

INVESTING IN A **STRONG FUTURE** FOR CANADA'S BEEF INDUSTRY

CANADA'S

NATIONAL BEEF STRATEGY

STATUS UPDATE  2022-2024

FULL REPORT

Covering activities from January 2020 to June 2022



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The National Beef Strategy is about positioning the Canadian Beef industry for greater profitability, growth and continued production of a high-quality beef product of choice in the world.

VISION

A dynamic profitable Canadian cattle and beef industry

MISSION

To be the most trusted and competitive high-quality beef cattle producer in the world recognized for our superior quality, safety, value, innovation and sustainable production methods

“While many things were added to the list over the last two years, we are proud that several files continued to move forward.”

JAMES BEKKERING

Chair of the Beef Advisors and National Cattle Feeders' Association (NCFA)

“Canada Beef’s emphasis on the versatility of value-cuts of beef and enhanced consumer awareness about proper preparation methods was well-timed. In addition, the Canadian Beef Information Gateway is an initiative to ensure beef remains on the dinner table as higher costs for food and fuel weigh on household budgets”

MIKE KENNEDY

Chair of the Canada Beef marketing committee

THE 2020-24 NATIONAL BEEF STRATEGY WAS DESIGNED TO TAKE ADVANTAGE OF THE OPPORTUNITIES FACING THE INDUSTRY WHILE SIMULTANEOUSLY ADDRESSING THE CHALLENGES.

The 2020-24 National Beef Strategy was designed to take advantage of the opportunities facing the industry while simultaneously addressing the challenges. It has been a challenging couple of years, regardless of where you are in the supply chain, dealing with multiple supply and demand shocks. The first two years of the strategy have been dominated by covid restrictions, drought, and feed shortages. Subsequently, following the government support packages that supported consumption, recovery is now dealing with rising energy prices and food inflation reducing consumer purchasing power.

Covid was declared a pandemic on Wednesday, March 11, 2020 and most of industry implemented emergency response processes on Sunday, March 15th. These included: work from home procedures, suspended travel, and connecting with all the national groups that are part of the National Beef Strategy.

The primary focus was to ensure business continuity by keeping borders open, maintaining inspection services, and having agriculture and the food distribution system deemed as critical infrastructure and an essential service. Industry was able to coordinate advice to producers to manage sales and transportation needs.

On balance many objectives were achieved with a remarkable show of support by Canadians who chose beef as one of their preferred meal choices during these challenging times. Few experts thought that retail and home delivery could pick-up the loss in sales through dine-in food service. Similarly, many doubted that the packing plants would recover quickly and safely to above pre-covid processing levels.

Moving forward, North American beef supplies are forecast to decline going into 2023. This is expected to shift leverage back to the feedlots and increase cattle prices.

CANADIAN BEEF ADVISORS



This National Strategy Status Update is brought to you by the Canadian Beef Advisors – Beef Cattle Research Council, Canadian Beef Breeds Council, Canada Beef, Canadian Cattle Association, Canadian Meat Council, Canadian Roundtable for Sustainable Beef, and the National Cattle Feeders' Association.

SUPPORT THE COMPREHENSIVE CUTOUT ABOVE \$270/CWT, RETAIL BEEF DEMAND ABOVE 105 AND INTERNATIONAL DEMAND ABOVE 100 (INDEX 2000=100)



\$346



120



151

The USDA comprehensive cutout averaged CDN\$317/cwt in 2020 and \$346/cwt in 2021. Retail beef demand was 124 in 2020 and 120 in 2021. International beef demand was 148 in 2020 and 151 in 2021.

In 2021, Canada exported 506,000 tonnes of beef valued at \$4.4 billion, this was the sixth year in a row of hitting record export values, reflecting the industry's long-term investment in market access advocacy.

A major international trade achievement was Canada's attainment of BSE negligible risk status from the World Organization for Animal Health (OIE) in May 2021. With this new status industry is working alongside the Government of Canada to remove the remaining BSE market access restrictions, particularly within the Asian region. The Canadian beef industry continues to encourage high prioritization be placed on harmonizing Canadian and American shipping requirements to South Korea (that would not require a halt in trade should an atypical case be found) and the removal of the American requirement for segregation. To facilitate trade with the European Union (EU), a dossier regarding the efficacy of a food safety intervention used within Canada was submitted to the European Food Safety Authority (EFSA) in mid-2022. The submission of the dossier is a critical step towards eventual approval of peroxyacetic acid (PAA) and key to making the EU a more viable future market.

Canada Beef continued to make strong investments to maintain consumer confidence in our products by supporting consumer marketing programs emphasizing taste, convenience, and culinary know-how; and health and nutrition programming directed at consumers and health professionals. Consumer and digital marketing delivered outreach initiatives on sustainable production

and the health and nutritional aspects of beef to key audiences over numerous platforms. Marketing initiatives shifted focus to meet the needs of consumers cooking at home during the pandemic. Canada Beef developed and curated a robust library of YouTube videos with topics ranging from how to cook a steak, to beef's nutritional benefits, to guest lectures on beef's sustainability story. In addition, the Canadian Beef Information Gateway (Gateway) is a timely initiative to ensure beef remains on the dinner table as higher costs for food, fuel and power weigh on household budgets.

Proactive video content has focused on [the environmental benefits of raising beef cattle](#) in Canada. [Guardians of the Grasslands](#) was publicly launched in May of 2021 along with the film's partners Ducks Unlimited Canada and the Nature Conservancy of Canada. The second short documentary, [Too Close to Home](#), highlights the role of cattle in mitigating fire risk to urban communities. Short videos have been created on multiple subjects – [upcycling ability of cattle](#), the [Canadian beef supply chain](#), use of [hormones](#) and [antibiotics](#), the role of [beef in a healthy diet](#) and highlighting the [national TESA recipients](#).

The [Certified Sustainable Beef Framework](#) continues to grow. The Canadian Roundtable for Sustainable Beef (CRSB) partnered with [Farm Credit Canada on their Sustainability Incentive program](#), which provides additional producer incentive for their certification. Further partnerships are currently being explored.

OPPORTUNITIES AND CHALLENGES

The beef industry continues to face stiff competition from other proteins, the growth of plant protein options, the impact of food inflation and high beef prices on demand, declining consumer culinary knowledge, and potential erosion of consumer confidence around issues such as human health and nutrition. However, opportunities exist to address these challenges through skillful application of cost-effective electronic marketing and social media tools. A strong foundation of tools and resources already exists that can be further leveraged to positively influence consumer impressions and behavior.

Our target audience identified in consumer research represents a huge opportunity for public trust. While

millennials (and younger) are more skeptical about the environmental benefits of beef production, providing examples quickly improves their perceptions. They also indicated a huge desire to learn more about beef production. This also represents a challenge for public trust communications – media consumption is increasing fragmented in the digital age and needs to be delivered to many niche, segmented markets across various channels.

In relation to the Certified Sustainable Beef Framework, there are opportunities to address some of the challenges identified by producers regarding chain of custody. A working group has been formed to explore and recommend solutions.

NATIONAL DATA SHOWS THE LABOUR SHORTAGE CONTINUES TO BE FELT AND GROWS WITH JOBS GOING UNFILLED THROUGHOUT THE PANDEMIC. HOWEVER, IT APPEARS THAT LABOUR IN PACKING PLANTS HAS BEEN MORE CHALLENGING SOUTH OF THE BORDER.

When covid restrictions went into place, the beef cattle industry (along with all agri-food production) was recognized as an essential service and part of the critical infrastructure for Canadians. This was important to keeping boarder services open and packing plants operating throughout the pandemic.

In April and May 2020, we were reminded again of the vulnerability our industry has to a major plant being closed. Set-aside programs were established to help manage the back log of cattle. The National Cattle Feeders' Association (NCFA) succeeded in working with the Canadian Food Inspection Agency (CFIA) to develop a new "Trusted Trader" designation with United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS). Allowing Canadian exporters of fed cattle to continue convoy shipments under one certificate.

In March 2021 the Federal, Provincial, and Territorial Governments agreed to retroactively remove the reference

margin limit in AgriStability increasing coverage by an estimated \$95 million. This change was particularly beneficial to the cow-calf sector. In addition, collaboration between provincial organizations and CCA contributed to the drought and wildfire funding.

In response to industries request, CFIA agreed to greater flexibility in long distance animal transportation in January 2022 - up to four hours additional time if all animal welfare outcomes are being met.

In June 2022, Health Canada announced an exemption for ground beef from its proposed Front-of-Package labelling regulations. Ground beef and pork were recognized for their value as a nutritious whole food, alongside all beef whole cuts. This was critical, as ground beef is at the center of many Canadian meals and represents 50 per cent of all the beef sold in Canada. In addition, during a time of incredible price inflation, ground beef continues to be one of the most affordable meat choices.

OPPORTUNITIES AND CHALLENGES

Industry is very concerned about the current margin squeeze caused by rising input costs and this is amplified a lack of progress on critical files such as the high cost of specified risk material (SRM) handling in beef processing. Managing Avian Influenza and African Swine Fever have commanded significant CFIA resources. Beef industry associations are requesting an evaluation of CFIA capacity and the ability to dedicate staff to specific files like SRM to ensure they continue to move forward in a timely manner.

When bottlenecks appear profit margins increase in order to provide the sector incentives to respond to demand. However, prolonged periods of excessive profit margins

imply that there are other barriers resulting in market failure. Price transparency is critical in identifying when those times occur and allow for monitoring to ensure markets are operating efficiently. While leverage is expected to shift from the packer to producer as North American cattle supplies tighten over the next 12 months. The Alberta study around resiliency will inform industry efforts to resume Canadian Boxed Beef reporting (since it was discontinued in March 2020) and competitive practices.



IMPROVE PRODUCTION EFFICIENCIES THROUGHOUT THE SUPPLY CHAIN. DURING DROUGHT THE FOCUS WAS ON MAINTAINING EXISTING PRODUCTIVITY; ENSURING PRODUCERS HAD ACCESS TO ALTERNATIVE FEED STRATEGIES, TOOLS TO ANALYZE FEED TEST RESULTS, DECISION MAKING TOOLS AND WEBINARS.

Collaboration across the Canadian beef industry has never been greater and specifically as it relates to the seedstock sector and the advancements in standardizing genetic data collection and communication. Through the ongoing development of the Canadian Beef Improvement Network (CBIN) which is being led by the Canadian Beef Breeds Council (CBBC), numerous Canadian beef breed associations are actively collaborating to standardize genetic data collection and improve the resources and communication to commercial beef producers.

The BCRC is on track to maintain the renewal of key research capacity, enhance surveillance systems, and has seen significant infrastructure investments made by government and provincial beef organizations. With over 100 BCRC projects currently underway or awaiting co-funding, research is ongoing in all areas. See the relevant Research Topics at www.beefresearch.ca to become more familiar with specific projects and initiatives underway. The increase in Canadian Beef Cattle Checkoff to \$2.50 (and corresponding increase to BCRC funding) allowed the BCRC to both invest in the Science Clusters program (26 projects across 2018-23) as well as funding between 9 to 19 new three-year projects during each intervening year. In addition, the BCRC is also now able to fund 4 to 7 new “proof of concept” trials to validate research ideas on a small scale to determine whether a larger investment is needed or justified.

OPPORTUNITIES AND CHALLENGES

Provincial governments continue to reduce (or eliminate) their agricultural extension programs. While covid prevented many traditional extension activities, the BCRCs focus on electronic communication allowed our activities to proceed with minimal challenges and encouraged hesitant producers to become more familiar with these technologies. Lack of access to broadband internet remains a significant challenge in many rural areas. While monitoring Knowledge and Technology Transfer (KTT) outputs, web analytics, numbers of publications and attendance is straightforward, quantifying actual producer adoption is an ongoing challenge which the BCRC continues to tackle through producer surveys and information available through other industry programs (e.g., VBP+ and the COP network).



ENHANCE INDUSTRY SYNERGIES AND CONNECT POSITIVELY WITH GOVERNMENT AND PARTNER INDUSTRIES. ONGOING EFFORTS ARE UNDERWAY TO COORDINATE COMMUNICATION BETWEEN NATIONAL ORGANIZATIONS AND ENHANCE TRANSFER OF INFORMATION TO PROVINCIAL ORGANIZATIONS.

Leader calls were convened each week involving the senior staff of the national organizations. Virtual town hall meetings were organized and provided a new service to keep producers as well informed as possible. Increasing coordination amongst the national and provincial organizations has allowed industry to centralize issue response and effectively mobilize spokespeople to handle media requests at local, regional, and national level. This was seen during the pandemic as well as with other issues including the 2021 drought, CP Rail strike, and proposed front-of-package labelling on ground beef.

In September 2020 and April 2021, the Canadian Beef Advisors launched a suite of 2030 goals. The goal topics covered recognize the breadth of benefits from beef production beyond supplying global protein demand. This suite of goals highlights the work of the Canadian beef industry as integral for climate change mitigation and the sustainability of our food system. Raising cattle in Canada is good for the environment and these goals demonstrate how we are striving to make every sector of the industry even better.

The Canadian beef industry has made a concerted effort to partner with varied stakeholders to leverage messaging and ultimately shared outcomes, particularly

across the environmental and sustainability files. The CCA and Nature Conservancy of Canada hosted dialogues to inform the United Nations Food Systems Summit (UNFSS) bringing together experts from the meat industry, conservationists, and nutritionists. This was an important initiative given anti-meat rhetoric from some factions within the UNFSS. Meat industry alignment contributed to Canada bringing forward more inclusive language on the key role of sustainable livestock systems in global food systems.

OPPORTUNITIES AND CHALLENGES

There continues to be pressure from a vocal minority to reduce meat consumption globally and particularly in developed countries. CCA and its partners will continue to engage on the international level to ensure the role of beef in a sustainable and nutritious global food system continues to be recognized. These conversations will be achieved through advocacy and intervention with various global and United Nations agencies such as the COP, Food and Agriculture Organization (FAO), the Private Sector Mechanism (PSM), International Meat Secretariate (IMS), Global Roundtable for Sustainable Beef (GRSB) and Global Meat Alliance (GMA).



CANADA'S NATIONAL BEEF STRATEGY

The 2020-24 National Beef Strategy is designed to take advantage of the opportunities facing the industry while simultaneously addressing the challenges. It is about how to best position our industry to compete for a larger share of the world market and to become the high-quality beef product of choice in the world. The industry vision, mission and pillars remain unchanged providing consistency with the 2015-19 National Beef Strategy. Focus areas and tactics have been updated to reflect the current market and regulatory environment that producers face.

VISION: A dynamic profitable Canadian cattle and beef industry

MISSION: To be the most trusted and competitive high-quality beef cattle producer in the world recognized for our superior quality, safety, value, innovation and sustainable production methods.

The National Beef Strategy has been developed with the aim to achieve specific goals that are aligned with the industry's vision and mission under four pillars. The pillars identify focus areas where industry stakeholders will work together to collectively achieve the outcomes identified. Under each focus area specific outcomes have been defined that work towards meeting the goals established by industry.

PILLARS AND GOALS:

- 1) **BEEF DEMAND:** Support the comprehensive cutout above \$270/cwt
 - a. *METRIC 1: To support the retail beef demand above 115 (Index 2000=100)*
 - b. *METRIC 2: To support the wholesale beef demand above 105 (Index 2000=100)*
 - c. *METRIC 3: To support the international beef demand above 100 (Index 2000=100)*
- 2) **COMPETITIVENESS:** Encourage a competitive regulatory, policy, and market environment
 - a. *METRIC 1: To reduce the labour shortage by 50%*
 - b. *METRIC 2: To reduce cost disadvantages compared to main competitors by 2%*
- 3) **PRODUCTIVITY:** Improve production efficiencies throughout the supply chain
 - a. *METRIC 1: To reduce average open rates by two percentage points in each region*
 - b. *METRIC 2: To reduce average calf death losses to 5% in each region*
 - c. *METRIC 3: To improve feed efficiency by 5%*
 - d. *METRIC 4: To improve national average hay yields by 2-10%*
- 4) **CONNECTIVITY:** Enhance industry synergies and connect positively with government and partner industries

More information on the 2020-24 National Beef Strategy can be found at www.beefstrategy.com.

THE CANADIAN BEEF ADVISORS

The Canadian Beef Advisors consist of the current chair or president and senior staff of each of the seven national beef organizations responsible for policy, marketing, research and sustainability.

The **Canadian Beef Check-off Agency** ([the Agency](#)) manages and administers the Canadian Beef Cattle Check-Off, a mandatory levy collected on cattle sales throughout Canada to fund research and marketing activities on behalf of the entire industry. It is collected from cattle producers when they market their cattle by provincial organizations, using their existing collection systems involving auction markets, order buyers, brand inspectors and others who handle cattle sales. The goal of the Canadian Beef Cattle Check-Off is twofold – to increase sales of domestic and export beef and to find better and more efficient

methods of producing beef and beef cattle. To achieve these goals the Agency funds Canada Beef, the Beef Cattle Research Council (BCRC) and Public and Stakeholder Engagement (PSE) Program. The Agency sits as an observer on the Beef Advisors.

The **Beef Cattle Research Council (BCRC)** is Canada's industry-led funding agency for beef, cattle, and forage research. 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. Priorities include: Animal Health and Welfare, Antimicrobial Use, Resistance and Alternatives, Beef Quality, Environmental Sustainability, Feed Grains and Feed Efficiency, Forage and Grassland Productivity, Food Safety, and Technology Transfer.

Canada Beef is the national [marketing and promotion](#) organization developing and delivering programs domestically and internationally to maximize the cutout value. The domestic market continues to be the largest and most stable market for Canadian beef. Canada Beef identifies and develops key export markets to increase the value of Canadian beef and veal products – in collaboration and cooperation with like-minded companies, organizations, and institutions.

The **Canadian Beef Breeds Council (CBBC)** supports purebred cattle producers through service provision aimed at genetic improvement, animal health, extension services, and information dissemination. The CBBC is focused on the promotion of Canadian beef cattle genetics by identifying market opportunities, facilitating access through timely intelligence and informing the commercial industry of the attributes of the Canadian Beef Advantage both at home and abroad. The CBBC also represents the purebred cattle sector to government by advocating effective policy, ensuring market access and enhancing competitiveness. Funding is provided through member fees and matching government funds.

The **Canadian Cattle Association (CCA)** is the national voice for beef producers on policy issues for its provincial members who include: the British Columbia Cattlemen's Association (BCCA), Alberta Beef Producers (ABP), Saskatchewan Cattlemen's Association (SCA), Manitoba Beef Producers (MBP), Beef Farmers of Ontario (BFO), Les Producteurs de bovins du Québec (PBQ), Prince Edward Island Cattle Producers (PEICP), New Brunswick Cattle Producers (NBCP) and Nova Scotia Cattle Producers (NSCP). All policy activities performed by CCA and provincial organizations are funded through the provincial check-off, which is \$2-3/animal marketed across the provinces. CCA provides national policy representation in animal health and care, domestic agriculture policy, environment, foreign trade, and food policy.

The **Canadian Meat Council (CMC)** has represented Canada's federally registered meat packers, meat processors and suppliers of good and services to the meat industry for nearly a century. CMC provides evidence-based advocacy on behalf of its members, works to secure and improve Canada's global meat competitiveness and promotes a balanced diet, which includes high-quality and nutritious Canadian meat. Funding is provided through member fees.

The **Canadian Roundtable for Sustainable Beef (CRSB)** is a collaborative multi-stakeholder community devoted to advancing sustainability in the Canadian beef industry. Its membership includes organizations across the beef value chain and beyond; farmer/rancher associations, academic institutions, processor and processor associations, food and agriculture businesses, non-governmental associations (animal care and environmental organizations), retail and foodservice companies as well as governments and observers. Funding is provided through member fees and government grants.

The **National Cattle Feeders' Association (NCFA)** represents Canadian cattle feeders on national issues and works in collaboration with other cattle organizations across the country. Key focuses include improving industry competitiveness, increasing domestic value-added production, and expanding markets for Canadian beef. Funding is provided through member fees.

PILLAR 1: BEEF DEMAND

The **Beef Demand** pillar goal is to enhance beef demand and as a result support the comprehensive carcass cutout values above \$270/cwt over the next five years. In March 2020, the Canadian Boxed Beef price series was suspended. The USDA comprehensive cutout averaged CDN\$317/cwt in 2020 and \$346/cwt in 2021.

Retail beef demand has been strong as consumers shifted from foodservice to retail at 124 in 2020 and 120 in 2021 (Index 2000=100). This is above the target of 115 and while softer in 2021 it remains the third strongest year since 1989.

Wholesale beef demand made new record highs at 148 in 2020 and 151 in 2021. International beef demand followed suite with new record highs at 148 in 2020 and 168 in 2021. Food prices have been driven by inflation as government stimulus increased disposable incomes during the pandemic and due to restrictions food was a major outlet for price increases. Concerns are now on how to prevent demand erosion as food inflation continues and is impacting producers purchasing power.

FOCUS AREA A: DOMESTIC AND GLOBAL MARKETING

Canada Beef continued to adjust strategies and tactics over the previous two years in response to the ongoing global covid pandemic and the emergence of the highly contagious Omicron variant that has further challenged industry recovery. At the same time, chronic issues in the domestic market around labour, infrastructure, transportation, weather impacts, and inflation further pressured rising input costs.

Additional uncertainty came when despite Canada's Negligible Risk status, a handful of international markets temporarily suspended imports of Canadian beef following the detection of a case of atypical BSE in December 2021. While most of the market access resumed relatively quickly, China has remained closed.

Strong global demand, driven by international consumers outbidding domestic consumers for Canadian beef, contributed to a record year of exports on a value basis. Strong global beef demand also played a role in the decline in total beef consumption and per capita beef consumption reported in Statistics Canada's 2021 consumption data. Retail beef prices, already pushed higher due to supply chain pressures and food inflation, faced additional pressures as robust exports and lower imports together resulted in less beef available for purchase in the domestic market.

Canada Beef's emphasis on the versatility of value-cuts of beef and enhanced consumer awareness about proper preparation methods was insightful and timely. The team developed recipes and merchandizing solutions for retailers, and we will continue to bring strategies and solutions forward to keep beef on the table.

Ensuring the alignment of national and regional beef and veal marketing programs, services and investment was also a priority for Canada Beef. A Provincial Marketing Alliance (PMA) was established to align marketing programs and services executed at the international, national, and provincial level. Under the PMA, professional marketing specialists from participating provincial cattle or veal producer associations work with the Canada Beef staff team to achieve the common goals and objectives as outlined in Canada's National Beef Strategy and Canada Beef's annual Investment Plan.

Impact for industry

Canada Beef remained responsive to stakeholder needs by pivoting and repositioning marketing efforts and bringing strategic solutions to the table. With beef pricing hitting record highs over the past couple

years, Canada Beef focused on deploying new programs that drove interest in value cuts of beef at lower price points. This is and continues to be a key strategy in keeping beef as a protein of choice for consumers, even in inflationary times. The goal for Canada Beef is to address the challenges of the pandemic and find or create the market opportunities that can come from change that will set it apart from its competitors and provide the maximum benefit for Canadian cattle producers and other stakeholders.

Opportunities and Challenges

Headwinds for the beef industry include significant freight increases, reduced vessel allocation space in the Canada-Asia corridor, and supply chain disruptions. Indirect impacts related to Russia's invasion of Ukraine are possible through increased costs for energy, fertilizer, and feed resulting from the conflict that could potentially negatively affect the beef supply chain. While China has remained closed to imports of Canadian beef, a reopening of that market could place an additional strain on beef prices here at home. And as always, the industry continues to face stiff competition from other proteins, and erosion of consumer confidence around issues such as human health and nutrition, environmental sustainability, and animal welfare.

FOCUS AREA B: MARKET ACCESS

A major international trade achievement was Canada's attainment of BSE negligible risk status from the World Organization for Animal Health (OIE) in May 2021. With this new status industry is working alongside the Government of Canada to remove the remaining BSE market access restrictions, particularly within the Asian region. Singapore was an early mover on recognizing Canada's new status and removed all related restrictions in 2021. Indonesia in 2019 re-established trade of meat and bone meal.

Key factors to watch in trade for Canadian beef producers includes the Canada-United Kingdom (UK) Free Trade Agreement Negotiations, the expansion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), ASEAN negotiations and the Canada Indonesia Comprehensive and Progressive Agreement. All offer opportunity to improve Canadian beef trade parameters if progressive trade arrangements can be reached. On February 2021, the UK formally requested CPTPP accession, later in the year South Korea, China, Thailand, Taiwan, and Ecuador submitted their applications to be a part of CPTPP. The Canadian beef industry remains supportive of parties' accession to the CPTPP if they meet the requirements of the progressive trade deal. Peru, an original CPTPP member, ratified the deal in 2021, giving Canada access for duty-free fresh and chilled boneless cuts with other categories of beef entering an 11-year tariff reduction phase.

The Canadian beef industry continues to encourage high prioritization be placed on harmonizing Canadian and American shipping requirements to South Korea (that would not require a halt in trade should an atypical case be found) and the removal of the American requirement for segregation. CCA has actively engaged with stakeholders to advance Canada's priorities and will continue to do so until resolved.

To facilitate trade with the EU, a dossier regarding the efficacy of a food safety intervention (e.g. peroxyacetic acid, PAA) used within Canada was submitted to the European Food Safety Authority (EFSA) in mid-2022. The submission of the dossier is a critical step towards eventual approval of PAA and key to making the EU a more viable future market.

For Canada-United States (U.S.) imports CCA and CBBC have worked with CFIA to improve the import processes and long wait times for the import of purebred cattle particularly during the bull sale season timeframe.

Impact for industry

In 2021, Canada exported 506,000 tonnes of beef at \$4.4 billion, this was the sixth year in a row of hitting record export values, this reflects the industry's long-term investment in market access advocacy. From January to April 2022 beef exports continue to grow up 9 per cent in volume and 34 per cent in value.

Table 1: Canadian Beef Exports & Market Access 2021

Country	2021 (Million \$)	Yr/Yr % Chg	% of Total Beef Exports	Tariff Rate for 2021 (HS: 0201)	Market Access
USA	\$3,258	32.6%	72.9%	Duty Free	All beef, offal, liver
Japan	\$447.8	47.2%	10.0%	24.1%	All beef
Mexico	\$191.6	80.5%	4.3%	Duty Free	All beef, offal, liver
Hong Kong & Macau	\$76.4	-30.1%	1.7%	Duty Free	All beef (HK) All beef and offals (Macau)
China	\$193.3	88.9%	2.7%	12%	Beef (boneless and bone-in), excluding offal, from animals under 30 months of age, ractopamine free
South Korea	\$118.9	163.9%	2.7%	18.7%	All beef and offals, from animals under 30 months of age
Taiwan	\$14.3	-21.4%	0.3%	SD: 10NT/KGM = .43CDN/KGM	- All beef, specified offals from animals under 30 months of age,
EU (excl. UK)	\$23.6	57.1%	0.5%	Duty Free	All beef and offal (EU hormone free)
UK	\$7.6	-57.0%	0.2%	Duty Free	All beef and offal (EU hormone free)
Other	\$23.5	-26.6%	0.5%	N/A	N/A
Total	\$4,468	37.2%	100.0%	N/A	N/A

Opportunities and Challenges

New trade agreements and Canada's recently updated BSE negligible risk status offer the largest opportunities to improve the trade parameters for Canadian beef producers globally. However, challenges persist. For example, although atypical BSE cases occur randomly and sporadically throughout the world and should not impact trade Canada's 2021 atypical BSE case resulted in South Korea, the Philippines, and China to all halt imports of Canadian beef. On January 19, 2022, South Korea lifted its temporary import restriction, the Philippines lifted its temporary import suspension on January 28, 2022. However, trade with China is yet to be reinstated. Trade with China had also been previously impacted during covid and genetics trade with China has halted. While Canada and China currently have a complicated relationship, the industry remains focused on re-establishing and improving the trade such as through approving other-thirty-month (OTM) access on beef and offal, establishing access for offals, and the establishment of further pathways to enable trade for bone in beef. CCA will also work in partnership with the CBBC to re-establish genetic trade with China.

Additionally, proponents of Mandatory Country of Origin Labelling (mCOOL) have tried to reinstate mCOOL provisions with the Biden Administration through various routes. Some examples include the "American Beef Labeling Act of 2021" which was introduced in the U.S. Senate by a bi-partisan group seeking to reinstate mCOOL for beef, the China bill which is aimed at competition concerns, however also contains language ordering a study of mCOOL, and the review of the Product of U.S. label being undertaken by the food safety authority. Canadian beef leadership continues to work closely with U.S. allies on the importance of the integrated U.S. and Canadian beef industries and if needed Canada has maintained retaliatory rights should the U.S. reinstate mCOOL.

FOCUS AREA C: THE CANADIAN BEEF ADVANTAGE (CBA)

In terms of monitoring, the CBA to assess product attributes with the greatest impact on carcass value and beef demand, restricted access to packing plants and retail stores due to the covid pandemic forced the industry-led Beef Quality Audit ([BQU.10.17](#)) to pivot to a retrospective analysis and scientific publication of previously completed audits, and to initiate strategic beef quality research activities that did not require access to commercial plants. Alternative approaches to actively engage the research community in the execution of future audits are being explored. In the meantime, research is underway to resolving some of the costly liver abscess repeatedly identified in past audits (e.g., [FDE.01.17](#), [ANH.02.19](#), [ANH.23.19](#)). The National Beef Sustainability Assessment is underway, led by the CRSB with BCRC staff support on the Science Advisory Committee. Similarly, PSE is leading efforts around consumer attitudes towards beef and sustainability, with support from the CRSB.

Work has been initiated towards achieving an in-plant measure of tenderness that can be used at line speed ([BQU.03.19](#)). Progress towards records and information flow ([BQU.09.18](#)) has been impaired by covid as well as the departure of a key CCA staff member, which culminated in the cancellation of several elements of the project. During the pandemic, processors were unable to maintain systems that had been implemented to communicate liver defect data from packers to feedlots. However, a new project was initiated to investigate whether camera technology could facilitate remote inspection and reduce the number of inspectors needed on-site (MISC.03.20).

In spite of significant delays and other challenges posed by covid (e.g., temporary facility closures followed by restricted lab access and significantly increased expenses), research underway at universities and federal research stations to improve consumer satisfaction with Canadian beef. This research: genetic markers for tenderness ([FDE.05.20](#)), interactions between genotype and management ([FDE.01.19](#), [FDE.04.20](#), [FDE.05.20](#), [POC.14.20](#)), packaging technologies ([FOS.01.17](#), [POC.09.19](#), [FOS.01.20](#), [POC.11.21](#)), predictability of lean meat yield ([BQU.08.17](#)), genomic and grading technologies ([BQU.08.17](#), [BQU.03.19](#)) and technologies to improve sorting ([BQU.03.19](#)) was able to continue with relatively minor delays and setbacks. In spite of significant delays and other challenges posed by covid (e.g., temporary facility closures followed by restricted lab access and significantly increased expenses), research underway at universities and federal research stations to improve consumer satisfaction with Canadian beef. This research: genetic markers for tenderness ([FDE.05.20](#)), interactions between genotype and management ([FDE.01.19](#), [FDE.04.20](#), [FDE.05.20](#), [POC.14.20](#)), packaging technologies ([FOS.01.17](#), [POC.09.19](#), [FOS.01.20](#), [POC.11.21](#)), predictability of lean meat yield ([BQU.08.17](#)), genomic and grading technologies ([BQU.08.17](#), [BQU.03.19](#)) and technologies to improve sorting ([BQU.03.19](#)) was able to continue with relatively minor delays and setbacks.

Impact for industry

Most of these projects are at least a year from completion, so producer benefits have yet to be realized. The BCRC's Science Advisory Body has engaged a scientist from a major beef processor to assist with project selection. This has given a direct insight into processor needs and priorities and has facilitated direct processor involvement in several research activities the BCRC is funding.

[BQU.02.18](#), comparing the nutrient content (and cost per unit nutrient) of beef to other animal- and plant-based protein sources. This information has been shared with Canada Beef, PSE, CCA's food policy committee, producers and developed into an [infographic](#).

Opportunities and Challenges

As mentioned above, progress towards achieving several Canadian Beef Advantage objectives has been significantly impaired by the covid pandemic and key staff changes. Overcoming these two issues is both challenging and necessary, as close collaborations between the research community and the processing sector is critical to ensuring that (a) researchers understand key industry issues and orient their research programs to develop effective solutions to these challenges, (b) researchers and the processing sector actively collaborate during the design and execution of these research projects, and (c) the results are implementable and cost-effective for the end user.

FOCUS AREA D: CONSUMER CONFIDENCE

Canada Beef continued to make strong investments to maintain consumer confidence in our products by supporting consumer marketing programs emphasizing taste, convenience, and culinary know-how; and health and nutrition programming directed at consumers and health professionals.

Consumer and digital marketing delivered outreach initiatives on sustainable production and the health and nutritional aspects of beef to key audiences over numerous platforms. Marketing initiatives shifted focus to meet the needs of consumers cooking at home during the pandemic. Canada Beef developed and curated a robust library of YouTube videos with topics ranging from how to cook a steak, to beef's nutritional benefits, to guest lectures on beef's sustainability story.

In addition, the Canadian Beef Information Gateway (Gateway) is a timely initiative to ensure beef remains on the dinner table as higher costs for food, fuel and power weigh on household budgets. The Gateway educates and inspires consumers to choose beef for all occasions in a digital format that aligns with current consumer behavior and preferences for information. Canada Beef launched the first phase of the Gateway in January 2022. This initial Canadian Beef branded version of the Gateway gained traction with early adapters and drove demand for our innovative point of purchase (POP) toolkits that support implementation. Uptake of the toolkits has been steady and we look forward to the continued growth of this innovative resource.

Canada Beef also established an Expert Advisory Committee on health and nutrition. The committee consists of six core committee members supported by subject matter experts. Each member represents an area of expertise relevant to specific health and nutrition portfolio project areas. This group provides key guidance to Canada Beef programs targeting professional dietitians, physicians and consumers.

Thirty-five animated video vignettes have been developed to highlight the key elements of the Canadian Beef Advantage in the areas of: animal health, food safety, grading standards and beef quality. The videos were developed for domestic and international trade audiences. Consumer versions of the videos are in development.

Impact for industry

Canada Beef programs to maintain consumer confidence in our products by emphasizing taste, convenience, and culinary knowledge; and health and nutrition programming for consumers and health professionals challenging and addressing negative messages and perceptions of beef continues to benefit the beef industry. Typically, consumer marketing and social media programs achieve well over 100 million consumer impressions each year reinforcing positive beef messages. As well, positive health and nutrition messaging, supported by sound research, and delivered by credentialed and respected experts in the field, allows Canada Beef to reach dietitians and physicians who are critical stakeholders and key influencers.

Opportunities and Challenges

The beef industry continues to face stiff competition from other proteins, the growth of plant protein options, the impact of food inflation and high beef prices on demand, declining consumer culinary knowledge, and potential erosion of consumer confidence around issues such as human health and nutrition. However, opportunities exist to address these challenges through skillful application of cost-effective electronic marketing and social media tools. A strong foundation of tools and resources already exists that can be further leveraged to positively influence consumer impressions and behavior.

FOCUS AREA E: PUBLIC TRUST

The PSE program conducted extensive consumer research in June 2020 to benchmark public trust levels in Canadian beef production. The results included positive views of producers (68 per cent) however, Canadians were less confident that beef producers limit their environmental impacts and the majority (71 per cent) agree that eating less beef is good for the environment. From this research, a must-win audience was identified – millennials, skewing female, especially in Ontario and British Columbia. Their concerns were not unique but felt much more strongly and thus have guided the proactive projects, partnership development and producer advocacy resources created.

Training opportunities provided to industry representatives included media training, indigenous relations, and social media advocacy. The Canadian Beef Expert Network was established which includes over 50 subject matter experts able to take mainstream media interviews. Content Corral, an online platform of beef advocacy content designed for public audiences, was launched to offer seamless engagement opportunities online. The online training platform [Beef Advocacy Canada](#) was completely updated in 2021 to include mostly video content.

Proactive video content has focused [on the environmental benefits of raising beef cattle](#) in Canada. [Guardians of the Grasslands](#) was publicly launched in May of 2021, along with the film's partners Ducks Unlimited Canada and the Nature Conservancy of Canada. The second short documentary, [Too Close to Home](#), highlights the role of cattle in mitigating fire risk to urban communities. Short videos have been created on multiple subjects – [upcycling ability of cattle](#), the [Canadian beef supply chain](#), use of [hormones](#) and [antibiotics](#), the role of [beef in a healthy diet](#) and highlighting the [national TESA recipients](#).

Issues of note include the 3% project with Steven Lee, Weather Network, Burger King, and the editorial response to Epicurious, which was published in nine different papers and reached over six million Canadians.

Impact for industry

[A 2021 article](#) stated that “*Guardians of the Grasslands*, has impacted consumer perception of the role of cattle as regenerative contributors... in a shorter period of time than research or advertising ever historically has.” With over 25 film festival selections, multiple awards and more than 275,000 views online the film has been incredibly successful at showcasing the vital role of beef cattle in preserving Canada's natural ecosystems.

An educational game, based on the *Guardians of the Grasslands*, is currently in development for Alberta students in grades 7-10. Beef Advocacy Canada has been used within the beef sector (e.g. for new staff, CYL and 4-H) as well as in the broader community such as to train restaurant staff, launched in 2021 the program has already trained over 65 individuals.

The coordinated and quick response to issues has enabled the industry to capitalize on media interest and leverage opportunities to highlight the environmental benefits of beef production.

Opportunities and Challenges

Our target audience identified in consumer research represents a huge opportunity for public trust. While millennials (and younger) are more skeptical about the environmental benefits of beef production, providing examples quickly improves their perceptions. They also indicated a huge desire to learn more about beef production. This also represents a challenge for public trust communications – media consumption is increasingly fragmented in the digital age and needs to be delivered to many niche, segmented markets across various channels.

The engagement with Steven Lee (3% project / UN) can also be replicated for additional shared values success stories.

FOCUS AREA F: SUSTAINABILITY

The CRSB is recognized as a leading voice on sustainable agriculture, both in Canada and internationally. CRSB is very active on the Global Roundtable for Sustainable Beef (GRSB) and participates in all its Councils and working groups. On March 31, 2022, CRSB presented to the Standing Committee on Agriculture and Agri-Food as part of its [Study of the Environmental Contribution of Agriculture](#). CRSB also participated in the National Index on Agri-Food Performance by serving on its Steering Committee as well as two working groups. In May, the first proposed agri-food sustainability index for Canada launched and consists of 20 indicators and 50 sub-indicators. The CRSB will continue to serve on the index's Steering Committee.

The collaborative model provided through the CRSB's multi-stakeholder structure continues to stand the test of time as an effective way to advance complex topics and achieve mutual outcomes. The organization is pleased to have welcomed seven new voting members and three new non-voting members over the past year.

As part of the organization's commitment to continuous improvement and global good practice, the [Certified Sustainable Beef Framework](#) is under review, as is the [National Beef Sustainability Assessment and Strategy](#).

Impact for industry

The [Certified Sustainable Beef Framework](#) continues to grow. The CRSB partnered with [Farm Credit Canada on their Sustainability Incentive program](#), which provides additional producer incentive for their certification. Further partnerships are currently being explored.

Opportunities and Challenges

In relation to the [Certified Sustainable Beef Framework](#), there are opportunities to address some of the challenges identified by producers regarding chain of custody. A working group has been formed to explore and recommend solutions.

PILLAR 2: COMPETITIVENESS

Many doubted that the packing plants would recover quickly and safely to above pre-covid processing levels. However, that was achieved by July 2020 with weekly slaughter levels averaging above first quarter 2020 for the next 24 months. The backlog of fed cattle in the west was virtually eliminated by the end of 2020.

It appears that labour in packing plants has been more challenging south of the boarder. The Alberta Beef Producers launched a campaign to thank packing plant workers in 2020. These videos were played in

packing plant lunchrooms, recognizing the critical role that plant workers have in supporting the beef supply chain.

National data shows the labour shortage continues to be felt and grows with jobs going unfilled throughout the pandemic. According to the Canadian Agricultural Human Resource Council (CAHRC) Commodity Dashboard, the current labour gap in the beef sector for 2022 is of 5,856 jobs and this estimate is expected to reach about 14,000 by 2029 .

CAHRC is providing covid-related support materials for partners. Through their Agri-Diversity initiative they have developed sharing circles with indigenous producers. They have also developed an Equity, Diversity and Inclusion working group, that is just getting underway and will guide future efforts in this area. Four overarching themes have been identified for the National Workforce Strategy that provide structure and touch six pillars including (1) perception and awareness, (2) best practices and culture, (3) immigration and foreign workers, (4) skill development, (5) under-represented groups, and (6) automation, innovation and technology.

FOCUS AREA A: YOUTH INVOLVEMENT AND SUCCESSION

Investing in the next generation of Canada's beef industry through the Canadian Cattle Association's [Cattlemen's Young Leaders \(CYL\) Mentorship Program](#) and [Young Cattlemen's Council](#) (YCC) continues to be a high priority.

The Young Cattlemen's Council was active in CCA policy activities in early 2020 with the start of the covid pandemic and continues to provide a youth lens on important files. This included virtual fly-in and in-person youth meetings with elected officials, the YCC President interviewing Federal Ag Minister, Marie-Claude Bibeau, alongside CCA's President in December 2021, writing letters and submitting feedback through government consultations on key policy areas, and highlighting key files like environmental sustainability and business risk management programs on social media. This proved successful, as high engagement levels were achieved on CCA social media posts with a youth focus. In 2022, the YCC also formed a working group to explore ways to improve young producers' access to capital with plans to report back to the CCA in the Fall of 2022. The YCC also worked with the Canadian Beef Cattle Check-Off Agency to create a non-voting Youth Member position on the board new in 2022.

There was previous exploration on creating a succession planning program delivered through the CYL Program, with help from CYL sponsors and various industry partners. The CYL Program is grateful to have the opportunity to foster relationships between young producers and financial institutions such as MNP, Farm Credit Canada, and RBC Future Launch who are CYL program sponsors. Moving forward, the CYL Program will continue to provide young people access to succession planning and business management resources through program sponsors and streamline approaches to distribute existing tools and resources more widely with the next generation, as it has been deemed more feasible than creating an industry succession planning program.

In 2021, approximately 20 young producers also participated in media training in partnership with the CCA's Public and Stakeholder Engagement team to increase capacity of profiling successful young producers.

Impact for industry

Since 2010, over 150 young leaders have graduated from the CYL Program, completing personalized mentorships in various focus areas throughout the supply chain. A number of those mentorships in the past few years have specifically focused on succession planning to provide them with personalized support

and resources. The Beef Advocacy Canada course continues to be a graduating requirement for these young leaders.

CYLs and YCC participants continue to use their connections through their time spent in CCA youth programming to advance their contributions to industry by serving on industry and provincial boards and taking on advanced leadership roles through their careers. The young leaders also played a significant role in CCA's successful advocacy work over the last two years throughout the covid pandemic.

Opportunities and Challenges

Covid was the single largest challenge of delivering youth development opportunities, limiting travel and networking traditionally offered through the CCA youth programs. However, it did provide new ways to deliver specialized training virtually to CYLs with presenters from sponsor companies, and for YCC to engage its young producer membership at its annual general meeting, semi-annual and delivering speakers. Building international relationships with American and global youth counterparts will be a priority moving forward as travel resumes with events such as the National Western Stock Show and engaging at the International Beef Alliance level. The YCC and CYL will also explore ways it can utilize its websites to be a source of information for young producers seeking succession planning resources.

FOCUS AREA B: SUPPORTIVE REGULATORY FRAMEWORK

When covid restrictions went into place, the beef cattle industry (along with all agri-food production) was recognized as an essential service and part of the critical infrastructure for Canadian's. This was important to keeping boarder services open and packing plants operating throughout the pandemic.

Impact for industry

April and May 2020 reminded us again of the vulnerability of our industry to a major plant being closed. Set aside programs were established to help manage the back log of cattle.

NCFA succeeded in working with the CFIA to develop a new "Trusted Trader" designation with USDA-APHIS. In 2020, NCFA was alerted that the US would require each truckload of cattle in convoy shipments to have their own Canadian Export Health Certificate (CHC). This change would have dramatically complicated the logistics of shipping fed cattle south. Under the new "Trusted Trader" designation negotiated between Canada and the US, Canadian exporters of fed cattle can continue convoy shipments under one certificate.

New proposed feed regulations published this year in Canada Gazette-I. This comprehensive regulatory package is the result of a decade-long effort to modernize Canada's livestock feed regulations, and one with which NCFA has been involved since the beginning. The final proposals meet many of the goals important to cattle feeders.

In March 2021, the Federal, Provincial, and Territorial Governments agreed to retroactively remove the reference margin limit in AgriStability increasing coverage by an estimated \$95 million. This change was particularly beneficial to the cow-calf sector.

Collaboration between provincial organizations and CCA contributed to the drought and wildfire funding. Agriculture and Agri-Food Canada (AAFC) announced support for farmers and ranchers impacted by the severe drought conditions seen across Canada in British Columbia, the prairie provinces, and parts of Ontario on July 22, 2021. The early designation for the livestock tax deferral allowed beef producers who were forced to sell a significant amount of their breeding herd due to drought conditions to offset the resulting revenues with the costs to replace the herd. The provincial programs varied in delivery.

In response to industries request, CFIA agreed to greater flexibility in long distance animal transportation in January 2022 - up to four hours additional time if all animal welfare outcomes are being met.

In June 2022, the Government of Canada listened to the concerns of farmers, ranchers as well as Canadians across the country and exempted ground beef from Health Canada's proposed Front-of-Package regulations, recognizing their value as nutritious whole foods similar to whole cuts. This was critical, as ground beef is at the center of many Canadian meals and represents 50 per cent of all the beef sold in Canada. In addition, during a time of incredible price inflation, ground beef continues to be one of the most affordable meat choices.

Opportunities and Challenges

Industry is very concerned about the current margin squeeze caused by rising input costs and this is amplified a lack of progress on critical files such as the high cost of SRM handling in beef processing. Managing Avian Influenza and African Swine Fever have commanded significant CFIA resources. Beef industry associations are requesting an evaluation of CFIA capacity and the ability to dedicate staff to specific files like SRM to ensure they continue to move forward in a timely manner.

FOCUS AREA C: A RESPONSIVE MARKETPLACE

CCA has sought to achieve the development of a National Emergency Management Strategy through a leadership role within Animal Health Canada. Animal Health Canada (AHC) was established in 2021 having evolved from the National Farm Animal Health and Welfare Council. This collaborative public-private partnership will provide Canada with a multi-species organization envisioned to maximize synergies while minimizing duplication in Canada's animal health ecosystem. The organization is tasked with galvanizing vested stakeholders in an integrated approach to safeguarding animal health in Canada.

Within AHC, the Animal Health Emergency Management II (AHM-II) project is addressing gaps in several areas critical to the effective management of a serious animal disease outbreak or other emergency, including human pandemics. The project continues to develop and test new plans for provincial industry associations with an objective of doubling the number of associations equipped with plans and handbooks. It also supports the development of response frameworks for national organizations. Producer workbooks with customizable tools and templates are designed to help prepare and respond to emergencies. AHMII is also increasing industry awareness through online webinars, workshops, and online continuing education training for veterinarians in private practice on Foreign Animal Disease (FAD) recognition and response.

Generate science-based information to inform regulatory approvals of effective food safety interventions in key international markets (i.e. European Food Safety Authority approval of peroxyacetic and citric acid interventions for beef); cost-effective methods of separating SRM from non-SRM in order to reduce SRM disposal costs and the amount of material directed to landfill. CMC estimates total cost from SRM removal are \$31.7 million (UTM \$15million/OTM \$16.7 million). CMC has presented five key recommendations towards harmonization with the US on SRM removal. The Canadian Renderers and the Animal Nutrition Association of Canada (ANAC) are supportive of the request.

CCA has completed a dossier for submission to the European Food Safety Authority (EFSA) for the evaluation of the use of peroxyacetic acid (PAA) as a processing aid in beef fabrication. The dossier was first reviewed and approved by Health Canada and then reviewed, approved, and submitted by the CFIA to the European Commission in early June.

In effort to harmonize Canada's SRM regulations with the U.S., the BCRC has initiated a risk assessment that will allow CCA to begin negotiations with CFIA for regulatory review of the Enhanced Feed Ban, while

remaining cognizant of voiding changes that could affect the OIE negligible risk status. The risk assessment is expected to be completed late in 2022 and once finalized will be used to define a process forward with CFIA.

Impact for industry

Obtaining approval for the use of PAA for beef exports to the EU would eliminate a primary barrier to producers looking to access this market.

Currently, over 90 per cent of total SRM is being disposed of in Canadian landfills, with no conversion into a valuable product. This results in increased costs to cattlemen's income and a decrease in international competitiveness.

Opportunities and Challenges

Once a positive opinion is obtained from EFSA, further advocacy will be required with the European community to see adoption of PAA use for beef products entering the EU.

Once the SRM risk assessment is complete, the steps for implementation of its outcomes can be defined. After the planning and implementation of proposed changes has been completed a review, monitoring and enhancement process will be required to align to future protocol changes competitors make to maintain competitiveness and market access, while ensuring risk is contained.

FOCUS AREA D: ACCESS TO COMPETITIVELY PRICED INPUTS

In 2020, the Alberta Cattle Feeders' Association (ACFA) and the Alberta Beef Producers (ABP) collectively issued a report looking at the [competitiveness of the Alberta beef industry](#). This report highlighted some of the major challenges to remain competitive, as well as the advantages that exist. Following this report ACFA, ABP and CCA along with the Alberta Ministry of Agriculture and Forestry have engaged in a study focused on the best approach to diversify, build capacity and resiliency for all of Alberta's meat processing sector and address the concern around price discovery and transparency. The study is built around three components:

1. Understanding of the barriers to entry and expansion for the packing sector, specifically small and medium processing plants and abattoirs will likely have some unique challenges (e.g. labour, building storage or cooler capacity, technology).
2. Price Transparency in Canadian Boxed Beef prices, addressing confidentiality concerns and robust price discovery. Building transparency, accountability, and efficiency in the market will be investigated by identifying which data points need to be reported at each stage of production, as well as look at potential options for control in times when part of the value chain's margins become excessive.
3. A literature review of the price discovery conversations around fed cattle in North America, evaluating U.S. proposals and if any are applicable to the Canadian context.

NCA activities around labour have centered around: 1) Improving the Temporary Foreign Worker Program (TFWP) program; 2) Development of a dedicated labour program for agriculture; 3) Urging creation of a new stream within the immigration system that would allow agriculture to secure needed full-time permanent workers and an enduring solution to labour shortages; and 4) Impressing on government that "one-size" does not "fit-all" given different sectors have different needs, such as temporary seasonal workers versus full-time permanent workers. In June 2022, the Government of Canada launched consultations on the National Agricultural Labour Strategy.

CCA is active in ongoing consultation with both the Veterinary Drugs Directorate (VDD) and CFIA to improve the Canadian regulatory system for health products. Through various roundtable discussions, working groups, and as standing members of the Canadian Animal Health Products Regulatory Advisory Committee (CAHPRAC), CCA is advocating strongly to streamline approval times to both retain access and allow for greater availability of veterinary health products in Canada.

Impact for industry

When bottlenecks appear profit margins increase in order to provide the sector incentives to respond to demand. However, prolonged periods of excessive profit margins imply that there are other barriers resulting in market failure. Price transparency is critical in identifying when those times occur and allow for monitoring to ensure markets are operating efficiently. While leverage is expected to shift from the packer to producer as North American cattle supplies tighten over the next 12 months. The Alberta study around resiliency will inform industry efforts to resume Canadian Boxed Beef reporting (since it was discontinued in March 2020) and competitive practices.

The efforts around health products are critical to protecting animal health and welfare, supporting efficient production, and maintaining export market access.

Opportunities and Challenges

Improving producer access to veterinary health products is a key step towards reducing industry reliance on antimicrobials. This has a significant impact on public trust and maintenance of public license to operate. There are opportunities within these objectives to create harmonization with other countries, forecasting opportunities to identify new and emerging technologies/products, and to the need to encourage leading edge adoption of these products to enhance our market competitiveness. Challenges to accomplishing these goals include Canada's limited marketplace size, existing regulatory barriers, moving from research to commercialization activities, solving barriers to adoption, and the veterinary shortage.

PILLAR 3: PRODUCTIVITY

There is a focus on maintaining existing **productivity** gains during challenging periods such as the most recent drought; ensuring producers have access to alternative feed strategies, tools to analyze feed test results and how they inform an individual producers' feeding strategy, resources on determining the value of salvaging crops for feed, and webinars with experts to ask key questions related to animal health, water, feed, and forage management.

Rising input costs make additional investments challenging for producers; but also spurs innovation to find creative alternatives that may not have been considered previously. Everyone in the supply chain is looking for efficiencies in the current cost environment.

FOCUS AREA A: GENETIC SELECTION

Collaboration across the Canadian beef industry has never been greater and specifically as it relates to the seedstock sector and the advancements in standardizing genetic data collection and communication. Through the ongoing development of the Canadian Beef Improvement Network (CBIN) which is being led by the CBBC, numerous Canadian beef breed associations are actively collaborating to standardize genetic data collection and improve the resources and communication to commercial beef producers.

This unprecedented collaboration has significant implications for Canadian beef producers to better assist in the incorporation of genetic data into their management decision making processes. In an effort to

drive genetic advancements and facilitate the adoption of innovative genetic technologies through the entire Canadian beef production system, a four stage development plan has been undertaken focused on standardizing and unifying genetic data collection, facilitating the linkage of genetic data across all sectors, creating analytical tools and resources that translate data into value for commercial beef producers and driving adoption and utilization of genetic data and technologies from conception to consumption.

Impact for industry

Through the collaborative efforts and move to standardize data collection cattle producers will have easily accessible availability of accurate data to help inform their genetic management decisions to further advance the overall productivity and profitability of their herds.

Opportunities and Challenges

Substantial gains have been made towards these goals and significant opportunities exist to drive data utilization and genetic advancements across the entire beef industry to better quantify the impact of genetics on both overall environmental and economic sustainability of Canadian beef production. Leveraging collaborative resources and breaking down data silos remains the biggest challenge to achieving these transformational goals for the industry.

FOCUS AREA B: INFORMATION FLOW

Through the creation of CBIN under the leadership of CBBC and with private and public sector investment, a national beef cattle registry portal is being developed which will standardize the way genetic data is collected across multiple breed associations. This foundational first step in the development of CBIN is on track to be operational in early 2023. Once complete, this will facilitate the bidirectional flow of genetic data across the entire beef production chain and will allow all sectors to begin to unlock the value of genetic data to both drive management decisions and support the adoption of innovative genetic technologies to advance Canadian beef production.

With the development of the registry portal well underway, focus has shifted to determining the broader genetic data hub required to create the necessary linkages between genetic data and the other production metrics of importance across the sectors. This is a crucial undertaking to capturing the true value of genetic data and informing data driven decisions throughout the beef production chain.

Impact for industry

Advancements in data technology and utilization have the potential to have transformational implications for Canadian cattle producers through bi-directional information flow that can inform data driven management decisions and quantify both environmental and economic advancements at both an operational and industry level.

Opportunities and Challenges

Engagement and active collaboration across all segments of the beef production chain is critical to creating meaningful information flow throughout the industry that can translate into real value for all sectors. Rapid advancements in data technologies provide considerable opportunities for all sectors but unprecedented collaboration with well-defined data security, privacy and ownership is required for trusted information flow to occur.

FOCUS AREA C: RESEARCH CAPACITY

The BCRC is well on track to maintain the renewal of key research capacity with 14 scientists have completed or participated in the Beef Researcher Mentorship program since 2020. Along with three BCRC co-funded industry Chair positions having been developed and staffed (Dr. Gleise da Silva in the [BCRC-Hays Chair in Beef Production Systems](#) at the University of Alberta, Dr. Cheryl Waldner in the [NSERC/BCRC Industrial Research Chair in One Health and Production Limiting Diseases](#) at the Western College of Veterinary Medicine and Dr. Bree Kelln in the [Beef Industry Integrated Forage Management and Utilization Chair](#) at the University of Saskatchewan).

Food safety and antimicrobial surveillance systems are progressing; building on years of producer-funded checkoff investments in antimicrobial use and resistance focused research, the Canadian Integrated Program for Antimicrobial Resistance Surveillance has been granted federal funding to elevate the [Feedlot Surveillance initiative](#) from a temporary project to a permanent program. Objective b is being addressed, with the [Canadian Animal Health Surveillance System](#) drawing information from several BCRC-supported efforts including the [Canadian Cow-Calf Surveillance Network](#), and the [Western Canadian Animal Health Network \(beef\)](#).

Significant infrastructure investments made by government and provincial beef organizations at the [University of Saskatchewan](#) and [University of Guelph](#) will help support basic and applied forage, cattle and beef research into the future. Significant investment will be required to support and maintain beef carcass and quality research currently underway at [AAFC Lacombe](#).

Impact for industry

Maintaining satisfactory research infrastructure is key to attracting and retaining world class research expertise. These facilities are tremendously costly to build and operate, but when done right, they facilitate both basic and applied systems-based research that generates answers and solutions to opportunities, questions and concerns shared by industry, policymakers, consumers, and the general public. Independent, third-party research also provides an additional layer of credibility, and relieves individual cattle producers and beef processors of the risk and requirement to individually test and demonstrate each potential technology or production practice on their own operations.

Opportunities and Challenges

Canada's infrastructure for grazing, forage and animal research has improved significantly in recent years. Better coordination among research institutions would allow these facilities to be used more efficiently. However, carcass and meat research facilities are limited and urgently need renewal. Decreasing government:industry cost share ratios for research infrastructure and capacity increase the demand to invest limited producer dollars in these initiatives, which then limits funding for research activities to utilize these facilities and expertise. Public resistance increasingly challenges the construction or expansion of research facilities (particularly when located conveniently near predominantly urban university or federal research sites).

FOCUS AREA D: RESEARCH AND DEVELOPMENT

With over 100 BCRC projects currently underway or awaiting co-funding, research is ongoing in all eight outcome areas. Readers are referred the relevant Research Topics at www.beefresearch.ca to become more familiar with specific projects and initiatives underway.

Canadian Beef Cattle Checkoff research funding allocations allow the BCRC to leverage producer funds to strategically influence other funders' research decisions. The BCRC's approach to research funding is

guided by the industry-led multi-stakeholder Canadian Beef Research and Technology Transfer Strategy, as well as by the BCRC's robust, multi-level funding decision process. The BCRC's priority areas encompass Forage and Grassland Productivity, Feed Grains and Feed Efficiency, Animal Health, Welfare and Antimicrobial Resistance, Food Safety and Beef Quality. Between 2001 and 2008, the BCRC was able to support a total of 4 to 9 new research projects across all priority areas per year, limiting research progress and BCRC influence. The introduction of AAFC's Science Clusters Program allowed the BCRC to invest still more strategically, by supporting over 25 large, longer-term projects spanning our entire portfolio of priority research areas over a five-year period (but impeded our ability to fund projects in the intervening five years). The increase in Canadian Beef Cattle Checkoff to \$2.50 (and corresponding increase to BCRC funding) allowed the BCRC to both invest in the Science Clusters program (26 projects across 2018-23) as well as funding between nine to 19 new three-year projects during each intervening year. Increased research funding resources has also allowed the BCRC to expand our activities to support research capacity (see Focus Area C: Research Capacity). In addition, the BCRC is also now able to fund four to seven new "proof of concept" trials to validate research ideas on a small scale to determine whether a larger investment is needed or justified.

Impact for industry

Research funded by the BCRC is guided by the [Canadian Beef Research and Technology Transfer Strategy](#), which is directly linked to the [National Beef Strategy](#). This Research strategy is renewed on a five-year cycle, based on input from seedstock, cow-calf and feedlot producers, the forage and feed grains sector, other industry stakeholders, research community and other funders of Canadian cattle, forage and beef research funders to the research challenges and opportunities being addressed reflect industry priorities. This approach also enables the results of individual projects to be communicated to check-off paying producers as well as synthesized into on-farm decision making tools to encourage adoption (see Focus Area E: Technology Adoption).

Opportunities and Challenges

As with Research Capacity (Focus Area C), declining government: industry cost share ratios increase demands for industry dollars to support these initiatives, limiting the number and scope of research projects that can be funded. This challenge largely driven by static or declining federal and provincial research budgets, fragmentation of government programs and program delivery, and magnified by funding challenges facing key provincial industry partners. Continued efforts to coordinate the priorities and funding decisions among funders can help address this challenge. Ultimately, declining government: industry cost share ratios will give industry a louder voice regarding the prioritization and funding of projects and programs.

FOCUS AREA E: TECHNOLOGY ADOPTION

The BCRC has become very active in helping researchers to understand that producer-focused extension and **technology transfer** efforts are as important as research publications and conference presentations. Efforts are reinforced by encouraging research teams, where appropriate, to engage potential end-users in the design and execution of the research projects and associated extension efforts. The BCRC's Knowledge and Technology Transfer (KTT) team works closely with research teams to ensure that relevant research results are communicated to industry, and that key findings are accommodated within existing or new producer-focused economic decision-making tools.

The Canadian Beef Technology Transfer Network was challenged by covid, as the face-to-face meetings became impossible. However, technology allowed the Canadian Beef Research and Technology Transfer Strategy renewal to involve more people who would not have been able or willing to travel to Calgary for

a two-day meeting. Further, increased producer reliance on and comfort with digital communication provided an opportunity to make more producers aware of the resources available on www.beefresearch.ca. The [Canadian Cow-Calf Cost of Production Network](#) is successfully underway and poised to deliver further analysis under Beef Cluster IV. In addition to the proof-of-concept projects described above (Focus Area D), increased Canadian Beef Cattle Check-off funding has allowed the BCRC to support 3 to 4 Knowledge and Technology Transfer projects annually. These projects are proposed and led by non-BCRC extension groups, thereby increasing awareness of and engagement with both the Canadian Beef Research and Technology Transfer Strategy and KTT Network.

All objectives around supporting producer adoption are underway; readers are referred to the www.beefresearch.ca Resources section for examples. Recognizing that veterinarians are an important information source for producers, the BCRC has strengthened contacts with veterinary groups and developed resources to fill critical information gaps and opportunities identified by veterinarians. The BCRC has also engaged extension groups and producers in Central and Atlantic Canada to refine or develop resources that will fill identified gaps and needs in these regions.

Impact for industry

The aim of the BCRCs KTT program is to be Canada's most credible, reliable source for beef research and production information. Some producers come directly to the BCRC for information; metrics for all of BCRCs communication channels continue to rise. Agricultural media has also shown a strong appetite for repackaging and reprinting BCRC resources, providing a valuable and free opportunity for BCRC to reach additional producers who may prefer more traditional information sources. A 2021 independent review found that most producers surveyed described BCRCs KTT program as Useful and Relevant, and as well as a high level of satisfaction with the quality of information generated.

Opportunities and Challenges

Provincial governments continue to reduce (or eliminate) their agricultural extension programs. While covid prevented many traditional extension activities, the BCRCs focus on electronic communication allowed our activities to proceed with minimal challenges and encouraged hesitant producers to become more familiar with these technologies. Lack of access to broadband internet remains a significant challenge in many rural areas. While monitoring KTT outputs, web analytics, numbers of publications and attendance is straightforward, quantifying actual producer adoption is an ongoing challenge which the BCRC continues to tackle through producer surveys and information available through other industry programs (e.g., VBP+ and the COP network).

PILLAR 4: CONNECTIVITY

Ongoing efforts are underway to coordinate communication between national organizations and enhance transfer of information to provincial organizations. Over the past three years, national beef industry communication teams (Canada Beef, CRSB, CCA, PSE) meet monthly and national communications managers meetings (all provincial/regional associations plus national groups) are held quarterly. The purpose of these meetings is to discuss issues, build synergies around key marketing and advertising programs, and coordinate messaging for industry. In addition, updates and key messages on issues are circulated as they arise through CCA industry updates and emails to the national communication managers team.

FOCUS AREA A: INDUSTRY COMMUNICATION

During the covid pandemic, industry-wide calls were initiated and held as needed to keep key stakeholders updated on the evolving situation. In addition, a cross-industry media relations team was formed to lead the response to media requests and develop consistent messaging. To help streamline media requests and the interview demands on industry spokespeople, virtual media town halls were coordinated. This allowed key spokespeople from CCA and relevant national beef industry stakeholders to provide updates to media and answer any questions. When needed, representatives from partners outside of the beef industry were included. Recordings were also made available for media who could not attend. This virtual format will continue to be used in the future on an as-needed basis.

To help keep cattle producers informed during the pandemic, virtual Canadian Cattle Producers Town Hall meetings were launched on an ad hoc basis. These 60-90 minute meetings provided an effective platform for representatives from across the beef industry to provide concise updates on timely topics followed by a Q&A session. All meetings were recorded, posted on the CCA YouTube channel, and shared on social media to increase reach. This virtual format will continue to be used in the future.

Impact for industry

Increasing coordination amongst the national and provincial organizations has allowed us to centralize issue response and effectively mobilize spokespeople to handle media requests at local, regional, and national level. This was seen during the pandemic as well as with other issues including the drought in 2021, CP Rail strike, and proposed front-of-package labelling on ground beef.

The pandemic also challenged us to look at new and innovative ways to get the message out to cattle producers and the broader industry. Key communications activities during the pandemic included: weekly issues of Action News, Canadian Cattle Producers Virtual Town Hall meetings, covid resources pages on the CCA and NCFA websites, development of industry factsheets, and social media video updates. Many of these communications initiatives will continue or will be modified based on need.

Opportunities and Challenges

Covid challenged us to think outside of the box. With a strong network of communications professionals across the beef industry, many ideas were generated and successfully executed during the pandemic. The challenge remains assessing the reach of these communications efforts and determining whether we were able to increase our reach.

FOCUS AREA B: ENGAGE INDUSTRY PARTNERS

In September 2020 and April 2021, the Canadian Beef Advisors launched a suite of 2030 goals around: 1) Greenhouse Gas and Carbon Sequestrations, 2) Animal Health and Welfare, 3) Land Use and Biodiversity, 4) Water, 5) People Health and Safety, 6) Beef Quality and Food Safety, and 7) Technology. These topics recognize the breadth of benefits from beef production beyond supplying global protein demand. This highlights the work of the Canadian beef industry as integral for climate change mitigation and the sustainability of our food system. We want Canadians to know that we share their concerns around climate change and the need for a resilient food supply. Raising cattle in Canada is good for the environment and these goals demonstrate how we are striving to make every sector of the industry even better. The goals show we are committed to doing the right thing for our land, our animals and our environment and this is precisely what these goals are meant to demonstrate – this unwavering commitment.

The Canadian Beef Industry Conference has been a staple, shifting to online events and looking forward to being back in-person in Penticton, British Columbia in August 2022. In addition to creating opportunities for producer and stakeholder networking, the in-person conference has become a go-to forum for multiple industry meetings that attract a diverse group of participants and stakeholders.

The Public and Stakeholder Engagement program partners with the Canadian Centre for Food Integrity and The Simpson Centre for Agricultural Innovation at the University of Calgary. Through covid, CCA and PSE partnered with Farm Work to Feed Canada, a volunteer org of freelance writers to promote the Canadian food system and trust in it

Impact for industry

The 2030 goals have been key speaking points for industry partners since being launched as there has been increased scrutiny on beef's contribution to the climate.

A collaborative approach spurred movement on multiple issues including feed shortages, border blockades, front-of-package labelling (see Supportive Regulatory Framework section for details), and a CP Rail strike. In March 2022, CCA and NCFA called for the immediate introduction of back to work legislation following the work stoppage at CP Rail. Western Canadian cattle producers have been dependent on feed shipments from the US due to the hard-hitting 2021 drought. A disruption in shipments of feed grain from the US would significantly impact the ability of beef producers to feed their cattle. Joint advocacy efforts were helpful in driving the parties to reach an agreement.

Opportunities and Challenges

A joint ACFA, NCFA, and CCA group was convened to discuss challenges related to the lack of boxed beef reporting in Canada and to collectively review past and current industry efforts on fed cattle price reporting, both negotiated and grid/formula (see Access to Competitively Price Inputs section for details).

FOCUS AREA C: ENGAGE GOVERNMENT AND GLOBAL PARTNERS

The Canadian beef industry has made a concerted effort to partner with varied stakeholders to leverage messaging and ultimately shared outcomes, particularly across the environmental and sustainability files. Additionally, the beef industry has continued the Beef Value Chain Roundtable meetings that brings industry stakeholders and provincial and federal governments together.

The CRSB relationships have been further developed to collaboratively inform federal environmental policies (for example the prioritization of development of carbon offset protocols with livestock relevance and advocacy on the Next Policy Framework).

Within Canada numerous new avenues have been used to help advocate for Canadian beef industry priorities, an example of this includes the large social media effort and meeting advocacy undertaken by YCC/CYL youth when the industry was advocating for financial support given the challenges from covid. Another example of shared advocacy and partnering with the broader agriculture community was done through a targeted campaign undertaken by the Canadian Federation of Agriculture, Canadian Pork Producers, the Grain Growers of Canada, beef industry stakeholders and others that achieved substantial changes to Business Risk Management Programs (e.g. the removal of the reference margin limit) within Canada benefiting Canadian beef producers.

In addition to previously active international collaborations such as at the International Meat Secretariate (IMS), the Livestock Environmental Assessment and Performance Partnership (the international effort to standardize environmental assessments) and the GRSB, the Canadian beef industry has led active participation in the climate change file through the United National Framework Convention on Climate

Change Conference of Parties (UNFCCC COP) meetings. In 2021, CCA attended the COP meetings held in Glasgow and in 2022 the GRSB will have an active delegation at the COP meetings being held in Egypt, the first for the global organization.

Stakeholder Engagement Manager, Amie Peck, Chairs the Communications Council at GRSB, working to advance global beef sustainability communications. In the lead up to the UN Food Systems Summit, the PSE program also partnered with the Global Meat Alliance (GMA), a group of organizations working together to promote the health and environmental benefits of meat worldwide.

Impact for industry

CCA and the Nature Conservancy of Canada hosted dialogues to inform the United Nations Food Systems Summit (UNFSS) bringing together experts from the meat industry, conservationists, and nutritionists. This was an important initiative given anti-meat rhetoric from some factions within the UNFSS. Meat industry alignment contributed to Canada bringing forward more inclusive language on the key role of sustainable livestock systems in global food systems.

Opportunities and Challenges

There continues to be pressure from a vocal minority to reduce meat consumption globally and particularly in developed countries. CCA and its partners will continue to engage on the international level to ensure the role of beef in a sustainable and nutritious global food system continues to be recognized. These conversations will be achieved through advocacy and intervention with various global and United Nations agencies such as the COP, Food and Agriculture Organization (FAO), the Private Sector Mechanism (PSM), IMS, GRSB and GMA.

CONCLUSION

The National Beef Strategy demonstrates leadership and provides clarity as various stakeholders come together to work towards a common goal. The four pillars address every aspect of the industry from grass-roots supply to consumer demand and all the issues that arise in between. Communicating efforts that contribute to these goals will ensure duplication of efforts are reduced and existing investments are leveraged.

The [2020-24 National Beef Strategy](#) builds on the successes reported from the [2015-19 National Beef Strategy](#) in the [Status Update](#).

Learn more at www.beefstrategy.com

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