



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

Speaking points for News Conference

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Check against delivery

- Good morning ...
- First, I would like to acknowledge several prominent industry representatives who have joined us today for this announcement...
- ... Darcy Davis, President of the Canadian Agri-Food Trade Alliance ...
- ... Herman Simons, Chairman of Alberta Pork
- ... and Dr. Kee (KEY) Jim, Chairman of the Canada Beef Export Federation.
- ... These gentlemen will be available for comment after the formal part of our announcement concludes.

[pause]

- It is no secret that the Alberta livestock and meat industry is at a crossroads.

- While I have been Minister of Agriculture and Rural Development many changes have occurred ... and we have had to deal with them.
- For example ... we have watched the prices of fuel and feed skyrocket ... the Canadian dollar grow stronger...
- We have to deal with increased international competition for market access ... as well as increased demands for food safety and environmental measures.
- These are just a few of the factors combining to make what really has become a crisis in this industry.
- We have worked with industry to try to turn this around...
- In the recent past ... there have been numerous programs and initiatives designed to sustain the livestock industry ... and billions of dollars have been spent.

- But today it has become obvious ... the challenges of this industry go beyond high fuel prices ... the skyrocketing cost of feed ... and the strong Canadian dollar.
- Because let us be honest ... those are challenges that all Albertans face ... not just those involved with livestock.
- What we are seeing today goes beyond that ... all the way to the heart of the industry ... the way it is managed and how it is governed.
- It is a crisis that will not be solved only by injecting more money into the system ...
- ... Another ad-hoc program may be a much needed band-aid ... but it is not the cure.
- In many areas this situation is as bad ... or worse than it was with BSE five years ago.
- And it is something that can be only be solved by strong leadership and fundamental change ...

- ... The status quo cannot continue ... it is not working.
- Today, I am announcing a strategy that I believe outlines a way out of this crisis and into a globally competitive livestock industry in Alberta.
- The Alberta Livestock and Meat Strategy is a comprehensive plan for fundamental change in how the livestock industry is managed and governed in this province.
- It is the result of a process that I began in October of last year when we held industry roundtables ...
- At that time I announced that both government and industry needed to change the way we think about livestock ...
- ... And I challenged the industry to develop long-term strategies.

- What I am announcing today is a result of a lot of hard work by a lot of good people ... who all have a tremendous knowledge about the livestock industry.
- They have spent many long days and even longer nights putting this together ... and I would like to thank everyone who has played a part in this strategy and today's announcement.
- You have both a detailed copy and summary documents in your hands right now ... so briefly, I will highlight a few of the major initiatives and then take some questions.
- You will see under this strategy ... that we will address both the short- and long-term needs of the livestock industry in Alberta.
- First we will be distributing, effective immediately ... \$150 million in transitional assistance to livestock producers.
- The majority of the cheques will be in the mail by the end of this week ...

- ... The amounts and eligibility will be calculated based on the same formula as the Alberta Farm Recovery Plan announced last October ... and payments will be completely separate from AgriStability ... not linked to the current year's production.
- I must emphasize ... this is transitional funding provided to sustain the industry until our long-term changes can be implemented.
- Without a long-term plan ... any short-term assistance that we provide ... quite frankly will not matter.
- That is why it is vital we implement this strategy.
- At its heart ... is the recommendation to create the Alberta Livestock and Meat Agency.
- This Agency will provide strategic advice and direction to help Alberta compete globally and transition to a sustainable industry.

- It will re-energize both industry and government to help make fundamental changes.
- The Agency Board will be made up of a Blue Ribbon panel of world-renown experts to provide global perspective.
- This year, we will re-direct \$40 million in operating and capital funds from the Ministry budget ... as well as...
- ... \$16 million in new money to support initiatives determined by the Agency.
- The Agency's main focus will be eight Priority Initiatives outlined in the Strategy document.
- ... The initiatives range from creating a common, shared vision between government and the livestock industry ... to developing a comprehensive livestock information system that forms the basis of our traceability and age-verification efforts.

- It also outlines the need for increased animal health and safety systems ... better marketing and diversification initiatives ... and
- ... It addresses ways to reduce costs and the regulatory burden on industry.
- In the area of research ... genomics promises a new era of tailoring beef characteristics to meet market needs ... and this is also addressed in the Strategy.
- Of these initiatives ... I am pleased to announce that a number are already well underway, including the establishment of the Alberta Livestock Information System ... or ALIS (ALICE), our working title for now.
- This information system will be a vital part of the long-term success of the livestock industry...
- And it will be the key to how we implement mandatory age verification and premise identification in the province.

- By doing this ... Alberta will be better able to respond quickly and appropriately to market signals and emergencies, giving us a competitive edge in the global market ... which is what this is all about.
- It is also key to the next part of this announcement ... an additional \$150 million for livestock producers will also be available in January 2009 ... but with a catch.
- This additional funding is tied directly to full compliance with the implementation plan ... depending on the species of animal.
- For example ... beef producers will be required to comply with mandatory premise ID and age-verification by January 2009 ... other species such as pork, bison and deer will have their own unique requirements...the details are laid out in the document.
- ... Cheques will only be issued after a livestock producer shows they are working within this new system.

- Producers who are unable or unwilling to transform their business by meeting these conditions may need to consider ways to exit the industry ...
- ... Alberta needs producers who believe in the sustainable future of this industry.
- I am encouraged especially by the progressive work being done by groups like Alberta Pork.
- With their recently released report ... they have acknowledged that there is no simple solution ... but they are willing and committed to improving their situation.
- This strategy signals the end of ad-hoc funding.
- The Ministry itself needs to adapt in order to help industry make the necessary fundamental changes.
- We are in danger of losing our relevance to the people we serve ... this must change.

- We need to be leading edge and ... right now ... we are not.
- The changes we are proposing will not be easy ... and many will not be popular ... but they are all necessary.
- They will help:
 - re-energize the entire livestock sector
 - redirect resources to key priorities
 - revitalize livestock organizations, and
 - realize benefits from enhanced value chain relationships.
- In Alberta ... in Canada ... we want and need, a competitive and sustainable livestock industry.
- This will not happen until we start doing things radically different.
- As I said earlier, without a long-term plan ... any short-term assistance that we provide ... will not matter.

- ... Six months from now the money we are providing today will be gone and we would be no further ahead.
- With this new \$356 million strategy, the Government of Alberta has positioned itself as a catalyst for fundamental change in the livestock industry.
- Because this is truly a crossroads for us all ...we can change ...
- ... Or we can continue to do what has been done in the past ... and get the same results.
- I know we do not want to do that ...
- ... I believe that Alberta will choose to make changes ...
- ... And play its part to build a competitive and sustainable livestock industry.
- Our province has always been viewed as a leader in Canada's agriculture industry ...

- ... And leaders are not afraid to make changes when it is necessary.
- This is one of those times ... and Alberta is well-prepared to lead the way.
- Thank you.