

AAFC launches CGC and grain act review

Chief commissioner downplays reports of disagreement among commissioners

Reporter



The Canadian Grain Commission's head office in Winnipeg. Some in the industry would like to see the CGC's 'Certificate Final' quality guarantee made optional. Photo: File

Agriculture and Agri-Food Canada has quietly launched a review of the Canadian Grain Act and its administrator the Canadian

Grain Commission, sources have told the *(BLANK)*. The review, which has not been announced to the public, comes amid mistrust and division among the CGC's three commissioners, according to several sources. CGC chief commissioner Patti Miller has an 'industry friendly' agenda and has left assistant chief commissioner Doug Chorney and commissioner Lonny McKague, both farmers, out of the decision-making process, sources say.





“There isn’t mistrust,” Miller said in an interview March 18. “I have a huge amount of respect for both Doug and Lonny.

“Does that mean we agree on everything? Heavens no.

“Did Doug and Lonny have input into it as did I? Yes. Was it exactly how they wanted to see it? Perhaps not, but they are a voice and provide input into that process.”

On the allegation she favours the grain companies’ agenda Miller replied: “If you asked the industry they might give some comments that... I’m not making decisions unilaterally in their favour. We have rigour in our decision making.”

Optional Certificate Final?

What grain companies want most from the review are recommendations to amend the grain act to end mandatory CGC outward inspection.

Some grain companies say it’s redundant and costly because many of their customers are satisfied using less-expensive private inspection services. But some in the industry say making the

CGC's 'Certificate Final' optional will undermine Canada's grain quality assurance system.

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Even deregulation advocate former Conservative Agriculture Minister Gerry Ritz supported the Certificate Final, the CGC's independent assurance of the weight and grade of Canadian grain exported by ship.

"It's not going to be voluntary, or at least that's not what the minister is saying," former chief CGC commissioner Elwin Hermanson said in a 2016 interview.

"Our minister has been very clear and very public in saying he wants to protect the Canada brand."

Viterra president and CEO Kyle Jeworski argued in favour of ending mandatory CGC outward inspection March 6 while speaking at the Canadian Crops Convention in Montreal.

"I think it's important that we have the Canada Grain Act to better reflect our industry today and prepare for the future," he said. "We need to remove unnecessary regulations. There are many examples — grain grading, weighing, inspection. There are things that add cost and delays in our industry."

The Agri-Food Economic Strategy Table report issued last September recommends the CGC accredit private companies to do mandatory outward weighing and inspection.

The Grains Roundtable, representing most of the grain industry, including farmers, supported that report.

It was at the Grains Roundtable meeting March 8 in Montreal where Tom Rosser, assistant deputy minister of AAFC's strategic policy branch, announced the CGC review, several people in attendance said. Miller was also there.

In an interview Monday Miller said there was no formal announcement because AAFC is seeking input from the Grains Roundtable. If the government later intends to amend the grain act there will be public consultations.

“This is the start of some research,” she said. “It’s not down the line where you would be consulting on some legislation.

“I think talking to representatives of 80 different associations (on the Grains Roundtable) is a pretty transparent way to start a conversation about research.”

Needs analysis

Asked if she supports retaining mandatory CGC outward inspection, Miller replied: “It sounds like the same question my staff put to me and the answer I give back to them is we need to do our homework. I’m not going to give you an opinion.

I want to see the analysis is. There has been a lot of change in the industry. And don’t get me wrong, this act and this organization have served and continue to serve the industry very, very well. But a lot has changed.

“It’s important that we have a fulsome discussion with the entire industry because everybody would be affected by a change like and we to talk about it.”

People assume any change to outward inspection would see private companies take over, she added.

“Nobody ever talks about what an oversight model might look like,” she said. “That’s a really important part of looking at delivering different service and maintaining our brand and continuing to be cost-effective and providing value to the system.”

Slides Rosser presented to the Grains Roundtable say AAFC will:

- Assess the work done in past reviews and modernization attempts
- Identify core areas of interest for further study and consultation
- Undertake analysis, with an emphasis on core areas

The slides also say “stakeholders are expected to provide valuable input throughout the process.”

The goal is to present recommendations to the government late this year.

“Based on discussions with AAFC to date, we anticipate the

review will be broad-based and examine the full scope of the Canada Grain Act and the Canadian Grain Commission, with a number of different areas of focus,” Miller said a memo to CGC staff March 6. “We welcome a comprehensive review, and will support this process by creating an internal team to contribute to the review, with representation from across our organization. This group will be tasked with sharing information and providing evidence-based analysis and advice to our colleagues at AAFC. While we expect this process to take place over the next year, no specific timelines have been set.”

Some major changes have been made to the grain act in 2013, including ending mandatory CGC inward inspection at terminals and making the CGC self-sufficient.

The previous government wanted to make more but the bills died on the order paper.

AAFC says the most recent CGC review was in 2006 and the last comprehensive update of the grain act was in 1971.