

February 20, 2009

Address to the Alberta Beef Industry Conference

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Red Deer, Alberta

Check Against Delivery

Thank you, Danny Hooper, and good evening, ladies and gentlemen. It's a real pleasure to be here today.

Even though I had to sell my cows to accommodate my off-the-farm job, I've always considered myself a cattleman. And I'm sure that one day, we will again have a few cows grazing in the pasture.

It's easy to be nostalgic about the cattle business. Most of us who are in that business grew up with it.

But it is a business - a business that is facing tremendous challenges.

You know them as well as I do:

- High feed and fertilizer costs;
- The thickening of the U.S. border due to - let's be frank - protectionist rules and mandatory country-of-origin labeling;
- Australia, the U.S. and other provinces are gaining market share within Alberta;

It upsets me to see beef from somewhere other than Alberta on the menu when I go to a restaurant in this province. But it's happening more and more often. And our industry is losing market share in most of our export markets.

These challenges aren't new, and I believe they can be overcome. But we'll need to make some changes to have a viable industry.

The theme of this conference speaks exactly to what we need to do: turn good ideas into good products and bring those products to the global market, competitively and efficiently.

That's a key focus for our government, and not only in the agriculture sector.

We know that innovation will be key to everything we do.

Alberta needs to strengthen its international reputation as a place for turning ideas into value-added products and services.

This is true, right from our world-class universities, throughout our research communities, and right on down to the family farm.

We have the Alberta Livestock and Meat Strategy to guide our efforts. And when I say "our efforts," I mean the entire industry working together, with government as a partner. Our government has provided significant support to livestock producers more than any other jurisdiction in this country by far. We know that change is not easy. But we've done it before - and we'll do it again.

The western Canadian agricultural economy has already changed dramatically over the past quarter century.

The elimination of the Crow Rate led to restructuring of farms, grain companies and railways. It involved some pain and it didn't happen overnight.

And the results are not perfect - it's still a work in progress.

But I think we can all agree that western agriculture is more efficient and competitive as a result.

We need to harness a similar effort now to keep evolving this industry.

I think we've already turned a corner. Industry and government have brought about some changes, and we should all be proud of the hard work that has occurred.

Livestock producers are leading the way in these efforts.

Many thousands of producers were able to take immediate advantage of the first payment of the AFRP 2 funding - 200 million dollars.

As of January first of this year, a further 100 million dollars became available for producers who complete age verification and premises identification.

I know that's more paperwork - but this is something we need to do.

Our Minister of Agriculture and Rural Development, George Groeneveld, who is here today has been working hard to open new markets for Alberta beef, particularly in Asia.

He's met with industries and consumers, and asked them what they want in their livestock and meat products.

Their answers were very clear. They want high-quality food products that are safe. And they want traceability measures that support and demonstrate that safety.

We've heard time and time again from government and industry officials in Asia that traceability, including age verification, is not negotiable.

If we want access to that market, this is something we have to do.

And remember, we're talking about a huge market.

George tells me that if the doors to Asia opened tomorrow, Alberta wouldn't have enough market-ready animals to meet the age verification requirements.

Clearly, if we want to expand current markets and create new ones, this is the direction we need to go.

We also need to look at mandatory country-of-origin labeling. This issue is far from resolved and we can't afford to stand still.

There has already been an impact on Alberta, with historical supply chains being disrupted, and prices discounted.

There was hope when the rules introduced by the U.S., particularly the final rule, seemed to offer some flexibility on labeling requirements.

Now, we hear the new U.S. administration is reviewing the final rule - and putting a lot of uncertainty back into the marketplace.

Our government continues to monitor the situation and its impact on our industry.

We need to focus on what's best for Canada, and how we can resolve the situation we're in.

Government is working with stakeholders, producers, and industry associations, including many who are represented here this evening.

And I thank all of you for working with us.

We're also working with the Alberta Livestock and Meat Agency to capitalize on new opportunities within the country-of-origin labeling framework and to develop new markets beyond the U.S.

I'm absolutely thrilled with the calibre of people we've been able to recruit to the agency.

They're top notch, and they bring a truly global perspective to their number one priority -- securing market access for Alberta.

They're looking at market and supply chain development and innovation and strengthening industry leadership and information sharing capabilities.

This is necessary work we need to do to move the industry forward.

It won't have an immediate pay-off.

But it will get markets to trust our products, and allow us to compete internationally and that will pay off.

We're building a viable, sustainable livestock and meat industry for the long-term.

One that can sustain this industry as a foundation of Alberta's economy, just as it has been for generations past and will, I hope, remain for generations to come.

Thank you, once again, ladies and gentlemen, for inviting me to be here and for your kind attention tonight.

Please enjoy the rest of the evening, and enjoy safe travels on your way home.