

2015

Annual Report

National Cattle Feeders' Association



The Voice of Canadian Cattle Feeders





As the chair of the National Cattle Feeders' Association (NCFA) it is my pleasure to report on what has been a very active, exciting, and challenging year for Canada's cattle feeders and your national association. Topping the list, of course, is the recent federal election and the decision by Canadians to elect a new Liberal majority government under the leadership of Prime Minister Justin Trudeau.

NCFA played an active role throughout the election campaign as our directors, staff, and consultants worked to place the priorities of Canada's cattle feeders on the national agriculture agenda. We prepared and publicized a set of policy statements on our most important issues and we dialogued with candidates across the country. I personally wrote each party leader asking them to share their positions on international trade policy, labour, and regulation. NCFA also sent policy briefs to the Agriculture Minister and all the federal Agriculture Critics in advance of the special "Agriculture Debate" held in Ottawa during the campaign.



As a result of our activities, NCFA has received commitments on our industry's issues and concerns. In 2016, we will be following up to ensure that promises made translate into promises kept.

In addition to dramatic national political change were a number of important developments that rolled across our industry in 2015. First, the Trans-Pacific Partnership trade negotiations were successfully completed in October 2015. These negotiations—comprised of 19 separate rounds held over a period of seven years—will result in the world's largest free trade zone. With TPP, Canada will gain access to a market of over 700 million people in 12 countries responsible for 40% of global GDP. This will be of immense benefit to the Canadian beef industry.

Second, in December of 2015 the U.S. House of Representatives and Senate passed an omnibus bill that included a provision for a full repeal of mandatory "country-of-origin" labelling (COOL) for beef and pork. This discriminatory and prejudicial non-tariff trade barrier was costing Canada's beef industry over \$3 billion annually. For over eight years NCFA advocated against COOL, and we also contributed \$265,000 towards the fight. With COOL gone, we can all look forward to a normalization of trade across the border and the benefits this provides.

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Other industry developments were less positive. Cattle prices have dropped sharply since the highs of 2014, cutting into profitability. In early 2015 another case of BSE was discovered in northern Alberta. The first challenge underscores the need for policies that will enable Canadian cattle feeders to enhance their competitiveness in a challenging and increasingly global marketplace. The second underlines the importance of our internationally recognized food safety protocols and ongoing surveillance programs.



I am proud of the work that the NCFA Board and staff have accomplished in 2015 to deliver value and promote the interests of our members. With a small but dedicated team, NCFA continues to serve as a strong voice at the national policy table for cattle feeders and a highly focused and respected industry representative for our sector. I thank all of our provincial member associations for their support and contribution in 2015. When we pull together we always accomplish more than when we pull alone.

The ongoing suite of activities at the National Cattle Feeders' Association is guided by our strategic plan. This plan is built upon three pillars—growth and sustainability, competitiveness, and industry leadership. In 2015, we took significant strides in implementing key components of this plan. These efforts will continue into 2016.

With a new government in Ottawa, a key priority for the coming year will be to refresh and renew NCFA's federal government relations program. Given our dedicated and dynamic staff complement, and our network of experienced consultants on the ground in Ottawa, we are well-equipped for this challenge. Essential to this rebuild will be the cultivation of new champions for Canada's beef industry and the cattle feeding sector. Throughout 2016, NCFA will work to establish relationships with new ministers and their chiefs of staff, political aides, and policy analysts. By reaching out in this way, we build bridges of support for our industry and also fulfill a key strategic objective—establishing NCFA as a credible expert on the cattle feeding business in Canada.

NCFA will also complete a number of important and industry-leading projects in 2016, including our new *Feedlot Animal Care Assessment Tool (FLAT)*. This fully auditable animal care protocol has been under development for the past two years with input from across the beef value chain including veterinarians, animal health experts, livestock transporters, feedlot operators, beef industry representatives, processors, and retailers. The assessment tool provides feedlots, processors, and retailers with a single animal care standard for all feedlot cattle in Canada and has been certified by the *Professional Animal Auditors' Certification Organization (PAACO)*.

NCFA's *Regulatory Reform Initiative* will also be completed in 2016. This project, which implements a key competitiveness initiative under our strategic plan, will identify the most problematic regulations facing cattle feeders, measure the costs to industry, and develop the business case for more practical alternatives. Focus groups were held in six provinces across Canada last year that resulted in a priority list of regulations that need reform, and work continues on measuring the cost impacts. When completed, the project will better position NCFA with the facts to make the case for regulatory reform. The project reaches across Canada's beef industry by fulfilling a key objective identified in the new National Beef Strategy, which is to increase competitiveness by lowering the regulatory burden.

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A number of pressing issues will continue to challenge Canada's cattle feeders in 2016, including the ongoing regulatory overhaul at the CFIA and the chronic labour shortages on our feedlots and in Canadian beef processing facilities. NCFA will continue working closely with our industry partners such as the Canadian Agricultural Human Resource Council (CAHRC) and the Canadian Meat Council (CMC) to advance the recommendations in the *Agriculture and Agri-Food Workforce Action Plan*, advocate for improvements to the federal Temporary Foreign Worker Program, and vigorously make the case for a dedicated workforce program for Canada's agriculture and agri-food industries.

Opportunities abound to advance Canada's beef industry in ways that benefit all members of the value chain, and I look forward to capitalizing on those opportunities in 2016 with our diverse and professional team of directors, staff, consultants, and our provincial member organizations.



A handwritten signature in black ink that reads "Bryan Walton".





Report on Strategic Pillar #1 Growth and Sustainability

The first pillar of the NCFA strategic plan is to create a business and trade environment conducive to long-term growth and sustainability of the cattle feeding sector in Canada. To that end, NCFA advocates for its policy priorities with government decision-makers and regulators. We also engage other beef value chain members and organizations to secure enhanced terms of trade and expanded export opportunities. NCFA also funds investment in important research and development projects in addition to our own programming.

Country-of-Origin Labelling: In 2015, the World Trade Organization (WTO) issued its fourth and final ruling on mandatory COOL in the U.S. and decided once again in favour of Canada. NCFA has consistently urged the federal government to remain firm on retaliation and to reject any compromise—voluntary or otherwise—that would require segregation of Canadian cattle in U.S. plants. This strategy ultimately proved successful in December 2015 when the U.S. House and Senate passed a full repeal of all COOL measures for beef and pork.

Trans-Pacific Partnership: NCFA membership in the Canadian Agri-Food Trade Alliance (CAFTA) and our engagement with the Market Access Secretariat (MAS), the Beef Cattle Trade Advisory Group (BCTAG), the Beef Value Chain Roundtable (BVCRT), and officials at Agriculture and Agri-Food Canada and International Trade proved highly valuable in 2015 with the successful conclusion of the Trans-Pacific Partnership negotiations. Capturing 40% of the global economy, the TPP will create the world's largest international free trade zone and provide access to markets in some of the fastest growing economies. NCFA will continue these partnerships and advocate vigorously for final parliamentary approval of the TPP through activities like the opinion editorial penned by NCFA trade consultant John Weekes that appeared in the October 1, 2015 edition of the *Globe and Mail*.

Canada-EU Comprehensive Economic and Trade Agreement: Final implementation of the new CETA is still pending as technical details continue to be worked out. In 2015, NCFA urged federal policy makers to ensure that the CETA's system of import licenses does not impede real access. NCFA also encouraged the federal government to be more aggressive in securing signed side letters affirming EU approval of Canadian food safety practices in our processing facilities.

Research and Development Projects: Strategic investments to improve the profitability, efficiency, and sustainability of beef production are critical to long-term growth of Canada's beef industry.

- **Feedlot Animal Care Assessment Tool:** In 2015, NCFA continued work on its Feedlot Animal Care Assessment Tool (FLAT) by refining and then piloting the program at feedlots in every province across Canada. NCFA also hosted meetings with beef processors and retailers, which resulted in buy-in for the new protocol. This program, funded by a \$35,000 contribution from NCFA that levered an additional \$290,000 in government and industry funding, has received PAACO certification and will serve as a single animal care protocol for all Canadian feedlots, beef processors, and retailers.
- **Emergency Preparedness:** In 2015, a new Feedlot Emergency Preparedness Plan was also developed for our sector in Alberta. NCFA hosted a webinar on the plan and has offered it as a template for cattle feedlots in other provinces.
- **Other Investments:** Other projects supported by NCFA in 2015 include a \$20,000 contribution to the regulatory modernization initiative at the Canadian Beef Grading Agency and a \$5,000 contribution to the new Barley Council of Canada.



Report on Strategic Pillar #2

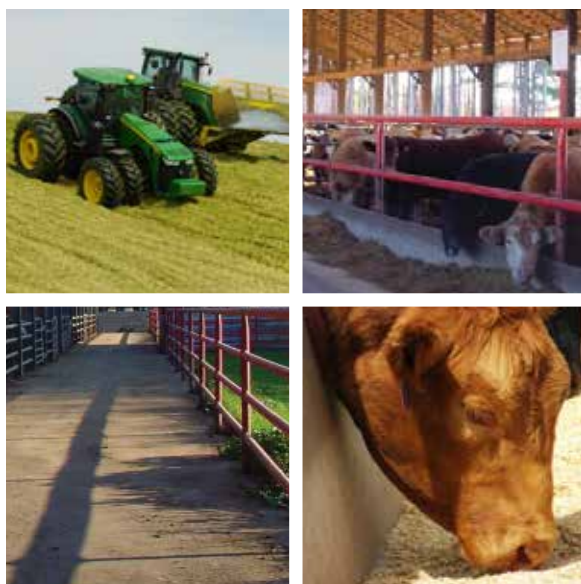
Competitiveness

Under the competitiveness pillar of the strategic plan, NCFCA works to influence the regulatory and policy regime to strengthen the competitiveness of the Canadian cattle feeding sector. NCFCA works to ensure that policy-makers understand the business realities of cattle feeding and that the regulatory regime “works” for cattle feeders.

Regulatory Reform Initiative: In 2015, NCFCA began a new \$120,000 project to identify the most problematic regulations facing cattle feeders, measure the costs to industry of those regulations, and then build the business case for reform. As part of the project, focus groups were convened in every province with a wide swath of industry representatives to prioritize the regulations needing reform. Work continues on measuring the economic impact to Canada’s beef industry. The Regulatory Reform Initiative is expected to wrap up in 2016, and with the costs in hand, NCFCA will be well positioned to make the case for change with federal regulators.

NCFCA Policy and Regulatory Submissions: On an ongoing basis, NCFCA initiates and responds to government policy proposals and regulatory changes. In 2015, NCFCA staff and consultants made a number of important submissions to federal authorities on a range of regulatory issues and concerns.

- **Compensation:** Due to rising cattle prices, NCFCA requested and secured an increase in the CFIA’s compensation maximums for fed cattle under federal regulation.
- **Traceability:** In our comprehensive submission to the CFIA on its proposals for enhanced traceability, NCFCA stated that feedlots must be approved as tagging sites under any new regulation and there should be no change in the validity period for export permits issued by the CFIA.



NCFCA directors Herb Groenenboom and Jeff Warrack at our annual MP Breakfast in Ottawa prior to heading out for meetings on Parliament Hill.



NCFCA director Ryan Thompson with Ed Komarnicki, MP for Souris-Moose Mountain (Saskatchewan).

- **Canadian Grain Commission:** In 2015, a proposal was floated that would require feed mills to be licensed and bonded, including those operating on-farm. NCFCA argued against the proposal and urged the exploration of alternatives such as new online digital trading platforms.
- **Auditor-General:** NCFCA responded to the 2015 report of the Auditor General on antimicrobial resistance by meeting with the Veterinary Drug Directorate at Health Canada, highlighting our commitment to the prudent use of antibiotics, and noting our support for CFIA’s proposed framework for the use of antimicrobials in agriculture.
- **Alternative Service Delivery:** NCFCA also participated in several online consultations, including the CFIA’s plans to adopt new ways of delivering its services.
- **Feed and Transport Regulations:** The CFIA is currently renewing many of its regulations, including those that govern feed ingredients and transportation. NCFCA is plugged into this effort and will continue to comment and monitor developments as they unfold into 2016.



Report on Strategic Pillar #3 Industry Leadership

The third pillar of the NCFA strategic plan incorporates actions designed to position the association as a credible, reputable, and solutions-oriented expert on the cattle feeding sector in Canada, and a valuable contributor to the Canadian beef industry. NCFA meets regularly with government officials to build bridges, strengthen relationships, and build champions for the cattle feeding sector. We also work with other industry associations to develop strategies to advance the industry such as the new National Beef Strategy, which sees NCFA holding two seats at the new Canadian Beef Advisors group.

Building Government Relationships: In 2015, NCFA continued to build a positive working relationship with our most important government regulators. NCFA board, staff, and consultants held meetings in Ottawa with officials at the CFIA on issues of mutual interest, such as the recent BSE case in Alberta, proposed changes in maximum transportation times for cattle, antimicrobial resistance, and foreign animal disease zoning. NCFA maintains a close relationship with officials at Agriculture and Agri-Food Canada and also continues to support the efforts of the Regulatory Cooperation Council (RCC) to better align Canadian and U.S. regulations and speed the pace of commerce.

Building and Leading Industry Partnerships: The Canadian beef industry is a complex production chain that includes cattle breeding, cow-calf production, transportation, auction marts, backgrounding, finishing, and processing. NCFA operates throughout this chain whether it is working with the Beef Cattle Market Advisory Committee (BCMAM), the Canadian Beef Grading Agency (CBGA), the Canadian Cattle Identification Agency (CCIA), or the National Farm Animal Care Council (NFACC). By plugging into this network, NCFA ensures that the voice of cattle feeders are factored into important industry decisions.

2015 Federal Election: During the recent federal election, NCFA developed a series of policy statements on international trade, labour, regulation, and COOL that were posted on our website and communicated throughout the campaign. NCFA also wrote to the leaders of each political party asking for their positions on various issues, and advised the Minister and all Agriculture Critics on our priority concerns in advance of the special agricultural debate held in Ottawa during the election. With a new government in place, NCFA is firmly focused on refreshing our government relations program and working to cultivate new champions for our sector.

Labour: A shortage of labour in Canada's agriculture and agri-food industries is a key policy priority of NCFA. As such, we are working closely with the Canadian Agricultural Human Resource Council (CAHRC) and other partners to secure federal and provincial support for the recommendations contained in the *Agriculture and Agri-Food Workforce Action Plan*. NCFA is also working closely with the Canadian Meat Council (CMC) and individual beef processors as labour shortages in Canadian plants ripple throughout the value chain. NCFA will continue to press for a dedicated workforce program for agriculture and agri-food, and will continue making the case that the labour challenge must be resolved if we are to stay competitive and take advantage of new export opportunities secured through recent trade agreements.

National Beef Strategy: NCFA was actively involved in the development of the new National Beef Strategy, and serves on both the National Beef Strategic Planning Group (NBSPG) and the new Council of Beef Advisors (CBA). NCFA is already taking the lead on several aspects of this plan, particularly those that align with our own strategic priorities. Examples include regulatory reform, effective outreach and communications, and building inter-industry synergy.



NCFA director Michel Daigle and provincial staff representative André Roy (top left). NCFA chair Larry Schweitzer and Prime Minister Harper (top right). NCFA directors Herb Groenenboom and John Lawton (bottom).

Board of Directors

Chair: Larry Schweitzer (*Manitoba*)
Vice-Chair: Ryan Thompson (*Saskatchewan*)
Officer-at-Large: Herb Groenenboom (*Alberta*)
Past Chair: Jeff Warrack (*Alberta*)

Directors: August Bremer (*British Columbia*)
 John Lawton (*Alberta*)
 John Schooten (*Alberta*)
 Michel Daigle (*Québec*)

Provincial Staff Representatives

British Columbia: Andrea Van Iterson
Alberta: Bryan Walton (*General Manager*)
Alberta: Casey Vander Ploeg (*Manager, Policy & Research*)
Saskatchewan: Ryder Lee
Manitoba: Melinda German
Quebec: André Roy

Contracted Staff and Consultants

Communications Manager: Shannon Lyons
Government Relations (Ottawa): Cathy Jo Noble
Government Relations (Ottawa): Peter Brackenridge
Trade Consultant (Ottawa): John Weekes

2015 Board of Directors



August Bremer



Michel Daigle



Herb Groenenboom



John Lawton



John Schooten



Larry Schweitzer



Ryan Thompson



Jeff Warrack

NCFA Representation to Industry and Government

NCFA directors and staff engage with a number of beef industry organizations and initiatives, and also represent cattle feeders to various government departments and government-industry committees. In 2015, NCFA actively engaged with:

Agriculture and Agri-Food Canada (AAFC)
 Barley Council of Canada (BCC)
 Beef Cattle Market Advisory Committee (BCMAC)
 Beef Cattle and Pork Advisory Committee (BCPAC)
 Beef Cattle Trade Advisory Group (BCTAG)
 Beef Value Chain Roundtable (BVCRT)
 Canada Beef
 Canadian Agricultural Human Resource Council (CAHRC)
 Canadian Agri-Food Trade Alliance (CAFTA)
 Canadian Beef Advisors (CBA)

Canadian Beef Grading Agency (CBGA)
 Canadian Food Inspection Agency (CFIA)
 Canadian Cattle Identification Agency (CCIA)
 Citizenship and Immigration Canada
 Department of International Trade
 Employment and Social Development Canada (ESRD)
 Industry Government Advisory Committee (IGAC)
 Market Access Secretariat (MAS)
 National Farm Animal Care Council (NFACC)
 National Beef Strategic Planning Group (NBSPG)

Who We Are

The National Cattle Feeders' Association (NCFA) was established in 2007 to represent Canadian cattle feeders. NCFA's membership is comprised of provincial beef organizations from all major cattle feeding regions of Canada. Representation on NCFA's Board of Directors and funding contribution levels are based on provincial fed cattle populations. NCFA membership includes:

- British Columbia Association of Cattle Feeders
- Alberta Cattle Feeders' Association
- Saskatchewan Cattlemen's Association
- Manitoba Beef Producers
- Fédération des producteurs de bovins du Québec

Our Vision

The National Cattle Feeders' Association is a business-oriented organization dedicated to the advancement of the national fed cattle value chain, and is focused on three pillars:

- Growth and Sustainability
- Competitiveness
- Industry Leadership

Our Mandate

The National Cattle Feeders' Association was established to represent Canadian cattle feeders on national issues and to work in collaboration with other cattle organizations to strengthen and improve the cattle feeding sector.



Contact Us

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