



NATIONAL
CATTLE FEEDERS'
ASSOCIATION

ASSOCIATION
NATIONALE DES
ENGRAISSEURS DE BOVINS

2020 Annual Report



Message from the Chair

Without doubt, the year 2020 will go down as one of the most difficult and challenging years on record for the Canadian beef industry. The COVID-19 pandemic saw slow-downs and shut-downs in beef processing, which then caused 130,000 head of harvest-ready cattle to back-up on our feedlots and costing feeders \$500,000 each and every day. This, coupled with a collapse in fed cattle prices that have yet to recover, has generated a staggering \$500 million loss for the nation's beef producers.

I am extremely proud of how quickly the NCFA team—in collaboration with our beef industry stakeholders—sprang into action. As you will see in the following comprehensive annual report, this collaborative effort resulted in a policy response to help address the crisis, mitigate its effects, and get in place federal and provincial financial backstops to ensure industry liquidity:

- Serving on the COVID-19 Emergency Lead Team, Policy Response Team, and Communications Team
- Agriculture and agri-food is deemed “essential” to keep cattle moving through the supply chain
- Foreign workers under TFWP and CUSMA can enter Canada despite border closures
- Up to \$85 million in federal-provincial Agri-Recovery secured for feed cost and set-aside programs
- Up to \$50 million in federal support for costs of mandatory isolation under the TFWP
- Up to \$78 million in assistance to ensure health and safety of food processing workers
- Developing and distributing “Best Management Practices” to prevent on-farm COVID-19 infection
- Agri-Stability interim payments from 50% to 75% and extending the enrolment deadline
- Additional \$5 billion in loans available through Farm Credit Canada

As NCFA Chair, I would like to extend my sincere appreciation to each and every one of our dedicated directors, to our talented staff complement, and to our committed team of consultants for your considerable efforts throughout this difficult and tumultuous year. Together, our collective efforts have resulted in tangible accomplishments that has positioned our industry for better days ahead in 2021.

Michel Daigle
Board Chair



Message from the CEO

Is there a word to summarize the past year for the National Cattle Feeders and, perhaps, the industry? Maybe 'challenging'? 2020 challenged: our views on the risks to meat packing plants as seen through shutdowns, our thoughts to risk on farms if major illnesses should occur and the need to quarantine, challenged our interactions with governments and how they need to help protect our industry; and finally, simply challenged us in how we interact with each other on a daily basis.

Yet, I use the word challenge, because it has not been all negative. Yes, our industry is hurting right now, and our focus for 2021 needs to remain on engaging with our government and regulatory bureaucrats to ensure this industry remains viable. But the struggles and working through them has also made us stronger. As an industry, we have been more collaborative in our approach to communications and advocating to governments. Collectively, the beef value chain advocated for a set-aside program to help stabilize cattle markets, and currently, we are collaborating to drive changes for our business risk management programs. While reforms to the BRM programs is still an uphill battle, having a collective voice from the industry highlights the importance of creating a program that works for all producers.

While we all hoped to put 2020 and all that came with it behind us, we are still in the middle of a pandemic and all the challenges it brings. Therefore, NCFE will continue to advocate on behalf of its members to ensure our federal and provincial governments both understand agriculture's role in maintaining and building our economy, and that we need have the right programs and policies in place to grow.

It has been my sincere pleasure to work with such a committed Board of Directors and team of staff who are passionate about this industry, and who continue to focus on a positive future. We will emerge as a stronger industry.


Janice Tranberg
President & CEO



The National Cattle Feeders' Association (NCFA) serves as a unified voice for Canada's fed cattle producers. Our membership is comprised of provincial beef organizations from Canada's major cattle feeding regions, each of which contributes funding to NCFA based on their province's proportionate share of total fed cattle production.

NCFA is governed by an eight member Board that includes seven directors appointed by our provincial member organizations, plus another director representing the Canadian Cattlemens' Association (CCA). Each province also appoints a staff representative to work with the board and execute on our collective decisions and priorities. NCFA maintains an effective and ongoing presence in Ottawa through a highly dedicated team of consultants who lend their expertise and advice on our various political, regulatory, and trade issues.

Vision

A business-oriented organization dedicated to advancing the national fed cattle value chain in Canada.

Mandate

To represent Canadian cattle feeders on national issues and collaborate with other organizations to strengthen the Canadian beef industry.

Strategic Pillars

Strategic Growth and Profitability

Competitiveness

Industry Leadership and Partnership

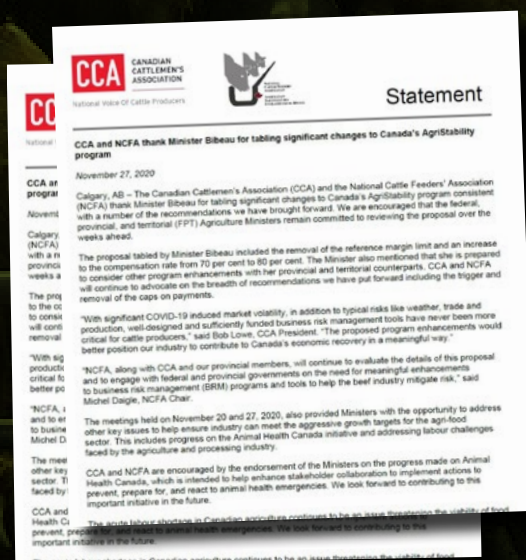
Business Risk Management

The COVID-19 pandemic underscores yet again the many insufficiencies of Canada's suite of agriculture Business Risk Management (BRM) programs. NCFCA research and engagement with other national agriculture organizations resulted in a set of reforms to current programs that has industry-wide support and was placed on the table at the November 2020 Federal-Provincial-Territorial (FPT) Ministers' Meeting:

Removing the \$3 million cap on Agri-Stability Payments

Increasing the Agri-Stability payout rate from 70% to 85%.

Ending the practice of "reference margin limiting" in calculating Agri-Stability Payments

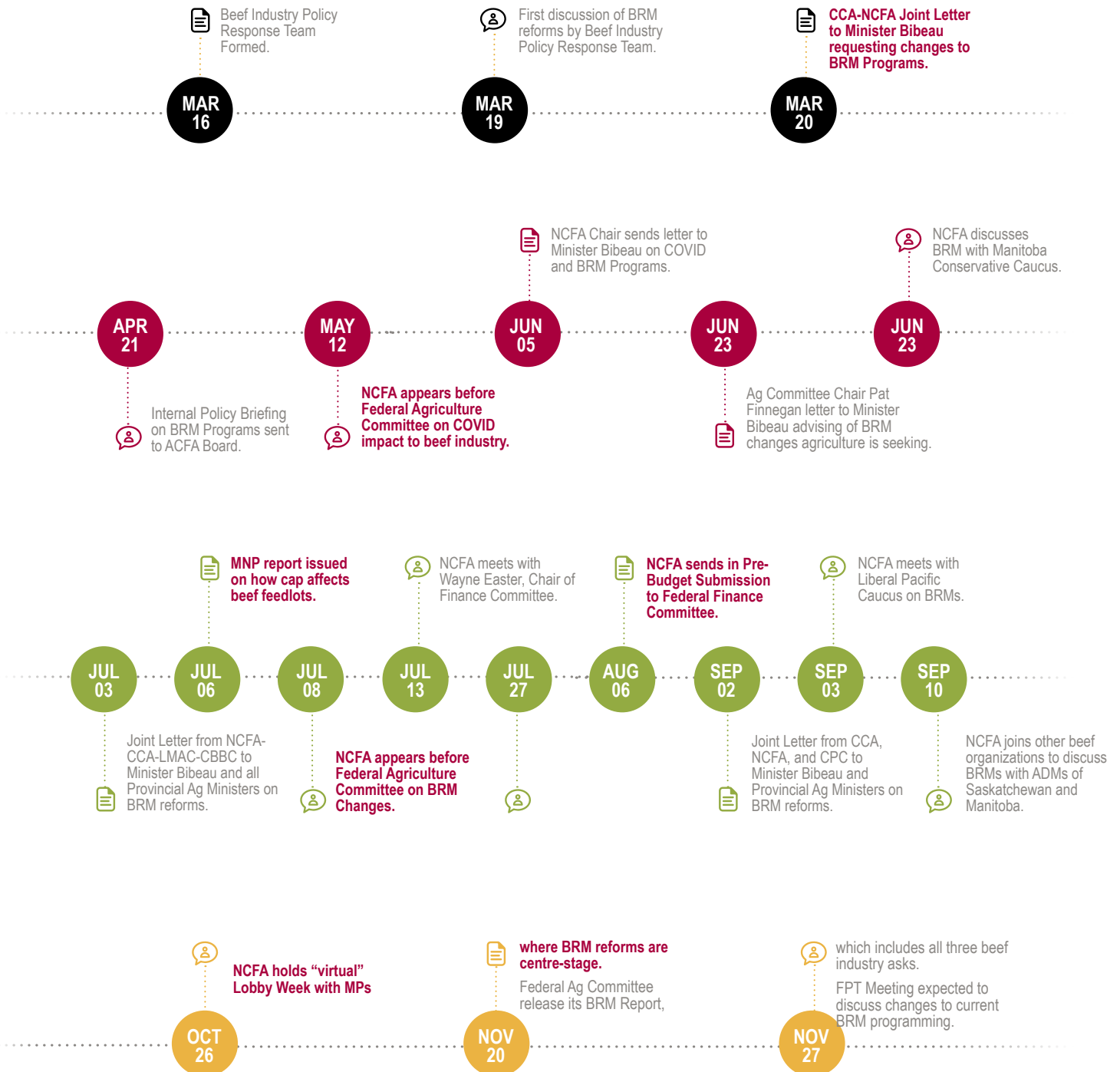


While the beef industry, and the entire agriculture and agri-food sector, is well-positioned to help fuel Canada's post-COVID economic recovery, the right policies and programs need to be in place to help manage risks and critical investments. NCFCA continues working to ensure these programs are effective, efficient, and work for cattle feeders.

A Timeline of Advocacy



How NCFA worked for members on Business Risk Management in 2020



Strategic Plan

In 2020, NCFA's five-year Strategic Plan was set to expire. A comprehensive review of the plan showed completion of many of its goals, objectives, and initiatives. The NCFA Board of Directors, staff representatives, and consultants engaged a process to draft a new five-year plan. The existing strategic pillars were adjusted slightly and a new set of goals and initiatives were developed. NCFA will continue to maintain its core focus on strategic growth.

A photograph of three people standing in a feedyard. On the left is a man wearing a grey t-shirt, blue jeans, and a baseball cap. In the center is a woman with blonde hair wearing a black sleeveless top and blue jeans. On the right is a man wearing a plaid shirt, blue jeans, and a baseball cap. They are standing on a gravel path next to a white wooden fence. In the background, there are more white fences and utility poles under a hazy sky.

MP Rachael Harder
visits Schooten and Sons Feedyard, Diamond City, Alberta

Strategic Pillars

Strategic Growth and Profitability

Competitiveness

Industry Leadership and Partnership

Government Relations



After the COVID crisis landed in early 2020, NCFCA moved to re-set our annual Ottawa Engagement Strategy and ensure continued outreach and connection with our key MP champions and Ministers, as well as various Parliamentary Secretaries, political aides and advisors, public servants, and government regulators:



Dozens of virtual meetings via Zoom with MPs and other officials throughout 2020

Annual Lobby week in October with over 30 MPs and officials



Several MP feedlot tours with MPs held in BC, Alberta, and Quebec

Two appearances before the House Standing Committee on Agriculture

Appearance before the House Standing Committee on Trade



Written submission to the House Standing Committee on Finance for Budget 2021

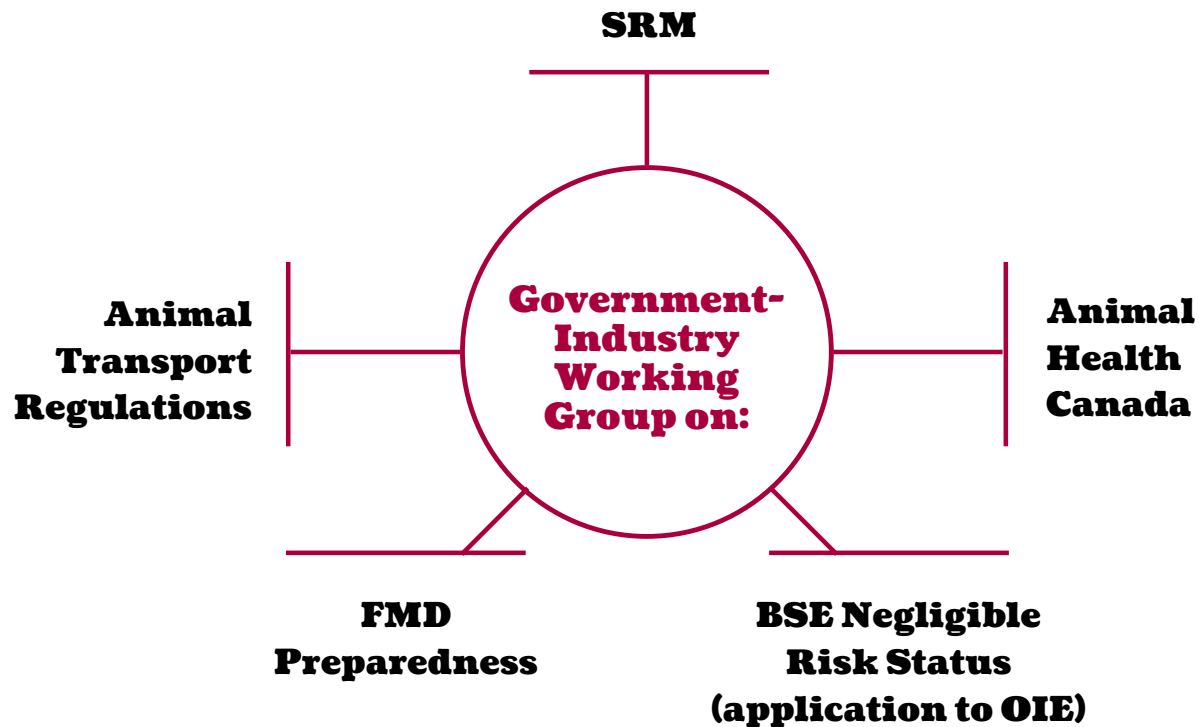
Numerous submissions to Agriculture and Agri-Food Canada, ESDC, Global Affairs, and CFIA

Design and deliver new pilot projects with CFIA on E-certification and cattle export convoys

Industry Leadership and partnership

Director James Bekkering, MP Martin Shields, NCFA Vice-President Cavey Vander Ploeg

Multiple voices speaking with consistent, complimentary messaging strengthens Canada's beef industry. Throughout 2020, NCFA worked with our industry partners on numerous working groups across a wide range of issues including Government/Industry Working Groups on:



NCFA also worked with Canadian Food Inspection Agency (CFIA) on various pilot projects such as convoys for beef cattle exports, piloting the new E-Certification system, and potential work-arounds on record-keeping required by new transport regulations.

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