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Party Leaders' Letter

As we enter into the 2019 federal election campaign, the National Cattle Feeders' Association (NCFA) would like to thank you and your caucus for supporting the beef industry during the last Parliamentary session.

The Canadian beef industry generates \$9.4 billion in farm cash receipts annually. Each year, the beef industry contributes \$18 billion to Canada's national GDP and is responsible for 228,000 jobs. Each one of these jobs supports another 3.56 jobs elsewhere in the economy.

Globally, the demand for agricultural products will only continue to grow, and Canada is uniquely positioned to capitalize on this opportunity. However, to do so, we need to remove barriers to competitiveness including labour shortages, aging infrastructure, regulatory burdens as well as harness opportunities to access to international markets and improve consumer education.

Below, we have outlined our top priority issues and **respectfully request a written reply before election day so that we can then share them with our members.** We would also be pleased to **arrange a campaign stop at a cattle feeding operation** so you can see first hand the innovative and high-tech nature of agriculture production.

Issue: Labour Shortages

A chronic shortage of labour is the single largest challenge confronting Canadian agriculture. The current labour gap is 63,000 workers—double from 31,500 ten years ago—and is projected to reach over 114,000 by 2025. Each year labour shortages cost the beef industry \$335 million in lost production. The cost to all of agriculture in lost production is almost \$3 billion annually.

Despite exhaustive efforts, farmers cannot find enough Canadian workers to take on these important jobs and thus rely on the Temporary Foreign Worker Program (TFWP). However, the TFWP is burdensome, inefficient and costly and does not meet the needs of Canadian farmers looking for full-time, year-round and long-term workers.

If elected, will you:

- *Commit to a long-term solution, beyond the Temporary Foreign Workers Program, for Canadian farmers to access foreign labour that reflects the unique needs of the sector?*

Issue: Rural Infrastructure

The lack of a strong rural infrastructure foundation is a significant barrier to growth for the beef sector. Most agriculture operations are located in small rural municipalities with a limited tax base to support the infrastructure needed to get agriculture products to market. While the total federal government infrastructure funding envelope is significant, there is limited federal funding to support infrastructure in Canada's agricultural and rural communities.

If elected, will you:

- *Boldly prioritize financial resources to address the infrastructure needs of rural communities so agriculture can deliver products to market competitively?*
- *Implement a "dedicated line item" in the federal budget for critical investments in rural and agriculture infrastructure?*

Issue: Regulatory and Taxation Barriers

It is critical that federal regulatory requirements keep pace with industry innovation. If Canadian regulations and regulators do not keep pace with sector developments, the business environment deteriorates and the ability of Canadian farmers to compete in global markets is compromised. It is also important that federal support programs are adapted to reduce risk to cattle feeders in a meaningful way. In addition, federal and provincial tax pressures are eroding the competitiveness and diminishing the long-term viability of the cattle feeding sector.

If elected, will you:

- *Commit to a modernized federal regulatory regime, including the TIMELY implementation of digital technology and e-commerce to reduce bottlenecks and speed the pace of commerce?*
- *Ensure that regulatory alignment is an integral part of Canada's negotiating strategy when exploring new free trade agreements so as to mitigate non-tariff trade barriers?*
- *Invest in training for regulators that will help them keep pace with the industry and support competitiveness?*
- *Create a more competitive business tax regime?*

Issue: International Market Access

The Canadian beef industry exports up to 45% of all cattle and beef we produce, and about 75% of that is destined for the United States. As a result, the ratification of Canada-United States-Mexico Agreement (CUSMA) is a priority. At the same time, future growth of the Canadian beef industry is heavily dependent on expanding international market access. The Asia Pacific region offers enormous opportunities, but only if we have the same access as our global competitors.

If elected, will you:

- *Take immediate action to resolve trade barriers with China?*
- *Ratify the CUSMA?*
- *Work to open new international markets and see the CPTPP expanded to include other South East Asian economies?*

Issue: Consumer Education and Trust

Public trust and consumer education is paramount for growth of Canada's agriculture and agri-food industries. Government and industry equally play a role in ensuring that consumer choice is "informed" choice, whether the issue in view is environmental impact, health, or production methods.

If elected, will you:

- *Commit to significant federal government initiatives that will aim to advance consumer education and trust at an unprecedented level in Canadian agriculture products and practices?*

I look forward to your timely response to our questions so that our members can carefully consider their voting decision. If elected, we will look forward to the opportunity to work with you and your team on these mutual priorities.

Sincerely,

Michel Daigle
Chair