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Chair

Mr. James Bezan

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• (1535)

[English]

The Chair (Mr. James Bezan (Selkirk—Interlake, CPC)): I will call this meeting to order.

We're talking again today with the PMRA. We're more than pleased to welcome back Madam Karen Dodds to talk about her organization.

She is joined today by Gordon Bacon from Pulse Canada and Craig Hunter of the Canadian Horticultural Council to talk about the GROU program and the own-use import program.

With that, I'll turn it over to you, Madam Dodds, so you can start off this round of presentations.

Ms. Karen Dodds (Executive Director, Pest Management Regulatory Agency): Thank you, Mr. Chair.

[Translation]

I am very pleased to speak to you today to give you additional information about the import program and to update you on the progress achieved with the implementation of the recommendations of the Task Force and on the use of strychnine.

[English]

I want to start with the last first. I want to recognize the problems that our growers in western Canada are experiencing due to the high population of gophers, or Richardson's ground squirrels.

Many growers and a number of members of Parliament have been requesting the reinstatement of 2% liquid strychnine as a control tool. We are working with growers and with provincial governments to explore viable solutions to this serious issue.

In 1992 Agriculture Canada, then the regulatory body for pesticides, restricted the availability of the concentrate strychnine for gopher control, in consultation with the provinces. This decision was based on strychnine's high acute toxicity, on the lack of any antidote, and on incident reports showing intentional and unintentional non-target poisonings. A 0.4% ready-to-use bait formulation was registered as an alternative for growers.

In 2003 a fumigant widely used for the control of insects and rodents in stored grain, aluminum phosphide, was then registered for the control of gophers.

Growers in Alberta have used Phostoxin for the control of gophers, with very positive results.

In addition, since 2003 we've been working with colleagues in the provincial governments of Alberta and Saskatchewan, academia, and industry to develop an integrated pest management strategy for the gophers.

Because of grower concerns about the effectiveness of the available alternatives to 2% strychnine, and some concern about how useful Phostoxin is, we've planned a pilot project that incorporates some research objectives for this growing season.

This project will compare the effectiveness and impacts of the latest product, Phostoxin, and both ready-to-use and freshly prepared strychnine bait.

In 2005 we conducted a science-based health and environmental assessment, re-evaluating the remaining uses of strychnine, using current scientific standards to determine whether and under what conditions the 0.4% ready-to-use bait is acceptable. The re-evaluation reconfirmed environmental concerns related to the poisoning of non-target species that were first identified during the scientific evaluation of the liquid concentrate in 1992, and additional protective measures intended to alleviate these concerns were put into place.

We propose to maintain the registration of the 0.4% strychnine as an interim measure until 2008. At that time we will consider the results of this year's proposed research project and the findings of the expert committee before making a final decision on strychnine.

I would now like to turn your attention to the topic of the own-use import program.

[Translation]

Since our last meeting of December, my staff and I have held consultations with many growers in order to understand their concerns and to give them information on the recommendations of the Task Force and on the program itself.

[English]

With a colleague, I was in Saskatoon during crop production week, where we met with the boards of directors for the Saskatchewan Pulse Growers Association and the Saskatchewan Flax Development Commission.

The FarmTech show in Edmonton was another opportunity to speak to Alberta Pulse Growers, the Alberta Canola Producers Commission, and the Alberta Barley Commission. And most recently my staff met with the board of the Canadian Canola Growers Association in Winnipeg. We have committed to a number of other engagements in the upcoming weeks and months.

We were well received by all groups and they expressed appreciation for our outreach efforts.

On our part, it was very informative to talk to a broader group of growers about these issues. One consistent message that we heard from all groups was the need to communicate more and provide better information to growers.

We are working with several of these groups now to provide objective information that can be then used in a variety of agricultural publications to try to provide that information.

Another message that was clear was the desire to see the new programs proposed by the task force up and running so that growers could see the benefits for themselves. You will see in my presentation that we have achieved a number of significant milestones in this regard.

[Translation]

However, we have seen that farmers are somewhat reluctant, which is understandable, to abandon a program which has allowed many of them to realize direct savings on their costs. That is why we will continue to work with the producer groups to give them more information on our plans and programs so that they be able to judge them on their merit.

[English]

We've also continued to work with the task force. Indeed, a meeting took place the day after our last appearance here. The message from that group is that they're still supportive of the package of recommendations, including the new import program, but consistent with the discussion from the last standing committee, a number of details still need to be worked out. The group is scheduled to reconvene again next week.

Consistent with the recommendations of the task force and with the motion from the standing committee, growers will have access to the current OUI product, ClearOut 41 Plus, for their 2007 needs, as the groups work on transition details and timing. Details related to permit applications for growers are now available on the PMRA website.

[Translation]

I would now like to take a few minutes to present the document distributed to the committee.

[English]

I'm not going to go through the slides that you have point by point. I'll just try to take us very quickly through them.

Starting with the slide entitled "Background", the current own-use program has been in place since 1993 and was intended to be a price discipline mechanism. In the case of the first three products, the program appears to have worked as a price discipline mechanism as intended, and essentially no product crossed the border.

In the 2005 and 2006 growing seasons, with ClearOut 41 Plus, we had a different situation. In each year, there were over 3,000 permits granted, with an importation of approximately 5,000 litres each year.

The next slide gives an overview of the own-use import program. Just note that under this program the sponsor is responsible for

showing that the product to be imported is chemically equivalent to a registered Canadian product, and it has to have a Canadian label. The user—in this case always the farmer—must obtain a permit to import the product and must comply with all requirements under Canadian legislation and all of the requirements on the permit.

The import certificate, which is issued by the regulator, includes details including the amount of the product and the location of use, and it's valid for one growing season only. I want to be clear that this program involves the regulator in ways that are different from registered products in Canada.

As you know, and as is detailed on the next slide, we put together a task force to look at the different issues. On that task force, we had grower groups, industry, and federal and provincial government representatives.

The next slide is on pivotal issues. A number of issues were considered to be key, and they're listed here. I'm going to note three that, from the regulator's perspective, are key.

The first one is container disposal. This product is exempt from registration. It is therefore not part of the industry-funded stewardship program, and there were no means to recycle the containers originally. Farmers of North America, who have been the sponsors, subsequently developed a program. However, as of early January, only 29% of containers have been returned through this program to date. This presents a serious concern for federal and provincial governments, as well as some stakeholders.

Our provincial colleagues have noted to us a concern, because much of the provincial legislation only deals with product that is registered at the federal level. They have no means at their disposal to take action on product that is exempted from registration at the federal level.

Under the own-use import program, equivalency allowed variability. Based on the fact and the premise that product wouldn't come into Canada, that it was a price discipline mechanism, there was a fair degree of leniency in terms of determining equivalency.

The task force focused on a package of recommendations that addressed these issues overall, rather than specifically addressing each one of them. The task force report outlines a number of recommendations. One key one is a new program for own-use importations. It was called the grower-requested own-use program, and it would continue to provide growers with access to a price discipline mechanism. There were also a number of additional initiatives that were both to improve access and to address price.

Some of the details in the task force recommendations are on slide 7: that we would do a pilot of the new program in 2006, involving grower groups, the registrants, CropLife, and PMRA; that we would move ahead as fast as we could with recommendations on further regulatory harmonization and intellectual property; and that there would be an evaluation of progress on all recommendations.

The next slide notes some of the further aspects of the recommendations. Consistent again with some of the concerns raised at standing committee, there was a concern about whether or not the package of recommendations is a sufficient and effective substitute for the current program; that eligible grow candidates would be made available once the determination is made; that the package of recommendations is in fact an effective substitute for the current own-use import program.

The next slide focuses on the GROU program. It would allow growers to import the U.S. version of a Canadian-registered product. The registrants have agreed to play an active role here in identifying relevant products in helping with determining the issue about equivalence or identity. We would determine, as the regulator, identity and eligibility, and that there is no need for a laboratory analysis.

● (1540)

The next slide on GROU lists some of the anticipated characteristics. Recognizing that under the current own-use import program the ways and means of establishing chemical equivalents are typically very expensive, the GROU program offers a potentially large number of candidate products to be available very quickly.

Because we're doing a comparison of the paper specifications, it needs no equivalency determination to be done by grower groups. Again, the registrants have agreed to participate and look at chemical specifications. It offers the potential for immediate and substantial widespread savings for growers.

It's limited. The task force used the term "materially identical products". A lot of concern has been raised about that phrase "materially identical" under GROU versus "chemically equivalent" under the own-use import program. Many have concluded that the standard is tougher under GROU and therefore eligible products would be more limited. Indeed, this is not the intent, and it has not been the case with the GROU pilot to date.

As the regulator, we've been clear from the outset that the past standard for chemical equivalence under own-use import is not acceptable. The new wording was to signal a change that the standard is not identical. For example, under the GROU pilot, we have accepted products where there are known differences in formulations, for example, different surfactants, but they don't have an impact on the functionality of the product or its health or environmental profile.

The next slide gives a comparison of the two programs, the GROU and the own-use import. The first notes under GROU show it's limited, at least in this phase, to U.S.-registered products. Under own-use imports, we note it's unlimited. But that's really not the case. You would be very much limited to foreign products that are considered chemically equivalent.

Under GROU, the chemical specifications are the basis of equivalence. That's simple. Under the own-use import, you could use chemical specifications if the grower group could get that from both a Canadian registrant of a Canadian product and the foreign registrant of the foreign-based product. But that's unlikely. They would usually be using an analytical determination, which is difficult

and costly. Under both programs the Canadian registrant or indeed the foreign registrant can impact equivalence.

Under the GROU, we've had eight potentially qualified candidates out of thirteen nominated. While they are mostly herbicides, they offer a much wider-use pattern than ClearOut 41 Plus. So it's clear at the outset that farmers will potentially benefit from more than just the ClearOut 41 Plus.

ClearOut 41 Plus was nominated under GROU, but the registrants have not participated, so we haven't seen the chemical specification forms. ClearOut 41 Plus has an equivalency certificate that's valid until the end of June. Both programs require that there be a Canadian registered product.

On the next slide, looking at considerations from the regulator's perspective, there are two that are very problematic. One is container disposal. With Canadian registered product, there's a 70% return rate for registered products in the small-size containers. According to our provinces and information from industry, there's approximately 100% return rate for the totes and drums. We met with FNA in early January, and their figures were a 29% return rate for the own-use import products to date. That is dedicated and focused to FNA members. I've already talked about the issues we have with equivalency determination.

On the next slide, the U.S. has recently developed an own-use import program, which is comparable to the GROU program in Canada, not the own-use import program. It requires registrant cooperation. The U.K. has a program that is very similar to GROU. It also requires the registrant cooperation.

The task force wanted us to note that it's the package of recommendations that is designed to address the issues, not any handful of specific recommendations. They are concerned that continuing with the own-use import program would have negative effects on access to new products not registered in Canada. There is a possible development of different business models if the own-use import program continues.

● (1545)

One of the things we certainly noted in discussions was the recognition of concerns from farmers and others about pressure on registrants to continue to participate in a positive way on GROU and some of the other recommendations.

We have considered some solutions, including maintaining the current regulation as a relief valve. We could keep GROU as the primary mechanism but continue to have OUI at the ready if there was no uptake by registrants on the GROU program.

The last slide on considerations notes some specific progress. At the last appearance, I noted that we were very close to registering our first NAFTA label. Both EPA and PMRA registered that first NAFTA label on January 31 of this year. Indeed, it has already set the tone for many other registrants, so we can have a discussion on several other products at the same time.

For the first time ever, we have also had a new chemical, not only submitted for joint review but submitted for joint review with the clarity at the outset that they want a NAFTA label at the end. This NAFTA label, for many, is the ultimate in price discipline because it allows free movement of that product across the Canada-U.S. border.

On the international front, there is also another development that I would like to report. That is that the PMRA with other countries, the United States, the United Kingdom, Ireland, Italy, Australia, New Zealand, and Japan, received an electronic submission from DuPont for the registration of the new insecticide. We consider this to be the first real OECD global joint review where it is clear that the intent is to get registration in markets in Canada, the U.S., Europe, and Asia at the same time.

We are also looking to do that in an expedited fashion to complete the review in 14 months, which is a significant improvement to the typical 21- to 24-month review standard if you look at those countries independently.

In December we released a proposal for a revised intellectual property policy that has three primary goals. One is to continue to support and promote innovator products coming to Canada by providing them with a certain period of data protection, but because we have been much clearer in the limits of that data protection, the intent is also to foster a generic industry in Canada.

When you register a generic industry and generic products in Canada, you really see an effect on price. To date in Canada that has been very limited. That's one of the key objectives of this new intellectual property policy.

The third objective we have with it is to encourage registration of minor use, because we will extend the data protection period in correlation with the number of minor uses that are there.

Before I turn to my colleagues who were also on the task force representing farmers, I want to note that we have provided the clerk with copies of the NAFTA label, which is of course done in both English and French, and as well with a fact sheet on the strychnine project, so that committee members can see them first-hand.

• (1550)

The Chair: Thank you, Madam Dodds.

I will turn it over to Mr. Bacon for his presentation on behalf of the pulse growers.

Mr. Gordon Bacon (Chief Executive Officer, Pulse Canada): Thank you, Mr. Chairman and committee members.

My name is Gordon Bacon with Pulse Canada. A copy of my presentation has been left with the clerk. Rather than read from it, I'd like to just make some comments about Pulse Canada's role on the task force and our observations on the recommendations.

First, I'd like to say that I wear two hats. One is the CEO of Pulse Canada and the Canadian Special Crops Association, and also I am a farmer. I would go into this task force with interests from many perspectives.

Working with the pulse industry, innovation has really been one of our keys. I think the success of our industry in the past has been on innovation. What we were looking for is a policy framework, a suite

of options, that is going to address many of the issues that face farmers and access to crop protection products.

We had two goals in terms of going into the task force and being a member. One was to make sure that we had timely access to new products that our competitors have access to and that provide reduced environmental risk. We take stewardship as a very important issue. The second thing, of course, is having access to those products at competitive prices. It's about the competitiveness of our industry on an international stage.

Many in the pulse industry have benefited from the old OUI program, even on our farm, having used ClearOut as one of the products. We looked at what the industry needed, and when we looked at the four key replacement components to the old OUI program, we felt that the task force recommendations provide the industry with a great step forward. If they are introduced and acted on in the way they were brought forward in the task force, we feel this is a step forward for the industry.

Karen mentioned the technology gap that's being addressed. There are 26 products on the list that are of interest to the pulse industry. They include products from three companies that aren't currently present in Canada. Looking at how we can get access to product that the American farmer has through this narrowing of the technology gap is a key part of this suite of recommendations to replace the old OUI program. I think it's important to note that industry cooperation is going to be needed for companies that already have a presence in Canada, as well as companies that don't have a presence, to want to participate in that narrowing of the technology gap.

Karen has also mentioned the NAFTA labelling. People involved in this, including those in the pulse industry, have seen very rapid progress in the last year with great interest in pursuing NAFTA labelling. As has been mentioned, this is also part of the solution to price competitiveness and making sure there are no regulatory differences or geopolitical boundaries that start to enter into price differentiation.

Karen has also mentioned the introduction of a PSR III, product-specific registration III, as a way to update the regulations regarding the development of a generic industry in Canada. Obviously, the creation of a generic industry in Canada that closely mirrors what is going on in the U.S. will also be part of ensuring that we have price competitiveness on the Canadian side of the border.

Finally, we also feel that the GROU program has some advantages that need to be noted. One is that the equivalency does not have to be established by a farmer, or individuals acting on behalf of a group of farmers, which is a process that can be costly and time consuming. The equivalency is established through cooperation of the regulatory agencies and the registrant.

We, as Pulse Canada, were part of the group that signed on to the task force recommendations. When we looked at all four components of the program, we felt that this was a step forward. We think we need to act on the recommendations of the task force so that we can get each area started as quickly as possible. This will go a long way to sending the signal that we do have a regulatory environment in Canada that makes investing and bringing new products to Canada an attractive option to the companies that own these products. A key part of keeping our industry at the front of innovation is to make sure we have access to new products.

● (1555)

The task force perhaps can look at some additional work to ensure there are safeguards in place to ensure the pricing discipline component is acted on, but we do feel that this is an approach that addresses some of the deficiencies we have with access to products now. It's a framework to go forward to make sure we have access to new products. I'd be more than happy to answer questions when we get to that part of the presentation.

With that, Mr. Chairman, I'll leave my comments and turn it back to you.

The Chair: Thank you, Mr. Bacon.

Mr. Hunter, please, from the Canadian Horticultural Council.

Mr. Craig Hunter (Expert Advisor, Canadian Horticultural Council): Thank you, Chairman Bezan and members of the committee.

I've been given 10 minutes. Please excuse me if I use English. If I tried to do it in French, I'd need 100 minutes and wouldn't do it very well. I apologize for that.

A number of the points made by Karen and also by Gordon are things that I will skip over for my presentation. I want to focus on a couple of things.

The proposed GROU program for import is only a part of a much bigger suite of new programs and policies developed and recommended by the working group and signed for by all of the members. There was no dissenting vote. Everyone signed.

It's important to understand—and I don't have to tell you this—that when you sign an agreement that's made up of many parts, probably nobody is happy with all the parts, but in order to live with the totality of the agreement, there is enough in there for each person who signed that they were willing to swallow some parts they weren't happy with.

Cherry-picking of any piece of that agreement after the fact really negates the balance of the decision that was reached and signed for by all the players. If we start cherry-picking and taking things out or putting things in, some of the groups will leave the table and not agree to the package. When the steering group started, it was a very polarized group of people, and at the end we all came into the middle. It is important to recognize that there was all-party agreement to all the pieces that were brought forward.

In the interest of Canadian farmers, it has to be clear that the sum total of the benefits that were agreed to is greater than the net value, including the current flaws of the current OUI program. Included in

this total of benefits, as was mentioned, is that there is no cost to growers to try to prove equivalents. There will be corporate support for the product issues if and when they arise. A far greater number of products can be identified on an annual basis and proposed annually for importation. A perfect program would mean nothing ever has to cross the border because price discipline would kick in. By actually nominating 50, 75, or 100 products for importation based on monitoring of prices by Agriculture Canada, which has agreed to do this, it would be a firm signal to the companies to get their prices in line, and all farmers of all commodities that those are registered on would gain the benefit far more than with one product that's part of the current program today. When that product is the largest selling pesticide in Canada, it's much more difficult for a whole lot of smaller market products to ever see the light of day under the current program.

There will be a container management program under the CropLife umbrella, which has been voluntarily been doing this for 20-odd years, and doing it very well. As I said, there will be support from Agriculture and Agri-Food Canada for a better and more comprehensive price monitoring program, so that growers could make a fair decision on whether something is a problem price-wise or not. Perhaps we can even find a way to solve some of the provincial legislative problems that exist with the OUI program and the NAFTA labelling program, and Gordon mentioned the need to solve the technology gap. We all agree with that.

In summary, the Canadian Horticultural Council is fully supportive of this suite of new programs. We are not in favour of the OUI program as it has been practised for the past two years, and that is because of the flaws in that program that were iterated earlier.

We recognize, however, that not all the players are as confident as we are, and we respectfully suggest that in order to give the GROU program a fair chance, a fair trial, the OUI program be suspended—not taken off the books, just pushed aside while the GROU program has a fair chance to show that it can work. If it doesn't work, the OUI is still on the books and it could be re-implemented the next day.

In order to determine whether the GROU program in a trial has been successful, there need to be a number of questions asked of it.

● (1600)

First and foremost, did price discipline occur? In other words, did the price gap close so that Canadian growers did not face higher prices than the Americans did? Second, how much product actually did come in under this program? If product is coming in, that means price discipline didn't happen. Third, did the issues of container management and product stewardship get resolved?

These are some of the warts in the current program. Can the provinces deal with the products coming in under the GROU program? Right now, nine to ten provinces' provincial legislation cannot regulate these products. They're orphan chemicals when they come in under the OUI program.

Did Agriculture Canada provide enough accurate data to allow appropriate decisions to be made? That's very important. When the PSR II is passed, the real test will be the number of new generic pesticide applications and the access of Canadians to Canadian-registered generics, which is the whole reason that pricing for a product like glyphosate has dropped the price in the U.S.

How many new minor uses have come into Canada? Has the PMRA's Project 914 to close the technology gap worked?

Then, and only then, can we do a fair evaluation of whether GROU is doing all that we think it can.

I'd like to thank you for considering all these points, not just some of them. And remember that all growers across Canada, for very many crops, stand to gain materially from the possibility of the advantages of all the new approaches the committee agreed to.

Thank you.

• (1605)

The Chair: Thank you for your presentations.

With that, I'll go to our first round of questioning, and I'll turn it over to Mr. Steckle.

Mr. Paul Steckle (Huron—Bruce, Lib.): Thank you very much.

Thank you for appearing once again. We have a twice yearly meeting with you people. I want to particularly thank you, Karen, for the work you're doing. We think we have moved at least marginally since 2005 in terms of moving the stakes a little more quickly than we had in the 10 or so years prior to that point.

Last December, this committee made an overture to the minister to ask the agency to look at extending the use program for the next two years to give the GROU program an opportunity to prove itself and to look at that further. I know that today we have the people from CropLife Canada.

Mr. Bacon, you alluded to the fact that maybe we should be moving beyond that. We should attempt to move GROU and let the old OUI, I guess it is, sort of lay in abeyance until we see whether GROU is going to work.

Would that be an issue that we should pursue? Or how do you see that, Ms. Dodds?

Ms. Karen Dodds: In our discussions with farmers over the last month and a half or so, since Christmas, it's been clear that access to ClearOut 41 Plus, which is the only product now approved under GROU, is something they like. It is now available, and farmers can have access, as we said, because it's at least equivalent, until the end of June. They can order now, buy now, and bring in now what they need for this full growing season. That isn't an issue.

From the standing committee's recommendation, it wasn't clear, and it was maybe suggested that you wait at least two years before you move forward on GROU and on the other recommendations. I think it's clear that that puts some farmers at a real disadvantage. If you're not one of the 3,000, if you're one of the over 85,000 other farmers, you probably have more interest in the other recommendations than in the own-use import program. But we have to recognize that some farmers have financially benefited from ClearOut 41 Plus.

So in our discussions what's been clear is that they're interested in that continued access, those who have used it. But they also want to move ahead. They want a lot of the uncertainties eliminated. What we can tell them about the products under GROU is that there is definitely a wider use pattern, so more farmers will benefit. What the dollar amount will be, we can't tell them.

They were interested in knowing specific products. But we can't do that as long as the own-use import program is working, because there's nothing that would then prohibit some farm group from saying that we told them these products are equivalent and that they can now do it outside of the registrants' cooperation. We don't have any way of protecting the registrants from that.

Mr. Paul Steckle: I may be alone in not understanding this issue. We talk about product equivalency, and I can understand that, but what about price equivalency? What are we comparing it to?

Most of these products have their origins in the U.S. We bring them across the border. Who are we comparing the price equivalency with? I don't understand this. If you have one source, your price equivalency should be the same, unless you're buying from different sources in the U.S. and there are different ways of getting it in and different costs involved going through those various agencies.

Why is this an issue? We've been talking about coming to a time when we will have programs where products can be equally accessed and we will have comparable products in both Canada and the United States, but now we have this price equivalency. Help us understand that.

• (1610)

Ms. Karen Dodds: I'll start, and I imagine Craig will have more details. I don't know about Gordon.

Glyphosate is a generic name for an active ingredient. A large number of products that are registered have glyphosate as the active ingredient. In Canada, under the current data protection regime it's been almost impossible for a generic glyphosate to be registered, because the current data protection scheme continued to give extended data protection as we asked registrants—or registrants even just volunteered—to give us modern data.

We looked at that and said it was essentially an evergreening of the data protection. With the new Pest Control Products Act we didn't need to have the voluntary submission of new data from industry. Whenever we as the regulator believed there was a need, we could demand that the data come to us.

So we were in the position to be able to say we could revise our data protection policy and have a certain limited period of data protection, and thus for the first time in Canada start to give generic products a possibility.

In the States there is some glyphosate that is still innovator and there's some glyphosate that's generic. The generic glyphosate is considerably cheaper, and we don't have that in Canada right now. We have started talking to the generic industries to foster them coming to Canada.

So we know there's been a difference in fostering a generic industry in Canada, and that the data protection policy is a key. But even with innovators.... There have been a number of studies—Craig is probably much more aware of them, as well as some of my colleagues in Agriculture Canada—and I've looked at some of them. You cannot predict whether the price is going to be cheaper in Canada or the States, because there are so many business decisions that go into that.

So we've been clear that we want to foster generics, while at the same time making sure we are getting new products introduced. Part of our sort of vision now at PMRA is to reduce the specific costs of registration in Canada so we're on par with the States and it's not a disincentive to bring a product to Canada.

Mr. Paul Steckle: Does that satisfy you, Mr. Hunter?

Mr. Craig Hunter: I have just a supplementary point.

We all know there are many pesticides registered in the United States that have never been registered here. But there's an even greater number of products that were registered in the States and then subsequently came here seven to ten years later.

Data protection in the U.S. will run out before ours. They'll keep their price up while they have data protection in the States, but the day after, if there's a market there and generic products come in, that price will go down in the U.S., but they won't face that competition here. That's when you can create a price differential.

We think it's bad enough that they can get registration and use before we do, but if they get the use and it's cheaper, even if we have it we still can't compete. So by having the ability to bring it in, you're going to see this happen in Canada.

An ideal program would mean that not one ounce of product would ever cross the border. The threat of having the program should be enough to create price discipline. If it doesn't, maybe we need to be more creative.

The Chair: You're out of time, Mr. Steckle.

To follow up on that, Mr. Hunter, you said one of the tests of the GROU program versus the OUI is the price discipline. With the glyphosate products that have been coming in under the OUI, we haven't seen that price discipline in Canada yet.

Mr. Craig Hunter: There actually were some.

We had a grower who took part in one of our meetings by conference call. He took part in the program in 2005, and he went back to his dealer in early 2006. The price of the product here had come down to some extent, to the point that he was going to stay with his dealer for a lot of other reasons.

It quite frankly didn't come down far enough, and part of the reason it didn't come down far enough is that we don't have generics here. You would have been talking about patent product, and it's harder to force that here. There was a lot of push-back.

We brought in 6 million litres, but the market is 60 million litres or so, by my estimate, so this whole program was about 10% of the market.

• (1615)

The Chair: Thanks, Mr. Hunter.

Mr. Bellavance, for seven minutes, please.

[Translation]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Thank you, Mr. Chairman.

When PMRA comes before the committee, we always discuss how to accelerate the harmonization of the Canadian and American regulatory systems in order to allow our farmers to have an easier access to pest control products. This is always topical, even in 2007.

I don't remember if it was during my first meetings in this committee or in reading the blues but I do remember having learned here about some serious problems relating to the registration of some products. The main criticism was that the process was far too slow.

Mrs Dodds, could you give us an overview of the process at the present time?

[English]

Ms. Karen Dodds: There continue to be two pressure points.

We are very successful on joint reviews. As I mentioned, we're now participating in the first global joint review. One date of submission has gone from DuPont to all of those countries. We're at the table with the U.S., the U.K., and our other colleagues.

The experience is such that whenever we've participated in a joint review to date, the decision, at least between Canada and the U.S., has been the same, i.e. to register. The use patterns haven't always been exactly the same, because obviously in the U.S. there are some use patterns that aren't the same as in Canada.

On going forward, we're clearly supporting joint review as the best mechanism. It's a good use of our evaluators' time. It provides farmers with access at the same time.

On the issue of data protection, the data protection would then end at the same time, and it really is a win-win for all parties.

There are still a lot of difficulties because of history and the fact that, as both Gordon and Craig have noted, there is an existing technology gap. At this moment in time, and for quite a long period of time, there's been a big difference in how many products U.S. farmers have access to, for how many uses, that Canadian farmers don't have access to.

That is where, for the first time, PMRA has really given thought to how we can address it. The Project 914 that Craig alluded to is to work to address the issue. Instead of taking a use-by-use kind of pattern, which is what we've done historically—as the pulse growers have said this is a priority, or the tobacco growers have said this is a priority, or the apple people have said this is a priority—we have looked at what chemicals give the most number of uses that are of interest to growers in Canada.

PMRA looked at three active ingredients, again with the cooperation of the registrants, because we needed to get their agreement for full access to data. Among those three active ingredients, there are approximately 250 uses associated with those three actives.

We're now at the point where, under our act, we have to consult on proposed new registration. We have said these meet our standard of evaluation. We're now consulting.

It is very unlikely that there then will be any issues. They will be approved, and with three chemicals, you get 250 uses approved. It helps to close the technology gap.

We're also talking with our U.S. colleagues about harmonizing the residue levels that are allowed and being very clear that we want to do it in a way that does not disadvantage Canadian growers. If Canadian growers want a use registered, our preference is to get the product and the use registered and not to set a residue limit that would allow U.S. product to enter into Canada.

[Translation]

Mr. André Bellavance: It seems that the situation is improving, especially for farmers. Do you believe that we will be able to achieve full harmonization in the future? Is that realistic? In the US, products are used in their natural context, which means that using them in some of our provinces or regions would not necessarily have the same consequences. I suppose that we will never get access to some of those products.

That being said, can we hope to achieve near-perfect harmonization in the short term?

• (1620)

Ms. Karen Dodds: As far as near-perfect harmonization is concerned, the answer is yes. At the national level, the answer is yes, probably. We have to take account of our Endangered Species Act whereas our colleagues in the US have to take account of their

[English]

Endangered Species Act. So we know one of the concerns about strychnine is around two endangered species that are present in the southern Saskatchewan area. So there will always be some environmental issues, which could be a regional or a local difference and probably won't have a national impact.

[Translation]

Mr. André Bellavance: As far as strychnine is concerned, it is banned in the US and in Europe. It is mainly in Alberta and Saskatchewan that people want to use it for controlling their infestation of Richardson's ground squirrel. However, PMRA continues to accept the use of such products on a restricted basis when there is a need.

[English]

Ms. Karen Dodds: I just raised it as an example of looking at species at risk, where you'll see differences likely in Canada versus in the States. There will continue to be some use patterns where there are crops and pests in the States where we just don't have those crops and pests in Canada. But the intent is really that whenever you see a potential Canadian use, that Canadian farmers or other sectors are getting that use.

[Translation]

Mr. André Bellavance: Mr. Hunter, your questions were very interesting and relevant. You could have been sitting here to put your questions to Mrs Dodds.

I would like to understand why you want the OUI to be suspended. I understood from your statements that the two programs are incompatible.

[English]

Mr. Craig Hunter: When the committee reached their agreement, the CropLife company agreed to participate and provide the data under the GROU program for free. So suddenly growers didn't have to pay to show equivalence to companies that do that.

The other thing is that that company's product was registered in Canada and the product that was deemed equivalent was that same company's product in the United States, so you had a connection. That was a good thing. If they were willing to operate and try the GROU program as a trial, but not if the OUI was going to be there at the same time, that was part of their deal, part of what they were willing to live with. They didn't want to give us the data for free, but they agreed to do that. Part of that agreement was that the OUI program would be held off to one side while the GROU program was evaluated. If you wanted to have the OUI program in place, they would walk away from the GROU program, and the horticulture producers and maybe the pulse growers don't have the money it would take to prove equivalence for all these other products for which GROU would give us the opportunity to get a price discipline put into place. It was part of the deal, part of the balance.

[Translation]

The Chair: Thank you.

[English]

Mr. Anderson, the floor is yours.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Thank you, Mr. Chair.

I don't think the threat of CropLife walking away is a reason for me to abandon my producers, but anyhow, we can talk about that a little later. First of all, I want to thank the PMRA for the project they're going ahead with. We had quite a discussion last time you were here about data and studies being available on strychnine. Is that 2005 study available? You mentioned the 2005 study that was done to check the efficacy of strychnine. Is that available to the public?

Ms. Karen Dodds: That's the re-evaluation that we did of current uses of strychnine, so that is available on our website. That's a proposed acceptability for continuing registration.

There has also been a follow-up note on I think the status of strychnine. It does not deal directly with the liquid concentrate. The fact that the scientists have the same level of concern with the ready-to-use product has also indicated that you would have those concerns with the liquid concentrate.

• (1625)

Mr. David Anderson: I want to come back to the suspension of OUI. I know you were giving data on GROU or whatever, but GROU hasn't worked for my producers yet. They have no evidence at all that it's going to work. They're trusting the department. They're trusting some of their leaders to say it's working. On the ground, what they're saying is they want OUI to continue for awhile.

I'm confused as to why we can't, as a government, run the two programs simultaneously, insist that the chemicals that fit into the GROU program be put into that, and leave the OUI in place for the two years, as we requested. The real success of the OUI has been the price discipline it has brought to the market. Glyphosate is far cheaper than it was three years ago. Farmers appreciate that, and they want to be able to make sure they're going to be able to continue to access those kinds of prices in a fair market.

I invite your response on that.

Mr. Gordon Bacon: Mr. Anderson, I'll make a couple of comments on that.

On the side of narrowing the technology gap, if we have products that aren't in Canada right now—and part of this package is to use Project 914 to narrow this technology gap—we basically are going to have to have companies interested in registering products that they haven't previously had an interest in or haven't pursued an interest in registering.

When that product becomes registered in Canada, those companies are going to be interested in what kind of intellectual property protection they're going to have for this new product. One scenario could be that there is a generic of one of those products already in the U.S. There would be concern on the companies' side as to why they would want to introduce it into Canada if that product could then be brought in on the generic side almost immediately if equivalency could be proved.

So there is reason to believe we're not going to get the kind of uptake on narrowing the technology gap as long as that old OUI program is in place. As Karen mentioned, under the GROU program, if there were a generic version of one of those products in the U.S. and you deemed equivalency, you would basically have already said that the product could come in. I think that's why companies are not interested in telling us what is on the GROU list until they know the status of the OUI program.

Mr. David Anderson: I guess the farmers' response would be that if there's a generic available, why don't we have a system in place that would allow them to access it? My concern about GROU is that it ties the whole system to the fact that the registrant has to be cooperative. I don't think we've seen that in the past.

Mr. Gordon Bacon: The cooperation of the registrants has to be there to recognize what we're trying to move to. We're removing regulatory differences between Canada and the U.S. as a basis for price discrimination. You really have to have acceptance that we're moving to a North American pricing basis. That's why the task force and Craig have said to leave OUI at the ready, to be reintroduced if that kind of cooperation isn't there, if we don't see the kind of pricing discipline that's in place, because that is one of the key measures.

We're concerned that if we don't move rapidly on all four fronts at once, we're going to lose an opportunity to narrow the technology gap, to get a stronger generic industry in Canada, to move toward price equivalency.

We also hear the same thing. Until you have some evidence out about what products would come in under GROU—and this is just the first list—the idea would be that we should move to include all registered products, or as many as possible, where that equivalency

is. But we're facing the question of what is going to be the first step, and there are some reasons why trying to have both programs in place is going to limit interest.

The second point I'd like to make is that the task force was set up fourteen months ago to address the issue of equivalency. I think PMRA has made it very clear that there are issues of equivalency that would have to be addressed, and there's also the issue of protection of intellectual property.

Until we can address the very reasons the task force was set up, I think we're faced with some challenges in trying to say we would have both programs at the same time.

• (1630)

Mr. David Anderson: I think one of the main reasons the task force was set up was that the price of glyphosate dropped enough that the companies were concerned about it. That was some of the primary pressure, and now hopefully we've switched and we've put enough pressure on so that we'll be able to do something jointly with the United States. We've been pushing for that for years.

I'm just wondering why Avadex and Fargo were the first chemicals given the NAFTA label? I like this idea of the NAFTA label, but those are declining products. They're ones we used a lot of years ago, and they have been fairly stagnant, if not declining, over the last few years. I see Monsanto sold them to someone else now.

I'm just wondering if any of the major companies are involved in this NAFTA labelling. Are they moving ahead with products that are current? You're talking about closing the technology gap. Are we moving on some of the newer products, or is it going to be a list of older products that...?

Mr. Craig Hunter: Yes, the NAFTA North American label working group has had volunteers from several of the companies bringing forward products for NAFTA labelling. The group includes a number of the bigger companies.

I don't believe the list of products the committee is working on is on the site yet, but there's actually a meeting coming up in March at which we will be talking about the next one. I think the second one will be coming out very soon, in time for 2007. There are also several more that will be coming out in the next year or two.

They're like everybody else. They want to move cautiously, but they want to move forward on this idea. It really would facilitate movement of product back and forth, especially when you have, say, a grasshopper outbreak and you use every pound of the insecticide that's available in Canada. You don't have time to rebag, relabel, and so on, so if the product is labelled so that it can move across the border as fast as a truck, then we will have had real success.

If I may, can I go back to one of your earlier statements about how the growers want OUI? I think the growers want access to glyphosate. That's really what they want, and it's a shame that the company that owns the rights to this product is the only one that refused to take part in the GROU pilot.

It's like the old story. When the piper's already playing your song, why do you have to pay him? That company is already selling all the product they want through the border, so it wasn't prepared to participate. If OUI was off the table, the company would be at the table the next day for GROU, and then glyphosate would be available. So it, too, could be available under this program. There's no question about that.

Mr. David Anderson: Do you have a program to sell this program in western Canada? You're going to have trouble if you don't have some sort of a program to sell your new program here?

The Chair: Make it a quick response, please, because we need to move on to the next round.

Ms. Karen Dodds: On your first point that farmers haven't benefited from GROU, there's no way farmers can benefit from GROU until we let a product be identified as eligible for GROU with a label and it can move across the border. It can't now. We've only gone through a pilot stage. The registrants have been clear that they don't want both programs operating at the same time.

We've been clear. ClearOut 41 Plus is now registered in Canada, but the registrant has decided not to market it in Canada. They're accessing the Canadian market using own-use import, not another way. If there is a clear indication that you will hurt registrations in Canada, I don't know what it is.

They've decided not to market in Canada but to let it come in through own-use import. They're accessing the Canadian market through a different channel and are avoiding the responsibilities of a registrant.

The Chair: We'll turn it over for our second round of questioning.

You have five minutes, Mr. Easter.

Hon. Wayne Easter (Malpeque, Lib.): Just to be clear on the facts, under the OUI—

The Chair: Sorry, Wayne, but I actually screwed up there. It's a rookie mistake.

Mr. Atamanenko will actually finish off the first round, at seven minutes.

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): Yes, and I even voted for you.

Some hon. members: Oh, oh!

Mr. Alex Atamanenko: Thank you very much, Mr. Chairman.

I don't have many questions, so we'll probably get through my part very quickly.

Mr. Hunter, one thing that keeps coming back when I talk to apple growers is the story that we're at a disadvantage. Our competitors are using chemicals that growers can't use here. Their competitors use them on the apples, yet we can import the apples. It's that story. If we took out the old OUI and implemented GROU, would that alleviate this problem?

• (1635)

Mr. Craig Hunter: The GROU program by itself would not, but the GROU program and all the other pieces of the agreement, yes, would go a long way to helping to solve that for apple growers and

cucumber growers and lima bean growers and a whole lot of other people.

Mr. Alex Atamanenko: Could you elaborate a little bit and give some examples?

Mr. Craig Hunter: Canadian apple growers have had the worst five years of prices of all time, and it's because their cost of production is higher than the cost of imports. Part of the reason that imports are cheaper is because the competitors have access to production tools that give them a cheaper cost of production and better pest control than we do.

One really good example was a product used in apple storage to keep the apples good for 12 months. The Americans had it. Great Britain had it. China surely has it. We were not allowed to have it, but we were allowed to import the apples that were treated with it. So our guys were not allowed access. After a lot of work and a lot of expense to apple growers, we got it.

Under the new suite of programs where it would appear there is a much better chance to get simultaneous registrations, the day the Americans get the next one like that, we would get it too, because they would be interested in coming here because there would be a lot more willingness to participate. Companies are willing to come to the table now because of the way things are working that weren't 10 years ago.

Mr. Alex Atamanenko: If I understand correctly, Madam, you were saying in regard to the OUI program that there was one company you mentioned that is coming in through this program and doesn't have to register because they can come in, whereas if this did not exist, they would have to, and this means it would be registered in Canada and there would be free flow across the border. Do I understand this correctly?

Ms. Karen Dodds: The way I would summarize it is that own-use import was addressing price, not access. A concern from a lot of growers is that if you continue with own-use import, you are actually hurting the possibility of getting access. Both own-use import and the proposed GROU, grower requested own use, require that there be a Canadian-registered product against which you are making a comparison. So own-use import and GROU do not address an access question; they only address a price question.

In trying to develop win-win solutions, the task force went well beyond just price and got an awful lot on the table and an awful lot accepted that also addresses access. So if access is your primary concern as a grower, you are interested in all the recommendations that weren't own-use import and weren't GROU—further harmonization, the new intellectual property policy, Project 914.

Mr. Alex Atamanenko: Do you have anything else to add, Mr. Bacon?

Mr. Gordon Bacon: I would just emphasize the point with which I started my presentation. It was about timely access to new products and competitive prices. Those are the cornerstones of what the four areas of the task force recommendation addressed.

As Karen has just mentioned, it did go beyond just what OUI was trying to address. That's why we are very supportive of this, because it's going to bring our industry rapidly forward, increasing the competitiveness on a number of fronts.

Mr. Alex Atamanenko: Thank you.

That's all I have, Mr. Chair.

The Chair: Thank you.

Now we'll turn to Mr. Easter for five minutes.

Hon. Wayne Easter: Thanks, Mr. Chair.

I want to be absolutely sure of what's being proposed here. Basically, under the current system, if we were to go with the GROU proposal, then people would still be able to use the one product that's really coming in under OUI, which is ClearOut, until the end of June. So they could get supplies for this year. If we're looking at a two-year trial, we're talking about one year of a potential problem when they couldn't bring in material. Is that correct?

And is part of the conditions by all the players involved in this proposal that OUI would have to be suspended for that two-year period, but it could be reinstated at any time?

• (1640)

Ms. Karen Dodds: If I'm understanding you correctly, since the task force recommendations, we've recognized that it's a very legitimate concern of farmers. What is the continued pressure to keep them actively participating? We have said there is a possibility of keeping the program on the books, having it at the ready, keeping that regulation as a possibility, but saying we will not entertain any products under own-use import as long as there are products that are under GROU.

Hon. Wayne Easter: That means after June of 2007?

Ms. Karen Dodds: Yes.

Hon. Wayne Easter: So if we're to do that, what exactly is the procedure that has to be followed to implement that? Is it just an order in council by the Minister of Health or is it by cabinet?

Ms. Karen Dodds: We've actually determined, in discussion with our legal people, that we can implement GROU without any changes to our regulations. So, indeed, it means we have to grant the equivalency certificate for the products that we've deemed eligible based on the fact also that there would be a Canadian label that was approved.

Hon. Wayne Easter: So PMRA could do this on its own?

Ms. Karen Dodds: It could do it with the cooperation of the registrants. Again, we need to have the labels be the same. I don't know if that's been an issue. I don't think so. We know eight of the 13 products have already met our standard in terms of eligibility of the chemical under GROU. So we've got eight products ready to go under GROU.

Hon. Wayne Easter: But you would, I think—you can answer this—feel much more comfortable doing that if the agriculture committee reversed its recommendation that it passed?

Ms. Karen Dodds: Do you need to reverse it?

Mr. Craig Hunter: No, I don't think so.

I don't think the committee has to reverse their position at all, Mr. Easter. I think the committee suggested that OUI be available, and that, to me, means it is not thrown away forever. It's available. It's sitting there. If GROU doesn't work, then you can go right back at it, and nothing's lost.

I think one of the concerns was that OUI would disappear forever, and then if GROU didn't work, you had nothing at all. As a person with some Scottish background, I never give anything away if I might want to use it again. You should have seen my basement last week.

So keep OUI on the books, but don't issue permits during the time that you evaluate GROU. You would have to work out the conditions of how you're going to evaluate whether GROU is a success or not—I think that's fair to do in advance—and then, and only then, decide if you want to keep it going or if you don't like it, and you can still go back to the other. It's like having a hotel room in two different cities and not knowing which one you're going to sleep in.

Hon. Wayne Easter: But if GROU is going to work, all the players on that side of the equation are going to have to be given the assurance that we're not going to use the own-use imports.

Mr. Craig Hunter: That's the only way you'll get them at the table, yes.

Hon. Wayne Easter: I went through the list of organizations that were involved. Is there opposition to your proposal from any of the general farm organizations out there that you're aware of?

I hear David, but he doesn't—

Mr. Gordon Bacon: Having taken part in the discussions on crop production over a week in Saskatoon, having been out at FarmTech in Alberta, living in Winnipeg, and being part of some of the discussions that occur around Manitoba, I think the big issue here—and I think it addresses the question Mr. Anderson brought out—is the need for more information and communication. I think there is a need to be focused on all four elements of what the task force was recommending, and I don't think there has been enough of that.

So I don't know if I would characterize the question so much as opposition right now as the need to put out more information to address some of the questions and provide more explanation.

Further to that, I guess I would just say that groups like Saskatchewan, Alberta, and Manitoba pulse growers, as well as canola organizations, have submitted lists of questions to PMRA to get them to answer. I believe also that CropLife Canada has been asked to provide some information so that it can be shared through some of the grower publications and can be put out there as quickly as possible.

I think the people who sat around the task force table were provided, over the course of 15 meetings, with a lot of information about the complexity of the issue and about what we are really trying to achieve. I'm not personally aware of them, but there may be organizations that are in opposition to the recommendation. Mostly what I see is a need for more information to explain what can be achieved, what is expected, what kind of cooperation is going to be needed by regulators and by registrants, and what assurances farmers are going to have that this new system is going to work. That's what I believe is probably needed right now.

● (1645)

The Chair: Thank you, Mr. Easter.

I agree with you, Mr. Bacon. My farmers are concerned about the GROU program and whether it's going to do the same thing that own-use imports have accomplished for them. So communication is going to be a big issue for you.

I want to welcome Mr. Gaudet back to our committee. He took a leave for a little while and I'm glad to see him back.

[Translation]

Mr. Roger Gaudet (Montcalm, BQ): Thank you. I am very pleased to be here.

Mr. Bacon, you said that Pulse Canada is a national organization. Do you represent all the provinces or only some of them?

[English]

Mr. Gordon Bacon: The organizations that make up Pulse Canada include grower organizations in Alberta, Saskatchewan, and Manitoba; two in Ontario; and the Canadian Special Crops Association, which has a processor and trading members from B. C. right through to the Maritimes.

There isn't a specific grower organization solely focused on bean production in Quebec, so we don't have a Quebec grower organization. But we do have many marketing companies in Quebec that are members of the Canadian Special Crops Association. We're certainly open to membership. In fact, we've just changed some of our structures so we can bring in a broader group and include food manufacturers, ingredient companies, etc.

[Translation]

Mr. Roger Gaudet: Could you describe your organization so that I can explain it to my farmers? Some of them are pulse producers and they are not very satisfied with the present situation. Many products are imported in Canada whereas they are unable to sell their own production.

This relates to the third component of the recommendations aimed at improving the registration of peptides. Why is it so hard to achieve the harmonization of the Canadian and American systems? I don't understand that. Mr. Hunter was saying a while ago that our costs are higher if we don't have access to them. Why can we not produce enough to be able to export?

[English]

Mr. Gordon Bacon: I'm sure Mr. Hunter can add some comments to this.

Because there's a difference in the regulatory approach in the two countries, there are additional costs to registering products in Canada, or costs that have to be incurred that can't be covered by work they might have done in the United States.

We want to move toward a NAFTA registration so it continues with issues like joint reviews. It will give us one set of policies so companies can approach the NAFTA market as one geographic unit. So we're trying to remove some geopolitical boundaries in the registration process. The U.S. has a bigger production base for many crops, so when companies look at the cost of what registration would

be, they have to look at the market they're going to be selling to. Those are some of my comments.

Craig.

● (1650)

Mr. Craig Hunter: On the market size that enables a company to return their cost of registration, they have ten times the population, but for some crops they have 20 and 30 times as many acres as we do. Probably the only crop where it's different is canola, where we have 12 million acres and they have one or two million acres. With everything else, they have more acres to help pay for the cost of registration.

We've made a lot of progress in the last couple of years on having the NAFTA rules set the same and getting joint registrations, and I'd like us to do even more in that area. If we start with a level playing field of availability, I know Canadian growers can out-compete anybody in the world if they have the same tools.

[Translation]

Mr. Roger Gaudet: What is your opinion, Mrs Dodds? Why is it so hard to harmonize the Canadian and American regulatory systems?

[English]

Ms. Karen Dodds: We're at a really opportune time in that it's a win for every stakeholder group to increasingly see joint registrations, Canada and the U.S. Farmers started it, and farmers were clearly, in the early days of NAFTA, saying this is where they wanted to go.

The regulators now really see the benefits and the farmers see the benefits of having the regulators on both sides of the border having the same decisions. Because the new pesticides are, generally speaking, better for human health and better for the environment, you actually have the health stakeholders and the environmental stakeholders also supportive of increased harmonization and increased access.

There is no doubt that some of the older pesticides were really problematic for either human health or the environment, and for the most part we've moved beyond the real problem ones, but there are still concerns about a lot of the older ones.

So you have stakeholders north and south of the border all saying it's better to move, regulators north and south of the border saying move, and user groups saying move. I've had experience in other regulatory areas, and this is absolutely the furthest advance, without comparison, in terms of international cooperation Canada-U.S.

You can see how quickly things start to change. Craig's been involved for a long time, and what was once positioned as an ideal joint review is now a routine way of work for many companies.

Having a NAFTA label—I've only been involved for a couple of years now—seemed to be something that nobody thought was attainable. Once we put the right people to work, it's been less than a year from when the group started working to having this as a reality and having other companies say "we want it". And then to right away have a submission for a joint review, with a NAFTA label included as an outcome, is just really amazing.

So I think you can see a real increased momentum for Canadian-U.S. harmonization.

Mr. Gordon Bacon: I wonder if I could just add one additional comment, which was alluded to earlier. I think one added benefit of this NAFTA approach is that we are removing potential trade irritants by ensuring that there are not regulatory differences in registration—and MRLs were referred to—and I think this is something we see in our industry increasingly. I'm not speaking specifically about Canada-U.S. trade but where differences in MRLs between producing countries like Canada and importing countries are increasingly being used as a market access barrier. So we see this as an additional benefit of taking a NAFTA approach.

The Chair: Thank you.

Mr. Miller, five minutes, please.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Thanks, Mr. Chairman, and I'll take this opportunity to congratulate you, Mr. Chairman, on your election. And I thank the witnesses for being here today.

Ms. Dodds, I have to comment on one of your last comments about some of the things speeding up in the last year or so, and I do sincerely—

• (1655)

Mr. Paul Steckle: Whoa, whoa.

Mr. Larry Miller: Pardon?

Mr. Paul Steckle: Careful, careful.

Some hon. members: Oh, oh!

Mr. Larry Miller: Yes. That's what they said. I don't know whether I said something wrong there, but I don't think so.

I do hope this is a sign of the times and we see that kind of improvement.

I still am a little uneasy about putting the OUI program on hold. The one question I have is this. Say we get into this GROU experiment, as I'll call it, we get eight months in and we realize it's not working. How long does it take to go back to the other program? Is it going to take six months? Can it be done overnight?

Ms. Karen Dodds: We're saying keep the regulation essentially as it is on the books. So in terms of turning it back on, it's a matter of under own-use import you need a sponsor who can show equivalence of two products. They can have that at the ready right away, so it isn't a six-month lag time.

Mr. Larry Miller: Okay, so it's fairly quick, then. That is what you're saying.

Ms. Karen Dodds: It depends on the sponsors being ready with the information about products.

Mr. Larry Miller: So what you're saying is, it could drag on for a time if somebody isn't ready to go.

Ms. Karen Dodds: That would be the case even with current own-use import. This is one of the issues growers have, that under own-use import there's a requirement for the growers to have the information that products are equivalent, which is a harder situation than under GROU, where the registrants are participating, and it's sent us in paper.

Mr. Larry Miller: Can anything be done to change that? What I'm getting at here is, if you get into it and you find out—and let's hope what I'm talking about doesn't bear fruit, but in the event that it does, I think the transition back needs to come as quickly as possible. Can anything be done? I'll ask the gentlemen to comment as well. Do you think there's any way the process could be improved?

Mr. Craig Hunter: The biggest single issue I see is that currently the company that owns ClearOut 41 Plus in Canada has chosen not to participate in GROU, as the other 12 companies did. If the OUI program ended yesterday, let's say, they would be at the table tomorrow to participate because no company can afford or would want to lose the sale of six million litres of product—that's several million dollars' worth of sales they don't want to lose. They can sell that same product through the GROU program, if they choose to participate, if it is the same, and I have no doubt it is the same. If the glyphosate availability was part of the GROU program, you've got exactly, for the growers, what they've got now, plus a lot more. Really, that's the only issue, voluntary participation. Nobody wants to lose sales of six million litres a year for a couple of years. That's like cutting off your nose to spite your face.

Mr. Gordon Bacon: Could I add a comment? I think the task force wanted to see a pilot project under GROU, so out of that pilot project I think the work that's gone on has shown that eight products could be deemed equivalent and could be participants under the GROU pilot project. I think the expectation is that the GROU project would expand; it would include more products. I think we need to look for milestones as to how we measure progress. I think it's not just looking at the pilot project but seeing where we go with this in bringing more products under that GROU program.

Mr. Larry Miller: Dr. Dodds, you talked earlier in your presentation about working together with more countries—Europe, Asia, the U.S. You indicated already that progress between the United States and Canada has been working fairly well. When you get more players involved around the world, more countries, is that going to in any way complicate or slow the process? And this can go to you gentlemen as well. Sometimes the more people you've got, the harder it is to get something done. I'd like to hear some comments on that.

• (1700)

Ms. Karen Dodds: I think parties should recognize that when you're doing something for the first time as opposed to the twentieth time, or the fortieth, it's always more difficult. So in terms of joint reviews and talking with registrants, it's been a learning experience for all involved. We're at the point now where one of the major five registrants has told us that this is their business model; they're always using joint reviews. Others are still learning as they go and experimenting with it.

On the global joint reviews, again, the companies are saying that you do put in more effort up front, but compared with coming independently to Europe, to the U.S., to Canada, to Australia, to New Zealand, they recognize that there is less upfront effort there than doing it all separately.

But it's still quite an effort. We had to send people to scheduling meetings where they figured out who was going to do what part of the review, to have some good clarity—i.e., we're doing studies 10 through 20, the U.S. is doing studies 20 through 25, and this is the timetable.

So it takes an awful lot of upfront effort to make agreements, to schedule, to have registrants involved, but the joint reviews, especially between Canada and the U.S., as I said, are clearly building momentum. The registrants are recognizing that although it seems to be more effort, it is actually less effort than going to the two countries individually.

Because we as a regulator see the advantage, we are offering them incentives to submit joint reviews. In terms of things like field trials, we've been clear. We'll say, for instance, that if you bring a joint review to us, you'll get at least a 25% reduction in the number of field trials you have to do, as compared to your coming to the U.S. and Canada separately. And our cost estimates show that the savings there alone are very considerable.

Again, internationally this is the first truly global.... This isn't the first time it's been Canada, U.S., and Europe, but this is the first time it's been Canada, U.S., Europe, Australia, New Zealand, and Japan participating.

The Chair: Thank you, Larry.

I have a quick question. The thing that is probably of greatest concern out there is what's going to happen with ClearOut 41. We know that ClearOut is.... Registration under OUI is done in June, yet they haven't applied under the GROU program.

What's going to happen here? This is where the concern is at the farm gate.

Ms. Karen Dodds: From the farmer's perspective, they can order and import now, before June 28, what they need for the whole growing season. That's clear. They can address the whole 2007 growing season in advance of June 28.

So if you're a farmer and you want to have the product there, to have certainty—order it now, get it in now—that's allowed. In terms of after June 28, we've advised Farmers of North America, the sponsor, that the equivalency certificate they hold expires. They know what they need to do to extend the equivalency certificate.

Now, if it weren't eligible under GROU, it wouldn't be eligible to continue under own-use import. The U.S. registrant knows the status. We don't yet. But it either would be eligible after June 28...in some ways under both, or under neither, if the U.S. registrant has changed the formulation.

The Chair: So the U.S. company is in the driver's seat here.

Ms. Karen Dodds: I would say.

The Chair: Okay. And what happens with the product that's on farm as of June 28 that still can be used—

Ms. Karen Dodds: A condition of the program is that farmers can import and use for a full growing season. I mean, we don't want it coming in during the cold of winter, but nothing prohibits them from importing, in advance of June 28, sufficient product to use for the whole 2007 growing season.

The Chair: Okay.

No questions from your side?

Okay, a quick one, Mr. Steckle.

Mr. Paul Steckle: Can you tell me about the Farmers of North America? What's their role? Who are these people? I think probably all of us are asking that. We don't have any familiarity with that organization.

We're all farmers of North America, I guess, but I think they're—

Ms. Karen Dodds: They came to PMRA as the sponsors of ClearOut 41 Plus. Some colleagues have referred to them as the Costco of the agriculture sector. They did their homework and had the chemical analysis done that showed this U.S. product was equivalent to a Canadian-registered product.

In 2005, most of the product was shipped under what I'll call the auspices of Farmers of North America. They pre-bought and delivered for farmers. We started getting concerns raised, and we found out that they had indeed entered into an agreement with the U.S. distributor so that they would become the sole source of product for Canadian farmers. Canadian farmers could not actually go down themselves and buy product. They could only get it through Farmers of North America. We don't know if that continues now, but the fact that the U.S. registrant, the U.S. distributor, is registered in Canada but is not marketing in Canada suggests, as Craig did, that they're confident that they continue to work with Farmers of North America to have the product come into Canada.

As I said, one of the issues we've always had with equivalence under the own-use import program is that we have no means of holding the foreign-registered product to account. If the maker of the foreign product—in this case, it's a U.S.-registered product—changes their formulation, we don't have a means of finding that out first-hand. We have to continue to hold some sponsor accountable. However, under GROU, because you have what are in essence sister companies, they have access to that information in a much more easy fashion.

• (1705)

Mr. Paul Steckle: I understand that this could be a cooperative of farmers. It's farmers' money in this, and there are profits shared. It's not a Wal-Mart.

Mr. Gordon Bacon: Maybe I can help.

It's my understanding that it's a privately owned company with two or three owners. It's basically a private corporation.

The Chair: Did that answer your question?

Mr. Paul Steckle: That's it.

The Chair: Thanks, Paul.

Mr. Devolin, for five minutes, please.

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Thank you.

I'm sorry I was late. I saw the calendar this afternoon and realized that tomorrow is February 14, so I had to sneak out in order to send some business to one of your horticultural members.

An hon. member: Suck-up.

Mr. Barry Devolin: I almost forgot. Oh, that's on the record, isn't it?

My riding is in central Ontario. I'm not a farmer myself, but I talk to farmers in my area. One of the things I've heard many times is that there are chemicals that we are not allowed to use in Canada, yet other countries can use them and can send their stuff up here, and then we eat it. There seems to be no logic to that.

You're referring to NAFTA labelling, but we're talking about Canada and the United States and standardizing with Europe. NAFTA suggests Mexico as well. Does this currently include Mexico? Is it meant to include Mexico in the future? What about other countries in Central and Latin America that actually tend to send us a lot of food? We get a lot more from there than we would from Australia, for example.

Ms. Karen Dodds: No, it doesn't include Mexico. All of the work is done under the auspices of the NAFTA Technical Working Group on Pesticides, which includes Mexico, and the Mexicans participate in the meetings. They are clear that they are not participating in joint reviews at the moment, but they follow the developments.

It is a bit of a concern, in that there might be folks who think it includes NAFTA, but the NAFTA label is Canada–U.S. Mexico is interested in continuing to work with us. Mexico watches us and certainly doesn't prohibit Canada and the U.S. from achieving progress, which is a real positive bit, but their legislation and registration to date have not allowed them to fully participate in things like joint review and the NAFTA labels.

The Chair: Are there any final questions?

Alex.

Mr. Alex Atamanenko: I'll try to be quick.

We're talking about the mechanics of the own-use versus the GROU, and the advantages and disadvantages. From the point of view of health, the fact is that there are apparently 61 or so chemicals that we use in Canada that are banned in OECD countries. There are a couple used in Ontario that are not very good for the liver and kidneys. When we look at which ones we're going to approve, do we just see what's happening and what controls are in place in the United States, or do we look at other countries, like Germany, Sweden, or other European countries where they may have banned products that we may be using or potentially using? Is it Health Canada that looks after this? Could you elaborate on this, please?

• (1710)

Ms. Karen Dodds: The Pest Management Regulatory Agency is a branch of Health Canada. It's called an agency, but that's just its name. I report to the deputy minister, as do the other assistant deputy ministers, but my title is different. We are part of Health Canada, and it's the Minister of Health who is responsible for the Pest Control Products Act.

When we do joint reviews, we are clear that all of the participating countries have the authority to make their own decisions. We're clear that we're not accepting U.S. decisions, and for a long time I think farmers were actually wanting us to accept U.S. decisions. That's part of why I say the experience is that we come to the same decision, but we are clear when we participate that we can differ; we may not have the same agreements.

We find it's very helpful when our scientific evaluators can discuss issues with the U.S. and European scientific evaluators in that there is, in many ways, strength in numbers. They can discuss these issues and come more and more to a common decision. But we're not sacrificing health and environmental standards when we're working on joint reviews. We're clear; we have our health and environmental standards.

Again, that's one of the benefits for us of the GROU versus the own-use import. The GROU looks specifically at products from countries that are on par with us as a regulator, as compared to some countries whose standards we don't know and that we don't have confidence in as regulators.

The Chair: Mr. Hunter.

Mr. Craig Hunter: Quite often we'll read that a European country like Sweden or Norway has banned a pesticide, and we don't know enough about the background. Almost always those are bans in agriculture, but those countries don't have much agriculture. They have a heck of a forestry industry, and they allow the uses in forestry. The ban doesn't include every use. Those countries are required under European Union rules to be able to import their food from Spain, Italy, France, and Portugal, and by God, they do use those pesticides. So it's very convenient for publicity to show they're banning something, but the reality is they get their food from somewhere else.

If we want to do that in Canada, we'll be buying our food from somewhere else and our farmers will be out of business. If they're approved by a competent agency, we want to be able to use them—full stop.

The Chair: Thank you.

Mr. Anderson has a quick follow-up.

Mr. David Anderson: I think it's a two-part question.

ClearOut has full Canadian registration. Is that accurate?

Okay, so they're registered under own-use imports, and they also have full Canadian registration. If you come in with GROU, why would that impact their full registration? What's keeping them from bringing the product in under the full registration?

I'm assuming that not every other chemical in this country that's registered is going to be impacted by GROU.

Ms. Karen Dodds: ClearOut 41 Plus was registered in Canada after they started accessing what I'll call the Canadian agriculture sector through own-use import. They are not marketing the product in Canada. The sales of ClearOut 41 Plus are all happening in the States, and it is American-registered product that is being used. ClearOut 41 Plus is not on the shelves of Canadian distributors with a Canadian registration number.

You'd have to ask the registrant why they're doing that. We can surmise that they're reaching the market more cheaply this way. They're avoiding the responsibilities of a registrant. Farmers of North America is doing that for them.

•(1715)

Mr. David Anderson: The product has full registration in Canada?

Ms. Karen Dodds: Yes.

Mr. David Anderson: They can bring it in, market it themselves, and that product would be available that way?

Ms. Karen Dodds: Yes.

I've also had confirmation that there is at least one glyphosate on the group of eight products that's been considered acceptable under GROU. So there is at least one glyphosate product as a GROU product.

The Chair: Mr. Gourde, a quick question.

[Translation]

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): I have seen that we import fruits and vegetables produced with pesticides that are registered in the US and in other countries but are banned in Canada. In time, some of those products will meet the Canadian criteria for registration but some will not.

My concern is that this puts our Canadian producers at a disadvantage. We do not necessarily know if the pesticides used to produce the fruits and vegetables that we import for our food consumption will one day be accepted in Canada or not. I am also concerned for our consumers who eat some food produced with herbicides that may never meet the Canadian criteria.

What steps do you think should be taken in Canada to ensure that our producers have access to the best competitive products possible and that our consumers are protected against chemicals that are not accepted in Canada but are found in imported food such as fruits and vegetables? As you know, we do not have the list of those products and herbicides that may have been used to for the production of those fruits and vegetables.

We probably import fruits and vegetables that have been grown with herbicides that are not registered in Canada. Our farmers are not allowed to import those herbicides for their own production but we import those fruits and vegetables for our own consumption. I find that nonsensical. What could be done to solve this problem?

[English]

Ms. Karen Dodds: When we register a pesticide for use in Canada, we have to look at human health aspects, environmental aspects, and value, which has mostly been efficacy.

When we look at the human health aspects, people typically first think about eating the food that's been treated with the pesticides. We also have to look at occupational health issues and bystander issues. So there are times when we will say no to a pesticide or a use of the pesticide because of a concern about an occupational health issue, a bystander issue, or an environmental issue, but we do not have concerns about eating a product treated with the pesticide. That certainly has happened.

Under the World Trade Organization, our responsibility is to be as least trade restrictive as possible. So there are times when we allow a product treated with a pesticide to come into Canada when you can't use it in Canada, because we don't have concerns about dietary exposure, but we do have environmental or other health concerns. So we're okay on the health side; we have covered the dietary exposure.

There has also been a regulation that has said that irrespective of whether the pesticide is approved, if the residue limit level is below 0.1 parts per million, it's acceptable. The PMRA proposed changing that, because it was recognized that increasingly, pesticides were being used when we did have concerns, but the residue was below 0.1. And they were still being shipped to Canada and they were legally acceptable in Canada. That also put Canadian growers at a disadvantage, because farmers elsewhere could use products that Canadian growers couldn't use. So there was a proposal put forward, initially in 2003, to remove the 0.1, the default residue level.

We have had a second-round proposal go out recognizing that we want to do it in a way that does not disadvantage Canadian farmers. It addresses, then, one of the issues for fruit and vegetable growers about products being used offshore that are not allowed in Canada.

So it will be clear. The only times you should see that happening are when we don't have a concern about dietary exposure but we have said no to the product for other reasons.

The Chair: Okay. That's going to wrap up our questioning. We have other business to attend to.

I want to thank you, Karen Dodds, Gordon Bacon, and Craig Hunter for coming in and making your great presentations today. We had a good round of discussion.

I just want to remind Mr. Devolin that everything here is on the record and is actually broadcast publicly, so your wife probably heard that, and thanks for the reminder.

So with that, we're going to suspend for one minute while the witnesses clear away from the table, and then we'll start dealing with our motion.

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_____ (Pause) _____

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•(1720)

The Chair: I call the meeting back to order. We have a couple of items to deal with, and we'll start off with the motion from Mr. Easter, if you want to table your motion.

Hon. Wayne Easter: Thank you, Mr. Chairman.

The motion is pretty self-explanatory. The preamble pretty well covers it, but I'll read the motion:

1. That the Minister of Agriculture & Agri-food immediately rescind the questions released on January 22, 2007 upon which barley producers in western Canada are expected to vote on their future relationship with the Canadian Wheat Board and
2. Immediately implement the Sixth Report of the Standing Committee on Agriculture & Agri-food, by placing before wheat and barley producers of western Canada who have a relationship with the Canadian Wheat Board, the questions contained within that report.

And then that the motion be reported to the House. The motion has become necessary for several reasons. Key among them is the fact that the Minister of Agriculture and Agri-Food has almost shown absolute contempt for this committee in terms of its recommendations, and certainly for Parliament by not respecting the will of Parliament in terms of the questions that were replaced and voted on in Parliament as questions for a vote. The minister has clearly shown a lot of disrespect for farmers, who had proposed the questions in the first place that we passed in Parliament.

Our hope is that if we table another report giving direction, maybe the minister will reconsider.

The question the minister asked is seriously flawed, and I outline that in the preamble, but just to be clear, in terms of the dual marketing aspect of the question the minister asked, on October 25 the minister appointed a task force, which released its report, which we now have before us, called "Marketing Choice—The Way Forward", and at page 10 of that report it says:

"Marketing Choice" is a better term to describe the new environment than "dual marketing". The latter term implies to some that the existing marketing approach (a CWB with monopoly powers) could co-exist with an open market approach. This is not possible.

That is the end of the quote. It is impossible, yet that question was asked.

I just want to turn to this one last point, Mr. Chair. I had asked the Library of Parliament to give me some notes on plebiscites and votes. They really turned to Patrick Boyer's book, *Lawmaking by the People: Referendums and Plebiscites in Canada*. He's a former MP. The Library of Parliament says that for a plebiscite to accurately reflect the public's opinion, the wording of the plebiscite question should be clear. To quote Boyer:

The courts, as well as common sense, dictate that any question submitted to electors be stated in the clearest possible terms if voters are to respond intelligently and the legislative body concerned is to understand their wishes. The question in a plebiscite should be clear, simple, and direct, explained an Alberta court early in this century, and should not refer to considerations which might influence the voters or contain uncertainties, probabilities, and possibilities which might tend to confuse them.

He goes on to say:

Ambiguity in wording which gives rise to more than one interpretation of the question (and subsequently of the result), defeats the purpose of the vote, unless it is intentionally so worded.

Mr. Chair, I don't think there is any question about the questions the minister raised. They are raised to confuse the voter. They're not clear. There is no clarity to them, so it defeats the purpose of the vote in the first place.

● (1725)

So for those reasons, I believe we should support this motion, and hopefully the minister will reconsider and ask a clear question.

He's already delayed the vote by a week. He said he was embarrassed for doing that, but he delayed the vote, in my opinion, to try to juggle the voters' lists a little more.

For those reasons, I put forward the motion, Mr. Chair.

The Chair: Okay, we have a motion on the floor.

Mr. Anderson.

Mr. David Anderson: Thank you, Mr. Chair.

Mr. Easter's obsession with this is turning into silliness, because this motion doesn't even make a lot of sense. I'd like to take a bit of time to look at it and explain to some of the folks why we need to oppose this motion.

First, it's basically a waste of time because the ballots have already gone out and they're being returned. I assume Mr. Easter wants to take this to the House and try to get his three hours of debate. It's going to be over an issue that's already passed.

But with respect to the way the motion is written, we need to go over it and talk a bit about what is actually there. He talks about the three questions, which are very clear: the Canadian Wheat Board should retain the single desk; I'd like the option of marketing my barley to the board or to others; or the board shouldn't be marketing barley. It's not complicated. Those questions are the ones the Wheat Board has used on its survey for years. That's what they used to gauge their support.

This idea that somehow these questions are too complicated for western Canadian producers is an insult to those people. I think probably some of the people who are saying that should apologize, because farmers are smart enough to understand these questions. They're clear, simple, direct, uncomplicated, and very straightforward.

The second of the three questions says that a dual-market option is a viable alternative. Please go down to the next paragraph, where Mr. Easter talks about page 10 in the report. If the members want to turn to page 10, they can see what that paragraph really says about marketing choice.

I'm going to read it out in its entirety, and I'm going to make an amendment that rather than his partial quote, we include this, so that people can be clear as to what's really in this section.

Section 2.0 is entitled, "what marketing choice means", and reads:

Marketing Choice means that wheat and barley farmers will be able to sell wheat and barley to any domestic or foreign buyer of their choice, including a transformed Canadian Wheat Board (CWB II). "Marketing Choice" is a better term to describe the new environment than "dual marketing".

You notice they're not saying that dual marketing can't exist.

The latter term implies to some that the existing marketing approach (a CWB with monopoly powers) could co-exist with an open market approach.

By definition, that's possible. If you think about it, you can't have the two things existing at the same time. So clearly:

Marketing choice implies an open market in which CWB II, as an entity operating in that open market, will be a vigorous participant through which producers could voluntarily choose to market their grain.

● (1730)

Hon. Wayne Easter: A point of order.

The Chair: We have a point of order.

Hon. Wayne Easter: Mr. Anderson inserted that this is indeed possible, but that's not what the quote says. If he's going to quote the quote, then quote it directly, clearly, and absolutely.

The Chair: Mr. Anderson, I ask that you—

Mr. David Anderson: To quote:

...will be a vigorous participant through which producers could voluntarily choose to market their grain. To achieve this, the existing CWB will need to transform itself over a transition period into CWB II. For this 'choice' to occur, CWB II needs to have a high probability of success in an environment where it will have to compete for business. One of our focuses has been on creating the environment for a high probability of commercial success for CWB II.

And if people take the time to read the task force, they will see that the bulk of the task force is actually about giving the Wheat Board an opportunity to survive, making it successful for the future.

I'm going to make the amendment later that we insert this as a whole section there, so that people can see that indeed it does talk about dual marketing and marketing choice.

Actually, the point that needs to be made is that marketing choice is another term for dual marketing. They're clarifying the concept here; they're not denigrating it. So it's exactly the opposite of what Mr. Easter is alleging. That's enough right there to throw this motion out, but we can go on to some of the other parts of it as well.

Do we want to continue, Mr. Chair? We have a vote. I can certainly continue here; I don't have any problem with continuing.

The Chair: I leave it up to the discretion of the committee.

I believe we should head over for votes. So we can suspend the meeting and come back after votes. We can put this off to another—

Hon. Wayne Easter: You might as well put the question right now, Mr. Chairman.

Mr. David Anderson: I'm not prepared to put the question. We have quite a bit of discussion left on this, and my colleagues as well.

Hon. Wayne Easter: The parliamentary secretary is continuing to play with words. He doesn't take direction from the committee, and we've seen some of his misinformation—

The Chair: Mr. Easter, Mr. Anderson has the floor now. Mr. Miller wants to speak to this motion as well, so you have to allow the process to take place.

Mr. Anderson.

Mr. David Anderson: Thank you.

Mr. Atamanenko.

The Chair: Alex.

Mr. Alex Atamanenko: Although I agree with what Wayne is saying, because this is a democratic committee, we all need to have a choice and a chance to speak. If we have to go for a vote, we're not going to have a chance to do that, so I'd like to throw that out.

The Chair: David.

Mr. David Anderson: A suggestion would be that we adjourn now and come back at 3:15 on Thursday to pick up the debate. We'll have 15 or 30 minutes to conclude our discussion before we hear witnesses.

The Chair: We have a full day on Thursday. I'm at the discretion of the committee here.

Hon. Wayne Easter: I have no problem with that.

The Chair: Okay, let's do that. We'll adjourn and come back at 3:15 to continue the debate on Mr. Easter's motion.

The meeting is adjourned.

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