



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

43rd PARLIAMENT, 1st SESSION

Standing Committee on Agriculture and Agri-Food

EVIDENCE

NUMBER 016

Wednesday, June 10, 2020

Chair: Mr. Pat Finnigan



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• (1700)

[*Translation*]

The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)): Welcome to this meeting of the Standing Committee on Agriculture and Agri-Food.

[*English*]

With that, I will call the meeting to order.

I'll go through some of the usual stuff. I know that most of you know it, but I think it's still important to go through it.

Welcome to meeting number 16 of the House of Commons Standing Committee on Agriculture and Agri-Food. We are meeting today to discuss the subject matter of the supplementary estimates (A). Note that we will not vote on the estimates at the end of the meeting, as they will be considered by the committee of the whole on June 17.

I would like to outline a few rules to follow.

Interpretation in this video conference will work very much like in a regular committee meeting. You have the choice at the bottom of your screen of either floor, English or French.

When you intervene, please make sure that your language channel is set to the language that you intend to speak, not the floor. This is very important. It will reduce the number of times we need to stop because the interpretation is inaudible for our participants. It will maximize the time we spend exchanging with each other.

Witnesses, I think we've all gone through the checks to make sure you understand this important information. If not, wave your hand, but I believe we're all good on that.

Also, before speaking, please wait until I recognize you by name. When you are ready to speak, you can click on the microphone icon to activate your mike.

[*Translation*]

Please make sure that your microphone is on mute when you aren't speaking.

We are now ready to get going. I'd like to welcome our witnesses today, especially the minister, Marie-Claude Bibeau.

Appearing before the committee today is the Minister of Agriculture and Agri-Food, who is the minister responsible for the Canadian Food Inspection Agency.

You have seven minutes for your opening statement. The floor is yours.

Hon. Marie-Claude Bibeau (Minister of Agriculture and Agri-Food): Thank you, Mr. Chair.

Good afternoon, members of the committee. I'm pleased to be here today.

I want to thank the committee once again for your hard work and your ongoing commitment to the agriculture sector.

I appreciate the opportunity to join you today as we look at the supplementary estimates for 2020-21 and to highlight the support that our government has put in place to respond so our farmers and processors have the support they need during this challenging time. These supplementary measures bring Agriculture and Agri-Food Canada's 2020-21 authorities to date to approximately \$2.8 billion.

COVID-19 caused a sudden shock to our food system. I care deeply for our producers and food business owners and workers, who are facing the struggles caused by this pandemic. I think particularly about our young producers and the stress this unprecedented situation has caused for them and their families. We recognize the challenges of the backlog and volatile prices faced by livestock producers, the labour challenges faced by our fruit and vegetable growers, and the loss of markets owing to restaurant closures.

There have been positive signals in the sector as well. The demand for and export of grains, oilseeds and pulses has increased. We are having record months for the movement of grain by rail. Our slaughter capacity is normalizing and helping to clear the backlog.

Since the pandemic began, our government continues to roll out supports as fast as possible. For our farm families and processors, this support represents over \$1.25 billion.

First, our government created the Canada emergency business account, which could deliver over \$2.6 billion in interest-free loans to 67,000 eligible farmers across the country. By providing access to \$10,000 in loan forgiveness on a \$40,000 interest-free loan, we are providing more than \$670 million in direct support to Canadian farm families.

To help farmers manage their cash flow, we immediately deferred payments on \$173 million through the advance payments program, and we increased the lending capacity of Farm Credit Canada by \$5 billion. More than \$4 billion of that has already helped farmers.

I know access to workers continues to be a challenge in the country, but we continue to have a significant number of temporary foreign workers arrive every week. We estimate that, so far, 80% of workers have arrived as compared with the same period last year, but there is still much to do.

We are pleased that employers are making use of our \$50-million program to support them with the costs they assumed to ensure foreign workers were safe during the mandatory quarantine period. I know we are all deeply saddened to hear about the recent passing of two temporary foreign workers in Ontario, as well as the many others who have fallen sick. Our top priority is to keep workers safe, and we will continue to work together with employers and local public health authorities.

Included in the supplementary estimates, the \$77.5-million emergency processing fund will also help food processors adjust their operations to keep their workers safe and boost Canadian food production by modernizing their facilities or reopening plants, for instance.

We increased the funding to the Canadian Food Inspection Agency by \$20 million to ensure continued inspection services to keep our food safe for Canadians and our export markets.

To get more young Canadians working in the sector, we announced \$9.2 million under the youth employment and skills strategy program, which will fund up to 700 new positions for youth in the agriculture industry.

• (1705)

[English]

We also made improvements to the business risk management programs available to producers. Yes, there is more to be done to improve these programs, but one of my messages to farmers continues to be that these are important tools, and please make use of them. Usually these programs provide \$1.6 billion a year in direct support to our producers. This year it could be over \$2.2 billion, including potentially doubling the paying out for AgriStability.

Most provinces have now signed up to increase the interim AgriStability payment to 75%. In Alberta, for example, the province estimates that this could result in \$20 per head for pork producers.

We have extended the enrolment period for AgriStability to July 3, and we encourage producers to apply.

Canadian agricultural producers have almost \$2.3 billion in their AgriInvest accounts, self-managed producer-government savings accounts designed to help producers manage small income declines and make investments to manage risks and improve market income. The average producer has close to \$25,000. Horticulture producers have an average of about \$25,000. For grain and oilseed producers, it's \$33,000, and for potato producers, it's \$93,000.

We also took leadership in announcing our commitment to the AgriRecovery initiative, committing the entire \$125 million and changing the program so that producers will benefit from the federal assistance whether the provinces choose to participate or not. It's encouraging to see that some provinces, such as Alberta and Saskatchewan, made announcements of their contributions to AgriRecovery. Indeed, our partnerships with the provinces and territories have become even stronger during the pandemic. We've met weekly and are partnering on meat inspections, business risk management programs and much more.

Lastly, we have really taken the challenges of Canadians' food security to heart. Since the pandemic hit, we have given \$100 million to support our national food bank and food networks. The supplementary estimates include \$75 million to help food aid organizations serve vulnerable Canadians during the crisis. I'll give you an example. Thanks to \$170,000 in federal funding, the Unemployed Help Centre in Windsor, Ontario, has been giving out emergency food hampers to families in need. Yesterday, we launched a second call for proposals under the local food infrastructure fund to help local food organizations invest in larger projects up to \$250,000.

This second application intake will build on the success of our first round of projects, which have helped communities across Canada. Lastly, the estimates include \$50 million to help local food organizations access local surplus food to serve vulnerable Canadians. We have made good progress, but there's much more to be done.

Mr. Chair, I know that our agriculture and agri-food sector will be a key driver of leading the economic recovery of our nation and will continue supporting the prosperity of our rural communities and our national economy.

Thank you.

• (1710)

[Translation]

The Chair: Thank you, Minister.

We will now move into questions, beginning with Mr. Barlow.

Mr. Barlow, you have six minutes. You may go ahead.

[English]

Mr. John Barlow (Foothills, CPC): Thank you very much, Mr. Chair.

Thanks to the minister for the reannouncement of other programs earlier this week.

I want to ask you about a comment that you made during your press conference that we've certainly had a lot of feedback on. It's your comment on the average cost of the carbon tax, that it costs farmers between \$200 and \$800 per year.

I put a call out to some of the stakeholder groups across the country yesterday, and I received dozens of comments and bills from producers. I have some ranging here from a couple of thousand dollars a month to one that's close to \$10,000 a month. CFIB has said that the carbon tax is costing farmers, on average, \$14,000.

Where did you get this data that says that the carbon tax is costing farmers between \$200 and \$800 dollars?

Hon. Marie-Claude Bibeau: First, let me remind everyone that our pollution-pricing policy is designed to grow a clean economy, which is something that we really care about. What we have done at the beginning is to make sure that what is costing farmers the most is exempted. Emissions from livestock and crop production are not priced. Farm fuels and fuels from cardlock facilities are exempt, and there's a partial rebate for propane and natural gas used in commercial greenhouses.

Also, the department has prepared estimates reflecting the federal backstop, using a price of \$50 per tonne. This shows an average increase of 0.2% to producers' net operating costs and a decrease of 1% to producers' net operating incomes due to carbon pollution pricing.

These are the levels, I would say, of data we have. I will just remind you that the Department of the Environment will proceed, has committed to proceed, in 2020 to a revision of—

• (1715)

Mr. John Barlow: I mean no offence, Minister. I appreciate that. You've tried to answer the question. I don't need the history lesson.

I know you've been trying to keep in touch with agricultural stakeholder groups through this pandemic, but how many of them you spoken with have supported the carbon tax and the increase on April 1? Have any, yes or no?

Hon. Marie-Claude Bibeau: I can't even count the number of producers I've talked to and their representatives, and the carbon tax is something that is important for the future of our country and the new generation as well.

Mr. John Barlow: How many stakeholders, how many producers, have you spoken with who have told you that they support the carbon tax and the increase in the carbon tax?

Hon. Marie-Claude Bibeau: I can't give you a clear answer.

Mr. John Barlow: I think that's because the answer is none. I think you know that. If you felt differently, I think you'd be able to give us an answer. I just want the fact that you aren't able to answer where you got this data from, which is completely out of touch with the reality on the ground.... As I said, I've had dozens of agriculture producers giving me their bills, and just for the ones that I did today, the carbon tax is 10.5% of their revenue and not 0.5%. I would hope that you're able to back up this data and that when we ask for it, it's not a secret but that you would feel comfortable sharing it with us.

Minister, I want to change issues now. We've heard that funding for economic development in agriculture has now been handed over to Innovation, Science and Economic Development. Is that true, yes or no?

Hon. Marie-Claude Bibeau: I'm not sure I understand what you're talking about. I doubt it would be true because I should be aware.

Mr. John Barlow: Okay.

In the estimates, there's a \$20 million internal transfer from operating expenditures for grants and contributions to support COVID-related measures to help food processors. It's been transferred from one department to another to deal with COVID. What was that \$20 million initially budgeted for?

Hon. Marie-Claude Bibeau: We have announced \$77.5 million to support the producers facing the COVID situation, and the details of the programs will be announced in the coming days. It's almost ready. The idea behind it is to support the food processors putting in place physical measures to protect their workers within their plants, and also measures to improve the processing capacity.

Mr. John Barlow: Minister, you keep saying that these programs are new money, but clearly, in just this one portion of these programs, this \$20 million was transferred from one area of Agriculture and Agri-Food Canada to another to cover COVID costs. What was that \$20 million initially budgeted to cover?

Hon. Marie-Claude Bibeau: You're talking about the \$20 million that you see as a supplement, the available budget that will not be disbursed according to our first plan. It will be moved to the Canadian agricultural strategic priorities program, CASPP. It's not specifically dedicated to a program yet.

Mr. John Barlow: So it's not new money; it's money that's being transferred from one program to the next. That's basically what it is.

I have one last question, Minister. In the local food infrastructure fund, you talked about \$5 million over five years. At the announcement of this fund, it was said to be \$100 million, but only \$75 million has been allocated in these estimates. It's split up into three areas. Where is the other \$25 million?

Hon. Marie-Claude Bibeau: We have \$75 million in new money, and \$25 million was money that was last available at the end of the fiscal year, within the AAFC budget.

The Chair: Thank you, Madam Minister, and Mr. Barlow.

We'll now go to Madame Bessette for six minutes.

• (1720)

[Translation]

Mrs. Lyne Bessette (Brome—Missisquoi, Lib.): Minister, I'd like to start by personally thanking you for the wonderful announcement you made yesterday regarding the local food infrastructure fund.

Under the first call for proposals for the fund, you've already helped a large number of local organizations across the country and strengthened local food systems, including in my riding, Brome—Missisquoi. We're actually making an announcement soon.

I've seen the need for such projects, not only to ensure food security, but also to strengthen the capacity of community organizations, which many vulnerable people rely on. The idea is to reduce food waste and distribute food to a vulnerable population in a remote region while promoting a community-based approach. The fund is helping to do that, so I thank you.

Would you mind explaining to the committee what you announced yesterday?

Hon. Marie-Claude Bibeau: Thank you, Mrs. Bessette.

Indeed, in ridings right next to mine, in the Eastern Townships, the community organizations you mentioned work hard to meet a demand that is unfortunately very high. The local food infrastructure fund helps food banks, youth centres and community gardens, among others.

Last year marked the first call for proposals. Under that phase, up to \$25,000 in funding was available to projects for the purchase of equipment. The idea behind the second call for proposals, which was just launched yesterday, is to support community-driven projects with up to \$250 million in funding over three years.

The goal of the program is to move beyond merely purchasing equipment; we want to encourage people to form partnerships, to connect with local farmers, grocers, restaurateurs—in other words, integral members of the food system—to set up infrastructure that will help reduce the demand. Our long-term vision is to strengthen local food systems.

The fund will help cover costs related to infrastructure, alterations, equipment and some minor expenditures that are not recurring. The program does not cover ongoing costs.

Mrs. Lyne Bessette: I see. Thank you very much.

Thank you for launching the second call for proposals. It will go a long way towards helping communities in need, especially during the pandemic.

Now, I'd like you to clarify something, if you would. In the supplementary estimates, you've allocated \$75 million to the local food infrastructure fund. Is that in addition to what was already announced, and if so, how will that money be used?

Hon. Marie-Claude Bibeau: As you will recall, we announced a \$100-million investment in food banks. In the estimates, you will see an amount for \$75 million and another for \$25 million, which more or less comes from a surplus from the previous fiscal year further to certain program or project delays, for instance.

When you have a departmental budget of up to \$2.8 billion, for example, you always have a bit of money left at the end of the fiscal year. That \$25 million came from the bottom of the barrel, if you will, and the \$75 million is new money that we're spending, for a total investment of \$100 million for food banks.

Mrs. Lyne Bessette: Excellent. Thank you very much.

The committee recently heard from witnesses in the potato and poultry sectors. They talked about how important the new surplus food purchase program was. Companies in my riding of Brome—Missisquoi have surplus food, especially poultry products, and they are delighted to hear that such a program exists.

Can you explain to the committee why the program is so important to those businesses?

Hon. Marie-Claude Bibeau: The Government of Canada will invest \$50 million in the food surplus purchase program. The purpose of the program is to help farmers financially, prevent food waste and support the most vulnerable members of society.

The program details and requirements will be announced in the next few days, but suffice it to say, numerous conversations have already taken place between my department and the various associations most affected by food surpluses. The idea isn't simply to purchase food. Farmers and processors with food surpluses will have to submit projects, and it will be necessary to specify where those surpluses will go. Determining which regions or organizations, which food bank associations and which northern regions will have the capacity to receive the surplus products will also be important.

• (1725)

Mrs. Lyne Bessette: Very good.

As you just mentioned, the government is investing \$50 million in the food surplus purchase program. In buying \$50 million worth of unsold food inventories, the government is making huge quantities of food available.

What is the government's plan for redistribution? You touched on it, but many businesses have already contacted me with questions. Is there a timetable for rolling out the program?

Hon. Marie-Claude Bibeau: The program requirements will be announced in the next few days. Thanks to the conversations we've been having with the various associations, we know for the most part where the greatest surpluses are. We are going to call on people and organizations—encompassing producers and processors as well as food banks and northern regions—to work together on projects that will ensure food surpluses are used. Figuring out the challenges around packaging and transportation, for instance, will be key. We'll continue to work out the logistics in the weeks ahead.

The Chair: Thank you, Minister.

Hon. Marie-Claude Bibeau: Thank you.

[English]

The Chair: I just want to introduce the team with the minister. From the Department of Agriculture, we have Mr. Chris Forbes, deputy minister, and Christine Walker, assistant deputy minister, corporate management branch.

From the Canadian Food Inspection Agency, we have Colleen Barnes, vice-president, policy and programs, and also Dominique Osterrath, vice-president and chief financial officer of corporate management.

Welcome to all of you and, of course, you'll be staying on for the second hour.

[Translation]

Mr. Perron, you may go ahead for six minutes.

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

Good afternoon everyone.

I'd like to thank Ms. Bibeau and the officials for being with us today.

Ms. Bibeau, I'd like you to clarify something for me. What portion of the measure you announced yesterday is new money? I'm referring to the initial \$50 million that was announced to redirect surplus food to food banks.

Is that \$50 million still part of the funding announced yesterday?

Hon. Marie-Claude Bibeau: No, they are two different things.

We announced an investment of \$100 million for food banks.

A total of 75% of that \$100 million is new funding, and the remaining 25% is money the department had leftover from last fiscal year.

The measure I announced yesterday has to do with the local food infrastructure fund, which is part of the food policy for Canada. The fund is a \$50-million initiative.

Last year, under the first call for proposals, we used \$6.6 million, so that leaves \$43.4 in available funding for the second call for proposals. The money was earmarked as part of the \$134-million food policy investment, provided for in the 2020 budget.

Mr. Yves Perron: I see.

I gather, then, that it's not really new money. It was previously earmarked.

I'd like to talk about the programs and improvements.

No doubt, you heard about the Canadian Federation for Independent Business's survey. It revealed that 29% of farmers consider the support programs to be adequate, 48% are worried about their debt and 40% have concerns about their business's future.

When you first announced support measures, Prime Minister Trudeau referred to them as a first step, saying that if more assistance were needed, the government would do more. We believe the government needs to do more as of right now.

Can you tell us whether you'll be announcing any program improvements soon? Have you set a date?

Hon. Marie-Claude Bibeau: We continue to work on the various components with the groups most affected, but since we announced the \$77.5 million to deal with the surplus, the two \$50-million investments for AgriStability, the meat industry and all the rest, I want to point out that we've made significant changes to the Canada emergency business account. For the agricultural sector alone, the 25% in loan forgiveness can translate into \$670 million in direct transfers to farmers.

That's considerable, and it came afterwards.

• (1730)

Mr. Yves Perron: Very well.

As far as the necessary changes go, it was clear that the \$77.5 million for the processing sector wasn't enough. The money went quickly.

When it comes to the support for the pork and beef sectors, stakeholders told the committee that the \$50 million the government had allocated was practically invalid already and that they needed a whole lot more.

With all due respect, Minister, when you tell us that you're working hard, that's great and we believe you, but the sector has been in need of help for quite some time now. Everyone is telling us the same thing. Every committee member will agree with me when I say that the programs aren't working, so action is urgently needed.

You probably know that we'll be resuming our work and making recommendations. We are offering to work with you, because things really have to move quickly here.

I would now like to give the floor to my fellow member Mrs. Desbiens, who will use the rest of my six minutes to ask a question.

Mrs. Caroline Desbiens (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, BQ): Good afternoon, Minister.

Good afternoon to those joining us today.

Minister, I'd like to talk about the next generation of farmers. In Quebec, our food sovereignty is very much at risk, so we are putting a lot of focus on young farmers.

How can the programs and newly announced measures help young farmers, who are wondering what to do?

Hon. Marie-Claude Bibeau: You mentioned new measures. We are in the midst of setting up emergency programs to help businesses in the broad sense and some specific farming sectors, again, in the broad sense. One of the recent measures we announced relates to the youth employment and skills program in the agriculture sector.

We are also working with Farm Credit Canada and other organizations. We do have programs to support the next generation, but they aren't specifically tied to the COVID-19 pandemic.

Mrs. Caroline Desbiens: That next generation is hard at work right now. I'm not talking about farm workers. I'm talking about entrepreneurs.

Hon. Marie-Claude Bibeau: Again, I would point to the fact that a number of programs exist to help the next generation, particularly those available through the department for economic development. My department has programs as well, mainly through Farm Credit Canada, including entrepreneurship support for women. I would be happy to provide you with more information on those programs later.

The emergency programs in response to this COVID-19 pandemic have a broader scope.

Mrs. Caroline Desbiens: My last question is this. Are you worried that certain regions will experience a food shortage come the fall?

Hon. Marie-Claude Bibeau: No, I'm not worried. I think that we're privileged to live in a country that has many resources. The producers and processors are extremely committed. We have a very robust and well-structured food system.

I'm not worried that we're running out of food. There may be a little less variety, and some products may be a little more expensive. However, we're working in many ways to protect our producers and the food system in general.

The Chair: Thank you, Minister Bibeau and Ms. Desbiens.

Mr. MacGregor now has the floor for six minutes.

[English]

Go ahead, Mr. MacGregor.

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

Welcome back to the committee, Minister Bibeau. Thank you for being here to talk about the supplementary estimates.

I want to talk to you a bit about the food policy for Canada. Last year, you said that the advisory council would be a "central piece" of this overall food policy because it would "bring together the expertise and diversity needed beyond government to address the challenges".

I think the challenges are very great. I would like to know first of all why you have delayed putting together the advisory council, given that their expertise would be quite valuable at this time.

Hon. Marie-Claude Bibeau: With the COVID crisis, our team is overloaded right now with responding to the situation, but yes, the committee's expertise will be very useful. For example, I'm

looking forward to making the announcement for my youth council. I believe that in the coming weeks, or after things get back to normal a little bit more, we will be able to go forward with that. I agree with you. This expertise will be welcome.

• (1735)

Mr. Alistair MacGregor: Can you put a timeline on that, Minister? I do understand how much work has been foisted upon your department, but it seems to me that having the advisory council there to take on some of the load, to present some alternative policy options, especially on what our food system is going to look like in the future, would be quite valuable at this time. Do you have any kind of timeline as to when you want to put this together?

Hon. Marie-Claude Bibeau: I will say during the summer.

Mr. Alistair MacGregor: Okay. We'll take you up on that. Thank you very much.

I want to also talk about the local food infrastructure fund. I know that it's been rejigged a bit to help a lot of local food security organizations deal with the acute phase of the crisis. It seems to me, though, that if we're going to be building resiliency into the system and making sure our communities are resilient, this is the exact type of funding that communities would need to set themselves up for the long term.

Is it your government's intention in the long term to increase funding to this fund so that local communities, especially in rural areas, can have that infrastructure necessary to continue to thrive into the future and to meet those other shocks that are undoubtedly going to come?

Hon. Marie-Claude Bibeau: I also believe that this type of program will be very helpful to our communities. We have \$43.6 million available in the local food infrastructure program for the second call for proposals. We will see how it goes, and I'll have discussions around that if appropriate.

Mr. Alistair MacGregor: Perfect.

Minister, you announced funding to help those in the cattle industry, in particular, maintain their herd stocks, especially given the backlog caused by the lack of processing. I've heard from groups in Alberta who are saying that they're going to have a rolling backlog, going into the future, of up to 375,000 head of cattle. It's going to collide with the upcoming calf season in the fall.

What is the department's long-term plan? Right now, that money seems to be holding things together for now, but what's the long-term plan to diversify our processing sector? Is your government in talks to make the changes to provincially regulated processing to allow processors to process animals across provincial borders? Is that going to be a long-term plan to help us diversify?

Hon. Marie-Claude Bibeau: I've been in this position for a bit more than a year now, and this is something that I identified very early in my mandate. We have space for more processing capacity in Canada. I know we could take advantage of more value added regionally as well, because rural vitality is very important to me and I believe that we can have more processing facilities throughout the country. However, this is not something that can be decided overnight; we would need to look further forward to the vision for the future.

Mr. Alistair MacGregor: My final question continues what my colleague Monsieur Perron said about the business risk management programs. As you know, we are continuing our study and are looking forward to presenting your government with our recommendations. Perhaps you could give us a sense of what your initial position is going to be when you talk with your provincial counterparts. What kind of an outcome does the federal government want to see from this? If you aren't going to get that agreement, are you prepared to take a leadership role and make sure that these programs are finally responsive to the litany of complaints that we've been hearing?

Hon. Marie-Claude Bibeau: Oh, yes, I really want these programs to be upgraded. We are talking about that each and every week with our provincial counterparts, and our officials are also working on that. Actually, I think the crisis that we are unfortunately going through will also give us more evidence on what is working and what is not, and thus which ones we can reinforce and which we might have to change.

• (1740)

The Chair: Thank you, Madam Minister.

Thank you, Mr. MacGregor.

Madame Bibeau, we seem to have a problem with the connection and your voice. We'll suspend the meeting for a minute and let the technician work with you. Apparently the interpretation does come through so well.

• (1740)

(Pause)

• (1750)

The Chair: We'll give it another try. I'll call the meeting to order again.

[*Translation*]

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

[*English*]

Mr. John Barlow: Mr. Chair, I have a point of order.

The Chair: Go ahead, Mr. Barlow.

Mr. John Barlow: Thanks.

I appreciate the technical difficulties, but this was almost a 10-minute delay. I'm hoping that the minister will be able to stay for an additional 10 minutes so that everyone gets their four rounds. I don't think the officials need the full hour. It's more important that we have an opportunity to ask questions of the minister.

I would just ask the minister if she is able to make up for that lost time to ensure that all parties get that opportunity.

The Chair: I see a nod of the head by the minister.

[*Translation*]

Minister Bibeau, can you stay a little longer?

Hon. Marie-Claude Bibeau: Yes, I can stay until 7:10 p.m.

The Chair: Okay. We'll try again.

[*English*]

Thank you, Mr. Barlow.

[*Translation*]

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

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

Good afternoon, Minister Bibeau. Thank you for joining us. I also want to acknowledge my colleagues.

Minister Bibeau, you spoke about the \$50 million fund for the purchase of surplus food. I've spoken with some producers, and they haven't received any details regarding this fund yet. Right away, you spoke of delays. We should have some details soon, but when?

What productions will be identified for the purchase of food? Has any progress been made in this respect? Some food is perishable, and time is of the essence. There's a food bank in my area. I know that food banks must receive the food as quickly as possible.

When will we have the details of this program, Minister Bibeau?

Hon. Marie-Claude Bibeau: The program criteria will be announced in the next few days. However, we've already started working with representatives of the most affected sectors—meat, potatoes, fruit and vegetables, fish and seafood. The list will remain open based on surpluses, but also based on the absorptive capacity of the food banks and the groups that can receive the surpluses. The format in which they can receive the food must also be considered. For example, the challenges related to packaging and transportation must also be taken into account. Lastly, all this must be coordinated.

Mr. Richard Lehoux: You still haven't given me a date, Minister Bibeau.

The situation is urgent for producers, but also for food banks, which are ready to receive the surpluses. As a result of everything that we've experienced since the start of the pandemic, food banks are receiving many more requests. In addition, the entire distribution sector has greatly reduced the quantities distributed to the food banks.

Both sides are anxiously awaiting the announcements, which must be made very quickly. The announcement was made over a month ago, and the people on the ground need concrete details quickly.

Hon. Marie-Claude Bibeau: I can assure you that we'll announce the criteria within the next few days. I'd like to point out that preliminary work has already been done together with the various groups.

Mr. Richard Lehoux: I'll address another topic, which is the 700 jobs announced as part of the \$9.2 million assistance program. It's difficult to find the details of these jobs in the budget review.

Producers have asked me about this matter. They've submitted applications, but they haven't received any responses. It's already mid-June. These people are waiting for responses from the government before hiring the staff that they need. A \$9 million program and 700 jobs were announced, but there are no details.

• (1755)

Hon. Marie-Claude Bibeau: The details of the program have already been announced and posted on the website. We've already received several hundred applications, which will be processed one at a time.

Mr. Richard Lehoux: I understand, Minister Bibeau, but—

Hon. Marie-Claude Bibeau: We can confirm the details as they're worked out over the coming weeks. You don't see the details in the budget because this program comes under the budget of the Minister of Employment, Workforce Development and Disability Inclusion. Part of the program is also run by Agriculture and Agri-Food Canada.

Mr. Richard Lehoux: Minister Bibeau, you would agree that these jobs must be created by mid-June so that both young and not-so-young people can apply.

As is the case for me, your constituency is located in a rural area. You know that work in the fields is being done now. If we wait three weeks, unfortunately we'll lose those weeks.

Can you speed things up, Minister Bibeau?

Hon. Marie-Claude Bibeau: I can assure you that we're doing everything possible to speed things up. Remember that expenses are retroactive to the start of the fiscal year.

Mr. Richard Lehoux: I know, but the work in the fields must be done now, Minister Bibeau.

In terms of research budgets, which grant or contribution will be transferred? For the Canadian Food Inspection Agency, we're talking about a \$20 million budget. Of that amount, \$16 million was transferred to the operating budget.

The Chair: Unfortunately, Mr. Lehoux, we're out of time. I must be strict because we're already behind schedule.

Mr. Richard Lehoux: Okay, Mr. Chair.

The Chair: Mr. Louis, you have the floor for five minutes.

[*English*]

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

Thank you, Minister Bibeau.

Before I get to the minister, I want to also thank the interpreters for their patience and let everybody know it's important for them to protect their hearing; that's their life. As a former musician, I understand that bad sound can make all the difference. So be careful out there.

Minister Bibeau, thanks again for being here. I want to start with temporary foreign workers. Temporary foreign workers are impor-

tant in rural Canada. In my riding of Kitchener—Conestoga, there are many business operators and farmers who rely on temporary foreign workers. With COVID-19 and the quarantine, I know there are specific health guidelines that require quarantine for 14 days and that there are costs associated with this. Minister, can you tell me about the investments our government has made to help farmers and business operators address these challenges?

Hon. Marie-Claude Bibeau: Thank you, Mr. Louis. I understand that this is an issue that is very important for you and your riding of Kitchener—Conestoga.

Yes, the temporary foreign workers are essential workers in the agri-world, in our farms and in our processing facilities. To help the producers put in place the right measures to protect the workers during their 14-day isolation period, they can get \$1,500 per worker.

Mr. Tim Louis: That's perfect. I've talked to many farmers in my riding, at businesses like Pfenning's Organic Farm in Wilmot, who are able to make use of this. It's amazing to see how resourceful farmers are and how much they care. I know this added cost is worth taking on. They're treating their temporary foreign workers like family. These are people who come back year after year. I know it's appreciated, and the resourcefulness should be noted, because it's a hard task.

We talked about worker safety. I know that the federal government is also providing, I believe, \$77.7 million for the food-processing sector. Can you give some examples of what those funds are going to be used for, to protect workers and at the same time maintain production capability?

• (1800)

Hon. Marie-Claude Bibeau: Yes, you're right for both. It's to put in place the right measures to make sure that the workers have a safe environment and also to increase the processing capacity. For example, they can have added sanitation and security requirements, adjustments to current processes in manufacturing, lines to accommodate social distancing, or equipment such as safety barriers. There are quite a number of things they can do, they can buy and they can put in place to protect their employees and be as efficient as possible.

Mr. Tim Louis: I've heard that in my riding as well. Conestoga Meats is responsible for about 40% of the pork processing in Ontario, and the measures they took right away to protect their workers were not only because every Canadian has the right to safety and a safe and healthy workplace, but because it also helps with production. I know that's much appreciated as well.

Maybe also on that vein, we could talk about the Canadian Food Inspection Agency and the investments that you made of \$20 million in the supplementary estimates. Can you expand on that as well?

Hon. Marie-Claude Bibeau: From the beginning, we knew that our inspectors are normal people and they are essential workers as well, and it was a challenge for them to continue their essential work. We wanted to be sure that we would have the resources to respond to the demand. This demand is even more important, because, for example, some plants that are seeing a decrease in their capacity are extending their hours of work, so they require more inspectors.

We wanted to be sure that we would have enough inspectors, so we have hired back some inspectors who had retired recently. We have trained some other staff who have the qualifications, but needed specific training within the organization. We have put in place agreements with Alberta and Ontario to share resources such as the training of provincial inspectors.

It was very important to respond to the demand while we were protecting our inspectors, because it's very important for us to offer them a safe environment.

The Chair: Thank you, Mr. Louis. You were right on time.

Now we'll go to Ms. Lianne Rood for five minutes.

Ms. Lianne Rood (Lambton—Kent—Middlesex, CPC): Thank you, Mr. Chair.

Minister, I had the opportunity to ask you a question in the House the other day, and I didn't get an answer, so I'd like to ask the question to you again today.

Canadian ginseng farmers are facing some real trouble right now; they've lost their export market to China. I'm wondering whether you've spoken to your Chinese counterpart to remedy the situation or what concrete actions your government is going to take to help these farmers.

Hon. Marie-Claude Bibeau: I understand that ginseng is a unique commodity and that the sector is, as many others are, facing very important challenges. The programs we have—

[*Translation*]

Mr. Yves Perron: Mr. Chair—

The Chair: Go ahead, Mr. Perron.

Mr. Yves Perron: Sorry to interrupt the discussion. We haven't had any interpretation for the last three comments as a result of the sound quality. This is indeed an issue. If I don't raise a point of order now, it will be raised by anglophones when we ask questions in French.

The Chair: Thank you, Mr. Perron.

I think that the clerk is looking into this.

The Clerk of the Committee (Mr. Marc-Olivier Girard): If you don't mind, I suggest that we suspend the meeting again. We'll make a final attempt to try to resolve the technical issues.

• (1805)

The Chair: We'll suspend the meeting for a few minutes.

• (1805)

(Pause)

• (1805)

[*English*]

The Chair: Ms. Rood, you still have four minutes and 16 seconds. Go ahead.

Ms. Lianne Rood: The minister didn't answer the question, though, before we were interrupted. I only got my question in. If she could answer the question, that would be great.

Hon. Marie-Claude Bibeau: I was saying that I understand that the ginseng sector is facing difficult challenges right now. We are first putting in place programs that will respond to the greatest number of businesses like the Canada emergency business account, \$670 million in direct transfer to the producers. I'm not talking about the loans, just the forgivable part.

Ms. Lianne Rood: So there isn't something tangible for ginseng farmers in particular. We're just talking of very broad strokes here right now.

Hon. Marie-Claude Bibeau: Yes. They would have to apply to the general programs, BRM and the CEBA, for example.

Ms. Lianne Rood: Thank you.

Last week at this committee, we passed a motion that asked your department to produce specific statistics on AgriInvest. We understand that some of this information has since been provided to some journalists, yet this committee hasn't seen it.

I'm wondering whether you're able to provide the same information to this committee as was provided to the journalists.

Hon. Marie-Claude Bibeau: Yes, actually, I think I said that in my speech. The average amount in the account of the producers is \$25,000; horticulture, \$25,000; grains and oilseeds, \$33,000; and potatoes, \$93,000.

Ms. Lianne Rood: Minister, you said last month that farmers need to use the RM programs before the federal government can give them any more financial support. We heard you say that some of the cuts to AgriStability were from a previous Conservative government, but that's because we moved it from 85% to 70% as this program was [*Inaudible—Editor*] paying into profitability for some producers, rather than helping farmers stabilize their income. In fact the Liberals made cuts to our AgriInvest programs, in reducing contributions.

Minister, farmers have said these programs don't work for them. Is there no additional federal support coming for the agriculture sector at this time?

• (1810)

Hon. Marie-Claude Bibeau: I'm sorry, but I have a hard time understanding your point. You're telling me that the Conservative government has cut into the AgriStability program and the AgriInvest program, and I'm telling you that these programs still exist. They're working, but they're not available.... The producers would want.... I'm sorry but I don't get your point.

Ms. Lianne Rood: I'm asking you whether there's any additional federal coming for the agriculture sector at this time.

Hon. Marie-Claude Bibeau: We are still working with the most affected sectors. Stay tuned.

Ms. Lianne Rood: All right. Farmers are telling me that the \$252 million that was announced so far is just not good enough. We've established that over half of the package was old announcements. How many farmers have you spoken to who think that this amount of federal funding is sufficient?

Hon. Marie-Claude Bibeau: From the day that we announced the \$252 million, we have also made modifications to the CEBA. It means \$670 million in direct funds to producers, and I'm not talking about loans. I'm only talking about additional direct funding to producers.

Ms. Lianne Rood: Farmers have been told to get BRM money because it will be easier for them to make the case for more money for agriculture, but farmers have told us that it takes years for their BRM claims to be paid. How will you be able to provide more help to farmers now during the pandemic when they need it, if they can't find out whether they're getting BRM money for years?

Hon. Marie-Claude Bibeau: They can get 75% in advance in almost every province, within a month or so.

Ms. Lianne Rood: Thank you.

The Chair: We'll now go to Mr. Blois for five minutes

Mr. Kody Blois (Kings—Hants, Lib.): Thank you, Mr. Chair, and thank you, Minister and our other guests, for being here today.

Minister, you were asked a series of questions at the beginning of the panel that I want to give you the opportunity to address. I don't want to use the word "misleading" but sometimes Canadians are watching and might not always know. There has been a lot of narrative around new money, and I asked you this last time that you were at the committee. For example, the \$125 million that went to AgriRecovery to support beef farmers and pork producers was not money that would normally have flowed from government in this given year. Is that correct?

Hon. Marie-Claude Bibeau: Well, the way it works with the business risk management program is that I have a maximum amount of money to be used to respond to the needs. For AgriRecovery this maximum, this cap, is \$125 million per year, but for the last five years, for example, the average was \$15 million. It's not new, but if you compare with previous years, it's significantly more.

Mr. Kody Blois: Right. So as I understand it, the money is allocated in the budget but not always spent, and obviously our government is spending this money to ensure that farmers and producers have the support that they need.

Hon. Marie-Claude Bibeau: Exactly.

Mr. Kody Blois: I want to go to the piece on the price on pollution. Mr. Barlow has raised this quite often in our committee.

I asked you this last time, but I will ask again for the benefit of Canadians who are watching our committee proceedings or anyone else. In the relationship and the stakeholder arrangements that you've had with individuals, you've mentioned that you've been working very closely with industry stakeholders. Has that been a predominant theme in terms of their request to you? Has that been the main focus of what they want you to respond to right now?

Hon. Marie-Claude Bibeau: No, this is not the main focus of our discussions.

Mr. Kody Blois: It gets raised a lot, and I think that's important to have on the record.

I want to move to the local food infrastructure fund. This is of interest certainly in my riding of Kings—Hants in Nova Scotia. Many folks are interested in trying to develop the local food sector. We've had the first round of funding. You mentioned the second round is coming. How best would I encourage someone from my riding who is interested in accessing this fund to go about trying to apply?

Hon. Marie-Claude Bibeau: They can make two different levels of applications.

If you have a small organization that needs to buy a refrigerator, for example, it can get money from the local food infrastructure fund. If you have a few organizations working together that want to improve their organizations, partner with the grocery stores, restaurants and producers, for example, and want to put in place a food system within their community, this is the time. They could get money for infrastructure and equipment, but they could also get money to put in place an online platform, for example, or other types of supports that will last through the years. The only thing that is not eligible within this program would be expenses that would come every year.

• (1815)

Mr. Kody Blois: You mentioned the online platform. You weren't here obviously at the last committee meeting, Minister, but we had Ted Hutten from my riding who talked about how the demand for local food is significant right now. His online platform has allowed him to pivot his business to ensure he has been able to mitigate some of the challenges we're facing.

I know Mr. MacGregor asked about government support to ensure small processors are able to access online programming and build their capacity, so I'm happy to hear that's part of our plan.

To remind folks on the committee, I wasn't here prior to 2019, but we're the first government in history that has introduced a food policy to try to address some of these challenges. Is that correct?

Hon. Marie-Claude Bibeau: Absolutely. We launched the first-ever food policy last June.

Mr. Kody Blois: I have about 30 seconds, Minister Bibeau. The piece around the Canadian Dairy Commission is not in the estimates. This is huge in my riding. We have the most supply-managed farms east of Quebec. The \$200 million for the Dairy Commission is not in the estimates. I'm not an accountant, maybe that's for good reason, but can you explain how influential that program is and perhaps elaborate on that?

Hon. Marie-Claude Bibeau: This is very important for Canadian dairy producers. With the supply management system, they have the capacity to organize themselves to manage their supply better, and we have improved it.

[*Translation*]

The Chair: Thank you, Minister Bibeau.

[*English*]

Mr. Kody Blois: Thank you, Minister.

[*Translation*]

The Chair: We have only five minutes left.

To finish the round of questions, I'll give the floor to Caroline Desbiens.

Ms. Desbiens, you have the floor for two and a half minutes.

Mrs. Caroline Desbiens: Thank you, Mr. Chair.

I want to thank the minister for staying with us.

I'll give the second question to my colleague, Mr. Perron. However, I still want to ask about the accessibility of these programs. Producers often tell us that they're willing to use programs to obtain assistance, but that they always come up against one or two criteria that exclude them. As a result, the programs don't work as well and money is left in government coffers. I want to hear your comments on this issue.

Will there be more flexibility and accessibility?

Hon. Marie-Claude Bibeau: We also need rules, because we must still manage public funds properly.

To answer your question, take the Canada emergency business account. We launched it very quickly to enable businesses to access a \$40,000 loan, of which \$10,000 may be non-repayable.

We listened to entrepreneurs, including farmers, and we made changes. Just for farmers, the non-repayable portions alone could total up to \$670 million. For those not yet eligible for assistance programs, we created a special fund through community futures development corporations, or CFDCs, and business development centres, or BDCs.

Mrs. Caroline Desbiens: Minister Bibeau, I just want to say that this still constitutes debt. Some people are no longer able to go into debt.

I'll now give the floor back to Mr. Perron, who will finish the round of questions.

Thank you, Minister Bibeau.

Mr. Yves Perron: Good evening, Minister Bibeau.

I want to ask about the AgriInvest program. You often say that producers should be encouraged to withdraw funds from their AgriInvest account. However, all the witnesses we heard from told us that the AgriInvest account is used to invest, not to replenish coffers. It's the equivalent of asking someone to empty their bank account before they receive any type of assistance.

They also say that not everyone has money in this type of account.

How would you respond to these people, who feel a bit rushed by this?

Hon. Marie-Claude Bibeau: There are four main risk management programs. The AgriStability program is designed to help farmers in the event of a significant loss of revenue. The AgriRecovery program is designed to help them in the event of a significant increase in costs—

Mr. Yves Perron: I'm talking specifically about AgriInvest.

Hon. Marie-Claude Bibeau: I'm getting there. I think that we must put things in perspective.

The AgriInsurance program is designed to help farmers in the event of natural disasters. The AgriInvest program helps them deal with small shifts, and they can access it very quickly. Every year, they put \$10,000 into the account and the government matches this amount. The purpose is to provide a cushion that they can use quickly. Half the cushion comes from the government, but the farmers manage the account. The programs are designed this way.

• (1820)

The Chair: Thank you, Minister Bibeau and Mr. Perron.

[*English*]

Now, we'll go to Alistair MacGregor for two and a half minutes.

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

Minister, first of all, thank you for acknowledging in your opening remarks the temporary foreign workers who unfortunately died as a result of COVID-19. I can only imagine what's going on for their families far away from here and the pain that they're suffering.

I also want to link this to the federal program that's available. We in this committee all know and producers know that there's \$1,500 available to producers to make accommodations for their workers to help self-isolate in this quarantine period. So far, we have had two workers who have died, and there are numerous outbreaks happening in southern Ontario at several farms.

Minister, as it relates to the program that offers \$1,500 to producers, is your department analyzing whether this is in fact enough money? Are producers in fact getting enough support to properly isolate workers? How are you taking feedback from these outbreaks, and will you be modifying the program appropriately? In other words, are other measures needed?

Hon. Marie-Claude Bibeau: I don't have the right words in English, but it's very sad that we have lost two workers to COVID, and I know that others are sick.

As far as I know, the isolation period is going very well. The right measures have been put in place and the collaboration of the local public health is there. It's more that the risks are higher within the community. This is something that we take very seriously.

I'm working closely with my colleagues—the Minister of Health, the Minister of Employment and the Minister of Immigration—and we're trying to see what else we can do to support. It's a shared responsibility with the provinces and with the employers. Obviously, they have to take their responsibilities.

We care a lot for these essential workers, as we care for Canadians, and we want to be sure that they have a safe place to work.

The Chair: Thank you, Mr. MacGregor.

[*Translation*]

Minister Bibeau, thank you for your patience and availability. Sorry about the technical difficulties. We'll see you again soon.

We'll use the rest of our time to continue the meeting with the officials. We'll have a subcommittee meeting afterwards.

I'll now continue the round of questions.

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

[*English*]

Mr. Gerald Soroka (Yellowhead, CPC): Thank you, Mr. Chair.

Canada's food surplus purchasing program—a \$50-million fund—was supposed to help redistribute existing and unsold inventories. This was announced on May 5. Over a month later, this program is still not active during the most critical time for farmers.

Matt Hemphill with Potatoes New Brunswick says time is running out for the growers. How much longer will producers have to wait before they see any glimpse of this program being available to them?

Mr. Chris Forbes (Deputy Minister, Department of Agriculture and Agri-Food): I think, as the minister said, we're hopeful

that in the coming days we will be able to provide some of the details on the program, but we've certainly been engaged extensively with the sector as we've developed it.

Mr. Gerald Soroka: Yes, but you understand when you're dealing with these commodities that there's a limited time frame for them. I think when they were announced over a month ago that people were quite excited that they could finally sell their product, but they still can't even sell it and there are very big concerns about this.

Mr. Chris Forbes: Yes, we've heard clearly from producers across the country in different commodity groups, and we've certainly been working with them and with the food bank sector. As I've said, and as the minister has said, we're hopeful. In fact, the plan is that in the coming days the details will be provided. We understand the urgency. We've been hearing that directly too.

● (1825)

Mr. Gerald Soroka: Okay.

There are an estimated 200 million pounds of Canadian french fry potatoes stuck in storage, and one mushroom farm from Osgoode, Ontario, had to steam off 20,000 pounds of mushrooms last month alone. That didn't begin to account for the additional commodities. How many pounds of food will this \$50-million fund buy? Also, how much of that money will be allocated to transportation of these goods and not directly to the farmers facing the loss of these products?

Mr. Chris Forbes: It will depend a little bit on exactly.... We'll look to the sector to provide us with potential approaches to manage commodities and products. We'll hopefully find the most effective use of the \$50 million. That's certainly our plan.

Mr. Gerald Soroka: Yes, but you see our concern. A lot of times, they bring up how this money is allocated but it doesn't necessarily go directly to farmers.

Mr. Chris Forbes: Well, certainly, I think our goal is twofold in this, right? One is to get the surplus products out of storage and off farmers' books or, if it's in processor storage, the same thing. We want to get the inventory that has cost and is costing people money and redirect it to people who need it. We are trying to meet both goals. That really is our objective.

Mr. Gerald Soroka: That's been a big concern for us as well: to make sure it gets out there.

One of the things I've been kind of curious about is how much control the officials and the minister have in comparison to this administration. How much input does administration have towards assisting the minister with decisions, then, in this department?

Mr. Chris Forbes: As with all departments, officials in the public service provide ministers with advice on policy direction. We are obviously not decision-makers in the overall policy setting. We implement as directed by government.

Now, in the administration of specific programs, that sits with ourselves and also with the minister, depending on the size and scale.

Mr. Gerald Soroka: Yes. I just wanted to know because it seems that there are times when the minister doesn't seem to be as informed as she could be. I'll even speak on the AgriRecovery fund. We know that there was that money allocated every year, that \$125 million. I don't care if the money was spent on whether a disease was the issue or flooding or whatever.

The point is, that money is always there and ready to be used, and it hasn't been allocated in the past, so therefore that's really not new money. At the start, they keep announcing it as new money. That's one of my concerns. I think that's misinformation that's being put out there.

Mr. Chris Forbes: This came up at a previous committee appearance of mine. I must admit that I feel that this is new money. It's not money that we would have spent. Normally, AgriRecovery in fact waits for provinces to launch AgriRecovery programs. It's the provincial governments that unlock it or start the process. In this case, we went out and made this offer.

Mr. Gerald Soroka: Yes, but if you had \$100 million sitting in the bank every year and you've never spent it, you still have \$100 million, let's say since 2008. If you spend a bit each year, then you only top that up each year, so don't be saying it's brand new money when it is not brand new money. It's been always sitting there since 2008.

Mr. Chris Forbes: My perspective would be that if money is incremental, in the sense it was not spent last year, to me that is new. That is additional money, if you like. You may disagree with me, and that's certainly fine, but I guess my perspective would be that it's incremental funding. It's new money. We didn't spend that money last year.

Mr. Gerald Soroka: Okay.

On the carbon tax side of things, where are the numbers actually coming from? Did you take the 60,000 farmers across Canada and just divide the money that was used in the carbon costs for grain drying, for instance? Then you're actually manipulating the numbers. Is that a factor in how you actually determined it was such a small percentage to grain farmers when you included poultry, dairy and everyone in there in the same mix?

The Chair: Mr. Soroka, I'm going to have to cut you off.

If you noticed, I gave you an extra minute, and I'm going to give an extra minute—

Mr. Gerald Soroka: Oh, sorry.

The Chair: No problem.

Mr. Gerald Soroka: Thank you for that.

● (1830)

The Chair: I did it intentionally. I'm going to give everybody else an extra minute; it will take us to the hour after the third round.

Mr. Chris Forbes: Can I respond, or no?

The Chair: No. You can respond on that line if somebody else wants you to.

Mr. Chris Forbes: Okay.

[*Translation*]

The Chair: Mr. Drouin, you have the floor for six minutes.

[*English*]

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

I feel generous. I will allow you some time to respond to that particular question.

The Chair: There you go.

Mr. Chris Forbes: Thanks.

We did two things.

We did some modelling a couple of years ago on the overall impacts of the carbon price as best we could, and those are on our website.

In the specific case of grain drying, we've done some internal modelling, but the results that are quoted come from submissions from a number of groups: the Grain Farmers of Ontario, Keystone Agricultural Producers in Manitoba, APAS in Saskatchewan and the Government of Alberta. The estimates are slightly different, and that's why we came up with a range. It's grain farmers. There's no broader number of farms included there.

Mr. Francis Drouin: Thank you for that response.

My question will be for the CFIA.

I've noticed in the supplementary estimates (A) that there's \$20 million allocated. I'm wondering what that \$20 million will be used for.

Ms. Colleen Barnes (Vice-President, Policy and Programs, Canadian Food Inspection Agency): Thank you for the question, Mr. Chair.

As the minister noted in her remarks, the processing sector was going through difficulties, but now they're coming back. They're trying to get through the backlog of animals that arose as the processing capacity went down.

The agency is going to be using the investment to pay for extra shifts and overtime so that we can keep the processing plants moving and clear the backlog. It's also going to let us hire back some retirees and get some surge capacity into the agency so that there won't be a bottleneck with these extra shifts, and we can also make sure that we're taking care of our own employees at the same time. We're going to be using some of the resources to work with the provinces to share inspection capacity. Sometimes they need us to help them, and sometimes they're able to help us out.

[*Translation*]

Mrs. Caroline Desbiens: Mr. Chair, sorry to interrupt the witness. We absolutely need the French interpretation.

The Chair: You can't hear the French interpretation. Is that right, Ms. Desbiens?

Mrs. Caroline Desbiens: That's right.

The Chair: Mr. Clerk, can someone look into this?

The Clerk: Yes, we can look into this.

Mrs. Caroline Desbiens: I think that the network issue is widespread.

The Clerk: Yeah, it's as though a spell was cast on the meeting. I'm not sure whether we can control it.

I'll check with the technical team.

Mr. Chair, is the meeting suspended?

The Chair: It isn't, but I'll suspend it now.

• (1830) _____ (Pause) _____

• (1840)

The Chair: We'll resume the meeting.

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

Mr. Francis Drouin: Thank you, Mr. Chair.

I'll start with a question for Ms. Barnes from the Canadian Food Inspection Agency. Since time is valuable, I'll then turn the floor over to my colleague.

Ms. Barnes, you spoke about working with the provinces and their inspectors. Could you describe the type of collaboration in place since the emergence of COVID-19?

[*English*]

Ms. Colleen Barnes: Sure. We've been working with the provinces to make sure that we can share capacity. Provinces have meat plants, and there are federally registered meat plants as well. Given that we're trying to work together in this space, we are reaching great agreements so that our inspectors can go to the provincial plants and the provincial inspectors can come to ours. That involves a bit of training on both sides so that we can make sure everybody knows what they have to do in a plant. That's a big area of collaboration.

Another one is in the area of meat shortages. We have been working closely with the provinces when there is a shortage of meat. We've now put in place a protocol that would allow meat from provincially regulated establishments to move between provinces. That way, if we ever have a shortage, we have another source of supply.

Those are two big areas of collaboration.

[*Translation*]

Mr. Francis Drouin: Thank you.

Mr. Chair, you can now give the floor to my colleague.

The Chair: Thank you, Mr. Drouin.

That's very generous of you.

[*English*]

Now we'll go to Mr. Lawrence, for at least five minutes.

Go ahead, Mr. Lawrence.

Mr. Philip Lawrence (Northumberland—Peterborough South, CPC): Thank you very much.

I would like to turn back to my colleague's questions on the carbon tax.

First off, the minister said that the cost of the carbon tax was between \$200 and \$800. Many of our producers have said that it's more in the neighbourhood of \$2,000, \$5,000 or even \$8,000. These are respected organizations.

Could you explain the discrepancy?

Mr. Chris Forbes: Thanks for the question.

My take, without having looked at individual producers' bills, and looking at the averages and the overall numbers we got from some of the producer groups, and also from our own work, is that this is probably a question of the average. There will obviously be people who are above and below the average.

When we talk about numbers, we've often talked about them in terms of a share of operating expense, because obviously a larger farm is going to have higher operating expenses and higher costs.

Mr. Philip Lawrence: Even in percentage terms—for example, Saskatchewan producers have noted that their costs were over 8%—that is quite a bit off. It is actually more than the greenhouses, at 7%. The minister said the greenhouse operators were given a more generous exemption because of their percentage, but Saskatchewan said that theirs is actually over 8%.

Could you comment on that?

Mr. Chris Forbes: I'd have to look at.... I don't have that Saskatchewan number in front of me. With regard to the numbers we're talking about, some of them came from the Agricultural Producers Association of Saskatchewan, so they should be consistent.

Greenhouse growers will have much higher energy costs, as you know, for greenhouse producers overall. I mean, the reason for the exemption was that energy costs as a share of overall expenses were, I think, in the range of 30% or more for greenhouses, and much lower than that for most other farms, which is the nature of greenhouses, obviously.

• (1845)

Mr. Philip Lawrence: Do you know what percentage of producers were over that 7%?

Mr. Chris Forbes: Do you mean grain producers?

Mr. Philip Lawrence: Yes, exactly.

Mr. Chris Forbes: No, because I'm not familiar with the 7% number, to be honest with you. I'd have to look at that.

Mr. Philip Lawrence: Okay.

Do you know the number that were above the average?

Mr. Chris Forbes: Again, that's why we have a range of operating expenses. I'd have to go back to see if we have them. In theory, there are obviously going to be a number that are going to be above and a number that are going to be below, right? There should be fewer as a straight average. There will be more that are below than are above.

Mr. Philip Lawrence: My concern is that quite a few of the producers might be above average. We've seen in numerous bills, and I could show you email upon email—

Mr. Chris Forbes: Yes.

Mr. Philip Lawrence: —that average is not telling the story and that the carbon tax is causing quite a lot of damage.

What I'd really ask is whether all this information, the report you've produced and given the minister, is all public.

Mr. Chris Forbes: There's a report that's public from two years ago on our website, which I believe we've shared with the committee. The grain estimates are not anything we've publicly put out, but there's been a request by the committee to produce more information, which we will, of course, follow up on.

Personally, I'd say, if there is more information, we've tried to normalize numbers versus operating expenses. That should help take care of the fact that a larger farm will obviously, from grain drying, have much higher expenses than a smaller farm will, so we've tried to normalize it as a share of operating expenses. However, maybe there are some factors that we and the information we've had from stakeholders—

Mr. Philip Lawrence: When can we expect that report?

Mr. Chris Forbes: We'll get it to you as quickly.... I don't have the timelines in front of me, but our goal is to deliver material to the committee as quickly as possible. I'd certainly like to say we'll get it to you in days, because I understand your request, and it's an important one.

Mr. Philip Lawrence: Do you know what the total cost of the carbon tax is to agriculture?

Mr. Chris Forbes: Do I have the number in front of me? I'd have to go back. We've exempted a big chunk of the direct costs, obviously, as the minister explained. I don't have a number in front of me for the direct costs. Of course, there are then the amounts that would flow back through some of the dollars that are returned to taxpayers from the carbon price, because there's a refund that matches their revenue.

Mr. Philip Lawrence: We don't know what the total cost of the carbon tax is.

Mr. Chris Forbes: What I was trying to say is I don't have the number in front of me.

Mr. Philip Lawrence: Okay. Can you get that number for us?

Mr. Chris Forbes: I can give you an estimate of what we would be able to pull out from data of the pollution price paid by farms. Yes, I think we could do an estimate of that.

Mr. Philip Lawrence: Understanding that we're a very forgiving opposition here, would you care to estimate whether, for farms and for agriculture in general, the carbon tax is revenue neutral?

Mr. Chris Forbes: It's revenue neutral overall. Is it revenue neutral for every individual? In some cases, it's up to how the province determines—

Mr. Philip Lawrence: I apologize for interrupting, but within the agriculture sector, if we looked at the farms or even just the grain growers, is it revenue neutral for them?

Mr. Chris Forbes: I don't have that in front of me. I'd have to check.

Mr. Philip Lawrence: Is it fair to say that the total cost of the carbon tax for the agricultural sector is in the hundreds of millions of dollars?

Mr. Chris Forbes: I would be surprised by a number of that size, but, as I said, I don't have it in front of me. I don't want to get into speculation, but that seems high.

The Chair: Thank you, Mr. Forbes. Thank you, Mr. Lawrence.

Mr. Philip Lawrence: Thank you.

The Chair: We'll go to Mr. Ellis for five minutes.

Go ahead.

Mr. Neil Ellis (Bay of Quinte, Lib.): When we talk about the U.S. and the global marketplace, we know the importance of competitiveness. We've lowered taxes and we've introduced the accelerated investment incentive, which allows farmers and producers to write off three times the deductible amount in their first year [*Technical difficulty—Editor*] on purchases of new machinery and equipment in relation to COVID-19, compared to Canadian programs?

• (1850)

Mr. Chris Forbes: I'm sorry, but that cut out for me in the middle. I apologize. I got part of it, but not all of it.

Mr. Neil Ellis: I guess the end of the question would be this: Can you elaborate on U.S. BRM programs in relation to COVID-19, as compared to Canadian programs?

Mr. Chris Forbes: In Canada, there are a couple of things that we've done. We obviously have in place a BRM suite. The minister went through that, including AgriStability, which has what I would call a counter-cyclical aspect, in the sense that if it's a difficult year, payments would go up. It's kind of a safety net. It's akin to employment insurance in the sense that if it's a worse year, it will respond naturally. We would expect that to happen in a difficult year.

The U.S. programming suite is a bit different. Obviously, they have some ad hoc programs, but not the level of base BRM support that Canada has.

Mr. Neil Ellis: Thank you.

Social distancing requirements will make traditional farmers' markets and roadside stands difficult this year, resulting in reduced access to such things as honey, maple syrup and fruits and vegetables. Has there been any talk with the province or you about any avenues of distribution we can achieve in these COVID-19 times?

Mr. Chris Forbes: I think there are a couple of things. In discussion with the provinces and with stakeholders, we're already seeing some innovation in how stakeholders are delivering products. Farmers' markets are a fine example, as some individual farms or farmers' markets have already gone online.

As the minister said, we're working with the local food infrastructure fund to support some of those investments for producers and markets. We're working to try to support innovation that will get more food from farms to consumers.

Mr. Neil Ellis: My last question is on the extension of the Farm Credit Canada lending capacity. How has the uptake been for that, and where are we at with that program?

Mr. Chris Forbes: That's largely the \$5 billion that was announced in the early days, in late March. That's largely, I think, been subscribed. It's a lot of take-up across the sector for the deferral of existing credit. It's not adding new debt so much as giving farmers and food processors relief on existing lines of credit.

Mr. Neil Ellis: Thank you. Thank you, Mr. Chair.

The Chair: Thank you, Mr. Ellis.

[Translation]

Mr. Perron, we'll stretch your two and a half minutes to at least three minutes.

Go ahead, Mr. Perron.

Mr. Yves Perron: Thank you, Mr. Chair. I appreciate that very much.

I want to thank the witnesses for joining us and for patiently coping with the technical difficulties.

Mr. Forbes, I want to hear your opinion on the AgriInvest program issue that I raised with Minister Bibeau earlier. The witnesses we heard from argued that the AgriInvest program is used to invest in and modernize businesses. The producers didn't necessarily want to empty their accounts, especially since they don't all have money in those accounts.

Where do you stand on this in the current situation? Should people be asked to use up their savings before they receive assistance?

Mr. Chris Forbes: AgriInvest is one of our risk management programs. It was designed to respond to emergencies, difficult situations. As the minister said, along with AgriStability, it's one of the programs that meet needs in times of difficulty. The cost is shared with the provinces. These programs help producers when they need money. The accounts contain about \$3 billion.

Mr. Yves Perron: What can you tell us about the conditions imposed on people who accept foreign workers and who want the \$1,500 compensation? Producers are telling us that they're being asked for invoices and proof, whereas the original announcement stipulated a lump sum per foreign worker.

Where do things stand on this issue?

Mr. Chris Forbes: I'm a little surprised that people are finding the administrative burden heavy. We've really tried to streamline the process.

We want producers to fill out an application form and to provide information about the types of expenses to check whether any expenses are eligible. We sometimes conduct audits because we're managing public funds.

• (1855)

Mr. Yves Perron: I gather that it should be a simple process and that everyone should receive the amount.

My colleague Ms. Desbiens may have a brief question for our witnesses.

Mr. Chris Forbes: Okay.

Mrs. Caroline Desbiens: Yes. I want to ask Mr. Forbes a question.

Thank you for joining us, Mr. Forbes.

My concern is that the Canada emergency response benefit is coming to an end and that food bank use is likely to increase dramatically.

Will the local food infrastructure fund or surplus food purchase program have flexible criteria?

Mr. Chris Forbes: We'll try to keep the criteria flexible. As I said, the \$50 million investment has two purposes. The first purpose is to help producers who have surplus products. The second purpose is to make sure that the products reach the consumers or the food banks that need them. We'll try to do this quickly and flexibly to ensure that the assistance is effective. That's our goal, and we understand that the situation is urgent on both sides.

Mrs. Caroline Desbiens: Let's hope that the Canada emergency response benefit will also be extended.

Mr. Chris Forbes: Thank you.

The Chair: Thank you, Ms. Desbiens.

[English]

Now we have Mr. MacGregor for three minutes or more.

Mr. Alistair MacGregor: Thank you, Chair.

Mr. Forbes, I know you have some figures on the uptake of the various COVID-19-related programs. On behalf of the department, would you be able to table the exact figures with the committee? How many dollars have been accessed by how many producers, and so on?

We could go through the motions of putting forward a request for those papers, but I'm wondering if you could do that of your own volition.

Mr. Chris Forbes: I'm happy to provide updates. From our end, it's early for some of them. They'll roll out, obviously, even the ones that are launched. It takes time to take applications and so forth.

I think we've already had a request from the Parliamentary Budget Officer for similar information, so that may be a way of assuring ourselves that this information is shared.

Mr. Alistair MacGregor: That's perfect.

I want to ask about the transfer of just over \$16 million from the science and innovation operating expenditures in the estimates.

I've had the honour of visiting one of the research stations in British Columbia. They do fantastic work. I'm wondering how that's going to affect the number of staff you have and their ability to do this really important work.

Mr. Chris Forbes: It's absolutely not affecting the research agenda or staff in any way. The goal in these extraordinary times was to look at, for example, travel budgets and international conferences. Nobody is going to them. Otherwise, some of our research has been slowed down because of respecting physical distancing on site, since we can't have the same number of people moving through.

We looked at our budget and saw there was money there that we didn't think we could spend. We were very comfortable that this money would lapse, because things like travel would obviously not

happen. We wanted to get this money into the hands of the sector, and that's what we've done, but we certainly aren't creating any restrictions on our expenditures otherwise. People who want to undertake projects can do it in the context of public health guidance. When travel resumes and people are going to conferences that open up, there will be no restrictions on that later.

Mr. Alistair MacGregor: Were there no ongoing projects that might have been able to use an increase in funding?

Mr. Chris Forbes: There are some for sure. When we looked at this situation, we saw that we still have flexibility within our budget to make sure that those can happen. This was spending on stuff that we didn't think we would otherwise be able to support. Quite honestly, we did not want to lapse that money and not use it for the benefit of the sector at this time.

Mr. Alistair MacGregor: Okay. Thank you.

The Chair: Thank you so much.

That takes us to the end of this meeting.

I want to thank Colleen Barnes, vice-president of policy and programs, and Dominique Osterrath, financial officer, from the Canadian Food Inspection Agency, as well as Chris Forbes and Christine Walker from the Department of Agriculture.

I want to remind our vice-chairs that we have another short meeting after this one. We'll break for 15 minutes. You have to disconnect and then reconnect. You've all received a password. Francis, John, Alistair and Yves, we're going to see you in 15 minutes .

This meeting is adjourned.

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