

Finding a Future in Beef Workshops Final Report March, 2009

A joint initiative of the Ontario Cattlemen's Association, the Centre for Rural Leadership and the Ontario Ministry of Agriculture Food and Rural Affairs. Funding support for this initiative was provided by the Government of Ontario.

Overview:

In February 2008 a pilot Finding a Future in Beef workshop was held in Port Perry, Ontario. With over 60 young farmers participating and very positive feedback it was decided to hold four more workshops across the province. Meetings were organized and advertised in Sudbury, Smith Falls, Alvinston and Elmwood. Due to a lack of registrations, the Sudbury and Alvinston meetings were cancelled. The Smith Falls workshop was held on Sunday, November 2nd, and the Elmwood workshop was held on Tuesday November 4th. Fifteen young farmers attended the Smith Falls workshop and over 40 attended the Elmwood workshop. The agenda was as follows:

- Dinner and networking time to let young farmers get to know others in their area
- Betty Green, a thousand cow herd farmer from Manitoba, who spoke about succession planning and the challenges and opportunities young farmers face
- A Facilitated Session

Each county/district cattlemen's association was given a copy of Betty Green's presentation from the Elmwood session. It is recommended that county/district associations play this video for members, both young and old, at a meeting in 2009.

A sample of questions asked to participants is on Page 7 of this Report. Collated answers are below.

❖ = most commonly identified

1 a) Opportunities identified by participants:

- ❖ Marketing opportunities: potential international, local, branded opportunities (Ontario Corn Fed Beef), 100 mile diet, freezer beef markets, niche markets
- ❖ Succession: the average age of producers show there will be a void to be filled in medium/long term
- ❖ Young farmers access to information , internet, knowledge and education
 - Feed testing to maximize gain
 - Local pre-fertilizer sales
 - Government subsidized programs
 - Local calf club presort sales
 - Age verification
 - Refinancing programs
 - Low interest rates
 - Proximity to markets
 - Genetics
 - Diversification

- Lots of land for sale or rent from neighbours no longer farming
- Industry with very little benchmarks (Provincial), unlike other industries (supply management)
- Taking advantage of new technology
- Working with neighbours
- Canadian beef perceived to be safest - best quality in the world
- Overseas markets
- Custom work
- Management arrangements with urban-rural land owners
- Forward contracts
- Increased performance and efficiency of animals
- AI (synchronized breeding) = increase of calves = increase in profit
- Growing your own feed = decrease in cost of feeding
- Increase global beef consumption
- Networking
- Education of consumer
- Segment specialization and marketing plan
- GPS

1 b) Challenges identified by participants:

- ❖ High land and input prices (feed, fertilizer, fuel)
- ❖ Government regulations (manure handling and storage, animal welfare, feed inspection)
- ❖ High start-up costs
 - Cost of living increasing
 - Knowledgeable labour
 - Keeping better records of herd (RFID tags)
 - Working an off-farm job
 - Shrinking agricultural population
 - Market volatility
 - Competition - other products for resources/land (cattle feed vs. land)
 - Urban vs. rural - urban encroachment
 - Market access overseas
 - Expansion options - economics of scale and the need to expand to remain viable
 - Lack of safety nets that encourage young people to invest in beef industry
 - County of Origin Labelling
 - Competing with larger farms and older farmers
 - Complicated government programs do not work
 - Keeping Ontario meat packers in business
 - Weather
 - Slim margins if any at all - little or no equity for cushion
 - Management practices
 - Packer consolidation/ownership of cattle and related market distortion
 - Packer carcass data kept from producers
 - Public/consumer apathy

- Condition of agriculture infrastructure
- Stability of the industry unknown from year to year
- Overall status of the economy
- Lack of slaughter facilities in Ontario
- Too many voices for the industry
- Increasing beef consumption domestically
- Media
- Consistency of product
- Identifying personal and business weaknesses
- Disease risks
- Needs of cow calf/feedlot/packer/consumer are not consistent

2 a) Next actions needed to help young producers build a future in the beef industry:

- ❖ A government support program that works for beef farmers
- ❖ Design a made for Ontario beef industry program that encourages "young" producers to invest
- ❖ Aggressive representatives in the government to attract new markets and stabilize trade issues (remove false trade barrier i.e. BSE, SRM rules and COOL)
- Clear regulations and policies
- Marketing options - domestic, local, foreign, market local and quality of product and safety
- Produce a top quality product that meets the consumer needs
- Education and marketing i.e. consumers, both foreign and domestic Government needs a plan for Agriculture, strong Agriculture Ministers
- Regulations that favour farmers instead of rest of public
- Pay farmers to protect environment for rest of public (environmental goods and services)
- All levels of the Cattlemen's Association need to educate the government on the importance of beef industry with respect to the beef industry's economic impact on the economy
- Partnership programs - advertise to all Ontario producers offering young partners to take over
- Allotting more land to small farmers or limiting amount of land and larger operations can take over
- Research on niche markets
- OCA/CCA must lobby government to limit packer consolidation
- Standardized programs across Canada
- More kill plants in Ontario
- Unify agriculture sectors i.e. ethanol vs. feed, cow/calf vs. feedlot
- More finance availability for new farm businesses i.e. loan guarantees, grants, long-term loans
- Give farmers a break on fuel costs
- Government subsidized programs to encourage the "older generation" to decrease size to allow the new era to expand.

2 b) The most critical step to be acted on immediately and which group/organization should take responsibility for the action:

Action	Who?
❖ Young Beef Producers Program	OCA, federal and provincial governments
❖ Educate consumers and promote product	OCA
❖ Consistent, bankable government support for entire beef industry	OCA, CCA, Government
More affordable and understandable programs (food safety, age verification)	OCA, CCIA
Quota/supply management for beef industry	<i>Actor not identified</i>
Plan for agriculture to succeed in the future	Federal Government, individual producers
Get new people into the beef industry through promotion at high schools and colleges	OMAFRA, OCA
RMP for entire beef industry	OMAFRA, OCA
Market access overseas	Federal Government, CCA
Unified voice (work together)	All agriculture groups
Meetings, sharing concerns, networking	Individual producers
Information back from processing plants through RFID – carcass data	CCA
Payments to farmers should be based on current information	Agricorp
Increase reference margins in CAIS	Provincial and Federal Governments
Create relationship between producers and food service	OCA, packers, retailers
Find new markets	Individual producers
National Marketing Campaign	CCA
Set standards with trade partners so we can compete on a level playing field	Federal government, CCA, individual producer
Harmonize provincial and federal inspection agencies	CCA
Farmer co-ops for buying and selling	Individual producers, OCA
Cost of production and production research for Ontario conditions – (wintering a beef cow cheaper, pasture management, summer and winter grazing programs)	OCA, Universities, OMAFRA
Environmental Farm Plan funding at 100%	Provincial and federal governments
Use the media in a positive way	Individual producer, OCA, CCA
Consistent messaging from Cattlemen’s organizations	OCA, CCA
One website with all programs listed	<i>Actor not identified</i>
High speed internet connections in rural areas	Provincial government

3) Specific skills or knowledge needed to help young producers develop at this stage in their career:

	Skills/Knowledge	Method
Financial Management	Financial and Tax management	Short course, farm specific, online, evening seminar
	Banking/Accounting	Short course
	Understanding government programs	Workshops
	Business management/planning	Distance education, mentor for support
Leadership/Personal Development	Management skills	Short course
	Computer and internet skills	Short course, online
	Leadership	Short course
	Communications/Networking	1-2 day workshop, kitchen meetings
	Management of employees	Experienced boss to mentor young boss
	Decision making	One-on-one workshop setting
	Lobbying techniques	seminar
	Balancing family/work/farm	Workshop
Marketing	Commodity Markets and futures, risk management	Short course, distance education
	Marketing and promotion	Short Course, online, webinar, tours,
Production Practices	Understanding government regulations	Workshops
	Rotational grazing	Mentor
	Ability to modify operation to meet market demands	workshop
	Herd Health	Hands on, practical experience
	Cattle nutrition	Books/tutorials
	Production practices	Short-term, specific, in the winter
	Production clubs	Mentorship

Next Steps:

As a result of the Finding a Future in Beef workshops, a mailing list of keen young farmers across the province has been established that can be used for updates on upcoming training or workshops. Also, the information from Question 3 will be used for future training workshops developed by OCA, the Centre for Rural Leadership and/or OMAFRA.

OCA is in the process of brainstorming a type of young beef farmer “leadership camp” that will give keen young beef farmers the skills they need to develop their skills and knowledge to become leaders in the Ontario beef industry.

OCA will use the above information to continue to lobby for a young farmer start up loan program and business risk management programs that work for all sectors of the industry based on need.

OCA will use the above information to continue to work with the AgriBusiness eCampus to provide input on the programs and services offered on their website, www.agribusinessecampus.com.

OCA encourages county/district cattlemen’s associations to use the information in this report when acquiring speakers at local meetings and when providing training to members.

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Sample Questions Distributed to Participants:

1. What are the *opportunities* and *challenges* that we need to consider?

- a) Opportunities:
- b) Challenges:

2a. What are “next actions” needed to help you build a future in the beef industry?

2b. What is the most critical step to be acted on immediately and who or which group/organization should take responsibility for the action?

3. What specific skills or knowledge do you need to develop at this stage in your career and how would you like to acquire them?

Skills/Knowledge _____ Method _____