



Legislative Assembly of Alberta

The 29th Legislature
Fourth Session

Standing Committee
on
Alberta's Economic Future

Impact of the Canada-United States-Mexico Agreement
on Agriculture in Alberta

Thursday, February 14, 2019
1 p.m.

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Fourth Session**

Standing Committee on Alberta's Economic Future

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[Mr. Sucha in the chair]

The Chair: Good afternoon, everyone. I figure, given the theme for today and some of the banter that I heard just before the meeting, I'll open up with a poem.

Roses are red
Cattle eat hay
I'm really excited to talk
about the USMCA.

I'll now call the meeting to order and welcome all staff, members, and guests in attendance for the Standing Committee on Alberta's Economic Future. Before I begin, I do want to acknowledge that we are commencing this meeting on the traditional territory of the Treaty 6 people and the Métis people, who have a close connection with this land.

My name is Graham Sucha, and I'm the MLA for Calgary-Shaw and the chair of this committee. I would ask for members who are joining us at the table to introduce themselves, and then I will go to the phones. I'll start with my deputy chair, to my right.

Mr. van Dijken: Good afternoon. Glenn van Dijken, MLA, Barrhead-Morinville-Westlock.

Dr. Starke: Good afternoon. Richard Starke, MLA, Vermilion-Lloydminster.

Mr. Dach: Good afternoon. Lorne Dach, MLA, Edmonton-McClung.

Mr. Horne: Good afternoon. Trevor Horne, MLA for Spruce Grove-St. Albert.

Connolly: There's really no group I'd rather be spending Valentine's Day with. Michael Connolly, MLA for Calgary-Hawkwood.

Mr. Carson: Good afternoon. Jon Carson, MLA for Edmonton-Meadowlark.

Mr. Koenig: Good afternoon. I'm Trafton Koenig with the Parliamentary Counsel office.

Dr. Amato: Hi. I'm Sarah Amato, research officer.

Dr. Massolin: Hello, everybody. Philip Massolin, manager of research and committee services.

Mr. Roth: Good afternoon. Aaron Roth, committee clerk.

The Chair: I will go to those on the phone. I'll call out your names as we do have quite a few members on the phones. I'll start with Mr. Gotfried.

Mr. Gotfried: Good afternoon, everyone. Happy Valentine's Day. Richard Gotfried, MLA, Calgary-Fish Creek.

The Chair: Ms Littlewood.

Ms Littlewood: Jessica Littlewood from the beautiful rural constituency of Fort Saskatchewan-Vegreville.

The Chair: Ms Fitzpatrick.

Ms Fitzpatrick: Maria Fitzpatrick, MLA, Lethbridge-East. Happy Valentine's Day, everyone.

The Chair: Mr. Coolahan.

Mr. Coolahan: Craig Coolahan, the MLA for Calgary-Klein.

The Chair: Mr. Dreeshen.

Mr. Dreeshen: Devin Dreeshen, MLA for Innisfail-Sylvan Lake. Thanks.

The Chair: Mr. Schneider.

Mr. Schneider: Dave Schneider, MLA, Little Bow.

The Chair: Member McPherson.

Ms McPherson: Thank you, Mr. Chair. Karen McPherson, MLA for Calgary-Mackay-Nose Hill.

The Chair: Mr. Piquette.

Mr. Piquette: Good afternoon. Colin Piquette, MLA for Athabasca-Sturgeon-Redwater. I couldn't think of anything more romantic today than to do this.

The Chair: Thank you, Mr. Piquette.

Before we turn to the items at hand, with the abundance of those on teleconference, just ensure your phone lines are muted during the meeting. Please note that the microphones are operated by *Hansard* and that the committee proceedings are being live streamed on the Internet and broadcast on Alberta Assembly TV. Please set your cellphones and other devices to silent for the duration of the meeting.

We'll move on to the next item, approval of the agenda. Is there a member who'd like to move that?

Dr. Starke: So moved.

The Chair: Moved by Dr. Starke that the agenda for the February 14, 2019, meeting of the Standing Committee on Alberta's Economic Future be adopted as circulated. All those in favour, please say aye. All those opposed, please say no. Those members on the phone? Excellent. That is carried.

We will now move to the approval of the meeting minutes from November 27, 2018. Are there any errors or omissions to note?

Seeing none, would any member like to move a motion to approve the minutes for the last meeting?

Ms Fitzpatrick: I move that.

The Chair: Moved by MLA Fitzpatrick that the minutes of the November 27, 2018, meeting of the Standing Committee on Alberta's Economic Future be adopted as circulated. All those in favour, please say aye. All those opposed, please say no. Those members on the phone? Excellent. That is carried.

We're going to move on to item 4, inquiry into the impact of the CUSMA, formerly the USMCA, on agriculture in Alberta. We'll move on to item (a), research services, stakeholder written submission summary. Hon. members, the Legislative Assembly Office research services provided the committee members with a summary of the written submissions received as part of our inquiry into the potential impacts of the Canada-United States-Mexico agreement, formerly the USMCA, on Alberta agriculture, dated February 8, 2019. For the record eight submissions were received from stakeholders. No submissions were received after the January 31, 2019, deadline.

I will now ask Dr. Amato from the Legislative Assembly Office research services to summarize the summary.

Dr. Amato: Hi. I hope everybody has a copy of the summary. I also hope that it was of some use. I'll just briefly describe its contents.

It summarizes the submissions of eight stakeholders. These were the Alberta Cattle Feeders' Association; the Alberta chicken industry; Alberta Milk; Alberta Turkey Producers; the Canadian Cattlemen's Association and the Alberta Beef Producers, that submitted jointly; Egg Farmers of Alberta; Turkey Farmers of Canada; and the Western Dairy Council.

Submissions from the dairy, poultry, and egg sectors advocate for the maintenance of the supply management system in Canada and urge the government of Alberta to work with the government of Canada to mitigate the effects of the CUSMA. In their submissions these sectors state that the CUSMA will have a negative effect on the sectors they represent, and they also raise specific concerns about increased American access to their respective Canadian markets.

Of note, the submissions of the Canadian Cattlemen's Association and the Alberta Beef Producers and that of the Alberta Cattle Feeders' Association support the CUSMA and state that it benefits their sectors.

Then each of these various submissions provides both general recommendations asking the government of Alberta to support their positions in advocating to the government of Canada and also some very specific recommendations.

Take some examples of what those specific recommendations might be; the poultry association requests, for example. They make a number of recommendations. One might be that the government of Alberta support research and development to support the chicken industry's leadership in implementing an antibiotic reduction strategy. The dairy industry, as another example, requests that the government of Alberta support its efforts to find a replacement for class 7 milk.

I hope this summary is useful in looking at the variety of specific recommendations that the various submitters made. I will also conclude by noting that five of the submissions request presentations to the committee, and those are the Alberta Turkey Producers, Alberta Milk, the Canadian Cattlemen's Association and the Alberta Beef Producers, the Alberta Cattle Feeders' Association, and the Western Dairy Council.

I hope that's helpful. Thank you very much.

The Chair: Excellent. Thank you very much.

So we'll move on to any questions from committee members about submissions. For members on the phone, if you're able to, send Mr. Roth, the committee clerk, an e-mail if you want to be in the queue for questions. I will also circulate to those members on the phone just in case people are unable to do so.

Are there any members who have any questions?

Mr. Dach: Just a quick comment. I know that the majority of stakeholders who responded are supply-managed producers, and they identified a potential range of negative impacts from the CUSMA. What emerges as a common area of concern, if there was a theme?

Dr. Amato: Well, I think there are themes, but I would say that they emerge by sector. The milk sector has themes, as does the poultry sector, as does the egg sector. That's how I would divide those themes. When it comes to the supply-managed sector, I think that what they are asking for, if there is a theme, is that the government of Alberta support their positions to mitigate the impacts of the CUSMA. I hope that answers the question.

Mr. Dach: Just one further follow-up. I've had the opportunity to review the submissions, but it's possible I missed something. I was wondering if any of the stakeholders who responded from the supply-managed sector identified potential positive impacts from the CUSMA.

Dr. Amato: Yes, they did. They said, for example, that some of them had increased market access to the United States. Almost all of them talked about that. But, in balance – these are their words, not mine – they felt that there were negative impacts, and they discussed that. But they also certainly talked about positive impacts.

1:10

The Chair: Excellent. Any other questions? Members on the phone? Excellent.

Thank you very much, Dr. Amato.

We'll now move on to handling of stakeholder submissions. Hon. members, it's been the practice of this committee and other committees to make a decision on whether or not to publicly post written submissions received during inquiries and reviews on the committee's public website. I will note for the record that the invitations inviting these submissions explicitly did mention that the committee may make the submissions and the identities of their authors public. I would further note that all written submissions received were from representatives of organizations, not from individual members of the general public.

I would now like to open up the floor to a discussion regarding the written submissions received as part of the committee's public inquiry. Okay. Any members on the phone?

All right. In order for us to post these publicly on the committee website, we would need a motion to do so.

Connolly: I'll move that motion.

The Chair: Okay. I'll give you the draft motion. If it meets your intent, Member Connolly, feel free to let me know. Moved by Member Connolly that

the Standing Committee on Alberta's Economic Future make all written submissions received by the committee as part of its inquiry into the potential impacts of the Canada-United States-Mexico agreement, formerly the USMCA, available on the public website with the exception of the person's contact information, if any.

Does that meet your . . .

Connolly: That's exactly what I anticipated.

The Chair: Excellent. Are there any questions or comments about the motion on the floor?

All right. Seeing and hearing none, I will call the question on the motion. All those in favour, please say aye. All those opposed, please say no. And on the phones? Excellent.

That motion is carried.

We'll now move on to decisions on stakeholder presentations. Hon. members, common practice during committee inquiries or reviews, both in this committee and in others, has been to consider inviting oral presentations from identified groups or individuals. At this time I'd like to open up the floor to committee members to discuss whether they wish to invite oral presentations.

Dr. Starke: Mr. Chair, I think that as compelling and as interesting as the individual written submissions from the stakeholders were, I find it always useful to have a chance to have a face-to-face interaction with representatives of the different commodity groups. You know, it gives us the opportunity to ask for clarification, to ask additional questions. Clearly, in this particular instance, we have a clear division of those sectors who felt that they would be negatively or, on balance, more negatively impacted specifically by the agreement within CUSMA.

It's interesting that most of them also referenced a comparison with other international trade agreements that Canada is party to. Canada, as we know, is in a unique position being a signatory to major trade agreements not only within North America but also

with Europe and with the Pacific Rim. I believe that at the current time that makes Canada completely unique amongst G-7 nations, being a member of all of those trade interaction groups.

I think that it would be very useful to have these presentations made at committee. I guess my only concern is one of timelines. We know that the calendar indicates that we will have an election in the not-too-distant future, and I would not want to see the work of the committee get lost as a result of that. I think that we need to as a committee consider how we could best allow for these presentations to occur and, at the very least, have the information made public so that the next Legislature can at least consider what has been presented and can act on those recommendations.

I would certainly speak in favour of inviting the stakeholder groups that wish to make direct presentation to committee to make that presentation but to make it at the earliest possible date so that we could hear from them, I would even suggest in the first two weeks of March.

The Chair: Okay. Thank you, Dr. Starke.

Any other questions? Members on the phone?

Mr. Piquette: Yes. I'd like to speak to this.

The Chair: Yeah. Go ahead, Mr. Piquette.

Mr. Piquette: Well, thank you. I have to say that I agree pretty wholeheartedly with what Dr. Starke has put forward. I also think that it's obvious that there's a diversity of opinion among our stakeholders on how this is going to impact them going forward and also on what types of positions we should take, whether we should advocate, you know, federally. I also agree that although written submissions are definitely valuable, having the opportunity to ask questions, to get that back and forth, is invaluable, and we've certainly seen that in the other issues that we've dealt with as a committee to date. So, yeah, I would suggest that all stakeholders from the list be invited to speak.

You know, I would even, just for clarity's sake, ensure that even the ones that haven't immediately requested to make oral presentations be afforded that opportunity again. You never know what's happening organizationally when you send these things out, and since we don't know why they didn't respond to the written submissions, giving them another chance – I don't see the harm in that. If they decline again, I mean, nothing has changed, but if they had important information to bring to the table, we would have missed out on it.

So, yeah, I'd like to advance that, and when it's time, I'd be happy to make a motion for that.

The Chair: If you want to move your motion, we can have the discussion on that moving forward.

Mr. Piquette: Okay. With that, I would like to move that the Standing Committee on Alberta's Economic Future invite oral presentations from persons and organizations identified by committee members at the February 14, 2019, meeting for the next meeting of the committee.

The Chair: All right. We have a motion on the floor. I'll open that up for discussion. Any other members on the phone?

Ms McPherson: Yes.

The Chair: Yeah. Go ahead, Member McPherson.

Ms McPherson: Thank you, Mr. Chair. I just want some clarification on who is being invited. Is it just the people that have

submitted or the organizations that have submitted something to the committee, or will it be broader than that?

The Chair: Mr. Piquette, did you want to provide clarification just from your previous comments?

Mr. Piquette: Well, my understanding is the entire stakeholders list that we had just referenced earlier this meeting.

Ms McPherson: That's great. Thank you.

The Chair: Okay. Any other members with any questions or comments about the motion on the floor? On the phones?

All right. Seeing and hearing none, Mr. Roth, if you could read the motion into the record, and then I will call the question.

Mr. Roth: Certainly, Mr. Chair. Moved by Mr. Piquette that the Standing Committee on Alberta's Economic Future invite oral presentations from persons and organizations identified by committee members at the February 14, 2019, meeting for the next meeting of the committee.

The Chair: Excellent. Having – sorry.

Dr. Massolin: Sorry. I don't mean to intervene unduly, Mr. Chair, but if you could indulge me. Just to be absolutely crystal clear on what's being proposed here in the motion put forward by Mr. Piquette, is it the proposal that the entire stakeholder list that was presented to the committee at a previous meeting be used as the source material for the invitation for these oral presentations?

The Chair: That was the intent I was getting from the member, yeah.

Dr. Massolin: Okay.

The Chair: Sorry. Mr. van Dijken.

Mr. van Dijken: Yeah. Just for clarity, that would be the list – we have a document here, a draft list of prospective stakeholders prepared November 22. Is that the list we're working from?

The Chair: Yes, that would be.

1:20

Mr. van Dijken: I guess the question bears: are we prepared for a large uptake in oral presentations? I don't foresee that as happening, but to put the invitation out there to all of the stakeholders and all of sudden get into a situation where we have a great number of them coming forward, that could create a problem.

The Chair: I'll open it up for discussion before I call the question again, but in past practice we've had a lot of members come in, and we have done it in sort of blocks of discussions when we've organized those ones as well, sometimes made up of four or five members if I recall.

Any other discussion? Dr. Starke.

Mr. Piquette: It's Colin again.

The Chair: Sorry. I'll go to Dr. Starke and then Mr. Piquette.

Dr. Starke: Thank you, Mr. Chair. You know, I acknowledge the deputy chair's concern with regard to this because, certainly, if we put out a cattle call, we may well get a huge response, but I think that it's important that we not restrict the oral or the direct submissions to those stakeholders who responded to the written one. There may be a number of reasons why people didn't submit a written submission.

Personally, I find sometimes that the most interesting submissions are the ones from individual producers who don't necessarily agree with the position of their commodity group. You know, we'd be naive, I think, to assume that when we receive a letter or a position paper from a commodity group, it speaks for one hundred per cent of the producers within that commodity group. I certainly know of many situations, and I think it would be, again, naive to assume that commodity groups are completely homogeneous in all of their opinions. So I think the potential for having alternate opinions or dissenting opinions, if you like, presented to the committee by members of the commodity groups that in some cases have laid out what the overall group's opinion is is worth while. Yes, we could get a huge response, in which case we have a lot of work to do, and that's fine. But I think it's important that we gather as much of that information as we can, and if the response is not as robust, well, then, that's fine, too.

The Chair: Excellent. Mr. van Dijken.

Mr. van Dijken: Mr. Piquette first.

The Chair: Oh, sorry. Mr. Piquette and then Mr. van Dijken.

Mr. Piquette: Thank you, Mr. Chair. Yeah. I'll just say that I concur with Dr. Starke. I'd have to say again that, I mean, definitely, if we do get this sudden uptake, it just shows how pertinent this issue is and how important it is that we do have this opportunity to collect this extra information. You know, if we get lots of people coming, we have been able to deal with this in the past. We could set up a panel-type format, that I know was successful when we were looking at daylight saving time, I think, and also the private member's bill by Mr. Anderson. So I think that, definitely, we do have ways to manage a large number of presenters in a reasonable manner.

The Chair: Excellent.

Mr. van Dijken: When I look at the draft stakeholder list that we are sending invitations to, we have a lot of the associations, producer associations, some of the processing groups, but we do not have, then, the invitation to others that would be members of these associations to present. If the will of Dr. Starke is to bring forward possible opinions of individuals, producers, processors, our stakeholder list might not be all encompassing of that. Is there a concern there that we possibly have to do separate advertising or a different type of approach, if you felt that was necessary?

The Chair: Dr. Starke.

Dr. Starke: Thank you, Chair. No. Personally, I think that the stakeholder list that we have is sufficient. I think it will allow for individual producers to get their message through to representative groups, you know, through various means. It's a pretty extensive list. So, I mean, to add to it by throwing it out to the 45,000 or so registered farm entities or individual farms that we have in the province: that's probably more than we need to do.

The Chair: Yeah. I also caution members that regardless of the proposed theoretical election date that comes up, we are mandated by April 11 to report to the Legislative Assembly. So we are under a limited timeline just in general terms, too.

Okay. Any other questions or comments? Members on the phone?

All right. Seeing and hearing none, I will call the question. Mr. Roth, if you'd like to read it into the record one further time.

Mr. Roth: Certainly, Mr. Chair. Moved by Mr. Piquette that the Standing Committee on Alberta's Economic Future invite oral presentations from persons and organizations identified by committee members at the February 14, 2019, meeting for the next meeting of the committee.

The Chair: Having heard the motion, all those in favour, please say aye. All those opposed, please say no. And members on the phones? Excellent.

That motion is carried.

Hon. members, we'll move on. Before I begin under other business, I would like to note for the record that research services has provided the committee with a backgrounder on the Canada-United States-Mexico agreement. This document was posted on the committee's internal website on November 23, 2018.

I would also like to note for the record that the federal minister of agriculture provided a written briefing to the committee as per its request. The briefing was posted to the committee's internal website on December 18, 2018.

With that being said, do any committee members have any other business they wish to raise at this time?

Seeing and hearing none, I'm going to move on to the date of the next meeting and just want to address the concerns that were raised by Dr. Starke. I'm feeling that there is a consensus of trying to have a meeting within the second week of March if I heard you correctly?

Dr. Starke: Uh-huh.

The Chair: Okay. Are there any questions from members in regard to that?

Seeing none, what we'll do: just considering the timelines, wanting to make sure that our stakeholders are briefed appropriately, Mr. Roth and I will come up with a couple of dates for the second week of March. We will poll members, and we will seek a request for people to respond by the end of the day tomorrow just so that we can provide stakeholders with an ample amount of time to prepare themselves and to respond to our request.

With that, I need a motion to adjourn. Moved by Mr. Dach that the Standing Committee on Alberta's Economic Future be adjourned. All those in favour, please say aye. All those opposed, please say no. And on the phones? Excellent. That is carried. The meeting is now adjourned.

Happy Valentine's Day, everyone.

[The committee adjourned at 1:28 p.m.]

