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# Standing Committee on Agriculture and Agri- Food

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EVIDENCE

**Thursday, December 3, 2009**

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**Chair**

**Mr. Larry Miller**



## Standing Committee on Agriculture and Agri-Food

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• (1520)

[English]

**The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)):** I call our meeting to order. Members are trickling in, but because of time we'll get started.

Mr. Surgeoner, we'll start with you.

**Dr. Gord Surgeoner (President, Ontario Agri-Food Technologies):** We'll begin, and I understand I have between five and seven minutes. Because of that, I will just hit the highlights of my presentation. You have all been provided with a copy.

I am president of Ontario Agri-Food Technologies. I answer to a board of directors, five of whom come from the farm associations, two from universities, and three from industry. I should also say, though, that I am chairman of the board of Performance Plants, which is a biotechnology company that is taking technology out of Queen's University and has been in business since 1997.

You asked a number of questions. First of all, I'll go right to the key answer.

Where does our organization believe we are relative to the regulatory process on genetically engineered crops? I would concur with the grains innovation roundtable, held in western Canada: "The current [assessment] structure is delivering science-based"—and I think science-based is the key word—"decisions on a timely basis, enabled by an ever-increasing level of coordination among the participating regulatory agencies."

At the end of the day, we have had regulations since about 1995. I want to emphasize that in Canada we do not regulate genetic engineering per se; we regulate novelty. In my opinion, that's the way we should operate. It's recognized around the world as the best science-based process. You have to regulate the product, not how you got there. We have what we call plants with novel traits, foods with novel traits, and they go through a regulatory process. In my presentation I outline the entire regulatory process, but I think it's important for you to understand what I mean: that we regulate product and not process.

For example, omega-3 milk had to go through a regulatory process because it had a novel trait: we as humans had not had milk with omega-3 in it. I would just give you an example, too, from traditional plant breeding. Agriculture and Agri-Food Canada developed a new durum wheat that had three times the gluten level in it and proudly announced that we have three times the gluten level. The Italians love it for nice thin pasta. My point here is that it doesn't matter how you get there. Gluten is the celiac trigger for most

celiacs in Canada, of which we have 165. That same headline could have said, "Ag Canada scientists increase gluten trigger by 300%", and that would have been accurate as well. We have to regulate the product, not how we got there. That's what we do in Canada, and I think it's the right approach. We have multiple agencies—Health Canada, Environment Canada, and a whole procedural basis on which we go through regulation. To get any product on the market today is probably about a \$10 million process from discovery right through to regulatory approval.

I would indicate that there is an understanding among the major companies that they will not release product for commercial use unless it has been okayed in the United States, Japan, and Canada. It doesn't necessarily have to be okayed in Europe; those are the three areas.

The poll data requirements are based on environment or food and feed, and it's flexible. For example, if you're talking about omega-3 milk, you wouldn't have to look at environmental issues, in my opinion or in regulatory opinion, but you'd have to see whether it had any untoward impact on health.

The point I make here is that we have a system in place; it has been there since 1995. In our jurisdiction, Ontario, about 80% of our soybeans are now genetically engineered; over 50% of our corn is genetically engineered; and indeed, about 90% of canola is genetically engineered. Canola did not exist as a crop per se until 1982; it was rapeseed. I hope you on the ag committee know what canola stands for: canola stands for "Canadian oil, low acid". We bred out through traditional ways the erucic acid.

Another way to show this is that we can create herbicide tolerance in crops three different ways: one is by genetic engineering; one is by a process called mutagenesis, in which you mutate plants until you find a mutation that provides that particular herbicide resistance, as an example; or we can outcross from other species.

The impact of that herbicide tolerance is by the product, not whether we use mutagenesis or not, because it's the product that is put out into the environment and that's the way the system works. I do want to emphasize it's multi-agency, but over the ten years that we have all worked together—and I want to emphasize in full transparency that all the studies are put forward—you can go to a room to see them, those kinds of things.

The last thing you asked me to address is what types of products are coming down the line. The first wave has been about what I will call biocontrols or controlling pests, so herbicide tolerance, insect resistance, those kinds of things. The next wave of products, and you can go to Ontario's outdoor farm show to see them from a number of companies, is environmental resistance, drought resistance, salt resistance, frost resistance, heat resistance—tolerance is what we call it. The next wave after that are the consumer traits. There are now in test plots omega-3 soybeans, as an example. We are changing the oil profiles of product to reduce the transfatty acids so that, through technology, we are now getting soybeans with the same oil profile as olive oil.

If you look at the waves, then it's been what I'll call controlling pests, reducing the negative impact of the environment and now more enhanced consumer traits, usually for health, but also possibly for industrial purposes as well.

In conclusion, and I just received this last night, so it's not in your package.... It's an AgCanada survey of farmers asking what kind of new technology would they be willing to take up. There are seven technologies. The number one choice of 90% of farmers would be growing genetically modified crops across Canada, and this is the AgCanada survey that was just done.

I think that's very important. I do agree with consumers that we have to talk and there needs to be more education, but I really caution when people say 80% of consumers want it on the label. If you go and blindly ask consumers and you don't give them a question such as "are you concerned about this", only about 1% to 6%, so top-of-mind, will say food safety, diseases, pathogens, for obvious reasons that you've obviously gone through—things like hormones, pesticide residues, those kinds of things—but genetic engineering per se is down less than 10% and getting smaller all the time.

I think we all agree we need strong regulatory process. It is working. To our knowledge, there has not been a single case of human problems associated with this, and I do document a number of cases where we've reduced fossil fuels, for example. We've allowed for no till on two million acres in Ontario, which has greatly reduced soil erosion. Those kinds of things have happened as well.

Thank you.

• (1525)

**The Chair:** Thank you very much, Mr. Surgeoner.

We now have Mr. Devlin Kuyek, from the Canadian Biotechnology Action Network.

**Mr. Devlin Kuyek (Special Advisor, Canadian Biotechnology Action Network):** My name is Devlin Kuyek. I'm a special advisor and a member of the steering committee of the Canadian Biotechnology Action Network. We're a coalition of 17 groups from across Canada and we represent farmers' organizations, environmental and international development groups and various grassroots coalitions. A three-year-old network, it brings together at least 15 years of civil society experience working on this issue of GMOs. We have submitted a brief that gives you a sense of the expertise we have on the issue of regulations.

I am an author and researcher who has written extensively on the seed system and seed policies in Canada and on the issue of GMOs. I also work with an organization called Grain, an international non-governmental organization with head offices in Barcelona.

We just have a short amount of time, so I'm going to broaden things out to look a bit more at the general context here.

To understand where we are with GMOs in Canada, you have to look at it as a deliberate policy shift that has taken what we call a public seed system with broad-based support from farmers, scientists, and the general public to what we have today, which is essentially a corporate seed system where the research agenda is in the hands of a very small number of corporations, most of them pesticide corporations outside of Canada.

The strategy to make this transformation happen goes back about 30 years. To understand what it has meant, you have to look at the whole packet of stuff that has been put in place to support this industry. Billions of dollars have been spent over the last 30 years to support biotech start-up firms and to give direct subsidies to the companies. Public plant breeding programs have been slashed and public breeding programs have been privatized. Seed regulations have been changed in order to facilitate this industry and do away with protections for farmers. We've implemented a whole range of new laws, including plant breeders' rights legislation. We've also allowed for patents on life, which is something very new and which has meant that farmers can no longer save seeds. Less seed saving is happening, which needs to be seen as a subsidy to this industry.

Overall, through this amount of subsidization, this amount of privatization, and with all these changes to the regulations, what we have in effect done is made it impossible for other alternatives to exist. The contamination that we've now seen with flax, which is happening with canola, is also another case where we're doing away with alternative space where other forms of plant breeding and other seed systems can exist. It's all been in the name of supporting this biotech industry.

Even when we talk about regulations and the regulations Canada has developed since the 1980s—really, starting more in the 1990s—these regulations also have been primarily driven by a desire to protect this biotech industry. Nothing is done that might impinge on the success of the GMO industry, so we don't bring in labelling, which would be a minimum requirement you would imagine for a government wanting to bring in such a risky technology as GMOs. And there's no liability that exists, so when a situation like contamination happens with flax, producers are just left on the hook for millions of dollars in damages.

What about this industry would justify such enormous privilege coming from our federal government? What is this industry, to begin with? What industry do we have if we look at the biotech industry today? Eighty-seven percent of the GM seed grown in the world today is sold by one company, Monsanto. They control 87% of the GM seed supply in the world. And just three pesticide companies—it's important to note that all are agro-chemical companies—control nearly half of the global proprietary seed supply. Twenty years ago, these companies were not even involved in seeds. Actually, there was very little participation in the private sector, at least from the corporate side.

● (1530)

These companies, it has to be pointed out, have specific interests when it comes to seeds. Monsanto has said on other occasions that seeds are for them a means to control the food supply. What it is that they want to do with seeds is tie farmers to the use of their proprietary herbicides, which is why we've seen an escalation in the amount of glyphosate use, which is of course produced by Monsanto. They want to be able to exercise patents and control, which is why we're seeing insecticides now being produced through the plants. These are the Bt crops, which produce the insecticide in the plant itself, which of course are patent-protected by these companies.

This is the overwhelming focus. We can talk about waves and coming waves of technology. We have of course yet to see that, but this is the overwhelming focus of these companies. It's important to bear in mind, too, when we talk about things like salt tolerance or drought or we talk about these changes to the oil content of crops, that all these things were possible and are possible and are being done with conventional plant breeding.

That's where we have been negligent to invest and that's where the focus on GM has really hurt. It has hurt farmers because these companies can charge increasingly because of the control they have. They can charge exorbitant rates for their seeds, so it's no surprise when you see farmers now trying to get out of hybrid canola by doing their own research on seeds that they have saved, even though it's hybrids. There were questions of why are farmers doing this. Well, it's because the seed prices keep going up.

Last year, at the height of the food crisis, when commodity prices were at an all-time high, Monsanto used that as an opportunity to boost up its profits. It doubled its profits last year. What happened for farmers? Farmers' net farm income in Canada and the U.S., where this company has the most control, declined at a time when farm-gate prices were at all-time highs. I think it's time, since we've had our national biotechnology strategy in place for nearly 30 years, that we start to take a look at defining seed policies that meet the needs of the Canadian public, that we start to legislate on behalf of the Canadian public and not on behalf of the shareholders of a small number of corporations based in foreign countries.

Thank you.

**The Chair:** Thank you.

Mr. Boehm, from the National Farmers Union.

**Mr. Terry Boehm (President, National Farmers Union):** Yes, thank you.

My name is Terry Boehm, and I'm currently serving as the president of the NFU. The NFU is the largest voluntary, direct-membership farm organization in Canada, incorporated by an act of Parliament in 1969, so this makes this our fortieth anniversary.

What I'd like to talk about, of course, is to reinforce some of the things that Mr. Kuyek has spoken about. There is this model of control that's being exerted, this model that farmers are experiencing with increased seed prices and increasingly fewer options, particularly in canola, other than GM varieties, and there are mechanisms that are being exercised on them to make sure they comply totally, either through contractual arrangements, threats of legal action, or other mechanisms that keep them in line as far as buying seeds on an annual basis is concerned.

There's an assumption made about GM crops that GM is synonymous with yield increases. I'm a canola producer. I'm a conventional farmer, and I have chosen to stay outside of the GM program, particularly because of the issues that I recognized around escalating seed prices and control, etc. For example, there are very few conventional GM open-pollinated varieties left available. Most of them have unfortunately been cancelled or deregistered, and I want to address that a little bit later in what I have to say. On the varieties of non-GM canola that I'm growing, this past year I had 45 bushels per acre in Saskatchewan, which is a very good yield, and generally speaking, the varieties that I have been growing have been equivalent or even slightly better than the best hybrids out there.

It's more a function of weather conditions and conventional breeding that has brought those traits along for those varieties. In canola, for example, the GM technology has very little to do with yield and everything to do with herbicide tolerance, and that's the trait that has been emphasized in regard to that. The advances in yield and other agronomic characteristics have generally been advanced by conventional breeding programs.

Now, several problems are cropping up with GMOs—pardon the pun—in Canada, and of course GE flax is front and foremost for those of us producing flax. I had a part to play in the cancellation or deregistration of Triffid flax some eight years ago, so I'm intimately familiar with that issue. But what are we experiencing right now? We've seen one of the rare instances when farmers and industry, in all aspects, cooperated to have this variety deregistered, in spite of the fact that we had a regulatory system that allowed that variety to move through completely unimpinged by any factor, to have it removed in recognition of the market harm that would result from that coming forward. We initiated a plan to have some 180,000 bushels of certified flax seed destroyed. Unfortunately, I guess the program wasn't totally successful.

We've seen the European market close to flax, which is a premium market, which is a market that has no tolerance for this unapproved GM flax, which I might add was a completely useless product. Even prairie farmers didn't see it having any value when it was introduced. Nevertheless, our regulatory system both then and today would allow that particular variety to move through with no barriers.

How many markets can we afford to lose in this manner without recognition that there are markets in the world and that the economic well-being, both for Canadians and farmers, is hinged around a successful access to some of these markets?

One of the more interesting things is this. We've had a great deal of discussion over the years with CFIA and others about adventitious presence and the need to establish percentages in crop kinds to allow for the contamination that occurs with GM crops in the general environment.

• (1535)

Now we're in a situation where we have Triffid flax, the GM flax, an unapproved event in Japan. The flax industry and the canola industry, which is largely GE canola, are now worried about having GE canola markets closed in Japan because of adventitious presence contamination with unapproved GE flax and dockage.

I would say that if you accept the regulatory system as it exists, you will continue to run into these problems, because GM wheat would have proceeded through the regulatory process had not Monsanto voluntarily withdrawn it some five years ago, and we would be confronted with the same situation. Eighty-two percent of our premium market customers said they would look elsewhere for wheat supplies if Canada went down that path. GM wheat is in the offing. Some groups are lobbying for it, and indeed the industry is speaking about reviving that in a different form.

SmartStax corn is another example with which we have issues with both Health Canada and the environmental release of these products. It has six Bt traits that give it insect resistance, and two herbicide traits that allow it to be resistant to two different herbicides. Unfortunately, it hasn't really been looked at in any way that is significantly different from looking at the individual traits. The approval of individual traits normalizes it in any combination in the plants. This is actually in conflict with some of the dialogue that's in the regulations around regulating plants with normal traits, which is particularly problematic with regard to recognition elsewhere in the world. Products of GE and rDNA technology have created significant harm for many sectors, including the organic sector, which has lost many options.

Now we have a variety registration system that was modernized in June and July of this year, which has allowed the potential movement of crop kinds into less onerous merit testing requirements, agronomic testing, etc., which would allow even a quicker acceleration once those crop kinds are moved into a less onerous tier. I can assure you that industry will argue that they need the less onerous tiers in order to advance the magic bullets they have in their back pocket, and it's just too expensive to go through this testing and the recommending committees.

The CFIA actually, in their arguments for the variety registration changes, even suggested that this would allow the decision to commercialize new varieties to be made solely by the developers and not to be dependent upon a recommendation made from a recommending committee. Again environmental and market concerns go by the wayside and we run into a situation where farmers are left holding the bag.

There is a myriad of things on there. All I can say is we've ended up needing more comprehensive hearings among health, environment, and agriculture. We've ended up with expensive seeds and lost markets for farmers. How much can the Canadian economy afford going down this path?

Thank you very much.

• (1540)

**The Chair:** Thank you.

Dr. Andrée, from Ottawa University—no, from Carleton University in Ottawa.

**Dr. Peter Andrée (Assistant Professor, Department of Political Science, Carleton University):** It is Carleton, yes. We're not meant to be mistaken, are we?

**The Chair:** I had the Ottawa part right anyway.

Go ahead, sir.

**Dr. Peter Andrée:** Thank you very much for having me here today.

My name is Peter Andrée and I'm a professor in political science at Carleton University. I come at this from having studied the regulatory system in Canada for a number of years and having done research interviewing our regulators, and also looking at the international politics of GE regulation, regulation of genetically modified foods and crops.

First, I want to thank you for inviting me here today—that's the first thing I wanted to say. I think this is an important time for this debate, particularly because of the two issues that Terry just raised, the seeming approval of SmartStax corn in Canada without Health Canada's actually giving it regulatory oversight—and I'll come back to that in a second—and this case of the GE flax, which is not meant to be grown in Canada but has still managed to destroy overseas markets for Canadian farmers. Both of those issues point to weaknesses within our regulatory system, and if we don't figure out how to fill them soon, we're going to have more of these problems and we'll be putting Canadian farmers at risk again.

I should also clarify that while I am critical of the regulatory system for GMOs in Canada, I'm not against the technology per se. That's where I stand on these issues.

In September I was invited to speak at a symposium that the Royal Society of Canada organized together with l'Académie des sciences in France on the issue of GMOs. The symposium brought together scientists and people who study regulation and social issues from those two countries. I've passed out a presentation I did there, called "An Analysis of GMO Regulation in Canada: Eight Critical Issues", in which I look at issues of the use of substantial equivalence in Canada, allergenicity testing, transparency, peer review—a number of areas that the Royal Society of Canada was invited by the Canadian government back almost ten years ago to do a thorough analysis of in terms of how effective the regulatory system is; whether there are any holes in that system, given the products that are going to be coming down the pipe; and what we need to improve that system.

In 2001 the Royal Society of Canada expert panel produced a substantial report, several hundred pages, in which they outlined 63 recommendations. One of the pieces of research I've done, I think it was five or six years ago now, was to look in detail at how the Canadian regulators responded to those 63 recommendations. My analysis would suggest there are still some critical holes that were identified in 2001 that remain to be filled. As I said, Canada really has to move on these if we're going to not put our farmers at economic risk in the way Terry was talking about.

I'm just going to touch on three of these eight issues, for the sake of moving us along. The first is this whole question of substantial equivalence. I won't get into all the technical details, but it essentially means that the regulators at Health Canada—and the Canadian Food Inspection Agency also uses this concept—compare the genetically modified food or plants to a non-modified counterpart and look for any areas where there are significant differences. If there are areas of significant difference, then it gets evaluated in more thorough testing.

This concept has been controversial, and in 2001 the Royal Society of Canada quite explicitly laid out to the regulators how the concept should be used. They said that if you're going to make a determination of substantial equivalence, you should look at the DNA structure, gene expression, proteomic analysis, which are the proteins that are created by those genes in the plant or food, and secondary metabolite profiling. They really spelled out that if you're going to understand these new crops in relation to the ones we've been using for a long time, these are the levels at which you have to understand the differences.

In the case of SmartStax corn, which Terry just pointed out, this is a corn variety that CFIA approved this summer. It has six traits that allow the plant to create Bttoxins, and then there are two herbicide resistance traits. The Canadian Food Inspection Agency, which looks at feed safety and environmental safety, did an analysis of this crop and approved it. Health Canada didn't look at it at all. The reason for that is because each of the eight traits, either singly or in pair, had been previously assessed. The assumption that they're going on is that the combination, the whole, is no different from the sum of the parts.

• (1545)

That's not the assumption the Europeans would make when they look at this, or most other regulatory systems in the world. In fact, even the U.S. Environmental Protection Agency just this past year had a whole scientific meeting where they looked at this question of stacked traits in crops. They said that there is the possibility of synergistic effects of these genes interacting. So we really need to look carefully at that before just assuming that the whole is more than the sum of its parts.

In Canada, the way the system is right now, Health Canada did not look at this product. I know there are people within Health Canada who would have liked to, but it's a hole in our regulatory system.

Related to that issue is the question of who is responsible for identifying potential problems. Our regulatory system actually requires that the applicant, the company bringing a product like SmartStax forward, identify if there are any changes that require further scrutiny.

There's a disconnect here as well because when *The Globe and Mail* wrote an article about this whole SmartStax getting through the Canadian regulatory system, the reporter approached Monsanto and asked, "Did you look carefully? Did you do the science to see if there are any differences between this eight-trait stacked product and the non-genetically-modified competitors?" Monsanto said that they didn't have to do that science because there's no need for additional safety assessments from Health Canada and the CFIA. So neither group is taking the time to do the science to figure out if there are any unexpected effects from the stacked product.

The second issue that I want to raise is the question of transparency in the regulatory system. I think it will interest some members of this committee that the Quebec government is the only provincial government that has an inter-ministerial committee that's kind of tracking the GMO regulatory approvals process at the federal level. I've been communicating with some members of that committee, and they are very frustrated. There have been inter-ministerial meetings between the Quebec government and the federal government to increase the transparency on two levels—both public access to some detail about how regulatory decisions are made, and allowing outside and independent scientists to verify the kinds of data upon which these decisions are made. That's a real concern for the Quebec government.

The last issue that I want to quickly touch on is this whole question of socio-economic considerations. It relates to the flax issue that Terry pointed out.

One of my pieces of research was on how the Canadian government dealt with the case of Roundup-ready wheat, or genetically engineered wheat, that was moving through the regulatory system in 2003-2004. It had been approved by Health Canada. It's not clear what the final response will be from the Canadian Food Inspection Agency.

I have to say that I felt they were doing a very good job and applying very tight scrutiny to this product. I think that's partly because they were getting some pressure from above. That's because if it had gone through, there would be no other mechanism to prevent this product from getting used by even just a few Canadian farmers. And if a small amount of that Roundup-ready wheat was in shipments going over to Europe, then all of the shipments would be turned back. That's a multi-billion-dollar industry. The federal government just didn't have a mechanism for saying that because in this case there's large economic harm that can happen with this product, we need a mechanism in place to prevent it from being used in Canada.

I interviewed a number of civil servants who, just like the minister at the time, were completely unprepared to deal with this because they didn't have the mechanism in place. I understand that you're all now looking at whether there's a mechanism for examining the economic harm, and I think that's really important.

Thank you.

• (1550)

**The Chair:** Thank you.

Mr. Valeriote.

**Mr. Francis Valeriote (Guelph, Lib.):** First of all, thank you, gentlemen, for taking time out of your busy schedules to come to Ottawa. We really appreciate it. To be honest, we're not going to be able to give this issue what it deserves in the time we've allotted you or those people we heard from on Tuesday. Nevertheless, we have to take a shot at it.

I went to Rome about two weeks ago, to the FAO conference on poverty and malnutrition in developing countries. We all know that by 2050 we're going to have over three billion more people on this planet and we're going to have to increase our food production by over 70%. We already have over a billion people who are starving.

With what I read and what I could consume at the time, I came to the conclusion that if we're going to solve the problem of world hunger, GMOs are going to have to be part of that solution. That's what I concluded. And it has to be in a very balanced way, not the extreme, on either side.

But one thing that concerned me, apart from the issue of safety—which I hope I can get to in a second question—was based on this article I read:

According to Monsanto, it takes at least 10 years and between \$100-\$150 million to introduce new genetically modified trait into plant varieties.

This is in contrast to conventional, commercial breeders who rarely spend more than \$1 million to breed a plant variety. (DNA marker assisted breeding technologies can speed the pace of conventional breeding.) In short, for every new biotech variety, conventional breeders can introduce between 100 and 150 standard varieties—in less time.

I don't know if this is true or not.

Despite this, the world's largest seed companies are working almost exclusively on GM seeds.

I'll ask this question to Dr. Surgeoner. One of the concerns I have is the exploitation of third world countries by these large companies. I think you have to admit that a lot of people are afraid of the big companies taking over, which Devlin Kuyek mentioned. Can you address that? Can you ease the concerns of people in any way? If you can't, are there things that government should do to prevent that from happening?

**Dr. Gord Surgeoner:** The first thing I'd like to address is hunger. Hunger is multi-faceted, and part of it is that we will need to essentially double production in the next 50 years. I agree with that, and there are many tools.... But most hunger is an infrastructure issue, man's inhumanity to man. There are distribution of wealth issues in many cases. It's not productivity issues, per se.

To my knowledge, most of the multinationals.... I'll speak specifically for our company: we provided free of charge to Africa Harvest, one of the major FAO NGOs in Africa, all the information and the genetics for drug tolerance, for example, that subsistence farmers could use in sorghum and many other crops. I would emphasize that this is a Canadian company—\$50 million of Canadian investors; essentially 95% of the investors have been Canadian. That was all given free of charge to Africa Harvest and to what we call the CIMIT labs across the world. The FAO has research labs for cassava, potatoes, etc., around the world, and the companies have provided these technologies free of charge to FAO agencies to use in production of seed for subsistence farmers.

• (1555)

**Mr. Francis Valeriote:** So you're saying subsistence farmers, the small-holder farmers in developing countries, needn't worry about the availability of seed in order to maintain and grow their crops.

**Dr. Gord Surgeoner:** Government always needs to maintain a public sector breeding program, and that includes the United Nations, which has done that. Suddenly we are starting to put a lot more resources into what I will call the science of agriculture and traditional breedings. But we have to have FAO and the United Nations with those centres. There's a rice centre, for example, in the Philippines. But yes, those technologies have been turned over for subsistence farmers.

**Mr. Francis Valeriote:** Devlin, I'd like to ask you a question about food safety. You mentioned that safety is an issue, and it is an issue for me. On Tuesday one of the witnesses said that even though ten years have gone by and there hasn't been a single incident of injury or bad health, you can't guarantee anything 100%. What they did say, and I thought it was interesting, is that we need transparency of public institutions and corporations, traceability, more research, and proper government approvals working together to gain the trust of the public on the issue of safety with respect to GMOs.

Do you agree with that proposal, and do you think we could work toward the use of GMOs, provided there is this transparency and traceability, etc?

**Mr. Devlin Kuyek:** At present there's very little transparency or access. Recently, the 26 top corn scientists in the U.S. sent out a letter saying that they can't get access to the data they need from GM crops because it's all locked up under contract and under patent. So they can't get any access to it.

It raises a lot of issues with this question of public breeding programs. One of the big problems right now is that the biodiversity that exists, the genetic resources that are out there, so much of it now is being locked up by these companies. As a public breeder you can't get access to it, so it's creating sort of segregated streams of research. And there's very little happening—unless it's locked in with licensing agreements and you name it—in a public way any more because so much of it is locked up by the—

**Mr. Francis Valeriote:** But do you agree that—

**The Acting Chair (Mr. Brian Storseth (Westlock—St. Paul, CPC)):** Thank you, Mr. Valeriote. You're well over your time. Thank you.

**Mr. Devlin Kuyek:** Can I finish what I was saying?

**The Acting Chair (Mr. Brian Storseth):** Yes, quickly.

**Mr. Devlin Kuyek:** Also on this point of access, right now hunger is a question of access. We have 20% of humanity that doesn't have access to food, and 80% of those people are farmers. They don't have access to food-producing resources. If we put more of those food-producing resources in the hands of companies who want to extract profit, that means as the situation becomes more and more difficult these companies are going to be able to charge more and more.

Monsanto is very clear that they want to see Africa as an eventual market. That's part of their strategy for making things available right now.

**The Acting Chair (Mr. Brian Storseth):** Thank you.

Madame Bonsant.

[*Translation*]

**Ms. France Bonsant (Compton—Stanstead, BQ):** Sorry for being late. We were at the House commemorating the death of 14 young women 20 years ago at the Polytechnique de Montréal. I just had to be there.

Mr. Kuyek, I listened to what you said regarding GMOs and it scared me somewhat. In Quebec, we have an increasing number of organic farms. How will they be able to continue growing organic crops on these farms given Monsanto's monopoly?

**Mr. Devlin Kuyek:** May I answer in French?

• (1600)

**Ms. France Bonsant:** As you wish, we have all the interpreters we need.

**Mr. Devlin Kuyek:** Interestingly enough, I was at a meeting in March with the organic producers of Quebec. They were looking for ways to develop their own seeds and to produce their seeds at the farm because they cannot find varieties without GMOs, especially varieties that are not contaminated.

More and more so-called non-GMO varieties are contaminated because they come from the same source. So these producers are looking for ways to make their own seeds and they want to work with public breeders.

**Ms. France Bonsant:** Mr. Chairman, I give notice that I will be sharing my time with Ms. Meili Faille.

However, I have another short question. We have a huge problem regarding the labelling of GMOs. The government made it voluntary and we know what this means.

How do you feel about compulsory labelling of GMOs in order to give people a choice between natural and genetically modified products?

**Mr. Devlin Kuyek:** First of all, there are too many risks associated with GMOs to justify their release in the market, end of story.

However, since the government decided to allow the marketing of GMOs, I believe it has a responsibility to ensure a minimum of protection and transparency. So why not require labelling? Why not require accountability? That is the minimum that we should expect from our government which is presently promoting GMOs.

If they want to market those, why not ensure a minimum of consumer protection?

**Ms. Meili Faille (Vaudreuil-Soulanges, BQ):** I also have a question on labelling.

Unless I am mistaken, as of now — and maybe Mr. Andrée would like to answer also — there is no conclusive study to say that GMOs are safe, whether for the environment or for human health. Is that correct?

**Dr. Peter Andrée:** Yes.

It is interesting. I mentioned the report produced by the scientists from the Royal Society of Canada in 2001. I always refer to them because it was the first time that scientists from all over Canada

submitted an independent report on this issue. These were university scientists. They too called for labelling. They said that if all 63 recommendations they made were included in the regulations, there would likely not be a problem. But I found over the last 10 years that there still are problems, for example with substantial equivalency.

It might be time to look again, from a scientific perspective, at labelling. I believe that Charles Caccia called for a vote in the House of Commons in 2001. The very same day, a letter from Health Canada stated that there was no need for a vote since they would deal with it. But nothing has happened.

**Ms. Meili Faille:** The Bloc Québécois has also tabled a bill on GMOs. People agree with us. If you knew how many letters we have been getting in our ridings. I believe that in Quebec we produce quality food. We have made improvements with our organic products.

I know that in Saskatchewan, if I remember correctly, some time ago farmers launched a class action suit against Monsanto and Aventis-Bayer. Could you tell us more about it? Could you tell us what arguments could be used if this action does not succeed?

**Mr. Terry Boehm:** Unfortunately, my French is very poor. Therefore, I will answer in English.

[*English*]

Unfortunately, the action launched was initiated by the Saskatchewan Organic Directorate. It was an attempt to establish issues of liability in regard to the introduction of GM crops and the consequences that occurred as far as organic producers' actually losing the ability to grow GM canola at all, because the cross-contamination issues are so large that it's impossible for them to plant canola without losing their certification.

They attempted to launch an action under the legislation in Saskatchewan, a class action on behalf of all producers. They went through various levels of the courts, but it was denied. They have since withdrawn in this action. However, currently they're confronted with another extremely harmful prospect: genetically engineered alfalfa. Alfalfa is a major soil builder and rotational crop for organic farmers. This indeed could totally destroy a sector that's growing in the prairies, particularly in Saskatchewan, quite rapidly. We have an increasing number of acres under organic production in Saskatchewan.

I would also add that the issue of GE alfalfa would likely extend beyond the organic industry if questions start to be raised about the consumption of such in our dairy herds.

• (1605)

**The Chair:** Thank you. Your time is expired. You were actually way over. I was very lenient.

Mr. Atamanenko, please. You have five minutes.

**Mr. Alex Atamanenko (British Columbia Southern Interior, NDP):** Thank you very much.

Thanks to all of you for being here for this very timely debate in the history of our nation. There's so much to talk about and so much to discuss. I'm going to try to zero in first on regulations.

Dr. Andrée, I was at your talk the other night. As you may know, I finally have a chance to do something with a private member's bill, which will be coming up in the beginning of February. It would require an analysis of potential harm to export markets to be conducted before the sale of any new genetically engineered seed is permitted.

That sounds good, and the intent is to prevent what's happening to alfalfa and wheat, what happened to flax. What kind of mechanism should be used? What should we do?

That's the first part, and I'll give one last question to other members of the panel. Ultimately, our goal is to feed the world and ensure that farmers make a profit so people don't go hungry. I'd like opinions from all of you on this. What stands a better chance of protecting and improving the genetic diversity within plants, aquatic species, and livestock to withstand extreme weather events, new pests and diseases, and changing climates? Is it biotechnology, or is it traditional agricultural methods?

I'll just leave you with one opinion that I got from Dr. Hans Herren, who is president of the Millennium Institute and co-chair of International Assessment of Agricultural Knowledge, Science, and Technology for Development, which did a report. Most of us have an executive summary of that. I asked him point-blank in a meeting I was at last week if he felt we could feed the world organically, and he said yes. I'd like some comments on that, maybe starting with Dr. Andrée.

**Dr. Peter André:** On the first question, the bill you are bringing forth is important for Canadian farmers. There needs to be some mechanism in place for evaluating that kind of harm before a product gets out, because it spreads in unexpected ways, as Terry has talked about.

There are two levels. There are products that are developed in Canada, and it's easier to bring in this kind of regulation for products developed here. As soon as you're dealing with products that would be sold into Canada, you have to start worrying about trade disciplines—WTO and NAFTA obligations.

I don't have a simple answer for this, and I knew you were going to ask me. In fact, it's the kind of research that people like myself, as political scientists who are concerned about these issues, really need to move into more. There are certain countries in the world where they do this kind of examination of social and economic harms and benefits, but it shouldn't be in the safety regulation system. Even though we have many problems with the health and environmental regulation system in Canada, it should be separated from questions of economic and social impact. But there is still room for analysis of economic and social impact.

The Canadian Wheat Board, back in 2003-04, really put forth a third pillar of cost-benefit analysis as part of the overall regulatory system and a way of hopefully catching Roundup-ready wheat before it was approved in Canada. There are certainly a lot of bodies in Canada that would see this as being in their interest—including some of these farm organizations—and can work with you to develop and answer exactly what that mechanism should look like. It would probably be related to the variety registration process, which is really where these kinds of issues were considered before.

Maybe I'll leave the other questions to these guys.

• (1610)

**Mr. Alex Atamanenko:** On feeding the world....

**Mr. Terry Boehm:** On the regulatory regime, one of the big problems—flax is particularly illustrative of this and I'll just briefly address it—is that we had the variety deregistered, making it illegal to sell for seed. But the problem was that it was still legal under the other regulatory aspects. It was approved for feed and environmental release. Even if you're doing test plots and extended test plots on an extensive basis you run into contamination issues, and once the genie is out of the bottle it's a problem.

There is a huge debate at the FAO and all sorts of places as to the appropriate technologies to feed the world, in light of upcoming problems. Central to this, looking at particular production technologies in isolation is probably not appropriate. The distribution aspects and the displacement that takes place from trade that displaces people out of the countryside in much of the agrarian south that has moved them into....

Mr. Chair, with all due respect, it's very disruptive when somebody is doing that when you're trying to compose your thoughts.

**The Chair:** I understand that, but it's getting to be a habit, Mr. Boehm. I appreciate your comment, but I'm just letting you know you are well over the time. Please finish.

**Mr. Terry Boehm:** Okay. Very good.

At any rate, the issue is much more complex than the particular technologies as to how we're going to feed the world. In the meantime, there is a reliance on the technological solution, and I would say our technical ability far exceeds our predictive ability and the consequences thereof. So the tried and true would be most appropriate in terms of a sensible precautionary approach.

**The Chair:** Thank you.

Mr. Richards, you have five minutes.

**Mr. Blake Richards (Wild Rose, CPC):** Thank you, Mr. Chairman.

Thank you all for being here today as well.

The safety of our food supply is the first priority for the government, but ensuring that trade markets stay open is also a huge priority. We've been very successful as a government in opening a lot of new markets for our farmers and reopening markets. Obviously, we understand that these two things are often linked, and it's important that we consider both of them.

When we talk about GMOs, certainly there are some economic advantages that come with them—things like easier weed control, as an example. Dr. Surgeoner also pointed out some possible health benefits for Canadians, which can be seen as well. So there are obviously some very positive things they can accomplish for us, but of course there are some concerns as well. We certainly need to examine those. Of course that's exactly what we're here to do today. We're happy to be doing that. We appreciate your assistance with that, and we value your opinions.

I have some basic questions I wanted to ask first, and if there's some time when we're done with that, I would like to get a little bit more background on some of the organizations you're here to represent.

First of all—and if any one of you has the information, you're free to answer—does anyone have the statistics on the percentages in Canada of different crops and of GMO and non-GMO varieties of those crops? Also, I would like some information on the most common varieties of GMO crops in Canada.

• (1615)

**Dr. Gord Surgeoner:** I can start.

There are three main crops in Canada that are genetically modified. I'm not including, in any volumes, flax at this point. Those crops are corn, soybeans, and canola. Canola is somewhere above 80%. Soybeans are probably about 80%—and I would emphasize we have a large non-GMO market with all kinds of varieties.

One of my members, Hendrick Seeds—and I agree—can produce very high levels that exceed or match the traditional GM varieties. Soybeans are big. The other is corn, and about 50% of the corn is genetically modified.

**Mr. Blake Richards:** Do you want to add something to that?

**Mr. Devlin Kuyek:** We don't actually have full statistics because the government doesn't keep track of them. The figures from the USDA, which are based on estimated plantings, were that 43.7% of the corn area was for GM varieties, but if you look at the variety registration for this year, about three-quarters of the varieties that will be on the market are GM corn varieties, meaning that in many cases the genetics that producers will want will only be available if you buy a GM variety.

**Mr. Blake Richards:** So the statistic you have there is quite specific—43%. Where did those stats come from?

**Mr. Devlin Kuyek:** That particular statistic comes from a USDA Global Agricultural Information Network report, looking at biotechnology in Canada.

**Mr. Blake Richards:** Okay. I appreciate that.

Mr. Surgeoner, you briefly mentioned some health benefits. You talked about celiacs in particular. I have a staff member in my constituency office who's actually a celiac, so that was of interest to me. Could you maybe elaborate on some of those health benefits as well?

**Dr. Gord Surgeoner:** I should emphasize that I mentioned celiacs just to show that we need to check the safety on the basis of novelty. There's no GM association with wheat right now.

For example, we have done studies at the University of Guelph showing that if you give consumers choice, you can use Bt in corn through genetic engineering. If you have sweet corn, and you don't want to get worms on it, and you want the level of perfection that consumers demand today, you can tell consumers they have a choice: they can have this corn, which is genetically engineered, or this other one that you've had to put three insecticide sprays on. You can ask them which one of these two they want. That's the reality. It's not one or nothing at the level at which the consumer demands it or at the price the consumer demands it.

The other thing is if you reduce things like insects going into the ears of corn, you allow fusarium to get in and microtoxins to get in. Microtoxins can be very unhealthy to human beings and particularly to our swine industry as well.

**Mr. Blake Richards:** Absolutely. Using a smaller amount of pesticides has not only health benefits but environmental benefits as well. That's a really positive piece of information.

Do I have more time?

**The Chair:** Just a little, Mr. Richards.

**Mr. Blake Richards:** I don't know if we can get very far on it then. I'm not overly familiar with some of the groups you're here representing. We're certainly familiar with the National Farmers Union. We've had you guys in here as witnesses many times, and I've met with groups from your organization. I'm very familiar with you. Obviously everyone's familiar with Carleton University.

As for the other two groups, where does your funding come from? Who do you provide advice to? Do you provide advice to farmers or to industry groups? I know we don't have much time, but maybe you could briefly talk about that.

**The Chair:** Go ahead, please, Dr. Surgeoner.

**Dr. Gord Surgeoner:** My group was created in 1997 by the farm organizations of Ontario. I answer to a board of ten directors, five of whom come from the farm organizations. People like the OFA, the corn producers, soybean producers, dairy farmers, and pork producers are all members. Five of my board members come from that group, two come from universities, and three come from industry. I answer to that board. And there are 45 organizations. It's mentioned in my presentation.

**Mr. Blake Richards:** Okay, great. Thank you.

**Mr. Devlin Kuyek:** CBAN is a coalition of civil society organizations, so it can be farmers' organizations such as the Ecological Farmers Association of Ontario or Union paysanne in Quebec. It brings together NGOs as well, like ACT for the Earth, Inter Pares, USC Canada, organizations that have been, in one way or another, working on the issue of GMOs in Canada and abroad, as well, for many years.

And three years ago the idea was that we needed something that could focus more on the issue. That's when CBAN was formed. We have a small secretariat and a steering committee, of which I am a part.

• (1620)

**The Chair:** Thank you very much.

I'd like to thank our witnesses for being here. We now have our group of young Canadian farmers here, who we're looking forward very much to hearing from.

Thanks very much, and merry Christmas to all of you.

We'll just break for a few minutes. I know we just have two of the scheduled young farmers who are here, but I welcome all of you who are here to come up and sit around the table. It would be very good to have you.

• (1620) \_\_\_\_\_ (Pause) \_\_\_\_\_

• (1625)

**The Vice-Chair (Hon. Mark Eyking (Sydney—Victoria, Lib.)):** I'd like to welcome the Outstanding Young Farmers to our agriculture committee.

Some food was brought in by the House of Commons, so feel free to have a nibble on the way through.

Our committee is made up of the Conservatives, who are the government, and the opposition, consisting of the Liberals, the Bloc, and the NDP. Most of the time, things work out quite well. At the end of the day, we're all here, and our forefront thoughts are for the farmers and for agriculture. Many of the MPs here are farmers, or they represent agricultural ridings, so they all have a good grasp on what's happening out there.

The report we've been doing this year is on the competitiveness of agriculture. We're just finishing it up, and in the next few days we're hoping to have it done.

The timing is good for you folks, because in the new year we're going to be dealing with the future of agriculture, so we might be having to ask some of you to come back and help us out.

Anyway, welcome. You are the main witnesses, and I heard your presentation is going to be short. When you're done, others can chip in and we'll do a round of questioning.

You have the floor. Good luck.

**Mr. Harry Koelen (Canada's Outstanding Young Farmers Program):** Thank you.

Good afternoon, members of the committee. Thanks for the invitation. We're honoured to be here.

**Mrs. Leony Koelen (Canada's Outstanding Young Farmers Program):** We are Harry and Leony Koelen. We live in Paisley, Ontario, in beautiful Bruce County. We have five children. We operate two farrowing units of 2,750 sows each, on a total land base of 1,100 acres. We produce about 140,000 piglets annually. All pigs are sold to a Listowel-based company called Synergy Swine, and they're all finished in Ontario.

**Mr. Harry Koelen:** We will give you a quick summary of our farming adventures. In 1987, at the age of 17, I came to Canada as a co-op student and fell in love with the country. In 1991 I immigrated to Canada with a backpack, \$2,000, and the dream of becoming a farmer.

**Mrs. Leony Koelen:** I met Harry just before I left, and I had to get married to him to get in the country.

After working for others for four years and saving every penny we could, we were able to buy an old run-down farm near Brussels. With the use of additional rented barns and school buses, we were able to keep 800 sows. In 1999 we sold the farm and moved north to Paisley, where the land was cheaper.

**Mr. Harry Koelen:** Being our own general contractor, we were able to build a bigger barn for 2,700 sows. A few years later, after spending four months in bed with a back injury, I figured that the

farm was running pretty well without my always being there. We thought we might as well build another barn for 2,700 sows.

**Mrs. Leony Koelen:** We rented all our land to concentrate on pig production. We employ 16 full-time people and a few part-timers, including our two eldest daughters. Together with our team, we try to run a low-cost, efficient operation, with high sow productivity. We pay a lot of attention to environment, animal welfare, and health and safety for our employees.

After 15 years of farming and some struggles along the way, like the roof that collapsed under heavy snow loads, we had a large barn fire in 2003 that killed 1,280 sows and 2,000 pigs. We're weathering the hog crisis right now, and we are still here.

• (1630)

**Mr. Harry Koelen:** A few government initiatives have helped young farmers, including us. The AgriStability program helped young farmers, but only after they had been in business for a few years, because they needed reference years. The environmental farm plan has helped a lot of farmers, and helped us quite a bit as young farmers. We used it quite extensively. And the new hog restructuring program might prove to be a success and keep some more of us in the business.

Many challenges face young and beginning farmers. Today the farms are getting a lot bigger because of lower profit margins. The beginning farmer needs a lot more capital to get started. It's almost impossible for young farmers to start from scratch. We wanted to start farming. I had a degree in swine and poultry, I had four years of experience as a farm manager on a large sow operation, and I'd worked on pig farms almost all my life. But it was hard to get financing, and we could not borrow a higher percentage on our equity. At the same time, larger investor-driven barns were put up by people with no prior knowledge or experience in the field, and these people could actually borrow the same percentage on equity. So it seems that there is no credit given for experience, knowledge, or past record.

**Mrs. Leony Koelen:** Another challenge is that it takes too long for the beginning farmers to qualify for support programs because they have to build up reference years. In 2007 the Ontario hog, beef, and horticultural program did not work well for beginning and expanding farmers. Our last-built farm, which started shipping pigs in 2004, did not qualify for anything else. At the same time, some deceased farmers did get a cheque, and even farmers who were out of business for a few years got money. It makes it worse for the beginning farmer, because in times like this you're losing money. Then some of your other farmers do get money, but we don't get it.

**Mr. Harry Koelen:** It puts us at a disadvantage.

**Mrs. Leony Koelen:** Yes, even going back more.

All other challenges we all face right now as farmers are bigger for beginning farmers because they're a lot more vulnerable because of the low equity position. Farm-gate prices have not kept pace with cost increases for labour, fertilizer, fuel, feed, and other farm inputs. And the wild and unpredictable fluctuation of the Canadian dollar has reduced export sales and our margins big time.

**Mr. Harry Koelen:** Some things need to be done to retain and encourage young people in farming. We need more positive advertising of farming and farm products. People need to understand where their food comes from. I'd like you to pay attention to this. We have brought this up a few times before. Maybe the government could guarantee some start-up loans for beginning farmers; maybe certain criteria have to be met—for example, education, experience, some track record or something. An appointed committee could review and decide if the business plan for beginning farmers is viable.

A number of issues affect all farmers these days, but young farmers are most vulnerable. Government has to show farmers that they care. We want the same set of standards for imported products as there is in place for domestic and exported products.

**Mrs. Leony Koelen:** Canada should implement its own COOL. Canadian farmers are decreasing their herds, and at the same time we import more meat from the U.S. year over year. We also need to create a level playing field for produce in Canada. Alberta and Quebec government farm support programs enable low-price beef, veal, and pork to Ontario at prices that undermine Ontario industries. So we're competing against other provinces within our own country. Current risk management programs were not designed to cope with today's market conditions. We need immediate adjustments to the agri-stability program and to the calculation of reference margins to account for low negative margins.

In summary, in order to attract young people to farming we have to offer them a sustainable industry. No matter what kind of program we offer or put out, if we cannot keep our farming industries going in Canada, no person in their right mind would take up farming.

Thank you.

**The Vice-Chair (Hon. Mark Eyking):** Thank you very much.

You have quite an impressive operation with all the challenges you're facing. It must be hard on the family at times. There's not too much vacation time either, with all the chores you have to do.

We still have at least 10 to 12 minutes. I'm going to open it up a bit to any of the young farmers who want to talk about their operation or say anything about what we should be doing as a government.

● (1635)

**Mr. John Côté (Canada's Outstanding Young Farmers Program):** I'll let Richard start, as he's our chairman. He can give you a bit of an overview of Canada's Outstanding Young Farmers Program and our efforts to emphasize what's positive in agriculture. To me, that's one of the things we really want to bring forward. I'll just turn it over to Rick, and then if he doesn't do it all, I'll add some.

**Mr. Richard Stamp (Canada's Outstanding Young Farmers Program):** That's our group. Nobody's short of words.

Thank you very much for the opportunity to be here today. We do appreciate that request. This is Canada's Outstanding Young Farmers Program, and it's a program that first identifies then celebrates and honours young farm families from across Canada, literally from coast to coast and from all disciplines of agriculture. Everybody can introduce themselves. Across Canada, we are from organic producers to hog farmers to dairy to chickens to blueberries. You name it; it's all-encompassing. It's the 29th year of Canada's outstanding young farmers, and I've had the pleasure of being the president of this association for the past two years.

I'm not a young farmer. I was involved in this program 12 years ago, when I was nominated, and back when I guess you could say I was a young farmer. Today, at 51 years old, I guess I'm still demographically a young farmer.

We do have some other young farmers here, and there are a couple of young ones sitting here from Saskatchewan and Alberta. We're very happy to have with us some of our children who are very actively involved in agriculture. I'm not prepared; I didn't write a speech; I didn't do anything. We wanted Harry and Leony to come. We asked if they could just come and make a talk today. They're in an industry that's been under supreme pressure the last number of years with issues. I just think it's very unfortunate in our country that we can't have some return on production. There are lot of factors. There are no two ways about it.

We'd like to create solutions through our group. We like to help. We'd like to offer our group of producers to help build programs in the future. I'd say we're all very politically inclined, but we work really hard to get along all across Canada. We have more than 430 members of Canada's Outstanding Young Farmers Program now. Every year we get together, and we do actually have forums. We do a lot of work all year round on positive aspects of the future, and it really is to try to make sure we have the next generation of farmers to provide food for Canada and the rest of the world.

With that, if that's okay, we could just have everyone introduce themselves. Maybe I'll just start for one minute, and then I'll let everybody else have a chance.

I have an irrigation crop farm, and I'm two hours south of the city of Calgary. I grow pedigreed seed, and I'm in that industry you just heard about. We do grow hybrid canolas, which are GMOs. We've been involved in that for many years, plus all the other conventional items. We also grow flax, which actually has been hurt this year with the challenges in the flax industry because of so-called "other issues" with GMO and that. It affects every farm across Canada, with all the different issues, and I believe in it very much, but we are going to be hurt in that.

I'll just go around the table.

**Mr. John Côté:** I'm John Côté. I run a grain farm in northern Saskatchewan, very close to where Randy Hoback farms. As you are aware, we had a very trying harvest, but nonetheless it was a good harvest.

I just want to expand on a few things Rick said.

I really want to emphasize that the group you have here is an extraordinary resource for the government and for people who are making policy. You are looking at some of the best farmers from across the nation. I think they're a very good representative sample to pull ideas from and to use as a sounding board. I think OYF wants to offer that opportunity to the government.

Along that vein, just talking kind on behalf of the guys we sit around with on coffee row, talking about farming and about the government and all that kind of stuff, a lot of times we don't quite agree with what you guys do, but nonetheless deep down we all appreciate the effort. I think every farmer out there in Canada has to have a lot of appreciation for the fact that a lot of people who aren't directly involved in their industry and don't go out to the fields every morning spend their whole careers working towards making what we do possible. On behalf of those farmers, I really would like to say thank you to the standing committee and to everyone involved in the Department of Agriculture and Agri-Food for all their hard work.

Thank you.

•(1640)

**Ms. Eadie Steele (Canada's Outstanding Young Farmers Program):** Hi, my name is Eadie Steele. I'm a sheep producer, with my husband, John, in central Ontario near Peterborough. We have a flock of about 1,800 ewes.

The sheep industry right now is probably one of the bright spots in the agricultural industry. It's a growing industry. It's very positive. It's a strong market with lots of opportunities. The only thing I'd like to

have the committee address is the problem, not only for the sheep industry but for other industries as well, of regulatory issues related to the licensing of drugs and vaccines and so on that imported meats have access to.

I was speaking to Mr. Shipley at lunchtime, and I said to him that we are probably very unique in the sheep industry in that we do not view New Zealand and Australian meats as competitors. I view them as complementary to Canadian lamb simply because they can fill the market when we cannot.

The Australian and New Zealand people are very good at producing a lot of lamb. I would much prefer that when consumers go to the grocery store looking for lamb they are able to buy lamb. Whether it be from Canada or New Zealand is irrelevant. I don't want them to buy another kind of meat; I want to them to keep eating lamb. I'm quite happy to have the New Zealanders and Australians fill the market when we're not able to. However, I would like it to be a level playing field. We would like to have access to the vaccines and wormers they have access to.

Thank you very much for the opportunity to speak.

**Mr. Derek Jansen (Canada's Outstanding Young Farmers Program):** Thank you, Mr. Chairman and committee members.

My name is Derek Jansen. I'm a poultry producer from British Columbia in the Fraser Valley, and I'd prefer that all Canadians eat Canadian chicken.

I'm a second-generation farmer. I've been involved in supply management my entire life. It's a system that's worked very well for us. I'm very fortunate to be involved in such a system.

We do have our challenges, but I will say that the one bright spot in our industry is the number of youth getting involved in the five commodities—dairy, poultry, and so on. It's very encouraging. I'm 39 years old, and I see a lot who are younger than I am either taking over their parents' business or somehow getting into the business on their own. I see that as a very bright spot.

Again, thank you for having us here today. It's a real pleasure.

**Mr. Glen Van Dijken (Canada's Outstanding Young Farmers Program):** I'm Glen Van Dijken, and I farm with my wife Barb, north of Edmonton, in Brian's riding of Westlock.

Alberta is a good place to come from. We're all competitive here. It's been good to be in the farming industry. I think this is my 28th year. I started into farming right out of high school. It's been my passion all my life. I was in a hog operation and also had a grain operation. We decided to wind down the hog operation a year and a half ago and stepped away from that.

Over the years, I've reflected many times on why we were doing this socialist farming in Canada and whether that was the route to go. It's really hard to get the balance. I see that the government has to do quite a balancing act in trying to figure out if they want to be involved in agricultural welfare. Over the years I haven't been able to come to a clear conclusion. I used to be really hard-nosed that the government had no business being involved in the red meat sector. But then we were dealing with other countries that were subsidizing production, and we had to do it. It's a really tough balancing act for you people, trying to keep free enterprise going within a socialist economic climate globally. There are no easy answers, but we really appreciate the effort.

There are pros and cons to all programs. Some guys fall through the cracks in programs. It's really quite difficult. I think you should continue to listen to your constituents, continue to hear their concerns, and continue to allow them to voice their concerns so that you can make informed decisions.

• (1645)

**Mr. Steven Snider (Canada's Outstanding Young Farmers Program):** My name is Steven Snider. I'm an organic grain farmer from Alberta. We have a family company, Little Red Hen Mill, and we've just completed our 23rd year of certified organic production. We've been involved in the grain industry for a number of years and have seen a lot of changes.

I'm in Kevin Sorensen's riding. You probably know him. My colleagues are probably thinking I'm going to talk about the Wheat Board or organic and genetically modified grains, but there's one thing in its economic policy that's always frustrated me as a young farmer that I want to address specifically. Every year I get my tax notice, and they would give me this exemption for an RRSP donation. It has always frustrated me that they want me to put money into a fund over here, and meanwhile I have to pay down my land. I have this capital cost of land. I always question the wisdom of not being able to take that exemption and use it to pay down my land as a tax shelter, to stabilize my farm more quickly. I don't know how it could be done. I'm not a tax lawyer. I don't have any ideas on how that could be regulated.

Instead of putting money into an investment bond, I want to put it into something that I view as my retirement. A farmer's land is his retirement. We all view it that way, especially as grain farmers. To accelerate that paydown without penalty of taxation would be a huge benefit.

You'd have to put a cap on it. We don't want everybody rushing into agriculture and trying to get tax exemptions. Any program is only as good as the rules you create around it.

It's just an idea I wanted to throw on the table for you to possibly consider.

Thank you.

**The Vice-Chair (Hon. Mark Eyking):** Do any other young farmers have a story?

**Mr. John Steele (Canada's Outstanding Young Farmers Program):** I'm John Steele. You just heard from my wife Eadie.

There's just one thing I'd like to say. I was fortunate enough to come to Canada 20 years ago now. I spent a time off the farm until I was able to generate sufficient income, so both Eadie and myself are both full-time on the farm, which is probably unusual in many cases.

One of the things that surprised me when I came here, and the more I look—I came to Canada, and it's a great country—is that the barriers to trade within our country seem more severe than some of the barriers of trade between countries. This has some significant issues, particularly in food processing and in access to our own domestic markets.

I will go back to the sheep industry, where I'm involved. Much of the lamb is killed in provincial plants, and it restricts access to the multiple chains to get our good Canadian lamb into the major grocery stores for our Canadian consumers to eat. That is another reason we're being serviced by offshore product. That's a terrible shame, because we have safe food in all our provinces, through our provincial regulations, and I understand there are export requirements controlled by CFIA, but it's a terrible shame that we can't move our own food that's safely produced across all our country.

**The Vice-Chair (Hon. Mark Eyking):** Thank you.

Is that it? One more.

**Mrs. Marianne Van Burck (Canada's Outstanding Young Farmers Program):** Thank you, first of all, for being here.

My name is Marianne Van Burck, and together with my husband Hans we are farming in the Melfort area in Saskatchewan. We have three children. One of our children attends the University of Guelph and another one is at Cornell.

It's very interesting. An article in *The Western Producer* last week stated that 40% of our farmers are over 50 and 10% of our farmers are under 39. There is a big gap. We have to do something. With our Canadian Outstanding Young Farmers Program, with our recognition program, we try to encourage the younger generation to come up. This is a huge problem, for young farmers to start. They hear of programs that are in place, but they also don't know how to activate those programs, how to get to them. It would be very helpful if the government made the programs more available to the young farmers starting out.

Thank you for the opportunity.

• (1650)

**The Vice-Chair (Hon. Mark Eyking):** Thank you.

**Mr. Nathan Stamp (Canada's Outstanding Young Farmers Program):** My name is Nathan Stamp and I'm in my first year of college. I'm taking agriculture technology. I'm from Alberta. I'm a son to Richard.

I think it's a good opportunity to be here with you, to talk. I think it's really important to have more young people involved in agriculture. There need to be incentives for more young people to get involved, as Ms. Van Burck was saying. The majority of the farmers right now are over the age of 50, so who's going to grow the food in the future? There needs to be an initiative for young farmers to come into the industry so that they can make a living for their families and provide food for this country.

Thank you.

**The Vice-Chair (Hon. Mark Eyking):** Is that it for your farmers? Okay. Thank you very much.

What a cross-section of different commodities. Many times at this committee we listen to the bureaucracy, or representatives from different commodity groups and organizations. To have this kind of group in here is quite a breath of fresh air for us, to say the least.

On the way I'm going to run this, I think we'll go for five minutes, but I might go a little longer if one of the witnesses has something really important to say that pulls it together.

We'll start off with the Liberals and Mr. Easter.

**Hon. Wayne Easter (Malpeque, Lib.):** Thank you, Chair.

Congratulations to all of you for taking up the challenge of farming, because it is indeed a challenge. I was struck by what the hog industry representative, Mr. Koelen, said.

One of your groups said you'd like to create some solutions. In all seriousness, I really think the government has missed some opportunities to create some solutions in the current budget year, especially in the hog and beef industries. There has been \$961,400,000 not spent compared to last year, under business risk management. That's money that could have gone out to the hog and beef industries, which are in financial trouble, with a re-profiling of the program.

For two years the beef and hog sectors have been asking us to change the reference margins or the viability test, as you suggested. The government has failed to do that. So that money could have gone out under business risk management to assist the industry with hard cash rather than loans. That would have made some difference, and it wouldn't have been in violation of the various trade agreements. So I think there was a missed opportunity there. I just want to lay that on the table, because I think the government has failed miserably in that regard. It has also lapsed about \$150 million in other programs.

Somebody over there talked about socialist farming, but I believe one of our problems in Canada—and it's under both political stripes—is that we talk about competitiveness, but what we need is competitive policy vis-à-vis the United States, the European community, Australia, and New Zealand. We don't have competitive policy, and I don't know why we're afraid to have it. I think Treasury Board and the Department of Finance run this town.

What do you propose that would get you in this farming game so you could survive?

• (1655)

**Mrs. Leony Koelen:** Well, that's really simple.

**Voices:** Oh, oh!

**Mrs. Leony Koelen:** It is.

We're not looking for money. I don't think that's the answer. We need to have the same import rules as export rules. There's so much pork coming from the U.S. year after year, and we're losing our share here. There are hardly any rules for their pork. That pork is not produced under the same standards as what we produce, so that should be changed as soon as possible.

Label Canadian food products. The U.S. is doing it, so why can't we? Are we afraid of a steel reaction? If the U.S. can put COOL on, we should be able to put it on. Let Canadian consumers choose if they want to eat Canadian food.

**Hon. Wayne Easter:** I think that's a good point. One of the reasons why the government won't put COOL on—and I understand their argument—is because we've challenged COOL at the WTO. So we would shoot ourselves in the foot if we implemented a country of origin labelling system here. But I don't see why you couldn't put an interim labelling system on until such time as the WTO was over. Or maybe this is one area where we need to use bilingual labelling. If it's not labelled bilingually it doesn't come in. There are other things we should be doing.

I agree 100% with you that one of the problems Canadian farmers have is that imports don't have to meet the same standards we do.

**Mrs. Leony Koelen:** And there is the competition between the provinces. It's so unfair. We have to compete against Quebec. We're one country. Maybe it can't be the same everywhere, but the differences are so big between Ontario and Quebec that it really could put us out of business.

**Hon. Wayne Easter:** Try being in P.E.I. and competing against Alberta.

**Mrs. Leony Koelen:** Do you see where we're coming from? It's just as somebody said, that we have more barriers within the country than between countries.

**Hon. Wayne Easter:** There's no question about that.

Does anybody else have any other proposals? I've made note of yours.

**The Vice-Chair (Hon. Mark Eyking):** There's just one minute left, so anybody who wants to make a short one can.

**Mr. John Côté:** With regard to your first comment, about whether or not treasury should be spending more money and sending cash out to farmers, I would suggest that it's almost like trying to close the door on the chicken coop after all your chickens are outside. Often I think to subsidize farmers is to spend money very poorly. Unless you can really see where the money's going to go and it is going to get that farmer through to where he's going to be profitable, you're just throwing good money after bad. I think somebody has to eventually look at the subsidy programs and say some of these things just aren't a good investment any more, so let's put money into research, let's put it into better policy, let's put it into whatever. Just because it buys you votes back at home doesn't mean it's a good move.

**Mrs. Leony Koelen:** You need to fix the problem first, before you put money into it, right?

**Mr. John Côté:** Exactly. I think the investment should be at the beginning to prevent the problems, not to try to fix stuff that you're not going to fix anyway.

That's just my two cents' worth.

**The Vice-Chair (Hon. Mark Eyking):** Thank you very much.

We're going to move on to the Bloc now. I understand they're going to split the time, so maybe around three minutes each would be fine.

[Translation]

**Ms. France Bonsant:** I have no knowledge of agriculture. However, since being elected, I have been around and I am trying to understand what you do. You have all my admiration. I can see that it is quite a job. I am trying to understand, I am not in your shoes, but you have my admiration.

You spoke often of the program in Quebec, of this inequality between provinces. What are the programs of Quebec that you envy and that could help you, provincially, to be more competitive vis-à-vis the other provinces?

[English]

**Mrs. Leony Koelen:** What would help us is if they wouldn't have those programs.

**Voices:** Oh, oh!

**Mrs. Leony Koelen:** The ASRA program in Quebec—

• (1700)

**Ms. France Bonsant:** I don't think so.

**Mrs. Leony Koelen:** —makes Ontario less competitive. We cannot compete against that because it basically guarantees a minimum cost price for your pigs, and we're way below that. If Quebec didn't have a system like that in place, we would be on a level playing field. Right now, we're not; we're competing against them.

[Translation]

**Ms. France Bonsant:** That means that you have the choice between moving to Quebec or asking your government to give you access to the same program.

[English]

**Mrs. Leony Koelen:** Yes, all right. It would be nice if it would be a little more equal all over Canada.

[Translation]

**Ms. France Bonsant:** Given the vast country that we have, it is our duty to encourage farmers to feed the people. Recently, the government of Quebec launched a campaign entitled "Put Quebec on your plate!" No country, no province, no nation can survive if it has to depend on a foreign country to feed its people. I am having difficulty understanding why certain governments have not yet understood this.

Furthermore, I see that you, sir, whose name I forget, talked about supply management. This is a battle that we must never lose. It is not a system funded by governments; it is a system that guarantees income to people like you who work hard. I would like you to speak in praise of supply management. A lot of people are ill-informed about the matter and believe that this is subsidized by the government. That is not true.

Lastly, with regard to traceability, a traceability system does exist in Quebec. Is there one in Saskatchewan? I have no idea of the type of farm you have. Is it a dairy farm, is it a breeding operation?

[English]

**Mrs. Leony Koelen:** Oh, you mean us? We have a sow farrowing operation, so we sell piglets at about five kilograms on average. We sell about 140,000 a year. So we're in the red meat industry.

[Translation]

**Ms. France Bonsant:** Do you have an animal traceability system?

[English]

**Mrs. Leony Koelen:** Yes.

**The Vice-Chair (Hon. Mark Eyking):** Meili Faille.

[Translation]

**Ms. Meili Faille:** Thank you very much.

Earlier, my colleague was telling me that I could come here more often. I was brought up on a farm and we had goats. I would have liked to have taken over the farm, but I chose another profession. What you are faced with is therefore very familiar to me.

In Quebec, we made certain choices. We know that we are losing one farm per day. This therefore requires concerted action on the part of the government. Within the Quebec government, it is not just the Department of Agriculture that is working on this. There is also a policy aimed at youth. Work has already been done with regard to the next generation of women.

I am at present a participant in the gala and I strongly encourage training for women. It is also necessary to have a network of advisors allowing for the transfer of knowledge and providing technological assistance. Financial assistance is also required. As my colleague was saying, we need people who are ready to defend the mechanisms and systems that are in place. This requires concerted action, policies and money. Earlier, you were saying that our programs should not be. We are however fighting in order that these programs be provided to you.

As a woman, could you talk to us a bit about the situation of women? In my opinion, today, it is no longer possible to farm without talking about fairness and putting in place programs to support women in agriculture.

[English]

**Mrs. Leony Koelen:** Yes, I think we do need programs to support women in agriculture. But living in Canada as we all do, it seems to me that it should be a little more the same for all the provinces, without such a big difference between Quebec and Ontario. Quebec has always supported their farmers, and Ontario has always lagged behind. Maybe there has been more money in Quebec, I don't know. It's nice for the Quebec farmers, but it hurts us a lot.

[Translation]

**Ms. Meili Faille:** Would you like to have \$5 daycare, now that there is \$7 daycare?

[English]

**Mrs. Leony Koelen:** Sure, if I get your ASRA program.

[Translation]

**Ms. Meili Faille:** I thank you for having talked about the new generation. I believe that young people have an opinion in this regard.

• (1705)

[English]

**The Vice-Chair (Hon. Mark Eyking):** Do you have a point of order?

**Mr. Brian Storseth:** I have a small point of order. It is important to point out that the Quebec government just admitted that ASRA has put them \$5 billion in the hole as a provincial government. There are policy changes coming on that front.

**The Vice-Chair (Hon. Mark Eyking):** That's not a point of order.

[Translation]

**Ms. France Bonsant:** I could respond to Mr. Storseth.

It is true that ASRA has put us in a 5 million dollar hole, but the federal government has, since coming to power, granted 66 billion dollars.

I would like to know if you have a labour problem on your farms?

[English]

**Mrs. Leony Koelen:** It's not too bad. Some times are a little harder than others, but overall, looking back over the years, I think we're doing okay.

[Translation]

**Ms. France Bonsant:** Everything is going well as far as the new generation is concerned?

[English]

**Mr. Harry Koelen:** Sometimes it's hard to keep our employees around. It's not too hard to find new people, but we have to work hard to keep our people happy and keep them around.

**Mrs. Leony Koelen:** And most of them are women.

[Translation]

**Ms. France Bonsant:** In my riding, I have noticed that more and more young women are taking over on the farm. You have to enjoy the work, because it is there, seven days a week. It is worse than what I do, and these women do not get paid. Hats off to them.

[English]

**The Vice-Chair (Hon. Mark Eyking):** Thank you.

The NDP is next. Mr. Atamanenko.

**Mr. Alex Atamanenko:** Thank you very much to all of you for being here.

I'm just going to throw some questions out, since we are looking at the future of farming. We're hoping that Nathan, once he finishes his course at the agriculture technology institute, will be able to continue farming if that's a desire. There are other young people who can continue, so we have to look at the future, obviously.

I'd just like to talk about the area of food sovereignty, which we've touched upon. My colleague from the Bloc talked about that. I've been talking to some people across the country, doing a tour and getting some feedback to try to put something together. One of the themes coming through is that many farmers are saying trade has had a negative effect on them. In spite of the fact that we have free trade agreements such as NAFTA, we still have the border closed with B. C., we have the COOL program, we have fruit and vegetable producers who can't make money because products are being dumped in the country. Some are going so far as to say that maybe we should take agriculture out of trade, but obviously that's not realistic. Then we have different standards from different countries, which you've mentioned a number of times here.

So the question I have is, in addition to comments on what I've said... You know, the supply management sector is working for the poultry industry, the dairy industry, and the egg industry. The question that's been thrown around for other sectors of agriculture is if this is viable. Is this a viable alternative to make sure that we don't have to depend on more markets and trade, and we can have our farmers produce good quality food in Canada? That's providing we can get rid of those interprovincial barriers. I'd like to ask a question on that later.

Let me just throw that out, and if I have some time I'd like to ask other questions. Anybody?

**Mr. Glen Van Dijek:** I'd like to speak to that. Are you asking if supply management would be effective in the red meat sector or in other sectors?

**Mr. Alex Atamanenko:** That's a question.

**Mr. Glen Van Dijek:** I would have to answer that I think in Alberta's case, we have supply management and then we also have the red meat sector, beef, and hogs. Probably 90% of the livestock traffic down the highway is red meat, and the rest would be chicken and then dairy products. If we go into supply management, we're going to see our industry shrink even more.

I would like to think that as a country we could negotiate trade deals with others on food security for those countries. We're going to end up exporting something, whether it's going to be meat or it's going to be grains, or we're going to grow a whole bunch more trees. We might as well put the whole country back into growing trees if we're not going to be able to sell the meat. Then five years down the road, because we're not feeding the grain and nobody wants our grain, we can't sell the grain.

So I think a process that possibly could help to get the trade going is trying to sell food security for other countries, not only our own through supply management within our own country, but food security to other countries. That is a trade issue. Work with other countries, and maybe Canada can get security in other products we need to bring in, working that trade back and forth.

● (1710)

**Mr. Alex Atamanenko:** But exports have tripled over the last 20 years, and yet you guys are making less than what you did 20 years ago, if you look at the way.... Is there—

**Mr. Glen Van Dijek:** Exports of what have tripled?

**Mr. Alex Atamanenko:** Exports of beef have tripled over the past 20 years, according to some data that's out there. So I'm wondering if that is the only answer. Ultimately we rely on trade, we rely on more markets, and yet we have beef farmers who are having a real hard time. Is there some other answer? That's the question I have.

**Mr. Glen Van Dijek:** I'd be surprised if exports had tripled. They could have tripled, but beef typically is not a large export commodity out of Canada compared to pork. The pork industry, tonnage-wise, sends a lot more pork out of the country than the beef industry. Alberta beef—that's what I would know of—is largely consumed within the North American continent and into higher-end diets as an export product. I think this whole thing about selling food security to another country is possibly something to look at, rather than trying to limit our production in supply management and providing food security for Canada.

**Mr. Alex Atamanenko:** Are there any comments?

**Mr. Harry Koelen:** I'd like add something. Let's not forget how competitive we are on a global scale. There are people coming from Holland, Europe. You're looking at their cost price for red meat. I was in China last year, and we saw some of their budgets. We are globally competitive with our cost price. Sometimes you wonder why we can't make the trades happen.

**Mrs. Leony Koelen:** The cost price is not a problem.

**Mr. Harry Koelen:** Some of our pork is going to Japan. There's a lot of pork from Denmark going to Japan, too. We have a much better cost price than Denmark, Europe, and many other countries.

**The Vice-Chair (Hon. Mark Eyking):** Mr. Atamanenko, the time is up. Thank you.

We're going to go to the government side with the Conservatives. We're going to start off with Mr. Storseth.

**Mr. Brian Storseth:** Thank you, Mr. Chair. I'll be splitting my time with a former outstanding young farmer, Mr. Hoback.

I think you can see some of the frustrations that we have. We need to talk to farmers like yourselves who are actually on the ground rather than lobby groups like the NFU. We need to listen to what

farmers are telling us. We need to increase our trade, but it's a terribly complex thing that we can't encapsulate in five minutes.

We have to increase food security. Moreover, we have to do what we as a government did with the Colombia free trade agreement and ensure better standards for human rights and pay equity. Then they will be on a more level playing field with our farmers. Generally, one of the big export problems is that our farmers aren't on a level playing field, because of the regulatory burden they are held to here in Canada.

I don't want to get into all the partisan stuff. Glen is from my riding, and I'm going to keep my questions to him. Glen, you're a successful farmer in our area, and I've known you for a long time. You've been big in hogs. You have moved more into grains and oilseeds. One of the things that we as a government have done is “product of Canada.” We've said that we need to have a gold standard—we need the product itself to be at least 98% Canadian.

We believe that Canadians and people around the world will buy the Canadian standard. Do you think that's a good step? Do you like keeping the standards relatively high for Canadian content?

● (1715)

**Mr. Glen Van Dijek:** We need to do everything we can to educate the consumer on the quality of the product we offer under our regulatory environment. There is some inequity. Products are coming into the country without the same kind of regulatory traceability or food safety standards. The quality is possibly substandard, and the consumer is not aware of it. The consumer needs to be educated—the “100-mile diet” comes to mind. Consumer education can only help to stabilize the products grown on Canadian farms.

**Mr. Brian Storseth:** From what I'm hearing at round tables, we need to spend more money advertising the benefits of Canadian products, not only here but around the world. Profits are one of the topics of the day. I didn't hear any cattle farmers in the crowd, so anybody can answer this. We had the packing industry here. They spoke about OTM—over 30 months.

There's regulatory disparity. Everybody admits that we need to work on decreasing the \$31.70 gap in the regulatory burden on the red meat sector, especially on over-30-month cattle. The solution we have from industry is that we give \$24 million proportionately per head. Roughly, you're talking \$10 million for cargo, \$8 million for Excel, and the rest would be split up. Do you see this as the answer for any industry, or do you think that we should be working on trying to get that money passed through so that farmers get a share of it?

The Canadian Cattlemen's Association comes here and says that they speak on behalf of farmers such as yourselves. They tell us where they think the money should go. I'll just throw that out to you guys.

**Mr. Glen Van Dijken:** I'm trying to get it straight. On the \$24 million, what they're requesting is that you're going to offset the cost of—

**Mr. Brian Storseth:** That \$31.70 per cow.

**Mr. Glen Van Dijken:** Okay. Again, it's another trade issue where regulatory barriers put us at a cost disadvantage. The key is education of the countries we are trying to export into to prove to them that we have quality meats, safe food. That money will eventually get back to the farm. I believe in the free enterprise system, a supply and demand system. The money will eventually get back to the farm. I'm not convinced that it's necessary to pay it at all.

**The Vice-Chair (Hon. Mark Eyking):** Mr. Hoback, you have about a minute and a half.

**Mr. Randy Hoback (Prince Albert, CPC):** Thank you, Chair.

I will wrap up, guys. I was nominated to be outstanding young farmer in 2004. I think Kevin Hursch nominated me that year, and I think John won it the year before, if I remember right.

• (1720)

**Mr. John Côté:** It was 2001.

**Mr. Randy Hoback:** It was 2001; so it was a few years before.

It's a great organization, colleagues. These farmers sitting around the table are your early adapters. They're the guys who look at something new and take the risk and usually run with it. Sometimes they get burned, most times they make it work. They're the ones who, when they see something not working, are quick to change and make it work. They're the ones who look at their farming operations and ask why they are doing it that way—just because Grandpa did it this way, why are they doing it this way now—and they make those adaptations and do it. Those are the people we are talking to here.

As Brian said before, it's a breath of fresh air, because when we get farm associations here they tend to get very focused. They tend to get inside the bubble here in Ottawa, like we do here, and that's why it's nice to have the breath of fresh air with you guys coming here and giving us your opinion.

I want you guys to all understand. You have the experience in committee here. You can see there will be a little jabbing. It's been very polite today, which I thank my members for. Sometimes it gets pretty hot. A lot of times we get very passionate on both sides. It doesn't mean they're right or they're wrong. It's just that we have different ways of doing things, and we have to respect that.

I also want you guys to know we have Minister Ritz right now, in the beef sector, and basically every break week, which is roughly once a month, he has been overseas. He has not been home. He's fighting for you guys, fighting for market access, looking for ways to get you into a market here or a market there, whether it's beef, whether it's—

**The Vice-Chair (Hon. Mark Eyking):** Your time is up, Mr. Hoback.

**Mr. Randy Hoback:** He's doing that.

I'm going to ignore the chair.

**The Vice-Chair (Hon. Mark Eyking):** I don't know if you have a question. The time is up.

**Mr. Randy Hoback:** I just want to make a comment.

You guys are the cream of the crop. It is great you're here. I'm glad you came to Ottawa this year to do your awards, because it gives us an opportunity to rub shoulders with you. I'm honoured to be part of your association.

Thank you.

**The Vice-Chair (Hon. Mark Eyking):** Thank you, Mr. Hoback.

Time is running short here. I'd like to thank all the presenters here today. I think this is almost the start for next year's "future of farming".

We have clerks here, and I should recognize them. They work with us every day at our committee, the whole crew.

Yours is our first step, or probably our introduction into our report next year on the future of agriculture.

Yes, my wife and I were Outstanding Young Farmers for Nova Scotia in 1990. I found one of the best things about it was just getting off the farm and meeting other progressive farmers and seeing how other people do it. That interaction was really important for us. It is a great organization. We'll probably be drawing on you a little bit in the new year if some of you can come back. We'll work that out.

Enjoy the rest of your evening in Ottawa. There are a couple of minutes, if you want to make some closing comments.

Go ahead.

**Mr. Richard Stamp:** If I could, I just think I should be obligated to do that to really thank you for offering this opportunity here today.

I really think the worth of agriculture is in perception. We support it if we think it's valuable. One thing that hits me is when we have 50% of our farm families advising the next generation not to be involved in agriculture, I think we're on the wrong track. That's not saying that every person who grows up on a farm has to run a farm. Those farms keep changing, building, and there are all kinds of dynamics, but you should not advise people against that. Success, in my mind, from my position in the last couple of years, really, and in the future, is that every kitchen table in Canada should have a positive attitude about agriculture and not a negative one.

Mr. Easter had mentioned before, what can you guys can do as a government? I say "government" because everybody has to work together. I would challenge everybody to put differences aside. We do that in our organizations. We're all from every aspect of agriculture and all political views, and we make it work. We go through this whole process—we don't even have elections; we say who the best person is to do something and get it done. I'm pretty proud of this group in how they've done that.

To wrap that up, I'd like to say that Canada's Outstanding Young Farmers Program is getting more organized all the time in what we'd like to offer and what we can do. We have a lot of financial support from our sponsors, and Agriculture Canada is one of them. We're very proud of that and happy with that.

We'd like to offer our services to the government and to Agriculture Canada. Canadian agriculture is really what the word should be to everybody. If there's some way we can help do that, we'd like to do that in the future.

Thanks very much for the time today.

**The Vice-Chair (Hon. Mark Eyking):** Thank you, and we'll hear from you.

Thank you very much.

**Some hon. members:** Hear, hear.

**The Vice-Chair (Hon. Mark Eyking):** We're ready to close the meeting, but Mr. Lemieux, do you have something to say?

**Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC):** I do. I just want to ask the committee members if we could agree to move ahead with our report.

I would like to see the report. I think we all do, because we've all had conversations about finishing our report on competitiveness so that we can publish it.

Chair, this is not a motion, but I'm looking for some sort of agreement that in fact we would focus on the report, for example, next week. We could remove witnesses from our Tuesday schedule so we can focus on the report. We'd have Tuesday and Thursday. I put that in front of the committee.

**The Vice-Chair (Hon. Mark Eyking):** Thank you, Mr. Lemieux.

I was already talking to our chair and our steering committee, I think it was a couple of months ago. I think we're pretty well on track with GMO people and what not. I think we've come to a bit of an agreement that yes, next week we're not going to have any witnesses and we'll try to focus on the report.

• (1725)

**Hon. Wayne Easter:** Mr. Chair, there are two motions that have to be dealt with. I know I have one, but I'm not worried about it, that can wait. But I believe André and Francis have motions that should be dealt with. We should deal with those two and then do nothing else but the report. I would hold my motion back until later.

**The Vice-Chair (Hon. Mark Eyking):** I'd like to have unanimous consent as to what we're going to do next week, but if not, we'll have to go with what we have.

**Mr. Pierre Lemieux:** Chair, if the committee agrees, we can move ahead with Mr. Valeriote's motion today. I don't see a problem with that. The problem is that the other motions will require much debate, Chair, and it's going to slow down the report process. This is where I'm asking for the help of the committee and my colleagues on the other side.

We're willing to move ahead with Mr. Valeriote's motion today if we need to. It'll be a simple thing to pass. But I'm asking for cooperation from the other side on all other motions, that we simply don't tackle them until we're done the report. Can we put this pressure on ourselves to engage in finalizing the report? I think it's in our best interest and it's in the best interest of organizations that have come in front of us to testify. If the committee agrees to that, then so be it.

**The Vice-Chair (Hon. Mark Eyking):** First of all, do we have any kind of unanimous consent that we deal with Mr. Valeriote's?

[Translation]

**Ms. France Bonsant:** Mr. Chairman, this is not on the agenda. This requires unanimous consent, and I, for one, refuse.

[English]

**The Vice-Chair (Hon. Mark Eyking):** Okay, we're not going to deal with any more motions today.

**Mr. Pierre Lemieux:** There's cooperation for you, Chair. I just want it noted that I'm trying to seek cooperation and that's the kind of cooperation we get.

**The Vice-Chair (Hon. Mark Eyking):** We have an agreement that we're not going to have witnesses next week. I think we all agree that we hope we can get the report done next week. Let's hope that for the last week we're here before Christmas we can work together.

We may have to deal with motions—I don't know—but let's see how it rolls out next week. I don't think there's unanimous consent to deal with any motions.

**An hon. member:** She said no, so there isn't.

**The Vice-Chair (Hon. Mark Eyking):** Do you have a question, Mr. Atamanenko?

**Mr. Alex Atamanenko:** The witnesses that were scheduled for next week we'll pick up after the break—is that it?

**The Vice-Chair (Hon. Mark Eyking):** Yes, we're going to start off with a whole new slate.

The meeting is adjourned.









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