



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

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Budget 2016 invests in agriculture research, innovation and infrastructure

The Canadian Cattlemen's Association (CCA) has reviewed the 2016 Federal Budget, which was released on March 22, and finds a number of measures that have potential to benefit the Canadian beef cattle sector. Amongst these are investments into agriculture research, innovation, and infrastructure.

On research, Budget 2016 allocated \$41.5 million to support the rehabilitation and modernization of select Agriculture and Agri-Food Canada (AAFC) and Canadian Food Inspection Agency (CFIA) research stations and laboratories in British Columbia, Alberta, Saskatchewan, Ontario, and Quebec. The CCA supports this investment, as it is critical for these research stations to have strong capacity and infrastructure to conduct both basic and applied agriculture research that supports innovation within the Canadian beef cattle sector. The CFIA also received \$38.5 million, over a two-year period, to enhance the department's inspection activities.

Furthermore, up to \$2 billion is ear-marked for a new Post-Secondary Institutions Strategic Investment Fund, which will provide funds to infrastructure projects at post-secondary institutions and affiliated research

and commercialization organizations, in collaboration with provinces and territories. The CCA believes that applications to upgrade beef research infrastructure at the University of Guelph and University of Saskatchewan should be strongly considered under this initiative to enable the Canadian beef cattle industry to continue to innovate and adapt.

According to Budget 2016, the Minister of Agriculture will develop an approach for additional investments in agricultural science and research in conjunction with the Minister of Science. An investment of \$30 million over six years is allocated to support advanced research in agricultural genomics.

A number of infrastructure investments were also included in Budget 2016 that could benefit beef cattle producers and rural Canada. Included here is \$248 million assigned for the Lake Manitoba and Lake St. Martin Outlet Channels Project. Due to a lack of infrastructure, beef producers in Manitoba have been repeatedly challenged by flooding in the past. The CCA is hopeful that investment in water management infrastructure will enable agriculture lands in Canada to operate more predictably.



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Budget 2016 will invest \$500 million over five years for high-speed broadband coverage for rural communities. Canadian agriculture was also listed as one of many sectors that will receive more than \$1 billion in funding over four years for the development of clean technology.

The CCA was also encouraged to see Budget 2016's statements on increasing trade opportunities and the government's position on providing a competitive business environment to take advantage of new trade opportunities. The CCA will continue to work with government to ensure that resources be dedicated to bringing the Trans-Pacific Partnership (TPP) and the Canada-EU Comprehensive Economic and Trade Agreement (CETA) into effect in a manner that results in commercially meaningful beef exports.

Calving outlook

This spring's unseasonably mild weather may have created uncertainty for some producers about moisture conditions for the start of the 2016 growing season, but it has been extremely favorable for calving.

Generally, conditions are fairly decent across the country as producers start to get their 2016 calf crop on the ground. While the early summer of 2015 had many producers nervous about grass and feed supplies, timely fall rains and a mild winter have forage/feed stocks in much better shape than many had anticipated.

Just like weather and moisture conditions, the cattle markets are also always on a producers' radar. As of late, the markets have not been particularly cooperative. It has been a veritable roller coaster ride as the U.S. cattle market had a historic rally and correction in the previous couple of years. While cattle markets were having a major correction in prices, the Canadian dollar hit some of the lowest levels in over a decade, which certainly cushioned the Canadian cattle markets through a good part of 2015.

The currency woes continued through the winter and into January of 2016, but the Canadian cattle markets also struggled during this time. The loonie has rallied almost nine cents off of its lows in January 2016, and local cattle prices have struggled to have any sort of spring rally. Calf prices are about 75 cents per pound lower than a year ago, and fed prices are about 30 cents lower than last year. Still, it is important to put these prices into perspective. Despite the decrease in cattle prices, prices are still at their second highest level for this time of year, only behind last year.

Moving forward, cattle beef and meat supplies will be increasing in 2016. While prices have dropped significantly, and the bulk of the correction has already occurred, there could still be more pressure on cattle prices moving forward. Key factors to watch will continue to be the Canadian dollar and beef demand.

CANFAX MARKET BRIEFS

Week ending April 1st, 2016

| (in Cdn\$) | | This wk | Change |
|------------|-------------------|---------|--------|
| ↓ | Fed steers | 165.85 | -2.06 |
| | Fed heifers | 164.60 | n/a |
| ↓ | Feeder steers | --- | -4.32 |
| ↓ | Feeder heifers | --- | -1.78 |
| ↓ | Cdn Feeder Index | 194.52 | -3.21 |
| ↓ | Cdn Calf Index | 223.84 | -4.79 |
| ↓ | D1/D2 cows | 101.25 | -1.88 |
| ↑ | Slaughter bulls | 128.60 | +1.66 |
| (in US\$) | | | |
| ↑ | Cdn spot dollar | 77.00 | +1.55 |
| ↓ | Apr live cattle | 132.92 | -2.93 |
| ↑ | Apr feeder cattle | 157.07 | +1.25 |



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What do kids really need to meet their full potential?

Meat, dairy, and eggs provide essential nutrients often lacking in the diets of youth. Meat is rich in many nutrients essential to the human diet for normal growth and development. Yet preliminary data from Dr. Sangita Sharma, Endowed Chair in Aboriginal Health, and the Indigenous and Global Health Research Group at the University of Alberta (U of A) indicates that many youth in Edmonton are falling far short of meeting their basic nutrient requirements for essential nutrients including protein, B12, zinc, selenium, and iron – nutrients all found in abundance in meat.

Preliminary results of Dr. Sharma's 'Why Act Now' project show that in some cases, less than one quarter of study youth participants are meeting the nutrient requirements necessary for good health and children's development. One easy way to address this troubling trend may be to promote meat, eggs and dairy as part of a balanced diet, suggested Dr. Sharma, leader of the U of A research team on the Why Act Now project.

"The easiest way to address nutritional inadequacies would be to replace non-nutrient-dense and high salt and sugar foods with foods that are nutrient dense, such as meat," she said.

The 'Why Act Now' project involved 557 multi-ethnic youth in Edmonton of Indigenous, African, Asian, and European descent, aged 11-23 years. Preliminary results show that between 30-40% of youth are not meeting the nutrient requirements for B12, zinc (45-55%), selenium (15-25%), B6 (35-40%), iron (15-15%), and magnesium (60-75%).

Dietary Reference Intakes are set to maintain adequate nutrition to prevent disease. For youth not meeting the recommendations, there are many long-term consequences of dietary inadequacy for the nutrients listed above. "These nutrients are essential for normal growth and development," Dr. Sharma said.

Dr. Sharma's other published results from the Healthy Foods North project with Indigenous populations in Nunavut and the Northwest Territories show that adults who consume more meat are more likely to meet dietary requirements and have a better quality dietary intake.

Promoting meat consumption for personal health, particularly for youth, reinforces the importance of nutrient dense foods like beef, dairy, eggs, and other meats in a healthy diet to consumers -- who are often inundated with anti-animal agriculture activist initiatives and other food fads and fashions to reduce meat consumption.

Dr. Sharma said the view that meat is not great for personal health is a very short-sighted one. "Meat is rich in many important nutrients, including protein, B12, zinc, selenium, and iron, to name a few. "These nutrients are a very important component of a balanced diet especially for the normal growth and development of youth."



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Issues Management Monthly: The importance of issues management in the beef industry

This is the first installment in a new monthly column highlighting the work done on beef industry issues management by Canadian Cattlemen's Association (CCA) staff, featuring Issues Manager Tom Lynch-Staunton.

Issues management is about building trust between consumers and producers through transparency and shared values. As we move forward dealing with issues in our industry, it becomes increasingly important to be transparent with the comprehensive picture of beef production. In order to do this, we need to have two way communication with our stakeholders and address their concerns.

In years past, the majority of the population had some connection to agriculture, whether it was immediate or extended family or a good friend. Unfortunately, this connection has waned and in some cases, become nonexistent. Consumers used to innately trust where their food came from, because they could see it for themselves and even contributed to food production. As this disconnect grows between the urban and rural populations, there is a 'growing unease' about food, simply because people no longer have firsthand knowledge of how it is produced. It is unfortunately common now for misinformation and half-truths to fill this information void which has added to the unease and created suspicion enhanced by misinformation in media and advertising.

A strong component of issues management is creating initiatives and strategies that re-establish the connection between the beef industry and the public. It is about re-invigorating trust through transparent communication about our production practices, how we raise our animals, and how we look for new tools, methods, practices, and innovations that will address consumers concerns while benefiting our operations. The goal of rebuilding this connection maintains and ultimately strengthens producers' social license to operate well into the future.

It is not necessarily negative that the public, our consumers, are asking questions. This gives us the opportunity to showcase the positive steps we are taking to ensure animal health and welfare, a healthy environment, and prudent use of resources. For example, our industry has studied and implemented low-stress handling techniques and developed enhancements in vaccines and medications in order to keep cattle as healthy and content as possible. Through these types of initiatives, we mitigate risks and balance the pros and cons of all production practices to create an optimal solution for consumers, producers and livestock.

There are several issues that are currently prevalent in public discourse and need to be addressed through strategic issues management. At the moment, some of the most common are:

1. The environmental impacts of beef production, especially with much talk about greenhouse gas (GHG) emissions and climate change;
2. Animal welfare and;
3. The healthfulness of beef, particularly around antibiotics and growth promotants.

To address and alleviate these concerns will require effort not only by CCA, but all industry partners including the provincial associations, government, academia, individual producers, and other stakeholders, to best to engage and communicate with the public. The CCA will be building a resources database for as many issues as possible, including fact sheets, key messages, research and innovative practices, and look to third party experts to validate industry information. This comprehensive, unified approach is necessary in order to maintain the public trust of our industry and ensure we continue to deliver world-class Canadian beef that consumers feel good about eating.



CCA Issues Manager Tom Lynch-Staunton



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New calculator helps beef producers determine the value of pregnancy testing their herd

According to the 2015 Western Canadian Cow Calf Survey, only 60 per cent of cow-calf producers include pregnancy testing, or 'preg-checking,' in their management. However, knowing which cows are open in the fall can be more profitable.

A new economic model examines the factors that lead producers to make decisions regarding pregnancy detection, and has been developed into an interactive calculator so producers can weigh their own costs and benefits of including preg-checking as a management decision.

Producers can input information about their own operation, including winter feeding strategies and costs, veterinary costs and current market prices to determine the value of preg-checking on their operation. The customized results will compare losses or profits between selling open cows in the fall, overwintering cull cows as a separate group and marketing them in the spring, and overwintering all cows together without preg-checking.

To learn more about the economics of preg-checking and to find the new calculator, visit <http://www.beefresearch.ca/research/pregnancy-detection.cfm>

CCA Action News

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The Canadian Cattlemen's Association is the national voice for Canada's beef cattle industry representing 68,500 beef farms and feedlots.

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