in our full submission, when it comes to products of modern plant breeding and pesticides, there are various opportunities available to modernize and streamline regulations to drive innovation while still protecting human health and safety.

• (1550)

It's also critically important that a national food strategy guard against attempts to promote niche sectors of food production at the expense of the innovative and sustainable crop production systems that are responsible for providing the vast majority of safe, high-quality, and affordable food that Canadians enjoy. This is the same production system that is helping to drive Canada's agricultural exports and boost our economy.

To conclude, Mr. Chair, a national food strategy should build on our accomplishments to date and recognize how far we've come. Technological advancements, such as those in crop protection and plant biotechnology have helped to create an agricultural production system that is more sustainable than it has ever been before. Canadian farmers' adoption of technology has also driven greater food production than ever before, which has spurred economic growth throughout the country. It has also helped ensure that Canadians face some of the lowest prices and have access to one of the safest food supplies in the world.

I thank you for your time and look forward to the questions from committee members.

Thank you.

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

Now, we'll start our question round beginning with Mr. Shipley for six minutes.

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

I appreciate every one of you coming out today on this topic. I'm not on this committee now, but just before we broke for the summer, this issue was dropped on our plate. On top of that came the Canada food guide recommendations, which have a significant directive effect on our national food policy.

Then, of course, on top of that came the hit to what was called in the minister's letter, "strengthening our middle class", which is our farmers, and a direct hit against our business people. Not only is it being made really difficult to pass on farms within a family, but there is also another tax being added.

I'm wondering if all of you can answer this. Do you know what the consultation timeline for this is?

No? I don't either, so maybe my Liberal friends can help us, because when it came to the tax, they gave us 75 days of consultation for a major overhaul of a tax system that affects every small business across this country. Now we're dealing with a national food policy. I don't know who to ask here, but have the provinces and the municipalities all been a part of this? Have you heard anything through your associations, through any of those contacts?

Ron.

• (1555)

Mr. Ron Lemaire: We have engaged some of the key provinces and asked some of the questions, and they are watching closely, from what they're telling us, with regard to where and what the policy will be. That's the big question from everyone: what is the policy? While we see the buckets, and we recognize that these buckets are very

important in how they could support the agriculture sector and multiple other sectors across the country, the question is how will they be framed under the umbrella? And, to your point, are they going to be framed in the right way in the tight timelines that we're working in? We are working under a timeline to provide all of our information and to be prepared to see something go into government in December. As a fruit and vegetable industry, we understand that we could see some outcomes in 2018. I don't know what those would be, but we understand that the timelines are very tight.

Mr. Bev Shipley: Mr. Chair, quite honestly, my concern is that further down in the minister's letter, it says that we want to raise the bar of openness and transparency. That didn't work that well on the tax issue, so this is significant to my industry, your industry, and everyone around this table. If we take that same openness and transparency, I'm afraid that you're going to get consultations behind locked doors and that those that are out in the open....

I actually had a meeting, and, I tell you, they came, and many said, "I don't know what it means, but there's an indication that we're not getting any credit for what we're doing on the environmental scene." I haven't seen anything with respect to what we're already doing. It leaves the impression that actually we need to do a lot better to get more safe food. We have some of the safest food. When I talk about exports, we can't eat everything that we grow, and the interesting part is that what we don't eat, between our livestock and what we consume as consumers, we export.

Can you tell me how significant the export market is in terms of our protein and particularly in terms of livestock? I know we've talked about the vegetables and the fruits, but I'm talking about....

Let me just focus on the livestock, because when we go to the food guide, it's a direct hit against them. Just how important are the protein exports that we have in Canada?

Mr. Christopher White: I'll let Ron jump in as well, because he runs this for our office, but it's pivotal, frankly. Certainly with regard to the negotiations around NAFTA and any export market and with the cancellation of the TPP, there is a concern about those markets because, clearly, we produce more than we can consume, so we're always looking for increased markets.

That said, we're getting some pretty positive signals from Minister Champagne that he is willing to try to negotiate something with Japan in terms of a free trade agreement. They're looking at China. They're looking at markets that Canada has historically exported to, but in smaller measures because of the advantage of NAFTA. However, with NAFTA one day looking like it's in good shape and the next day not, because of a tweet, it's very hard. It's really prudent on the part of industry to make sure that they have other markets.

While that is taking place, next week, for example, some of us are travelling with Minister MacAulay to Germany and the EU. He's going to Italy. We're looking at other markets that we can tap into, but certainly anything that government can do to open up the markets in Japan, in particular, and in China, because the Americans are there already, would be very beneficial. With the collapse of the TPP, that's a challenge for us.

Mr. Bev Shipley: I think my time is up.

The Chair: You have 20 seconds.

Mr. Bev Shipley: I'll turn it over, and let my colleagues across the way have a go.

The Chair: Thank you, Mr. Shipley.

Thank you, Mr. White.

[*Translation*]

We'll now hear from Mr. Breton for six minutes.

Mr. Pierre Breton: Thank you, Mr. Chair.

Gentlemen, thank you for being here today. We're proud to count on partners such as you and your organizations to help us present the food policy to Parliament.

One of the main themes of the food policy is the improvement of access to affordable food. I know that you're always working very hard with your different associations to provide this access to consumers. We know that food is one of the factors that represents a significant burden for families. However, the fact remains that we must produce affordable food and deliver it to consumers on a daily basis.

Can you each describe how this policy could ensure that nutritious and affordable food is available to all Canadians?

• (1600)

[*English*]

Mr. Dennis Prouse: I guess one of our ongoing questions when we have looked at this is how much of this is agricultural policy versus social policy? That's obviously a question that everyone will have to wrestle with. We obviously can't speak to social policy; we can speak to the agricultural policy. The greatest outcome we would like to see from the policy is its making sure that we continue to have a competitive, innovative food sector so that Canadian farmers can continue to do what they do best, which is to improve productivity. We have that now. We just need it to be able to continue.

There are some other social policy questions to be asked, and that's going to be a challenge in making this policy. How much of it is pure agricultural policy versus how much is social policy? I think those are two very separate questions.

Mr. Ron Lemaire: That's a very good question. I am glad you asked it because we were very clear about the process and the consultative mechanism to make sure the policy developers were well aware that the discussion should not be about expensive or affordable food, but about how we enable people to afford food.

It's a very different nuance. We grow and sell the cheapest and most cost-effective food in the world. Our food is affordable, and we cannot go down the rabbit hole and have a discussion about how our food is expensive, because nobody will win if we do. The growers cannot afford to grow food any more cheaply than they do today.

There is a reason our export strategies are so successful: our growers make more money exporting their food. Here we are trying to look at export strategies, and we're asking how we can develop a strong domestic strategy. The food policy could do that, but in doing that, as my colleague, Dennis, mentioned, how do we create the combined, integrated social and agricultural policies to connect them?

The food policy has that power if it's done in the right way, because the social agenda does want to find solutions and does want to work with the agricultural industry. It's just learning how, and we're learning how to work with it. The key is how we drive the connectivity to enable Canadians to afford food and enable farmers to grow food with the right technology, the right tools, and the right efficiencies to remain competitive domestically and internationally.

[*Translation*]

Mr. Pierre Breton: Thank you, Mr. Lemaire.

Mr. White, do you have anything to add?

[*English*]

Mr. Christopher White: From the packers and processors' perspective, because they are not the producers, they are working in the continuum of the food chain. One of the challenges the industry has is how to work more efficiently and more effectively.

I'm very new to the industry. I have been here only five months, and I came from a background that has nothing to do with this sector, so I'm really struck by how integrated the industry is, but how fractured it is at the same time. I'll give you an example. We had a meeting earlier this year, when I first started, with Paul Glover, the head of CFIA. He said that he was happy to meet with us, but that he'd heard from six other trade associations that were essentially saying to him the same thing, but with a very small nuance.

As for what you are asking, what the industry needs to do, broadly speaking, is to be less fractured. You always hear people say that they want to be more integrated, that they need to be more integrated, but that seems to be—certainly to somebody who is quite new to the industry—quite a bit of jargon, frankly. In the industry I represent, for example, while there is consolidation, if you look at the number of trade associations in Ottawa that advocate on an issue, you see that there is a very narrow bandwidth.

If you ever got together and did what the Americans did when they formulated the North American Meat Institute, it would be far more effective, with far more clout and far more precision that it can give to decision-makers to say, "This is where the industry is really going, and this is what we need from government"—as opposed to your hearing a bit from us, and a bit from Ron, Dennis, and all the other witnesses you've had. It's a real challenge.

What would be very beneficial is if government, particularly Ag Canada, could give more precision, as opposed to these really broad thematic approaches, to narrow down the scope and make sure there is a very clear economic element to it, and not to diminish the economic importance of what we are trying to do from an export perspective as well.

•(1605)

[Translation]

Mr. Pierre Breton: Is there enough time for Mr. Davidson to answer the question?

The Chair: You have five seconds left.

Mr. Pierre Breton: You may have another opportunity to respond, Mr. Davidson, if another colleague is generous.

The Chair: Thank you, Mr. Breton.

[English]

Thank you, Mr. White.

[Translation]

Ms. Brosseau, you have the floor for six minutes.

[English]

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

I'd like to thank the witnesses for their participation at committee in this study and consultation on the food strategy.

Canada produces the best quality food, and other countries want some of it. We have a safe food system, but once again, we have a lot of people who live in food insecurity. We have 900,000 people who use food banks every month. Food banks were created to be a short-term solution. Every time I meet with my community groups and food banks, I hear that every single year the use of these banks goes up. It changes a little: it's seniors; it's young families; it's the working poor; it's precarious workers.

We talked about social policy and ag policy, and we have an ag panel on right now. As you said, Mr. Lemaire, I think the government needs to look at making sure that people can afford the food. Farmers are working hard, and they are struggling sometimes to make ends meet. We have to make sure that Canadians can afford the food. Looking at \$15 an hour minimum wage, or basic income.... There are other things that the government needs to do to reduce poverty in Canada.

I would be remiss if I didn't bring up PACA. I bring it up a lot at committee. I know Bev was around when we talked a lot about PACA. We've been on the committee for a few years.

PACA is still.... Who knows where PACA is? This is something we brought up quite a few times at committee. We've had many meetings on it. There have been studies on it. I think all parties were okay and promised it during the election campaign. I know things change when you form government, but it's been two years. I must admit that I'm getting frustrated, even more so because we are renegotiating NAFTA. We know that, with Trump, anything can change in a tweet. Do we believe him, or do we not believe him?

Mr. Lemaire, could you talk to us about the importance of PACA as a tool, even more so now? I would like to have your comments about PACA, please.

Mr. Ron Lemaire: Thank you. PACA continues to be within our top two issues: it bounces back and forth between one and two in our sector. It's a lost tool, especially when we're looking at how we expand and grow our trade. With our largest trading partner being

the United States, the privileged access we had to this trading tool was a leg up on the rest of the world. Without it, we compete like everybody else, and it is a challenge. We know growers who are selling in the U.S. who are not getting 100% of the payment for what they're selling because they can't leverage the preferential access they had in the past with the PACA tool.

We are working with Innovation, Science and Economic Development, where we understand the file is currently being held. The minister of ISED, Minister Bains, has the power and authority to look at this and determine how we can best move forward. The proposal stays the same: a stand-alone piece of legislation to address the tool at no cost to Canadians, and a significant cost to ensuring that farmers get paid when they sell their product here in Canada in the event of a bankruptcy, and then being provided access to the tool in the U.S. when that bankruptcy protection is enabled here in Canada. That mechanism is still necessary to move forward. If we can create the bankruptcy tool here, we will regain access to the U.S.

Under NAFTA, we were anticipating that the U.S. would bring this forward, but there are so many shifts and movements around the NAFTA negotiations that we haven't heard anything yet. I would not hold the NAFTA negotiating process to be the sole solution to finding access to PACA. This is in our court, in Canada. We have to create the bankruptcy protection for farmers and fresh fruit and vegetable growers here, and provide them with tools so that in the event of a bankruptcy, they can access some form of protection.

Currently we are seeing a bit of misinformation flowing through ISED, and we're working at providing the correct information so the right decisions and the right information can be given to the minister.

•(1610)

Ms. Ruth Ellen Brosseau: I'm hopeful that it will get cleared up and we will see legislation coming forward. I know it sometimes takes a long time to get things done in politics, especially when you're in opposition or the third party. I'm really hopeful and I think all the members of this committee will agree. We've written letters to the Minister of Agriculture. We've written letters to the Minister of Innovation—sadly, with no response. Maybe we'll be talking about that in our 15 minutes at the end of committee today.

Mr. White and Mr. Davidson, in my riding I have Atrahan and Aliments. They have made investments. Currently we're slaughtering and transforming one million pork a year, and in 2020 we will be doing two million. One issue that is brought up quite often is they have trouble with finding people to work. Can you speak about some solutions? I would like to have your input on that.

I know that in areas across Canada, too, the slaughter capacity is an issue. Sometimes the distance those animals have to travel is quite long. Can you talk about Canada's slaughtering and processing capacity? These trade agreements are great, but do we have the infrastructure necessary?

The Chair: Thank you, Madame Brosseau. That's all the time we have, unfortunately. You had a question, so they may want to answer.

Next we have Mr. Longfield for six minutes.

Mr. Lloyd Longfield (Guelph, Lib.): Thanks, Mr. Chair. Thanks to everybody for coming and helping us with our consultation at committee, working on the four pillars plus any we might be missing.

I want to start with the Canadian Meat Council. I recently visited Cargill in Guelph, and talked about where the gaps are that could help them with the first pillar—producing adequate food, not only for Canada but for the world. They talked about there being a shortage of butchers. When we look at our support for the middle class, and the jobs we're trying to create and support in the middle class, jobs like being a butcher or other trades jobs within the meat industry are an area we're really having trouble filling.

If we're looking at an all-of-government approach, education and getting people into skilled positions have to be part of it. Do you have any comments from the Meat Council on whether or how labour could be included in a food policy discussion?

Mr. Christopher White: Yes, I'll also have Ron jump in, and I think this will address part of your question.

It's a huge problem, and not exclusively for Canada. It's a big problem in the States, as well. I think one of the things we're encouraged by is that from talking to government, we see that there's increasing recognition, on the one hand, that they want full employment and full capacity because they recognize the importance of this in the food chain. On the other hand, I think they've begun to appreciate that certain policies they've had in place around the foreign temporary workers' visa, in particular, are impediments. There are some consultations that government has begun to have with industry.

Ron's been leading those discussions on behalf of the Meat Council, but it's a problem, and having visited a couple of the abattoirs—I was in the Olymel plant when I first started—the work is remarkable. It's really physical and very demanding, and the investment that the companies make in these workers is not just at the plant, but also the English-language training and family reunification. The longer they stay in the plant, the greater investment they make in their ridings, as well. There's a net benefit for the Canadian economy.

Ron, do you want to jump in a bit?

Mr. Ron Davidson (Senior Vice-President, Canadian Meat Council): Yes. Until the invitation to this meeting came, I was in Montreal with Asta, Olymel, and the rest of the Quebec industry. We've already been in Mississauga. We've been in Calgary, and there's one more meeting coming in Winnipeg, so we've been working on this since about March 2013 trying to demonstrate, first, that we are turning over every leaf in this country to try to find Canadians who want to do the work.

I have spoken to many, and our first problem is that these jobs at slaughter plants are in rural Canada for the most part. We no longer have a whole lot of kids coming off the farms, and we no longer have access to immigrants who don't have college education, which we used to have up until the 2000s. These two big sources have dried up. We had to find a new source. Temporary foreign workers were there.

We ran, I would argue, the most successful pathway to permanency program in Canada for many years, in which we provided language training and settlement services. When they got their permanent residency, these people would then have a job and a skill that was in permanent demand in their communities, and they spoke one of the languages. That's become really difficult in the last couple of years to do, and we have, in just 15 plants today, 1,500 empty positions that we're looking to fill, including at Asta and Olymel.

Not only does that affect the 1,500 jobs in the plants, but it also affects all the other jobs in the economy that a butcher on the line creates. We have had four years of discussions about how to either get meat cutters and butchers approved as doing an in-demand, semi-skilled job—these are not unskilled people, because if you've ever gone there and looked, you'll find that they're not unskilled—under the IRCC program for express entry—

•(1615)

Mr. Lloyd Longfield: Yes.

Mr. Ron Davidson: —or to continue to get them through the temporary foreign worker program with a pathway to permanency to follow.

Mr. Lloyd Longfield: Okay.

Mr. Ron Davidson: That's what these discussions are all about. Those are the two solutions we have on the table.

Mr. Lloyd Longfield: Thank you. I'm glad I asked the question.

Cargill had a group of immigrants who had just arrived under a new program we introduced in June, and they're going through the language training. Hopefully we'll get through that in our food policy.

Maybe for Dennis from CropLife, looking at the other parts of education, what about educating people in urban Canada about farm productivity and how important it is to do the work that CropLife and your members do, in terms of education around urban and rural, if that's part of our food policy—

Mr. Dennis Prouse: Yes, and that's been a huge focus of ours the last number of years. We recognized a few years ago that, frankly, the industry had fallen behind on that. We hadn't done a good enough job educating the public and talking to them.

We're not going to have large numbers of people coming from the farm. That's just not where the economy is going, so we have to communicate better. We support agriculture in the classroom now. We work with farm and food care. These are the people who are more directly connected. They're doing a good job. We're out there using the best tools we can. We're on YouTube and Twitter. We're out there on social media talking about benefits. We generally find that when we talk about the benefits of modern agriculture, as opposed to getting into arguments with people, we tend to have a better outcome. That's the approach we've taken. We're finding that, slowly but surely, it's paying dividends.

Mr. Lloyd Longfield: Thank you.

Sorry, Ron, but we're out of time. I had some questions for you, too, but I'll pass it back to the chair.

The Chair: Thank you, Mr. Longfield.

Mr. Peschisolido now has six minutes.

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

Chris, you talked earlier about the importance of economic return and profitability. One thing we've heard from past witnesses is the whole concept of externalities, that the industry is very efficient, yet society as a whole, government, is subsidizing that efficiency through the environment, animal welfare issues, and health.

What factors do you think we should be looking at to deal with the whole issue of an agriculture industry that's efficient, yet a society overall that's perhaps dealing with the externalities of that efficiency?

Mr. Christopher White: Well, fortunately I wrote my thesis on that.

Voices: Oh, oh!

Mr. Joe Peschisolido: Then it may have been a good question.

Mr. Christopher White: No, I'm just kidding.

I think that's the fundamental challenge. We've all alluded to the fact that much of the export market is dealing with those issues. For example, when we were in Belgium in the spring, we chatted with officials from the Canadian embassy. They had no sense that from a beef producer's perspective, CETA was a problem: most Canadian farmers aren't going to raise beef the way they do to export to that market.

In any food policy you look at, I think there has to be an element not just of self-awareness in terms of the domestic market, but also, when you're looking at export markets for Canadian products across the board, what are we facing? It's such a range. When you look at China and Japan, the standards are here and here. Then you have the EU, where the standards are much different. What would be very beneficial, from our perspective, is anything government could do to....

I was down in the States last week, and I was talking to the board of directors of NAMI. One of the things Trump has done well is the "two for one". For every one regulation you want to introduce, you have to take two off the board. I think that would be a really healthy review for the Canadian government to look at. One of the criticisms that I've certainly heard from our members is that while CFIA does a fantastic job in terms of regulating, there's just so much regulation that it's really hard to keep up with it. Sometimes there's a feeling that there's no consultation. A regulation is imposed from Ottawa, but there's no appreciation for what it's like on the farm. There's no thought process. There's insufficient consultation.

With all of the externalities that Canada faces, I think that would be a really important consideration. If you could take a look at all the regulations facing industry and sort of evergreen them, I think that would be very helpful.

• (1620)

Mr. Joe Peschisolido: Okay.

Dennis, you mentioned earlier the importance of science-based decisions. The problem that I and maybe others face is that we're getting competing scientists now. You get one report that says this is good, and then another report that says this is bad. Given that, what factors or variables can this food policy take into account to deal with these competing scientists?

Mr. Dennis Prouse: I think the key term there is "peer-reviewed". The agencies themselves are looking at peer-reviewed science. You're absolutely right that in the daily bombard of social media, we're hit with a number of studies of varying quality. The good news is that we have regulatory agencies who have a statutory responsibility to review peer-reviewed studies. I think when we allow them to do that, generally the results are very good. Canada is a world leader in science-based regulation. We do well on that.

Mr. Joe Peschisolido: Okay.

Ron, you mentioned in your four pillars that one of the key things was to increase the eating of fresh fruits and vegetables. Can you elaborate a bit on how our food policy can deal with that?

Mr. Ron Lemaire: The target is key. We've seen best practice happen in Canada at the provincial level. British Columbia leads the way in establishing a target at the provincial level for the consumption of fruits and vegetables. That has enabled not only government programs but also industry to align and work together to achieve those targets.

We just need to put a number in play at a federal level that would then create a trickle effect across Canada. People could tap into that target. It would also enable existing programs, and even new programs, to help drive it.

Mr. Joe Peschisolido: Okay.

Dennis, you said something earlier that kind of intrigued me, that the food policy should not support niche markets to the detriment of the mainstream market. What do you mean by that? Does that refer to organics, or—

Mr. Dennis Prouse: It's making value judgments. Generally, we look to the food policy in the same way the government is approaching the NAFTA talks: first, do no harm. We just want to make sure that a food policy isn't giving a nod to one particular sector over another. If you allow agriculture to move forward, there's plenty of production room for everyone. Our concern was that there would be an attempt to pick winners and losers, to make a nod to one group over another, which we think would be incredibly detrimental.

Mr. Joe Peschisolido: I have a lot of organic farmers in my area, in Steveston—Richmond East. They're saying that the playing field is against them because government is not supporting their area. How would you respond to those folks?

Mr. Dennis Prouse: We would respectfully disagree. There's a market for everyone. No one is out there trying to denigrate one particular group or the other. What we're saying is that we don't want to see a nod to one group over the other, because that would harm growth. It would harm innovation. It would be the exact opposite of providing affordable, abundant food for Canadians.

Mr. Joe Peschisolido: Thank you.

The Chair: Thank you, Mr. Prouse.

Thank you, Mr. Peschisolido. Unfortunately, that is all the time we have for this first part with our witnesses.

I want to thank each and every one of you for being here today: Mr. Davidson, Mr. White, Mr. Lemaire, and Mr. Prouse. It will certainly help us with our report.

We'll adjourn quickly for a minute or two, just to shake hands and grab a coffee, and come back with the second part.

• (1620) _____ (Pause) _____

• (1630)

The Chair: Would everyone return to their seat? We'll get going with our second hour, which is shortened already.

I would like to welcome the new witnesses we have at the table. For the second part of our meeting, from the Canola Growers Association, we have Jack Froese, president; and, of course, Ms Catherine Scovil, the director of government relations. Welcome again.

From the Dairy Farmers of Canada, we have Pierre Lampron, the new president.

[Translation]

Mr. Lampron, welcome to the committee.

We also have here Yves Leduc, the director of policy and trade.

Welcome, Mr. Leduc.

[English]

From the National Farmers Union, we have Ayla Fenton, the youth president.

Welcome to our meeting, Ayla.

We'll start with a presentation of up to seven minutes.

We'll give the floor to the Canadian Canola Growers.

Mr. Jack Froese (President, Canadian Canola Growers Association): Thank you for the opportunity to appear today to provide the Canadian canola growers' perspective on a food policy for Canada. As recognized by this committee, the policy has the power to shape the future of food in Canada.

My name is Jack Froese. I am the president of the Canadian Canola Growers Association. I farm 5,800 acres of grains, oilseeds, and special crops with my family near Winkler, Manitoba. The CCGA represents 43,000 canola growers from Ontario to British Columbia, and our mission is to help farmers succeed.

Budget 2017 recognized the potential growth of the agriculture and agrifood sector, setting an ambitious target of increasing agrifood exports from \$55 billion to \$75 billion by 2025. The canola sector has set equally ambitious goals of growing production from 18 million to 26 million metric tonnes of canola and 52 bushels per acre by the same year.

Canola farmers are up to the challenge and want to be part of this growth by increasing production and exports, and increasing our contribution to the Canadian economy. A food policy can create a formal platform to help us achieve this by providing consistent

messages across governments and stakeholders. Farmers already produce high-quality, safe, and sustainable food, and with a competitive environment and the right tools, are well-positioned to further grow Canadian production for both our domestic and international markets.

To achieve this growth, it is critical the policy be built on a solid foundation that recognizes the value and importance of agriculture production and our export markets. The CCGA has three overarching recommendations as the government moves forward with the policy's development.

First, develop a strong set of guiding principles. These should centre on inclusiveness, evidence-based decision-making, and the adoption of a whole-of-government approach.

Farmers are the driving force behind food production in Canada. It is critical that farmers and farmer organizations be actively involved to get buy-in to the outcomes. An appropriate governance structure, such as a national food policy council, could be a mechanism to include a diversity of views in the development, refinement, and implementation of the policy. However, farmers and farmer organizations must be well represented, as the policy can and will directly impact their livelihoods.

It is also critical that the food policy be built using the best available evidence and scientific data. Science-based decision-making is the backbone of the agriculture sector and is the foundation for future innovation and growth. It drives farmers' production and marketing decisions, ensures access to innovative new production tools, fuels investment in our sector, and helps maintain global access.

A key strength of a policy is the opportunity to drive a more coordinated whole-of-government approach to food in Canada. Any new activity must build on existing initiatives, and not duplicate efforts or create burdensome new requirements on the agriculture sector. There are numerous ongoing initiatives—federal, provincial, and private—aimed at enhancing agriculture's competitiveness, strengthening Canada's food safety framework, improving the health of Canadians, ensuring sustainable production practices, and safeguarding the health of plants and animals.

At the same time, a whole-of-government approach can help prevent a patchwork of initiatives and mixed messaging. Ambitious export targets and free trade agreements must be coupled with the resources needed to address market access problems as they arise. Desires to increase food literacy must be coupled with plans and targets. Government proposals from one department should not impede the goals of another by eroding the competitiveness of the sector or create unnecessary uncertainty. A whole-of-government approach will also ensure that one stakeholder group is not harmed at the expense of the other.

Second, select appropriate baselines when determining policy goals and activities. This is particularly true when it comes to conserving our soil, water, and air thematic area. Advances in plant breeding, and in how farmers grow canola have softened farmers' environmental footprint, and have helped canola farmers become world leaders in sustainability.

A good example is the widespread adoption of zero or minimal till farming, which keeps carbon in the ground and promotes healthy soils. In 1991, only 7% of western Canada was seeded with no till practices. Today, this number has grown to 65%, allowing Canadian farmers to sequester millions of tonnes of greenhouse gases in their fields every year.

Beyond the benefits of sequestering GHGs, it is important to understand that this change in practice has also resulted in improved soil health, which means the soil can now support a healthier crop, and possibly more importantly for farmers, leaving our soils in better condition for the next generation.

• (1635)

While there is always room for improvement, current environmental practices must be recognized when determining targets and actions. I am personally vested in working to continually improve my farming practices, not simply for now, but to ensure that the farm and its land are in even better shape when I pass them on to my children, or some other generation.

Third, we need to boost Canadians' food literacy and public trust. Increasing Canadians' knowledge of how food is produced, how our world-class regulatory system ensures a safe food supply, and what constitutes healthy food choices crosscuts and underpins the four established thematic areas. We recognize that the vast majority of Canadians no longer have a tie to the farm and there is a growing disconnect between farmers and consumers. Food literacy will be key to help consumers make more nutritious food choices and be more aware of modern agricultural practices. We need to build understanding between consumers and farmers.

As a farmer, I want Canadians to be as proud of the food they consume as I am of the food I produce. Without an increase in food literacy, the policy will continue to struggle moving forward in achieving its desired outcomes.

In conclusion, a food policy can help provide a coordinated and strategic approach that can benefit all Canadians. We recognize, though, that there is a very diverse group of stakeholders and views to be considered in the development of the policy, and we are ready to work together with all stakeholders in identifying and working towards our common goals.

Thank you.

The Chair: Thank you, Mr. Froese.

[Translation]

We'll now give the floor to Mr. Lampron and Mr. Leduc, the Dairy Farmers of Canada representatives.

You have the floor for seven minutes.

Mr. Pierre Lampron (President, Dairy Farmers of Canada): Thank you, Mr. Chair and committee members, for the opportunity to share our organization's perspectives on a food policy for Canada.

Mr. Pierre Lampron: Dairy Farmers of Canada, or DFC, is the national policy, lobbying and promotional organization representing Canada's farmers living on 11,000 dairy farms. DFC strives to create stable conditions for the Canadian dairy industry, today and in the future. Our objective is to maintain policies that foster the viability of Canadian dairy farms and to promote dairy products and their health benefits.

The Canadian dairy sector is a consistent positive contributor to Canada's economic stability. In 2015, the sector's economic contributions amounted to \$19.9 billion towards Canada's GDP, and \$3.8 billion in tax revenues. In addition, the dairy sector sustains approximately 221,000 jobs in Canada, while providing Canadians with fresh, high-quality and nutritious products without any of the direct government subsidies provided in other jurisdictions.

In its project entitled A Food Policy for Canada, the government of Canada highlighted four pillars. The pillars are to increase access to affordable food; improve health and food safety; conserve our soil, water, and air; and grow more high-quality food.

While DFC supports the development of a national food policy, it's important to ensure coherence among the four pillars. For example, the first pillar, which aims to increase access to affordable food, could easily be in conflict with the fourth pillar, which aims to grow more quality food. While farmers remain committed to efficiently producing high-quality food, their capacity to do so affordably can be limited by many factors, including their costs of production. Ensuring that all Canadians have access to affordable food is something that all farmers take to heart. However, it's also a complex socioeconomic issue. Canadian farmers have always been willing to do their part in this regard, but it can't be their responsibility alone.

The development of A Food Policy for Canada presents a unique opportunity to establish a dialogue and find common ground across a diversity of stakeholders. As such, the consultations undertaken by the government are important to clarify the values, principles and objectives of a national food policy. This requires government departments, industry and other non-governmental associations to work together to identify specific targets, actions and priorities. While it's important to give stakeholders from across the spectrum a platform in these discussions, DFC urges the government to afford special consideration to the expertise that agricultural stakeholders hold in the production of food. This ensures that any food policy reflects the realities of the agricultural sector.

A national food policy should be based on a vision shared by all government departments and explicitly stated in their respective mandates. DFC strongly supports a whole-of-government approach, including the participation of the federal, provincial and municipal levels of government. Furthermore, collaboration between government departments and the harmonization of priorities will be vital. It will be equally important to ensure that all sectors are well-represented, and that the role and responsibilities of the agricultural sector are well-considered and clearly defined.

Finally, scientific principles and data are essential to establishing a common understanding of the concepts among all the parties concerned. The national food policy should include a science-based analysis of Canada's strengths and opportunities. This approach will allow the Canadian agri-food sector to quantify its strengths, define future innovation and, subsequently, to better communicate its own reality to Canadians consumers.

● (1640)

I would end this presentation by adding that DFC is supportive of the broad goals of A Food Policy For Canada. We were also pleased to see the Canadian government identify agriculture as an economic driver and area for growth. However, there are other policies currently under consideration that could put the sector at risk. These include the government's new proposed taxes; the proposed removal of dairy products as a category in the Canada Food Guide; and the consideration being given by Health Canada to demonizing our healthy dairy products by characterizing them as unhealthy, and branding them with labels designed to warn consumers away.

Canadian dairy farmers want to do their part to support positive strategies such as A Food Policy For Canada. However, it's hard not to be distracted by the challenges we face in the current climate. We certainly continue to appreciate the government's support in the international arena through ongoing challenges, such as the renegotiation of the North American Free Trade Agreement, or NAFTA.

However, we want to remind the government that Canada's domestic policies are completely within its control.

Thank you for your time.

The Chair: Thank you, Mr. Lampron.

We'll now give the floor to Ayla Fenton, the National Farmers Union representative.

[English]

Ms. Ayla Fenton (Youth President, National Farmers Union): I'm a new farmer. I'm here today representing thousands of farmers from across Canada. NFU members produce a wide variety of foods, and we sell our products in every way, from farmers' markets to supply-managed markets to export markets. The one common goal of all of these diverse farmers is to advocate for policies that will realize food sovereignty in Canada. Food sovereignty is the right of peoples to healthy and culturally appropriate food produced through ecologically sustainable and sound methods and, even more importantly, the right of peoples to define their own food and agriculture systems. It puts food producers and eaters, rather than the demands of markets and corporations, at the heart of food systems and policies.

In contrast to this vision, the Canadian government over the past several decades has pursued a pretty much exclusively export-oriented agricultural policy. This has resulted in Canadians consuming food that is primarily not grown or raised by Canadian farmers or processed by Canadian workers. We export low-priced bulk commodities and import higher-value fruits and vegetables and processed foods that could easily be grown and processed in Canada.

Our food system is not only becoming more export-dependent but is losing its diversity and complexity and becoming ever more brittle in the face of inevitable economic and climate stresses.

Minister MacAulay was given a mandate to put more healthy, high-quality food produced by Canadian farmers and ranchers on the tables of Canadian families. We certainly welcome the emphasis on food "produced by Canadian ranchers and farmers", which is in line with the fact that 80% of Canadians say that they want access to more local food. However, we are facing a demographic crisis in agriculture that urgently needs to be addressed if we are to meet these goals. The number of farms and farmers in Canada has been declining for over 70 years. The average age of farmers is now 55, and the number of farmers under 35 has declined by 70% since 1990. Seventy-five per cent of farmers are planning to retire in the next 10 years and only 8% have a succession plan in place.

The declining profitability of farming is what has led to this crisis in intergenerational transfer. Since the 1930s, the value of farm products has steadily gone up while farmers' share of that value has gone down despite the fact that yields and efficiency have increased considerably over this period. Why is this? Well, since 1985, agribusiness corporations have captured 98% of farmers' gross revenues. These globally dominant transnational corporations have made themselves the primary beneficiaries of the vast food wealth that's created by Canadian farms. They have extracted almost all of the value in the value chain and they have left Canadian taxpayers to backfill farm incomes. Over \$100 billion has been transferred to farmers since 1985. This massive extraction of wealth is the cause of an ongoing farm-income crisis, and it is no wonder that generations of young people have left family farms in search of better opportunities.

The NFU is very much concerned about the contradictions between the national food policy's stated goals and the recommendations of the Advisory Council on Economic Growth led by Dominic Barton. Following Barton's recommendations, the 2017 federal budget's innovation and skills plan sets a target to increase Canada's agrifood exports by 33% to at least \$75 billion annually by 2025. The Barton report urges Canada to ramp up food exports by increasing scale, reducing regulations, and automating production. It suggests that this transformation be led by corporate executives. If this advice is followed, we will have even fewer farmers, higher greenhouse gas emissions from agriculture, fewer workers, more unhealthy processed foods on the shelves, and less protection for our soil, water, and air. This is a blueprint for corporate rule that does not include governments, farmers, and eaters in the decision-making process.

If a national food policy is to meet its stated goals, it must limit the power of corporations in the food system and support the next generation of food producers by adopting a food sovereignty framework. A food sovereignty framework that focuses on local and domestic procurement of food is important not only because it supports farmers' livelihoods but also because it presents solutions to many of the crises our society is faced with today.

These crises obviously include human health. We know that obesity and diet-related disease are the leading causes of death and disability in this country, and the annual economic costs of unhealthy eating are estimated at \$6.3 billion annually. This is a direct result of the corporate food system providing cheap and universal access to processed foods rather than to healthy whole foods.

• (1645)

We are facing a crisis of increasing economic inequality. The profits from food production are increasingly concentrated amongst the corporate elite rather than cycled through local communities. In Canada, one in eight jobs is in agriculture and agrifood, yet the industry is consistently criticized for poorly compensating workers and exploiting vulnerable populations. This exploitation includes an increasing reliance on migrant labour.

We are also in the midst of a crisis of climate change and environmental destruction. Over 30% of greenhouse gas emissions worldwide are attributable to industrialized agriculture. At least three quarters of that is the result of the production and use of nitrogen fertilizers in the industrial methods of raising livestock, which are the cornerstones of the corporate food model. It is estimated that for every calorie of food energy that reaches our mouths, we consume 13 calories of fossil fuel energy, which makes our modern food system the least efficient in history.

We believe that all of these problems can be addressed by simply shifting to a food system based on agroecology, which means promoting more direct marketing of whole foods between farmers and eaters, and incentivizing farmers to implement more sustainable practices. It also means encouraging farmers to produce a variety of whole foods, rather than exclusively incentivizing the production of commodity monocrops for export.

The good news is that the 2016 census showed the first uptick in the number of young farmers since 1991. Our research shows that around 80% of new farmers do not come from a farming

background. They are people like me who grew up in the city and are getting into farming because they see it as a career that will allow them to address the crises that I just mentioned. They are primarily starting businesses in small and mid-scale ecological production, and are practising direct marketing, which allows them to earn a fair return on their labour. Creating an economic and regulatory framework for direct marketing to thrive will ensure that new farmers can supply healthy food to local markets, create meaningful jobs, and regenerate land and ecosystems. New farmers also need support in accessing land, financing, and training.

We urge the government to start building a food system that prioritizes the interests of Canadian eaters and farmers, rather than the interests of transnational corporations.

Thank you.

• (1650)

The Chair: Thank you very much, Ms. Fenton.

We will now begin the round of questions, and we'll start with the opposition side.

Mr. Shields, I have to apologize. I don't think I introduced you at first. I know there are two new people. Mr. Martin Shields, thanks for being here with us. You have six minutes.

Mr. Martin Shields (Bow River, CPC): Thank you, Mr. Chair.

I appreciate the panel that is here today and the opinions they are expressing.

First I'd like to go to Mr. Froese.

When we talk about the whole of government, it's interesting because the transportation committee is out there working and has done a lot of research as it goes through the transportation act. With respect to moving commodities in your industry, what would you suggest to accomplish this as far as transportation goes? I know I'm going in a different direction than you anticipated, but we're talking about the whole of government here. You have a product to get to market, so what would you say about moving it? What changes from the whole of government would work best for you to support that?

Mr. Jack Froese: There has to be interaction between all the different ministry positions. You need the ministries of agriculture and agri-food, trade, transportation, and so on. Those are all critical links to make it happen. You can make all the trade agreements you want, but if everything doesn't go back to the farm—such as implementing a transportation system, for example—then what good is a trade deal to you? Then, if you don't have assistance with the phytosanitary certificates, MRLs, and so on, all those things will line up and impede trade. These issues cross into different ministries, and these ministries have to work together to facilitate trade.

Mr. Martin Shields: So, it's the whole of government, and transportation is a piece.

If we were to talk about short-line rails, are you familiar with them? Do you have any suggestions about supporting short-line rails?

Mr. Jack Froese: Looking back, we probably shouldn't have gotten rid of all those rails, and we're probably not going to get them back now. It's very unfortunate because rural infrastructure is taking a beating. This should be supported because it's an integral part of the whole agro-industry.

Mr. Martin Shields: When we talk in the sense of whole of government, I think that is something that does take that whole piece, so when we're talking about agriculture, it needs to include transportation and trade, as you mentioned.

The second point I have is about the food literacy piece. I'm somewhat familiar with Ontario and people going to the farm gate. I'm familiar with Alberta and its open farm days. Are you familiar with any other province that works at getting people out to see the agriculture producers?

Mr. Jack Froese: We're very strong supporters of Eggs in the Classroom, 4-H, and so on. They help, but we need a literacy program that starts in the education system so that people who have no farming background can get an education on where our food comes from. Most people couldn't tell you where the food comes from in the first place because they lack the literacy, and yet we're expecting them to make important decisions about food.

Mr. Martin Shields: So, your solution to that would be to include food literacy in the education system.

Mr. Jack Froese: Yes.

Mr. Martin Shields: That's an interesting challenge because as a principal for 25 years, I kept everybody out of the door so teachers could implement the curriculum they had in front of them, and food literacy wasn't a part of it.

Mr. Jack Froese: I know.

Mr. Martin Shields: That's another challenge in a sense of how to get into that curriculum cycle.

Mr. Jack Froese: Very much so.

Mr. Martin Shields: I do like getting people to the farm gate.

•(1655)

Mr. Jack Froese: That is critical. We were at the USDA conference in February, and a fellow from 40 miles outside Washington was taking people to the farm. That's all he was doing. He was running a conventional farm with biotechnology using genetic modification, and his neighbour was an organic farmer. They

lived side by side doing a really good job in bringing people to the farms and showing them what they were doing and how they were complementing each other—how things all worked out. That goes back to what we were hearing before. We can't decide that one system is better than the other. We have to let the farmers decide where they want to produce their crops.

Mr. Martin Shields: Right. It's similar with dairy; the innovation that's occurred there is phenomenal. I milked cows by hand as a child, and that was the newest thing compared to what you have now, getting people out to see where the dairy products come from. Is your organization promoting it? Can you give me examples?

[Translation]

Mr. Pierre Lampron: We're doing many things.

We're part of the UPA, in Quebec. We participate in the fall open houses, which have been running for about 15 years. This type of event is organized in each region, and the public is invited to visit the farmers. I know that other provinces in Canada also do this.

We try to promote our work in various ways. We have farms ready to open as soon as any visit requests are made. We also have programs in schools, in particular in Mr. Poissant's region. Some farmers have video presentations that explain to children what they call the milk route. The video shows the path followed by milk, from the cow to the grocery store, by way of the truck and the factory.

We also sponsor television programs. This type of promotion doesn't provide an in-depth perspective. However, it helps show people from the city the work done by farmers. They understand that we work so they can put food on the table.

We're always looking for new ideas.

[English]

Mr. Martin Shields: What is your view of the relationship between Canada's food guide and Canadian food policy? We have one out there that has existed over the decades with variations. Now we're talking about the Canada food policy. How do you see those two pieces working together?

Mr. Yves Leduc (Director, Policy and Trade, Dairy Farmers of Canada): I think it's one element of a broader food policy. Look at the four pillars of the food policy being developed under the leadership of Minister MacAulay: to increase the production of affordable food; to increase the safety, quality, and the health aspect of the food we're producing here in Canada; to preserve the quality of soil, water, and air; and also to produce a higher volume or a greater quantity of quality food products.

I think that shows it's a very broad undertaking. The food policy that took place in June shows that it is a major—

[Translation]

The Chair: Mr. Leduc, you may have the chance to finish responding when another member asks questions.

[English]

Thank you, Mr. Shields.

[Translation]

Ms. Nassif, you have the floor for six minutes.

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

I want to thank the witnesses for their presentations.

I'm a new member of the Standing Committee on Agriculture and Agri-Food. I'm also a member of the Standing Committee on the Status of Women. As such and as a woman, I'm pleased to see a young woman, Ms. Fenton, leading the National Farmers Union.

Ms. Fenton, I want to congratulate you for all that you're doing.

What motivated you to work in this field?

[English]

Ms. Ayla Fenton: I am pretty much the average new farmer of today. Our research is showing that about 60% of young people entering agriculture today are young women. What made me enter agriculture was learning about agriculture from an environmental perspective and the environmental externalities created by the industrial agriculture model when I did my undergraduate degree in biology. I also studied food security at Ryerson after that. For me it was partly a desire not to work in an office for the rest of my life, but also because I view farming as a way to change the world, change the way things are done, and contribute to improving social justice and environmental issues and the health issues industry.

• (1700)

[Translation]

Mrs. Eva Nassif: That's excellent.

How can we encourage other young people, other entrepreneurs, and especially women to work in this field?

[English]

Ms. Ayla Fenton: A very important part of that is education at the primary and secondary levels as core curriculum in food and agriculture in our schools in Canada. Personally, I got into farming when I was in my early twenties, but it was never presented to me as a career option when I was going through school. If you're smart, it's as if you go to university to become a doctor, a teacher, a lawyer, or an engineer, and those are about the only career options that are ever talked about. It's not just farming—they never talk about anything in the food system.

I overheard your comments in the last session about the need for more butchers and other tradespeople in the food system. We need to encourage young people even just to be aware that these careers exist. If I had known at a young age that I could spend my whole life outdoors, working with animals and plants and being a steward of the environment, I would have taken a very different path after high school.

[Translation]

Mrs. Eva Nassif: Ms. Fenton, I have one last question.

What barriers did you need to overcome as a woman in this male-dominated field?

[English]

Ms. Ayla Fenton: Yes, that's true. I am an organic farmer and I practise direct marketing, so I sell directly into farmers' markets in Kingston. That is a little different, because there are more women in that sector of agriculture than in other sectors, but there is still quite a bit of stigma. If a delivery person comes to the farm, they say, "Where is your husband?" I have to say, "No, it's me." Mostly it's just minor things like that.

I also work in a organization, the National Farmers Union, that has always valued gender equity, including at all levels of leadership in the organization. That is not the case in most farm groups, general farm organizations, or commodity groups. There is a major lack of women on boards and in leadership positions in those organizations.

Mrs. Eva Nassif: Thank you.

[Translation]

Mr. Lampron, I want to ask you a question.

Many experts agree that good nutrition contributes to health. They believe that healthy eating habits come from education.

You mentioned earlier that Health Canada sometimes bombards you with publications indicating that dairy products aren't very advisable.

What strategies would you recommend to promote nutritional literacy, in particular with regard to dairy products, and to incorporate it into our future food policy?

Mr. Pierre Lampron: It's a project concerning the next food guide, which must really be based on scientific facts. We don't want to go against scientifically proven facts.

We're dairy farmers. Our milk is healthy, but processed. Maybe sugar or salt has been added, but it's mainly for preservation purposes.

The decisions must really be based on scientific facts, and not just on philosophies. As we know, there's pressure from people who oppose farms. The people who oppose farms oppose our products, but our food products are healthy. That's what matters.

Mrs. Eva Nassif: Aren't Health Canada's publications or the different versions of the food guide always based on scientific facts?

Mr. Pierre Lampron: I hope so.

Mrs. Eva Nassif: Also, some realities are difficult to reconcile, such as the improvement of access to affordable food and the production of high-quality food.

The next question is for everyone.

We're often told that more affordable food isn't the healthiest or the best. For example, the Dietitians of Canada representative appeared before the committee last week. She said that, in some cases, the value-added products, such as canned tomatoes with added salt, are more expensive than the products that don't have anything added.

The Chair: Ms. Nassif, your speaking time has ended, unfortunately.

Mrs. Eva Nassif: Thank you.

The Chair: Maybe someone else can answer your question later.

Ms. Brosseau, you have the floor for six minutes.

Ms. Ruth Ellen Brosseau: Thank you, Mr. Chair.

I want to thank the witnesses for their presentation.

In particular, I want to thank Mr. Lampron, whom I hadn't seen for a long time. Mr. Lampron is a dairy farmer in Saint Boniface. He was elected president of Dairy Farmers of Canada. I'm very happy to meet him as the president of this organization.

I believe the words I say the most often in the House of Commons are "farmer" and "supply management". For a period of time, it was "diafiltered milk". We're currently renegotiating NAFTA. In this context, we're following Donald Trump's tweets. We don't want to believe everything they contain, but they sometimes scare us. When we signed NAFTA, milk was not at stake. However, certain leaks regarding the subject and some news going around indicate that the Americans really want to take on our market and have access to it.

Can you comment on the subject?

I believe that we're in the fourth round of NAFTA renegotiations.

Can you talk about the importance of protecting our supply management system and not creating a breach in the system?

There have always been breaches in our other trade agreements, in particular the Comprehensive Economic and Trade Agreement, or CETA, and the Trans-Pacific Partnership Agreement. We must fully protect our supply management system and ensure that this issue won't make it to the negotiating table.

• (1705)

Mr. Pierre Lampron: Thank you for the question.

It's partly related to what we're talking about, meaning the first pillar concerning cost-effective production. We're talking about giving access to the market, protecting the environment and covering the territory. The farmers can't be asked for everything. We never know, during negotiations, whether we'll be given access. We're reassured, but it's still a concern. The United States, like all other countries, protects its agriculture and farmers. Mr. Leduc, our trade specialist, could talk about this matter.

Ms. Ruth Ellen Brosseau: We've also wanted this for a long time.

Mr. Pierre Lampron: We're also asking for this. However, for young people and women to take an interest in farming, they must have a prospect of a decent income. Of course, it's difficult to interest the next generation in a farm that isn't profitable. To ensure that a new generation can emerge, we must implement effective marketing systems and provide the opportunity to earn a good living from our

farming. It's very important. We still want to be excluded from NAFTA, since agricultural products aren't like other goods.

Ms. Ruth Ellen Brosseau: We haven't even talked about CETA and the cheese entering the country.

Mr. Leduc, do you have any comments on this matter?

Mr. Yves Leduc: I want to expand on Mr. Lampron's point.

The Farm Bill, in the United States, amounts to over \$100 billion in all kinds of assistance. The food stamp program, which helps the most disadvantaged people access agri-food products, is part of this assistance. The assistance also benefits farmers because it supports the demand. Therefore, there are benefits for both parties. We're a bit concerned about this issue when it comes to a possible Canadian food policy. We must take things into consideration when we talk about both ensuring that the most disadvantaged people in our society have access to nutritious food and establishing an agri-food policy that includes exports. There may be some conflicting interests here.

Ms. Ruth Ellen Brosseau: Thank you, Mr. Leduc.

[English]

Madame Fenton, thank you for your presentation to the agriculture committee.

We've had many witnesses at the committee talk about the right to food. This is a big endeavour going forward in putting forth a food strategy. There are some things that need to be addressed. We talk about Canadians using food banks, and the number seems to go up every single year. Some things we need to address are to ensure we have better jobs for people, a \$15-an-hour minimum wage, a basic income for Canadians, and the right to food.

In 2012, Olivier De Schutter came to Canada and presented a scathing report on the situation. Food sovereignty is very important, as well as the right to food, the right to safe and healthy food, and drinking water.

You made some recommendations in your briefing. Could you explain a little more what food sovereignty is, what a food sovereignty food policy would look like, and go over some important recommendations we need to have in our report after the consultations here today?

• (1710)

Ms. Ayla Fenton: To summarize, I would say that food sovereignty, as I mentioned, is about people's ability to choose what food they want to eat and how that food is produced. As they decide, they should be able to afford food that is culturally appropriate and safe for them to eat. The issue is not that we need more affordable food or cheaper food; it's that we need a poverty reduction strategy so that people can afford food at the cost of production of the farmers producing it. Farmers need to earn a fair living. Most farmers in Canada do not earn the cost of production on what they're producing, with the notable exception, of course, of those under supply management.

We think programs like supply management and farmer-controlled marketing boards, in general, are very important, but these need to be paired with poverty reduction strategies like a basic income guarantee.

The Chair: Thank you, Ms. Fenton. I have to stop it here.

You have about three minutes, Joe.

Mr. Joe Peschisolido: Thank you.

Madam Fenton, you mentioned that you're an organic farmer, and you sell into Kingston through the Internet or online. I have a lot of organic farmers in Steveston—Richmond East who do the same thing in metro Vancouver, but who are also selling into the market in Seattle and in Portland.

How can a national food policy help farmers like you expand, not just at farmers' markets, but into regional and maybe even a national export market?

Ms. Ayla Fenton: One of the main things that limits direct marketers' and small-scale farmers' ability to grow is food safety regulations that are designed for industrial scale production and processing. What we would like to see, ideally, is some flexibility in that system and a recognition that a one-size-fits-all regulatory approach does not work. Somebody selling eggs to their neighbour or to people down the street should not have to adhere to the same expensive and onerous regulations as somebody who is producing 10,000 cartons a day and shipping them all over the country.

A lot of conversation is coming up now with the Safe Food for Canadians Act, in that direct marketers are really concerned because it will very much limit their ability to market across provincial boundaries, especially in areas like Atlantic Canada where a farmer in New Brunswick would likely sell into New Brunswick and Nova Scotia. Even with just something like vegetables, they are no longer going to be able to do it unless they invest in a wash station and a processing station that will probably cost them more than their annual income from the vegetables they're selling.

We would like to see more diversity in the regulatory environment.

Mr. Joe Peschisolido: Thank you, Madam Fenton.

[*Translation*]

Mr. Lampron, you mentioned that our national food policy was an opportunity to start an in-depth dialogue.

How can the federal government facilitate this dialogue?

Mr. Pierre Lampron: The government is listening to us and consulting everyone, which is already a good start. You must continue to consult us and include the farming community in your discussions.

[*English*]

Mr. Joe Peschisolido: Mr. Froese, you talked about the importance of baselines for an assessment of the environment. In the 20 seconds you have—and perhaps you'll have a bit more—can you elaborate a little on that?

Mr. Jack Froese: We're talking about a sustainability basket and economic drivers. You have to be economically sustainable, socially responsible, and environmentally sustainable as well. That basket can only hold so much. The more you throw in on the social and environmental side, the more we'll be offside on the economic side, and we're going to need that whole-basket approach to solve our Canadian food problems.

The Chair: On those words, we're going to have to end the session.

I want to thank everyone who is here: Ms. Scovil, Mr. Froese, Monsieur Lampron, Monsieur Leduc, and Madam Fenton. Thank you so much.

I will ask that we quickly thank our guests. We're going to clear the room because we're going to have an in camera session in 15 minutes. Please, let's do it quickly and come back to our seats.

[*Proceedings continue in camera*]

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