



**CANADIAN
CATTLEMEN'S
ASSOCIATION**

National Voice Of Cattle Producers

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**Presentation to the House of Commons Standing Committee on Agriculture and Agri-Food on
Advancements of Technology and Research in the Agriculture Industry that can Support
Canadian Exports**

Presentation by:

Beef Cattle Research Council
www.beefresearch.ca

Canadian Cattlemen's Association
www.cattle.ca

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About the Beef Cattle Research Council

The Beef Cattle Research Council (BCRC) is Canada's national industry-led funding agency for beef research. The BCRC is funded through a portion of a producer-paid national levy as well as government and industry funding and is directed by a committee of beef producers from across the country. The BCRC's mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer Canadian Beef Cattle Check-off funds allocated to research.

As the national beef cattle industry research agency, the BCRC plays an important role in identifying the industry's research and development priorities and subsequently influencing public sector investment in beef, cattle and forage research.

With industry funding (collected through the Canadian Beef Cattle Check-Off), the BCRC leverages funding from Agriculture and Agri-Food Canada (AAFC) through the Beef Cattle Industry Science Cluster.

As a leader in the development of the Canadian Beef Research and Technology Transfer Strategy, the BCRC facilitates and encourages collaboration and coordination among researchers, other funding agencies and industry in order to maximize the benefits obtained from all investments in beef research.

The BCRC operates as a division of the Canadian Cattlemen's Association (CCA) and was established by the CCA in 2001.

About the Canadian Cattlemen's Association

The Canadian Cattlemen's Association represents Canada's 60,000 beef farms, ranches and feedlots. Founded by producers and led by a producer-elected board of directors, CCA works to address issues that concern Canada's beef producers. The CCA's vision is to have a dynamic, profitable Canadian beef industry with high-quality beef products recognized as the most outstanding by customers at home and around the world.

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Hello and thank you for the opportunity to present on behalf of Canada's 60,000 beef cattle producers. The beef industry was Canada's second largest source of farm cash receipts in 2017. It directly or indirectly contributed 228,811 jobs and \$33 billion worth of goods and services to Canada's economy.

Trade is critical for our sector. Canada exports 46% of our beef and slaughter cattle production. That's 600,000 tonnes annually, plus the 300,000 feeder cattle that are exported to the U.S. The Canada-US Free Trade Agreement and the NAFTA contributed to a 3-fold increase in Canadian beef and slaughter cattle exports between 1989 and 2002. The temporary loss of all export markets due to BSE in the mid 2000's directly cost Canada's beef industry \$11 million daily. The potential to further increase our exports and diversify our export markets through the CETA and CPTPP are very welcome. We ask that Canada's Parliament ratify the CPTPP as soon as possible so that Canada's exporters can take advantage of the lower tariff rates offered to the first six countries ratifying the deal.

Further growing beef exports requires increased global demand for Canadian beef as well as growth in the Canadian cattle herd. This is contingent on Canada being a globally competitive producer of high quality beef. We need to maintain a competitive advantage compared to other global beef exporters through continued improvements in quality, safety, productivity and efficiency. Research and innovation play a key role here.

Through the Science Clusters program, Canada's beef industry has supported research to monitor consumer satisfaction with the tenderness, flavor and juiciness of Canadian beef. Research has developed innovative methods to improve the effectiveness of in-plant mitigation procedures to combat E. coli O157:H7, and packaging research has achieved a shelf life of chilled beef of 120 to 140 days, which is critical to ensure it can reach overseas markets.

Research and innovation has also improved feed efficiency. The amount of feed to produce a pound of live weight gain dropped from 10:1 in the 1950's to 6:1 now. This reduces production costs and makes our industry more competitive in export markets. Improvements in production efficiencies also have environmental benefits. Each pound of beef produced in Canada today has GHG, water and ammonia footprints that are 15%, 17% and 20% smaller than 30 years ago.

In terms of research programs and policies, the Science Clusters program is operating quite well for us and we are pleased that it will continue under Canadian Agricultural Partnership. We would like to see three specific improvements to the program. First, the government/industry funding ratio has been declining. This makes it more difficult to support research, particularly at a time when the beef industry has increased its financial support for research. Canada's beef producers are increasing their per-head checkoffs so that we can fund more research, not less. Secondly, the overall budget for the Clusters program needs to increase. The cluster budget hasn't increased since 2009, even though the success and value of the program means that more and more agricultural sectors are competing for funding. To encourage innovation, the funding pie needs to be larger so that the slices stop getting smaller. Third, a five-year funding timeframe is

too short for some areas of research. Plant and animal breeding, forage management, and environmental research require 20-year plus time horizons. Maintaining momentum in these areas can be challenging with short funding cycles. Even a 10-year timeframe would bring significant opportunity.

Plant breeding is highly privatized for crops like corn, soybeans and canola. Barley and perennial tame and native forages rely on public breeding programs because returns on investment are insufficient to attract investment from private breeders. Canada is a relatively small market, and we cannot rely on the US to develop specific crops that will thrive under harsh Canadian conditions and benefit healthy crop rotations, ecosystems and landscapes.

Research programs need to balance the allure of transformative innovation with research that generates incremental progress. High-risk, fundamental, exploratory research funding also needs to be maintained and enhanced to keep the discovery pipeline flowing for both transformative and incremental research. Accidental findings dropping out of exploratory research often lead to new technologies that may not have been discovered if we'd deliberately set out to find or develop them. Columbus was looking for India when he found North America.

Canada's beef industry research priorities and funding investments are guided by the Canadian Beef Research and Technology Transfer Strategy. This Strategy was initially developed in 2012 and renewed in 2016 with input from industry and government research funders, producers, industry stakeholders, and trusted researchers. It has served us and AAFC very well and could also benefit other federal agencies such as Environment Canada and Health Canada who have funding and programming relevant to the beef industry.

An efficient and effective outcome-based regulatory system is critical to access new technologies developed either here or elsewhere. We don't need to invent everything ourselves; sometimes effective solutions already exist elsewhere. But Canada is a relatively small market for global players, so our regulatory system needs to facilitate rather than inhibit access to technology. When Canada has unique challenges (like plant breeding or particular animal health and disease issues), Canada's regulatory framework needs to be nimble and effective, rather than costly or onerous. This will also help ensure that Canada's scientific entrepreneurs remain here to benefit us rather than moving to a larger, more lucrative markets that are easier and more profitable to operate in.

We appreciate the opportunity to provide input on this important study. Research and innovation is critical to the beef cattle sector's competitiveness and is a key driver for continued advancements in productivity, sustainability and economic growth through exports. We would be pleased to provide any additional information that the Committee may seek on beef research and technology transfer topics.