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Chair

Mr. Larry Miller

Standing Committee on Agriculture and Agri-Food

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● (1530)

[*English*]

The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)): I call our meeting to order.

Before we start with our witnesses today, I'd like to formally recognize quite a number of guests with us today.

We have a delegation here from Gabon. In particular, I'd like to recognize Ms. Rose Francine Rogombé.

Ms. Rogombé, welcome to you and your delegation. I hope you enjoy our committee. I'm not sure that you'll learn anything, but most days are interesting. Welcome anyway, and thanks for being here.

We also have quite a number of dairy farmers in the crowd who are in Ottawa for meetings and so on, so welcome to all of you.

With no further ado, we'll move to our witnesses.

The Dairy Farmers of Canada are represented here by Mr. Rejean Bouchard.

We have, from the B.C. Association of Farmers' Markets, Mr. Jon Bell.

From CropLife Canada, we have Dennis Prouse and Peter MacLeod .

First of all, Mr. Bouchard....

No, I'm reading from the wrong list here.

My apologies, Mr. Lampron. You have ten minutes or less, please.

[*Translation*]

Mr. Pierre Lampron (Member, Board of Directors, Dairy Farmers of Canada): Thank you.

My name is Pierre Lampron. I'm a dairy farmer from the Mauricie region. I live in Saint-Boniface-de-Shawinigan, in the heart of Quebec. I have an organic dairy farm. I'm a member of the board of directors of the *Fédération des producteurs de lait du Québec* and of the board of directors of the Dairy Farmers of Canada, or DFC. I deal with research files.

Mr. Chair, members of the committee, DFC is pleased to have the opportunity to provide our comments concerning the committee's study of Growing Forward 2 with a focus on the science and innovation pillar.

DFC is the national lobby, policy and promotion organization representing Canadas 13,000 dairy farms. Our mandate is to create stable conditions for the Canadian dairy industry, today and in the future. Dairy producers fund its operations, including promotional activities as well as research activities in human nutrition and health and in dairy production.

We have long recognized that science and innovation are essential to improving our farm businesses and their profitability. DFC has been investing in research in the field of human nutrition and health as well as dairy production since the 90s. Dairy farmers finance numerous projects at the national level in partnership with Agriculture and Agri-Food Canada and the Natural Sciences and Engineering Research Council.

We also provide funding for research chairs and networks in many Canadian universities. Our total yearly investment in research for the study of human nutrition and health and dairy production is $1.7 million. Of this, $750,000 is directed toward dairy producers' priorities to improve efficiency, on-farm sustainability, animal health and welfare, and dairy genetics.

Our partnerships supported hundreds of scientists, professors and students working in 22 dairy research centres and academic institutions across Canada. The contribution of research has led to tangible results year after year. Fewer cows are needed today to produce enough milk for Canadians. Since the introduction of supply management in 1971, the average herd size has increased from about 20 to 76 cows over the same period, shipments per farm have increased by about 600%. The average annual production of milk per cow has almost doubled and now exceeds 10,000 kg.

Science and innovation are important drivers for the industry's profitability. During the past year, we were pleased to be a partner under the agri-science clusters initiative. The dairy research cluster will receive close to $7.5 million, with a $1.5 million contribution from the Canadian Dairy Commission and $161,000 from the Natural Sciences and Engineering Research Council of Canada. These investments support Dairy Farmers of Canada's 25% contribution of $3 million.

The dairy research cluster has 46 research projects in human health and nutrition, sustainable development, and animal health and welfare involving more than 100 scientific experts and students from Canadian universities and research centres. This program will end on March 31, 2013.

Besides addressing industry priorities, one of the major benefits of the cluster program has been the cost-sharing arrangement with a ratio of 25% in funding from the industry and a 75% contribution by government. Consequently this formula allowed us to expand our research investments considerably to address our priorities in the interest of Canadians. It also provided an opportunity to take a more coordinated, integrated and strategic approach to address these priority issues.

However, the new cluster program and requirements have created some challenges in administration, timing and fund allocating methods. This resulted in the implementation of a five-year plan in less than three years. DFC understands that the government process for administering public funds is complex. But administrative considerations should not become an impediment to the efficient execution of projects.

Funding and support for technology transfer and communications is vital in science and innovation programs. One of the most recent achievements was the creation of the Canadian dairy research portal, a website that contains information on all dairy researchers, associated institutions, and dairy production research projects funded since 1996.

● (1535)

DFC intends to maintain its leadership role in supporting dairy research. In November 2011, DFC is organizing a workshop with participation from producers, scientists, governments and other industry partners, to evaluate dairy production research projects under the current cluster and identify research priorities for 2013 to 2018.

DFC hopes that science and innovation programming like the cluster will be renewed for 2013 to 2018. Continuity and long-term planning in research are essential because students and researchers need an ongoing source of funding otherwise it may be a deterrent and drain Canadian specialists who will do research in areas other than agriculture.

Over and above the five-year program, DFC believes that Agriculture and Agri-Food Canada should also commit to core funding for agricultural research on a longer-term basis. The industry needs to assess results continuously and have the flexibility to either continue in a direction based on the findings or have the option to redirect the project.

A future research program should contain a more efficient and streamlined administration and auditing process to reduce the administrative burden. Programs aimed at partnering with industry need to be more flexible, particularly as they relate to the research and science cycles. The identification and hiring of highly qualified personnel and graduate students, for example, takes time. There are many factors outside of a researcher's control in dairy production, like the planting cycle and animal reproduction, that can cause delays in the project. The level of flexibility in the program should reflect the expertise of the fund recipient in managing research and programs.

DFC believes government and industry have a role in promoting and creating awareness of the progress made in research to maintain support for research as a public good. For its part, DFC has important investments in food safety at the farm level and the promotion of best management practices at the farm level to ensure that milk leaving the farm is safe. A few examples of our commitments include the Canadian quality milk program and the recent announcement of the Dairy Farm Sustainability Award, which honours those dairy farmers from Canada's four regions who make the most effort to apply sustainable development in the farm as a whole. We will announce these results.

We are proud of what we accomplished in partnership with industry and government. We wish to continue this close collaboration in the future to keep investing in research programs to continue to improve the efficiency of our farms and ensure Canadians receive a constant source of safe and high-quality dairy products.

With these remarks, Mr. Chair, I conclude my presentation and I would be happy to answer any questions.

Thank you.

● (1540)

[*English*]

The Chair: Thank you very much.

We'll now move to Mr. Bell, from the BC Association of Farmers' Markets, for ten minutes or less.

Mr. Jon Bell (President, BC Association of Farmers' Markets): Thank you very much.

Farmers markets are strengthening regional and local food systems by providing farmers with an additional marketing channel. Numerous farmers' markets throughout British Columbia are ensuring that fresh, local food is available in their communities.

The old concept of farmers markets across our nation is being reinvented to meet the goals of local farmers and the 2011 and future urban consumers who are the end-users of our agricultural products.

First we have to define what we mean by farmers' market: local farmers, small food processors, and artisans coming together to sell their products at a common location, with a philosophy of “make it, bake it, grow it”.

In British Columbia the number of farmers' markets has risen annually, and now the BCAFM represents over 100 such markets. Along with restaurants, wholesale. and direct farm market sales, farmers' markets are one of several marketing channels used by small and medium-scale farmers.

Farmers selling directly to consumers are able to realize retail prices at farmers' markets that can often be double what they would receive selling wholesale. In doing so, local farmers are strengthening regional food systems and contributing to their local economy.

Small-scale producers are frequently overlooked by governments and industry. What these farmers lack in size, they make up for in numbers. Cumulatively, small-scale food processors and farmers add a significant infusion of dollars to their local communities.

A 2006 economic impact study of farmers' markets by the University of Northern British Columbia found that, through local sales, $118 million remained within communities across B.C.

Farmers markets and their vendors are the face of agriculture to the average Canadian consumer. Although generally considered small-scale, farmers who sell at markets have farms that can range in size from half an acre to over 200 acres, and they may earn from $1,000 per year to $200,000 per year from market sales. They are the connection between gate and plate and, as such, are often engaged in conversations with their loyal customers.

To give confidence to the consumer, local market vendors constantly communicate their practical and extensive knowledge about their products, the varieties, the farming methods, the seasonality, etc., in their interactions with their customers.

We come today with five recommendations under innovation.

Number one is to support the establishment of permanent farmers' markets by providing business planning tools to market managers. Although 175,000 consumers shop at farmers' markets in B.C., farmers' markets are considered temporary events, and are nearly always located on temporary sites. Only two farmers' markets in British Columbia are even close to securing permanent locations. When farmers' markets lose their locations, they lose their momentum and must re-establish their loyal customer base. The Kitchener-Waterloo farmers' market has been in continuous operation for 130 years at its permanent location, and is part of the social fabric of that community.

Number two is to focus on strengthening Canadian domestic markets by educating consumers. The shopping preference of farmers' market customers is for fresh, in-season products. Price ranks the lowest out of 14 preference factors. These consumers understand and value the quality of Canadian products. Growing Forward 2 needs to capitalize on this by reinforcing for consumers the reasons why consuming Canadian products are worthwhile. They include high quality, stringent food safety practices, nutrition and freshness, contribution to the Canadian economy, support for the Canadian farmer, and preservation of farmland.

A 2009 Ipsos Reid poll found that the popularity of farmers' markets is at an all-time high, with almost nine in ten respondents saying they enjoy visits to farms and farmers' markets where they can buy their food fresh off the farm and meet the grower in person. The same poll found that farmers are highly trusted, well above many other professions. Farmers markets nurture this trust, and raise the profile of agriculture in urban areas where over 75% of the public say they know little about agriculture. Farmers market vendors are filling this information gap.

We agree that export markets are essential to commodity farmers. However, current Growing Forward policy is biased towards export markets when the Canadian public is showing considerable concern and interest in strengthening their regional food systems to ensure that Canadians continue to have control over food production.

Number three is to improve information technology and access to training in rural areas. Communication technology via the Internet has proven to be a key factor in improving profitability for the Canadian farmer. Farmers markets have embraced the new social media to advertise their products, be in touch with consumers, coordinate market activities, and participate in planning and governance for the sector.

● (1545)

Farmers in more remote areas of B.C. are often challenged by the lack of high-speed connectivity when attempting to keep pace in a fast-moving environment. The BCAFM has produced programs such as MarketSafe, a food safety course for market vendors, and has found that the uptake would be higher if the courses were available online. Farmers cannot just leave their operation for a day of training. Relief workers may need to be found, or they may need to travel excessive distances to attend a course.

Our association is working towards raising the level of food safety at all our markets and towards the goal of having all vendors trained in “on farm” and food safety relevant to farmers' markets. Many of our members are young farmers with computer skills and entrepreneurial spirit. They use social media such as Twitter, Facebook, blogging, and QR codes to communicate with their savvy customers. They are innovators and entrepreneurs putting new products on the market. There are good examples of B.C. success stories.

Number four is science research that is scalable and leads to readily usable and adaptable products and technologies for farmers. Small-scale agriculture is the user of science and the innovator of new concepts with the adaptation of ideas and technologies. Our member vendors work hard to keep up, to provide safe, pesticide-residue-free, and healthy produce and products that consumers demand, while at the same time making a reasonable income. They use today's science information to be competitive in the domestic market, and a failure to do so will see them financially marginalized.

Basic scientific research has been a cornerstone of supporting the Canadian farmer for over a century. As science has changed over time, so has the Canadian farmer. New science, to be of use to small producers, must be practical and cost-effective, but more important, scalable. To protect their investment, farmers need fast, easy-to-use, and accurate technologies to detect invasive pests and diseases. They do not need long, expensive protocols.

Delays in intervention can be crucial. Examples of this type of technology would be small hand-held probes to determine the presence or absence of a disease, allowing rapid control intervention. Science is helping us to be better farmers, protecting consumers, and contributing to a better lifestyle for all Canadians.

Number five is enhanced domestic farm production in coastal British Columbia to assist farmers with growing year-round and then selling at farmers' markets year-round or exporting to other areas within Canada. The possibility for the west coast to become the market garden for the other areas of Canada, which have harsher winter climates, is becoming higher with the rising consumer demand for Canadian products first.

This is not because of the impact of climate—it is because of the use of innovative techniques such as inexpensive polytunnels and crop shelters, making it possible to grow certain crops year-round in coastal B.C. The breeding of new varieties of vegetables with low light requirements and cold tolerance would augment this initiative.

In the mildest part of B.C., winter markets have started, and local fresh leafy greens appear alongside traditionally offered meats, potatoes, squash, and carrots. Year-round production would make winter farmers' markets viable and would provide customers with the option of purchasing domestic products year-round.

In conclusion, many Canadians believe it is vital for small and medium farms to maintain a critical mass within the agriculture sector and to help ensure vibrant rural communities. There are many possible actions and strategies to be explored so that farms are profitable and sustainable well into the future.

Thank you very much.

The Chair: Thank you.

Now we have, from CropLife Canada, Dennis Prouse and Peter MacLeod.

You have ten minutes or less, gentlemen.

Mr. Peter MacLeod (Vice-President, Crop Protection Chemistry, CropLife Canada): Good afternoon, and thank you for the invitation to be here today.

My name is Peter MacLeod. I am the vice-president of chemistry at CropLife Canada.

With me today is my colleague Dennis Prouse, CropLife Canada's vice-president of government affairs.

CropLife Canada is the trade association that represents the developers, manufacturers, and distributors of crop protection products and plant biotechnology.

These tools help keep Canada's agriculture industry competitive and sustainable, and by delivering an affordable supply of safe and healthy food, help ensure that Canadians enjoy a high standard of living. Without pesticides and plant biotechnology, Canadian farmers and the Canadian economy would suffer enormous losses.

Crop quality and yield increases resulting from pesticides and plant biotechnology lead to direct gains for farmers of about $7.9 billion per year. This increased yield from crop protection products and plant biotechnology also benefit the average Canadian, especially at the grocery store, where the benefits of our technologies save Canadian families almost 60% at the checkout counter. Innovations in plant science technologies don't just boost agricultural productivity; they boost it in a sustainable way.

For example, pesticides and plant biotechnology have allowed farmers to adopt conservation or no-till farming practices. In 2008, for example, conservation tillage prevented 12 billion kilograms of carbon dioxide from entering the atmosphere. It also reduces fossil fuel use by more than 170 million litres a year, not to mention the benefits of water retention and soil erosion prevention.

Plus, if Canadian farmers didn't use pesticides and plant biotechnology, they would have to cultivate an additional 37 million acres of land to produce what they do today. This 37 million acres is about equal to all of the cultivated land in the province of Saskatchewan.

Canada's world-renowned regulatory system ensures that Canadian farmers have access to the latest innovations in technology. Both Health Canada and the Canadian Food Inspection Agency do excellent work keeping Canadians and the environment safe. They are well respected internationally, largely because Canada's system is predictable and science-based and focuses on health and safety as top priorities. Yet here at home, Canadians know very little about the regulation of pesticides and plant biotechnology and their respective contribution to food security in Canada and around the world. This is unfortunate.

To give Canadians confidence in the regulation of the products that will inevitably be needed to feed the world and protect the environment, more needs to be done to educate the public about the good work our government does on their behalf. We commend the federal government for its recent movement in this regard, and are hopeful that Canadians will continue to receive information designed to educate them about the high calibre of Canada's science-based regulatory system. However, our first request is that more be done on this front.

If innovation is to truly flourish in Canada, government needs to help Canadians understand the benefits of technology and the systems in place to ensure that the technologies are safe. And, when required, it needs to defend the rigours of their regulatory system. Without this fundamental support, some of the most beneficial innovations in any of the range of sectors could easily wither on the vine simply for lack of public support.

Imagine if this had been the case when the canola industry was in its infancy. Today canola is an industry valued at $14 billion a year and is a huge Canadian success story, due in no small part to the pro-innovation foundation upon which it was built.

This challenge of putting innovation in context for the general public goes beyond federal government communications, however. Here in Canada there has been a worrying trend of provincial and municipal governments undermining the credibility of the federal government. Such an environment is untenable for industries such as ours.

Each new plant biotechnology or pesticide innovation requires a financial investment of $100 million to $250 million and takes as long as ten years to bring to market. Given the size of this investment, I am sure you can appreciate that our industry must be prudent about where it invests.

Unless our industry continues to invest in Canada, Canadian producers cannot possibly hope to compete with farmers in other countries where science-based regulations are respected and upheld. We encourage this committee to defend science-based regulations and to communicate with the public about the importance of innovation and science.

We would also like to see Canada champion a more integrated and harmonized international approval system for our technologies. Our belief is that much could be accomplished by opening up the approval process to recognize the work of and decisions by other countries that are committed to science-based regulations.

In this way, not only do we more efficiently and expeditiously offer Canadian farmers access to the latest tools, but we deliver better market access, without compromising safety or integrity of international regulatory systems.

● (1550)

We believe pest control products and plant biotechnology can continue to play a pivotal role for the transformation of Canada and the competitiveness of Canadian farmers. We also believe the extent of this role will depend on the decisions made and the actions taken within Growing Forward 2.

Farmers are facing extraordinary challenges—a ballooning world population, climate change, and water scarcity, just to name a few. All of these challenges can be met with modern solutions: drought- and salt-tolerant crops, better disease control, better nitrogen utilization, and foods with improved nutritional content. There's no doubt that advances in plant science technologies will continue to yield solutions for some of the world's greatest challenges. Rest assured we are working on these.

Canada's plant science industry supports an agricultural sector that is resilient, competitive, and sustainable. In fact, our commitment to sustainability goes back several decades. As an industry, we have long been committed to full life-cycle stewardship practices.

The best known of these programs are our obsolete pesticide and empty container programs, which are currently run through CleanFARMS, our sister organization. Add to that the research into technologies that will increase on-farm sustainability through such things as improved nitrogen utilization varieties, and it becomes clear that for our industry, sustainability is much more than a buzzword; it's a long-term commitment.

By improving the ability of crops to use nitrogen, we reduce the amount of money farmers pay for fertilizer and the amount of gas they use applying it, and at the same time we increase their profitability. Our industry also continues to refine pest-control products so that use rates can continue to be reduced and products and applications can become more targeted. Our industry is optimistic about the ability of Growing Forward 2 to develop a forward-thinking and enabling environment within which agricultural innovations can flourish.

We note that recently this government has made significant progress on such important agricultural policies as those concerning low-level presence and market access. We are encouraged by Minister Ritz's emphasis on science at the recent Cairns meetings.

We look forward to being a part of a dynamic, innovative, and highly competitive Canadian agricultural sector that works to benefit Canadians and the world around us.

Thank you for your time today.

● (1555)

The Chair: Thank you very much.

We'll now move to questions.

Mr. Atamanenko, go ahead, please, for five minutes.

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): I thank all of you very much for being here.

Mr. Bell, when we look at innovation, farmers' markets, and those who grow local produce, you mentioned that we need to do more to support Canadian domestic markets. Before I move into other questions, I'm wondering, apart from providing research tools and in the area innovation, what other role the government can play.

For example, I know that a few of us were on this committee in 2007, and we had some recommendations. One of them, as a result of our study, was to encourage the federal government to buy from local farmers for federal institutions. The response that all of us got back was that it would somehow contravene the trade obligations.

I wonder if you've thought about this and if you have any ideas on how we can move forward on this to ensure that our governments—municipal, provincial, and federal—have a chance to access good-quality local food. That's the first question I'd like to ask you.

Mr. Jon Bell: Thank you.

In the United States a number of federal programs involve schools and other institutions. I'm not sure if the same model could be followed. Certainly at the provincial level and municipal level and all the way down to the school level, there is a movement for buying from local producers. Farmers' markets have been supporting those sorts of issues, but there are many other kinds of events going on with food today.

I think it's very appropriate that yesterday the world population reached seven billion. We have issues of restricted food supplies in some areas, issues of water, etc. As the head of science in Britain has said, the perfect storm is coming. We will have to position ourselves to be able to deal with that storm when it does arrive.

I don't think I'm in a position to say that we should be doing more for local procurement for federal, provincial, and municipal institutions. I would think it would be great if that would happen for the local producer. Being able to plan those things out is not in my area, unfortunately, but yes, I do think that's the direction we need to go in.

● (1600)

Mr. Alex Atamanenko: Didn't we have a program in B.C., a pilot project involving something like 15 communities, where those on marginal income would get some assistance from the provincial government to buy at farmers' markets?

Mr. Jon Bell: That is actually a program that the BC Association of Farmers' Markets was heavily involved in. We had a trial for a three-year period. It was a coupon program that was funded provincially, where money was sent to partnered institutions such as food banks. Those coupons, if you will, were given out, redeemable at the local farmers' market for produce only, not for other goods and services but for food only. It was used by groups like the healthiest babies program.

It was a very popular program. It was a finite program, and when the program was over, the farmers' market association took the initiative to create a tool kit that will allow any other group to take from the shelf an information package on how to run such a program.

That's actually started again this year. We've had a number of communities take the challenge, find sponsorship for those programs, and continue with them.

Mr. Alex Atamanenko: You also mentioned year-round production. That's quite an exciting possibility. You mentioned specific innovations such as polytunnels, crop shelters, and developing cold-tolerant plants.

Do you have any other specific suggestions that both senior levels of government could be working on to assist in this idea of developing crops year-round?

Mr. Jon Bell: At the senior level, there has been some research done at the Agassiz station for crops that are not normally grown in British Columbia. But developing new varieties that are specially adapted to the high-moisture, warmer, milder climate that we have on coastal British Columbia would certainly be an area that would be perfect research.

Mr. Alex Atamanenko: Thank you very much.

The Chair: Yes, you're out of time.

I'll move to Mr. Lemieux, for five minutes.

[*Translation*]

Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC): Thank you, Mr. Chair.

My first question is for Mr. Pierre Lampron.

With the dairy farmers, you said that about 46 projects have been approved as part of the Dairy Research Cluster. Could you tell the committee what these projects are in general? Could you describe the categories that these 46 projects fall under?

Mr. Pierre Lampron: I listed them a little earlier, but I'll give them to you again.

Some of the projects touch on human nutrition. All the research done by the dairy producers to promote nutrition is used to fund part of the dairy research cluster research on that topic. Some other projects look at the life cycle of milk, so from the start to when it leaves the farm, which helps provide information about the environmental indicators of the life cycle. Other projects deal with animal health and welfare.

Mr. Pierre Lemieux: Do you find that the results of your research are being well used by the farmers?

Mr. Pierre Lampron: Yes. We had the Canadian Bovine Mastitis Research Network, and the funding was spread out over five years. Some of the projects initiated in this framework are ongoing.

It's important, but research certainly needs continuity. We are sometimes disappointed in the results of some research, but at least that part of the research is resolved, and we know what the situation is.

Mr. Pierre Lemieux: Our committee is holding discussions on funding. It's important to conduct research and innovate to help farmers in the future. But we need to make sure that the results of that research are properly applied in the farming sector by the farmers themselves. We have also discussed research, implementing the results and funding to implement those results.

Do the Dairy Farmers of Canada have the mechanisms to ensure that the good ideas are implemented by the dairy producers?

● (1605)

Mr. Pierre Lampron: Since we are part of the project selection process, this concern is already in our minds from the beginning, when we are choosing the projects. Certainly the financial aspect is always considered. If, in terms of environmental or animal welfare, it costs the farmer less, it will be easier to implement.

This concern is present when we are designing the program. We want the farms to put these good ideas into practice. If the idea is profitable for the farmer, there is a better chance that it will be implemented.

Mr. Pierre Lemieux: Witnesses have told us that the clusters are a good idea. This works very well because a lot of expertise has gone into that process. People have also said that it is difficult to manage the five-year program in three years. I would like to know if you were able to approve all the necessary projects. Were you able to carry out the five-year program in three years? Are there any funds left?

Mr. Pierre Lampron: We were able to do it because we already had the research processes in place. But it was a major headache. The people managing the program can provide information about it.

Actually, everything will be used, but it would not be good to have this situation again in the future. This is why we were talking about improving the efficiency of the administration of these programs. Regardless, we were able to because we were already involved in the process.

Mr. Pierre Lemieux: The clusters are a new idea that, I think, has been well-received by the farming industry.

Do the dairy producers want specific changes for 2013, if the science and innovation programs and the cluster program are renewed?

Mr. Pierre Lampron: What's important is that it be renewed so that the research times in place can continue their work. Farmers and members of the industry will meet on November 11 to create a plan for analyzing all the projects under way. All these issues are of concern to us, whether it's project implementation or determining what direction we want to take in future years. It's up to us to adopt our structures for consulting our people.

Mr. Pierre Lemieux: Thank you.

[*English*]

The Chair: Thank you very much.

We'll now move to Mr. Valeriote, for five minutes.

Mr. Frank Valeriote (Guelph, Lib.): Thank you, Mr. Chair.

Welcome, gentlemen. Thank you for taking time to come up here.

My first question will be for Jon and Pierre. Afterwards, I will ask Dennis and Peter a question.

I'm following along the theme Mr. Lemieux had, about the issue of clusters. We really appreciate the presence of clusters and the deployment of clusters, prioritizing research and research transfer. Right now, it seems to me that it's kind of directed to commodity-based clusters, like dairy, swine, or canola flax, with the exception of the organic science cluster.

I'm wondering if either of you, or both of you, see room for additional clusters that would address more horizontal issues in agriculture—such as food safety, local commercialization systems like farmers' markets or alternative food systems—that seem to be of interest to the public.

[*Translation*]

Mr. Pierre Lampron: We have a research cluster and we want it to continue. It happened quickly, but we want there to be continuity.

The model is interesting for the other clusters. It's important to remember that farmers provide 25% of the funding. Our organization must go see its farmers, who continue to invest money in it.

I'll stop there, to see if there are other areas. We would like our cluster to continue.

[*English*]

Mr. Frank Valeriote: Go ahead, Jon.

Mr. Jon Bell: Farmers' markets are really sort of a hot topic for the consumer these days. They are sprouting up, if you will, all over the place. The problem is there are maybe a few too many of them, and they are becoming small-scale. The economy of scale might not work for some of the smaller markets. Bringing markets together and capitalizing on particularly municipal intentions to have farmers' markets is certainly working.

Other initiatives that are going on at the consumer level are “food hubs”. This is a term that refers to small growers banding together to provide produce at a larger scale—rather than just a one-off sale here and there—where restaurants and wholesalers can come in and purchase from a number of different growers at the same time and same location.

● (1610)

Mr. Frank Valeriote: Do you see that happening? I know that Friends of the Greenbelt and the Greenbelt Foundation in south-western Ontario, around the Golden Horseshoe, are trying to develop methods of commercialization that would allow more farmers to come together, so that they have more produce to sell to an institution like a university or a hospital, which has been problematic. There is no guaranteed supply.

Do you see that as a possibility?

Mr. Jon Bell: It's not only a possibility, it is happening. In the city of Vancouver there is talk about a food hub. They're now talking about a building. It's actually in progress. So things are moving.

Mr. Frank Valeriote: Dennis and Peter, if I might, you've heard of the valley of death, the gap between innovation and research and actually commercializing a product and getting it out there, whatever it might be.

I've proposed to previous witnesses incentives such as flow-through shares and other tax credits. Given the lack—really, the lack—of serious venture capital in this country....

I've talked to Dave Smardon—I know you know all of these folks in Guelph—and they seem to have a real appetite for some real incentive that will allow quicker commercialization in locations where you can bring minds and money together so things happen in a more meaningful way.

I wonder if you support those notions and how you might see it being implemented.

Mr. Peter MacLeod: Absolutely we would support those programs that are in place and the potential solutions that have been brought forward.

We see, as the main cornerstone in innovation, a regulatory system in place that not only establishes science-based principles but enables new products, new technologies, and innovative solutions to come to market.

As I indicated in my presentation, some of the best and most promising innovations that we have to solve some of the world's problems—i.e., food, water—if there's not a system in place to allow those products to be investigated and come to market, they're certainly not going to help provide the solutions we sorely need in today's world.

Mr. Frank Valeriote: But do you feel there's enough being done right now, or should we introduce flow-through shares and more tax incentives?

Mr. Peter MacLeod: Typically, CropLife member companies are publicly traded. We range from large companies to very small Canadian-based ones, but typically those are investments that they make as corporations. I'm not able to give you many more comments on those types of companies.

But an enabling system would certainly help those groups as well as ours.

The Chair: Thank you.

We'll move to Mr. Zimmer for five minutes.

Mr. Bob Zimmer (Prince George—Peace River, CPC): Thank you, Chair.

I have a question for Pierre. I heard you say that you'd like to redirect funds so that they could be better utilized elsewhere. Of course, in government we like to hear that you want to be efficient with federal money.

Can you explain a bit of what you meant by that?

[*Translation*]

Mr. Pierre Lampron: Based on what I'm hearing, it's the administrative side that is a little more complicated. I'm not a specialist when it comes to this, but I think that the people behind could answer this question precisely and give the committee an answer. It would be the best way of answering your question.

Would that be okay, Mr. Chair?

[*English*]

Mr. Bob Zimmer: That's okay, I can ask another one.

No, it's just good to hear that you're saying that, anyway. It's good to hear somebody being efficient with their money, anyway—with all of our money. What I wanted to know....

I guess we talked about, too, science and innovation. You talked about higher production rates and double production; those were some of the terms you used. I want to know some of the specific reasons for the higher production rates. As well, how has our federal contribution directly supported this through science and innovation?

● (1615)

[*Translation*]

Mr. Pierre Lampron: With respect to the government's contribution to research, the federal government has long supported dairy production research, research centres previously, and the dairy research cluster. In my opinion, the government had some influence on the field of genetics that was developed in Canada. Think about our insemination centres, of the development of dairy genetics and exports. I think Canada is recognized for having top-notch dairy genetics.

We must acknowledge that supply management is a stable system that enables farmers to have a stable income, to invest in the long term and plan. The Government of Canada supports supply management, which is a considerable help for increasing efficiency.

[*English*]

Mr. Bob Zimmer: Perfect.

I have a question for Dennis. Again, we certainly appreciate here—most of us who understand farming—that crop protection allows us to produce far more than we could normally ever produce. It allows us to produce for the world versus only ourselves, so we appreciate that.

Talking about science and innovation, what are some specific examples, and the most cutting-edge examples, that you see and that are top-of-mind to you as good stories in crop protection?

Mr. Dennis Prouse (Vice-President, Government Affairs, CropLife Canada): If we talk about the industry in general, canola is our favourite success story. The canola industry is now a $14-billion-a-year industry. It's a very uniquely Canadian success story.

Let's be clear, without a foundation of science-based regulation and clear rules, the Canadian canola industry never would have gotten off the ground. So that's something we can be very proud of.

If we look forward to innovation, I think what's happened in canola—a 20% increase in yields over the last ten years—is phenomenal. That's what can be done. That's why we think that Canada can and should lead in terms of being a world leader in agricultural exports.

Mr. Bob Zimmer: Are there any other ones that you can see coming?

Mr. Dennis Prouse: The three largest clusters of innovation, and Peter can correct me if there are others, are obviously soybean, soy, and corn. Those would be the three where you've seen the largest amounts of innovation and tremendous increase in yields that are benefiting farmers and benefiting consumers as well.

Mr. Bob Zimmer: Okay.

The Chair: You still have a minute left, if you want it.

Mr. Bob Zimmer: Sure.

I have a question for Mr. Bell about farmers' markets. A lot of us appreciate that small producer...and to be able to buy that and access it. You've talked about some of your concerns, but where do you see the future of market gardens? Where would you like to see it go, in a perfect world?

Mr. Jon Bell: In a perfect world, I would like to see coastal British Columbia in fact being the market garden, providing a lot of, if you will, just vegetables. I think that's where it's going to happen, is on green vegetables.

Right now we import massive amounts from California, Florida, and the southern U.S. in the winter. That's a market we should be able to take and not have those dollars leave the country but keep them in Canada and become the market garden of Canada.

Mr. Bob Zimmer: Good.

Thank you.

The Chair: Thank you very much.

We'll now move to Ms. Raynault for five minutes.

[*Translation*]

Ms. Francine Raynault (Joliette, NDP): Thank you, Mr. Chair.

My question is for Mr. Lampron.

Aside from dairy production, what areas do you intend to do research in over the next few years?

Mr. Pierre Lampron: Since we represent all dairy farmers, all the research is related to the dairy industry. But we need to do research into animal welfare to meet the consumer's need. We also need to document the facts in this regard. We are hearing a lot of different things, but it's important to know what the cow really needs. These results will be easy to implement because it has been proven that if the animal's welfare is respected, production usually increases. This is a point that will need to be addressed in the coming years.

We will also continue to do research into the nutrients and benefits of dairy products, including vitamin B12 and other ingredients to find out what impact they may have on human health.

● (1620)

Ms. Francine Raynault: Thank you.

Do we have to worry about the disappearance of small dairy farms in the next few years?

Mr. Pierre Lampron: I don't think so. Supply management enables farmers to produce anywhere in Canada and have the same income and the same marketing costs. It is a system that protects small farms. In Quebec—I am talking about Quebec because that is where I come from—there are small family farms with just a few cows and they are still operating. Families are able to survive because the income is stable and guaranteed all year round.

Ms. Francine Raynault: Earlier you talked about the welfare of animals. I live in the Lanaudière region, more specifically in Joliette, and I am seeing more and more animals out on pastures. This is something that we didn't see a few years ago. When I go to the countryside, I see that dairy farmers are leaving their animals outside in the fields. Does that have to do with the concept of animal welfare?

Mr. Pierre Lampron: Research shows that animals need fresh air, water and light. Those are all major factors. That is why farmers follow those proven practices. It might be more complicated, but there are ways to make sure that it does not get more complicated. Research is good because it validates methods that have been tested and that work. That means that we don't need to proceed by trial and error.

Ms. Francine Raynault: That certainly means more work for farmers, but...

Mr. Pierre Lampron: There are ways of doing things that do not require more work. We have to address them as well.

Ms. Francine Raynault: Mr. Bell, you talk about strengthening national markets. How can we do that?

[*English*]

Mr. Jon Bell: I'm sorry, it's not coming through. The volume is very low.

Can you please repeat your question?

[*Translation*]

Ms. Francine Raynault: You are saying that we have to strengthen national markets. What do we have to do for that to happen?

[*English*]

Mr. Jon Bell: I'm not quite sure; when you say "strengthening national markets", do you mean from the small producer providing food into a hub that can then be exported across Canada? Is that what you mean when you ask that question?

[*Translation*]

Ms. Francine Raynault: Yes, and there are also the small markets in towns and villages.

[*English*]

Mr. Jon Bell: Thank you.

We are representing just the farmers' markets in British Columbia, but I think what goes for our association probably would fit nationally. We're all looking at providing support and increasing the numbers across Canada to try to provide more locations for farmers to come together and sell their goods and gain further income.

The Chair: You lost a bit of time in there, Madame Raynault, so I'll give you a little bit more. Ask another quick question.

[*Translation*]

Ms. Francine Raynault: Thank you.

Would it be beneficial for producers to form cooperatives? Have you looked into that possibility?

[*English*]

Mr. Jon Bell: One of the tenets of a farmers' market is make it, bake it, or grow it in British Columbia. We like to have a person who actually grew the product there to have that communication with the consumer.

A number of trials have actually been done where three or four farmers will provide product to another grower, who will then sell that to the consumers. There has to be a good exchange of information beforehand to make sure that the person selling knows the information of what is the product, how was it grown, what's its organic status, if any, whether there are any treatments on it, all those sorts of things.

It does seem to work, but on a very small scale.

● (1625)

The Chair: Thank you.

We'll now move to Mr. Lobb for five minutes.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you, Mr. Chair.

The first question is for Mr. Lampron. On page 5, near the bottom, it says in your presentation, "A future research program under Growing Forward 2 should contain more efficient streamlined administration and auditing process to reduce the administrative burden."

You've been through this process. Obviously your organization's been through the process. Can you give the committee some tangible comments on what this looks like, in your mind, or maybe some issues that you've experienced and what you'd like to see improved?

[*Translation*]

Mr. Pierre Lampron: We have always invested in research. Funding used to be on a 50-50 basis from both side. With the cluster, the parties invest 25% and 75% respectively. The cluster is larger. The researchers from those research groups really have a lot of ideas. At some stage, you have to make a choice. Of course, with less money, you cover less areas, and with more money, you can go wider with the research.

Your question was more specific. I think that, in analyzing the life cycle, we are dealing a bit more with the environment. As for nutrition, it has always been something that we have worked on and we will continue to do so. The clusters have allowed us to continue doing what we have been doing and to focus more on the environment and on animal welfare.

[*English*]

Mr. Ben Lobb: Okay. Well, you mentioned at the beginning that you're going to submit the technical pieces that you'd like to see improve and streamline through the process, so I hope the clerk and the analyst have a chance to add that to the report.

To Mr. MacLeod, when CropLife is doing the research, how do they interact with other organizations or entities in other countries to get a footing or framework on the best practices as kind of a starting point, and incorporate that into the innovation? The point is that as government you don't want to duplicate research that was done in some other part of a region. How do you do that and incorporate it into fast-tracking the research you want to do?

Mr. Peter MacLeod: I think there are a couple of avenues that really work well in that regard. A lot of it is communication and making sure that partnerships are established, whether it's with academia through the university system, or through government research institutions. That communication among industry, government, and academia is critical to make sure things aren't duplicated and things are coordinated to get the end result, which is a new innovation that's accepted and can help society and farmers.

Mr. Ben Lobb: Right. So it's an informal process. Or is there a formal process?

Mr. Peter MacLeod: There are research collaborations that are formalized, especially between universities and our industry, to develop certain technologies. In that instance, innovation typically takes place at the university, and then it's sold or shared with the industry to help commercialize, because that's where the expertise lies from our member companies.

Mr. Ben Lobb: Okay. That's good.

Mr. Bell, you're here today. We all like going to farmers' markets, there's no doubt about that, for their fresh produce.

Of course, I'd probably argue that Ontario probably has the premium produce, seeing as I'm an Ontario MP, but you'd probably argue the contrary.

A voice: He's never been to Alberta.

Mr. Ben Lobb: I'm sure you've had a chance to take a look at the science and innovation portion of the first Growing Forward framework. How do you see your organization or a pan-Canadian organization such as yours being able to use funds in the science and innovation portion to further your goals?

● (1630)

Mr. Jon Bell: We would like to see those types of funds go into innovative tools that the local market vendor can use, and that could certainly be across Canada.

Science is not our strong point; we're not researchers. We are the end users of that science, but we take it and use it to the best of our abilities to improve our market share. Moneys going to organizations to create those tool kits will allow farmers to create markets that are better adapted to utilizing the product.

I think the member over here brought up the topic of cooperatives and hubs. Those sorts of innovative techniques will require some movement in regulation and in people's thoughts to get those types of new marketing situations happening.

The Chair: Your time has expired.

Mr. Lampron wanted some help, and I believe Émie Désilets is going to come up here.

Ms. Désilets, I'll let you respond to the question.

[*Translation*]

Ms. Émie Désilets (Scientific Coordinator, Dairy Farmers of Canada): I am going to answer in French.

I would like to further respond to the more specific questions on areas for improvement, especially regarding the administration of clusters.

It was a challenge to learn the rules and vocabulary, such as vote 1 and vote 10 or to adjust to the government's fiscal years, with appropriations that are fixed and non-transferable from year to year. Those are things we have managed to get a handle on, but we had to adjust. It took time to understand the rules ourselves first, and then to be able to explain them to others and to ensure they are adopted by those who do the research for us, primarily universities. We have to say that people at the research centres of Agriculture Canada are already very familiar with the internal rules.

That's why there were delays. Announcing the program itself and setting it up afterwards required a lot of time and caused delays. Yes, ultimately, we will be able to fulfill the contract, but we will do so in some other way. For example, since we want to achieve our objectives in a shorter period of time, research in universities will be conducted by technicians or professionals, and unfortunately not by students. Students will not be able to do it because school is still out. Also, recruiting students sometimes takes a long time, and they sometimes work less quickly than technicians. But it is still unfortunate that those circumstances have forced us to cut training for new students.

By knowing those things beforehand, we could plan for them. Those things take time to plan. In addition, we would be much better prepared because we would already be familiar with that whole structure.

As for challenges, I will not get into the details of administrative rules or accounting rules. I will only say that imposing government rules is a challenge. We already had our ways of doing things, but we can adapt. However, it can be difficult to impose those new rules to the whole Canadian university system. You have to convince people and that takes time and goodwill.

There should also be an element of trust. We already have the experience and background; we already have our ways of managing research projects. So rather than asking us to constantly provide evidence for everything, why not have an audit? It would be easier than asking us to provide all the information and all the evidence by set deadlines, whether quarterly or otherwise.

● (1635)

[*English*]

The Chair: Thank you very much.

We'll now move to Mr. Rousseau for five minutes.

[*Translation*]

Mr. Jean Rousseau (Compton—Stanstead, NDP): I have a question for Mr. Lampron.

You say that, because of research, herds have produced higher yields; there are fewer cows per herd but dairy production is higher. That means that research has been done for the scientific component of Growing Forward 2. But are there enough programs that provide an incentive for researchers to work in areas like that, trying to make herds more productive, for example?

Mr. Pierre Lampron: Are you asking whether there are enough researchers in this area?

Mr. Jean Rousseau: I am asking you whether there are enough researchers and whether government programs have incentives to encourage researchers to focus on specific areas like the one we are talking about.

Mr. Pierre Lampron: Continuity in funding is certainly what draws researchers. Research like this is done over the long term. I think there are incentives because the research has gone on for a long time. It is important to continue. If we stop the research for a few years, that is when researchers are going to leave.

So I would say that there are enough incentives.

Ms. Émie Désilets: The dynamics of dairy production research in Canada are good. But even so, researchers need money to do the work. If they don't have funding for some reason, they are in fact going to go in an area of research that is funded.

Mr. Jean Rousseau: So you are saying that, if there is not enough funding, they can change their area of research.

Ms. Émie Désilets: Of course. If universities do not provide them with funding so that they can work, they will have to look for grants in the private and public sectors.

Mr. Jean Rousseau: In other words, Agriculture Canada's next Growing Forward 2 program should include more incentives for some areas of research.

Ms. Émie Désilets: That's correct. Research areas often have to be linked to industry priorities. Academics work to move the industry forward. We are often ready to invest in those priorities but, in return, we need funding for the rest of the work we are doing.

Mr. Jean Rousseau: Thank you very much.

My next question is for Mr. Bell.

Most of the witnesses have said that marketing is the weak link in the innovation chain in Canada. Under Growing Forward, the Developing Innovative Agri-Products initiative provides funding for projects that fill the gap between discoveries and a product getting to the market.

Do you think this program does a good job of improving marketing in the innovation chain? Do you think funding under this program is sufficient, especially for small producers?

[*English*]

Mr. Jon Bell: I feel that I don't have enough depth or experience to answer a lot of your questions, particularly about whether funding is enough. I mean, it would be easy to say that funding is never enough, but that's not being reasonable.

We're a very small group and we basically have not had access to very much funding, certainly at the federal level. I'm not sure about other farmers' market organizations across Canada. We do get our funding through IAF, investment agriculture funds, in British Columbia. We do get funding, but we have to find matching funding. That does make it difficult for us.

Do we have sufficient funding? I can't really answer that question honestly.

[*Translation*]

Mr. Jean Rousseau: My next question is for Mr. MacLeod and Mr. Prouse.

Do you think farmers have enough access to scientific discoveries and technological innovations through Growing Forward? In other words, can scientific discoveries be easily put into practice on the ground?

● (1640)

[*English*]

Mr. Peter MacLeod: You're quite right. One of the gaps we see—and I see when I'm working with farmers and farm communities—is the lack of, or not enough, transfer technology, whether it's from our industry or academia through the university system. There's a gap between taking that innovation and making sure it's adaptable to the farm. There has been a lot of reduction in staff provincially, mainly among those who do this technology transfer, and at the federal level through some of the research farms across Canada.

Certainly that's a critical link. If all of the great innovations in science and technology aren't available for adopting by farmers, they will be lost. We really support education of the technologists who are needed in the human resource area to bring that technology from our companies or from the universities to the field.

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

We'll now move to Mr. Payne for five minutes.

Mr. LaVar Payne (Medicine Hat, CPC): Thank you, Chair.

Through you, Chair, I want to welcome everybody here today. It's very interesting information that you have provided to us.

And I apologize for sneaking out; I had a constituent call, so I had to talk to them. They had sort of an urgent thing going on. My apologies for missing part of the presentations.

Having said that, there were a couple of things I wanted to address. I guess I'll start with Mr. Lampron.

I was looking at your presentation here on page five, and particularly the bottom part where you talk about a “program for farmers, delivered by farmers, involving other industry partners”. In particular, you talk about the flexibility in terms of certainly what we're facing in terms of some potential reduction in allocation of funding.

I'm wondering if you could give us a real good flavour of how you see that flexibility happening, who that should be working with, and if you have any particular projects that you believe are very important as part of that process.

[*Translation*]

Mr. Pierre Lampron: That is obviously an administrative issue. As we said, the organization in charge of managing all that could be more flexible. That sort of goes back to what Émie was saying just now.

Ms. Émie Désilets: I could maybe add that, based on how the Dairy Research Cluster program is set up, a work plan is approved for a five-year period, and very few changes can be made along the way. Since we do not have five years to complete this program, it is easier to stick to the initial plan. If we plan to do it over five years, we must absolutely determine the work to be done in those five years, but we cannot always know that in advance. The work might get done in the first two years, after which we will have to make adjustments.

So there should be more flexibility, especially for this aspect. We were not greatly affected this time because we did not have five years. But if we have a five-year timeline for another program, we would need to have this type of flexibility.

[*English*]

Mr. LaVar Payne: Thank you.

My next question is for Mr. Prouse and Mr. MacLeod.

In your comments you talked about, and I see there was some funding for, pesticides. I believe you said something about further research on pesticides.

I'm wondering if you could tell us what you believe CropLife... and how you see that interacting in terms of the pesticides and the funding and what research would actually be done.

Mr. Peter MacLeod: Historically, one of the major gaps in Canada in pest control has been developing products for what we call minor crops. These would be crops where the market size might not be sufficient to compel a company to invest the $200 million that's required. These are crops like cranberries, blueberries, or perhaps there's a minor disease in a major crop.

One of the things that the first Growing Forward policy provided was funding through Agriculture Canada to develop some of that basic research on these minor pests. Collaborating with the industry, who already had the knowledge for that product but needed that additional information on that minor crop....

The collaboration there, between Agriculture Canada and CropLife, to develop these tools and technologies for farmers... which are critical. As you may know, a small disease on a crop could completely take out the crop in a matter of days. So these products are very important.

That's one example of a real partnership that the funding from the government has provided to enable farmers to produce some of these minor crops.

● (1645)

Mr. LaVar Payne: Thank you.

I was just checking, in terms of the horticultural...I understand there was almost $2.7 million of funding from the federal government.

In particular, Mr. Bell, I know you talk about the farmers' market, and we have a great farmers' market in Medicine Hat and throughout the riding. We also have a huge greenhouse industry in the riding and there are certainly some major changes. I'm not sure if you're aware of how they're growing cucumbers and tomatoes. Our particular area supplies all the major stores in the surrounding area and as far away as Calgary and so on.

Do you have any indications in terms of the research there and what effects that might have?

Mr. Jon Bell: I have been involved in the greenhouse industry for a number of years, and I'm aware of the production across all of western Canada. In my statement earlier, I was referring to things like leafy vegetables, which are not going to be energy-dependent. I think energy usage is one of the biggest issues that the greenhouse industry has, as well as greenhouse gases and all the rest.

So when farmers' markets...we're talking about low investment, if you will, in greenhouses and not the very heavily financed greenhouses for tomatoes and peppers and the like.

The Chair: Thank you.

We'll now move to Mr. Allen.

Mr. Malcolm Allen (Welland, NDP): Thank you, Mr. Chair.

Mr. Lampron, you talked about a number of initiatives having to do with funding and research. In respect of the two pieces dealing with the funding mechanism, one has to do with the next Growing Forward piece, which we're investigating in light of that five-year piece. Madam Désilets talked about the need for some flexibility inside that. I want to ask you about the need to know that the funding is in place for the five-year period.

You also talked about core funding and what that would mean for the longer term. You're right about researchers at university—they're usually chasing the next grant, trying to stay in the business of continuing to do research. They'll research something else if the grant evaporates. They'll go to stream B or C or D, or whatever the case may be, depending on where the money flows.

You talked to those two issues, about how you see them as being either separate or linked together, if indeed they are; I'm not sure that they are linked. I leave that for you to explain to us. How do you see those two pieces as being integral, as you move forward, in the necessity to ensure that stable funding, and indeed the funding at all, in Growing Forward 2 for that five-year period?

[*Translation*]

Mr. Pierre Lampron: The idea behind the presentation is that we have to focus on clusters, but that we also have to remember funding for basic long-term research. There should still be core funding for basic research, because it is more difficult for us to find 25% in funding for this type of research. We feel that the government has a responsibility towards the basic component of research. The usefulness of clusters could then be applied more quickly to farms.

● (1650)

Ms. Émie Désilets: Yes, core funding is needed for basic research, but it has to be part of a continuum. I am referring to fundamental questions that require answers in the longer term. They include genetics, studies on mastitis or maintaining a pathogens bank from one year to the next. Those examples show us that restricting the program to five years poses a problem. We have no idea what will happen with all that work. That is why I am talking about a continuum.

In terms of money, there is less and less in the research centres at Agriculture and Agri-Food Canada. We have to see. Good researchers working there are also starting to be short of resources for their work.

[*English*]

Mr. Malcolm Allen: I appreciate the differentiation but also the understanding of why we need to do both.

I think you pointed out earlier that you've been doing research and innovation work in the dairy area for a long time and that you've had very good success in a lot of different areas. So the sense is that if we continue to do it, we can see profitability, sustainability, and environmental stewardship.

I mean, folks are looking at how good the environmental stewardship really is. From what I understand of some of the projects you've done, some of the results are about that environmental stewardship. I wonder if you could talk about that for a moment.

[*Translation*]

Mr. Pierre Lampron: In terms of food safety, the environment and life cycle, we see what is being done elsewhere, but though we may be familiar with our environment, we don't know where to focus our efforts in order to make environmental gains. This is about agricultural production; we live in this environment and we participate in economic activity. We now have to determine where we are efficient and where we are less efficient.

Studies on the environment make it possible to understand exactly what is happening on those farms and to determine which methods can be used to pollute less and to be more environmentally conscious. We factor in greenhouse gases, manure management and the nutrition of cows, meaning what cows need to produce milk. The cows are going to eliminate any excess food into the environment. If we were fully aware of their needs, they would only eat what they needed, produce the milk and generate less waste in the environment. Those are all things we have to understand.

[*English*]

The Chair: Thank you very much.

We now move to Mr. Storseth for five minutes.

Mr. Brian Storseth (Westlock—St. Paul, CPC): Thank you very much, Mr. Chair.

Just so that you're aware, I understand I'll be splitting my time with the parliamentary secretary.

Thank you very much to the committee members for coming.

One of the things that I feel we all too often get trapped into as a sign of success is the total dollar value in these programs. The government announces that this is how much money they've put into science and innovation this year, so it must be a success because it's more than last year or the year before.

As we've gone through this process, we've talked with several witnesses about the fact that you need more streamlined processes. It's not always about dollars and cents; sometimes you need a process that has less “bureaucratese” in it. You also need a process that has less paperwork, that's less burdensome on the smaller researchers and the smaller organizations.

Then everybody seems to get to the point—and I'd like to congratulate my colleagues like Mr. Lobb for such well-researched questions today—where you talk about the research needs in terms of how we get it from technology to commercialization, and that's the end goal.

My question is for you, Mr. MacLeod. How important is it that research is targeted at commercialization as an end goal? Is that what we should be focusing on?

● (1655)

Mr. Peter MacLeod: One of the key things in the whole discovery process is a vision of where you want to be before you even start the discovery phase and the collaboration. What end product do you want to have, and what are the attributes of that product?

One of the areas that CropLife, through its member companies, has is a strong linkage with farmers and the needs of farmers, and they start their discovery process right from that base. If there's a new disease that's threatening, whether it's an invasive pest or a new disease that's threatening a crop, that direct communication linkage on the farm is critical to help start that discovery process. That's communication within Canada.

On a global basis it's important to keep track of any innovations that are happening in parts of the world that grow similar crops—for example, wheat production in Australia—to look at the pests and weeds and things that are a problem there and make sure of that awareness so that we're ready if that pest ever makes its way to Canada, or from south of the border, in the United States.

Mr. Brian Storseth: So you're talking about starting with a problem and working back to find a solution, or at least having knowledge of what the problem could be from a farmer's perspective.

Mr. Peter MacLeod: Yes.

Mr. Brian Storseth: Mr. Lamprom.

[*Translation*]

Mr. Pierre Lampron: I think the connection with the market is essential. In terms of food safety, we have a product to sell and we want consumers to buy it as much as possible. So we do research to address those market needs. As for animal welfare, we also have to position our product on the market, which requires research. It is interesting to see that this improves the farm's efficiency at the same time.

I neglected to mention nutrition. For example, salt now has to be banned from or reduced in dairy products. There is a lot of pressure for this. However, it is used as a preservative in cheese. So we have to be careful. Salt has some benefits but it should not be added needlessly to food. Research has be done to be able to reduce the amount of salt or to inform consumers of why salt is used in specific products. Research is currently underway in this area, and it is being done precisely to allow producers to better respond to market needs. All this research is in fact closely related to market needs.

[*English*]

Mr. Brian Storseth: Thank you.

In this conversation, I do note that the end dollar value isn't what we start with. The end dollar value on how much is being spent on science and innovation isn't what we start with—it's focusing on problems in the industry and how we solve those problems within the industry.

Mr. MacLeod, you mentioned international issues. With regard to science and innovation, how important is it that the Growing Forward program has the ability or funding to attract international scientists or international expertise into Canada, and what's the best way to go about doing that, in your mind?

Mr. Peter MacLeod: Well, certainly—I'm reaching that demographic quickly—there's becoming a big gap in the amount of research capacity in Canada, at the government level, from a scientist basis at the research institutions, at the universities, as well as within my own members. We're focusing on renewal and making sure that agriculture is an attractive place to be.

There are a lot of technology-based industries, and computer sciences, that are attractive to younger people. We need to have agriculture as an exciting place to be.

If you look at some of the solutions, I mean, we're all well aware of the problems that society has with a growing population, scarcity of water in certain cases—although, out in western Canada, we've had a bit of an issue on the other side of it—and in doing more with less.

So it's an attractive place to be from a technology standpoint. I think the more attractive we can make the agriculture business and the products needed for farming for young people to get into our industry, the better we're all going to be in the future.

● (1700)

The Chair: Thank you very much.

Mr. Anderson, welcome back to the committee. You have the last five minutes.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): It's good to be here, thank you, Mr. Chair.

I want to follow up a little bit on what Mr. Storseth was talking about. I'm interested in the issue of human resources.

Natural resources is my home committee, and we had a discussion yesterday about the fact that even in Saskatchewan over the next seven years we're going to require something like 13,000 people in the mining sector alone.

You talked a little bit about the development of human resources in your area, because we need to encourage young people to get into agriculture. It may not often or always be their first thought or first choice. I wonder if you have any comments on that, and how we can do a better job in bringing young people into the research and innovation side of developing new agriculture.

Mr. Peter MacLeod: I think it's awareness and communication. I mentioned that in my presentation. The exciting technology going on right at the farm level, whether it's precision-based seeding, whether it's fertilizing exactly where the seed and the crop needs it, whether it's GPS-guided tractors, or whether it's all the science and technology in modern farming—I think that message needs to get out. It has to get to the universities. It has to get to the high schools to make agriculture a more attractive place for people.

I think if young people knew of the exciting opportunities there are in farming and the agriculture business, it would certainly be a more attractive place to be. So I think communication and, as Mr. Bell mentioned, that awareness right the fork level, that interface with farmers, would certainly help in that gap.

Mr. David Anderson: What programs do the three of you then have to bring young people into the industry and to interest them in the innovative side of your industry?

Mr. Peter MacLeod: I'll start, since my red light is on.

One of the things that our member companies have is a very strong student program. They hire first-year students and second-year students out of agriculture programs—whether from Saskatchewan, Alberta, Manitoba, or Ontario, through McGill or through eastern Canada—to get them interested in the business.

They see this as a training ground, even at a very early stage, to make them aware of the technology that our members are bringing, and perhaps trigger their interest in staying on, whether it's with the company or staying within the academic community, but to get them excited about agriculture.

Mr. David Anderson: Mr. Bell.

Mr. Jon Bell: I'd like to say that we start a lot earlier than university. We start basically at the ground level. We have started with coupon programs, with a healthiest babies or tots program, where kids are now being encouraged to come to farmers' markets and learn about the farm.

There are also school programs that bring farmers to schools. That's actually not a program that we, per se, are involved in, but those sorts of things are happening in our community. The same members who are part of our market, in fact, are involved in bringing kids to farms, going to schools, and starting the education at that level and trying to get them to appreciate the difficulty of farming and the challenges over time.

Mr. David Anderson: I don't think we can start too early.

Go ahead.

[*Translation*]

Mr. Pierre Lampron: We are talking a lot about research today. We can look at it from a more general perspective. Having a profitable and stable sector helps to attract people to this area.

In dairy production, which I represent, we do research on animal welfare, the environment, and so on. We are in line with what the public wants, we are recognized and young people care about that. If we were doing something that goes against the interests of the public, against what people want, I think that would discourage young people. Research in the area, based on what the public needs, is important.

Our organization has loan programs to attract young people. The provincial government also gives set-up grants to young people. This whole financial aspect helps young people get started.

● (1705)

[*English*]

Mr. David Anderson: Thank you.

Mr. Bell, research and innovation often impacts smaller producers and larger producers very differently. Do you make any distinction in your area between large producers and small contributors to the markets?

Mr. Jon Bell: No, we don't make a distinction between growers in my own market. We have a tomato and pepper grower on a commercial scale, and he is just as welcome to be selling his produce as someone with a plastic greenhouse in the backyard. There is no distinction.

Mr. David Anderson: To the three of you, if you could imagine what kind of innovation and research you would want to accomplish by 2017, when you're looking back five years from now, what would you like to have done?

You talked today about the general ideas of research and innovation. What are some examples of things you'd like to see accomplished in five years from now?

Mr. Jon Bell: As my red light is on, I guess I'm it.

I would certainly like to see the west coast of British Columbia moving to being the market garden, if you will, of western Canada because of lower energy use to grow these products. It's a perfect location to do research into newer varieties, low-light tolerance, and other types of development, for vegetable crops.

I think it's the way of the future. Consumers are demanding that more and more local product be available to them, so I think it's a growth area.

Mr. David Anderson: You're a good salesman.

Gentlemen, go ahead.

Mr. Dennis Prouse: Mr. Anderson, our five-year goal would be smoothing out red tape. Mr. Storseth alluded to that earlier. There would be a regulatory system that continues to encourage innovation through better timeliness of approvals, service standards, predictability, sharing of data and approvals, and international synchronization.

These are all issues, as you well know, that are on the government's radar now and that would make tremendous strides in giving very practical improvements to bringing innovations to market. There's a great opportunity to make a lot of that progress, and we're hopeful that in the next five years a lot of that progress will be made.

The Chair: Thank you very much.

Did you have a last comment, Mr. Lampron?

[*Translation*]

Mr. Pierre Lampron: What we would like in five years is to see more progress in what we have already started, meaning animal welfare and food safety. On the health side, we should show all the benefits of using dairy products and do studies that support the claim that milk is good, by giving such and such a reason.

Thank you.

[*English*]

The Chair: Thank you very much.

Everyone has had a chance to ask questions, I think. We've had a pretty good day.

We have a bit of committee business we have to tend to, which will just take a few minutes. Plus, bells for votes will be happening shortly.

I would like to thank all of you for being here today. We appreciate your taking time out of your busy schedules. We enjoyed your testimony.

Thanks again, and you're free to go.

I don't think we need to go in camera. At the end of last meeting there was some discussion about bringing ideas as to where we go next in our study of Growing Forward 2. There were going to be some suggestions coming back today

Mr. Lemieux.

Mr. Pierre Lemieux: Chair, I was just looking at the outline. I had a suggestion.

We've been looking at science and innovation. Perhaps a next topic might be competitive enterprises, which is to look at programs whose goal is to develop farmers' business skills and strategies, but also things that affect the competitiveness of farmers. It's a nice follow-on from science and innovation because it's related to the actual skills we would want to see in the agricultural marketplace.

I don't think we'll need from now until our December break on that, so perhaps we could look at BRM, business risk management tools, in the second half.

So maybe five meeting on this, four meetings on BRM. Correct me if I'm wrong, but the department is coming right after the break, right? We'll have nine meetings left?

The Chair: Yes. The department is confirmed for the first Tuesday back after the break, which is November 15.

● (1710)

Mr. Pierre Lemieux: Yes.

The Chair: So we'll have nine meetings from there until the Christmas break.

Mr. Pierre Lemieux: I propose a five and four, almost a 50-50 split between competitiveness and BRM.

The Chair: We have to do all these categories at some point.

Is there any further discussion?

Frank, you're okay with that?

Mr. Frank Valeriote: I'm okay with that. It makes sense.

The Chair: Is everybody...?

Some hon. members: Agreed.

The Chair: Okay.

Well, that's great. That allows David to....

David is wondering if you could all send your witness lists in by noon on Friday, if that's possible. That gives you three days. That isn't to say that you can't get some in after that, but we need somewhere to start, and of course we're going to deal with the witnesses kind of in the order in which they come in.

Okay? Is there any further discussion?

Then I think David has his direction, and I don't believe there is any other committee business.

Thank you very much. See you all on Thursday.

The meeting is adjourned.

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