



CANADIAN  
CATTLEMEN'S  
ASSOCIATION



## CCA IS THE NATIONAL VOICE OF CANADA'S 68,500 BEEF FARMS

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### NAFTA update

Uncertainty remains around the North American Free Trade Agreement (NAFTA) renegotiations, with significant turbulence framing the latest round of talks led by the U.S. The Canada-U.S. talks resumed in September following the elections in Mexico, which led to a change in government there which will occur in early December, and later still the announcement of a preliminary bilateral deal between Mexico and the U.S.

The CCA was in Washington D.C. to monitor the resumption of the Canada-U.S. NAFTA renegotiations. Negotiators appeared to be focussed on getting a deal done, with Foreign Affairs Minister Chrystia Freeland and U.S. Trade Representative (USTR) Robert Lighthizer holding a number of meetings with a few senior officials accompanying them.

We understand they discussed the full range of issues, including agriculture. There is a general sense that the process is constructive, and Minister Freeland has said as much. Overall, CCA is cautiously optimistic that there will be a trilateral deal including Canada, once a Canada-U.S. "handshake" occurs, then Mexico will rejoin for negotiations to continue trilaterally.

The CCA and other red meat groups continue to press for improvements through the NAFTA renegotiation on regulatory issues, advocating for a "meat annex" of provisions to remove burdens and smooth trade.

Regarding the retaliatory tariffs applied by Canada on July 1 on products, including some prepared foods that have beef as an ingredient, CCA continues advocacy work with Canadian officials and U.S allies seeks to avoid further escalation of these tit for tat tariff measures and find a path forward on NAFTA.

## CPTPP update

### CANFAX MARKET BRIEFS

Week ending September 14th, 2018

(in Cdn\$)	This wk.	Change
↑ Fed Steers	142.59	+0.06
↑ Fed Heifers	142.12	+0.03
↑ Feeder Steers	---	+0.02
↓ Feeder Heifers	---	-1.05
↑ Cdn Feeder Index	206.28	+4.40
↑ Cdn Calf Index	219.12	+4.15
↓ D2 Cows	85.57	-2.63
↓ Slaughter Bulls	106.23	-6.57
(in US\$)		
↑ CDN Spot Dollar	76.94	+1.11
↑ Aug Live Cattle	110.80	+1.90
↑ Aug Feeder Cattle	154.95	+3.17

It is widely expected that the Government of Canada will move swiftly to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) as the fall session commences today. Indeed, on Friday, news broke that Bill C79 to implement the CPTPP was **scheduled** to get second reading on September 17, the first day of sitting following the summer break. Canada must be among the first six countries to ratify the landmark CPTPP if Canada's beef and red meat and agricultural sectors are to have a leg up on competitors. The Government of Canada has given the right signals that it understands the importance of Canada being one of the first six to ratify.

The CPTPP will start to come into force once six of the 11 signatories complete their domestic ratification procedures. In July, Singapore became the third country to ratify the agreement, behind Mexico and Japan.

Time is of the essence for Canada.

The Canadian Agri-Food Trade Alliance (CAFTA), of which CCA is a member, issued an open letter to the Prime Minister and party leaders reiterating the importance of Canada being among the first six countries to ratify and implement the CPTPP. To read CAFTA's letter, [click here](#).

## CCA submits to Senate concerns over Bill C-68 - Fisheries Act amendments

The CCA is asking the Senate to remove a last-minute addition to the definition of fish habitat in the Fisheries Act that will make it nearly impossible for beef and agricultural producers to be in compliance with the Act.

The addition of subsection 2(2) to Bill C-68 (Fisheries Act) greatly expanded what can be deemed fish habitat. Subsection 2(2) is problematic because it deems areas with the necessary water flow characteristics to sustain ecosystems of fish habitat to be fish habitat. This is the case even if there are no fish using the area for any life process. The expansion of fish habitat results in practically all water bodies being fish habitat or deemed fish habitat. Under the Act anyone would be in contravention if they alter, disrupt, or cause destruction of fish habitat.

The House of Commons passed Bill C-68 on June 20, 2018 and amendments, including the addition of the subsection, were added late in the committee process with little debate or consultation prior to third reading and passage. If the Bill is left as is, there is potential for more activities associated with cattle grazing and production to be in contravention of the Act.

With the Bill now before the Senate, the CCA is asking for the subsection be removed as part of suite of recommendations regarding Bill C-68.

In its submission to the Senate, the CCA makes five recommendations which include: remove subsection 2(2) - the deeming habitat provision; address the regulatory burden on the agricultural sector by providing a streamlined process and approval or exemption criteria for small and low risk activities; and, establish clear and enforceable guidelines for artificial infrastructures or exempt artificial infrastructures. The CCA has also requested an opportunity to present to specific committees.

The ramifications of subsection 2(2) for agricultural producers and rural municipalities are significant and range from cattle crossing man-made ditches to access pasture to run-off of pesticides, nutrients and sediment due to heavy precipitation or flooding events. Even treating non-fish bearing water sources for blue-green algae could potentially be in contravention of the Act.

While date(s) for Senate presentation are yet to be determined, the CCA will ensure cattle producers' concerns and recommendations on Bill C-68 are raised with lawmakers in Ottawa this fall.



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## CCA calls for continued approval of registered pest management product

Ground squirrels are burrowing rodents that can cause significant damage to crops, tame pasture and native grasslands. Recently, Health Canada's Pest Management Regulatory Agency (PMRA) decided to remove the registration of Liquid Strychnine use for the control of ground squirrels. The Agency is fielding public comment on its intentions until September 27, 2018. The CCA is asking for continuation of the registered use of the pest management control product until an effective alternative is in place.

Canada has six types of ground squirrels. The Richardson ground squirrel - sometimes called a prairie gopher - is native to the short grass prairies and known for damage related to their tunnelling and foraging behaviours. As noted by [Alberta Agriculture](#), "The most common types of ground squirrel damage are crop loss through direct consumption and reduced production due to plant injury and trampling. In addition, downtime and repair costs due to damage to hay binds as well as physical injury to livestock with ground squirrel burrows and those of badgers are also major concerns."

Liquid Strychnine is effective control strategy for ground squirrels and is already highly regulated. In its comments to the PMRA the CCA noted that there are no practical and effective alternative controls for ground squirrels. The CCA pointed out that what is needed is the development of an anticoagulant toxicant bait where a small amount consumed in a single feeding by the rodent would be a sufficient control. Until such a toxicant is available, the CCA recommends the current pest control remain approved and available to bona fide farmers and ranchers and affected rural municipalities for the control of ground squirrels.

To learn more about the PMRA decision visit:  
[Strychnine Re-Evaluation](#)

## CCA annual fall picnic on the Hill Sept 25, 2018

The CCA's annual fall picnic on Parliament Hill will take place Tuesday September 25 from 11 am to 2 pm EDT where attendees will nosh on tender, juicy, slow-cooked Canadian beef along with all the fixings. This popular event allows CCA producers and staff from across the country to spend one-on-one time visiting with invited Members of Parliament and Senators and their staff in an easy-going atmosphere. Last year more than 300 key influencers attended including about 80 MP's and Senators.

## Issues Management Monthly: The power of partnerships

*The Issues Management Monthly column highlights the work being done to address beef industry issues by Canadian Cattlemen's Association (CCA) staff, featuring Manager, Public and Stakeholder Engagement Tom Lynch-Staunton. This is Tom's final installment in this series..*

A recent opinion piece in the Globe and Mail "With veganism on the rise, is meat cooked?" by Peter Singer caused quite a stir in the industry, and rightly so. We were concerned about this piece because it had a prominent place in the weekend edition of a national newspaper, was clearly biased, and many of the statements were false, based on old information, or irrelevant to the Canadian context. Consequently, the Public and Stakeholder Engagement team wrote our own opinion piece and a Letter to the Editor to express our side of the story.

The reason I mention this is I am always amazed at the work required to put together these responses, and how many people are involved. Although our piece was submitted by the Canadian Cattlemen's Association (CCA), it was put together with the involvement of many individuals, either providing information or through editing versions of the article. Much of the factual, scientific, or statistical information we already had on hand, and was contributed previously with the help of many other internal and external organizations.

Although there are only two full time Public and Stakeholder Engagement staff dedicated to addressing consumer questions and concerns, there are so many more in the industry who are part of the team and have made significant contributions to helping advance consumer confidence. I am proud of how we have come together as national and provincial organizations to share information and contribute to issues management and public engagement. As we have addressed issues throughout the last two years, I can't express enough my gratitude for the help across the country from our beef organizations who have provided content, information, editing, regional perspectives and keeping us all up to date on consumer concerns as they arise. It has certainly become a team approach for the benefit of the industry, and I am excited to see these relationships grow even stronger as the Public and Stakeholder Engagement program moves into its next phase. Of course, we aren't always perfect, but the internal connectivity will continue to strengthen.

Within industry, we have our differences of opinion yet we all share the ultimate goal of maintaining a viable and sustainable beef industry. Knowing this shared goal exists should help us support one another for the benefit of the industry as a whole. Respectful dialogue and debate, patience, and empathy for each other's positions will keep our relationships strong and focused on those shared goals. Add transparency to the mix and undoubtedly, we will build a strong relationship with our consumers and the public.



It is great to see external partnerships strengthen as well. As an example, we recently had a series of very good meetings with the Royal Ontario Museum (ROM) to hopefully work on some educational content regarding beef producers' contributions to native grassland conservation, including enhancements to biodiversity and wildlife habitat. These types of partnerships will help us tell some of the good stories we have to the public, to improve the image of our industry, and also help the public become more engaged in helping us preserve natural habitat – which is a shared

value between us and the ROM. Again, this meeting was not just with the CCA Public and Stakeholder Engagement staff, but included other CCA staff and directors, CRSB staff, Beef Farmers of Ontario and World Wildlife Fund US. We were able to present information, including additional facts contributed by academic partners such as the Universities of Alberta and Saskatchewan. As well the Saskatchewan Stock Growers Association provided information about their work with Grasslands National Park where cattle are used as a tool to improve range health in the park. So, just in this discussion we had contributions of seven organizations working on mutual goals.

It all reminds me of the saying – “a rising tide lifts all boats.” Much like that concept, that improvements in the general economy will benefit all participants in that economy, having industry come together to fulfill the objectives of the Connectivity pillar of the National Beef Strategy will benefit all our organizations and build a stronger connection to consumers and the public, the media, and other external organizations.

On a personal note, this will be my final column as I pass the reins to Jill Harvie, who is taking over from me as the Public and Stakeholder Engagement Manager. It has been a great pleasure working with all the beef organizations across Canada and thank you to everyone who helped build the program with us.

## Soil health series – regenerative movement

*Soil health and its many related benefits including enhancing carbon sequestration are topics of interest to many Canadian beef producers. The role of cattle production in this regenerative approach to soil health was a strong theme across the five nominees vying for the 2018 The Environmental Stewardship Award (TESA) this year, with the very real benefits demonstrated on their respective operations.*

*This commitment to regenerating soil is attracting the interest of more and more producers. With that in mind, the CCA is pleased to present part two in a three-part series exploring the movement toward regenerating soil from the beef producer perspective:*

### Holistic management: ranching in nature's image

By Janet Kanters

To the untrained eye, seeing cattle grazing lush pasture is the epitome of serenity and all that is good. If that untrained eye – specifically much of our urban population – only knew how much effort and planning it takes to successfully graze cattle, they would be awed and impressed in turn.

Truly effective grazing management takes into account not only the health and viability of the pasture's fodder, but the root of where it begins – soil health. According to Gabe Brown, of Brown's Ranch in Bismarck, ND, livestock producers simply need to follow nature's principles to restore and maintain soil health to where it can do the best good.

"As producers, we need to realize that all of our income depends on a healthy functioning soil system," he said. "Unfortunately, I've been on hundreds, if not thousands, of farms and ranches all over North America, and I've yet to be on one – including my own – that's not degraded."

Brown's Ranch utilizes the principles of holistic management, looking at the "whole" of the system: cows, the grass and the water. Brown maintains it's a matter of stewardship and how to work with nature instead of against it. In his operation, he said livestock integration, the fifth principle of soil health, forms a synergistic relationship and is a critical component of soil health.

Rotational grazing is one strategy under the livestock integration principle to employ. Jolene Noble, part of the family-owned and operated Jackknife Creek Land and Cattle, a mixed farm in the North Peace, said not only is rotational management key, but so is giving the pasture a good rest period.

"You have to learn to read your cattle and your plants so that you are not over-grazing and you are keeping that soil covered," she said. "Those animals should also be traveling across the pasture and spreading their manure, not congregating in one area. And you don't want the cattle taking more than 50 per cent of the plant when they graze – as soon as you take more than 50 per cent of the plant, you drastically increase the amount of root loss and stoppage of root growth."

No one said livestock management was for the faint of heart – and so Noble's strategy is also to "read" manure paddies. "They should be a good consistency, meaning that what they are eating is balanced in terms of nutrients. And make sure your bugs are doing their work, that you're seeing lots of dung beetles in those paddies, too."

The Alberta Riparian Habitat Management Society, more commonly known as Cows and Fish, is only one resource that helps producers better understand of how improvements in grazing and other management of riparian areas – lands adjacent to streams, rivers, lakes and wetlands – can enhance landscape health and productivity. Cows and Fish can also assist with grazing management strategies in upland areas as well.

According to Norine Ambrose, executive director of Cows and Fish, overgrazing or grazing that changes the plant community causes the loss of deep-rooted species in a pasture. "Whether it's in a riparian or an upland setting, shallower-rooted species are going to be a lot less productive because they can't carry the moisture as well," she noted.

Ambrose points to the four basic principles of pasture management, which lead to healthy soils: balancing supply and demand; careful timing; livestock distribution; and, resting after grazing.



Top photo: Frequent pasture moves and high stock density are tools to use to increase soil health and pasture vigour Bottom photo: Bee on a red clover plant. Diverse pastures provide habitat for pollinators. Photo credits: Jolene Noble.

For Noble and her family, the future of the farm is sustainability and making sure the farm is around for the next generation. "On the environmental stewardship side, we want to treat the soil as more than just the medium to hold plants," she said.

"We've seen from other producers' experiences that if you take care of the soil, it can really do wonders. It's a building process, it doesn't happen overnight. At the end of the day, we're looking to improve our soils, not just sustain them. This allows us to maximize the productivity of the farm."

On Brown's 5,000 acres of owned and leased land, livestock are a "tool" for achieving a greater goal for the operation. "Our land is regenerating and greatly improving," said Brown. When we as ranchers say that 'the cows are out grazing,' there is much more going on out there than we realize. This is why it is important to take note of everything going on out in the pasture."

*In Part 3 of the soil health series, we will discuss carbon sequestration; and how healthy soils, and in turn healthy grazing systems, can benefit society.*

## Canada's BRM Review discussed at CBIC

Opening panel discussions and keynote speakers were new aspects featured at CCA committee meetings at the 2018 Canadian Beef Industry Conference in London, ON. CCA's Domestic Agriculture Policy and Regulations Committee, which focuses on non-trade related regulatory issues, business risk management programs, taxation and general government policy, had a featured panel focused on the path forward for Canada's Business Risk Management (BRM) Review.

Since being agreed upon in July 2017, Federal, Provincial and Territorial governments have initiated a BRM review to assess program effectiveness and influence on growth and innovation. An expert team comprised of producers, academics and global experts was established in late 2017 to evaluate BRM programming in Canada and made recommendations to ministers in July 2018. These recommendations included:

- developing risk management tools to cover gaps in the current BRM suite
- explore approaches to address challenges with AgriStability
- examine approaches to improve program equity
- improving education on risk management
- maintaining AgrilInvest
- modernizing premium setting for AgrilInsurance
- continued work of the panel and active engagement with farmers

The CCA committee panel, which discussed these recommendations and BRM more generally, included strong producer expertise from the beef and grains sector along with expertise from the federal government. The producers highlighted how they manage risk on their own operations and



CCA Policy Analyst Brady Stadnicki (L) moderates the panel discussion on business risk management from producer and government perspectives *Photo credit: CCA*

how they utilize different tools within the government's BRM suite. There was also discussion about specific program changes made under the Canadian Agricultural Partnership including changes to AgriStability's Reference Margin Limit. Ongoing research and development intended to bring improvements to pasture and forage insurance was raised as well as expanding price insurance beyond western Canada. These are key areas the CCA hopes to advance while engaging in the BRM review in the upcoming year.

## Should you raise or buy your replacement heifers?

Raising replacement heifers represents a major cost for cow-calf producers so choosing a herd replacement strategy is critical to cow-calf profitability. While many producers raise replacement heifers on farm, buying replacement heifers could cost less depending on the production costs of the operation and current market situations. Continue reading the article linked below to learn more about the pros and cons of buying or raising replacement heifers as well as to see scenarios under current market prices.

<http://www.beefresearch.ca/blog/economics-of-raising-or-buying-heifers-for-beef-cow-replacement/>



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## CCA Action News

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