



# ANNUAL REPORT

# 2017



NATIONAL  
CATTLE FEEDERS'  
ASSOCIATION

ASSOCIATION  
NATIONALE DES  
ENGRASSEURS DE BOVINS



# Message from the Chair

Ryan Thompson



A handwritten signature in black ink, appearing to read 'Ryan Thompson'.

“In 2017 we made great strides in establishing the National Cattle Feeders’ Association as a reputable, credible, and solutions-oriented leader in Canadian agriculture.”

In many ways, 2017 will be remembered as a watershed year for Canadian agriculture. It has been decades since agriculture and agri-food has stood on centre-stage. Developments in 2017 have clearly changed that.

First, the February 2017 Report of the Advisory Council on Economic Growth (the Barton Report) identified agriculture and agri-food as one of Canada’s key industries and one of our biggest growth opportunities. With the right policies and the right investments, agriculture and agri-food hold significant potential to increase their contribution to the national economy.

Second, the importance of agriculture and agri-food was underscored in March 2017 with the release of the new federal budget. An ambitious goal for agriculture was laid out in Budget 2017—increasing Canada’s international agriculture and agri-food exports from some \$55 billion to \$75 billion by 2025.

Third, 2017 saw the conclusion of negotiations around the new Canadian Agricultural Partnership, which was subsequently signed by the federal and provincial governments. The result is a new \$3 billion federal-provincial investment in support of Canadian agriculture and agri-food over the next five years. NCFA helped design this new investment and is pleased with the focus on research and innovation, environmental sustainability, expansion of trade, and growing consumer confidence and public trust.

Across all of these developments, NCFA’s consistent message to government has been that informed policy choices, strategic investments, and deliberate action in multiple policy areas are absolutely essential if Canadian agriculture is to reach the lofty goals toward which we are shooting. Indeed, if Canada is to hit \$75 billion in agriculture exports by 2025, issues such as labour shortages, rural infrastructure, and regulatory burden must be resolved. Given that imperative, I am pleased to report forward progress on many of these issues, which are detailed later in this Annual Report.

The year 2017 marked NCFA’s tenth anniversary. Ever since our inception, Directors and Staff have worked diligently to firmly ground the association. In 2017, we made great strides in establishing National Cattle Feeders’ Association as a reputable, credible, and solutions-oriented leader in Canadian agriculture. In previous years, for example, NCFA would have to continually request to appear before various Parliamentary Committees exploring issues important to our members. Today, NCFA is invited by government to appear.

This testifies to the dedication of NCFA’s Board of Directors and our experienced and energetic team of staff and consultants, all of whom I thank for their commitment and service over the past year.



# Message from the President and CEO

Bryan Walton

A busy and productive year across 2017 was not at all unexpected given developments in the beef industry and the busy policy agenda of decision-makers in Ottawa. I am confident that 2018 will prove to be yet another active year for NCFA as industry steers through numerous issues and we advise governments on policies required to meet the priorities of Canada's cattle feeders.

First, the new \$3 billion Canadian Agricultural Partnership is set to roll-out in April 2018. This new five-year partnership between the federal government, the provinces, and industry will guide critical future investments in Canada's agriculture and agri-food industries. As an industry association, NCFA's attention must turn to developing a new generation of projects and programming that can propel the industry forward and that align and tap into investments and funding available under the partnership. Our track record of successfully completing numerous innovative projects—such as the Canadian Feedlot Animal Care Assessment Program (CFAC)—positions NCFA for future project development into 2018 and beyond.

Second, the federal government has announced and subsequently launched a number of broad federal initiatives such as the new National Food Policy, the new Canada Food Guide, and the new National Plant and Animal Health Strategy. These broad initiatives have potential to touch our industry in numerous ways. As these initiatives become more fully developed and implemented, it is important that NCFA ensure they advance, rather than hinder, the future prospects of cattle feeding in Canada. NCFA will continue to promote the strengthening of public trust as an essential component of these broader programming efforts.

Third, 2018 will see closure on a number of our important trade files, including the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and changes to the North American Free Trade Agreement (NAFTA). Trade issues that are emerging include Canadian beef access into China and perhaps movement toward a potential Canada-China FTA.

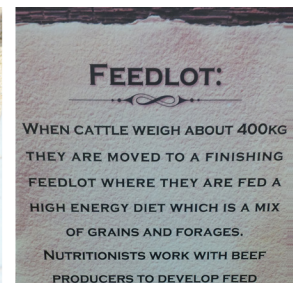
With funding support from the Saskatchewan Cattlemen's Association (SCA) and the Alberta Cattle Feeders' Association (ACFA) we have once again secured the expertise of Mr. John Weekes to provide NCFA with strategic insight on expanding and capturing trade opportunities. As Canada's former Ambassador to the World Trade Organization (WTO) and Chief Negotiator for the original NAFTA agreement, John is a welcome addition to NCFA's team of consultants in Ottawa.

While 2018 will present a number of challenges for our industry, the support of our directors, staff, consultants, and provincial member associations means NCFA can most certainly meet those challenges.



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

"I am confident that 2018 will prove to be yet another active year for NCFA as industry steers through numerous issues and we advise governments on policies required to meet the priorities of Canada's cattle feeders."





# NCFA Strategic Plan

Focusing on growth, sustainability, competitiveness, and leadership



NCFA's activities are guided by a five-year Strategic Plan that was approved by the Board of Directors in 2014. While NCFA has completed many of the original objectives set out in that plan and new initiatives have been added, the three basic pillars remain the same:

## GROWTH AND SUSTAINABILITY

Creating a business and trade environment that encourages growth and sustainability of the cattle feeding sector.

## COMPETITIVENESS

Improving the policy and regulatory regime to enhance competitiveness.

## LEADERSHIP

Establishing NCFA as a credible and solutions-oriented expert on the cattle feeding sector in Canada.

## Challenges and Opportunities

Working to resolve issues to the benefit of Canada's cattle feeders

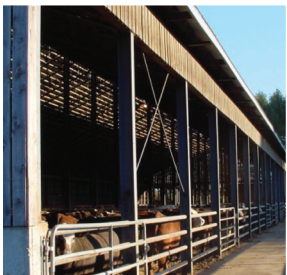
Advocating with the federal government on behalf of the interests and concerns of Canada's cattle feeders comprises a large part of NCFA activities:

**Labour:** Labour shortages continue to plague Canada's beef industry. As a result of NCFA efforts, feedlots were added to the agriculture stream under the TFWP, the cumulative duration rule (four-in-four out) was scrapped, and the planned lowering of the cap under the program from 20% to 10% was postponed. The HUMA Committee reviewing the TFW Program issued a report with positive recommendations, and NCFA also ensured that the current review underway at Employment and Social Development Canada (ESDC) considers the needs of primary agriculture and meat processors as well as those of seasonal agriculture.

**Infrastructure:** Very little federal infrastructure funding flows to Canada's rural communities. Advocacy on this issue paid off in Budget 2017, which announced an additional \$2 billion for rural infrastructure. NCFA will continue to make the case for an ongoing stream of meaningful federal funding for rural infrastructure.

**Taxation:** A competitive tax regime is critical to future growth. NCFA communicated clearly to the Department of Finance and Minister Morneau the negative consequences of proposed changes to the taxation of family-owned corporations. As a result of our efforts and collaborating with other industry stakeholders, the more problematic proposals (e.g., capital gains) were dropped.

**Public Trust:** Consumer education and public trust are paramount for growth of the agriculture and agri-food industries. As a trusted source, the federal government is uniquely positioned to engage in consumer education but has largely abandoned this role. NCFA has been calling for its return, particularly as a key component in several new agriculture and food initiatives such as the new *Canadian Agriculture Partnership*, the new *Canadian Food Policy*, and the new *Canada Food Guide*.



**Regulation:** Throughout 2017, NCFA encouraged government to consider the regulatory options proposed in our *2016 Competitiveness Report* as a way to ensure that regulations reflect the day-to-day realities of beef production, and also keep pace with technological change and innovation. NCFA also provided input to the Regulatory Cooperation Council (RCC) to improve Canada-US alignment and harmonization.

**Access to China:** In June 2017, the US secured widely expanded beef access into the Chinese market. NCFA has been very active on this file, working with the Ministers of Agriculture and International Trade, the Parliamentary Secretaries, and staff at Global Affairs Canada. The government recently announced that Canadian bone-in beef will soon be moving into China and a new pilot project will be initiated for fresh and chilled beef. NCFA will continue to press the federal government to secure fair and equivalent access into China for Canadian beef.

**North American Free Trade Agreement (NAFTA):** Throughout 2017, NCFA was an active participant in government-industry strategic discussions to secure our NAFTA goals. These objectives include “doing no harm” to the integrated North American beef market, eliminating export impediments, and embedding into the agreement a commitment for regulatory cooperation.

**Comprehensive and Progressive Trans-Pacific Partnership (CPTPP):** The future of Canada’s beef industry depends on expanding international market access and exporting high value beef products. NCFA urged the federal government to implement the CPTPP without changes to any of the negotiated market access provisions. Recently, the government announced its intention to sign the CPTPP agreement. NCFA will continue advocating vigorously for parliamentary ratification.

**Canada-EU Comprehensive Economic Trade Agreement (CETA):** The European market has great potential and the opening of the new Alberta Harmony Beef plant in 2017 has enlarged Canada’s processing capacity to meet EU needs and specifications. However, real access still depends on EU acceptance of internationally-recognized practices in Canadian processing plants. NCFA continues to work with government to ensure that technical barriers do not restrict access and that the administration of CETA provides Canada with real access to the EU.

## Government Relations

### Building national political champions for Canada’s cattle feeders

NCFA works hard to build national political champions for the beef industry, help policy-makers understand the business realities of cattle feeding, and ensure our issues are understood and addressed.

At the beginning of each year, the NCFA Board and staff build out an *Ottawa Engagement Strategy* that sets specific goals for our most important policy priorities. Along with our team of experienced consultants in Ottawa, NCFA then executes the strategy by advocating for policies and programming that will grow and sustain our industry.

In 2017, NCFA rolled out a series of four week-long engagement events in Ottawa during the months of April, May, September, and November. As a result of this engagement, NCFA held some 50 separate meetings with over 100 MPs, Ministers, Parliamentary Secretaries, political aides, public servants, and government regulators.

Specific highlights of this year’s *Ottawa Engagement Strategy* include a Roundtable with Agriculture Minister Lawrence MacAulay in May 2017, a “top-to-top” meeting with CFIA President Paul Glover and his Executive Team in September 2017, and another successful MP Breakfast and Lobby Week in November 2017. During the summer months, NCFA also hosted several feedlot tours as part of our annual *Grassroots Outreach Campaign*.



TOP: Robert Kitchen, MP for Souris-Moose Mountain in Saskatchewan, toured a local cattle feeding operation as part of NCFA's annual Summer Grassroots Outreach Campaign

LEFT: Hosting the tour in Saskatchewan was NCFA Chair Ryan Thompson.





# Submissions

## Ensuring governments understand the business realities of cattle feeding

In 2017, NCFA staff and consultants made numerous submissions to federal authorities and agencies on a wide range of policy and regulatory issues:

- CFIA Animal Transport Regulations
- CFIA Cost Recovery Initiative
- CFIA Feed Regulations (Nutrients)
- CFIA Feed Regulations (Contaminants)
- National Plant and Animal Health Strategy
- Canadian Beef Access to China
- National Food Policy
- New Canada Food Guide
- Creation of FMD Secretariat
- Proposed Changes to the Income Tax Act
- Electronic Logging Devices
- Temporary Foreign Worker Program
- Trans-Pacific Partnership
- Regulatory Cooperation Council
- Trade Priorities and Concerns
- Use of Antimicrobials in Livestock



# Parliamentary Committees

## Contributing to informed public policy

In 2017, NCFA appeared as a witness before two Parliamentary Standing Committees to provide expert testimony on issues impacting cattle feeders. Both committee appearances built off earlier appearances before four committees in 2016:

- **House Standing Committee on Agriculture and Agri-Food:** NCFA appeared before the Agriculture and Agri-Food Committee to share our perspectives on a new National Food Policy. NCFA pointed out that agricultural producers must be the foundation of any food policy. In addition, the federal government needs to ensure that its whole basket of public policies on agriculture are aligned. The 2017 Budget, the Barton Report, the new Canadian Agriculture Partnership program, the new Canada Food Guide, and any new National Food Policy must work together. NCFA closed by stating that a National Food Policy should include a fifth pillar that speaks to education, information, public trust, and social license.
- **House Standing Committee on Finance:** For the second year in a row, NCFA was invited by the Finance Committee to share its perspectives on the next federal budget. NCFA urged the Committee to consider what is required in Budget 2018 to achieve the goals for agriculture set out in Budget 2017, particularly with respect to growing agriculture exports to \$75 billion by 2025. NCFA urged action on five items including labour, rural infrastructure investment, taxation, trade, and regulatory impediments.



# Communications and Outreach

## Strengthening relationships and building public trust

Communications and outreach remain a primary focus as NCFA continues to build relationships and cultivate national political champions for Canada's cattle feeding sector:

- Top-to-Top Meetings with CFIA President and Executive
- Meeting regularly with MPs and Government Officials
- Feedlot Tours with CFIA Officials, AAFC officials, and MPs
- Summer Grassroots Outreach Campaign
- Annual Lobby Week on Parliament Hill
- Social Media Presence and a Revamped Website
- Regular Industry Updates and Profile Documents
- Regular Policy Briefings for Decision-Makers

# Research and Development

## Investing in projects and programs

Improving the profitability, efficiency, and sustainability of beef production requires investments in research and industry development. In 2017, work continued on aligning the Canadian Feedlot Animal Care Assessment Program with other industry programs and initiatives such as the Canadian Roundtable for Sustainable Beef (CRSB) and the Verified Beef Production Plus (VBP+) programs. NCFA also developed a proposal to create an FMD Secretariat to further the industry's emergency preparedness. Projects and support by cattle feeders over the past five years include:

Canadian Feedlot Animal Care Assessment	\$325,000
Feedlot Emergency Preparedness Plan	\$275,000
Competitiveness of Cattle Feeding	\$120,000
Beef Grading Modernization	\$20,000
Contributions to Rescind US Mandatory COOL	\$265,000
Contribution to BCRC Beef Research Cluster (III)	\$150,000
<b>TOTAL (Over Past Five Years)</b>	<b>\$1,155,000</b>

# Collaboration

## Partnerships that strengthen the industry

By engaging a network of industry partners, NCFA leverages resources and support to better impact public policy decision-making:

- Animal Nutrition Association of Canada
- Beef Cattle Research Council
- Beef Value Chain Roundtable
- Canadian Agricultural Human Resource Council
- Canadian Agri-Food Trade Alliance
- Canadian Animal Health Institute
- Canadian Beef Advisors
- Canadian Beef Grading Agency
- Canada Beef Inc.
- Canadian Cattle Identification Agency
- Canadian Cattlemen's Association
- Canadian Meat Council
- Canadian Roundtable for Sustainable Beef
- National Farm Animal Care Council



TOP: Donald Boucher, Director of the Animal Industry Division at Agriculture and Agri-Food Canada, chats with Ken Perlich of Perlich Brothers Auction Market. NCFA hosted Director Boucher on a tour across southern Alberta in August 2017.



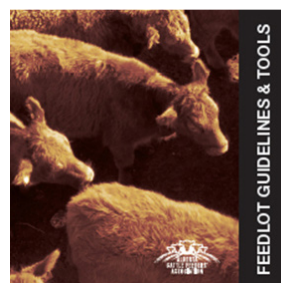
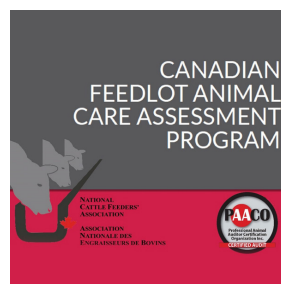
LEFT: Donald Boucher and Cody Schooten of Schooten and Sons Custom Feedyard examining the corn crop.

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# The NCFA Team

## Board of Directors and Staff

### Board of Directors

<b>Chair:</b>	Ryan Thompson ( <i>Saskatchewan</i> )
<b>Vice-Chair:</b>	Herb Groenenboom ( <i>Alberta</i> )
<b>Officer-at-Large:</b>	Michel Daigle ( <i>Quebec</i> )
<b>Directors:</b>	James Bekkering ( <i>Alberta</i> )
	August Bremer ( <i>British Columbia</i> )
	John Schooten ( <i>Alberta</i> )
	Larry Schweitzer ( <i>Manitoba</i> )



James Bekkering



Michel Daigle



John Schooten



Ryan Thompson



August Bremer



Herb Groenenboom



Larry Schweitzer

### Provincial Staff Representatives

<b>British Columbia:</b>	Andrea Van Iterson
<b>Alberta:</b>	Bryan Walton (President and CEO)
<b>Alberta:</b>	Casey Vander Ploeg (Vice President)
<b>Saskatchewan:</b>	Christina Betker
<b>Manitoba:</b>	Brian Lemon
<b>Quebec:</b>	André Roy

### Contracted Staff and Consultants

<b>Communications Manager:</b>	Shannon Lyons
<b>Government Relations (Ottawa):</b>	Cathy Jo Noble
<b>Government Relations (Ottawa):</b>	Peter Brackenridge
<b>Trade Advisor (Ottawa):</b>	John Weekes

### 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
- Les producteurs de bovins du Québec

### Our Vision

NCFA 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

NCFA 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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