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June 5, 2020

The Honourable Marie-Claude Bibeau, PC, MP
Minister of Agriculture and Agri-Food
1341 Baseline Road
Ottawa, Ontario K1A 0C5

Dear Minister,

On behalf of the National Cattle Feeders' Association (NCFA), thank you for your efforts in support of Canada's agriculture and agri-food sector through these unprecedented times.

We greatly appreciate your accessibility and engagement with the sector throughout the pandemic. This partnership approach is the only way Canadian agriculture will sustain itself through to the post-pandemic stage.

We acknowledge your work with Cabinet and Caucus colleagues to advocate for the needs of agriculture. NCFA also recognizes the support of MP Francis Drouin and the Rural Caucus, the members of the Agriculture Committee, Parliamentary Secretary MP Neil Ellis, and all other government officials.

We stand ready to continue working with you to address outstanding challenges. In particular, we want to continue exploring the following requests:

- 1) *Agri-Stability*: This program needs to be improved to better meet the needs of Canada's ranchers and cattle feeders. There are a number of options available, including removing the \$3 million "cap," changing the payout rate, and removing "reference margin limiting." We recently commissioned a research study to examine these options more fully and look forward to sharing the results.
- 2) *Increasing Liquidity*: The COVID-19 pandemic caused a dramatic slide in fed cattle prices and a scaling-back of beef processing capacity. As a result, many feeders are confronted with cash flow issues. To increase liquidity in the sector, we must ensure that chartered banks and financial institutions are "passing on" interest rate reductions implemented by the Bank of Canada, and increased federal financial backstops and loan guarantees that will allow feeders with expanded operating credit limits and improved liquidity.

Once again, NCFA thanks you for your ongoing support of Canada's cattle feeders and we look forward to continuing to work together to support the beef sector through the pandemic.

Sincerely,

Janice Tranberg
President and CEO