

Government Advocacy Priorities

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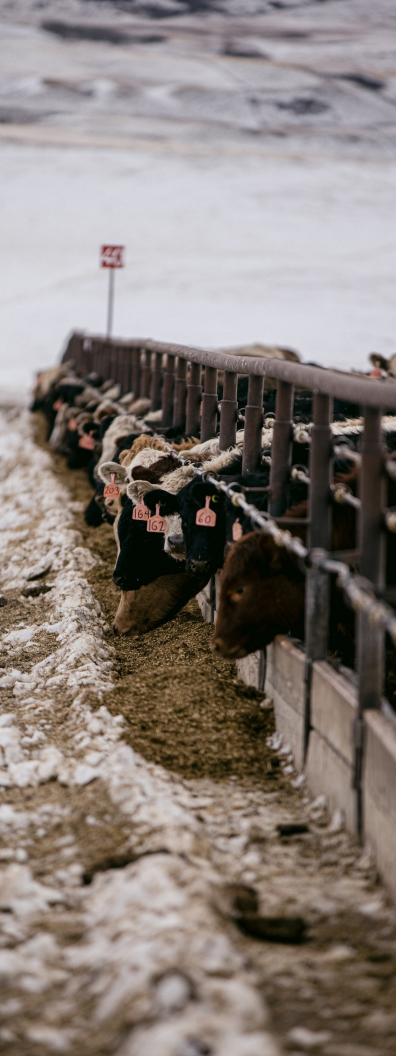












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Introduction and Executive Summary

THE INTENT OF THIS DOCUMENT IS TO SUMMARIZE KEY ISSUES IMPACTING THE BEEF INDUSTRY IN ALBERTA IN THE CONTEXT OF THE MAY 2023 PROVINCIAL ELECTION. THIS REPRESENTS ISSUES OF INTEREST TO ALBERTA BEEF PRODUCERS, ALBERTA CATTLE FEEDERS' ASSOCIATION, ALBERTA GRAZING LEASEHOLDERS ASSOCIATION, AND WESTERN STOCK GROWERS' ASSOCIATION.

Alberta has a long history with the beef industry. Marginal land in the boreal, foothills and southern grasslands provide forage for cow-calf farmers and ranchers, while the grain production in the province provides opportunities for the feeding sector.

The stewardship of cow-calf producers provides healthy ecosystems, greater biodiversity is fostered, water quality is enhanced, wildlife habitat is vibrant and healthy soil sequesters carbon among other things. These farmers and ranchers sell their cattle to the feeding sector, global leaders in sustainability, who bring to market some of the highest quality beef in the world.

A healthy beef industry supports rural communities across the province. The Alberta beef industry is an economic powerhouse, providing a return to GDP of over \$4 billion, and over 55,000 jobs for Albertans. And consumers love it -- demand for Alberta beef is high with fall price forecasts being close to record setting.

Unfortunately, the industry is facing growing challenges, particularly in managing costs. Input costs have increased dramatically with inflation and demand for crops. High dollars in and high dollars out put producers at considerable risk.

And while the beef industry plays a leading role in Alberta's economy, competitiveness can be quickly eroded by legislative, regulatory, taxation and policy decisions of the Alberta government. These must track alongside our competitors in a highly integrated North American beef market. The main priorities for the beef industry are directly related to bringing stability to the beef sector.

- Sufficient Risk Management Both cow-calf producers and cattle feeders are not well served by existing risk management tools provided by the government. The beef industry needs programs that align with the realities of managing risk to their farms, ranches, and businesses.
- 2) Addressing Truck Driver Shortage The Alberta beef sector relies daily on truckers for moving cattle, manure, and feed. The province needs truck drivers who can provide these essential services, to support the competitiveness and growth of Alberta beef and cattle producers.
- 3) Stabilizing Crown land Grazing Crown land grazing is crucial to the beef industry and specifically vital to the viability of many cow calf producers. However, producers' confidence in Crown land dispositions and surrounding policies have been undermined by disjointed decision making. To earn producers' confidence, there needs to be a restored focus on enabling stewardship and producer viability to develop coherent and consistent policies.

In this document we outline in detail the challenges and solutions to these three main priorities as well as other key issues for the Alberta beef sector

BUSINESS RISK MANAGEMENT (BRM) – COW-CALF

ISSUE:

Equality within the BRM suite is needed to avoid inadvertently promoting the expansion of some industries at the expense of others.

Alberta's 14,000 cow-calf farms have limited access to risk management tools that effectively manage risk to their operations as AgriStability is ineffective

for their sector and Livestock Price Insurance only provides single factor coverage.

Other industries have substantial government-funded support which allows them to take on more financial risk without fear of defaulting. The discrepancy in government support has resulted in a clear disadvantage to cow-calf producers and the grasslands that they steward.

REQUEST:

 A BRM program that specifically protects livestock margins, in a manner that is reliable, affordable, and predictable with timely responses and payouts of claims.

BUSINESS RISK MANAGEMENT (BRM) – FEEDERS

ISSUE:

While there are multiple BRM programs available to the agriculture sector, Agri-Stability is the only program that is accessible for cattle feeders and yet the program does not reflect the realities of the sector today.

The main constraint to the program is the \$3 million cap and the compensation rate. The \$3 million cap has not changed in 20 years, while inflation is up 47%, the price of finished cattle is up 50%, and feedlot input costs are up 70%. In addition, the scale of feedlot operations has increased due to the need for consolidation. BRM programs should not discriminate on operation size.

REQUEST:

Eliminate the current \$3 million Agri-Stability payment cap or increase it significantly to at least \$20 million so as to reflect the realities of Alberta cattle feeders.

VETERINARY SHORTAGE

ISSUE:

Alberta has a severe shortage of veterinarians, which directly impacts the beef industry and rural communities. Veterinarians are a key component of the Alberta beef industry, playing key roles in every stage of the animal's development, as well as meat inspection. These veterinarians are the first line of defense against a foreign animal disease incursion. Concerningly, a 2020 workforce study found that Alberta had more than 840 vacancies for veterinarians and veterinary technologists. The Alberta beef industry was pleased to see that the number of students admitted to University of Calgary Veterinary Medicine was raised from 50 to 100, however, it will still take a substantial amount of time to fill the vacancies, and doesn't address current needs, especially in rural communities. Limited veterinarians mean:

- 1) cattle do not get the emergency care they need,
- 2) higher risk of not expediently detecting a severe disease outbreak, and
- increased wait time for inspections or other government required activities.

REQUESTS:

- Further expansion of the number of students being admitted into veterinary schools annually.
- Partial accreditation for foreign veterinarians that may not meet all small animal requirements set out by Council on Education of the American and Canadian Veterinary Medical Association, however they could effectively provide services to large animals.

- Expand the range of services that a veterinary technologists can perform.
- Explore the use of tax incentives and loan forgiveness to encourage veterinarians to move to rural practices.

INTERPROVINCIAL TRADE OF MEAT

ISSUE:

The current requirements for beef to be inspected by the Canadian Food Inspection Agency (CFIA) is outdated and leads to unnecessary regulatory burden. Across Canada, each province has their own requirements for provincial inspection. Therefore, to ship across Canada, abattoirs require a federal license. This requirement is expensive to attain and disproportionately hurts small businesses, whether it is farms attempting farm gate sales or a local butcher struggling to expand.

REQUEST:

 For provincial inspections to be standardized across Canada which will, in turn reduce red tape and allow for cheaper and easier sale of beef domestically.

FOOT AND MOUTH DISEASE (FMD)

ISSUE:

An outbreak in Canada would cause an immediate border closure to products from the beef, pork, dairy, sheep, goat, bison and cervid sectors leading to a \$50-60 billion dollar impact on the Canadian economy.

In March, the federal government committed to funding a foot and mouth disease vaccine bank and a response plan for the Canadian livestock sector. At this juncture, it is essential that all levels of governments work together with industry to ensure the development of the bank and response plan will be as effective as possible.

REQUEST:

 Work with the federal government and industry to develop the most effective response plan possible for Foot and Mouth Disease.

ELECTRONIC LOGGING DEVICES (E-LOGS) FOR TRUCKERS

ISSUE:

Unintended consequences with the introduction and enforcement of e-logs for livestock transporters have resulted in significant animal welfare concerns. In cases of unforeseen delays, truck drivers and livestock producers are being put in the position to choose between the welfare of the animals or complying with e-log regulations. Furthermore, the restrictions that e-logs are placing on carriers become a barrier to commerce.

REQUEST:

 Work with the Alberta beef industry and the transport industry to provide regulatory flexibility so that transporters can safeguard the welfare of the livestock in their care when unforeseen delays during transport cause drivers to go over duty hours. Both driver safety and animal welfare need to be considered.

AGRICULTURAL OPERATION PRACTICES ACT (AOPA)

ISSUE:

To encourage investment and economic growth, agricultural producers, particularly feedlots, need the assurance that there are opportunities for growth and expansion as originally laid out under the Agricultural Operation Practices Act (AOPA).

Unintended consequences around the application of land use provisions of municipal and intermunicipal development plans have eroded assurances and opportunities for farm operation expansions. Currently, municipalities are implementing exclusions zones at the expense of agricultural operations even when the agriculture operation has demonstrated due diligence and meets all regulatory requirements. This precedent will directly impede agricultural expansion throughout the province and also deter future investment both in farms, supply chain development and value-added initiatives.

REQUEST:

 Ensure the Natural Resources Conservation Board (NRCB) has authority under Agricultural Operation Practices Act (AOPA) for agriculture approvals in conflict with Municipal Development and Intermunicipal Development Plans.

UCVM DIAGNOSTIC SERVICES UNIT (DSU) OPERATIONAL FUND

ISSUE:

Reliable access to livestock diagnostic services allows disease surveillance, reporting, prudent, and appropriate use of antimicrobials, and the detection of emerging zoonotic or production limiting diseases. Reliable diagnostic services allows the province to safeguard human health, food safety and international trade.

Recent investments in the University of Calgary Veterinary Medicine Diagnostic Service Unit (DSU) has allowed expansion to better fit producer needs. However, some major challenges remain. Studies conducted in North America and Europe have shown that to provide appropriate livestock diagnostic services, government funding to support base operating costs is required as full cost recovery from fee-for-service is not economically feasible for livestock producers. To maintain the momentum and realize the full benefits of investments in the DSU to date, stable long-term operating funding from government is required and essential. Year-toyear grant funding for operations is a significant risk, especially with regards to the attraction and retention of qualified laboratory specialists and technical staff. The current short-term funding model through grants does not position the DSU well in a competitive market for talent, and without predictable and consistent operational funding, current DSU staff may be looking or actively recruited to work elsewhere. The tremendous accomplishments and growth of the DSU to date, along with Alberta's animal health and welfare, public health, food safety, and international trade opportunities are in peril if secure long-term funding to offset operational costs cannot be secured.

REQUEST:

 Provide long-term operational funding for UCVM DSU to ensure a robust livestock diagnostic system in Alberta.

Environment

WILDLIFE DAMAGE

ISSUE:

Drastic increases in the size of wildlife populations, specifically elk and deer, have resulted in increased conflict with, and significant burden on, landowners. Although compensation programs are available for some feed damage and haystacks, programs do not cover all excessive impacts. The wildlife population targets have largely been set based upon hunter interest and have ignored landowner impact. In many cases, wildlife populations have become so numerous that regenerative agricultural practices, such as swath grazing, are no longer viable.

REQUESTS:

- Ensure wildlife population targets have a clear, repeatable process for including landowner impacts and costs incurred because of wildlife.
- 2) Extend the Wildlife Damage Compensation Program past October 31 to January 1.
- Adjust Wildlife Damage Compensation Program payouts for inflation and the lost opportunity cost of the damage.

GRIZZLY BEAR - PREDATOR DAMAGE

ISSUE:

Although not widespread across the province, some areas of Alberta experience very high populations of grizzly bears. Some of these animals have learned problematic habits which include killing livestock and destroying stored grain. The current compensation program only pays for animals confirmed to be killed and does not account for the overall stress the bears put on the entire herd or cattle that are killed but never found. A stressed herd will not gain weight as needed nor will their grazing patterns follow what the rancher's stewardship goals are for the health of the rangeland. As the high population density is a government decision, beef producers need to be compensated for the bears' impact.

REQUESTS:

- Create a program that pays out at least 2.5 times the value of confirmed kills to compensate for herd stress and unconfirmable predation events.
- Increase funding for tools and materials, such as specialized fences, to mitigate conflict with grizzly bears.
- Build a mechanism to deal with problem grizzly bears. Targeting problem animals will decrease impacts on producers while allowing non-problem animals to thrive.

CROWN LAND GRAZING

ISSUE:

The management of Crown Land grazing has become fragmented over the last decade, resulting in research, enforcement, extension, and regulatory assurance spread across several departments and sections.

Although steps have been made through the development of a Rangeland Grazing Framework, the disjointed approach to decision making has resulted in poor policy coordination and inconsistencies. These issues create instability and a lack of clarity for the Crown Land disposition holder.

Further, legislation governing the grazing disposition system, specifically the Public Lands Administration Regulation, lumps grazing disposition management with other land uses such as gravel pits. Clearly the sustainable, long-term use of grazing dispositions by family farms is not a comparable land use to corporate mineral extraction and forcing farmers and ranchers to comply adds excessive red tape to producers. Although beef producers are small businesses all over the province, they do not have the same access to staff to fill out legislative process.

REQUESTS:

- Appoint a branch of government dedicated to the policy, extension, research, administration, and delivery of programs on Crown Land grazing dispositions.
- Develop a Rangelands Grazing Act that focuses on grazing on Crown land, allowing legislation to protect again and address grazing issues directly.

ECOLOGICAL GOODS AND SERVICES

ISSUE:

Alberta farmers and ranchers provide substantial goods and services to society beyond food production. Farmers and ranchers stewardship of the land contributes other co-benefits including, but not limited to,

- · carbon sequestration and storage,
- wildlife habitat and biodiversity,
- reduced erosion,
- the generation of non-synthetic fertilizer, and,
- · improved water filtration.

Recently, governments have focused on programming to facilitate practice change to spur increased adoption. However, this approach provides an inverse incentive where producers would most benefit from first doing harm before doing the beneficial practice. These programs have excluded those early adopters who have already undertaken significant investment, leaving them with a financial disadvantage.

REQUEST:

 Work with the Alberta beef industry to enable market instruments for the ecological goods and services that beef producers produce.

RECREATIONAL ACCESS REGULATION

ISSUE:

Recreational access onto grazing leases is steadily increasing across the province resulting in more work for leaseholders and more conflicts with hunters.

In 2003, the Recreational Access Regulation was passed forcing leaseholders to allow "reasonable" access onto their grazing leases. That regulation has now caused significant conflict between the hunting community and leaseholders. Hunters and recreationalists want to use these lands, even when their activities may negatively impact the allocated use of grazing.

The Alberta government puts a heavy burden of care on grazing leaseholders. Their demands for stewardship are unique compared to any other disposition type. Wellmanaged grazing is a compatible land use with the native ecosystem, which makes these parameters attainable by the leaseholder if they have the ability to control activities that effect the lease, grazing and environmental impacts.

Further, enforcement capacity from Fish and Wildlife Conservation Officers has been severely diminished. In many cases, officers do not have the ability or direction to enforce the Recreational Access Regulation putting leaseholders land and safety at risk.

REQUESTS:

- Upgrade government websites to facilitate access to grazing leases with technology that can "throttle" the number of requests that are received by leaseholders in areas with unreasonable demand.
- 2) Increase focus on compliance and the development of effective tools to deal with abusive or destructive recreationalists. This focus includes supporting and empowering Fish and Wildlife Officers to execute their designated role of enforcing the regulation.
- Work with the beef industry on the renewal of the regulation to ensure that any updates do not impact a leaseholder's ability to properly steward the lease.

RECREATION AND RURAL CRIME

ISSUE:

The remote nature of many Alberta beef farms, ranches and feedlots makes them more vulnerable to crime. Rural crime is reported to be 38% higher than in urban environments. In many areas, enforcement will not respond to trespass complaints as they do not have adequate capacity. This lack of action leaves rural residents feeling unprotected.

REQUEST:

 Increase emergency services available to rural areas including policing and Fish and Wildlife enforcement.

Education

AGRICULTURE IN CURRICULUM

ISSUE:

Agricultural education in Alberta classrooms is lacking. Specifically, the positive stewardship of the beef industry.

In many cases, the role of beef on the landscape is not understood, so the beef industry has developed resources for educators to explain these concepts to Grade 7 through 10. Guardians of the Grasslands has several worksheets, board games, and an online game to help explain carbon is sequestered, the carbon cycle, and habitat management for species at risk.

Further, the understanding of how cattle upcycle lower quality food items such as, forage and non-human quality grain, into quality beef is poorly understood.

REQUESTS:

- For Alberta Education to weave agriculture throughout the school curriculums. Specifically, the role cattle play in sustainable land management, carbon cycling, and the upcycling ability of cattle.
- 2) For Alberta Education to include agriculture in the mandatory components of the curriculum.

MANDATORY ENTRY LEVEL TRAINING (MELT) IN HIGH SCHOOL EDUCATION

ISSUE:

MELT education is timely and expensive for new drivers, especially for farmers and working professionals. Taking the MELT training can be time consuming. However, if it was offered in high school, it may encourage more students to pursue a trucking career and help them develop relevant skills for farming.

REQUEST:

Include MELT training, or portions of the training, as course credit for high school students wanting to obtain a Class 1 when they are eligible.

RURAL MENTAL HEALTH SUPPORTS

ISSUE:

Mental health issues for Canadian farmers are well documented, with 35% having depression, 57% having anxiety, and 45% reporting high stress and lower levels of resiliency than average. Despite the established need, rural barriers to seeking help for mental health challenges persist. Lack of accessibility, anonymity, stigma and not feeling understood being the main barriers.

On farm stressors are often not well understood by mainstream healthcare providers. Further, many small communities struggle to recruit healthcare professionals.

Many issues for farmers are complex and are exacerbated by the demanding nature of the job, and a lack of control over certain factors (i.e., weather), and an inability to leave their work at an office.

REQUESTS:

- Develop long-term, stable funding for rural focused organization, such as AgKnow, to bring all info, research, and recommendations together to support building mental health capacity among farmers and the farming community.
- Work with healthcare providers to further their understanding of the unique stresses of farming.
- Support community-based programs for rural communities that help address mental health stigma and promote healthy living.

Transportation

MANDATORY ENTRY LEVEL TRAINING (MELT)

ISSUE:

Truck drivers are integral each and every day to the Alberta beef industry in order to transport cattle across the Canada-US border and cattle to and from feed yards, auction marts and processing plants. In addition, trucking is required to remove manure and to transport feed and supplies.

Although the Alberta beef industry recognizes the need for increased attention on driver safety, the current Mandatory

Entry Level Training (MELT) program adds significant financial and regulatory burden. There is a current and growing trucker shortage in Canada. According to a recent report by Trucking HR Canada, there was over 20,000 truck drivers' job vacancy at the end of 2022. Agriculture is one of the industries where the shortage of truck drivers is even more pronounced due to the rural location and the stress of working with live animals.

MELT has made it notably difficult for beef producers to obtain this training, due to the added expense. Many individual beef producers are not doing long-haul trucking but rather short, often seasonal, runs for feed or hauling crop. These trucking requirements are notably different from those of transport companies with regular long hauls, making it tough for producers to incur the steep cost of MELT training.

REQUESTS:

- Provide further government funding and programs for producers to obtain a MELT license at a reduced cost for particular scenarios.
- Recognize truck driving as a designated skilled trade to encourage Canadians to pursue it as a career, improve access to foreign drivers with experience, and make training programs eligible for student loans and grants.
- Mandate affordable insurance options for livestock transporters and cap costs for new drivers.
- Create a program to encourages diversity in the profession.
- 5) For the Ministry to work with the Alberta beef industry and the transport industry, particularly livestock haulers, to find solutions where beef producers can reliably access drivers.

Jobs, Economy and Northern Development

ACCESS TO LABOUR

ISSUE:

In the beef sector, labour shortage manifests as both on-farm and in our beef processing facilities. This makes it exceedingly difficult to maintain current beef production levels and grow our international beef exports.

Agriculture and agri-food have the highest job vacancy rate of any industry in Canada, and according to a recent survey by the Canadian Agriculture Human Resources Council (CAHRC), 49% of beef producers were not able to hire the full number of workers required. This led to a loss of \$334 million in sales; 3.7% of the total sales for the sector.

Farmers want to hire Albertans first; however significant labour gaps still exist. Many individuals do not want to live in rural communities, are not aware of the career opportunities in the agriculture or simply just don't want to work in the sector.

The solution lies both in increased access to foreign labour in the short term and strategies to build the domestic workforce in the long term.

Our sector has an excellent international reputation, with people wanting to work on Canadian farms and it takes significant time and resources to source workers internationally. Currently, the only avenue to recruit foreign workers is via the Temporary Foreign Workers program, which is slow, inefficient and inconsistent. The beef industry is seeking permanent long-term workers; therefore, the next logical step is to move the temporary foreign worker into permanent resident status. However, the process is onerous. Work permits for agriculture span two years. This is not enough time to move employees to permanent residence due to the lengthy, slow, and backlogged process. Often the temporary worker permit expires before they can achieve permanent residency thus leading to the loss of good workers.

REQUESTS:

- Work with the federal government to improve the Temporary Foreign Worker program including the development a "trusted employer status' stream and/ or the creation of an agriculture specific program.
- Remove provincial red tape that prevents the timely pathway to permanent residency for foreign workers in Alberta that accurately responds to the labour needs in the province's agriculture sector.
- Work with the sector to develop and execute strategies that drive Albertans to want to live in rural communities and want to embrace work opportunities in the agriculture sector.

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