

Canadian Grain Commission

Will there still be a Canadian Grain Commission (CGC)?

- Yes. The CGC will continue in its traditional role. The *Marketing Freedom for Grain Farmers Act* did not change the role of the CGC, although it did include some minor administrative changes to the *Canada Grain Act* where referenced in the *Marketing Freedom for Grain Farmers Act*.

What does the CGC do?

- The CGC administers the *Canada Grain Act* and *Regulations*. The CGC regulates the grain industry in Canada by certifying the quality, safety and weight of Canadian grain and providing quality and quantity assurance to the industry.
- The CGC carries out scientific research to understand grain quality and grain safety issues to support the grain grading system.
- The CGC protects the rights of Canadian grain producers when they deliver their grain to licensed grain handling companies and grain dealers.

What will change at the CGC?

- There are no consequential changes to the CGC as a result of changes to the CWB. Their traditional role will continue into the future.

What is licensing and bonding?

- The CGC regulates the grain industry and licenses facilities that handle and/or market grain. There are different license classes including grain dealers, primary elevators, process elevators, terminal elevators, and transfer elevators.
- Not all facilities that deal in grain are licensed. These businesses may be an exempt facility, they may be outside the jurisdiction of the *Canada Grain Act*, or they may be unlicensed because they are in violation of the *Canada Grain Act*.
- One of the criteria to be licensed is that a grain company posts security for its unpaid grain purchases with the CGC, either through a bond or a letter of credit. This security provides a degree of payment protection for the farmer dealing with that licensed facility.

What is the CGC's role in variety registration? Will that change?

- The CGC does not register varieties. That is the responsibility of the Canadian Food Inspection Agency. However, the CGC does have expert representation on the quality evaluation committee of the Prairie Grain Development Committee and does determine if a variety is eligible for various classes of grain in Canada. This authority prevents ineligible varieties from undermining the quality of various classes of grain.
- This role of the CGC will not change due to changes with the CWB.

I've heard the federal government is trying to change the CGC. Is this true and what is the current status?

- The federal government is in the process of exploring possible changes to the *Canada Grain Act*. The key areas under consideration are governance, mandate, producer security, licensing, outward inspection and weighing of grain, inward inspection and weighing of grain, and enforcement.
- The March 28, 2012 federal budget announced two year transition funding in its allocation to the CGC. During this period, the CGC will review their revenue model to see that the services provided by the CGC will come from a user pay model.

For further information on the Canadian Grain Commission, visit their website at <http://www.grainscanada.gc.ca/index-eng.htm>.