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• (1635)

[*Translation*]

The Chair (Mr. Kody Blois (Kings—Hants, Lib.)): I call this meeting to order.

Welcome to meeting no. 35 of the Standing Committee on Agriculture and Agri-Food.

I will start with a few reminders.

Today's meeting is taking place in a hybrid format. The proceedings will be made available via the House of Commons website. Just so you are aware, the webcast will always show the person speaking, rather than the entirety of the committee.

I'd like to remind the participants that screenshots or taking photos of your screen is not permitted.

[*English*]

Colleagues, welcome back. I hope that you had a great week in my absence and that Mr. Barlow was able to chair this committee in a great fashion, which I know he does.

We are continuing our study on global food security, but I want to just make a couple of announcements. We have some substitutions today.

Welcome to Ms. Lambropoulos, who is going to be here on behalf of Mr. Turnbull. We have Ms. Bradford on behalf of Ms. Valdez. Welcome to both of the folks on the Liberal side.

On behalf of Mr. Steinley right now is Mr. Patzer, making his way over, at least for the first hour perhaps, and Mr. Shields for Mr. Barlow.

Welcome, everyone, to the committee.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Monday, May 30, 2022, the committee is resuming its study of global food insecurity.

[*Translation*]

In accordance with the committee's routine motion concerning connection tests for witnesses, I am informing the committee that Mr. Raymond Orb has unfortunately not completed the tests required prior to the meeting.

[*English*]

However, we have worked on the connection and it looks like it's going to work, and the translators are satisfied enough to move for-

ward with his testimony. I just wanted to make sure that all participants knew that, according to our routine standing order.

Today we have three different witnesses who are going to be appearing. From the Canadian Agri-Food Policy Institute, we have Tyler McCann, managing director, joining us by video conference. Mr. McCann, welcome. From the Saskatchewan Association of Rural Municipalities, we have Mr. Orb, as was mentioned. Welcome to our committee, Mr. Orb, joining us virtually from Regina, it sounded like. From the Western Canadian Wheat Growers Association, we have Gunter Jochum, president.

Welcome to the committee. We look forward to hearing your testimony.

Colleagues, of course, as is customary, we're going to have a five-minute opening remark from each of the witnesses before we proceed to questions.

Mr. McCann, you're first on my list. You have up to five minutes. We'll go over to you, my friend.

Mr. Tyler McCann (Managing Director, Canadian Agri-Food Policy Institute): Thank you very much, Mr. Chair and committee members. Thank you for giving me the opportunity to appear on this important topic.

The world faces an incredible challenge: How do we produce enough food sustainably, affordably and profitably to reduce food insecurity around the world? According to the FAO, rates of undernourishment were actually falling up until 2014, and until 2019 they actually stayed pretty constant. Unfortunately, the number of food-insecure people began to climb after that. The World Food Programme now says that almost 830 million people go to bed hungry every night, with 210 million more people facing acute food insecurity in 2021 than did in 2019.

Canada, too, is seeing an increase in food insecurity. The most recent report by the University of Toronto shows that food insecurity rose from one in eight Canadians to one in six in 2021.

The World Food Programme cites four causes for the global hunger crisis we are facing: conflict, climate shocks, the consequences of COVID-19, and costs.

Today I'll talk about all four of these unique but very connected causes and about how Canada can offer solutions to each.

I'll spend less time on the first, but it is important to acknowledge that Canada should do more in Ukraine and around the world to mitigate conflict and its impact on food security. The world can produce endless amounts of food, but without safety and security, that food will not get to where it is needed. Conflict drives food insecurity, but food insecurity also drives conflict. There can be a devastating vicious cycle between the two.

COVID-19 impacted the global food system, but in Canada and around the world, the food system proved to be pretty resilient. You might not have been able to buy a new vehicle, but you could pretty well always find food on store shelves. Some of the consequences of COVID-19 are also finally beginning to ease. For example, while it's not back to prepandemic levels, the cost of ocean freight has fallen to 30% of what it was at its peak in September 2021.

The final two causes are very closely connected.

Canadian farmers understand the impact of climate shocks. A drought on the Prairies and a disastrous flood in B.C. are two recent examples. These shocks are happening around the world. This year we have been concerned about heat waves in India; droughts in China, Europe and the U.S. Midwest; and floods in Pakistan.

Climate shocks in China and India could be particularly devastating. These two countries alone make up more than 30% of world wheat production, but almost all of it is consumed domestically. While China has stocks that are a buffer for climate shocks, India and most other countries do not. A climate shock disrupting production in India, where a 30% loss would be equivalent to Canada's entire wheat production in a good year, would have a devastating impact on global food insecurity.

Cost is the fourth and final driver cited by the World Food Programme. Much has been made of the impact of the Russian invasion, but prices were climbing before Putin invaded. Shortages, supply disruptions, increasing input costs and market volatility started driving world food prices higher in 2020.

The solutions to climate shocks and costs are similar. They require a more productive, more resilient food production system that wastes less; more reliable and efficient infrastructure; and an effective global trading system.

I want to take a minute to focus on productivity, because it allows us to address food insecurity by producing more with less. This year, the OECD said that to meet the zero-hunger sustainable development goal and for agriculture to make its contributions to mitigating climate change, the sector must deliver productivity growth of 28% over the next decade. That is three times greater than that of the previous decade.

In Canada, we're heading in the wrong direction. Between 1990 and 2000, average annual agricultural productivity growth was 2.4% a year, but in the last decade, it has fallen to 1.8% per year. We need to turn this trend around. Boosting Canadian agricultural productivity will be good for farmers, good for the global food system, good for the environment and good for fighting food insecurity.

Food insecurity is a global challenge. Canada can be a leader with local solutions, but effective solutions require a whole-of-government approach.

Global Affairs should be using the upcoming Indo-Pacific strategy to make agriculture and food core to our strategy in the region and around the world. It should also make agriculture and food a core component of our overseas development assistance approach.

Regulators, including ECCC, Health Canada and CFIA, need to enable and facilitate access to the tools needed to boost productivity, including gene editing, and they need to focus on harmonizing our approaches with those of our major trading partners. Agriculture Canada and other funders need to increase and better target investments in R and D and in adding value to deliver that much-needed growth. The entire Canadian government should take steps to work in a more coherent manner to help Canada become an agriculture and food leader at home and around the world.

● (1640)

A final thing that we need to do is to have a more explicit conversation about the trade-offs and unintended consequences of trying to use the food system to meet several objectives, including food security and environmental and economic goals. We are not heading in the right direction to be able to do it all, and we need a more fulsome dialogue on what that means.

Thank you.

The Chair: Thank you, Mr. McCann.

We're now going to turn to Mr. Orb, for up to five minutes.

It's over to you, my friend.

Mr. Raymond Orb (President, Saskatchewan Association of Rural Municipalities): Thank you.

My name is Ray Orb and I'm president of the Saskatchewan Association of Rural Municipalities, known as SARM. I was born, raised and live in the small community of Cupar, northeast of Regina, Saskatchewan.

I'd like to thank the Standing Committee on Agriculture and Agri-Food for the opportunity to share our association's thoughts as it studies global food insecurity.

Our membership is made up of Saskatchewan's rural municipal governments. We also represent and serve the interests of Saskatchewan agricultural producers. SARM has been the voice of rural Saskatchewan for over a hundred years. I look forward to sharing our perspective on this critical issue with you today.

We are in a perfect storm for higher food prices, given the skyrocketing costs for fuel and fertilizer and other input costs, combined with the ongoing conflict in Ukraine. We see this negatively impacting the global market supplies for food, fuel and fertilizer. These commodities' prices are rising steeply.

Prior to the war, Russia and Ukraine were growing exporters of grains and oilseeds. Canada was losing its market share. Canadian producers can expand to fill that gap, but must do so with competitive prices and sustainably produced products. Now is the time for the trusted, reliable agriculture sector in Canada to step up and fill these gaps in the world market to help stabilize world food insecurity. We can't afford to waste this opportunity to fully support an industry that already contributes over \$110 billion annually to Canada's GDP.

Before I suggest what might be done to capitalize on this opportunity, I need to paint a picture of the realities facing our agriculture sector.

Most farmers carry a lot of debt. They buy seed, fertilizer and equipment every year, and then hope for a bumper crop and high returns many months later. Farm debt has risen every year since 1993. According to Stats Canada, at the end of 2021 Canadian farm debt totalled \$129 billion. That's up about \$8.6 billion from a year earlier, which outpaced the \$5.34-billion increase recorded the year before. The rising interest rates call into question the sustainability of some farms, which could directly affect consumers, as well as the one in nine Canadian jobs involved in this country's agriculture and agri-food sector.

The challenges that have arisen since the beginning of our COVID-19 pandemic problems have shone a spotlight on the reliability of our supply chains. Rail strikes, delays at port and tightening of border restrictions have slowed the movement of goods and people, resulting in direct supply chain disruptions. Farms looking to increase productivity or capitalize on new marketing opportunities struggle with finding and retaining good labour to support their plans for their farms.

Most importantly, Canadian agriculture producers need government support to help them compete internationally. Nearly 40% of farm income in the United States is estimated to come from government supports, with 38% in the European Union. Canadian producers need equal support now, more than ever, when facing the implications of inflation and rising fuel costs, to grasp the existing opportunity to fill world market gaps in grains and oilseeds.

Now, let's talk about opportunities.

We need to urgently increase the supply of skilled and unskilled labour, and to improve the knowledge and skills of existing workers. Farmers need access to agricultural labour to be successful and maximize their ability to expand. We need federal funding for grants to address the class 1A driver shortage in agriculture. Currently, farm operations are not eligible to apply for this funding. We also need government-funded employee incentive and retention programs that focus on agriculture. We need more training opportunities to be offered at times when farm labour is needed in the field during harvest and seeding.

We also see a huge opportunity to embrace those immigrating to Canada from Ukraine. SARM calls on the federal government to evaluate its process and the requirements for newcomers to get proper permits to enter the Canadian workforce. The government should focus on efficiency and reduce barriers so that we can welcome these Ukrainian immigrants into our province and into the workforce in a timely manner.

We also need the federal government to remedy the following issue. In March, the federal government placed a 35% tariff on fertilizer imported from Russia and Belarus amid the ongoing invasion of Ukraine. The tariff was intended to act as a sanction on Russia, as fertilizer is one of that country's biggest exports to Canada. However, suppliers are passing that cost on directly to farmers. We understand the need for sanctions, but a better solution would be a partnership with the Canadian government to get inputs arriving on time and providing tariff relief for farmers.

● (1645)

Agriculture has—

The Chair: Mr. Orb, I apologize. I gave you an extra 25 seconds or so. I don't mean to cut you off, but I also want to make sure we have time to get back around to questions. I'm sure you can elaborate on some of the points you were making, and my colleagues will be interested in engaging on them.

We're going to go to Mr. Jochum for up to five minutes, and then we'll go to questions.

Mr. Gunter Jochum (President, Western Canadian Wheat Growers Association): Thank you, Mr. Chair and committee members. I am grateful for the opportunity to appear before this committee.

My name is Gunter Jochum. I farm about 20 minutes west of Winnipeg, with my wife and daughter. I'm also president of the Western Canadian Wheat Growers Association.

We are a volunteer-based farm advocacy organization dedicated to developing ag policy solutions that strengthen the profitability and sustainability of farming and the ag industry. Our members grow grain, which ultimately will be turned into food. In times of supply chain disruption, war and economic instability, our goal of maximizing grain production for food is in the national interest and the international interest.

The COVID years were the biggest business challenge that I and farmers of my generation have ever faced, and the effects are lingering. Policies around COVID cost us workers and disrupted transportation. They have created food cost inflation the likes of which we have not seen in 40 years. That inflation is hurting low-income Canadians. The effects on low-income people globally will be disastrous.

However, we are farmers. We are used to challenges. In fact, we worry about and plan for worst-case scenarios every single year. Our goal is simple: produce more grain year after year in the most efficient way we can. The more grain we produce, the more grain gets turned into food and the lower the cost to consumers. It's very simple arithmetic.

The federal government's stated goal is to increase Canadian food exports by \$75 billion a year by the year 2025. The Barton report also called for less regulation in the ag sector, and we support that.

Instead, the government has implemented policy actions, such as the carbon tax, that make our inputs more expensive. At the current rate, the tax is costing my farm about \$40,000. However, the government wants to increase the tax, which would cost my farm a whopping \$136,000 per year by 2030. This will jeopardize the viability and sustainability of my farm.

There is a proposed policy that would reduce greenhouse gas emissions from fertilizer by 30% by the year 2030—an ambitious goal indeed. The government has stated that it's a voluntary goal. However, they have also said that not meeting this target is not an option. Various scientists have stated that achieving this goal utilizing efficiency methods currently available to farmers will not be possible. At best, a 14% to 15% reduction may be possible. The other 15% to 16% will have to come from reduced fertilizer use.

Fertilizer, whether it's in manure or synthetic form, is the single biggest contributor to yield. Without it, or with less of it, Canadian farmers will end up growing less, exacerbating the sustainability of farms and reducing grain for food production, thus directly increasing food insecurity in Canada and around the world, most notably among people who can least afford it.

Canadian farmers are very efficient farmers. Fertilizer is one of our most expensive crop inputs. We don't use it carelessly; it's quite the opposite. We soil-test and work with agronomists to develop crop rotations, crop plans and maps to help us precisely place fertilizer to maximize yield per nutrients used.

Will the proposed emission cut reduce greenhouse gases? Maybe in Canada, but internationally, it will only work out to approximately 0.0028% of total greenhouse gases. Is this even worth it?

If we grow less, then other countries will try to make up our shortfall. Other countries, where farmers aren't burdened with carbon taxes or greenhouse gas emission targets, will use more fertilizer to increase their yield, because Canadian farmers won't be able to compete. In turn, those countries will produce more greenhouse gases.

You are here today to discuss supply chain issues, and those are very important. We know that. Our message is that the surest way

to create supply chain issues is to hobble producers and the whole ag industry with bad policy.

• (1650)

Our message is simple: Let us do what we do best: grow safe, sustainable, high-quality grain that feeds people. Feed people with some of the most responsibly grown food in the world. If we flood the supply chain with abundant grain, inflation slows, and the poor will benefit most. Our message to you is to let us grow our grain as well as we can.

Thank you.

The Chair: Thank you, Mr. Jochum.

We're going to turn to questions. I believe it's Mr. Patzer who will lead for the Conservatives, for up to six minutes.

Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC): Thank you very much, Mr. Chair.

Thank you to all of the witnesses for coming today. It's certainly great to hear your thoughts; each of you provides a unique perspective.

I'm going to start with a basic question on the issue of rail transportation, and all three of you can answer it—or if one of you wants to answer it, it doesn't really matter.

Maybe, Mr. Jochum, you can start with it. As we're coming into winter, what concerns does your industry have with rail in this country?

Mr. Gunter Jochum: Our concerns are that rail transportation is at its limit. Both CN and CP have stated that in the past month they have transported as much grain as they have ever before, which is good to hear, but we saw what happened last year with any kind of weather disruption or strike action; as soon as this happens, we will be in a lot of trouble. Last year, the only reason we managed to get through the tough times was that we had a very poor crop. This year, we have an average or possibly above-average crop, and we cannot afford to have any kind of disruption. The government needs to work with railways to ensure that there's no work stoppage and that goods flow as smoothly as possible.

Mr. Jeremy Patzer: Mr. Orb, do you have anything you want to add to that?

Mr. Raymond Orb: Yes, thanks, Mr. Patzer.

I would also like to add that last week SARM was in Ottawa, and we met with the Minister of Transport, Mr. Alghabra, and relayed our concerns. We met very recently with both CP and CN rail and they showed us their plans for winter movement and for the rest of the crop year. We're always concerned about issues. Some of the things we've already talked about, but one thing we brought to the minister's concern was that we're asking the federal government to make rail service, particularly in the grain and oilseed industry, an essential service, because we feel that farmers shouldn't carry the burden when there are labour strikes and things like that, poor weather, all those things. Rail needs to be given a higher priority.

One more concern we have is that we know there is an issue with loading ships in the port of Vancouver when it rains, and everyone knows it rains quite often at the port of Vancouver. They need to have covers at the loading facilities to be able to load the ships 24-7, seven days a week. That's one of our major problems, that the grain is not moving through that port as well as it should be.

Mr. Jeremy Patzer: Thank you very much.

When we talk about the issues for farmers, we were talking about the tariff relief, for example. That's a cost that gets passed down to the producer. It's the same with the carbon tax; it's a cost that gets passed down to the producer.

I'm wondering, Mr. Orb, if you want to finish your statement on the tariff relief on fertilizer. Fertilizer is a very important aspect of farming, so if you want, you can spend 30 seconds to a minute finishing that statement quickly.

• (1655)

Mr. Raymond Orb: Yes, absolutely, it was to ask the federal government not only to reconsider the tariff itself, but also to help with supply chain issues. A lot of our fertilizer—especially nitrogen—is manufactured in this country, but a lot of it does come in from offshore, so we need perhaps more funding or more interest paid by the federal government. We need to realize that natural gas is a natural resource that we have here and we don't need carbon taxes on top of those products we have available in our country.

The last point I wanted to make was that rail is an essential service.

Mr. Jeremy Patzer: Mr. Jochum, would it be fair to say that your carbon tax rebate does not match how much you pay in carbon taxes?

Mr. Gunter Jochum: Absolutely. This year, the carbon tax alone will add about \$40,000 to my farm. My farm is a very viable family farm. There's no off-farm income to supplement us, and this will really hurt. As it increases up to the year 2030, it will put my farm's sustainability in question. The carbon tax is an unfair tax, and I would say a tax on basic food production is wrong on every level.

Mr. Jeremy Patzer: Thank you.

I have only about 30 seconds left here.

I was on a previous study on biofuels. We were told that they could increase yield production, so they could get more tonnage without adding more land usage. However, now, as we're hearing

about the potential for fertilizer usage being reduced, is that even possible to do?

Mr. Gunter Jochum: I doubt it. Farmers are very efficient as it is.

This year, we had a tremendous year. The biggest contributor to yield is, of course, rain and fertilizer.

The Chair: I'm sorry, Mr. Jochum. We're going to have to leave it at that, but Mr. Drouin is going to pick up a line of questioning. I know we'll have another opportunity.

Mr. Drouin, go ahead.

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

I want to thank all the witnesses who are here before us virtually.

My questioning will start with Mr. Jochum.

I disagree with a couple of statements, but you've made them and I respect them.

With regard to fertilizer, are you aware that the 4R research network has done a study saying that if western Canada adopted 4R everywhere across Canada, we could get to between 50% and 75% of our goal without impeding yields?

Mr. Gunter Jochum: I have not heard of that study.

However, others have studied it. I forget if it was Mario Tenuta out of U of M who said that with just the 4R fertilizer efficiency, we cannot gain the 30% emission reduction.

Mr. Francis Drouin: Scientists have been there. The study I'm quoting is just about implementing 4R in western Canada, not even including Ontario or the rest of Canada. We could get anywhere between 50%.... Fertilizer Canada has reconfirmed that just a few months ago. They said that's a conservative figure because 4R research has come up with anywhere between 50% to 75%, which would bring us to 22.5% at the top, or 50%.

I'm just trying to lay some facts on the ground. I know there's been a lot of misinformation with regard to what's been happening in Holland, which is not what we're trying to do. Neither the minister, nor I have ever said we would implement that 30% emissions reduction through regulations. We said we would do that through incentives.

You've said that we would do that through regulations. I'm just curious to find out where you have been hearing that. That's the first time I've heard that.

• (1700)

Mr. Gunter Jochum: All I heard was that, yes, the minister has said that it is a voluntary goal. At the same time, I have also heard the minister say that not achieving a 30% reduction in emissions is not an option.

Mr. Francis Drouin: Can you provide this committee with that quote you heard from the minister, please? It's just that I have never heard the minister say that. I'm really close with her. I've been working with that office for seven years. Whether it was the previous minister or the new minister, I have never heard the minister say that before. I'm curious to find out where you've heard this and who's telling you this because I think that's misinformation to this committee.

If you've heard the minister say this, I would correct you and say the minister has said publicly and consistently that this is a voluntary goal. Our intention is to provide incentives and not to provide any regulations on that matter.

I am happy to have this debate, but it has to happen on facts.

Mr. Gunter Jochum: Agreed.

I have heard it from a third party. I have not heard the minister herself say that. I have heard it from a journalist who asked the government what happens if we cannot reach 30% reduction. The minister or her office apparently had replied that it's not an option.

Mr. Francis Drouin: I'm just here to say that farmers have been doing a great job. Some of them are way ahead of the technology. They are way ahead and they are doing a great job.

We've also provided \$17.5 million to the Canola Council of Canada to help more farmers implement some of those practices that a lot of farmers are already doing. We're just trying to get this widespread use through incentives. That's the way we're trying to get this done.

I'm not here to fight with you. I agree that farmers are doing an extremely great job. Whoever is doing the amazing job that they are already doing, we're trying to get those practices to be adopted on a wider spread.

Am I on time?

The Chair: You have a minute and 15 seconds.

Mr. Francis Drouin: I'll pass it to Ms. Taylor Roy.

Thank you so much. I appreciate everyone who is before us today.

Ms. Leah Taylor Roy (Aurora—Oak Ridges—Richmond Hill, Lib.): Thank you, Mr. Chair.

Thank you to our witnesses.

I have one question regarding... I think you, Mr. McCann, talked about climate shocks and what would happen in China and India with them, underscoring the need to address the climate crisis.

In your opinion, how significant is the role of developing lower-emissions technology and its uptake in agriculture to food security in the long run?

Mr. Tyler McCann: In the long run, it certainly plays an important role, but we can't lose sight of the short term. These climate shocks don't just exist five, 10 or 15 years from now. We need approaches, practices and solutions that have systems in place so that for next year, if the heat wave or the drought you were concerned about in China this year gets worse, we're able to respond.

Yes, we need to look at long-term solutions, but we cannot lose sight of the need for adaptation today. That's a risk in China and India. It's a risk in Canada too. Gunter has lived through a drought. We need to be doing more to make sure that we have agriculture around the world that can withstand these shocks.

Yes, mitigation plays a role, but we cannot lose sight of the need for adaptation today.

[Translation]

The Chair: Thank you, Mr. McCann and Ms. Taylor Roy.

I am now giving the floor to Mr. Perron for six minutes.

Mr. Yves Perron (Berthier—Maskinongé, BQ): Thank you very much, Mr. Chair.

I also thank the witnesses for being here with us today. I'll continue with Mr. McCann.

Mr. McCann, you were talking about the urgency of measures to counter climate change. Agriculture is clearly one of the sectors that has been most affected.

Do you think that the idea of providing direct support to agricultural producers who adopt best practices, and recognizing and paying farmers for improved agricultural performance, could be an option?

• (1705)

Mr. Tyler McCann: Yes. That could certainly be part of the solution.

If we look at what's happening at the moment in the United States and Europe, it's clear that governments are investing enormous amounts of money. However, the American approach is to invest on finding solutions. It's not only a matter of supporting practices that we already know about or supporting farmers who are adopting practices like 4R fertilizer efficiency. It's also a matter of finding solutions, discovering new practices, and introducing systems that make things easier for the government to support not only farmers, but also markets.

Companies and consumers are clearly ready to pay more, but it's important to introduce systems that allow companies and farmers to pay for improved performance. Solutions need to come from the government, but then the government will also have to support market-driven solutions.

Mr. Yves Perron: Right. What you're saying is interesting.

What do you think about our imports?

In committee, we talk a lot about exporting more products. We also import a lot of agricultural goods. We are in a context in which we're asking our local producers to make huge efforts to constantly improve their performance, but I get the impression that we're not asking much of the foreign producers who export their goods to Canada.

How could we go about developing a form of reciprocal standards?

Take the example of a Mexican tomato that costs less than a Quebec tomato in the grocery store. The Mexican tomato had to travel across the continent to get to the store. There's a carbon footprint. Do you think there might be a way of measuring that?

Do you have any recommendations to make in this area?

Mr. Tyler McCann: Yes.

First of all, it's important to point out that the transportation of agricultural commodities usually represents a very small part of the carbon footprint for these products.

Nevertheless, it's clear that our producers should be competitive not only in those markets to which they export their products, but also competitive here in Canada.

Needless to say, standards within Canada's borders are important, but we need a better international system. In recent years, the rules for international trade haven't worked as they should. Support is needed for efforts to find a solution that would make the international trade system work properly again.

Mr. Yves Perron: Okay.

That's quite a challenge for us. If you have any specific proposals, we would gladly accept them.

Still on the topic of our local producers being able to compete with foreign goods, our local farmers are being asked to boost productivity, and those that export are in competition with others. I believe it was Mr. Orb who provided the percentages of support to farmers, which were approximately 40% in the United States and 38% in Europe. The percentage here is very low. Do you think a major change in direction is needed in Canada?

Mr. Tyler McCann: I believe we should always be aware of how effective this support is. The important thing is not necessarily the amount paid, but rather how the money is paid and the effectiveness of the support. In Canada, risk management programs are available, but these are perhaps not the most efficient tools.

I believe that the US\$3 billion investment from the American Department of Agriculture to the Climate-Smart Commodities program is very effective. This money will also be used to support and attract investment from the private sector. It's not that large an amount in terms of support for the agricultural sector, but it will have an impact for years.

It's really a matter of determining how we can provide better support to our farmers and smarter investment in the system to achieve enhanced outcomes at the end of the line.

• (1710)

Mr. Yves Perron: Mr. McCann, there are also ways of supporting our farmers that don't cost anything. I'm thinking, for example, of maintaining systems like supply management. I'd like to hear what you have to say on that.

Mr. Tyler McCann: For milk, the world market is changing. Canada may have a role to play in exporting products like milk powder.

It's undeniable that the system in Canada is working, that it helps our farmers and ensures that some products are also available for Canadians.

The Chair: Thank you very much, Mr. McCann and Mr. Perron.

Mr. MacGregor now has the floor for six minutes.

[*English*]

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Thank you very much, Mr. Chair.

Thank you to our witnesses for appearing before our committee today. We do appreciate testimony helping us formulate some conclusions for the report that we want to table on this important subject.

Mr. Orb, I'd like to talk with you. I was taking some notes from the appearances of both the Canadian Federation of Agriculture and the Ontario Federation of Agriculture. At one point in their testimonies, both expressed some concern about the encroachment on farmland.

Given that you represent rural municipalities in Saskatchewan, I'm just wondering.... I mean, we know that, of course, land use decisions are provincial and fall under municipalities—they are creatures of the province. Can you maybe talk a little bit about how farmland is being preserved from that encroachment in Saskatchewan? I think you'd have a unique perspective. Do you see any role that the federal government can play in preserving that valuable farmland, given that we're talking about the theme of food security and how integral land is to that question?

Mr. Raymond Orb: In Saskatchewan, we don't have policies in place that actually protect [*Technical difficulty—Editor*]. We know that our Alberta neighbours do. They have a program that, I think, has more concerns about some of the larger cities especially, but we don't. I'm sorry that I can't help you with that.

However, we are aware, across Canada, that there are about 55,000 acres—so, in hectares, it would be about 25,000 hectares—every year that are taken out of agriculture production and used for urbanization. The City of Saskatoon here, which is the largest city in Saskatchewan, does have a policy now where it's not going outside. It's actually redeveloping some of the areas inside of the city, so I think the land use policy that the City of Saskatoon has is a good one.

I don't know if that directly answers your question, but it's the most information I can give you.

Mr. Alistair MacGregor: Yes. It's always interesting. I come from British Columbia, where we're all familiar with our provincial agricultural land reserve. Just across the street from where I live, in fact, it's preserved to ensure this. I was just curious. We all acknowledge it's an important one, so if there are any roles that the feds can play....

I want to take something that you also talked about, farm debt and how it's been growing since the 1990s. It calls into question the sustainability of many Canadian farms.

Maybe I'll turn the question to you, Mr. McCann, because you were talking about the fact that we need productivity growth in Canada to address many of these problems. Could you maybe talk a little bit about how the growing farm debt ties into that conversation and how we as a committee need to address that if we're going to tackle the issue of growing our agricultural productivity? How do we do that when so many farms are carrying so much debt, and it has been growing at a pretty significant pace since the 1990s?

Mr. Tyler McCann: It's always important to start talking about debt by putting that debt in context. Debt in and of itself is not necessarily a bad thing. It enables producers to invest in their business. It enables producers to buy land, buy equipment and machinery. Yes, debt is growing, but we're seeing asset values increase as well. The net worth of many farms increases at the same time.

Therefore, I think the debt needs to be taken into context. It really is about how we ensure that our farms are profitable at the end of the day. Productivity increases are enabling our farms to be more productive and profitable at the end of the day. It can enable them to better service the debt they have.

Clearly, when you look at the technology, the advances that are coming down the pipes, we do need profitable farms that are able to invest in those resources to be able to put them into practice. We've talked about the potential to reduce fertilizer emissions. A lot of the equipment that is needed for that is quite expensive, and farms need to be able to handle that debt, be able to take that on. They need to take it on knowing that, again, it's going to be productive debt. It's going to be debt that will enable them to make investments that pay down that debt. It enables them to grow and continue on.

The story of debt and agriculture is a complex one, but today if you look at what farmers are doing, their practices, the investments they're undertaking, these don't seem to be holding them back. That's a good thing for the country and for people around the world because our farmers are making the investments they need to be more productive, to be more efficient and to continue to grow.

• (1715)

Mr. Alistair MacGregor: Thank you.

Mr. Chair, I'll save the next question for the next round. Thanks.

[*Translation*]

The Chair: Thank you very much, Mr. MacGregor and Mr. McCann.

It's the Conservatives' turn now.

Mr. Shields, you have the floor for five minutes.

[*English*]

Mr. Martin Shields (Bow River, CPC): Thank you, Mr. Chair, and to the witnesses here today.

I think when we started with Mr. Orb, he sort of expressed some things that I would suggest.... The big gamblers are not in Las Vegas. The big high rollers are out on the farms because they leverage themselves with everything they have—for the seed, the fertilizer, the equipment—to be able to start the season. Then, they hopefully get some return months later.

When you talked about fertilizer and the costs, I thought 4R was a pretty widespread principle that a lot of people are practising, because fertilizer is expensive. In the world you're connected with, Mr. Orb, do you find that the 4R principle is pretty well understood and being used significantly?

Mr. Raymond Orb: I think the 4R principle is better known now than it was previously. Our provincial government has endorsed it, so our Minister of Agriculture here in Saskatchewan talks to many producers about that.

Many producers are already doing that—

The Chair: Mr. Orb, my apologies. I've stopped the clock. I think we have a bit of a technical issue with some of our translators.

[*Translation*]

Mr. Yves Perron: The interpreter is signalling that what's being said is inaudible.

[*English*]

The Chair: We're going to just check this. I'll look to the clerk to do that.

I'm sorry to have interrupted you, Mr. Orb, but why don't you try to continue? It looked like there was a bit of a glitch in your Internet, but why don't we try to continue and we'll see where we go from there?

Mr. Raymond Orb: Thank you, Mr. Chair. I'll try again, hoping that you can understand me.

On the question about 4R, I think it's something that's better understood in our province. Many of our farmers are already doing just that, because of the high cost of fertilizer. Many were not able to buy the fertilizer before the prices started to increase dramatically last spring.

I think we need to talk about the new technology, too, because as technology develops and we have better innovation, farmers most likely won't be able to save money using fertilizer. I think right now the whole point is that farmers broadly don't have that technology available. It's very expensive. To ask us farmers to take on more debt because of a federal government policy that tells us, on the one hand, that we need to produce more food, and then we're told we need to reduce our emissions.... We're not sure how we can do that with the adaptation and the equipment that we have on our farms now. That's a concern we have.

Going back to Mr. Drouin's statement, I agree with what he has to say about that, but I think many farmers are really concerned about that. It has a bad effect as well. It creates an urban-rural split, and perhaps bad feelings between urban and rural people, because many farmers are being blamed for polluting, when agriculture is really only about 10% of the total greenhouse gases that are emitted in this entire country. We're not sure why the fingers are being pointed. Whatever we do, farmers will adapt and farmers will be able to reduce greenhouse gas emissions, but I think we need more time and innovation to do that.

Mr. Martin Shields: One of the things I have access to is information from irrigation districts. The largest ones are in my riding. The Western Irrigation District says their operation costs have increased year over year at 53%. That's a huge increase in costs.

Are you finding similar cost increases in the organization that you work with?

• (1720)

Mr. Raymond Orb: Absolutely. The costs for our producers have gone up dramatically as well.

Of course, the grain prices have, and if farmers are able to capitalize on that, if farmers do have good crops, it takes away the sting, perhaps, of the increase in prices.

Being able to get a crop seems to be a huge challenge. A large area of our province this year, and part of Alberta as well, was under a lot of drought and farmers didn't get a lot of rain, so they weren't able to grow the crops. High prices on the input side often raise lots of red flags for producers.

Mr. Martin Shields: You mentioned one other thing. The understanding is that farmers are price-takers. They can't pass on their increased costs. Everything that's above them, an increase in price, they have to absorb it.

You talked about rail. Rail is just the start. The challenge with rail.... In 2013 and 2014, CN didn't deliver one load of grain out of northern Alberta, for example. You have the port, where if it rains, no matter what the covering is, they don't go to work. Then you have all the boats in the harbour and people complaining about the boats in the harbour and the demurrage, because things aren't working smoothly.

Are there any comments you'd like to make on the whole supply chain, from your farm to when it's loaded on a boat and gone?

Mr. Raymond Orb: I think since 2013, except for what happened last year in British Columbia, our grain shipments have been

moving in a more effective manner, but of course the flooding last year in B.C. stopped a lot of the grain from going on a timely basis.

The federal government does pay attention to transport, and I think the Minister of Transport believes that grain should be an essential service, but I know there are logistical problems doing that, because of unions and people who have contracts and things like that. They need to live up to them.

I think we also have to look, perhaps, at the Port of Churchill in northwestern Manitoba. They are rejuvenating the rail line, and they've made lots of improvements to that port. There is federal funding going into that, to the federal government's credit. We need to look at that as well.

The Chair: Thank you, Mr. Orb.

Thank you, Mr. Shields.

We'll now go to Mr. Louis, who is tuning in virtually.

It's over to you.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Mr. Chair.

I want to thank all the witnesses. We appreciate your being here.

Maybe I can start by directing my questions to Mr. McCann from the Canadian Agri-Food Policy Institute.

You mentioned the need to continue working toward more production and a more resilient food system, and that your goal is to work with farmers so they can produce more with less. We're hearing that as a common theme today. That would help feed Canadians, and it would help feed the world. I think we can all agree that would be good for our farmers, while at the same time being good for our environment.

Can you share with this committee your "environmental sustainability initiative Spearheading Sustainable Solutions...which aims to advance policy solutions that support the [agriculture] sector's ongoing improvements to its sustainability"?

Mr. Tyler McCann: We have an ongoing research program, and we have this reality in agriculture that farmers have made significant improvements in Canada.

Canadian farmers were world leaders in developing and adopting no-till production. No-till production is probably the single greatest thing that Canadian farmers could have done for the environment. It's always important to recognize that farmers largely developed those technologies, those approaches, in Saskatchewan and across the Prairies. They adopted the technologies and practices on their own, because it made sense. Again, it was good for the soil, it was good for their business, and it has had a tremendous impact on our ability to store carbon in the soil.

What we think we need to do is ask how we can continue to do that. How can we continue to identify the practices that make sense for farmers to adopt and that are good for farmers, that are good for the environment and that produce significant co-benefits? That looks at things like soil health. It looks at what we know about variability. Why don't we develop a system that supports farmers when what works on Gunter's farm in Manitoba is not going to work on my farm in western Quebec? We need a more dynamic policy response that enables that to happen.

We have a number of projects under way that really look at how we recognize this reality and how we enable it to take off.

Mr. Tim Louis: I appreciate that answer. I think you touched on an important thing. Canada is just geographically so large that it will be difficult to paint with one brush and say this is what works. You mentioned a whole-of-government approach, which will be working together federally, provincially, territorially with the farmers themselves and maybe the tech sector as well.

Do you think it's possible for Canada to be a global leader in sustainable agriculture? If so, what steps do we need to take, and how can we share those best practices with each other, given the size of Canada?

• (1725)

Mr. Tyler McCann: I think we absolutely can. It's important to recognize that already today many of the crops we produce in Canada are some of the most efficient in the world. If you look at the carbon intensity of Canadian canola as a feedstock into renewable diesel markets, for example, we really are a leader. If the world only produced renewable diesel using Canadian canola, we would be better off for it.

It is also about recognizing that there's significant room for improvement. We are not a world leader when it comes to a regulatory environment for gene editing. We are not a world leader when it comes to a program suite that enables the development of new technologies. We are not a world leader when it comes to creating an environment that encourages private sector investment in R and D. We have significant room for improvement on a variety of these different things.

Again, our farmers do a really good job, but often the policy environment in Canada, where we tend to be very cautious and we tend to be very comfortable with the status quo, doesn't keep up with the work that they are doing to deliver sustainable and productive food.

Mr. Tim Louis: I'll ask you to elaborate on that. We have heard that before, about increasing private sector investment. Some countries are ahead of us on that.

What kinds of things can we do? We have the technology, and we can export that technology, but you're right that we do need investments, and it can't just come from the government itself. It has to come from the private sector. What kind of short-term things can we do to instill that confidence?

The Chair: Answer in 30 seconds, please.

Mr. Tyler McCann: For Canada to estimate the impact of the regulatory environment, we need better programs that are more targeted and can be leveraged to take those public dollars and invest

them with private dollars. We need to do a better job of making sure that we can export this technology and that we can export our agriculture and our products around the world as well.

Mr. Tim Louis: I only have a few seconds. I just want to mention a comment from Mr. Orb.

You mentioned that you saw finger pointing from urban to rural regarding these emissions. I would say things are a bit different in my riding of Kitchener—Conestoga. It's not finger pointing but more handshakes and "thank you for feeding us". For the record, it's possible to have that strong rural-urban relation.

Thank you.

The Chair: Those are good lessons from Kitchener—Conestoga. Thank you, Mr. Louis.

Thank you, Mr. McCann and Mr. Orb.

[*Translation*]

Mr. Perron, you have the floor now for two and a half minutes.

Mr. Yves Perron: Thank you, Mr. Chair.

Mr. Orb, in your opening address you spoke about the need for newcomers to obtain their work permits in a timely manner. That leads me to talk about the issue of labour and foreign workers. As you know, there are currently major problems with respect to processing applications.

Do you have any particular recommendations for the government?

[*English*]

Mr. Raymond Orb: Yes, and thank you for the question, Mr. Perron.

We have been working with Mr. Harrison, our immigration minister here in Saskatchewan. We know that there have been some issues with bringing in farm workers and with bringing in Ukrainian immigrants, who are the ones who may have lived on farms in Ukraine. We know that there are different restrictions for those people, especially in regard to testing and things like that. The minister has been able to work with the federal government to fast-track some of that, hopefully, but we haven't seen the direct results yet.

We know that one of the big problems we have in agriculture is getting farm workers. Of course, a lot of the Ukrainians who are coming into Canada have experience working on farms. Or they may need training. That's the other thing: We need to have more funding for training as well.

I mentioned that the truck driver shortages are not unique to Saskatchewan. That's happening across the country. We need to have more drivers. In some cases, those people need to get training to be able to get their licences here. Right now, the Canada-Saskatchewan job grant does not allow for training on farms for class 1A truck drivers. We're asking the federal government and the province to look into this to see if they can alleviate that.

[Translation]

Mr. Yves Perron: Thank you.

Specifically on the topic of foreign workers, would issuing visas for a longer period for workers who return each year, and automatically renewing their visas, be measures you would like to see?

• (1730)

[English]

Mr. Raymond Orb: I think that would help. We know that during COVID temporary farm workers had issues in being able to be let in. The federal government did make some changes, but these people I'm referring to would have permanent residency in Canada. I think all those changes are worth looking at to fast-track that, for sure.

The Chair: We'll leave it at that.

Thank you, Mr. Orb.

[Translation]

Thank you very much, Mr. Perron

Mr. MacGregor, it's over to you now for two minutes and 50 seconds.

[English]

Mr. Alistair MacGregor: Thank you very much, Mr. Chair.

Mr. McCann, I'll turn my last question to you to wrap up this round.

I know that your institute's work reflects systems thinking. You research complex and interconnected food issues and you bring voices to the table.

I was just looking at the European Union. They've put in place a contingency plan following their experiences with the COVID-19 pandemic and all of the stresses that caused for their food system, their transport system and so on. In terms of here in Canada, you talked about the vulnerabilities we have in our various systems, and you also talked about climate change.

The other hat I wear in the House of Commons is a public safety one, and that also covers emergency preparedness. In looking at what other jurisdictions are doing, notably the European Union, what role do you think our federal government can have, whether it's the Department of Emergency Preparedness or Agriculture and Agri-Food Canada, in maybe putting in place our own contingency plan? This is a problem that's bigger than what any one region or any one province can handle. Do you have any thoughts on that particular aspect?

Mr. Tyler McCann: Again, I think you're going back to the principle of the whole-of-government approach, which is important in this case.

I think the community around Agriculture and Agri-Food Canada, the federal department, came together pretty quickly. They tried to be responsive and they tried to address the issues that arose during COVID-19, but this really laid bare that we didn't have a very good plan. A lot of this was being done on the fly as we tried to manage and deal with the consequences of this.

Our hope is that there are lessons learned coming out of that experience that will enable us to have better systems in place to plan for the future. We saw that at the local level in B.C., where, again, systems had to be built in order to address the impacts of the flood.

Again, we see a level of creativity. We saw regulatory issues that we hadn't been able to resolve for a long time resolved by officials. I think they showed that we can do good things in Canada, that we do have the ability, but it would be nice to see more proactive planning—not just planning inside government, but planning between government and the industry and rest of the value chain—so that we can all come together and have systems that are in place when needed.

Mr. Alistair MacGregor: Thank you.

The Chair: Thank you, Mr. MacGregor.

Thank you, Mr. McCann.

On behalf of the committee, I would like to thank all of our witnesses today for joining us on our panel and for sharing their knowledge and perspective as part of our study, with their collective work in agriculture. Thank you very much.

Colleagues, we will be transitioning to panel two in about two or three minutes. We have a bit of committee business to discuss at the end. We might keep it a bit truncated, but please don't go far.

• (1730)

(Pause)

• (1735)

The Chair: I call the meeting back to order.

Colleagues, thank you so much. We're going to get back to it.

We're really fortunate to have three witnesses here.

Mr. Beusekom is having some issues on the technical side. He was unable to do his test. We will see if we're able to get him in, but I want to proceed with the two witnesses we have before us.

We have Kathleen Sullivan, the chief executive officer of Food and Beverage Canada, who is joining us in the room. Welcome back, Ms. Sullivan. I understand it's your first time back to the committee room in two or three years.

On the screen, from Ray-Mont Logistics, we have Stephen Paul, who serves as the vice-president of supply chain logistics. Welcome, Mr. Paul.

As I said, we might have Mr. Beusekom if we're able to figure out the technical elements.

I'm going to start with opening remarks.

Ms. Sullivan, you have up to five minutes. I'll pass the floor over to you.

● (1740)

Ms. Kathleen Sullivan (Chief Executive Officer, Food and Beverage Canada): Thank you very much, Mr. Chair, and good afternoon.

I am Kathleen Sullivan, CEO of Food and Beverage Canada. We are a national trade association that represents Canadian food and beverage manufacturers. Across Canada there are almost 8,000 food and beverage manufacturing establishments. The vast majority, as I'm sure you well know, are small and mid-sized businesses. These companies play a critical role in transforming Canada's agricultural products into food for Canadians and for our trading partners.

A strong and vibrant food-processing sector is critical to support primary agriculture, to ensure local food security and to ensure Canada's food sovereignty. The past few years have been unprecedented in this sector. Critical labour shortages, disruptions in global and domestic supply chains, historic price inflation, climate emergencies, natural disasters, transportation infrastructure disruptions and many other events have placed inordinate and, most importantly, destabilizing pressure on Canada's food system.

While food manufacturers should be looking towards recovery and growth, they are instead contemplating consolidation and contraction. Critical to the future of Canada's food system is ensuring that we strengthen the foundational elements that are required to support and stabilize this sector. Without a strong foundation, economic growth and expansion will not be possible.

Today I will very briefly focus on three critical foundational issues: labour, supply chains and infrastructure.

The first is labour. Labour remains the most serious issue facing Canada's food and beverage manufacturers. I think over the past year we've had a chance to talk to almost all of you about this. Today we estimate that the sector is still short about 20% of its workforce, a situation that of course was exacerbated during the pandemic. It has worsened, and we expect it will worsen over time.

Manufacturers are struggling to attract workers from a limited and shrinking labour pool. Chronic labour shortages and serious skill gaps undermine our ability to maintain current levels of food production, threatening local food security and weakening our future economic development and trade growth.

With funding from the future skills centre, my organization, along with the Canadian Agricultural Human Resource Council and the Canadian Federation of Agriculture, is now leading the development of a workforce strategic plan for agriculture and food and beverage manufacturing. This is an industry-led initiative, with participation from over 100 stakeholders. It is identifying the root causes of our labour shortages and our skills gaps, identifying concrete actions to address these shortfalls and setting meaningful goals and timelines to measure progress and resolve the issues. We

strongly encourage the federal government to continue supporting this work.

We also encourage the federal government to continue making improvements to Canada's temporary foreign worker and immigration systems. Foreign workers will be critical to addressing labour issues in the short and medium term. In April, the federal government announced very welcome changes to the TFW program to provide short-term relief for labour force challenges. We encourage the government to continue improving access to foreign workers by simplifying the TFW program, by introducing a trusted employer model, as announced in budget 2022, and by establishing programs to secure workers for permanent and year-round jobs.

I will just take a moment to comment on yesterday's announcement about the immigration targets for the next three years. These are very welcome, but unfortunately even with greater numbers of people coming into the country, the current immigration streams do not always support the workers we would be looking to have enter our industry, so we will have to work on that as well.

Finally, I want to talk jointly about supply chains and infrastructure. The federal government has designated food and beverage manufacturing, along with the entire food supply chain, as critical infrastructure. Despite this, in truth, few measures are in place to insulate Canada's food system from external pressures. The challenge of maintaining Canada's food infrastructure and supply chains falls largely to industry itself, a challenge that is complicated by the size and scope of industry, by the lack of policy coordination across different government jurisdictions, by the global nature of supply chains themselves and by the fact that virtually all of the enterprises that exist along the food supply chain are private enterprises, many of which are publicly traded and each of which has its own independent objectives and governance structure.

● (1745)

We very much welcome the report of the national supply chain task force released in October and encourage the federal government to implement those recommendations.

We also recommend the federal government adopt measures to ensure a consistent and coordinated approach to support supply chain resilience for Canada's food system. This could include, for example, investing in ongoing monitoring and intelligence gathering related to global and Canadian supply chains that is shared with industry, and investing in measures to buffer the food system from external shocks and to support food supply chain resilience, starting with a critical assessment of key risk factors and vulnerabilities along the food supply chain.

The Chair: Ms. Sullivan, I've given you a little bit of extra time. Could you just wrap up, please?

Ms. Kathleen Sullivan: On infrastructure, I would just like to add—and the national supply chain task force report comments on this—that we also encourage the government to recognize that a lot of the infrastructure needed to get people to work is actually local infrastructure—whether there's affordable housing, public transportation or day care for workers—so it is imperative that the governments at the federal, provincial and municipal levels continue to work on that.

I'm more than happy to elaborate on any of these during the question and answer period.

Thank you.

The Chair: I'm sure our colleagues will call upon you.

Mr. Paul, you have up to five minutes, please.

Mr. Stephen Paul (Vice-President, Supply Chain Logistics, Ray-Mont Logistics): I want to thank the committee for giving Ray-Mont Logistics the opportunity to speak in respect to the Canadian food supply chain.

To give you a bit of background about Ray-Mont Logistics, we're a 30-year-old company based in Montreal with a focus in the movement of containerized goods. We have three terminals strategically located in Canada—in Montreal, Vancouver and Prince Rupert—with an operating capacity of over 125,000 TEUs annually. We're an export-oriented company, having moved over one million TEUs over the last decade. We're vertically integrated, which allows us to collaborate with railroads, ocean carriers, transportation companies, port operators and customers simultaneously, and this gives us a unique perspective.

Our primary commodities are agricultural, plastic, resin and pulp, but agriculture has been at the root of our company's existence for the last 30 years. Pre-COVID, we moved approximately 2.5 million tonnes of agricultural products in containers for export.

The supply chain challenges to move agricultural products in containers have been tremendous over the last few years, and it must be noted that the early warning signs actually date back pre-COVID to the spring of 2019, with the emergence of blank sailings as a mechanism to control supply chain economics. However, the emergence of COVID in the spring of 2020, and the resulting supply chain events that followed, has created new challenges at every turn. It has led not only to disruptions of containerized agricultural exports, but to the supply chain having to readjust and reinvent itself at times.

Over the last few years, key areas of concern have been the aforementioned blank sailings; access to empty containers by select carriers; removal of historical vessel services or vessel allocation, which has resulted in seismic shifts of volume from west coast ports to east coast ports for agriculture; growing labour issues in every sector of the supply chain; and, most importantly, the fluctuating shifts on import movement, resulting in a perpetual pendulum effect on the supply chain readjustments. Examples of this are port and rail congestion, which happened after the first wave of COVID as imports surged seemingly without notice, and then changes to supply chain strategies on large import companies from just-in-time to just-in-case, which has subsequently placed additional pressures on warehousing and container storage capacity.

While we do see signs of improvement in the supply chain, there are many challenges that persist today and numerous areas for improvement to move agricultural products more effectively and efficiently.

Here are a few of the recommendations we have as an organization.

The first is to take an understanding that the shift in supply chain patterns could be long-lasting. We can't merely expect the supply chain to normalize fully and that the previous way of moving things will be sufficient. We have to come to a realization that this might be the new normal. We have to understand that element, and that what drove container growth in ocean containers over the last several decades, namely market share, has subsequently been replaced with a focus on financial stability and margins for most private businesses.

The second recommendation is that there must be a quick development of new and existing infrastructure to create surge capacity at multiple levels of the supply chain. These levels include port infrastructure and rail infrastructure, as well as transloading and logistics parks. To achieve this initiative, programs such as the NTCF will be required to encourage private firms to expand their supply chain capacities. The process must be streamlined to react quickly, as the emerging issues in the global supply chain are growing and developing more rapidly than Canada is keeping up with them.

The third element is that all levels of government must encourage and support supply chain development projects for the overall improvement of the Canadian supply chain and the economy as a whole. To give a personal example of this, Ray-Mont has been attempting for six years to expand the logistics footprints of our operations in Montreal, which would increase capacity here by 400%, only to be met with challenges from multiple levels of government. Had the project been developed from the outset, many of the challenges that currently plague agricultural exports through this corridor, as well as the supply chain as a whole, would have been absorbed by that expansion. Ultimately, supply chain inefficiencies lead to increased costs and inflation.

The fourth element is that we must engage with supply chain stakeholders at the highest level, and in particular with the shipping industry, to work with them on solutions and ask the critical questions. In saying this, I will stress that it's imperative to work with them and not against them, as ocean carriers are private companies making a choice to call Canadian ports. One illustration of this is the port of Montreal, for example, which has additional berthing capacity, but steamship lines are choosing not to call these ports.

• (1750)

As I referenced previously, we've seen the removal of historical services from the west coast in the past couple of years. Again, this is a choice. We must ask them why they are choosing to do this and why the capacity is being pulled from Canada. More importantly—

The Chair: Mr. Paul, I apologize. We're out of time.

I want to get to questions, so I'm going to go to Mr. Beusekom for up to five minutes, and you'll have time to be able to finish your remarks. Thank you.

Mr. Jim Beusekom (President, Market Place Commodities Ltd.): Good afternoon.

My name is Jim Beusekom. I'm the president of Market Place Commodities. We're located in Lethbridge, Alberta. I'll give you a brief background of what we do. We trade grains, pulses and oilseed commodities produced by farmers in western Canada. Our market is threefold. We sell into the domestic feed market, which goes mostly to cattle and livestock production. We export to the United States, and we export by container to the Asian market, with the bulk of that container volume shipping to southeast Asia.

We source our commodities from farmers in western Canada in what we would typically refer to as supply surplus areas. The municipal districts, counties or rural municipalities across Alberta and Saskatchewan generally produce many more commodities than what they consume, meaning there's more available than we need for our domestic market. We ship this into export and international markets. We move these commodities from sellers to buyers, and we use third party logistics, such as truck, railroad and shipping container.

Most of our domestic trade is moving by truck logistics across Alberta, Saskatchewan and Manitoba, with some help from rail when needed. When we export to the United States, we tend to ship, again, by truck or by a combination of trucking and rail. Typically, we truck it into the United States. From there, we access U.S. rail, such as BNSF, and it goes to destination markets in the United

States that way. For overseas exports, we use all modes of transportation: truck to rail, rail to port, and then containers to the overseas markets.

It's much about logistics. To elaborate on these logistics, there are some areas that continually need to be reviewed and improved on. In trucking logistics, there are two areas of concern. One is a shortage of drivers. It's very difficult for trucking companies to expand and meet the need for customers today. We would like to suggest that we need to review and simplify the process to obtain a driver's licence in Canada. For example, it's more difficult and more expensive today to get a driver's licence to become a class 1 trucker than it is to obtain a small plane pilot's licence. You can actually do it more quickly and cheaply, I believe. The other thing is to potentially review insurance companies' requirements and guidelines for trucking companies.

The other problem we've had with trucking is past and current mandates required to cross the border to the United States. That's hugely impacted the number of truckers who are able to move product for us across the border. We're located roughly 100 kilometres from the United States, so going back and forth across the U.S. border is very normal.

With regard to rail logistics, we want to give credit where credit is due, and our experience with CP Rail... Again, we're in the Lethbridge area, so we tend to use mainly CP Rail, and our working relationship with them has been good. They've made significant improvements in available equipment. In our case, it is moving intermodals by rail from Calgary to Vancouver. Shipment times are decent from the origin to the destination.

Areas of concern with rail are, of course, when there are derailments and natural disasters, as there were a year ago in interior B.C. These things all significantly impact shipping capacity. When those types of events happen, there are not a lot of options today for the rail lines to reroute around the problem areas. As a result, we are unable to get our product to the port.

The third is container and port logistics. This was discussed already, but our ability to get product to port is only as good as our ability to get it through port and onto vessels. Port congestion, lack of shipping lines coming into port, blank sailings, shortage of containers, and containers returning to Asia empty are all major issues and just a few things that we want to mention.

That, really, is a summary of my statement. Again, I'd like to thank you for the opportunity to act as a witness at this committee.

Thank you.

• (1755)

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

Lethbridge is home of the Lethbridge Hurricanes, a good junior hockey program. Go, Hurricanes, go.

Colleagues, unfortunately we're a little tight for time. I want to tell you that we're just going to do one round of six-minute questions. I believe we're going to start with Mr. Lehoux.

If the Liberals and the Conservatives want to split their time, please go ahead accordingly.

Mr. Lehoux, go ahead.

[*Translation*]

Mr. Richard Lehoux (Beauce, CPC): Thank you, Mr. Chair.

I'm going to share my speaking time with my colleague, Ms. Rood.

I'd like to thank the witnesses for coming.

My question is for you, Ms. Sullivan. You said that the workforce was the most serious problem being experienced by the industry. You mentioned that a workforce plan had been prepared with help from some 100 stakeholders.

In this plan, are there two or three priority measures that could be implemented as quickly as possible?

Could you give us some details on this?

[*English*]

Ms. Kathleen Sullivan: On the plan that we're looking at, labour is a complex, multi-faceted problem, and any solution is going to have to be multi-faceted as well.

Some of the things we're looking at that I would suggest are priorities are, first of all, really simplifying, as much as we can, the temporary foreign worker and immigration systems and, obviously, as a baseline, protecting and looking after worker rights. We can't magically create more Canadians. With what our demographics are doing, we're really going to have to look at foreign workers, both temporary and permanent, to bolster the workforce in the short term—not just in our industry, but also in others.

[*Translation*]

Mr. Richard Lehoux: Is it important right now to extend labour contracts to a period of two, three or four years, instead of keeping them very short term?

Would this be a positive measure?

[*English*]

Ms. Kathleen Sullivan: Yes, that would have a very positive impact. It would certainly reduce the cost and administration that companies are going through to, in effect, bring back the same workers year after year. I think that would go a very long way toward allowing companies to focus on what they should be doing, which is making food, instead of focusing on paperwork and administration.

[*Translation*]

Mr. Richard Lehoux: Thank you.

On a related matter, you spoke about the lack of coordination in the supply chain.

What concrete role could the federal government play in the short term?

[*English*]

Ms. Kathleen Sullivan: The supply chain task force recommended the establishment of a supply chain office, and I think we have to look at something analogous to that for the food system. You literally have hundreds of thousands of farms, tens of thousands of retail outlets and food processors. The system does a very good job coordinating on a day-to-day basis, but then you start to throw in these unexpected events and it becomes quite challenging.

I do think that having coordinated oversight—a whole-of-government approach, as discussed at the previous panel—is one of the concrete measures that governments can take to play the role they can play. Moreover, they can take some real steps to make sure that there is concrete coordination between different levels of government, even down to the larger municipalities.

They can also look at things like how we digitize information across the system so that non-competitive information might be available for making quick and easy decisions, and finally, undertake an exercise to really understand what the critical points and risk points along the supply chain are and how we can bring stakeholders together in an appropriate manner when there are problems, so that they can work together to solve them.

These are some of the concrete measures that governments can take to play the role they can play. They can't fix all of the problems, but I think there is a very important role for governments here.

• (1800)

[*Translation*]

Mr. Richard Lehoux: Ms. Sullivan, with respect to infrastructure, a subject you talked about earlier, do you have something to say to us about the federal government's role?

[*English*]

Ms. Kathleen Sullivan: There are two main things I would point to. One is labour. Our infrastructure and transportation systems are facing the same labour problems we are, particularly on the trucking side. Another is capacity. We don't have the excess capacity we need to be able to deal with surge periods of time, or to deal with situations like we saw in B.C. with the floods, where the port of Vancouver was essentially closed for a period of time and then backed up for months after that.

[*Translation*]

Mr. Richard Lehoux: Thank you.

Ms. Rood has the floor now.

[English]

Ms. Lianne Rood (Lambton—Kent—Middlesex, CPC): Thank you very much, and thank you to the witnesses for appearing today.

Ms. Sullivan, I want to ask you one question. A couple of years ago, I started talking about a grocery code of conduct. You didn't mention this in your remarks today, but having a grocery code of conduct in place would be a huge benefit if we're talking about food security and making sure that we protect our producers and farmers.

I'm wondering what your thoughts are, very quickly, here. Would a grocery code of conduct help to resolve some of the problems that we are seeing today?

Ms. Kathleen Sullivan: I think, if it's properly constructed and mandatory, a code of conduct could help.

The challenge we have is a grocery retail market in which five banners control over 80% of the sales, and 8,000 Canadian companies are trying to sell into it. There's clearly an imbalance of power here. The call for a code of conduct was rooted in the series of unilateral fee increases we saw—as you pointed out—in some of these larger grocery stores a couple of years ago. The market isn't able to work the way we would like it to. You have that level of concentration in one segment of it.

I think that, if we had a code of conduct that set some very clear rules on what is and isn't permissible, if participation was mandatory, and if there was a very strong compliance mechanism that ensured small enterprises could access dispute resolution if they needed it, it could definitely help.

Ms. Lianne Rood: Thank you very much.

I only have about 20 seconds left, so I wonder if there's anything you missed adding under infrastructure when you were giving your opening statement.

Ms. Kathleen Sullivan: We see so many reports written, and nothing happens with them. We have this gem of a supply chain task force report. In large measure, it repeats recommendations made by the agri-food economic strategy table back in 2018. Let's get moving on it. This only works if we all work together. I think we have a real opportunity.

I will say that three things we have become very good at, in the pandemic, are troubleshooting, working together and being creative. I think we have to draw on those skills we've developed throughout the pandemic, not let them die, and start to think bigger and better about how to improve our supply chains.

The Chair: Thank you, Ms. Sullivan.

Thank you, Ms. Rood.

Go ahead, Mr. Drouin.

Mr. Francis Drouin: Thank you, Mr. Chair. I will be splitting my time with Mr. Louis, the excellent member from Kitchener—Conestoga.

I want to thank all the witnesses for being here.

One question I have is for Mr. Paul.

You raised the importance of the national trade corridors fund. I've heard plenty about issues with certain barriers, whether at the port or with the rail lines. Obviously, there are always scarce resources. We can't invest everywhere at the same time, and labour is an issue.

From your perspective, where do you see the biggest bang for our buck in unplugging that supply chain clog, wherever it's happening?

Mr. Stephen Paul: I think the development of large-scale logistics parks or supply chain infrastructure projects is where you can get the most benefit.

To give you an example, we're trying to move from a 12-acre site—where we are currently, in Montreal—to a 60-acre site, adjacent to the port of Montreal. This would not only benefit ourselves, but give more fluidity.

I think the focus should be on growth products that can be achieved quickly and have a number of key elements already in place, because I find that a lot of submissions in different projects can be “pipeline ideas”. They may come into development in two, three or four years, but the projects that are fairly close to turnkey are the ones that, I think, should have the required focus. That can then start engagement.

As I mentioned before, the speed with which other projects across the globe are developing is so much faster than what we're seeing in Canada. By the time we catch up to those initiatives, we're already behind the new initiatives happening elsewhere.

• (1805)

Mr. Francis Drouin: Thank you so much for providing that feedback.

To Ms. Sullivan, thanks for being here.

Obviously, labour continues to be part of the conversation. In your sector, it will always be part of the conversation. It's like the skilled trades. It's been a conversation for as long as I've been alive. Obviously, automation is a key issue. I'm wondering whether you have stats from your members on how much investment they've made in trying to automate parts of those systems. Where there's a lack of labour, are they replacing that with new technologies?

Ms. Kathleen Sullivan: I don't have stats, but I can report anecdotally to you that I think there is a real recognition that, given the labour situation and also an overall desire to increase productivity, there needs to be a move to more automation, digitization and robotics. This is an industry, though, where we're not going to see the equivalent of the self-driving car. There are segments in our industry that are very hands-on. Often we're looking at small improvements in how you might apply a technology to a piece of your production line, for example, or a transition from one production line to another. Incremental technology is probably more where you're going to see changes.

To be truthful, though, through the pandemic and coming out of the pandemic, I have committees within my organization, and I can't tell you the number of times CEOs can't make committee meetings because they're on the production line when staff have called in or when they've lost staff. The ability for most companies to be forward-thinking and forward-planning is very stunted right now, because folks are dealing with the challenges of varied supply chains. It can be the challenge of pallet shortages or sugar shortages. We see these different problems pop up every week or so.

I think we really need to step in and find ways to help the companies in order to facilitate their ability to adopt these technologies.

Mr. Francis Drouin: Okay. Thank you.

Tim, it's over to you.

The Chair: You have a minute and 45 seconds, Mr. Louis.

Mr. Tim Louis: I'll do what I can.

I appreciate all the witnesses' time.

Maybe I'll go back to you, Mr. Paul. You mentioned recommendations about port infrastructure and rail infrastructure investments. We've heard testimony recently from CN Rail and Canadian Pacific that the climate crisis is affecting our supply chain. Wildfires, floods, extreme cold weather, all of this is affecting our transportation.

Would it be fair to say that the climate crisis, with the extreme weather, has played a part in the need-to-do investments in port infrastructure and rail infrastructure? What do we need to do as far as investments in climate resilience are concerned? What recommendations would you have for our short term and long term?

Mr. Stephen Paul: In terms of the climate impact on the supply chain, I think the biggest thing we've learned from events of the last couple of years is diversification. When events such as last year's atmospheric river in B.C. happen, how do you then pivot and go to different areas, whether it be, in this case, Prince Rupert, Montreal or Halifax? How do you do that effectively? We saw a lot of people trying to pivot and look for solutions.

What happens is that there is no surge capacity. There is no infrastructure in place to allow us to simultaneously move and shift where needed. Whether it's a result of climate change or whether it's a result of supply chain dynamics that are affecting it, putting elasticity in the supply chain and allowing us to really move to where it's more efficient will increase the efficiencies and the effectiveness of the exports as well as the imports. It will also change the reputation of how Canada moves exports.

The Chair: We will have to leave it at that.

Thank you, Mr. Louis and Mr. Paul.

[*Translation*]

Mr. Perron, it's over to you for six minutes.

Mr. Yves Perron: Thank you very much, Mr. Chair.

I'd like to thank the witnesses for being with us. I'm happy to see you here in person, Ms. Sullivan. It's always a pleasure.

My question is for Mr. Paul.

You said that the expansion of your site in Montreal took too much time, six years in fact. What held the project up?

There are sometimes assessments to make...

[*English*]

Mr. Stephen Paul: In Montreal....

I apologize.

[*Translation*]

Mr. Yves Perron: Go ahead.

• (1810)

[*English*]

Mr. Stephen Paul: At the Montreal site, we had ambitious goals to expand the site here. We acquired a piece of land that had been vacant for nearly 15 years, adjacent to the port of Montreal and zoned exactly how we are zoned today at our existing site in Griffintown, a Montreal suburb. We went ahead and did the environmental cleanup according to specs. We applied for the permit. We were then told that we were not permitted to conduct our activities on that land.

That ended up going to court, and it ended up going to the Superior Court of Quebec, both of which ruled in our favour. As we continued, then, with that ruling, to try to say, "Okay, can we get another permit to continue?" we were still met with opposition. Some of that has to do with some reluctance from the neighbouring communities to have supply chain logistics parked in their neighbourhood. We've been kind of battling that as we're trying to improve the supply chain movements through this corridor and trying to drive effective economics to make it viable for our clients and our partners.

[*Translation*]

Mr. Yves Perron: I understand that infrastructures are needed very soon. That's very important, but social acceptability and community consultation mustn't be forgotten because those are important factors too. The thing I wanted to raise was that you can't just remove everything. There may be some inefficiencies in terms of administration, but there are steps to be followed.

Do you think the neighbouring population should have its right to consultation taken away? Is that what you're saying?

[*English*]

Mr. Stephen Paul: No, not at all. I think it's important to always engage with the community. You want to be part of that community.

As an example, we proposed to work with the citizens of the area and the local municipality to create an ecofriendly logistics park. We could create a park. We could create sound barriers to protect from the sound. We tried to come up with ecofriendly solutions to meet our needs as well as those of the neighbourhood, so that we could coexist.

To your question, it's absolutely important to engage with the neighbouring citizens. We don't want to force anything on anybody at any given time.

[*Translation*]

Mr. Yves Perron: Thank you for reassuring me; I just wanted to make sure I'd understood properly.

Of course, certain administrative procedures might be improved.

Ms. Sullivan, I liked your comment about the earlier report to the committee and the other reports to other committees. Personally, I've been a member for three years now and it seems to me that some reports have been lying dormant for a while. There must be dust on them by now.

You talked about workers, the code and the need for a specific plan. If you had to choose from two or three recommendations that ought to be implemented soon, what would they be?

[*English*]

Ms. Kathleen Sullivan: There's a long list, but number one, I think we have to focus on labour.

In that respect, I think in the short term, again, where we should be focusing our time is on foreign workers, making sure that we can bring those foreign workers in, that those foreign worker are.... You don't want to tell people where to work, but I think you want to encourage them to work in critical infrastructure sectors.

We also need to look longer-term. Now, the good news is that industry has taken ownership of developing a longer-term strategy for labour. It's really about the federal government supporting that. Within that, I think there is a role for ISED, for example, to take a look at how to better support the adoption of incremental technologies in the food and beverage manufacturing sector. We fall behind other manufacturing industries in Canada, behind other food-processing industries in other countries. We absolutely need to address that.

I think we need to take a look at how we better prepare ourselves for and address emergencies when they come up. We went through the pandemic. We learned a lot of lessons. However, even since the pandemic began, we have had multiple labour stoppages. We've had border shutdowns and very severe weather events. We keep having these once-in-a-lifetime weather events every year. We need to be much better prepared when they happen, but also how we recover from them.

Those are three of the big priorities that I would be looking at.

• (1815)

[*Translation*]

The Chair: Mr. Perron, there are only 15 seconds of your speaking time left.

Thank you very much.

Mr. MacGregor, you have the floor now for six minutes.

[*English*]

Mr. Alistair MacGregor: Thank you very much, Mr. Chair.

Thank you to all our witnesses for appearing today.

Ms. Sullivan, I have a feeling that with your comments about the power imbalance and the grocery code of conduct you might be a valuable witness for us in our next study as we examine the high price of food and the power that exists in the grocery retail market.

On your comments about labour, it truly is a strange time in our country right now, having come through a brutal two and half years that have really upended everything. We now have a country where there's a record amount of food bank use among Canadian families. We know that inflation is hitting many Canadian families hard. At the same time, that is juxtaposed with so many "help wanted" signs. It's quite a conundrum that we find ourselves in.

You mentioned that your industry is 20% short. I know that in my riding of Cowichan—Malahat—Langford, it seems that they are in desperate need of labour everywhere, whether they're a restaurant or a small manufacturer. It is truly everywhere. That is the strange time we find ourselves in. I don't remember a time in recent memory where there have been so many jobs available but so many people struggling.

I'm just wondering. You talked about developing an industry-led workforce strategic plan. I know that in many of your members' businesses and manufacturing places you do have unionized workers. The UFCW, of course, is the big one in Canada. I think that for the labour unions—particularly the UFCW—it's in their interest to grow their membership.

I'm just wondering what conversations with them have been like. Have they been able to offer any innovative ideas, some assistance from their expertise or anything about trying to get more home-grown talent interested in what opportunities exist?

Ms. Kathleen Sullivan: I haven't had a lot of direct conversations with the unions recently.

I will say, first of all, that we are a fairly highly unionized industry, as you pointed out. Those are relationships that are managed between the unions and the companies, and for all intents and purposes seem to flow well. It's something that we obviously don't discourage and certainly have welcomed in our sector.

When in the spring we were asking the federal government to implement changes to the temporary foreign worker program, we in fact had letters of support from unions, because of course when we bring foreign workers into a unionized plant, those foreign workers are automatically part of the union. They are afforded all of the same benefits and protections that any other worker would have—in fact, whether a plant is unionized or not. As we work on the strategic framework, I think we are going to have to be having more conversations.

A chair of mine once said that if we were doing everything right, we wouldn't still have problems. That doesn't mean we haven't all been working hard, but we clearly have to start thinking about how we do things differently. I think that involves having conversations with a lot of folks we may not always talk to, including indigenous Canadians and groups that are perhaps under-represented, and trying to figure out how to in fact encourage more people to come into this workforce. The challenge there, of course, is that we end up stealing from other employers, so you make the situation more difficult for them.

I think that ultimately what we want to do is understand how we look at Canadians who perhaps are not active or fully active in the workforce and how we encourage and help them to overcome barriers to enter the workforce. How do we look at where maybe the people who aren't working are? They may not be in the right places where we need them to be.

Really critical to this whole thing is that a lot of times you have workers but they don't have the right skills. We have a massive skills gap. The skilled trades are where I think we spend a lot of time talking about that shortage, but across the board, we often see a skills gap that we need to focus on as well.

All of this, I will say, is part of the project that we're working on.

Mr. Alistair MacGregor: You also mentioned that instead of a time of growth and opportunity, this is in fact a time of consolidation and contraction for many companies. In our earlier panel, some of our witnesses made reference to the growing amount of farm debt. One of our witnesses said that farm debt is growing, but sometimes there are different kinds of debt, and good debt can help to grow productivity.

What's the general status of many of your member companies in terms of their debt loads? What does that consolidation or contraction ultimately mean for Canada's food security if we don't correct the course on that?

• (1820)

Ms. Kathleen Sullivan: I don't have stats. I will say that what we are seeing, though, as you all know because you're talking to your constituents, is that supply chain costs are going up, whether fuel costs or just the costs of getting replacement goods and labour costs. At the same time, we have a very difficult time passing the full extent of those costs through to consumers, who are already facing food inflation, so you're getting this building up within the manufacturing sector. That is becoming a problem.

I would say the biggest impediment remains labour, though. I think when it comes to conversations about contraction or consolidation, it comes down to a point where a manufacturer will say, "I

have a plant in one province. I can't get enough workers and I may just need to move all of that production to a plant in the neighbouring province and just consolidate it there." Ultimately that means that we're going to have fewer food manufacturers and they will be concentrated in larger and larger companies.

Maybe somebody will say that having 7,000 or 8,000 food manufacturers is not sustainable if they're all small businesses. I would counter that by saying that a lot of the support for local food security comes from having those small manufacturers and that a lot of the creativity, product development and innovation that we see in our industry.... BC Food & Beverage—in your backyard—does this phenomenal awards showcase every year where they feature all of the innovative products that are coming out of B.C., which largely has small and mid-sized food manufacturers. You really should be incredibly proud of what comes out of the province.

I think it would be sad to see over-consolidation and concentration in the food-processing sector, but I think you're going to start to see that.

The Chair: Thank you very much, Ms. Sullivan and Mr. MacGregor.

Colleagues, that ends our time on the panels, but please don't go too far. We have a little bit of committee business work to do.

Before we do that, to all of our witnesses—Ms. Sullivan in the room, Mr. Paul on the video conference and Mr. Beusekom—thank you so much for your testimony and the opportunity to engage with us today. I'll release you because we have about 10 minutes of committee business.

Madam Clerk, could you just release the folks online, and Ms. Sullivan, I know, will see herself out.

Colleagues, we'll keep this relatively quick. I have four things I just need to discuss with you.

First of all, we know that when we come back after the break week, on November 14, we are going to do clause-by-clause on Bill C-234. I have consulted with the clerk. We're asking for any proposed amendments to be submitted to the clerk and to legislative counsel by November 10 at noon, please. Thank you.

I need unanimous consent to adopt that. I don't foresee there being any issue.

Some hon. members: Agreed.

Mr. Philippe Méla (Legislative Clerk): Mr. Chair, I am sorry to intrude.

Can I propose a different date, November 9, rather than November 10 at noon? The reason for that is that we have four other bills on November 10 with a deadline at noon, so it would spread the joy, so to speak, over two days rather than the same day.

The Chair: No problem. We'll help you out. It will be November 9. Perfect.

We had a little miscue there with our administration. Thank you.

Mr. MacGregor, go ahead.

Mr. Alistair MacGregor: Just quickly, who is the person we're connecting with to draft the amendments?

The Chair: There is a legislative counsel you can connect with.

Mr. Alistair MacGregor: Have they assigned a name yet? I don't have the email.

The Chair: We'll make sure that the clerk connects with you, Mr. MacGregor, because presumably it will be your amendment. We'll make sure that we move on that, but anyone else can go forward. So, we'll make sure that gets sorted out, Mr. MacGregor. It is by November 9 at noon that we need that amendment.

Colleagues, I want to assess your thoughts on where we are on the global food security study. We've heard from quite a few witnesses now. I would suggest that we're probably getting to the stage of the game where we could start to move to actually drafting a report and reporting back to the House.

I did have a conversation today with the clerk about possible scheduling moving forward. I've proposed, at least internally...and I would like to seek your feedback on whether or not the last session that we would have on this would be on November 16. For the first hour, it would be three or four witnesses, whoever we have left who has not been called, at the discretion of the analysts. That would be for the first hour. Then the second hour would turn into the opportunity for us to provide reflections back to the analysts on recommendations and key themes and to then really let them go to work to write the report. Does anyone have any issue with that? I'm curious to seek your feedback.

We're good. Okay. That's how we'll proceed. November 14 will be Bill C-234. The first hour on November 16 will be panellists; the second hour will be our feedback to the analysts.

The third thing—and Mr. Drouin reminded me—is that the supplementary estimates have not yet been tabled. I presume they will be at some point. I guess what I primarily will ask committee members is this: When the supplementary estimates are tabled, is it our wish to have the minister appear on the supplementary estimates?

An hon. member: Yes.

The Chair: Okay. All I would ask is that, when that process actually happens, you allow me the ability to work with the clerk and the minister's office team to see what best date would be available for her to come before this committee. Is that agreed?

Some hon. members: Agreed.

The Chair: Okay.

I see your hand, Mr. MacGregor. Do you have anything else?

• (1825)

Mr. Alistair MacGregor: I have just one other item of business.

The House referred Bill S-227 to our committee with the vote today. I don't think we need to spend a lot of time on it. Maybe we can allow Mr. Nater to come for an hour to talk about how amazing his bill is. Then we can kind of rubber-stamp it, because I don't see much controversy with it.

The Chair: Mr. Rob Black might think that it's his bill, but yes, the sponsor is Mr. Nater.

Mr. Drouin, go ahead.

Mr. Francis Drouin: I would, just out of respect to the other House as well, invite Mr. Black, if that's a friendly.... Again, I don't think there's a lot of controversy. We can invite Mr. Nater to come maybe for the first hour; I don't think we need to spend two hours with Mr. Nater. For the other hour, maybe we could have Mr. Black, just out of respect for him as the person who drafted the bill. I know he's a good man.

The Chair: I'm going to turn to Mr. Steinley. I think his suggestion is that we might not even need two hours on it.

Mr. Warren Steinley (Regina—Lewvan, CPC): Yes, what I would say is this: Can't we just come together, have them both give a five-minute spiel, and then ask questions? We can get it done in an hour, and then do clause-by-clause in the second hour. I think we can get this done in a day.

The Chair: Is that how we would like to proceed?

Some hon. members: Agreed.

The Chair: If you leave us the discretion, we'll do our best to schedule it according to M. Nater and Senator Black's schedules.

Mr. Perron, go ahead.

[*Translation*]

Mr. Yves Perron: I don't want to be a spoilsport, but as a committee, I would ask you not to botch our work. I have the impression that we're going to try to get things done in 30 minutes and think that everything will have been dealt with.

I agree with Mr. Drouin that we at least need to hear from the people who introduced Bill S-227. At the end of this meeting, we can decide whether we want to study the bill further or whether it should be referred back immediately to the House.

I believe we should spend at least one meeting on this discussion.

[*English*]

The Chair: Are there any thoughts on what Mr. Perron is saying?

How would you like to move in terms of how much time you want to spend on it?

Mr. Warren Steinley: I think one session, if Mr. Perron means one committee meeting. I think that's what we're saying: have one hour for them to be here to present and ask questions, both Senator Black and Mr. Nater, and then have the other hour to do clause-by-clause. It's not a very long bill. If what Mr. Perron means by one session is one committee meeting, I would agree with that.

[*Translation*]

Mr. Francis Drouin: Mr. Perron, you might perhaps want a little more time to think about this proposal.

We could discuss the bill for an hour and then move on to something else. In principle, that could provide the time required to think about the possible amendments you might have in mind. I am making this proposal out of respect for the committee members.

I don't think there are many other amendments to be made, but we could give ourselves 48 hours to think about it, and then proceed to a clause-by-clause study for 20 minutes. I don't think there would be any objections to that.

• (1830)

Mr. Yves Perron: I wouldn't object to that either, but I wouldn't want to shut the door on the possibility of proposing amendments. We could keep the door open, as was just mentioned. I would agree to that.

[*English*]

The Chair: Why don't we do this? We can have further conversations. It's clear this is something the committee wants to do, and it's now been referred to us. I'm happy to have a conversation with Senator Black and Mr. Nater, and then report back on the 14th.

Go ahead, Monsieur Lehoux.

[*Translation*]

Mr. Richard Lehoux: Thank you, Mr. Chair.

We invited Minister Fraser, and I think it's very important for us to receive him, because we in committee are hearing on a regular basis about the workforce issue. So I would like to emphasize that we should continue to request the minister's presence.

[*English*]

The Chair: Thank you for raising that.

We have written, Mr. Lehoux, to Minister Fraser. My understanding is that—I'll let the clerk weigh in, if she feels it's necessary—there are about six or seven different parliamentary committees requesting his presence at this time. We were informed that it was not going to be possible. He was unwilling to make the time because of his schedule. You can appreciate that we can't necessarily compel one of our parliamentary colleagues to come to a committee. That is the reality for all committee members.

However, if there's something you feel is necessary to go forward on, we would have to seek the agreement of the committee.

[*Translation*]

Mr. Richard Lehoux: I understand, Mr. Chair, but we've been talking about the lack of food security and I believe that's a very important matter. I hope that the minister will be able to find the time.

[*English*]

The Chair: We can hope.

If you want me to do something further, in terms of writing a second letter, it would have to be at the behest of this committee. Otherwise, we can keep it at that.

I see Monsieur Perron's hand.

[*Translation*]

Mr. Yves Perron: I strongly support Mr. Lehoux's proposal. I've been a member for three years now, and we've up been talking about this problem for three years without anything happening. In view of the importance of food security, we should continue to strongly request the minister's presence. That's part of our job.

[*English*]

The Chair: I'm looking to my other colleagues in the room to see. It's not clear to me. Are we looking for an additional follow-up, Mr. Lehoux, an additional email sent from the committee, expressing that we think it's important to come, if the time can be made? Is that what you're asking for? Are you asking for additional correspondence from myself or the clerk, in that capacity?

[*Translation*]

Mr. Richard Lehoux: It's even more important for the minister to come given that only yesterday, he announced an increase in the number of immigrants. Perhaps there could be an arrangement for farm workers who are already on the waiting list to enter the country.

[*English*]

The Chair: Go ahead, Ms. Taylor Roy.

Ms. Leah Taylor Roy: If it's not possible for the minister to come, is it possible to have someone from the ministry or department come to address the concerns?

[*Translation*]

Mr. Richard Lehoux: Ms. Taylor Roy, in the current circumstances, it would definitely be better for it to be the minister, because he's the one, when all is said and done, who determines the department's main policies.

I hope he will be able to find the time. I too have been on the committee for three years, and it's an exceedingly important issue for the agri-food sector, particularly as we are now in a context of global food insecurity.

[*English*]

Mr. Francis Drouin: Mr. Chair, I suggest reaching out again. After that, report back to the committee on what the answer is.

The Chair: I'm happy to do so. We'll reach out again.

Thank you, Mr. Lehoux.

The final piece of business, if I do have just a moment, is that we did receive a letter of correspondence from the president and CEO of the Canadian Centre for Food Integrity, and I'll make sure that the clerk distributes this accordingly. I think it's come to me in my capacity as chair, but it goes on to talk about Canadians' trust and feelings towards the food system. It might have some relevance to what we're about to talk about when we move to the grocery study. I'm going to have the clerk disseminate this email, along with the attachment. The request is essentially that if this particular organization could be of use to us in terms of a briefing or conversation, they are open to doing that.

As we look to try to fill our calendar where there is going to be some up and down between two, three or four things, the grocery study, and being able to finish the report on global food security, why don't we have a conversation when we get back after the break week? If you want, we could potentially use a meeting to schedule something so we could have this conversation. Just for your benefit, it will be distributed. I wanted to raise it here.

I don't think I have anything else. Thank you for indulging me for the extra time. Now we'll call it a day.

Thank you, colleagues.

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