

October 7, 2024

Senate Committee on Banking,
Commerce and the Economy
Senate of Canada
Ottawa, ON K1A 0A4

RE: Bill C-244, An Act to Amend the *Copyright Act* (diagnosis, maintenance and repair) and Bill C-294, An Act to amend the *Copyright Act* (interoperability)

Dear Members of the Committee,

On behalf of Canadian Canola Growers Association (CCGA) we are writing to express our support for Bill C-244, An Act to amend the *Copyright Act* (diagnosis, maintenance, and repair) and Bill C-294, An Act to amend the *Copyright Act* (interoperability). These bills have direct implications for the right for diagnosis, maintenance, repair, and interoperability of farm machinery.

With offices in Winnipeg and Ottawa, CCGA represents 40,000 canola farmers from Ontario to British Columbia on national and international issues, policies, and programs that impact farm profitability. Canola is Canada's most widely seeded crop and the largest farm cash receipt of any agricultural commodity, earning growers \$13.7 billion in 2023. Annually the canola industry contributes \$29.9 billion to the economy, supports over 200,000 Canadian jobs, and exports were valued at \$15.8 billion in 2023.

In the digital era of farming, the current monopolistic environment for repair services is resulting in farmers being unable to address repair issues with their machinery promptly. This results in inefficiencies, loss of competitiveness, stifles innovation, and increases cost and risk to farm revenues during the short Canadian growing season. This is especially true when farmers need to repair their equipment during harvest as each hour of the delay could cost farmers thousands of dollars and risks grain quality.

Modern farms are dependent on specialized machinery for their operations, such as tractors and combines, that often involve GPS connections, sensors, and digital software to operate. In addition

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to supporting farmers' livelihoods, modern machinery and implements play a critical role in the efficient use of inputs such as diesel, fertilizer, seed, and crop protection products that support production and sustainability. This equipment is critical for Canada's farmers to continue to feed and fuel Canada and the world, while contributing to emissions reduction.

Canada's growing season is short which makes time precious. Farmers invest in purchasing extra parts to address mechanical failures in a timely manner when they inevitably occur. However, limited options to address digital warnings or errors which happen in equipment's integrated software means that farm operations can be stopped for hours, potentially for days. Failure of machinery during the growing season is a major threat to both the yield and quality of every crop, which are the factors that determine the annual revenues of a family farm business.

Farmers need an effective and affordable means to diagnose and repair their equipment and not be completely reliant on original equipment manufacturers (OEM) dealerships, which sometimes can be located hours away from farms located in rural and remote communities. Unfortunately, farmers' opportunity to capitalize on potential cost savings, invest in better and more efficient machinery and implements, or leverage competitiveness opportunities is lost if Canada's laws continue to exclude or limit a machinery owner from being able to diagnose and repair their equipment. Research from the U.S has shown that 77 percent of farmers say they have bought, or considered buying, older pieces of equipment to avoid dealing with software repair on more modern machinery, despite the potential upsides.¹

Currently, both farmers and third-party vendors lack reasonable access to both the proprietary software and technical documentation required to conduct all repairs on modern farm equipment, limiting the repair options available to farmers. This lack of information and the use of technical protection measures has resulted in farmers being completely dependent on equipment dealerships to conduct a significant proportion of diagnosis and repair of farm equipment.

As an example, one of our canola farmers received an error code on his combine preventing the machine from functioning. He tried to determine the sensor voltages being output on the machine to find the faulty sensor himself manually, but could not do it without risking wrecking something, so he had to call a mechanic from the dealership. The technician had to drive over 400 km to get to the farm and then could plug in his computer to the machine and see what the problem was within 30 seconds. In addition, he didn't have the appropriate sensor with him, so the producer had to follow him 400 km to the dealership to get it and then replaced it himself. This cost him \$900 and hours of

¹ U.S. Public Interest Research Group (Feb 1, 2022). Why Farmers Need Right to Repair. <https://pirg.org/edfund/resources/why-farmers-need-right-to-repair-2/>

down time for the service call to read the voltage from the laptop that should have been available to the farmer from the very beginning.

Interoperability has been a means of innovation and invention. Many of the farm implement improvements have happened because of farmers knowledge of what is needed to get a job done. In the past they were able to connect their tractor or combine to their new/improved implement to see if they were compatible. With newer equipment, this is no longer possible due to the couplers or the machine's computer not recognizing other implements. Producers often have multiple machinery pieces from different manufactures on their farms and it is critical that they all "speak" to each other. For example, combines should be compatible with headers from other brands. This type of interoperability that Bill C-294 enables will promote improved access to innovation and competitive pricing for farmers.

It is our view that the federal government has a clear role to establish a legislative structure that strikes a measured and appropriate balance with the intent to create a competitive market for interoperability and equipment repair that will allow farmers the choice to safely conduct all repairs themselves, through a qualified third party, or through the OEM dealerships. Changes could also encourage new business opportunities for Canadians by creating more equipment and repair shops in rural communities. Bills C-244 and C-294 would enable this process.

In conclusion, CCGA supports both Bill C-244 and C-294 and calls on Senators to pass these bills into law. Farmers need their equipment to work in time-sensitive periods such as during seeding and harvest. CCGA supports Bill C-244 as it helps provide a choice of who can diagnose and repair farmers' equipment, saving them critical time and helping to reduce prices by allowing for competition. Allowing farm equipment from different manufacturers to communicate with each other also enhances choice for farmers, thereby driving competition and innovation. CCGA supports Bill C-294 for facilitating this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Carey", written in a cursive style.

Dave Carey
Vice-President, Government & Industry Relations
Canadian Canola Growers Association