



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

43rd PARLIAMENT, 1st SESSION

Standing Committee on Agriculture and Agri-Food

EVIDENCE

NUMBER 019

Friday, June 19, 2020

Chair: Mr. Pat Finnigan



Standing Committee on Agriculture and Agri-Food

Friday, June 19, 2020

• (1400)

[English]

The Vice-Chair (Mr. John Barlow (Foothills, CPC)): Good morning, everyone.

I will now call this meeting to order.

As discussed at our previous meeting, Mr. Finnigan has a previous engagement in his constituency, so I will be stepping in as vice-chair.

Just to give Mr. Perron and Mr. MacGregor a heads-up, there's a very large thunderstorm rolling through rural southern Alberta right now, so I may lose power. If that is the case, Mr. Clerk, I would ask you to jump in and maybe get Mr. Perron or Mr. MacGregor to chair the meeting, but so far so good.

Welcome, colleagues, to meeting number 19 of our House of Commons Standing Committee on Agriculture and Agri-Food.

We will be continuing our study on business risk management today, with two panels of witnesses, one in each hour.

I just want to go through a few housekeeping items. I know we have all heard this several times, but for the benefit of our witnesses I want to make sure they are aware of how this is going to work. I know many of them, Mr. Carey and Mr. Bergmann, for example, have been here before.

I will just run through this quickly. Interpretation in this video conference will work very much as it does in a regular committee meeting. You have the choice, at the bottom of your screen, of floor, English or French. Please select on your screen the language you will be speaking in your presentation. That makes the job much simpler for our interpreters. When you intervene, please make sure your language channel is set to the language you intend to speak, not to the floor selection. This will certainly reduce the number of times we have to stop because of inaudible interpretation. It will also maximize the time we have for questions.

Also, before speaking, please wait until I recognize you and give you the floor. Obviously using Zoom is a bit different from meeting in person in a committee room. The clerk will activate your microphone. When you are not speaking, please ensure your microphone is on mute.

I would now like to introduce our witnesses.

From the Canadian Canola Growers Association, we have Mr. McClean, chair; and Mr. Carey, vice-president, government and industry relations. From Agri-Food Management Excellence, we

have Mr. Martin, who's a partner in that organization. From the Canadian Pork Council, we have Mr. Bergmann, chair of the board of directors; and Mr. Ahrens, chair of the business risk management committee.

We will start with seven-minute presentations from our witnesses, beginning with the Canadian Canola Growers Association.

• (1405)

Mr. Bernie McClean (Chair, Canadian Canola Growers Association): Thank you, Mr. Chair.

I apologize. There's a bit of confusion on time zones here today, so I'm operating from another site. I hope it works okay. I'll try to be loud and clear as best I can.

Again, thank you for the invitation to appear before the committee on your study of business risk management programs. We at the Canadian Canola Growers Association obviously find this one very important.

It's a pleasure to appear today on behalf of Canada's 43,000 canola farmers. As you mentioned, my name is Bernie McClean. I'm the current chair of the Canadian Canola Growers Association. I operate a 2,000-acre grain farm in the northwestern part of Saskatchewan, near Glaslyn. We grow canola, barley, oats, wheat, peas and hay and, more recently, we've moved into raising bison.

As you mentioned, today I am joined by Dave Carey, vice-president of government and industry relations for the Canadian Canola Growers Association, or CCGA.

CCGA represents canola farmers from Ontario to British Columbia on national and international issues, policies and programs that affect their farms' success. CCGA is also an official administrator of the federal government's advance payments program, and for the last 35 years we've been providing cash advances to help farmers better market their crops and finance their operations.

Developed in Canada, canola is a staple of Canadian agriculture as well as Canadian science and innovation. Today, it is Canada's most widely seeded crop and is the largest farm cash receipt of any agricultural commodity, earning Canadian farmers over \$8.6 billion in 2019 and—this next point is very important—this is a decline of \$700 million from 2018. Annually, the sector provides \$26.7 billion to the Canadian economy and provides approximately 250,000 jobs.

As farmers, we're faced with many risks, and I believe my approach to managing them is how the majority of farmers approach it. We put in place measures to manage the risks that we're able to and then we rely on business risk management programs such as crop insurance, AgriStability and AgriInvest to help us manage the risks that are beyond our capacity to manage.

For example, last year I purchased a grain dryer to help manage the risk of wet fall weather, and I've also, as mentioned earlier, diversified into hay production and more recently into bison production as we reduce reliance on grain markets. Given the many factors and risks that can impact my farm's profitability, I cannot foresee and plan for everything. Last year alone, my farm and many other farms were impacted by an extremely wet harvest, rail disruptions and market access issues, not just for canola, but for durum, barley and pulse crops. The loss of any market is obviously a concern, but the loss of our largest canola market—the Chinese market—was of particular concern to canola farmers, who are still absorbing the impact of that market disruption today.

Coming into this year, grain and oilseed farms were starting from a challenging position, which is reflected in the statistics showing that farm cash receipts are down and farm debt levels are at record levels. More than ever, my farm and farms across Canada are relying on our suite of business risk management programs to help sustain our operations and to manage whatever 2020 will throw at us.

I use crop insurance to manage production-related risks and, although there is always room for improvement, that program does work relatively well. I use the advance payments program to help manage my cash flow, and thanks to program changes made by the government last year to increase the overall limit, the APP is now more relevant and useful for farmers.

For all other risks, most farmers will depend on AgriStability and AgriInvest. Last year, I used the money in my AgriInvest account, so that's not really an option for me this year. Despite comments that there is a large amount of money sitting AgriInvest accounts, I believe there are significant numbers of farmers who, like me, have already used this money, but we're still waiting for the analysis from the government on what's currently in these accounts.

That leaves us with AgriStability, where there is a very broad consensus among farmers and farm groups across the country that the program is not effective and is not working for farmers. This is reflected in the low participation number of approximately 30% nationally. Beyond my own experience with the program, which demonstrated that AgriStability is not effective, CCGA has done the analysis on a model farm to test how AgriStability functions. The results confirm that 2018 and 2019 were tough years for grain farms, and that while an AgriStability payment was triggered in

2019, it covers only a small portion of the actual loss, leaving the farm to sustain a large net loss for the second year in a row.

- (1410)

It's this type of analysis, coupled with real-life experiences with AgriStability, that has demonstrated there is need for immediate change.

As you've heard from other farm groups, CCGA is asking governments to adjust AgriStability, so that it covers losses, starting at 85% of historical reference margins with no reference margin limits.

Canola farmers have had a lot thrown at them in the last few years, and our ability to continue to shoulder these events that threaten the viability of our farms is diminished from what it was a few years ago. Therefore, it is important that these changes be implemented now for the current year. Waiting for the fall federal-provincial-territorial meetings means another year will be lost.

In addition, as we prepare for the next policy framework, CCGA looks forward to working with government to ensure the risk management tools available to farmers are effective and reflect the risks of modern farming. The best way to ensure that happens is for government to work closely with industry. Therefore, CCGA requests the establishment of an industry-government technical working group that allows farm groups to actively participate in business risk management data and impact analysis. This is extremely important to us.

As I wrap up, I want to talk a little more about diversification. As I mentioned, I've taken a few steps to diversify my farm operation, and that's been important to the financial viability of my farm. That is the same story for the canola industry. The impact of the China market disruption has really highlighted the need to diversify our markets.

Canada's domestic biofuel market represents an important opportunity to diversify the canola market, and the upcoming clean fuel standard, or CFS, is an opportunity to realize this potential, if it's designed appropriately. The CFS, which is currently under development, could potentially triple the domestic demand for canola-based biofuels, providing much-needed market stability for farmers, incenting value-added investments, and making real and quantifiable reductions in greenhouse gases.

To leverage this potential opportunity, the government must consider immediate improvements to the regulatory design of the CFS by requiring all diesel fuel to contain a minimum 5% renewable content. The current standard mandates 2%. This would represent new domestic demand for Canadian canola that is not subject to trade disruptions, and is roughly the size of the Japanese export market.

The Vice-Chair (Mr. John Barlow): Mr. McClean, your time has passed. Please wrap that up quickly.

Mr. Bernie McClean: A clear and strong demand signal is critical. The time is now to leverage this opportunity for biofuels, and diversify canola markets in Canada at no cost to government. That is a critical point, at no cost to the government.

We appreciate the opportunity to speak here today, and I look forward to your questions. Thanks again.

The Vice-Chair (Mr. John Barlow): Thanks, Mr. McClean. It's great to see you again as well.

I should have welcomed as well, Mr. Morrison and Mr. Lawrence, to the agriculture committee today. It's great to have you aboard.

We'll move to Mr. Martin, from Agri-Food Management Excellence Inc. You have seven minutes.

Mr. Larry Martin (Partner, Agri-Food Management Excellence Inc.): Thank you very much.

Thanks for inviting me and for the opportunity to provide the written submission.

Just as a quick background, I have 45 years of experience observing and evaluating Canadian farm policy as a professor, as the head of an agri-food think tank, as a partner in agri-food management where we've provided management training for well over 300 farmers and as a facilitator of a very progressive six-family peer group at the moment.

My presentation, which basically summarizes my written one, has three major points, and they are: In my view, the current BRM suite emphasizes compensating people for losses, but underemphasizes preventing them; second, some elements of the CAP that facilitated prevention before have been removed by some provinces, which I think is a mistake; third, future emphasis, in my view, should be more on prevention and on moving the sector forward, and with the current structure, that's done through AgriInvest.

When we talk about the issue of compensation versus prevention, all of the programs, except for AgriInvest, are all about compensation of loss after the fact. AgriInvest is mostly about that, but with a second objective.

When we teach risk management at any management program, mine or anybody else's, there is, of course, emphasis on insurance, but the vast majority of what we talk about are the actions that will prevent losses, like Mr. McClean's talking about diversification, for example. The only part of the BRM suite that encourages that is that second title of the program. In fact, as an example, as Mr. McClean said, diversification is generally a major aspect of risk management and, ironically, given the way AgriStability is structured, it's much more likely to pay someone who is not diversified than

who is, because of the fact that one commodity can offset the other. Probably, because of WTO requirements, there's likely little we can do to change that if we want to stay compliant and, as a result, many producers don't find it very useful and many, as we have heard, are not enrolled.

Most provinces used to have assistance for management training or planning but have removed it. The arguments that I've heard for why that's been the case are that there's no evidence that management training increases profitability or reduces risk, and that the programs haven't been used very much. In my view, the first argument is total nonsense in any industry, but especially for an industry like agriculture that has no management requirements for coming in, and so anything that's going to improve management should be good. In addition, there's large and growing evidence to the contrary that, in fact, management ability increases profitability and reduces risk and, therefore, the liability of government of programs.

We can go back to the "Dollars and Sense Study" that Farm Management Canada did a few years ago, which said that seven management factors are positively correlated with profitability. We did an analysis of our CTEAM program, which is like a mini-MBA for farmers, and we went back and asked them what impact it had on their businesses. They went through a whole long list of things that improved in terms of their management, and, as a result, their profitability increased, their organizations were better structured to manage and they had personal benefits such as improved confidence, improved leadership ability, improved mental health and stress management.

Most recently, as an illustration of the kinds of things we see, we did a study with BDO, and this is the third year in a row that we've found the same results. Part of it came up with 1,776 grain and oilseed farms in Manitoba. If you looked at \$1 million of sales, our analysis of those farms said that the 25% most profitable had profits of \$315,900 on \$1 million of sales whereas the least profitable had losses of \$160,900. Everything about that study and every other study says the same thing and suggests that many of those differences are because of management capacity. People could argue that is a function of soil and rain.

• (1415)

Let's go to the dairy part of this. We had 992 dairy farms in Ontario in that study, and the 25% most profitable had \$270,000 in profit on \$1 million of sales. The least profitable had losses of \$150,000. I don't think weather and soil type has much impact on that. I think most of it is about management, although not all of it.

Obviously, investment in new technologies is also important. In much of my recent work, I have been working with those in horticulture. In some cases, a number of farmers have used government money, although in other cases have used their own money, to invest in machine planting and harvesting in the horticulture sector, which has reduced their labour costs and is certainly helping them manage the labour shortages they are experiencing this year after COVID.

Similarly, a few years ago, in a different kind of program, the Ontario tomato-processing industry decided, as a farm group, to invest in drip irrigation because of the risk in the industry of variation in yields. Doing that really reduced the variation and therefore reduced the risk, and that industry, which has been struggling to be competitive over time, has been helped an awful lot. Investing in technology is quite clearly an important thing and an important part of prevention.

To me, there are two issues with AgriInvest that are important. First, the amount available is relatively small. As Mr. McClean just pointed out, if you use it one year for income insurance, it becomes a problem later. Second, there is no requirement to use it. We have a situation where many farmers see it as a pension program because it's kind of administered as a pension program.

I have three suggestions for moving forward.

I have two more pages and then I'll be finished, Mr. Chair.

• (1420)

The Vice-Chair (Mr. John Barlow): Mr. Martin, you're at seven minutes. Can you sum them up really quickly, please?

Mr. Larry Martin: Yes.

We should enhance production insurance where possible, make some changes to AgriStability and really enhance AgriInvest.

There are various ways I would enhance AgriInvest. One is to increase the amount by some combination of increasing the limit and increasing the government contribution. I would require people to actually invest in things, either for a year or over a period of three to five years. The things they could invest in may be decided or defined by the value-chain round tables, as is done in many other countries for these kinds of programs, so that the horticulture industry can invest in things that are going to help the horticulture industry.

The Vice-Chair (Mr. John Barlow): Thank you very much, Mr. Martin. I'm sure you'll have an opportunity to elaborate on some of your points during the question period.

I apologize to my colleagues for my dog. He is freaking out at the thunder right now, so you may hear some whimpering and barking.

Now we'll move on to the Canadian Pork Council.

Mr. Bergmann and Mr. Ahrens, you have seven minutes.

Mr. Rick Bergmann (Chair of the Board of Directors, Canadian Pork Council): Thank you very much, Mr. Barlow.

Thank you for this invitation to appear before the committee on this important topic.

As mentioned, my name is Rick Bergmann. I chair the Canadian Pork Council and I'm a pork producer from Manitoba. Today I am joined by Doug Ahrens. He's a producer from Ontario, an executive member of CPC, and chairs our business risk management committee.

Producers are really hurting right now, folks. In an ideal world, we could take the next two years to figure out and fix AgriStability. That would be included in the next ag policy framework. However, with producers teetering on disaster, governments need to move quickly to fix AgriStability. This has been the message for four years. Federal leadership is required.

Here's how the Pork Council, and most other farm groups, want AgriStability fixed: first, just increase the trigger to 85%; second, remove the caps and update this program; third, eliminate reference margin limiting.

We know the FPT governments are talking about these challenges and changes, but they can't agree who should pay. Frankly, our producers don't care if costs are split sixty-forty, as usual, or, because of the COVID crisis, covered 90% by our federal government over the next three years. What matters is that the changes are made, and made sooner than later.

Again, we've been talking about this for four years now and even with these challenges farmers are still going to bear the burden of most of the loss.

I want to take a minute to remind you of the challenges pork producers face as they work to feed families in Canada and around the world.

In 2018, the China-U.S. trade war led to a 37% drop in prices from August to September. Canadian pig prices are based on those in the U.S. market, and our producers experienced losses of over \$40 a pig in some regions of our country.

Since 2015, the U.S. hog herd has expanded rapidly, increasing the breeding herd by about 6% and the overall inventory by 17% as of March 2020. This incredible increase in supply drove prices down in both the U.S. and Canada.

In response, the U.S. government gifted a \$16-billion—that's with a "b"—farm lifeline in May 2019. Canadian farmers got absolutely nothing.

Now the coronavirus has happened. The market prices are incredibly volatile, and no one knows what the future holds. The impact of the pandemic on the pork market is really significant. The Canadian hog industry was projected to lose \$675 million this year. One of our provincial members in Quebec recently estimated that their producers alone would lose \$150 million.

There is also an isowean segment of our industry, and it continues to lose \$20 to \$30 per piglet, with some piglets being given away or being euthanized.

According to the information from the Ontario Minister of Agriculture, Food and Rural Affairs, the market price for producers across Canada is forecasted to be well below the cost of production. Between now and the end of 2020, and well into 2021, producers are forecasted to lose \$35 to \$65 per hog marketed.

Over and over again, Canadian pork producers are being hurt by factors outside of our control, and the current BRM suite isn't helping. This program was built by government to help, but it's not. Despite all the hurt, the BRM is not doing much at all to help our producers.

There is a misperception that, because the government spends \$1.6 billion on the BRM, the money is getting into the hands of pork producers who need it. If that were true, I would not be here today and presenting.

First of all, 55% of that support is for crop insurance premiums, which do absolutely nothing to help pork producers struggle through the COVID-19 crisis.

Secondly, AgriInvest pays farmers regardless of their need. Some farmers have positive balances while others need to withdraw the money out as soon as possible, leaving nothing for times like this. I'm one of those farms.

The average pork producer's account balance represents less than 2% of the farm cash expenses.

Thirdly, AgriRecovery hasn't really worked. Governments call it a disaster program, but COVID-19 has been a disaster, and AgriRecovery hasn't really done much.

• (1425)

Finally, AgriStability is a broken program. Governments of all stripes have cut the program, turning it into a meaningless risk management tool. Producers do not have confidence in the program, given its limited financial support and lack of predictability. That's primarily the only tool we have in our tool box and that tool is broken. We need to focus on fixing BRM once and for all.

None of this information is trying to fix the BRM suite. It has turned farm groups into dogs chasing their tails. It's sad to think how much time, effort and energy we have put into this, trying to fix a broken suite, only to see things getting worse, talking about that government leadership that we are needing.

Looking to the future, Canadian producers have not forgotten about the necessity to prepare for an outbreak of African swine fever. The risk remains, and it's still a significant risk. As COVID has shown, the BRM suite does not have the capacity to support producers during a market collapse. An ASF outbreak would be far

worse for the pork sector, so we really need a new approach, and it's required immediately.

In conclusion, at the end of the day our message is very simple. It's been this way for numerous years, and this is our message. Farmers are hurting, and COVID-19 is making a bad situation worse. The BRM suite does little to help pork producers in their time of need. Targeted enhancements can quickly fix AgriStability, and long-term improvements to the entire BRM are required sooner rather than later.

Thank you for your time, and I'm looking forward to any questions.

The Vice-Chair (Mr. John Barlow): Thank you very much, Mr. Bergmann. I appreciate as always your very knowledgeable submission.

We'll move to the first round of questions.

Mr. Lehoux.

• (1430)

[Translation]

Mr. Richard Lehoux (Beauce, CPC): Thank you, Mr. Chair. I'll be sharing my time with Ms. Rood. Please stop me if I keep talking for too long.

My question is for the representatives of the Canadian Pork Council.

Is euthanasia being practised in the pork industry right now?

[English]

Mr. Rick Bergmann: In operations like mine, we are an export market focused on isoweans. When there's a big demand, a lot of animals can go. When there's no demand, because of COVID, there is more euthanizing occurring, and that affects the mortality rate, of course.

Yes, unfortunately, I have to say there is. To what extent, it's something that producers don't like to talk about, nor do I. The extent would be variable from farm to farm, or region to region, but it's unfortunate that in the case of that, there is some of that going on, yes.

[Translation]

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

How do you think that the market will develop? Do you expect any significant price changes? In the current environment, there's a great deal of fluctuation. However, are you expecting more significant price changes?

[English]

Mr. Rick Bergmann: I asked that very question to a producer the day before yesterday. Producers have an opportunity to take the cash market or the futures market. They take the futures market when there is an opportunity, and there is no opportunity in the future right now in the markets, so it is a very dire situation.

Traditionally, producers benefit from the summer markets, and they suffer in the fall and winter markets. We're very concerned, because we're suffering in the summer markets right now, and it makes us very conscious of the fact that there's a significant storm coming from which we will not be able to protect ourselves.

[Translation]

Mr. Richard Lehoux: I understand your concern.

Clearly, few, if any, of the various current programs meet needs. AgriStability, for example, doesn't meet needs.

Ultimately, which program could quickly help you?

The program review is under way, as you said. It has been discussed for four years and no changes have been made so far. For the short term, support for pork production in Canada will be needed. Otherwise, many farms will close.

What quick changes can be made to the programs? Should the AgriRecovery or AgriInvest programs consider the recent pandemic a risk? Which of these programs would help to better address this type of situation?

[English]

Mr. Rick Bergmann: I'm going to defer this question to Doug Ahrens. He is the chair of our business risk management committee, and he's very knowledgeable. We're pleased to have him join us.

Mr. Doug Ahrens (Chair of the Business Risk Management Committee, Canadian Pork Council): Thanks, Rick. I will try to answer that.

From the perspective of what the pork industry needs, I think we have to take a serious look at our industry from the point of view that not all sectors are hurting.

We have an integrated sector that's doing very, very well. It's the independent producer that is based on the Chicago price or the U.S. price that is driven.

I think we as an industry truly recognize the value of AgriStability and we'd like to be there, but we need some changes within the program to make it more responsive and to give us a better idea of how it will support us. Rick already talked to you about ASF. If we actually had a crisis with African swine fever, we have no clue on how that would support the industry.

For the short term, I think what we need to do is to loosen the rules around AgriStability and turn it into maybe, as much as everybody hates the term, an "ad hoc" program. At the end of the day, there need to be safeguards in AgriStability to make sure that producers who need the money get the money and that producers who don't will end up having to pay it back or not receive it to start with.

The program is very cumbersome to try to use to make an interim claim. At this point, I know the rules have changed to 75%. I've talked to some producers and they have spent valuable time with their accountants even to put in an interim claim and they have no clue as to how they're going to handle it.

The 70% on 70% is a real detriment, because when your farm actually gets to the point of triggering that, you're pretty much on life support and you have no time to wait.

That's exactly where we have found ourselves with all the market disruptions we've had in the last year, and now COVID-19 is the final straw.

• (1435)

The Vice-Chair (Mr. John Barlow): Thank you, Mr. Ahrens.

I'm sorry, Ms. Rood, that was six minutes. Maybe you can split your time with Mr. Lawrence in the next round.

We now move to Mr. Ellis, for six minutes.

Mr. Neil Ellis (Bay of Quinte, Lib.): Good afternoon. I thank everybody for being here today.

Mr. Martin, I just want to touch on something, and you didn't get a chance to go through it. You talked about AgriInvest and you said there needed to be changes because there was a small investment in this account. What are your thoughts on how it should change? You talked about how most farmers think it's a pension plan. How do we change that? You also talked about the government contribution going up. How much were you thinking on that?

Mr. Larry Martin: I don't have specific numbers in mind in terms of the amount and so forth.

I know that people will react to this because it's cross-compliance, but I do think, if you want the program to do the second title objective, you really need to have people invest in something. Whether it be management training or whether it be new technology, it needs to happen. When people say we did away with the CAP programs because people weren't investing, or weren't using them, I think that's part of the reason. They have the opportunity to use those funds but they don't, because they want to use them as a pension program. I think that's the important one.

How far do you go with it? To me, that's a budget and political question that I don't have the answer to. If I were going to say something in terms of how much you would increase it, I would double it, for example, or increase the limits by some amount. I would double it so that it would become a fund that was actually big enough for people to do something with. However, I don't know what the trade-offs are in terms of other budgetary uses and that sort of thing.

Mr. Neil Ellis: Thank you.

I'm not sure who mentioned the technical working group. I think it was Mr. McClean. Whichever witness mentioned it, I'd like you to elaborate on the technical working group and share your thoughts on it, and on the composition of it.

Mr. Bernie McClean: I am the one who mentioned it, Mr. Ellis.

The AGgrowth Coalition, with agreement from the Canadian Canola Growers Association as well, developed a technical working group to be sure that the industry—pork, canola, everybody involved out here—can work with the government and make sure that these programs will be effective moving forward. We can do some analysis on it. We can give real-life examples of it and be part of that process. Obviously, it's not just trying to fix AgriStability but moving forward into the next round of Growing Forward-type programs or CAP programs.

So yes, it's trying to have the federal and provincial levels involved, and the industry, to make sure we get it right.

If Dave Carey has anything to add, I'd certainly turn it over to him.

• (1440)

Mr. Dave Carey (Vice-President, Government and Industry Relations, Canadian Canola Growers Association): I would just add that it's an opportunity to make sure that we're not having this conversation again and to make sure that the suite of programs works for farmers and for producers. We need an open and collaborative manner, one where we can feed our input into it and have a dialogue, as opposed to our having to work with programs that, as has been discussed, currently just aren't working.

Mr. Neil Ellis: Thank you.

Mr. Bergmann, you mentioned the loss of about \$40 a pig, and then you mentioned the loss of \$35 to \$60. What's the normal profit? What are we looking at in terms of adding up loss and profit?

Mr. Rick Bergmann: That's a very, very good question, Mr. Ellis. It really varies from year to year. What we do is we plan our farm for positive results. We do everything we can. Then things come our way that destroy that positive cash flow and create a loss. Again, COVID has done that.

To answer your question in terms of the average, I'd go back to Mr. Ahrens' comments with regard to our sector. We have farrow-to-finish producers who send animals to marketplace. We also have integrated models that own processing plants where they would not have the level of hurt that we would have. The profit-loss scenario would be different. Right now, the independent pork producer across Canada is on an island, and has very little protection, if any, in the situation.

This is a little bit off topic, but I would like to address the comment that was made with regard to AgriInvest. Pork producers don't use it as a pension plan. I talked with one producer not long ago. He said he had a little bit of money—it's gone now—in his account, and it was basically his last lifeline. If he has five employees and he's at the end of his rope, he has to employ those employees to the very end, because if they leave, who will look after all the animals?

I would like to defend the position that it is not a pension plan for the pork sector. If it is for other sectors, I can fully respect and understand that point of view, but for us, it's our last lifeline. That lifeline is fast eroding.

Mr. Ellis, I hope I answered your question. I deviated somewhat from it, but I wanted to get that point across.

Mr. Neil Ellis: Thank you.

I don't know how much time I have left, Mr. Chair.

The Vice-Chair (Mr. John Barlow): Sorry, Mr. Ellis. Your time is up at six minutes. Thank you very much.

Mr. Perron, it's your turn for six minutes, please.

[*Translation*]

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

I want to thank the witnesses who are participating in this meeting.

Mr. McClean, like virtually every witness we've heard from, you outlined the changes urgently needed for AgriStability. You spoke of raising the coverage level and eliminating the reference margin. You also said that AgriStability was an obstacle to diversification.

Do you know what could be done to ensure that AgriStability is no longer an obstacle to diversification?

[*English*]

Mr. Bernie McClean: Just to be clear, there's no obstacle to diversification as I have done on my farm. A grains-only situation was not profitable. We're trying to alleviate that through diversifying our own operation. I'm not saying that's getting there. I have real-life examples here of the last two years that would follow very closely with the CCGA model farm, which would indicate—and I have it here beside me—I've lost money the last two years in a row. I have my AgriStability calculations right here in front of me, and they did not help at all. CCGA's ask, along with AGgrowth Coalition, is to move the 70% back up to 85% with removal of that reference mark to the limit. That would help cover the losses I had. The model farm that CCGA has developed would indicate the same thing.

I'll stick to it. That would be the ask of the Canadian Canola Growers Association and in large part AGgrowth Coalition—

• (1445)

[*Translation*]

Mr. Yves Perron: Okay. That's very clear. Thank you.

Mr. Martin, you also spoke about the fact that AgriStability was preventing diversification. In your opinion, could any quick change to the program help resolve the issue?

[*English*]

Mr. Larry Martin: I don't think I said it prevented diversification. I simply said it doesn't encourage diversification because of the way the margin is calculated.

Most of the people I deal with, the six progressive farmers in Ontario I have in my peer group whom I was talking to about this yesterday, are not using AgriStability. All of them are diversified to a large extent. They need to have things to help them with the diversification. I don't think you can change AgriStability to encourage diversification. I think you have to do it through a different mechanism. I don't know how you get around the issue of the way the margins are calculated if we want to stay WTO compliant. I don't have any problem with increasing the percentages to 85%, as Mr. McClean and others have been suggesting. That would help the issues that most people have, but I don't see how that program can be used to encourage diversification.

[Translation]

Mr. Yves Perron: Okay. Thank you. I wanted to clarify this point.

You spoke about AgriInvest and pointed out that major changes should be made to the program. In other meetings, people have even said that the program should be considerably improved and that it could potentially replace the other programs. You spoke about management training, which is significant. You also spoke about the implementation of technology.

For AgriInvest, would it be possible to encourage investment to improve production technologies? Is this what you have in mind? If not, what do you propose for AgriInvest?

[English]

Mr. Larry Martin: Are you asking me?

[Translation]

Mr. Yves Perron: Yes, I'm speaking to you, Mr. Martin.

[English]

Mr. Larry Martin: I really like the idea that I've seen in other countries where you have the industry round table. Australia does this; Holland does this, and Denmark does it. It's a total industry round table that comes together and says, "These are the things we need to do to become more competitive internationally and therefore these are the things we need to invest in."

To me, if you tie that model together with more money to invest with and say that if they're going to invest they can still use it for income insurance, I don't have a problem with that, but also tie it to investments in the kinds of things that the industry thinks it needs to go forward. I think that's a very progressive approach.

At the same time, I want to be really clear on what I said before, which was that people are using it as a pension fund. That's not everybody or any industry. The younger progressive farmers in my peer group are all investing heavily, and they're saying that it's probably the people who aren't trying to progress who are the ones who are using it as a pension plan.

[Translation]

The Vice-Chair (Mr. John Barlow): Thank you, Mr. Perron.

[English]

Mr. MacGregor, please, for six minutes.

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Thank you very much, Chair, and thank you to all of the witnesses for appearing before our committee and contributing to our study on the business risk management suite of programs.

I'll start with the Canadian Canola Growers Association.

Mr. McClean, I'll just follow up on Mr. Ellis's question about the technical working group. At an earlier meeting, the co-chair of the national program advisory committee appeared before us, and he gave us some recommendations that they've done on improving the BRM programs and putting mechanisms in place to evaluate and develop new BRM programs.

I'm wondering what your thoughts are on the current structure that exists and how your idea of a technical working group would mesh with the structure that's already in place.

• (1450)

Mr. Bernie McClean: Thanks for the question. Actually, I'm going to invite Dave Carey to join in on the conversation and let him take the lead on it, sir, if you don't mind.

Mr. Dave Carey: Thanks.

I did have the chance to watch Mr. Brock's testimony. I think what we're asking for is a technical working group laser-focused on AgriStability. As opposed to looking at everything broadly, let's have a group that can really dive into how AgriStability is or is not working and understand where the governments are at both the federal and the provincial levels.

I think what we're asking for more than anything, Mr. MacGregor, is a venue to have an open and honest dialogue and back and forth, with access to data. As Bernie alluded to in his opening comments, we hear a lot of suggestions about money in AgriInvest but, despite requests, we have never been given the dollar figures by the commodity, the region, etc. It's a venue much like the FPT, with everyone coming together. The idea is meaningful input.

Much as Mr. Martin said, it's something like the agriculture value chain round table. I think the NPAC works well. I think it has a broader mandate than what we're looking for. It's really about making sure that AgriStability insures not against profitability but against extreme loss.

Mr. Alistair MacGregor: Thank you for that clarification.

Mr. Bergmann, I'll turn to you next. Regarding the troubling time that you and your industry have gone through, thank you for illuminating that. It's pretty tough. We're sharing a lot of empathy for what you and your fellows are going through.

I want to talk about AgriRecovery. You stated quite clearly that it hasn't worked. I just want to know your thoughts on BRM programs and how they've dealt with this pandemic. AgriRecovery did have some funds flow through it specifically for pork and cattle, but you're still of the opinion that it doesn't work. Does AgriRecovery simply need more commitments for funding? I would appreciate having you illuminate that point a bit more for the committee.

Mr. Rick Bergmann: I'll start off and invite Mr. Ahrens to wrap it up if he has any concluding comments on that one.

On AgriRecovery, as you are all aware, there was an announcement some time ago by our government to help us. AgriRecovery, for my farm and many others, when it comes down to it... Earlier on, the question was about euthanizing pigs and so on. AgriRecovery will pay me for a shovel to dig a hole and AgriRecovery will pay me for destroying animals, but AgriRecovery will not help me with the loss that I've just incurred by destroying those animals. Something's wrong with this picture. That's a very blatant, very candid answer to the question.

Doug, maybe you have something better to add that will polish up the answer a little better.

Mr. Alistair MacGregor: Answer quickly if you can, please, as I want to get in one more question.

Mr. Doug Ahrens: I think Rick has answered the question fairly quickly.

We did have some concessions from government when we were really looking at a welfare slaughter, holding pigs back during COVID that we couldn't get to processing. It was very frustrating trying to figure out the nuances of that program because, just as AgriRecovery says, when something within the business model doesn't fit the market... We as farmers would have expected that the recovery process would have helped compensate for all the moves, but it only chose some very small pieces of the puzzle.

Mr. Alistair MacGregor: Thanks for that clarification. Sorry, but I have to get in one more question.

I'll return to Mr. Carey and Mr. McClean of the Canadian Canola Growers Association.

Mr. McClean, you mentioned that you want the federal government to act now. You want to see that federal leadership in advance of the meeting in October. The Canadian agricultural partnership amending formula for AgriStability requires a certain percentage of the provinces to jump in to amend it. How does it mesh with that amending formula? Do you want the federal government to say, "Look, we're not going to wait for the provinces. We see that the need is great, and we're going to step in to fill the breach now"?"

• (1455)

Mr. Bernie McClean: Thanks for the question.

Yes, in an ideal world, I think I'm there, with the federal government needing to act, give the leadership and show the provinces that they're willing to make sure the agriculture sector as a whole is going to survive. COVID has been a huge thing, obviously. We had lots of issues prior to this, and it's even more important now that...

Yes, we would like to see that leadership at the federal level, and we encourage the provinces to come along.

Mr. Alistair MacGregor: Great. Thank you so much.

The Vice-Chair (Mr. John Barlow): Thanks, Mr. MacGregor. You had 10 seconds left, but we'll just end it there.

Unfortunately, that's all the time we have for our first panel.

I want to thank all of our witnesses for taking time out of their busy schedules to be with us today. We certainly appreciate all of your testimony and your insight. To the Canadian Canola Growers Association, Agri-Food Management Excellence and the Canadian

Pork Council, thank you very much for being with us today. Have a great weekend.

Mr. Larry Martin: Thank you very much.

The Vice-Chair (Mr. John Barlow): We'll take a couple of minutes to get the next group of witnesses ready. Once the clerk gives me the signal, we'll carry on with the second half of our meeting.

The meeting is suspended.

• (1455)

(Pause)

• (1500)

The Vice-Chair (Mr. John Barlow): Welcome back, everyone.

The clerk highlighted a lot of the issues. This works very similarly to a committee meeting, and I know many of you have presented at a committee meeting before, although obviously, we're on Zoom. He did highlight the language icon on the bottom. It's very important for our interpreters that you are on the language that you are speaking. That will ensure that we can move smoothly and that we have as much time for questions as possible. When you're not speaking, please ensure that your microphone is on mute. We want to ensure that we have good sound for our translators.

I would like to welcome our witnesses for the second half of our meeting today.

From the Canadian Horticultural Council, we have Brian Gilroy and Jan VanderHout.

It's good to see you both back at committee.

From the Canadian Ornamental Horticulture Alliance, we have Andy Kuyvenhoven.

From the Prairie Oat Growers Association, we have Jenneth Johanson and Chris Rundel.

Thank you very much for being with us today and giving us the opportunity to hear your testimony. You have seven minutes for your presentations, and they will be followed by questions and answers from members of the committee.

We'll start with the Canadian Horticultural Council. You have seven minutes.

Mr. Jan VanderHout (Vice-President, Canadian Horticultural Council): Thank you for the opportunity to present to the committee on behalf of the Canadian Horticultural Council, representing the growers of over \$5.7 billion in farm cash receipts for produce annually.

Canada's agriculture industry is primed for immense growth, as identified by the advisory committee on economic growth in 2017 and reinforced in the 2018 report of the agri-food economic strategy table, which set ambitious growth targets for our sector.

Navigating an unstable and unpredictable business investment climate as well as trying to manage risk beyond our control, such as pests, weather and disease, makes it increasingly difficult for us to sustain our family farms, let alone expand them. The onset of the COVID-19 pandemic and its impacts have shown the cracks in the current ineffective business risk management tools and have greatly compounded risks to our growers.

Despite following the necessary health and safety and quarantine requirements, there have been a number of outbreaks of COVID-19 on fruit and vegetable farms. Our first concern in these instances is the health and safety of everyone involved, especially workers and growers. From the perspective of a farm's capacity to produce food, the consequences of an outbreak can be devastating due to the impacts on the farm's ability to perform essential activities like planting, maintaining plant life, harvesting crops and packaging produce.

In the event of an outbreak, workers must isolate, and crop maintenance, harvesting and packing cannot occur, leaving essential work undone, causing product and crop loss that cannot be recovered. An ad hoc safety net program should be considered to see farmers through these extraordinarily difficult circumstances when a farm is in need.

The federal government has signalled to the provinces that labour shortages can be deemed an eligible risk for the horticultural sector under the AgriInsurance program. Unfortunately, we have not seen an uptake across the provinces, and there are a number of commodities, such as greenhouse vegetables and berries in some provinces, that cannot access crop insurance, so this announcement does not go far enough to addressing the need.

CHC requests that the government work with industry to ensure that BRM programming is diverse enough to include the various regions, crops, schedules and farm sizes. It must also provide the stability farmers need to grow, maintain, harvest and pack this important part of Canada's food supply, both this year and for years to come.

For many farmers of edible horticultural products, their season is at the mercy of unpredictable and sometimes downright brutal weather. Climate change will continue to exacerbate this, and pest and disease infestation can wipe out entire crops. In recent years, growers have experienced increasing market and trade risks due to trade disruptions and non-tariff barriers in many key markets. There were more extreme climate-related events, such as last year's floods, hurricane winds, heavy rains, early snowfall and frost across Canada.

Costs have increased rapidly, while farm receipts stagnate.

I'll hand it over to you, Brian.

• (1505)

Mr. Brian Gilroy (President, Canadian Horticultural Council): Thanks, Jan.

It is clear that the business climate for fruit and vegetable growers has never been riskier. To mitigate some of the risks that our growers take on year after year, the Canadian Horticultural Council

is pleased to provide its recommendations for improving the federal suite of BRM programs.

First and foremost, changes to the AgriStability program would have the most meaningful and far-reaching impact for growers. We recommend that the AgriStability program be amended as soon as possible to raise the coverage level to 85% of reference margin, and the compensation rate to 85¢ on the dollar of loss beyond this trigger, and eliminate the reference margin capping.

Secondary measures, such as ensuring that federal, provincial and territorial governments increase their share of the AgriInvest contribution, and program caps need to be increased to reflect the current realities in agriculture.

The effectiveness of the AgriRecovery program needs to be improved. Where catastrophes with long-term business impacts are concerned, the program should be streamlined to provide a timelier response. Narrowing the gap between AgriRecovery compensation and that of other business risk management programs will also help growers effectively recover from disaster situations.

Additionally, the federal government must examine options for enhancing access to production insurance for commodities that currently do not have traditional insurance programs, such as greenhouse growers. Some other crops have available production insurance programs but very low participation rates, and enhancements are needed. CHC has been proactive in working on a concept of recognition of risk mitigation. Many growers actively spread the risk or, in other words, diversify their operations through growing a variety of different crops, multi-season harvests, or growing in different geographic areas. These are just some examples.

Currently, under a whole farm program like AgriStability, diversified farms may not receive adequate coverage for a drop in the value of one or more of their crops if the value of one or more of their other crops has increased in the same program year, in other words, offsetting the risk.

Product diversification and having farms mitigate their own risks should be encouraged rather than penalized through program design. We therefore encourage the government to establish comprehensive and equitable insurance coverage by considering the individual risk profiles of farms.

CHC has submitted a proposal under the AgriRisk programs to explore developing a whole farm, grower paid, top-up insurance product for horticulture growers, which would address the gap in coverage and serve as a complement to AgriStability and AgriInsurance.

To ensure the long-term stability and growth of Canada's agricultural sector and edible horticulture in particular, a stronger partnership between the federal government, provinces and territories, and industry experts is needed to develop meaningful business risk management programs for growers. It is time for the Canadian agricultural partnership to become more than words.

Current funding envelopes hinder imaginative discussions to changing program policies and structures. If the Canadian government is serious about prioritizing agriculture as a key economic driver, then it needs to be prepared to make program changes based on demonstrated needs and gaps, rather than limiting itself to small adjustments with rigid existing funding allocations.

We look forward to working with the federal government on solutions for our sector. The agricultural sector plays a critical role in Canada's economy, and we believe it can be a big part of the economic recovery.

Thank you.

• (1510)

The Vice-Chair (Mr. John Barlow): Thank you very much, Mr. Gilroy. We appreciate that.

We will now move to the Canadian Ornamental Horticulture Alliance.

Mr. Kuyvenhoven, you have seven minutes.

Mr. Andy Kuyvenhoven (Past President, Canadian Ornamental Horticulture Alliance): Thank you, Mr. Chair and committee members, for this opportunity to address you this afternoon.

My name is Andy Kuyvenhoven. I own and operate a flower greenhouse farm in Ontario. I serve as a director on the board of the Canadian Ornamental Horticulture Alliance and I am a past president of the organization.

As a citizen of this great country, we are thankful for the work our elected officials and public servants continue to do during these extraordinary times in keeping us safe and doing their best to improve what is happening in our economy.

I would like to address what ornamental horticulture is. Our products include trees, shrubs, turf, potted plants and cut flowers. You can buy our products in garden centres, at florists and large retail stores across Canada.

How important is our sector to the Canadian economy? Let's review key facts about the vital role ornamentals play in Canadian agriculture. The figures I am citing are taken from a publication of Agriculture and Agri-Food Canada entitled "Statistical Overview of the Canadian Ornamental Industry, 2018".

Our sector had a farm gate value of \$2.3 billion across Canada. Every province in Canada contributes to our sector. Our sector had exports valued at \$543 million, primarily to the U.S.A. Our sector

directly employs over 26,000 people at the farm gate level, and as many as four times that in the activities after farm gate, such as roles in retail and landscaping services.

Why should we care about ornamental horticulture in Canada? Its value has been particularly shown during the past two months when millions of Canadians were confined to their homes due to the risk of the spread of COVID-19. One activity that Canadians could safely pursue was gardening. Gardening is healthy for the soul and is food for the soul. Not only is it recreational, but it also allows amazing expressions of creativity. After early setbacks at Easter in April, when product had to be dumped and when market channels were closed, the demand for our products has been strong in May and in the beginning of June when Canadians needed and valued the great diversity of the plants we produce.

In addition to enhancing the aesthetic appeal of homes and workplaces, plants give us great value. Plants improve the quality of soil, air, water, help manage greenhouse emissions by taking carbon dioxide from the air, reduce soil erosion, provide living green infrastructure to manage heat waves in urban centres and reduce flood risk. They are essential to preserving and increasing biodiversity, providing a habitat for birds and insects.

Now that we have explained our sector of agriculture and why it matters, let's talk about the business risk management programs.

First of all, our sector is grateful to be in an advanced country like Canada where the government provides business risk management to our farmers. We operate a business that has unique risks—risks that our entire crop could be wiped out, or that an entire market might collapse. We appreciate the fact that the government has put in place programs to support us during such times of distress and crisis.

How could the current suite of programs be more responsive to our needs?

Let's first talk about AgriStability. As the scale of agriculture has increased, the fact that this program has a cap of \$3 million as a maximum payout for losses incurred in a year is an issue. Our sector supports the recommendation made by the Canadian Federation of Agriculture to raise this cap to at least \$5 million. Many of the producers in our sector, both nursery and floriculture farmers, have a highly seasonal crop that comes to market in the spring, the optimal time for planting for most ornamental plants. There's also a window for nursery in the fall. If product cannot be sold during this window, as happened at Easter, the losses to our sector are catastrophic. We threw out a large percentage of our Easter crop.

When COVID-19 hit our sector, we retained four CPA firms to analyze the worst-case scenario. If our highly seasonal product inventory had not been moved to market in April and May, what would the impact have been? Based on the sample of 12 farms, four nurseries and eight floriculture farms, five of the 12 operations would have capped under the current structure. The losses not covered by the program would have been so significant as to have caused major liquidity challenges leading to insolvency.

● (1515)

The loss of the largest farms in our sector would be devastating as they tend to be the most advanced in terms of technology deployment and export savvy. They are also the largest employers, another aspect of the program design that is crucial to ensure that the funds needed by growers flow to them when they are needed. For this reason, the interim payout needs to be raised to 75% permanently as part of the program design rather than being at the discretion of program managers.

Finally, with regard to AgriStability, the reference margin of 70% needs to be examined. In B.C. it's 80%, as a result of provincial government intervention. While our growers in B.C. appreciate the province's support, it would be good to get it to 85% across the entire country. A grower who lost 25% of the expected business would receive nothing when the trigger point is set at 70%. We request that the reference margin be raised to 85%.

On AgriRecovery, I will echo the comments of a previous speaker who said that under AgriRecovery, he would be paid to throw his product out, but that's the minor cost. The real cost would be the loss of product we have produced and that we need to throw away. That issue needs to be solved because that is our biggest cost.

In summary, our sector is composed of hundreds of small farm entrepreneurs who go about their business day to day. Our farmers have grown substantially over the years through generations. Our sector is not a major user of business risk management. However, during the COVID-19 time frame, we've learned that we do need it, and we've identified the aforesaid issues inside of the program.

We ask you to please re-examine all of that.

Thank you.

The Vice-Chair (Mr. John Barlow): Thank you very much for your insight and your expertise. Thank you for giving me the big list of "honey do" stuff in my backyard this spring. I really appreciate that.

Now we will go to Ms. Johanson, from the Prairie Oat Growers Association. We also have a very large thunderstorm rolling through here, so I did warn my colleagues that I may black out here in a few moments if I lose power, but so far so good.

Ms. Johanson and Mr. Rundel, you have the floor for seven minutes.

Ms. Jenneth Johanson (President, Prairie Oat Growers Association): Thank you, Mr. Chairman.

Members of Parliament and observers, it is an honour to speak on behalf of the Prairie Oat Growers Association.

POGA represents about 90% of the oats grown in Canada. Our crop is worth approximately \$1 billion annually and is a heart-healthy, nutritious crop. Canada is the world's largest exporter of oats, representing 70% of the global trade. We are very pleased to note there has been tremendous investment in domestic milling capacity, so we are working to add more value in Canada to those oats we eat here and abroad.

These past few months have driven home the importance of the agri-food sector, as farmers, ranchers, meat packers, millers and retailers have been on the front line of response. Agriculture truly is an essential service. In this light it is more important than ever that we improve the business risk management programs. AgriStability, AgriInvest and the cash advance program should help address risks due to issues such as weather, market access issues and other factors beyond our control. AgriStability can be difficult for producers to collect even when income falls below a sustainable level, leaving unmanageable risk for producers. In particular, the challenges with AgriStability fall in five areas: it's not transparent, it's not predictable, it's burdensome administratively, it's inadequately funded and it's hard to access. Farmers report AgriInvest is easier to use, with strong predictability, bankability, transparency and a low administration burden.

Oat growers support the call by many groups, including Grain Growers of Canada and the Canadian Federation of Agriculture, for the immediate injection of a minimum of 5% of producers' 2018 allowable net sales into AgriInvest accounts, which is one of eight actions outlined in our submission. These eight actions are needed to address immediate crises, not only caused by COVID, but also prior disruptions to trade in multiple countries, including China and Italy.

In the medium term, one, we suggest this committee consider recommending the following: increase the AgriStability benefit trigger level to 85% for the 2019-20 program year, and for the remainder of the Canadian Agriculture Partnership; remove the reference margin limit; increase the maximum payment to \$5 million; allow for retroactive enrolment for the 2019-20 program year; and put systems in place to process claims more quickly, including requests for interim payments. These changes will give farms and financial institutions confidence to keep operating and to keep credit available.

Longer term, to address AgriStability's current challenges, we would propose the following.

First, reinstate the AgriStability reference margin to 85% instead of 70%. There have been significant cost increases since 2013, when the margin was reduced.

Second, align the reference margin with producers' tax filing methods and use the net profit as determined on taxes with the same allowable expenses to be included. POGA realizes this may require a change to the reference margin, but then it should be predictable and verifiable. Farmers would not apply if it were in a profit position. This would also lower the administration burden on both the government and producers, reducing costs.

Third, when a producer increases their production insurance, for example, to 80%, that insurance payout should not be allowed to be included in the reference margin for AgriStability because the producer has paid a fee to buy insurance, and they should not be penalized for that.

To be clear, POGA would prefer that AgriStability be increased to 85% and improved. Should 85% not be reached, POGA does not believe that AgriStability will meet farmers' needs, and for the subsequent cap period, BRM programs should be altered to consider the following options.

The first is to eliminate AgriStability and increase the AgriInvest percentage to a 5% match.

The second is to eliminate AgriStability and put 100% of those dollars to increased crop insurance coverage to greater than the current 80% maximum level, and/or reduce administration costs.

The third is to increase the interest-free portion of the advance payments program from \$100,000 to \$250,000. It should be open to all commodities. Several commodities, including oats, have been negatively impacted and need security loan programs. The move to \$250,000 would be 25% of the \$1-million maximum allowable, which is consistent with the ratio of interest-free to maximum allowable in prior years, which was previously \$100,000 of \$400,000.

These options would require additional considerations. POGA supports the increased interest-free amount for the advance payments program that was provided in 2019, but believes it should have been applied to all crops.

• (1520)

On applications for the APP, it is recommended that a lower administrative burden be implemented for loans of \$250,000 or less. Currently every credit supplier and banking institution must sign a priority agreement, which is very time-consuming. For loans of \$250,000 or less, it is suggested that priority agreements are needed from three creditors or 60% of the farm operations creditors, whichever is less.

Cut AgriStability, but increase crop insurance coverage percentage and allowable expenses to cover labour, depreciation, carbon tax, equipment, etc. Also, most farmers do not have off-farm jobs. Farming is their employment, and therefore it should be expected that they take a salary at a set amount per acre.

Cut AgriStability, but increase the amount paid for AgriInvest to 5% with no maximum. While this would, on paper, increase total dollars from the federal government, it would eliminate all risk for the government and put the responsibility on producers to save that money to use in tough years. This would also significantly reduce the administrative costs of the BRM programs, as AgriStability is very labour intensive.

In conclusion, functioning business risk management is critical for farmers and the country. BRM programs must be monitored for effectiveness, and there needs to be methods for refinement at more regular intervals.

Farmers and agricultural businesses are the backbone of Canada's rural economy. Rural communities frequently see less investment in infrastructure, services and job creation than other areas. With this in mind, it is important to consider that business risk management is one of the primary ways the Government of Canada not only supports its farmers but its rural communities as well.

Thank you, Mr. Chair.

• (1525)

The Vice-Chair (Mr. John Barlow): Thank you very much, Ms. Johanson. I appreciate your taking the time to be with us, and the outstanding background behind you beats every virtual background that I've seen on these Zoom meetings. I appreciate your finding a good Internet spot. You're not the first one who's come on who has been in the garage. I don't know what it is with Manitoba and Ontario that your Internet works much better in your garage. It's not the case in Alberta, but that's okay.

We'll now move on to the question and answer portion. For six minutes, we'll begin with Ms. Rood.

You have the floor for six minutes.

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

I'll be splitting my time today with Mr. Lawrence.

My question today is for Mr. Gilroy or Mr. VanderHout. I understand this industry has faced a lot of challenges already so far this year, so my question is this. If the government does not respond to the issues your industry is facing right now, especially in light of COVID-19, do you foresee bankruptcies or losses of our family farms? They're the ones producing our fruit and vegetables, so do you foresee a loss or bankruptcies?

Mr. Jan VanderHout: Absolutely, there is risk of bankruptcy of fresh fruit and vegetable farms across the country. We are currently seeing farms with outbreaks of COVID-19, making it virtually impossible to maintain their crops, and if they're in the middle of harvest, then it's hard to get the harvest in. Some of the asparagus crop in Ontario was mowed because there was an absolute shortage of labour.

That said, there is also the potential that you may not have this type of situation on your farm if you don't have the COVID-19 outbreak at a critical time of plant maintenance or harvest. If you get your product to market when the prices are good, you could have a good year.

We need something that can address the risk, and it's not just a blanket payout; it's only when the farms are hit with the unexpected challenges coming from COVID-19.

Ms. Lianne Rood: If we see a loss of these family farms—because a lot of them are family farms, and I come from a family farm that is a big potato producer—how is this going to impact Canada's food security, not only for this year but also looking down the road into the future?

Mr. Jan VanderHout: I hope you don't mind if I answer this one, too, Brian.

That's a really good question. I think altogether too often Canadians forget where their food comes from, and they think it comes from their grocery store. The reality is that all of our food comes from farms and food production facilities, and if those farms go into bankruptcy, the supply of fresh fruit and vegetables could be in jeopardy not only this year but for years to come.

As a consumer, this is a great concern for me. I have an abundant cucumber supply on my farm, but what about the rest of my groceries? It's of profound concern to me, and we, as Canadians, need to look at where our food will be coming from this year and for the years to come.

The things that are happening now with COVID-19 just put to a head the issues that farmers face, the challenges that they face in their daily routines and their production model. It really shows the need for a mechanism to sustain them and make sure they can continue to feed the population.

Ms. Lianne Rood: That's great. Thank you.

Just out of curiosity, I have a quick question for our ornamental horticulture folks. Is AgriInvest something that is useful for your industry?

Mr. Andy Kuyvenhoven: In its present form, no, because the cap stops at.... I think I get \$10,000 this year, or I got \$10,000 last year. A good soil-mixing machine is worth \$25,000 to \$35,000, so it doesn't line up at all. If you remove a cap and have it endless, or to our maximum, then I think it would be useful, yes, but it does not address the hard issue that Mr. VanderHout was talking about, which is serving the needs of farmers in crisis versus those who are successful.

• (1530)

Ms. Lianne Rood: Thank you.

I'll give my time over to Mr. Lawrence.

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

First of all, I have a quick question for you, Mr. Kuyvenhoven. What does your industry look like if there is a second wave? I'm curious about the ornamental industry. Obviously, it's been affected

a little differently, I think, than some of the other horticulture sectors have.

Mr. Andy Kuyvenhoven: Yes. Our sector was negatively impacted strictly because our distribution channels closed down, both in the U.S. and in Canada. When the wave hit at the beginning of COVID, as you're all well aware, toilet paper took front stage, and so did purchasing non-perishable groceries.

What happened was that distribution channels stopped handling flowers for a period of time, and that coincided exactly with Easter. That was our catastrophe. During that Easter time, we couldn't sell an indoor flowering plant, and a lot of the floriculture products have a shelf life that's a lot shorter. When their shelf life is over, they land in the garbage.

We're not anticipating that type of intensity because we all have experienced the first wave. The only question is, what stays open and what doesn't stay open and how does that affect us? At this point, we're not absolutely sure, but my best calculation is that it won't be as bad as last time.

Mr. Philip Lawrence: Okay.

Going back in time, is your industry more challenging or less challenging for you than it was in 2015? I'll go quickly to all three of you.

Mr. Andy Kuyvenhoven: Versus 2015, this is much more challenging with the whole area of COVID and the risks that were exposed with COVID-19. That being said, since we've opened back up, as I said in my report, the floral sector and the nursery sector have taken off, because people are staying home and making their yards beautiful and people like Mr. Barlow are getting "honey do lists".

An hon. member: Oh, oh!

The Vice-Chair (Mr. John Barlow): You've now filled my entire summer schedule, so thank you very much for that.

Thank you, Mr. Lawrence and Ms. Rood.

We now move to Mr. Louis.

The floor is yours for six minutes.

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

Thank you to all the witnesses for being here. This is very informative as we're putting this report together.

I thought I might focus on you, Mr. Kuyvenhoven, because we haven't heard as much from your sector. In my riding of Kitchener—Conestoga, there are a number of nurseries and sod farms in the region. The nursery sector is obviously important. As was mentioned a number of times so far, the gardening sector is powered by the ornamental sector. Again, right now, people are gardening more than usual.

For the nurseries in my riding and throughout Canada, I know that for your association you mentioned briefly a study on flowers and the nursery impact and how that worked. You mentioned it off the top a bit, but could you elaborate on how that study worked with business risk management and also what some of the results and recommendations for BRM were out of that recent study you've done?

Mr. Andy Kuyvenhoven: On the study we did recently, three key points came out of that.

Number one was the cap, simply because the size of the businesses has increased to such a level that the cap is no longer a successful tool and it caps out the large growers.

The second point was the 70% trigger point. That would cause many farms to go bankrupt before they got a trigger. My easiest example is that if we have a 25% reduction in our sales, which could be a result of what happened at Easter, we're still not triggering a payout. The challenge with it is that the secondary part of it is that when you get a 70% payment on that, the amount of money isn't there.

The third part of that is the whole variety of expenses that are inside of our cost structure that are not allowable expenses inside of the AgriInvest claims, with two of the big ones, of course, being interest and capital costs.

• (1535)

Mr. Tim Louis: You did mention the cap, and you said \$3 million was not enough. You said it wouldn't work for larger operations. Certain areas, let's say the Niagara region, have these large places that wouldn't do it.

What are your thoughts on having different maximums for different sectors, or maybe basing the maximums on the size of farms and production, having different maximums, or would you still say just one size fits all right now?

Mr. Andy Kuyvenhoven: My wife gets mad at me when I call myself a simple farmer, but being a relatively simple farmer, I sort of recommend that simplicity in systems is ultimately the best. The more complicated you make it, the more difficult it is for people to manage on both sides of the stream. Right now, when I look at the administrative costs of the present AgriStability suite, that's a lot of money to pay out. If you add complexities to it, you're going to have that one. That's the bigger complexity problem that I have with that.

Mr. Tim Louis: Keeping it simple is what we're looking for here. We're looking for simple solutions that we can help improve.

I also know there is a lot of investment in your sector, bigger investments, bigger returns on investment with the greenhouse sector, and you're susceptible to pests. When infestation occurs, all your crops have to be destroyed, and being inside, you could add more dollars per square foot, so when something catastrophic happens, it's on a much larger scale as opposed to the outdoor sectors.

How would that work for you with AgriStability, and stabilizing your effect with the industry?

Mr. Andy Kuyvenhoven: I'm not exactly sure what you're getting at.

Mr. Tim Louis: How much different would the margins be at 70%? How much different would that be for your sector versus the other sectors? Is it the same request?

Mr. Andy Kuyvenhoven: We're looking for the 85%, and ideally, we would be at 85%. That would be the balance. Most of my farmers are entrepreneurs. They are independent businessmen. They want to make money. They don't want government handouts, but when catastrophe hits, we need something that's sustainable, and 85% is what our studies are showing us to be the magic number that doesn't pay out to profitability as easily, and yet keeps farms sustainable.

Mr. Tim Louis: Thank you. I appreciate that.

Mr. Gilroy or Mr. VanderHout, you talked about how diversification can help, but also that individual risks can be explored. Can you elaborate on that, filling those needs and gaps on individual risks.

Mr. Brian Gilroy: What we're looking at is doing a diversification study that takes into account how individual farm operations through diversification minimize the risk of triggering, and taking into account that if we're diversified, we should either pay a lower premium and/or be able to offset losses in parts of our overall production.

I hope that answers your question.

Mr. Tim Louis: I believe it does, and I appreciate your time.

The Vice-Chair (Mr. John Barlow): Mr. Perron, for six minutes.

[Translation]

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

I want to thank the witnesses for joining us.

Mr. VanderHout, I'll build on the last question. You spoke about diversification. I've discussed this with the previous witnesses. It's a nice coincidence. Basically, you're saying that, to ensure that AgriStability doesn't affect diversification, there should be lower premiums if the farm is diversified.

Is that right?

[English]

Mr. Jan VanderHout: Perhaps it could be better coverage when the farm is taking its own measures to reduce the risk. It would incentivize farms to hedge their risks through diversification.

• (1540)

[Translation]

Mr. Yves Perron: Okay.

You spoke earlier about the need for a new insurance product for horticulture. I know that produce growers are advocating for legislation that would prioritize them in the event of a client's bankruptcy. Would this type of legislation help you in your search for support?

[English]

Mr. Jan VanderHout: I am very much in favour of both of those things. As for the bankruptcy protection, I consider financial protection for produce growers essential for empowering the growers to have confidence that they are going to get paid. The reality is that by the time a bankruptcy registers, we could be on the hook for weeks and weeks of sales, and this could leave us in a bad position.

As for insurance, the challenge we have is that not all vegetable and fruit crops are insurable right now. I happen to be a greenhouse cucumber grower. Our crops are not insurable, and this leaves us in a particularly challenging place because we have no backstop available to us other than AgriStability. To reinforce Mr. Kuyvenhoven's comments, 70% of 70% just doesn't do it for us. Our margins are far narrower than that, so 85% of 85% is the only acceptable solution, I think, from both sides.

[Translation]

Mr. Yves Perron: Thank you, Mr. VanderHout. I heard you loud and clear.

Mr. Kuyvenhoven, you spoke about the difficulties faced by small growers, which need a risk management system. What changes could we make to risk management programs to better cover small businesses?

[English]

Mr. Andy Kuyvenhoven: Yes. What we could do first and foremost, as Mr. VanderHout and I have said, is to 85% of 85%. That payment would be crucial.

I think we should improve the AgriRecovery program so that if small growers have a quarantine event of some type, they get coverage for their products. Specifically, throwing a product out is not being covered. Those are two key areas that I think the smaller growers would benefit from.

Of course, there is still one question: What is a small grower? I'm six feet tall and weigh about 200 pounds. Am I a small grower or not? That's the question from a perspective of size and the dollar value they are turning over. I think that's the challenge we have.

I hope I've answered your question.

[Translation]

Mr. Yves Perron: You answered my question, and you did so with humour. Thank you.

Ms. Johanson, you seemed to have a great deal to say. In fact, you spoke very quickly. I tip my hat to the interpreters who managed to keep up with you.

You started by speaking about the consensus on increasing the AgriStability reference margin to 85%, removing the reference margin limit, and increasing the maximum payout from \$3 million to \$5 million. I agree with all this.

You then spoke about AgriInvest. You seemed to want the program to become better and to replace the other programs. If you were in the department and you had the authority, what changes would you propose today?

[English]

Ms. Jenneth Johanson: Just to clarify, is this specific to AgriStability?

[Translation]

Mr. Yves Perron: Yes, that's right.

[English]

Ms. Jenneth Johanson: My priority as a producer is to maintain my viability. If AgriStability is going to remain, we should fix it and increase it, as others have already said, to bring the contribution level up to 85% from the current 70%. If it's not going to be fixed—and I apologize for speaking too quickly earlier—I strongly suggest getting rid of it and starting over through a mechanism like AgriInvest, which we have right now, increasing our matchable levels up to 5%.

• (1545)

[Translation]

Mr. Yves Perron: Thank you. This clarifies your comments.

Could a much more generous version of the AgriInvest program replace this?

[English]

The Vice-Chair (Mr. John Barlow): Thank you, Mr. Perron. That's the end of your six minutes.

Mr. MacGregor, the floor is yours now for six minutes.

Mr. Alistair MacGregor: Thank you, Chair.

I want to talk to the Canadian Horticultural Council about the availability of reliable labour as a risk.

During this COVID-19 pandemic, the federal government has indicated that it wants to talk to the provinces and territories about including labour shortages as an eligible risk for the horticultural sector under AgriInsurance. I'd like your feedback on that. Yes, this has been an abnormal year for labour in particular, but it's not a new problem. I think every year we continue to hear about the strains on our agricultural sector and their troubles in getting reliable labour. Can you give me and the committee your thoughts on that?

Mr. Jan VanderHout: Absolutely, labour is a much bigger problem this year. In years past we also were challenged by labour shortages, and more often than not they were filled through the use of temporary foreign workers. This year, although the Canadian government has done a good job at helping us to get them here, not all of the temporary foreign workers are arriving. Some farms are at as low as 50%, or even fewer workers. I am currently missing five workers out of 30. This is a big strain. It should be covered by whatever program. This year's big exposure is labour.

Mr. Alistair MacGregor: This is a follow up. I'd like to get Canadian Horticultural's perspective. Do they want to see that as a stable part of the BRM programs going beyond the pandemic, given the labour shortages we've experienced? What are your thoughts on what that structure would look? How would a person be compensated if they could not find enough people to work on their farm and it's severely impacting their operations and their ability to generate revenue?

Mr. Brian Gilroy: We have put forward some recommendations. I'm sorry I don't have them in front of me right now.

One challenge with having it as part of a production insurance plan is that they're provincially administered. One province may choose to use that type of program while others will not. We'd like to see a consistent cross-Canada solution to that problem.

Mr. Alistair MacGregor: That's great. Okay. Thank you very much.

I'll switch to the oat growers. I'm wondering what your thoughts are on the current feedback mechanism we have for the BRM programs. For example, we have had the national program advisory committee co-chair appear before the committee. He gave us his thoughts on how to reform the BRM programs based on the feedback. In your opinion, is that current structure working? Do you feel that that committee is hearing producers' concerns? Are they an effective way of getting the government to seriously listen to these concerns and act on them?

• (1550)

Ms. Jenneth Johanson: To date I believe the committee has been doing all it can. Do producers feel our concerns are reaching the government? If they are, we believe they're falling on deaf ears.

I will defer to Chris Rundel and see if he would like to add to that.

Mr. Chris Rundel (Director, Prairie Oat Growers Association): Mostly, I would echo that same comment. With AgriStability, for example, since the reference margin was lowered, I know there's been a lot of reference to it and a lot of talk about it for many years, and there's been no reaction on that front. I think this is a great opportunity and we're very fortunate to be able to have this dialogue with this committee regarding it. This is a great opportunity to talk about how it could be improved. I do think that the mechanism's in place, and there is some communication happening there, but any way we can open those channels further is going to be beneficial for producers.

Mr. Alistair MacGregor: All right. I will wrap up my round of questions with this. In our previous round, we had a witness from Agri-Food Management Excellence Inc. appear before the committee and he was talking about how we might like to see the BRM

programs transition a little bit more to preventative measures, rather than—

The Vice-Chair (Mr. John Barlow): Sorry, we lost Alistair again.

While we work on maybe getting Alistair back, we do have about eight minutes left, not quite enough to start a second round for everyone to get in. I would suggest, if it is okay with all of my colleagues, having one question from each party, just one quick question and a response, and that should use up the rest of the time.

Is that okay with everyone on the line? Okay.

We'll move to Ms. Rood on the Conservative side. Go ahead with one quick question, please.

Ms. Lianne Rood: Thank you, Chair.

My question might be for the Prairie Oat Growers. AgriInvest dropped in 2018, so what difference has that made for you at this point? Do you know how much the average AgriInvest account for your growers is?

Ms. Jenneth Johanson: Specific to oat growers, I don't know the exact average. I can tell you that on my farm, I was maxing out with the previous program at the \$15,000 matchable contribution. My operations have now been reduced to \$10,000. That \$5,000 has impacted the level of my AgriInvest account.

With that said, I just want to point out that the average amount in grain producers' or crop producers' accounts is claimed to be about \$33,000 across the sector. Just for interest reasons, I have drained the account that I have held for 12 years three times, and in the instances where I have drained it, I had to drain it to offset losses on my operation and production.

The Vice-Chair (Mr. John Barlow): Thanks, Ms. Johanson.

Thanks, Ms. Rood.

On the Liberal side, Ms. Bessette, you are up to be next. You can have one question.

[Translation]

Mrs. Lyne Bessette (Brome—Missisquoi, Lib.): Thank you, Mr. Chair.

My question is for the representatives of the Canadian Horticultural Council.

Ghislain Gervais, the president of the Sollio Cooperative Group, recently spoke about the multiple possibilities that technology offers. We know that the situation regarding connectivity infrastructure poses challenges. However, at this time, the government is quickly implementing ways to increase the accessibility of this infrastructure.

How can new technology improve business risk prevention and management in your sector?

[English]

Mr. Brian Gilroy: That's a very good question. I'm sorry, but I realize that a lot of rural Canada has very slow Internet connectivity, and it certainly prevents some monitoring technologies. I know that in the greenhouse sector, Jan, it would be vital that connectivity be constant in case of alarms for... It's the same for almost all crops. If somebody has apples in long-term controlled-atmosphere storage, the ability to have alarms trigger no matter where you are is vital.

I'm sorry that I don't have more on that, but thank you for the question.

• (1555)

The Vice-Chair (Mr. John Barlow): Thank you, Mr. Gilroy.

Thank you, Madame Bessette.

Mr. Perron, you can have one question.

[Translation]

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

Ms. Johanson, you emphasized the importance of reducing the administrative burden in the AgriStability program. You spoke about the possibility of retroactive enrolment. I'd like you to describe the second phase.

In terms of reducing the administrative burden, could insuring the income rather than the margin resolve a large part of the issue?

[English]

Ms. Jenneth Johanson: Thank you.

Yes, in regard to reducing the administrative burden, that was specific to the cash advance payment program. Again, I've utilized the program. It is a great program, but I have personally found that the administrative burden for a \$100,000 application versus a \$500,000 application is no different. As time progresses, perhaps easing up some of the administrative burden for reduced amounts of borrowing and utilizing of the program might attract more producers to use it.

The Vice-Chair (Mr. John Barlow): Thank you, Ms. Johanson.

Alistair, we lost you for a bit, so we just went around once and gave everybody a question, so if you have one question to wrap it up, I'll give you that one question.

Mr. Alistair MacGregor: It was simply to the Prairie Oat Growers, just a comment on an earlier witness from Agri-Food Management Excellence Inc. on the suggestion that we deal with risk by giving managers better preventative skills rather than compensation. I know there's a lot of risk out there that farmers try their best to adapt to, but sometimes it's very unpredictable.

Are there any comments on whether we need to invest in better management training and techniques for our producers to give them the skills to withstand these kinds of events?

Ms. Jenneth Johanson: I would say yes, anything you can do, especially for our young farmers entering the business right now.... For all farmers, any additional resources to better plan and better prepare for these variabilities would definitely be an asset across the sector.

Chris Rundel, do you have anything you would like to add to that?

Mr. Chris Rundel: It's an excellent comment. As a young producer myself who came into the industry about 10 years ago with no prior experience in agriculture, some incentives on the provincial and the federal government side that have made it possible to get some more of that training have been crucial in my own learning.

On the risk management programs you were mentioning and talking about, coming at it with a more proactive approach rather than a reactionary one and having that surety of stability going forward, especially for a young producer who is not established and doesn't have any backstop or really any savings account to draw on if things really go south, is crucially important to bringing younger producers, people who would really benefit from that kind of training, into the industry to keep it thriving the way it has been.

Mr. Alistair MacGregor: Thank you.

Chair, I'm not going to push my luck with the Internet connection, so I'll just leave it at that.

The Vice-Chair (Mr. John Barlow): Thanks, Alistair.

Thanks, Mr. Rundel. I appreciate your time.

This proves once again that access to Internet service in rural communities is an essential utility that we all have to work on. Certainly, the COVID situation has shown that in our committee meetings as well.

I want to thank our witnesses for being with us today. It's much appreciated.

To my colleagues, have a great weekend. Before you sneak off, I have a reminder. You should have been given the second version of the BRM letter we're sending to the minister. It should have been in your email this morning. Please review it quickly. If you have any changes, please get them back to the analyst by 9 a.m. on Monday, so we can discuss them at Tuesday's committee meeting, which is bright and early for Alistair and me in western Canada at 11 a.m. eastern time, which is 9 a.m. for me and 8 a.m. for Alistair.

I hear that the Internet works way better earlier in the morning.

We'll see you all next week. Have a great weekend.

Thanks.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :
<https://www.noscommunes.ca>