

**Monsanto Canada testimony before the
House of Commons' Standing Committee on
Agriculture and Agri-Food**

Advancements of technology in the agriculture
industry that can support Canadian exports

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**Delivered by Brian K. Treacy, Ph.D.
Vice-President, Government Affairs
Monsanto Canada**

INTRODUCTION

Mr. Chairman, Members of the Standing Committee, thank you for the opportunity to appear before you on the important topic of “Advancements of technology in the agriculture industry that can support Canadian exports”. My name is Brian Treacy and I am the Vice-President of Government Affairs with Monsanto Canada based here in Ottawa.

Monsanto Canada employs roughly 270 employees at over 20 locations across Canada including our Canadian Head Office located in Winnipeg and our Government and Regulatory Office in Ottawa. Monsanto spends roughly \$4 million a day in research globally. Here in Canada, we are investing about \$35 million annually in corn, soybean and canola research – all aimed at giving farmers the tools they need to be successful.

We’re best known for our advances in biotechnology, and since 1996 farmers in Canada have used our biotech herbicide-tolerant and insect resistance seeds to increase yield in important crops such as corn, soybeans, canola and sugarbeet.

Agriculture is an important contributor to Canada’s economic growth and is at the center of many global changes such as population growth, decreasing water availability, changing economies and diets – all of this in the backdrop of climate change.

What is Monsanto doing?

Biotechnology is only part of what we do. We are truly committed to a systems approach to enhance crop yields, across 5 platforms – an approach that utilizes genetics, traits, crop protection, data science and biologicals to give farmers the very best opportunity to produce a healthy, high yielding crop in a very unpredictable environment.

Recognizing the importance of climate change to this government let me walk you through a few commitments we have made as a company over the past 10 years:

In 2008, to respond to food security we announced our Sustainable Yield Initiative. A pledge to double yields in major crops by 2030 using less natural resources (i.e. water, fertilizer and pesticides).

In 2012, in order to adapt to climate change we committed \$100M to bring corn/soy options to Western Canada and northern parts of Eastern Canada in a much bigger way. Climate change is real. We saw this with corn and soybean production moving north of the traditional corn belt in the United States. We have observed pockets of corn and soybean production in Western Canada. We are playing catch-up and believe the development of short maturity varieties will enable up to 10M acres of additional corn and soybean production in the west and give farmers additional crop options to feed a growing export market.

In 2013, in order to help farmers use resources more efficiently, we acquired Climate Corporation in Silicon Valley to enhance precision farming and treat by the square meter rather than the whole farm. This digital application to agriculture was initially launched in Eastern Canada and will be expanded to Western Canada this year – again providing an additional tool to

farmers to bolster productivity. The ultimate goal of offering precision agriculture tools to farmers is to help them reduce inputs while continuing to maximize yields.

Also in 2013, to improve soil health, we announced our alliance with Novozymes to accelerate the release of microbial-based products (biologicals) as seed treatments. These microbes, coated on the seed surface, have the natural ability to enhance the absorption of water, nutrients or fix nitrogen.

The common goal of an integrated solutions portfolio is to improve productivity and net return per acre for farmers in a sustainable way.

Enabling Policy

All of this is possible if we enable policy domestically and improve market access internationally.

In this regard, I want to applaud the efforts of the Government of Canada toward fostering a science-based regulatory system that facilitates trade and investment. This is a critical requirement that allows Canadian farmers to compete with farmers in other countries. In fact, I would suggest, as a net exporting country, Canada has an opportunity to export their science-based policy in addition to its grain!

Although there is room for improvement with Canadian regulations, in the interest of time, I would like to focus on market access. As a technology developer, market access is our #1 challenge to bringing new products to market. In short, the EU and China are using their regulatory systems as a Non-Tariff Trade Barrier.

What are the consequences? New product launches are being delayed 3-5 years. For example, we have a new herbicide-tolerant canola variety that was approved in Canada in 2012. We are now tracking China approval in 2019. Canadian farmers are not getting access to new technologies to enhance their productivity. They have had to wait 7 years and counting for a new innovation that holds potential to increase their yields and improve their productivity.

I want to fully acknowledge the great work by Minister MacAuley, the staff at the Market Access Secretariat here in Ottawa as well as Ambassador McCallum and his team in Beijing to advance Canadian interests surrounding canola approvals.

If we want to drive Canadian exports from \$50 billion to \$75 billion by 2025 as outlined in the Dominic Barton report we need to do more to improve access to markets. We need to bolster our capacity at embassies abroad and/or include mechanisms to alleviate Non-Tariff Trade Barriers in our current Free-Trade negotiations.

IN CLOSING

As a company that serves only farmers, it is our goal to continue to provide them with sustainable and viable solutions they can employ on the farm under challenging environmental conditions. Canada must continue its leadership position in the agricultural sector by defending its science-based regulatory system and challenging non-science-based solutions that have the potential to deny farmers access to the tools they need to be successful.

I would also direct the Committee to review studies already completed such as the 2014 Senate Report on Innovation in Agriculture and the Agri-Food Sector, the ongoing industry efforts to streamline regulations such as the Seed Synergy Program and CropLife's Canadian Advantage proposal and finally the ongoing regulatory modernization efforts at CFIA and Health Canada to enable the recommendations outlined in the Barton Report. We have been consulted, the reports have been written and the recommendations are there – it is now time to act!

Finally, I want to thank the committee for taking the time to look at this important issue and ask the questions that will help guide responsible, science-based actions to fulfill Canada's opportunity!