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# Standing Committee on Agriculture and Agri-Food

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Tuesday, May 11, 2021

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Chair: Mr. Pat Finnigan





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• (1550)

[English]

**The Chair (Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.)):** I call the meeting to order.

Welcome, all of you, to meeting number 32 of the House of Commons Standing Committee on Agriculture and Agri-Food. Pursuant to the order of reference of Wednesday, February 24, 2021 and the motion adopted on Thursday, April 22, the committee is commencing the clause-by-clause consideration of Bill C-206, an act to amend the Greenhouse Gas Pollution Pricing Act in regard to qualifying farming fuel.

Today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021. Therefore, members are attending in person in the room and remotely using the Zoom application. The proceedings will be made available via the House of Commons website. The webcast will always show the person speaking, rather than the entirety of the committee.

I will take this opportunity to remind all participants that screenshots or taking photos of your screen are not permitted.

[Translation]

To ensure an orderly meeting, I would like to outline a few rules to follow. Before speaking, please wait until I recognize you by name. If you're on the video conference, please click on the microphone icon to unmute yourself. The microphones of participants in the room will be controlled as normal by the proceedings and verification officer.

Remember that all comments by members and witnesses must be directed through the chair. When you aren't speaking, your microphone should be on mute.

[English]

We'll get into the clause-by-clause consideration of Bill C-206, and just to let you know, once we've done that, we'll go in camera. There's another link, so we'll have to disconnect and come back to go in camera for the business portion of this meeting.

We will start with Mr. Lawrence.

Mr. Lawrence, you have submitted an amendment, so I will give you the floor if you want to move that amendment.

**Mr. Philip Lawrence (Northumberland—Peterborough South, CPC):** Yes. I'd like to move the amendment as put forward to the clerk. This is the first of two amendments, and it is with respect to barn heating, so—you can see my daughter behind me—

this is to include barn heating. Throughout the testimony, there were a number of stakeholders who said that barn heating should be included in this private member's bill, so that's the amendment we're putting forward.

**The Chair:** Thank you, Mr. Lawrence, and good day to your daughter behind you. Hi.

I have looked at the amendment and have consulted with the procedure resource that we have, and my ruling on this is that the bill's only object is to add marketable natural gas and propane to the definition of “qualifying farming fuel”. The amendment would remove a part of the definition of “eligible farming machinery” that is not envisioned or amended by the bill.

*House of Commons Procedure and Practice*, in the third edition, states on page 770:

An amendment to a bill that was referred to a committee after second reading is out of order if it is beyond the scope and principle of the bill.

For the reasons stated above, the amendment is therefore inadmissible, as it goes beyond the scope of the bill as adopted at second reading by the House.

That is my ruling on that. It is not debatable. I can be challenged, but this is my ruling.

• (1555)

**Mr. Philip Lawrence:** To be consistent with the tone of this committee and the discussions, and in the minority Parliament, I'll choose not to challenge the chair and will respect your ruling.

Thank you.

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

We'll go to the second amendment, CPC-2.

Mr. Lawrence, you have the floor again, with your second amendment.

**Mr. Philip Lawrence:** The second amendment is to include aviation fuel. This also came up in testimony and in consultation with our stakeholders, who said that aviation fuel could be used in an environmental way and that it's used in the protection of crops, no different from natural gas and propane—and I would also say diesel—as well as gasoline. There's really no reason it should be excluded from the exemption, so after consultations we decided to put this amendment forward.

Thank you.

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

Is there any discussion on that?

Ms. Rood, you have the floor.

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

I would just like to add to that discussion that aviation fuel is also used in the greenhouse industry a lot, as part of growing their crops, for shading greenhouses and removing the shade at the end of the season. It is a great expense to greenhouse growers to do that.

In the spirit of this bill, it would be great to include that, because it is a high-cost item and it's something that's absolutely essential for crop growing, as well as spraying in fields, I would add. For those who can't get to their fields with traditional sprayers and are using helicopters especially, and planes in some areas, to do the spraying of the crops, it is essential.

**The Chair:** Mr. MacGregor, you have the floor.

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

Regarding CPC-2, I was searching witness testimony and I couldn't find any reference to any witness testimony talking about aviation gasoline. There was one reference to aviation that was made on April 29 by Mr. Ghatala, from Advanced Biofuels Canada.

I know that this amendment is in order, but my concern is that it's like mission creep. Adding aviation gasoline to this bill is a significant expansion from what the House voted on in principle at second reading.

As a first step, can Mr. Lawrence illuminate specifically where we had aviation gasoline mentioned? I couldn't find it in the testimony. Was it in a brief? I didn't see much reference to it during committee hearings on the bill.

**The Chair:** Mr. Lawrence. Go ahead.

**Mr. Philip Lawrence:** Thank you, sir.

Honestly, I don't have the exact point, but I do recall a couple of mentions of aviation. It is consistent with the bill in that we are looking to give equitable treatment across agriculture. Whether someone is using propane or whether they're using diesel, natural gas or aviation gasoline, these fuels are all of similar use and I think the logic holds up.

I would also say it's within the scope of the bill, as it is just an addition thereto.

I'll yield to my colleague. I see his hand is up.

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

Mr. Epp.

**Mr. Dave Epp (Chatham—Kent—Leamington, CPC):** In support of what MP Lawrence was just saying, I can personally testify to the fact that we have used aviation fuel in our own cropping systems, so I fail to see how this inclusion would not be part of the

scope that was contemplated by the House when it was moved to our committee.

**The Chair:** Thank you, Mr. Epp.

Mr. Steinley.

**Mr. Warren Steinley (Regina—Lewvan, CPC):** Mr. Chair, not to pile on, but there are many aerial spraying applicators in and outside of Regina that do this for a living. It is part of the agriculture industry and the agriculture sector where I am from, and throughout all of Canada, so I think it fits quite well with the mandate of this bill.

I will just leave it at that.

• (1600)

**The Chair:** Thank you, Mr. Steinley.

I believe we have Mr. MacGregor again.

Mr. MacGregor, go ahead.

**Mr. Alistair MacGregor:** I don't want to belabour the point too much more. It's just that when I was first approached with the idea for a fix in this section, I think it was back in January 2020, the "before" times, before the pandemic hit us. I can remember speaking with the Keystone Agricultural Producers. A number of farmer organizations had identified the need to exempt natural gas and propane. There was a lot of conversation about the "harvest from hell".

When Bill C-206 came about and I devoted a considerable amount of my second reading speech in support of the bill, the intent behind the bill was always to address the substantial grain-drying costs that farmers had. I've never, ever heard any arguments, up until this point, made in favour of expanding it to include aviation gasoline. Perhaps I could have been convinced back then, but we've gone so far along the process on Bill C-206 that to have this suddenly come forward like this doesn't give us a lot of time to really consider it fully.

That's my counterpoint, that I have yet to see the evidence that was presented at committee where substantive arguments were made in favour of adding aviation gasoline. As I said, I did a word search of all the witness testimony. There was only one mention of the word "aviation". It wasn't aviation gasoline, and it was made on April 29. Unless I'm missing something from briefs, I understand the rationale behind it, but we haven't had the witness testimony really underlying and making the case for it up to this point.

I've always understood that it was for grain drying, and grain drying was the sole impetus behind this bill. In my opinion, this just seems like a bit of mission creep.

**The Chair:** Thank you, Mr. MacGregor.

Mr. Lawrence, do you want to reply?

**Mr. Philip Lawrence:** Yes. With the blessing of the chair, I'll withdraw this amendment, given Mr. MacGregor's convincing argument there. Obviously, in a minority Parliament, it's critical that we get as close to consensus as we can.

Mr. MacGregor has convinced me with his compelling argument, so with the consent of the chair, I will withdraw this amendment.

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

(Amendment withdrawn)

Thank you, Mr. MacGregor. You didn't want to reply, right?

Okay. With that, we'll go to NDP-1.

Mr. MacGregor, I'll give you the floor to talk about your amendment.

**Mr. Alistair MacGregor:** Thank you, colleagues.

My amendment essentially sets a sunset clause on this change to the definition. It will set a sunset, the clock will start ticking once the act receives royal assent, and it will give a 10-year window, after which the original definition of "qualifying farming fuel" will then be reinstated.

This was my attempt to try to find some middle ground between witness testimony we heard from groups like Farmers for Climate Solutions, the David Suzuki Foundation and the Pembina Institute versus people on the other side of the spectrum, farmers who we heard from themselves, like Mr. Serge Buy from the Agri-food Innovation Council, who I think quite clearly said that with the technology out there, other options are simply not commercially viable at present. He did mention 10 years as a conservative estimate, so I think this gives a 10-year window, up to the year 2031 if we receive royal assent on this bill. In that 10-year period, given the increasing challenges that are going to be faced with climate change, if we haven't found solutions by 2031, I'm going to be quite concerned at the state of our country and indeed the whole world.

This is my attempt to find a middle ground, recognizing that there are no viable alternatives at present, but also starting a clock for the reinstatement of the original definition so that we're all working with a timeline in mind and there's a bit of impetus to try to get those commercially viable options available to farmers as quickly as possible.

There's a whole other suite of policy options that I hope will be adopted in the interim. There are interesting things that can be done in rewarding farmers for sequestering carbon, and so on. I'm sure there will be more federal investments in clean technology, more efficient dryers, and so on. I hope colleagues will find that this is a fairly reasonable time frame to put in place.

I'll stop there.

• (1605)

**The Chair:** Thank you, Mr. MacGregor, for your comments on your amendment.

I see Mr. Steinley. I have to look twice, Mr. Steinley, with your new summer look, but I believe it's you in the photo.

**Mr. Warren Steinley:** It is me, and I appreciate that. I feel 10 years younger.

On this amendment, I am no fortune teller, but I believe Mr. MacGregor may be in this chamber for a long time. If he'd like to see some changes made to this bill, he will have the capacity and

the capability to bring forward private member's bill changes to this legislation. That could be 10 years or 15 years, so why wouldn't the sunset clause be for 15 years?

I think we should pass this bill as is, and then, Mr. MacGregor... If the technology comes to pass maybe even sooner, maybe in five years, we can make changes to the bill and see what Mr. MacGregor or anyone else wants to do with this bill going down the road. I don't want to state that we need to do a sunset clause now, because it could happen sooner. The technology could be there sooner, so it may not have to be a 10-year sunset clause.

Let's pass the bill as it is and leave other parliaments to deal with it in the future when that situation arises.

**The Chair:** Thank you, Mr. Steinley.

Mr. MacGregor.

**Mr. Alistair MacGregor:** I can allow Mr. Perron to go first. His hand came up. I'll listen to his point of view before I respond.

**The Chair:** Sure.

[*Translation*]

Mr. Perron, you have the floor.

**Mr. Yves Perron (Berthier—Maskinongé, BQ):** Thank you, Mr. MacGregor, but I think that you raised your hand before I did.

I'll speak somewhat along the same lines. I appreciate the points made by my colleague from the NDP today, particularly with respect to the previous amendments.

Regarding the 10-year period, you know that, during the testimonies, I was one of the members who asked many questions about the possibility of establishing a time limit. I'm still wondering about this, because there might be a loophole. I had decided not to move an amendment regarding the duration. If we look at what happens 10 years from now, then gasoline, light fuel oil and prescribed fuels will still be exempt in 10 years as well.

I wonder whether the amendment could be worded in such a way that the whole clause would be reviewed in 10 years. Would that be in order? Since I wasn't sure that I could move something that would be in order, I decided not to do so. However, I'll still support this in the end.

Mr. MacGregor, I'm concerned that, 10 years from now, we'll end up moving backwards if we have other solutions for farm machinery, for example.

I'd like your opinion on this. I'll open the discussion.

**The Chair:** Thank you, Mr. Perron.

[English]

Mr. MacGregor.

**Mr. Alistair MacGregor:** I will address Mr. Steinley's comments first. He is very right. I don't have a crystal ball. Who knows where we will be in 10 years?

I guess, to respond directly to his point, the act currently allows for a prescribed type of fuel, so the executive branch of government already, within the parent act, has the tools to make regulations to prescribe the type of fuel. It is within the executive branch's power to rapidly adapt to changing circumstances, but hopefully by the year 2031 we will certainly be well on our way to using alternative forms of energy.

With respect to Mr. Perron's point, I was having some back and forth with the legislative drafters, and in fact, the first amendment they gave to me was regarding the consideration of having a review mechanism in place. Unfortunately it would have extended the length of the current bill by another page and a half. It looked overly complex, so I decided to do away with that possibility and go with a simple sunset clause, and that's what I arrived at with amendment NDP-1.

• (1610)

**The Chair:** Thank you, Mr. MacGregor.

Mr. Blois, go ahead, please.

**Mr. Kody Blois (Kings—Hants, Lib.):** Thank you, Mr. Chair.

I will go on the record as saying I don't really have a perspective one way or another on Mr. MacGregor's amendment. When I look at the entire work that has been done on this bill, I think the intent and the spirit of what Mr. Lawrence was trying to do are laudable, as I've said in the past. I think it is flawed in the sense that it didn't include amendments around the types of activities and equipment that are in the definition of the Greenhouse Gas Pricing Pollution Act. That is part of the fatal flaw of this particular piece.

Would Mr. MacGregor have any comments on that broader...? I see where he's trying to go with the 10 years to try to find and strike a balance between technology getting caught up to where we're at and the idea that we want to continue to move on climate change. Does he recognize, and does he sit where I sit on some of the concerns regarding the definitions of farming activity and of machinery that were not really addressed and that, of course, can't be addressed because we're already at this point in the game, so to speak?

**The Chair:** Thank you, Mr. Blois.

Mr. MacGregor.

**Mr. Alistair MacGregor:** I know there were some concerns raised about that during our committee hearing, but I guess Mr. Lawrence was pretty clear from his first meeting that he had gone over this with the legislative drafters and was quite satisfied, along with them, that the current wording of the bill would be interpreted in a way that would allow for natural gas and propane to be used as a farm fuel for a farm purpose in farming machinery. The part of the existing act, the parent act, that refers to the heating and cooling.... I think that's more broadly interpreted as sort of something to do with a greenhouse, heating a barn, and so on, and not really for a

machine that you're hooking up to a grain silo to help draw everything in. I'm satisfied with that interpretation.

I think I addressed everything that Mr. Blois was talking about.

**The Chair:** Thank you, Mr. MacGregor.

Mr. Epp.

**Mr. Dave Epp:** Specifically with regard to Mr. MacGregor's amendment, from the testimony that we heard, we can see that agriculture has a very strong track record of adopting technology and adopting environmental improvements whenever they are feasible. In that spirit and because we can't predict that timeline, I would really caution us against putting a fixed, hard date on something, because if that technology isn't there, what have we accomplished by that? I understand the motivation as being a spurring mechanism to drive that, but as testimony has shown, agriculture doesn't need that. Agriculture does that on its own.

**The Chair:** Thank you, Mr. Epp.

At this stage, I see no hands raised. I think we've had a good discussion, and we will take this to a vote on amendment NDP-1.

(Amendment agreed to)

• (1615)

With that we'll go through the remaining questions.

Shall clause 1 as amended carry?

**Mr. Kody Blois:** Mr. Chair, just so I'm clear, we're voting on clause 1. Are we still voting on Mr. MacGregor's amendment—or accepting this—or on the overall contents? It's just so I'm clear. It wasn't clear to me.

**The Chair:** Yes. You're voting on clause 1 as amended, I believe.

(Clause 1 as amended agreed to [*See Minutes of Proceedings*])

Shall the title carry?

**Some hon. members:** Agreed.

**The Chair:** Shall the bill as amended carry?

**Some hon. members:** Agreed.

**The Chair:** Shall the chair report the bill as amended to the House?

**Some hon. members:** Agreed.

**The Chair:** Finally, shall the committee order a reprint of the bill as amended for the use of the House at report stage?

**Some hon. members:** Agreed.

**The Chair:** That takes care of that business.

With that, I thank you all.

Thank you, Mr. Lawrence, for your appearance at this committee for the several meetings that you were here.

Great job, everyone.

With that, we'll just log out and then come back in. I think you've all been sent a new Zoom link. We'll see you on the other side AS-AP for business.

Thank you.

*[Proceedings continue in camera]*

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