



## MINUTES OF PROCEEDINGS

OTTAWA, Thursday, October 31, 2024  
(93)

[English]

The Standing Senate Committee on Banking, Commerce and the Economy met this day at 11:30 a.m., in room W110, 1 Wellington St., the chair, the Honourable Pamela Wallin, presiding.

*Members of the committee present:* The Honourable Senators Deacon (*Nova Scotia*), Fridhandler, Loffreda, Marshall, Martin, Massicotte, McNair, Ringuette, Varone, Wallin and Yussuff (11).

*Other senators present:* The Honourable Senator Robinson (1).

*Participating in the meeting:* Brett Howard and Adriane Yong, analysts, Library of Parliament.

Pursuant to the order of reference adopted by the Senate on Thursday, May 9, 2024, the committee continued its consideration of Bill C-280, An Act to amend the Bankruptcy and Insolvency Act and the Companies' Creditors Arrangement Act (deemed trust — perishable fruits and vegetables).

### WITNESSES:

#### *Ontario Greenhouse Vegetable Growers:*

Richard Lee, Executive Director;

Rob Peeters, Vice-President, Operations and Strategy, Nature Fresh Farms.

#### *Agriculture and Agri-Food Canada:*

Tom Rosser, Assistant Deputy Minister, Market and Industry Services Branch;

#### *As an individual:*

Timothy Dean Henkel, Attorney, Henkel Law, P.A. (*by videoconference*).

Richard Lee made a statement and, together with Rob Peeters, answered questions.

At 11:55 a.m., the committee suspended.

At 11:56 a.m., the committee resumed.

At 11:58 a.m., the committee suspended.

At 12:01 p.m., the committee resumed.

Timothy Dean Henkel made a statement and answered questions.

At 12:21 p.m., the committee suspended.

At 12:24 p.m., the committee resumed.

It was agreed that the committee proceed to clause-by-clause consideration of Bill C-280.

Tom Rosser answered questions from time to time.

It was agreed that the title stand postponed.

It was agreed that clause 1, which contains the short title, stand postponed.

The chair asked whether clause 2 shall carry.

The Honourable Senator Varone moved that Bill C-280 be amended in clause 2,

(a) on page 1,

(i) by replacing lines 8 and 9 with the following:

**“81.7 (1)** Subject to this section, if a person who is a primary agricultural producer of perishable fruits or vegetables (in this section referred to as the “farmer”) or who purchases perishable fruits or vegetables directly from a farmer in order to resell them (in this section referred to as the “dealer”) has sold to another per-”,

(ii) by replacing line 13 with the following:

“farmer or the dealer, the perishable fruits or vegetables, as well as”,

(iii) by replacing lines 15 and 16 with the following:

“as a secured creditor by the purchaser for the farmer or the dealer if

**(a)** the farmer or the dealer has included in their invoice a notice,”;

(b) on page 2,

(i) by replacing line 2 with the following:

“balance owing to the farmer or the dealer; and”,

(ii) by replacing line 4 with the following:

“the farmer or the dealer the entire balance owing when it becomes”,

(iii) by replacing lines 8 and 9 with the following:

“proceeds of sale, are deemed to be held in trust as a secured creditor by the purchaser for the farmer or the dealer in accordance with subsec-”,

(iv) by replacing lines 16 and 17 with the following:

“(4) If a farmer or a dealer is aggrieved by any act, omission or decision of the purchaser, trustee or receiver, the farmer or the dealer”,

(v) by deleting lines 31 to 35.

After debate, the question being put on the motion in amendment, it was adopted on the following vote:

YEAS

The Honourable Senators

Fridhandler, Loffreda, Massicotte, McNair, Ringuette, Varone, Yussuff — [7]

NAYS

The Honourable Senators

Wallin, Deacon, Marshall, Martin — [4]

ABSTENTIONS

The Honourable Senators

NIL

The chair asked whether clause 2, as amended, shall carry.

It was agreed that clause 2, as amended, carry.

The chair asked whether clause 3 shall carry.

The Honourable Senator Varone moved that Bill C-280 be amended in clause 3,

(a) on page 3,

(i) by replacing lines 14 and 15 with the following:

**“8.1 (1)** Subject to this section, if a person who is a primary agricultural producer of perishable fruits or vegetables (in this section referred to as the “farmer”) or who purchases perishable fruits or vegetables directly from a farmer in order to resell them (in this section referred to as the “dealer”) has sold to a debtor compa-”,

(ii) by replacing line 19 with the following:

“farmer or the dealer, the perishable fruits or vegetables, as well as”,

(iii) by replacing lines 21 and 22 with the following:

“as a secured creditor by the purchaser for the farmer or the dealer, if

**(a)** the farmer or the dealer has included in their invoice a notice,”,

(iv) by replacing lines 32 and 33 with the following:

“balance owing to the farmer or the dealer; and

**(c)** the purchaser does not pay to the farmer or the dealer the en-”;

(b) on page 4,

(i) by replacing lines 3 and 4 with the following:

“deemed to be held in trust as a secured creditor by the purchaser for the farmer or the dealer in accordance with subsection (1), they are not in-”,

(ii) by replacing lines 14 to 19 with the following:

**“(4)** For the purposes of this section,”.

After debate, the question being put on the motion in amendment, it was adopted on the following vote:

YEAS

The Honourable Senators

Fridhandler, Loffreda, Massicotte, McNair, Ringuette, Varone, Yussuff — [7]

NAYS

The Honourable Senators

Wallin, Deacon, Marshall, Martin — [4]

ABSTENTIONS

The Honourable Senators

NIL

The chair asked whether clause 3, as amended, shall carry.

It was agreed that clause 3, as amended, carry.

It was agreed that clause 1, which contains the short title, carry.

It was agreed that the title carry.

The chair asked if the bill, as amended, shall carry.

The question being put on the motion, it was adopted on the following vote:

YEAS

The Honourable Senators

Fridhandler, Loffreda, Massicotte, McNair, Ringuette, Varone, Yussuff — [7]

NAYS

The Honourable Senators

Wallin, Deacon, Marshall, Martin — [4]

ABSTENTIONS

The Honourable Senators

NIL

It was agreed that the bill carry, as amended.

It was agreed that the Law Clerk and Parliamentary Counsel be authorized to make necessary technical, grammatical, or other required non-substantive changes as a result of the amendments adopted by the committee, in both official languages, including updating cross-references and renumbering of provisions.

It was agreed that the chair report Bill C-280, with amendments, to the Senate, in both official languages.

At 12:54 p.m., the committee adjourned to the call of the chair.

*ATTEST:*

Sara Gajic

*Clerk of the Committee*