



#6, 11010 – 46th Street SE
Calgary, AB T2C 1G4
Tel: 403-769-1519
Fax: 403-209-3255

May 2, 2024

The Honourable Lawrence MacAulay, P.C., M.P.
Minister of Agriculture and Agri-Food
Agriculture and Agri-Food Canada
Lawrence.MacAulay@agr.gc.ca

Dear Minister MacAulay,

On behalf of the National Cattle Feeders' Association (NCFA), I am writing to seek your support in addressing a crucial business risk management matter at the upcoming Federal/Provincial/Territorial (FPT) Ministerial meeting scheduled for July in the Yukon.

As you are aware, the current framework of the Agri-Stability program fails to accurately accommodate the risks associated with the cattle industry, particularly the feeding sector. The longstanding \$3 million payment cap has remained unchanged for over two decades, despite significant growth and transformation within our industry during this time.

The Canadian cattle and beef sector contributes \$24 billion to Canada's GDP annually (2020-2022 average), generating approximately 347,000 jobs in Canada either directly or indirectly, with every job in the sector yielding another 3.9 jobs elsewhere in the economy.

With the threat of challenges such as a Foot and Mouth Disease (FMD) outbreak, geo-political disruptions and trade disputes looming over the cattle industry, coverage under the current Agri-Stability cap would significantly fall short in mitigating potential losses in today's economy.


A recent MNP study commissioned by the Alberta Cattle Feeders' Association (ACFA) underscored a critical decline in Agri-Stability coverage. As a result of rising input costs, the Agri-Stability cap that covered 24% of allowable expenses in 2013, now only covers 8%. This is a two-thirds reduction in only one decade, yet the cap has not been adjusted in over two decades. A summary of the study is attached for your ease of reference.

Consequently, NCFA is advocating for a significant increase in the Agri-stability cap to \$15 million, coupled with a provision for comprehensive cap reviews every five years.

This matter is of the utmost importance not only to the cattle sector but also to several other agricultural sectors including bison, pork, greenhouse, tree fruit and nursery growers.

We seek your support in championing this issue and facilitating its inclusion on the agenda for substantive discussion at the upcoming summer FPT Agriculture Ministerial meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Lowe". The signature is fluid and cursive, with a large initial "W" and a distinct "L".

Will Lowe
Chair

*c.c. Francis Drouin, Parliamentary Secretary for Agriculture and Agri-Food
Stefanie Beck, Deputy Minister of Agriculture and Agri-Food
Provincial and Territorial Agriculture Ministers*