



**Honourable George Groeneveld
Minister
Agriculture and Rural Development**

Annual Cattleman's Corral Crop Vision

**Tuesday, January 20, 2009
1:30 p.m.**

Lloydminster

Check against delivery

- Good afternoon.
- It is a real pleasure to attend this year's trade show and seminar, and to provide an update from the Alberta side of the fence.
- Like the city of Lloydminster, your agriculture association reflects the unique relationship that Alberta and Saskatchewan share.
- The map may show a border... but we all know that our agriculture industries are interconnected...
- ...and we have many things in common. Both provinces are facing the same significant issues that are challenging the agriculture industry... whether it is in the livestock or the grains sector.

- We are both facing the tremendous challenges of:
 - high feed and fertilizer costs...fluctuating fuel costs...the fluctuating Canadian dollar,
 - the lingering effects of the BSE crisis,
 - the thickening of the US border due to protectionist inspection rules, mandatory country of origin labeling,
 - and international competitors that are gaining momentum and market share.

- Also, both provinces are dealing with demographic changes that are impacting the business of agriculture and our rural communities.

- At the same time, however, I know we share the same overall goals...
- We want our agriculture industry to be competitive and provitable.
- And that desire and commitment extends beyond the farm...it runs through our citizens from all walks of life...and it is reflected in both of our provincial governments.
- I know this personally from the many frank conversations I have had with the Saskatchewan agriculture Minister.
- I know that Minister Bjornerud will be speaking about the Saskatchewan side of things later today...

- But I want to tell you there is a real satisfaction in knowing our two governments are effectively bringing a united front to many national and international agriculture issues.
- Both governments fully appreciate that agriculture helped to build our two provinces... and remains an important part of our economies.
- I can assure you we will continue to work together and to learn from one another... I consider Bob to be a good friend.
- Right now, I know the Saskatchewan government and producers are closely watching what is happening with the *Alberta Livestock and Meat Strategy*.

- Some producers and industry leaders have actually asked their own government to take similar action.
- I want to take this opportunity today to provide an update on our work.
- As I mentioned earlier, a number of challenges are threatening the livestock industry...
- ...in particular...more than five years later, we still feel the impacts of the BSE crisis.
- I firmly believe we can overcome many of these challenges...and I believe we **must** in order to have a viable industry.

- The Alberta government is willing to see this industry through to a profitable and competitive future – and that is what the *Livestock and Meat Strategy* aims to achieve.
- Yes, we provided significant financial support...funding that is the envy of many other provinces...
- \$300 million was approved and \$300 million will be distributed to producers.
- As of January 1, 2009, \$110 million was available to producers who chose to take a couple of hours to age verify with the CCIA and register a premises ID.

- However, that transitional funding is only a small step in a strategy that I believe has the ability to fundamentally strengthen our livestock sector.
- Funding was also approved last year to create the *Alberta Livestock and Meat Agency*. This organization will help implement the strategy...working closely with government and industry.
- Things are moving along, and I am very proud of the quality of experienced and industrious people we have attracted to our Agency Board.
- We have in place a panel of world-renown experts – highly successful business people – who will be able to provide a global perspective to the issues.

- The two most recent members bring incredibly diverse skill sets – one is a former NAFTA negotiator for Canada, and the other a livestock producer with international working experience.
- I have believed for some time that Alberta's livestock industry has incredible potential that has yet to be tapped...I know our producers feel that way also.
- And I suspect it is the same for those of you who call Saskatchewan home.
- I also firmly believe that in order to achieve our potential, we cannot continue doing what has been done in the past...short-term ad-hoc funding is no longer an option...it has not addressed the root of the problem.

- We all know that change is not easy...and this strategy has been no exception.
- However, we knew that only a long-term strategic approach was going to make a difference.
- I can tell you that I was extremely proud to be Alberta's agriculture Minister when I was sharing news of our strategy at the Federal/Provincial/Territorial meetings last July.
- My colleagues continue to look to Alberta as a leader...and while I take pride in that, there is also increased pressure to succeed!

- We will be pleased to work with our government and industry colleagues – including our friends in Saskatchewan... to share what we are learning.
- We know that Canada's and Alberta's reputation are one and the same when it comes to expanding international market access.
- Our food safety, public health, and animal health will be judged as a nation...
- And we are hearing it loud and clear from our current and potential customers across the globe that **safety is first and foremost...**
- ...it is the key that unlocks **market access.**

- And when I say market access, I do not mean one or two markets.
- While we all agree that the U.S. is our largest and most important trading partner on many fronts...their current actions do not seem to agree with an integrated marketplace...
- Mandatory Country of Origin Labeling (COOL) is a prime example of that...
- And while our federal government seeks formal consultations with the U.S. under the World Trade Organization dispute settlement process on COOL, it will take many years.

- In the meantime we cannot wait while our market share in the U.S. dwindles... and our international competition gains further ground in critical markets such as Asia.
- That is why I returned to Asia last year.
- China, Hong Kong and Japan are priority markets for Alberta's agriculture and agri-food products.
- A strong relationship with those governments and industry leaders is key to market access and advancing our trade interests there.
- Advancing our beef trade was a specific goal of the last two missions.

- From the earlier mission they made it clear what their industries and consumers want from their livestock and meat products.
- They want high-quality food products that are safe...and traceability measures that support and demonstrate that safety.
- And so the additional measures outlined in Alberta's Strategy was a major focus of our discussions.
- And let me tell you, our trading partners recognized the deep commitment we have to advancing our business relationship with them.

- I know some producers have concerns with age verification, but we have heard time and time again from government and industry officials in Asia...
- Traceability, including age verification, is **not negotiable** with them.
- We simply must have it if we want to expand current markets and create new ones.
- This is not simply an ‘Alberta issue’...it is an expectation of anyone who wants to do business with these Asia markets.
- Across this country, agriculture is an export-oriented industry...and we need a **united front** to sustain and build on our international connections.

- We need the Federal government to help us **open the borders.**
- I have had numerous conversations with Minister Ritz recently, and he has reiterated his support for the direction Alberta is taking...
- ...he agrees with our policy around age verification...he knows it is important because he is hearing the same things from our potential markets.
- Now more than ever, we have an opportunity...let us use this to our collective advantage.

- The *Alberta Livestock and Meat Strategy* is intended to create an environment where success and opportunities will revitalize this important industry...and it is a strategy that can be adapted to become a national one.
- The Alberta government has demonstrated its willingness to pitch-in for long-term success. My own ministry has made changes to renew our focus on key priorities.
- And while our changes directly support the goals of the *Livestock and Meat Strategy*, they have also helped to strengthen our work with other commodity areas.

- Changes within our department have included:
 - Working directly with Ag Service Boards across the province to provide extension programming,
 - 13 hub offices provide enhanced agri-business services to rural Albertans,
 - And ministry divisions are better aligned to provide more responsive programs...whether that's through water specialists, farm safety, or crop related programs.

Conclusion

- If there is one message that you take from my remarks today, I hope it is this...
we need to work together...
- ...government and industry...province to province...federal government with provincial government...Ag society and community...
- Because, it doesn't matter if you are a livestock producer, a grain producer, a honey producer or in any other agriculture related business...
- We will only overcome the challenges, reach our potential and be successful if we work together.

- However, **I believe**...and **I know** that whether you live on one side of Lloyminster or the other...we have the will, the innovation, the knowledge and experience to build a more competitive and sustainable agriculture industry.
- This gives me tremendous optimism and pride!
- Thank you for inviting me to join you this afternoon.
- I look forward to our work together.