









National Beef Strategy Update

July 19, 2023

The Canadian Beef Advisors consist of elected leaders and staff representation of the national beef organizations responsible for policy, marketing, research and sustainability. They are a diverse group of experienced industry representatives who are responsible for advancing the National Beef Strategy, providing recommendations on future direction and reporting results against strategy goals and objectives.

The Canadian Beef Advisors meet quarterly to review one pillar of the 2020-24 National Beef Strategy. This allows for updates on activities and identifies opportunities for collaboration between the groups. The July meeting focused on the Competitiveness Pillar with updates on Youth Involvement and Succession, traceability regulations and labour.

The Canadian Cattle Youth Council developed a capital gains tax deferral fund working group last year to explore opportunities to improve young producers access to capital, including the potential establishment of a Capital Gains Tax Deferral Fund. While the working group concluded there wasn't a business case at the time for exploring the Capital Gains Tax Deferral Fund concept further, a few key findings included: learning about the financial options and business plan development resources available to young producers (multiple resources exist and need to be communicated to youth council young producer membership); there are financing options to serve most young producers (but requires a strong business plan); provided feedback on Farm Credit Canada's young producer and new entrant loan portfolio.

In March 2023, the Youth Council continued this work by developing a Succession Planning Working Group. Some of the goals of this group include connecting with Farm Management Canada to explore the concept of hosting a "one stop shop" resources/lending options website page aimed at young producers; create a catalogue of farm transition stories and business structures; explore policy (Bill C-208 and Employee transfer); and develop a more coordinated promotion approach to share with the council's young producer membership.

In May 2023, the Canadian Cattle Young Leaders (CYL) Program also worked with its Foundation Partner, MNP, to host a Succession Planning Case Study Competition. Young leaders split into teams where they were given an example farm with financials to explore the initial phases of building a farm transition plan based on various scenarios. The teams then presented their findings to a panel of MNP representatives and industry judges. Building on the case study success, the program will look for more ways to incorporate succession planning training into its activities.

Youth involvement in the beef industry has grown with the Canadian CYL Program and Youth Council including increased presence in CCA advocacy activities and meetings, engagement at international events (i.e. World Food Forum, Global Agenda for Sustainable Livestock, Global Roundtable for Sustainable Beef), a youth representative has been added to the Canadian Beef Checkoff Agency board that is also involved on the Youth Council, and both programs continue to explore how they can be part of

the equity, diversity and inclusion conversation. The Beef Advocacy Canada programs continues to be a graduation requirement of the Canadian CYL Program.

The Canadian Cattle Association outlined how Traceability regulations in Gazette 1, generally followed the Cattle Implementation Plan (CIP). However, concerns raised included the need to be efficient and effective, specifically around (1) cost, (2) feasibility, and (3) a pathway to compliance. CCA advised that all of these things must be addressed before Gazette 2. There is also a need for research and technology – this was a focus in the CIP that is currently missing.

The National Cattle Feeders Association outlined the multiple agendas, initiatives and departments currently working on the labour file. The Canadian Agricultural Human Resource Council (CAHRC) is currently updating their Labour Market Impact (LMI) numbers. The truck driver shortage has amplified for rural and agricultural areas with Almost half of the 10-20% labour gap estimated to be for Class 1 truck drivers. The other half is for general and skilled labour (pen riders, feed truck drivers). For the Red meat processing sector, a 2021 Canadian Meat Council survey showed that in a 6-month period, the labour shortage doubled from 4100 to 9500. These numbers show that we cannot mistake activity with achievement, as the situation is getting worse. Recommendations include:

- · Make truck driving a skilled trade and ease restrictions for recognition of foreign Class 1 licenses
- Separate requirements for LMIAs of high skilled and long term Temporary Foreign Workers (TFWs) from seasonal workers (e.g. housing requirements)
- Eliminate the under used housing tax for agriculture
- Consult industry on development/changes to Training, Education, Experience and Responsibility (TEERs) for agriculture workers
- Implement measures to increase TFW application processing capacity and reduce processing times
- Reduce requirements for permanent residency (language and educational requirements)
- Build and implement a Trusted Employer Program

Learn more about the National Beef Strategy at www.beefstrategy.com.

The National Beef Strategy is a collaborative effort by Canadian national beef sector organizations including the Beef Cattle Research Council, Canadian Beef Breeds Council, Canadia Beef, Canadian Cattle Association (and its provincial member associations), Canadian Meat Council, Canadian Roundtable for Sustainable Beef, and the National Cattle Feeders' Association.

-30-

For further information, contact: Canadian Beef Advisors (403) 451-0928

info@beefstrategy.com