



the ONTARIO STEAKHOLDER

Summer 2009 Volume 5 Issue 1



CONNECTING ONTARIO'S BEEF FARMERS TO THE ELECTED MEMBERS WHO REPRESENT THEM.

The Ontario Cattlemen's Association (OCA) is a grassroots organization which represents the 19,000 beef producers in the province of Ontario. Our vision is to help foster a sustainable and profitable beef industry, and have Ontario beef recognized as an outstanding product by our consumers. OCA hopes that you will come to recognize the Ontario Steakholder as your source of reliable information from the Ontario beef industry.

President's Message *By Gord Hardy, OCA President*



Gord Hardy
OCA President

As many of you will know, Ontario's beef farmers and industry representatives congregated in Toronto from February 25-26th for OCA's Annual General Meeting, which was themed "Close to Home" this year.

Guest speakers at the meeting included: Pierre Lemieux, Parliamentary Secretary for Agriculture and Agri-Food, Al Mussel of the George Morris Centre, and Dr. Bill Dymond of the Centre for Trade Policy and Law. Presentations included OCA's

Young Farmer Strategy, and a report on the Ontario Corn-Fed Beef program, as well as other industry updates. We were also pleased that Ontario Minister of Agriculture, Food and Rural Affairs, The Honourable Leona Dombrowsky, was able to join us for our Annual Banquet.

The beef industry in Ontario is facing many issues, and coming out of our AGM, the OCA Board has been extremely busy in lobbying both provincial and federal representatives.

In April, I was pleased to be invited to speak to the Federal Standing Committee on Agriculture and Agri-Food, about the competitiveness of Canadian agriculture. OCA greatly appreciates the Committee's interest in - and commitment to - the beef industry in Canada. The following is an overview of what we told the Committee:

Invest in the Beef Sector

The Ontario beef industry is very important to our economy. Beef farming is carried out in every county and district in Ontario. By investing in the Ontario beef industry, the government is investing in the families, businesses and communities of Ontario, both urban and rural. The income and employment derived from our industry helps support a broad range of rural infrastructure such as hospitals and schools. Beef farms create jobs in rural communities, from feed supply stores to grocery stores, as well as supporting employment in packing plants and further processors in urban areas.

In a study entitled, "The Economic Impact of the Ontario Cattle and Beef Sector", published by the Department of Food, Agricultural, and Resource Economics at the University of Guelph, it was shown that the economic impacts arising from the Ontario beef industry are approximately the equivalent to the economic impacts of adding an automotive assembly plant. We know that our government recognizes the effect that a decline in the automotive sector has on our economic health but we hope our elected representatives also realize that a decline in the agriculture sector will have similar negative effects.

Infrastructure

The immediate problem affecting our ability to compete is the reduction in cattle numbers in areas of the country, and the immediate threat that that places on existing infrastructure and jobs - both urban and rural. The January 1st numbers published by Statistics Canada show that the number of cattle-on-feed in Ontario has declined by 22% when compared to January 2003 (pre-BSE). Similarly, cows and heifers for breeding have declined by more than 17% over the same period. *continued on next page.*

INDUSTRY INSIDER



President's Message *continued from page 1*

Hurdles We Face

Over the past year, our producers have fought to maintain their businesses, while dealing with a combination of factors, including newly-implemented processing regulations, government ethanol programs and policy, lack of access to key markets and high input costs. Many producers are questioning their future in the beef industry. We foresee our situation being further compromised due to the program announced last summer by Alberta unless immediate action is taken by the federal government. During times of volatile commodity prices, as we have seen over the past year, rapidly escalating farm input costs cannot be reflected in farm gate prices for beef in a timely manner, due to the length of our production cycle.

Recommendations to the Federal Government

Our suggestions to the Federal government fall into four categories:

1. Regulation
2. Equalization Between the Provinces
3. Trade
4. Ethanol Policies

1. Regulation

"Canada's Enhanced Feed Ban" outlines the requirements for the removal and disposal of Specified Risk Materials (SRMs). Depending on the plant, this can range from \$10 per head to \$80 per head, for smaller provincially-inspected plants. While our industry recognizes that we are moving to a new era of global supply chains, we must have protocols in place to open borders, not just to shut them.

We accept that regulators are expected to devise systems which ensure the safety of the food we eat. We accept that there will be a movement to full traceability, likely over the next decade. However, our government must accept that we need to harmonize our regulations with those of our largest trading partner, the United States (US). To do otherwise will place Canadian farmers in a position of permanent competitive disadvantage to our competitors. That can only lead to weakness and ruin.

Other regulations such as "Own Use Importation of Veterinary Drugs", and the approval of pest control products are beginning to show some positive movement due to response to recommendations coming out of the Beef Value Chain Roundtable. It does not make sense to us that our competitors are allowed to use interventions which are not available to us. We need to know why approvals take so long in Canada. If there is an honest question concerning food safety with any of these products, then we ask why product produced in other countries *with them* is allowed to be imported into Canada?

2. Equalization Between the Provinces

Our second recommendation concerns the issue of equalization between provinces and the need for a national business risk management program that works. During recent meetings for young beef producers which OCA held last fall, the number one need young farmers identified (after a start-up loan program) was a workable Business Risk Management (BRM) program that works. More experienced beef farmers will identify that same need.

In 2008, we heard the news that that the Alberta government would be pumping \$300 million into its beef industry. We have had numerous meetings with our provincial government explaining how difficult it is to compete against two heavily subsidized provinces – the other being Quebec. OCA expressed our confidence in the future of the industry in Ontario, provided the government was willing to keep us on an even playing field.

Producers across this country, are desperately awaiting help. If the Federal government does not have its own program to roll out, we have recommended that it deliver the Alberta program to everyone. Also, we encouraged government to make the changes to AgriStability which have been on the table for so long. Our requested changes to this program are:

- Offer the Better of the Olympic or Previous Three Years Average for Reference Margin Calculation
- Eliminate the Viability Test
- Allow producers the Better of AgriStability Tier 1 or AgrilInvest
- Enhance the Reference Margins
- Increase Coverage to 70% of Negative Margins.
- Remove the Caps from AgrilInvest and AgriStability

3. Trade

There are many products from an animal that we do not consume here in Canada. Therefore we do need to have commercially-viable market access to maximize carcass value. This is a good measure to support the long-term health of our industry. We are pleased with the Government of Canada's increased pressure in recent months to open international markets to Canadian beef, and to reinstate the WTO challenge against the United States regarding mandatory Country of Origin Labelling (COOL). The impact of COOL is estimated to cost approximately \$90 per animal in Canada, regardless of whether or not that animal is eventually exported to the US. It is an artificial trade barrier being erected to appease protectionist forces within the US. We intend to honour our trade agreements, and we sincerely hope that the US will as well.

4. Ethanol Industry

The George Morris Centre has researched this issue and their original prediction is that if there is not a counteracting policy put in place, feeding of cattle and hogs in Ontario will, over time, decline by 70%. That is extremely significant. It will, of course, destroy most infrastructure our industry has in place currently. This has very large implications for those of you who have seats in Ontario.

In summary, I see a great future for our industry. Farmers are having a little trouble finding the road to that future right now. But there is no doubt in my mind that demand for beef will climb as the world economy improves, and specifically, as countries such as China and India develop their economies.

Meet the 2009 OCA Board



Leading the 2009 Board of Directors again this year is President, Gord Hardy of Middlesex County. Along with his family, Hardy operates a feedlot near Lucan.

In keeping with the "Close to Home" theme of the AGM, Gord Hardy said in his President's Address: "In Ontario, we are in a better position than the other provinces in that we have the largest consumer base right here, *Close to Home*. We need to focus on how we can market Ontario beef to Ontario consumers."

Re-elected to the Board was Dan Darling, representing Cow/calf producers. Curtis Royal was acclaimed as feedlot sector and will also serve as Vice-President for a second term. Dan and his family live and operate their farm in Northumberland County, while Curtis and family farm in Creewater.

Standing (L to R): Bill Herron, Backgrounder Director; Rick Hobbs, Cow/Calf Director; Kim Sytsma, Cow/Calf Director; Doug Kaufman, Feedlot Director; Bob Gordanier, Director-at-Large; Paul Sharpe, Feedlot Director; Gerald Rollins, Eastern Director; John Gillespie, Director-at-Large. Seated (L to R): Dan Darling, Cow/Calf Director; Curtis Royal, Vice-President (Feedlot Director); Gord Hardy, President (Southern Director); Matt Bowman, Northern Director.

Matt Bowman was elected as Director from the North, replacing Jim Martin who stepped down this year. Hank Hiddink, Eastern Director, also stepped down this year. That position was filled by newly-elected Gerald Rollins of Renfrew County. John Gillespie was acclaimed as Director-at-Large. John farms in Waterloo County.

Continuing to serve out their terms are cow/calf producers Rick Hobbs from the Ottawa District and Kim Sytsma of Leeds County. As well, Feedlot Directors, Paul Sharpe of Wellington County, and Doug Kaufman of Oxford continue to sit on the Board. Gord Hardy of Middlesex County continues to serve as Director from the South. Rounding out the 2009 OCA Board are Director-at-Large, Bob Gordanier of Wellington County and Bill Herron of Grey County (backgrounder representative).

Following a 2003 restructuring of the organization, OCA's Board of Directors consists of 12 elected officials – three from the cow/calf sector, three from the feedlot sector, one from the backgrounder sector; three representing geographic regions of Ontario and two elected on an At-Large basis. Directors are elected for three-year terms on a rotating basis. Each year, voting delegates to the AGM elect four members to the Board.

Ottawa Breakfast with Ontario CPC Caucus



On April 23rd, OCA was pleased to host a breakfast meeting for members of the Ontario CPC Caucus, at Parliament Hill. The meeting was arranged with the help of Bev Shipley, MP for Lambton-Kent-Middlesex, and his staff.

The session convened with a hot breakfast featuring beef sausages, and a brief social time. Then, the 13 MPs and one Senator in attendance were given a briefing on the state of the Ontario beef industry, by OCA President, Gord Hardy. Hardy was accompanied by OCA's Government Relations Committee, comprising four other Board members with expertise in all areas of the beef industry.

Hardy touched on many of our current issues in a 10-minute presentation. At that time, the floor was opened to questions from the attendees –

many of whom had obviously done their homework and who brought excellent questions to the table.

Those questions included: concerns about federal versus provincial inspection; Canada's BSE status compared to other countries; claims about organic beef being a more healthy choice than conventionally raised beef; provincial programs and the regional differences; ethanol; the potential for producer-owned packing plants, and how or if the beef industry is focused on environmentally-friendly production methods.

OCA wishes to thank Bev Shipley and his staff for arranging such a valuable meeting for OCA. As well, we would like to thank each MP and Senator who attended to show support for the Ontario beef industry.

Grade **EH** Beef Recipe of the Season: **Summer**



Beef Medallions with Chimichurri Sauce

Preparation Time: 15 minutes
Cooking Time: 12 minutes Difficulty: easy

INGREDIENTS *Servings: 4*

- 3 cups (750 mL) lightly packed fresh parsley leaves (approx 1 bunch)
- 2 cloves garlic, minced
- 1/4 tsp (1 mL) hot pepper sauce
- 1/8 tsp (0.5 mL) salt
- Pinch freshly ground black pepper
- 1/4 cup (50 mL) olive oil
- 1 tbsp (15 mL) fresh lemon juice
- 1 lb (500 g) Beef Marinating Medallions (Sirloin Tip, Inside Round or Eye of Round), 1 inch (2 cm) thick (approx 2 Medallions)

A good source of Iron (21% RDI) and an excellent source of zinc (33% RDI)

Beef Medallions are creative new steak cuts that cook to perfection. Each Medallion is portion-sized to fit perfectly on the plate. If using Grilling Medallions in this recipe, skip the marinating step and simply brush with some of the sauce when grilling.

NUTRITION INFORMATION PER SERVING

Calories...302 Fat...21g
Protein...24g Carbohydrates...4g

INSTRUCTIONS

1. Combine parsley, garlic, hot pepper sauce, salt and pepper in food processor or blender until parsley is finely chopped. With motor running, gradually blend in olive oil and lemon juice until mixture resembles pesto.
2. Set aside 3 tbsp (45 mL) of sauce and reserve; cover and refrigerate. Pierce meat numerous times with fork. Place in sealable freezer bag with the remaining sauce; marinate in refrigerator for 12 to 24 hours. Discard marinade.
3. Grill medallions using medium-high heat, 6 to 7 minutes per side for medium doneness, turning only once. Serve each Medallion with a spoonful of reserved sauce or Chimichurri Salsa.

Chimichurri Salsa: Many hamburger soups start with a base of high-sodium packaged soup mixes, but this simple scratch version uses

seasonings, low-sodium broth and canned tomatoes instead. Whole wheat pasta, an abundance of veggies, plus lean beef round out this heart-healthy approach.

Cook's Notes: Chimichurri Sauce is a lively pesto-like, parsley sauce that is used like ketchup in Argentina. Here, it serves as a flavourful marinade and lively condiment.

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6th Annual Queen's Park **Barbecue**

Thursday June 4th, 2009

All MPPs and Legislative Staff are invited to the:
6th Annual Ontario Cattlemen's Association Queen's Park Barbecue

Featuring: Flavourful, Smoked Ontario Corn-Fed Beef Tenderloin

South Lawn of Main Legislative Building: 11:30am-1:30pm

Email: ontbeef@cattle.guelph.on.ca for more information.

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Since 1963, the Ontario Cattlemen's Association (OCA) has been the unified voice of the province's 19,000 beef cattle producers. OCA advocates on behalf of its members in the areas of government lobbying, policy planning, industry development programs, promoting beef and developing domestic and export markets.



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