



OCA Weekly Update – January 30, 2009

Missed an Update? Looking for Something You Read in a Past Issue?

Visit <http://www.cattle.guelph.on.ca/weekly-updates/weekly-update.asp> to download archived OCA Weekly Updates as PDF files. They are posted by 5pm on the day of issue.

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A) Canadian Government Announces New Budget

January 28, 2009

Calgary, AB – The Federal government released its 2009 budget yesterday. With any budget release, the government provides ample communication regarding the reasoning, background and goals of the budget. View 'Canada's Economic Action Plan Budget 2009' at Finance Canada's website – www.budget.gc.ca.

To shine a light on measures that could affect the cattle industry as a whole, and also those that may affect individuals, the Canadian Cattlemen's Association (CCA) presents the following observations. As always, keep in mind that commitments made in the budget depend first on the budget passing parliament, secondly - the specific department implementing the measures, and third – how the department interprets the measure's details at the time of implementation. Also note - some commitments spread out over several years. This makes the dollar figure seem larger than the yearly impact may be.

For agriculture, at first glance, nothing new appeared in the budget. Much of the direct agriculture spending announced is the same indicated during the election campaign. Other undertakings, such as the 'Green Infrastructure', depend on how accessible these funds are to agriculture in general, plus the beef cattle industry specifically. Tax measure effectiveness is operation-specific. Although some new tax measures directly affect individuals, there were no big-impact announcements for the beef cattle industry. The CCA will assess the budget announcements, in-depth, to evaluate what help they provide to the industry as a whole.

The CCA requires more clarification on the Agricultural Flexibility program and continues to seek improvement to the Business Risk Management suite of programs. The following summary quotes directly from the government's official budget release, for the most part.

Industry Measures:

- Credit Flow eased - a number of steps will be taken, including purchasing mortgages and providing additional financing to Crown corporations, e.g. Export Development Canada and Business Development Canada. It increased the maximum eligible loan amount a small business can access under the Canada Small Business Financing Program, to \$300,000 from \$250,000, and up to \$500,000 for loans to acquire real property. Under this program, the Canadian Secured Credit Facility, the government guarantees 85 per cent of loans made by eligible institutions to qualifying businesses - creating up to \$12 billion to support financing of vehicles and equipment for consumers and businesses.
- Green Infrastructure Fund - \$1 billion, over five years, allocates \$150 million for research, plus \$850 million for the development and demonstration of promising technologies; including large-scale carbon capture and storage projects.
- Infrastructure Projects increased - more money allocated for provincial, territorial and municipal use. *(CCA note - no details were provided on what types of projects, except some language that leans more toward city infrastructure rather than rural infrastructure.)*
- Machinery and Equipment tariffs permanently eliminated – applies to a range of machinery and equipment. *(CCA note - no details provided except to say processing equipment is included.)*
- Agricultural Flexibility Program - \$500 million for non-business risk management (BRM) programs to “help the sector adapt to pressures and improve its competitiveness”. It funds activities such as those that “reduce the costs of production, improve environmental sustainability, promote innovation and respond to market challenges”. The 2009 budget contributes \$190 million of the funding, with the rest coming from existing un-allocated AAFC resources. *(CCA note - this re-announcement of a previous election promise and fiscal update commitment now stretches funding out over five years, instead of four.)*
- Provincial BRM program management - commitment to work with provinces who want to take this on.
- Slaughterhouse capacity strengthened across Canada - \$50 million over the next three years. This matching program for private sector investments targets projects with “sound business plans aimed at reducing costs, increasing revenues and improving operations of meat slaughter and processing operations”. *(CCA note - no detail was provided on limits per project. It does not address the cost imbalance for processing SRMs in Canada vs. the US)*

- Farm Improvement and Marketing Co-operatives Loans Act to be amended to help make credit available to new farmers, support inter-generational farm transfers and modify eligibility criteria for agricultural co-operatives. (*CCA note - it may affect specific operations, but does not contribute much to industry as a whole.*)
- Clean Energy Fund - supports clean energy research development and demonstration projects, including carbon capture and storage.
- New Community Adjustment Fund - \$1 billion over two years to help mitigate the short-term impacts of restructuring in communities. For example, Mountain Pine Beetle was one of the factors that may require action. Initially each province will be allocated \$10 million, with the remaining funding allocated on a per capita basis. Program delivery takes place through regional development agencies.

Measures Affecting Individuals:

- Small Business Tax – increased the amount eligible to receive the reduced federal tax rate, of 11 per cent to \$500,000 from \$400,000.
- Personal Income Tax Relief - \$20 billion over the next five years. Effective Jan 1, 2009, this increases the basic personal exemption and the upper limit of the two lowest personal income tax brackets, by 7.5 per cent above 2008 levels.
- Training Programs – increased spending includes \$500 million, over two years, for a Strategic Training and Transition Fund designed to support the people who do not qualify for EI training, such as the self-employed.
- Home Renovation Tax Credit - applies to eligible renovations up to \$10,000, providing a tax credit up to \$1,350. Applies to renovations occurring before Feb 1, 2010. This funding can be used in addition to the ecoENERGY retrofit program.

B) Seeking Students for Unique Rural-Urban Community Leadership Program

4-H Ontario and Me to We, a division of Free the Children, are seeking rural and urban high school students in grades 10 and 11 for the second annual Greenbelt Youth Forum.

The Forum, to be held at the YMCA Camp Cedar Glen near Bolton from April 16-20th, brings together rural and urban students from high schools within the Greenbelt. Through facilitated discussions, group work, workshops, guest speakers and tours, the students work together to explore a variety of issues such as environmental stewardship, resource preservation, land use planning, and local food.

Applications are available on the 4-H Ontario website at <http://www.4-hontario.ca/greenbelt.aspx> or by calling (519) 824-0101. Applications are due March 1, 2009. A \$75 fee applies and covers costs of rooms, food, resources and bus tours.

During the Forum, campers are divided into issue groups which examine issues such as water and energy conservation, local food, land preservation and community development. In 2008, the “Conserving Canucks” investigated issues surrounding environmental stewardship and green living while the “Food Fanatics” concentrated on land use and local food. Both groups spent one full day on bus tours where they visited a variety of sites including a composting facility, a gravel pit, a farmers’ market, a food bank, an organic beef farm and a new dairy operation.

Following the four days, the campers are challenged to tackle a project within their community or school over the summer. The projects can be anything of interest to the youth. The results of these “*Bushel Basket of Change*” projects will be showcased at the 2009 Royal Agricultural Winter Fair where the youth will get together once again and celebrate their successes.

In its initial year, reflections from the campers showed that this initial endeavor was a complete success. Comments made by them included:

- “Thanks for making me think”
- “There are so many ideas in my head; I don’t know where to start”
- “This camp has been the most life-changing experience I have ever felt”
- “I’ve met some really passionate people who have truly inspired me”
- “This weekend changed the outlook of my life

A video of the 2008 camp, created by one of the 4-H members attending is available for viewing at <http://www.youtube.com/watch?v=aKm4erVOVIA>.

The program is a joint effort between 4-H Ontario and Me to We, with funding provided by the Friends of the Greenbelt Foundation.

Me to We is the top youth leadership training organization in the world, delivering innovative local and international training experiences to more than 350,000 youth every year.

The 4-H Ontario program builds leaders. Through a network of 1600 volunteers, and a dedicated staff and over 6200 youth, ages 10-21 years, are provided with “Learn to Do by Doing” experiential opportunities to develop their competence, confidence, connection, character and caring skills.

C) Training Opportunities

The Centre for Rural Leadership, in partnership with Andy Sherwood and PROGRESSIVE TRAINING.CA, is offering a number of productivity training and time management workshops.

1. Productivity Improvement Using Microsoft Outlook® (Back by Popular Demand)

This day long workshop on productivity training and time management solutions will help you integrate communications, tasks, activities and planning using Microsoft Outlook®. This workshop will show you how to reconfigure your task pad enabling you to focus on your priorities, how to communicate more effectively and how to fulfill and coordinate your commitments, all of which will contribute to a measurable increase in productivity at work and at home.

Past participants have indicated that this fast paced, high-quality training workshop has fundamentally changed the way they do business, use Outlook, deal with email, day to day tasks and time management issues. They note that this ‘change’ is immediate and ongoing and easy to implement and keep using in both your work and personal environments.

The cost of this day long workshop is \$545.00 with refreshments and lunch included. The workshop will be offered from 9:00 a.m. to 4:00 p.m. in the ACC Farmers’ Financial Boardroom, Ontario AgriCentre, 100 Stone Road West, Guelph, on:

- Tuesday, February 24, 2009
- Tuesday, June 16, 2009

For more information and to register for this workshop please contact *The Centre for Rural Leadership* at 519-826-4204.

2. Working Sm@rt with BlackBerry (New)

This half day workshop on 'working smarter with Blackberry was created in conjunction with Research in Motion (RIM). Graduates of this workshop increase productivity and enhance on-the-job performance by knowing how to match the right process and skill set when using their BlackBerry devices.

The goal of this workshop is to learn how to apply Priority Management's workload management processes in a BlackBerry environment. In *Working Sm@rt with BlackBerry* participants will learn:

- Processes to manage email in a BlackBerry environment ;
- How to better use your BlackBerry with Outlook and get these tools "on the same page";
- When and why to use a BlackBerry... not just how; and
- How to make your BlackBerry a proactive tool.

While not required it is strongly recommended that participants participate in Working Sm@rt with Outlook prior to taking this course.

The cost of this half day workshop is \$395.00 with morning and mid morning refreshments included. The workshop will be offered from 9:00 a.m. to 12:00 noon in the ACC Farmers' Financial Boardroom, Ontario AgriCentre, 100 Stone Road West, Guelph, on:

- Wednesday, March 25, 2009

For more information and to register for this workshop please contact *The Centre for Rural Leadership* at 519-826-4204.

Farmers Markets Ontario (FMO), in cooperation with *The Centre for Rural Leadership*, is offering the following workshop series during January, February and March 2009, in various locations across Ontario. Designed with Farmers Markets members in mind, these workshops are also being made available and open to the broader rural community, rural and community organizations and leaders of all ages.

3. *Tips and Tools for Productive Meetings*

This three hour workshop will help participants:

- identify the characteristics of an effective meeting;
- apply elements of good meeting planning;
- understand each participant's role in the success of the meeting;
- conduct an effective and productive meeting
- become aware of resources, strategies and tools for effective meetings; and
- create agendas that produce action and results.

The cost of this three hour workshop is \$20.00 with a hot meal and workshop materials included. The workshops will be offered on:

- Saturday, January 10, 2009, 10:00 a.m. to 2:00 p.m. - Carp, ON
- Saturday, January 17, 2009, 10:00 a.m. to 2:00 p.m. - Port Hope, ON
- Saturday, January 24, 2009, 10:00 a.m. to 2:00 p.m. - Brampton, ON
- Saturday, January 31, 2009, 10:00 a.m. to 2:00 p.m. - London, ON
- Saturday, February 7, 2009, 1:00 p.m. to 5:00 p.m. - Thunder Bay, ON

For more information, specific workshop location and to register for a workshop please contact Farmers' Markets Ontario at 1-800-387-3276.

4. *Create a Memorable Customer Experience!*

This three hour workshop will help participants:

- understand how to manage the customer experience, including first impressions and closing the sale;
- learn how to handle the difficult customer;
- understand and implement effective presentation methods for product and produce; and
- manage the role of public relations and event marketing to ensure individual vendor success.

The cost of this three hour workshop is \$20.00 with a hot meal and workshop materials included. The workshops will be offered on:

- Saturday, February 28, 2009, 10:00 a.m. to 2:00 p.m. - Carp, ON
- Saturday, March 7, 2009, 10:00 a.m. to 2:00 p.m. - Port Hope, ON
- Saturday, March 14, 2009, 10:00 a.m. to 2:00 p.m. - Brampton, ON
- Saturday, March 21, 2009, 10:00 a.m. to 2:00 p.m. - London, ON
- Saturday, March 28, 2009, 1:00 p.m. to 5:00 p.m. - Thunder Bay, ON

For more information, specific workshop location and to register for a workshop please contact Farmers' Markets Ontario at 1-800-387-3276.

5. *Meet the Media: Getting Their Attention on Your Terms!*

This three hour workshop will help participants:

- gain an enhanced understanding of how the media works
- learn how to structure and produce a news release
- learn how to get the media interested in a story idea
- by providing basic instruction on how to write for the media and templates for future use.

The cost of this three hour workshop is \$20.00 with a hot meal and workshop materials included. The workshops will be offered on:

- Saturday, February 28, 2009, 10:00 a.m. to 2:00 p.m. - London, ON
- Saturday, March 7, 2009, 10:00 a.m. to 2:00 p.m. - Brampton, ON
- Saturday, March 14, 2009, 10:00 a.m. to 2:00 p.m. – Port Hope, ON
- Saturday, March 21, 2009, 1:00 p.m. to 5:00 p.m. – Thunder Bay, ON
- Saturday, March 28, 2009, 10:00 a.m. to 2:00 p.m. - Carp, ON

For more information, specific workshop location and to register for a workshop please contact Farmers' Markets Ontario at 1-800-387-3276.

D) Essex Marketing for Profit Workshop

Marketing is perhaps one of the most important activities undertaken by farmers across Canada. Yet marketing remains misunderstood, sometimes mysterious and often times under realized or assumed. The result: agriculturally based businesses that never get off the ground or able to realize their full potential.

The Canadian Farm Business Management Council (CFBMC) and BDO Dunwoody LLP have partnered to bring the Marketing for Profit Workshop to Essex on February 12th, 2009. This workshop will provide you with the skills and knowledge to use marketing successfully.

The Marketing for Profit Workshop is designed specifically for agriculture. Hear more about what marketing really means. Understand the strategic options you face even before you start planning. Assess your market readiness and how you and your idea stacks up on a wide range of attributes. Understand firsthand the lessons learned from relevant case studies. Learn how to put together a marketing plan and the background information and analysis you need to build a solid plan. Finally spend time with other like minded individuals – all of whom have in interest in marketing and how to improve their marketing skills learning from each other through questions and discussion. The workshop will take place at the Essex Civic Centre on Thursday February 12th, 2009 from 10:00 am - 4:00 pm.

We have heard strong reviews of this workshop and hope that it provides value to you and your business. Please feel free to contact Mike Cowan at our office (519.776.6488 or mcowan@bdo.ca) if you have any questions.

Workshop cost: \$50.00

Please note this session is not \$85 as the registration form may indicate.

To register today for this workshop please visit <http://www.bdo.ca/about/events/BDODunwoodyEssex.cfm> for a registration form.

E) Lindsay Value Chain Management Workshop

A growing segment of the agri-food sector is using value chain management approaches to assist in adapting to a changing commercial environment. You cannot prevent change. You can only seek to adapt to it more effectively than your competitors by innovating in terms of products, processes and overall business strategy.

Value chains are a fairly new tool for farm businesses. The Canadian Farm Business Management Council (CFBMC) and BDO Dunwoody LLP have partnered to bring the Value Chain Management Workshop to Lindsay on February 4th, 2009. This workshop will provide you with the skills and knowledge to use a value chain successfully.

The purpose of the workshop is to assist you in identifying opportunities to improve the competitiveness of your business. Globalization is increasing the pressure of agriculture and food businesses to compete in the commodity markets. In this market, the future is largely determined by factors beyond your control. These include commodity prices, exchange rates, and industry over-capacity. Value chains offer businesses a number of strategic options allowing them to escape the limitations of the commodity market and put their future firmly in their own hands.

Value chains are formed in response to consumer demand to meet a specific market opportunity and benefit all parties. A value chain encompasses the entire series of activities: from on farm production, through to processing, distribution, and the retailing of a final product to the consumer in order to generate greater profit. It does this either by creating premium products or by aligning strategies to create additional

efficiencies and effectiveness that could not be achieved individually. The aim is to increase the value that consumers perceive a product to offer. In short, it's people working together and working smarter.

Workshop participants will discover successful value chains world-wide; participate in discussions with other farmers and learn best practices; learn about the basics of value chains and how you can use this tool as part of your business strategy.

The workshop will be at the Lindsay Inn on Wednesday February 4th, 2009 from 8:30 am - 4:00 pm. More information can be found here.

We have heard strong reviews of this workshop and hope that it provides value to you and your business. Please feel free to contact Lisa Kemp at our office (705-324-3579 or lkemp@bdo.ca) if you have any questions.

Workshop cost: \$50.00

To register today for this workshop please visit
http://www.bdo.ca/about/events/Value_Chain_Management011209.cfm for a registration form.

**F) The Ecological Farmers Association of Ontario (EFAO) presents:
Finding the Balance – Interpreting Soil Tests for Organic Farmers**

Saturday February 7, 2009: 9am – 4pm, Millbrook Lions Hall

While standard soil tests have been used primarily for inorganic fertilizer applications, organic farmers can get useful information from these reports. Bring along your soil tests and learn how to read them with organic production in mind.

Cost: \$50 for EFAO members, \$70 for non members.

Please register with the EFAO office, Tel: 1-877 822-0656, 519-822-8606 or email: info@efao.ca

G) An Introduction to Organic Certification

Why do it? How do I do it? Who are the Certifiers? What are the New Canadian Regulations all about?

Monday February 23, 2009: 7:00 pm, Millbrook Lions Hall

This session will be open to all commodities. Sponsored by the Ecological Farmers Association of Ontario (EFAO) and Kawartha Heritage Conservancy. There will be no charge to attend. Please register by contacting Carolyn Geer, 705-439-2692 carolyn.geer@sympatico.ca

H) OAC Public Lecture

The Winter 2009 session of OAC's public lecture series begins on Friday, January 30, with this year's Stewart Lane Commemorative Lectureship, which features distinguished scholars and researchers in the areas of agricultural advancement and information speaking on issues pertinent to the sector's current challenges and future opportunities.

The 2009 Lane lecture will feature Dr. Michael Boehlje, Distinguished Professor in the Department of Agricultural Economics and the Center for Food and Agricultural Business (CAB) at Purdue University. As an educator, lecturer and industry consultant, Boehlje has devoted his career to helping farm and agribusiness managers as well as policy makers understand the pragmatic economic and financial consequences of their decisions.

Members of the university community and the general public are invited to attend this special presentation, as Dr. Boehlje shares his insights on innovation in today's agricultural industries.

Innovation in the Agricultural Industries: A Complex Adaptive System

Friday, January 30, 2009

3:00 p.m. - 4:30 p.m.

Lifetime Learning Centre, OVC 1715

University of Guelph

This event is open to the public: there is no charge for admission. OVC Lifetime Learning Centre is located just off Gordon Street between College Avenue and Stone Road: access via McGilvary Road.

A campus map is available at: <http://www.uoguelph.ca/campus/map/>

About the Speaker:

Michael Boehlje is a Distinguished Professor in the Department of Agricultural Economics and the Center for Food and Agricultural Business (CAB) at Purdue University. He previously held faculty and administrative positions at Iowa State University, University of Minnesota and Oklahoma State University. The fundamental focus of his work has been to integrate concepts of economics, finance, and strategy to solve farm and agribusiness management problems. Dr Boehlje is the author or co-author of four books and more than 450 articles. He is a Senior Associate of Centrec Consulting as well as a Fellow of both the American Agricultural Economics Association and the International Food and Agribusiness Management Association.

About the Series:

The OAC Public Lecture Series features distinguished speakers on topical issues related to agriculture, food, the environment and rural communities in Canada and around the world. The series promotes better understanding of the challenges and opportunities of rapid change and global connectivity.

For more information:

Paula Conley

OAC Dean's Office, University of Guelph

519 824 4120 ext 56513

pconley@uoguelph.ca

I) Grow Your Opportunities - A Quest for New Farm Value - Red Meat Focus

Join us as we explore case studies highlighting how innovative rural and farm businesses developed their value-added ideas. Follow a new product from conception to integration into the marketplace. Workshop leaders will include private and public sector entrepreneurs and advisors sharing lessons learned and best practices in an energetic and open learning environment. Workshops are limited to 25 participants.

Pre-registration is required.

Cost: \$75 for both days. Hot lunch is included.

- Brussels Community Centre - Two Saturdays - February 7 and 14
- Petersburg - Blue Moon Restaurant - Two Tuesdays - February 17 and 24
- Port Perry - North Durham Police Station - Saturday February 28 and Friday March 6

Funding and support provided by: Ontario Pork Industry Council; Ontario Cattlemen's Association; The Centre for Rural Leadership; Canadian Farm Business Management Council; Ontario Ministry of Agriculture, Food and Rural Affairs

To Register contact Denise Mouter at The Centre for Rural Leadership by calling 519-826-4204 or register online at www.ruralleadership.ca and click on "Program Calendar".

J) Lazy S Bull Power Sale

January 31 2009
At the Ranch Mayerthorpe, AB
Black & Red Simmental, Angus & Beefmakers
www.lazysranch.ca
(780) 785-3136

Contact: Ryan Nesbitt (905) 986-4608

K) Canadian International Farm Show

February 3-5, 2009
International Centre, Toronto, ON
Visit www.masterpromotions.ca/canadian-farm-show.asp

The Canadian International Farm Show has a new focus, new ideas and a promising future. The show is now owned, managed and produced by Master Promotions Ltd, Canada's largest and leading producer of high quality industry focused trade shows.

Toronto's International Centre will be the venue for the largest indoor exhibition of farm products and equipment in Canada. They will come to see the latest AG technology and equipment displayed on over 400,000sq. feet, all on one indoor show floor!

Fresh ideas and a new look await you at one of the largest farm based equipment and technology show in the country, The Canadian International Farm Show.

Have a great fall & winter and we will see you in February!

For more information please visit: www.canadianfarmshow.ca, or call 1-888-454-7469, and show managers Mark Cusack mcusack@mpltd.ca or Rob Etmanski retmanski@mpltd.ca, would be happy to assist!

L) Willabar Ranch Ltd. Annual Long Yearling Black Angus Bull Sale

February 17, 2009
At the Ranch, Claresholm, AB
February 18-19

M) Innovative Farmers Conference 2009

9-4pm
Best Western Inn, London, On
Cost: \$245 non-members, \$170 members

Deadline: February 12

Sponsored by: Innovative Farmers Association of Ontario

Leading edge, two day conference focused on Farm Management, growing Crops and Equipment Management in reduced and no-tillage farm situations. Speakers from Germany, US and Canada. R. Saik, S. Brownridge, S. Dutzi, M. Cleveland, P. Needham, V. Pierce, M. Hagny and A. Sherwood. Ontario farmer panel, round table sessions. CEU credits offered. Registration fee includes breakfast, two lunches and banquet with several refreshment breaks.

Contact: Megan Newcombe (905) 729 3254

February 24, 2009

3:30-4:30pm

N) Beef Improvement Ontario Annual General Meeting

February 24, 2009

3:30-4:30pm

DoubleTree International Plaza Hotel, 655 Dixon Road, Toronto

Business Update and Financial Statement Review

O) Pfizer Cattlemen's College (in conjunction with OCA Annual General Meeting)

February 24, 2009

7pm

DoubleTree International Plaza Hotel, 655 Dixon Road, Toronto

P) Ontario Cattlemen's Association Annual General Meeting - "Close to Home"

February 25-26, 2009

All Day

DoubleTree International Plaza Hotel, 655 Dixon Road, Toronto

Details to be posted as they become available. Please check back regularly.

Q) Northern Powerpac Bull and Heifer Sale

April 11, 2009

2 pm

Temiskaming Livestock Exchange

New Liskeard, ON

For more information contact: Barry Potter

705-563-2752

R) Ontario Charolais Association Annual Meeting

March 14, 2009

12pm

Holiday Inn

200 Holiday Inn Drive

Cambridge, ON

S) BIC Bits

BIC promotes Canadian Beef Advantage to US buyer

The Beef Information Centre (BIC) recently hosted a Canadian beef trade mission for US-based Dole & Bailey, a New England foodservice distribution company based in Massachusetts.

According to Jeff Trafford, BIC's director of US marketing services, Dole & Bailey's director of fresh meat and sustainable programs, John Stowell, and their sales manager Ed Brylczyk, spent three days visiting farms, feedlots and Canadian packers in Ontario, in order to explore options that promote increased profits and differentiation in the company's beef category.

"Enthused by discussions about the Canadian Beef Advantage (CBA), the Dole & Bailey team could immediately envision a Canadian branded beef program under the Dole & Bailey Chef's Signature name," said Trafford.

"With this pursuit in mind, they quickly exercised the opportunity to come to Canada and explore supply arrangements while visiting our industry first-hand. They left with an even stronger positive impression of the care, dedication, quality and safety standards that benchmark Canada's important beef sector.

"The chance to visit and interact with Ontario cattle feeders was a real highlight that continued to receive praise throughout their stay and upon return to Boston," added Trafford.

The Dole & Bailey name has excellent brand equity throughout the New England foodservice distribution market, from Connecticut to Vermont and north to Maine. With a history of quality dating back to 1886, Dole & Bailey's motto is 'Where Great Chefs Go For Great Food'.

"Dole & Bailey are eager to explore paths that offer restaurant operators expanded signature opportunities on their menus and consistently excellent beef products," said Trafford.

BIC's trade mission helped develop a relationship linking Dole & Bailey to Canadian packers where the geographic proximity to Massachusetts makes the most sense, in this case Ontario.

"In addition, we are moving forward on training and education focused on the CBA," said Trafford. "This would be of particular importance in launching and sustaining Canadian beef sales and generally assisting in building the entire beef category at Dole & Bailey."

T) Saunders/Andemar Charolais Bull Sale

Please note change of sale date to

April 4, 2009

Lunch 11:30 pm, Sale time: 2 pm

Keady Livestock Market

Keady, ON

For a copy of the catalogue or more information contact:

Pete Neal 519 871 4703

Brent Saunders 519 372 6196

Darrell Saunders 519 373 6788

Jack McCoubrey 519 671 2776

See you in Keady!

U) Cedardale Charolais 6th Annual Bull and Select Female Sale

April 18, 2009
1:00 pm
17100 Cedardale Rd Nestleton, ON
Offering 25 Yearling Bulls and 15 Open Purebred Heifers
Viewing of Sale Offering starts at 11:00 am, Sale is at 1:00 pm
Auctioneer: Ross Bailey (905) 985-0697
Contact: Name Ryan Nesbitt (905) 986-4608
ryan@cedardalefarms.ca

News Index:

- A) Federal budget contains surprises and disappointments**
- B) New research puts blood test for BSE in sight: Calgary scientist**
- C) Budget fails to deal with livestock industry crisis, farm group says**
- D) Cattlemen have a beef with "captive supply"**
- E) CALIFORNIA: Meat industry seeks to overturn Calif. law barring sick, disabled farm animals from food supply**
- F) UK: Names give cows a lotta bottle**
- G) ALBERTA: Calgary researchers discover gene sequences that could lead to live BSE test**
- H) OTSWANA: EU lifts ban on Ghanzi beef**
- I) Flaherty's budget confirms ag spending plans**

This report prepared with the assistance of Dr. Doug Powell's team at Kansas State University. This service does not allow emails to be sent by responding to this email directly. If you have questions or comments, please contact Lianne Appleby at lianne@cattle.guelph.on.ca

A) Federal budget contains surprises and disappointments

January 28, 2009

\$550 million is not enough to address Canadian agriculture's chronic problems says industry
by TREENA HEIN

The newly released [federal budget](#) has addressed some agriculture industry issues while leaving many other concerns untouched.

A \$500 million fund to help 'modernize' farms is included, which Ontario Federation of Agriculture Vice President Don McCabe says is the government's only nod to "what was proposed under Agriflex."

The Canadian Federation of Agriculture proposed Agriflex, a combination of business risk management (BRM) and non BRM programs funded by federal and provincial governments to "replace the patchwork of ad hoc programs we've had in the past," says McCabe. "It represents more predictable and stable funding for farmers."

McCabe says the \$500 million fund includes only \$190 million of new money, and the remaining \$310 million is redirected funding from the AgCanada budget. "We don't know where that's coming from yet and that's a concern. We require clarification on that."

The federal budget also provides \$50 million for slaughterhouse expansion. While OFA welcomes the cash, McCabe says "we have to be very cognizant of what's happened in the past."

"Some folks have established processing facilities, only to find the regulatory changes were so cost-burdensome that it required a downsizing or even cessation of operations ... We can't continue to absorb these

changes when our competitors don't have to deal with the same standards – yet their products are in our grocery stores.”

McCabe is pleased that the budget promises to amend the Farm Cooperatives Act. “This will bring new opportunities on board and we want to make sure we're part of the consultation for that.”

The OFA also wants input into how the \$1 billion Southern Ontario Development Fund is spent. “We are the second largest industry and the third largest employer in southern Ontario,” says McCabe, noting the fund needs to be broad enough to recognize all the contributions agriculture can make.

Ontario Cattlemen's Association (OCA) spokesperson Lianne Appleby is not satisfied with how the Canadian Cattlemen's Association's and OCA's concerns have been largely ignored.

During the budget consultation period, the CCA requested funding and direction for Health Canada's Veterinary Drugs Directorate to improve regulatory processes. The CCA also asked for an extension of the emergency measures of the Agriculture Marketing Programs Act's Advance Payments Program for livestock and the federal government announced an extension earlier this month.

Other items on the CCA wish list included programming “to help producers deal with regulatory costs and to recognize and further encourage the [environmental] stewardship they provide” and “an investment to increase research into feed grain yields and for forages and grazing.”

“Although we haven't seen implementation detail regarding the 2009 budget, I believe it holds no considerable benefits that will affect our farmers, and that's disappointing,” Appleby says.

Alex Atamanenko, the NDP's agriculture critic, says the allocations aren't enough to address chronic problems associated with farm income and called them “token” gestures.

Atamanenko says there does not seem to be any indication that the income crisis facing cattle producers has been meaningfully addressed.

He also criticizes the budget for not including initiatives to position farmers in the marketplace or support small and organic producers. He notes there's no renewed commitment to Farmers Market Canada.

Other budget items that may affect farmers include a \$1-billion Community Adjustment Fund to retrain workers in hard-hit industries and infrastructure funding. **BF**

B) New research puts blood test for BSE in sight: Calgary scientist

CBC.CA News

Fri 30 Jan 2009

A team including researchers from the University of Calgary has identified the gene sequences associated with BSE in cows, a finding that they say could soon lead to the development of a cost-effective screening for the disease.

Bovine spongiform encephalopathy, or mad cow disease as it is more commonly known, is a condition that effectively pokes holes in the brains of cattle. Scientists believe cattle can become infected with mad cow disease if they eat the tissue of an animal that had the disease.

Infected animals can be carriers of the disease for years and not show any symptoms. Traditionally, tests for mad cow disease could only be done post-mortem. In the past, entire herds have had to be slaughtered because of the suspicion of infection.

But the researchers say that they have come up with a method to determine if cattle are infected months before they show any symptoms. “We ... envision that we could establish a testing pipeline next to the slaughterhouses for the animals that come in there to certify them as BSE-free,” Christoph Sensen, the principal investigator from the University of Calgary, told CBC News.

Sensen, collaborating with other Canadian experts and scientists from German universities, analyzed animal CNA's - DNA molecules that are circulating in blood in response to an outside stressor, like an infection.

In their study, to be published in the January edition of the journal *Nucleic Acids Research*, the researchers tested elk for a similar condition, known as chronic wasting disease (CWD). They fed 19 elk with pieces of brain from infected animals and left five elk uninfected to act as controls. They then took a monthly blood sample every month for about two years, after which the infected animals were euthanized.

The researchers found three DNA sequence patterns that were showing up only in the infected elk. They spotted these differing sequences about half a year before the animals died and, notably, before any physical symptoms appeared.

They ran a similar analysis on cows infected with BSE. "We found the differences there to be similar to the ones with the elk," the scientists said.

But the researchers were able to run only one analysis with cows - about four months before they died, said Sensen. Analyzing cows is much more complicated and time-consuming than studying elk. Many more breeds of cattle have to be screened and cows take much longer to die from BSE than elk do from CWD, Sensen said. "We do have the blood samples [of cows] in the freezer and what we need to do is the work."

"We had about \$200,000 to do the elk study. For the cows, with everything that we need to do...we need about 10 times as much money."

Sensen said he hopes to study the development of BSE in cows over the next three years. He believes a simple, cheap blood test can be developed soon after the completion of that study.

An outbreak of BSE devastated British dairy herds in the 1980s, forcing millions of animals to be culled. The source has never been identified, but most experts believe cattle feed contaminated with remains of sheep infected with a similar disease called scrapie may be to blame.

Humans who eat meat contaminated by mad cow disease appear to be at risk of contracting a form of the rare and deadly brain ailment Creutzfeldt-Jakob disease. Mad cow disease is linked to the deaths of about 150 people worldwide, most of them in Europe during an outbreak that peaked in 1993.

The first case of mad cow disease confirmed in Canada was in 1993 in a cow imported from Britain. In 1997, Canada outlawed feeding cows protein from other slaughtered animals.

Canada has close to 13.5 million cows and calves, with about 5.7 million, or 42 per cent, in Alberta. Canada's total beef exports amount to \$2.2 billion annually.

C) Budget fails to deal with livestock industry crisis, farm group says

CBC.CA News

Thu 29 Jan 2009

Section: Sask

Time: Wed January 28 16:26:21 2009 EST

Network: CBC

Money the federal government is plowing into agriculture will not solve the crisis the industry is going through, critics say.

In Tuesday's budget, the federal government said it would support farmers with a \$500 million "agricultural flexibility program" designed to help the farm sector adapt to pressures and improve its competitiveness.

Federal Agriculture Minister Gerry Ritz said the agricultural flexibility program is a standalone pool of money that will drive innovation, environmental change and marketing opportunities.

"We want to make sure farmers are thinking of tomorrow, not just today, and can look at those marketplaces out there we're hoping to develop for them," he said.

But the National Farmers Union said with cattle selling at half past prices, the government isn't addressing the income crisis facing livestock producers.

Of the \$500 million announced for farming, only \$190 million is new money, with the rest being taken from unallocated funds from the federal Agriculture Department, the NFU said.

Ranald MacFarlane, the regional co-ordinator of the NFU in Prince Edward Island, said the money amounts to very little for farmers who need immediate help.

"What we're hoping for, what we want, is money earmarked for helping farmers through this crisis - and it is a crisis," MacFarlane said.

He was also critical of the government's pledge to invest \$50 million over the next three years to strengthen slaughterhouse capacity across Canada.

"There is no point expanding processing capacity in the beef business or anything else, if there is not going to be any farmers here to feed those plants," MacFarlane said.

Regina MP and former Liberal finance minister Ralph Goodale expressed similar concerns that the budget doesn't do enough to support agriculture, particularly the livestock sector.

"It's not clear that the program that they have actually announced addresses where the real problem is," Goodale said.

D) Cattlemen have a beef with "captive supply"

"Farmers are getting less and less because packers and retailers are taking more and more," Darrin Qualman, National Farmers Union (NFU) director of research told the Frontenac Cattlemen's Association (FCA) last week at its annual meeting in Elginburg. "Packers are paying us half as much as they paid our parents and grandparents.

"(And) Captive supply is the huge problem."

Qualman was addressing the beef industry directly and speaking from a paper he helped produce *The Farm Crisis and the cattle Sector* (full text available at nfu.ca),

"We've been asking the question nobody wanted to ask -- why?" he said.

The NFU maintains that concentration of the packing industry has led to several factors that aren't good for beef producers.

"Some analysts argue that corporate concentration doesn't matter -- that having only two or three major Canadian packers does not push down prices," the report said. "Or they argue that the small effects of packer concentration are outweighed by the benefits of larger plants and increased efficiency.

"But the numbers show the opposite. There is a very strong correlation between increasing packer concentration and falling prices (to farmers)."

Qualman argues that if there are only three packers bidding on cattle, if one or two drop out, the other essentially gets to set the lowest price. If farmers won't sell at that price, packers have established their own herds (captive supply) and can use those until farmers are forced to sell at lower prices.

This, along with "a string of other challenges" such as unstable markets and occasional anomalous situations like the BSE outbreak, has created a "crisis" in the beef sector, the report said.

The NFU would like to see an end to captive supply as well as programs directly aimed at the producer.

Among their recommendations:

- Capping and targeting taxpayer-funded support and bail-out programs, so that these programs counteract a push toward concentration and giantism
- Promoting diversity within the livestock sector; giving financial incentives for organic, local, alternative, and grass-fed production
- Enforcing environmental regulations in ways that recognize that small- and medium-sized dispersed operations create less risk for the environment than huge operations

As for the rest of the meeting, FCA President Kevin Bovey reported a successful year, including a \$7,715 bank balance as of Dec. 31, and plans for several programs and events including a Valentine's Dance and 4H programs, over the coming year.

E) CALIFORNIA: Meat industry seeks to overturn Calif. law barring sick, disabled farm animals from food supply

27.jan.09

Humane Society of the United States

<http://yubanet.com/california/Meat-Industry-Seeks-to-Overturn-Calif-Law-Barring-Sick-Disabled-Farm-Animals-from-Food-Supply.php>

Today, The Humane Society of the United States, Farm Sanctuary, the Humane Farming Association and the Animal Legal Defense Fund moved to intervene in a meat industry lawsuit that seeks to overturn key provisions of California's newly upgraded law banning the use of sick and disabled animals in the food supply. The amended law, introduced as A.B. 2098 by Assemblyman Paul Krekorian, took effect Jan. 1.

The suit, brought by the National Meat Association (NMA) and the American Meat Institute (AMI) - two trade groups representing major packing and slaughter plant companies - takes aim at a statute that originally went into effect in the 1990s, and was then amended last year in response to an HSUS investigation that exposed torment and horrific abuse of downer cows at a southern California slaughter plant. The Hallmark/Westland plant, based in Chino, was the nation's number-two supplier of ground beef to the National School Lunch Program.

"This misguided effort to overturn state law seeking to stop the torment of animals and to protect food safety shows more than ever that we cannot trust the meat-packing industry and its trade associations," said Jonathan R. Lovvorn, vice president and chief counsel of animal protection litigation and research for The HSUS. "This arrogant attitude towards public safety is precisely why we need strong legal standards and vigorous enforcement at both the state and federal level."

The scandal over the abuse of dairy cows at Hallmark exposed major gaps in food safety and humane handling, prompted the largest meat recall in US history and probably cost the meat industry and the federal government more than \$1 billion.

According to the meat industry groups' papers, they believe California lacks the authority to protect school children from the human form of mad cow disease and other foodborne illnesses, or to prevent wanton cruelty to farm animals. However, two federal appeals courts have already ruled that states have the authority to ban the slaughter of certain animals where it is contrary to the state's interest in preserving public morals and protecting public health. The US Supreme Court has twice rejected requests to reconsider those rulings. "Animals who are too sick to stand should never be allowed to enter the human food supply," stated Gene Baur, president of Farm Sanctuary, which was instrumental in the passage of the original statute. "The lack of concern for public health and the complete disregard for these suffering animals demonstrates pure greed on the part of the meat-packing industry. California's downed animal law is appropriate and sensible, and it should be upheld by the court."

The industry suit claims the law is unnecessary because some downed animals can regain the ability to walk and "could recover with rest time" or be "assisted" into the slaughter plant. But as HSUS' undercover Hallmark investigation revealed, such assistance has included shocking helpless animals repeatedly, prodding them in the eyes, dragging them with chains and ramming them with forklifts.

"This challenge to California law is a stunning example of the meat industry's utter disregard for animal suffering and public safety. The industry apparently believes it has the right to continue perpetuating animal cruelty and endangering public health. We are confident that the courts will uphold California's right to prohibit the irresponsible and hazardous marketing of meat from diseased and disabled farm animals," said Bradley Miller, national director of the Humane Farming Association, which was instrumental in the passage of A.B. 2098 last year.

Downed cattle are more likely to be infected with BSE - bovine spongiform encephalopathy, or "mad cow disease." Studies suggest animals who are too sick or injured to stand and walk may be more likely to harbor foodborne bacteria, such as E. coli and Salmonella, which kill hundreds of Americans every year.

"The writing is on the wall for factory farming operations that continue to subject animals to appalling abuses despite increased consumer calls for less cruel farming methods - and increased recognition by the courts that animals have interests that should be protected by the law," said Stephen Wells, executive director of the Animal Legal Defense Fund.

The suit, *National Meat Association v. Brown*, No. 1:08-cv-01963-LJO-DLB, is pending before a federal district court in Fresno, Calif.

F) UK: Names give cows a lotta bottle

28.jan.09

Newcastle University

Catherine Douglas

<http://www.ncl.ac.uk/press.office/press.release/item/names-give-cows-a-lotta-bottle>

A cow with a name produces more milk than one without, scientists at Newcastle University have found.

Drs Catherine Douglas and Peter Rowlinson have shown that by giving a cow a name and treating her as an individual, farmers can increase their annual milk yield by almost 500 pints.

The study, published online today in the academic journal *Anthrozoos*, found that on farms where each cow was called by her name the overall milk yield was higher than on farms where the cattle were herded as a group.

"Just as people respond better to the personal touch, cows also feel happier and more relaxed if they are given a bit more one-to-one attention," explains Dr Douglas, who works in the School of Agriculture, Food and Rural Development at Newcastle University.

"What our study shows is what many good, caring farmers have long since believed.

"By placing more importance on the individual, such as calling a cow by her name or interacting with the animal more as it grows up, we can not only improve the animal's welfare and her perception of humans, but also increase milk production."

Dairy farmer Dennis Gibb, who co-owns Eachwick Red House Farm outside Newcastle with his brother Richard, says he believes treating every cow as an individual is "vitally important".

"They aren't just our livelihood - they're part of the family," says Dennis. "We love our cows here at Eachwick and every one of them has a name. Collectively we refer to them as 'our ladies' but we know every one of them and each one has her own personality."

What the study found

The Newcastle University study looked at how farmers' attitudes to their cows influenced milk production.

Dr Douglas and Dr Rowlinson questioned 516 UK dairy farmers about how they believed humans could affect the productivity, behaviour and welfare of dairy cattle.

Almost half – 46 per cent – said the cows on their farm were called by name. Those that called their cows by name had a 258 litre higher milk yield than those who did not.

Sixty six per cent of farmers said they "knew all the cows in the herd" and 48 per cent agreed that positive human contact was more likely to produce cows with a good milking temperament.

Almost 10 per cent said that a fear of humans resulted in a poor milking temperament.

Dr Douglas added: "Our data suggests that on the whole UK dairy farmers regard their cows as intelligent beings capable of experiencing a range of emotions.

"Placing more importance on knowing the individual animals and calling them by name can – at no extra cost to the farmer – also significantly increase milk production."

Academic paper: Exploring stock managers' perceptions of the human-animal relationship on dairy farms and an association with milk production. Catherine Douglas (nee Bertenshaw) and Peter Rowlinson

Published in: *Anthrozoos*, Berg Publishing. DOI: 10.2752/089279307X224764

G) ALBERTA: Calgary researchers discover gene sequences that could lead to live BSE test

29.jan.09

Canadian Press

<http://www.google.com/hostednews/canadianpress/article/ALeqM5h8wKZHDwf2fBXuxQuQiJ9EiCnvlw>
CALGARY -- University of Calgary researchers may be closer to a test for BSE after painstakingly picking out genetic differences brought about by the devastating disease.

BSE can lurk undetected in a cow for years before the animal suddenly begins to show abnormal behaviour that's followed fairly quickly to death.

Currently, the only way to confirm an animal has been infected with mad cow disease is by testing its brain after death.

But Christoph Sensen, a professor in the faculty of medicine, says his team has begun genetic sequencing that could lead to a blood test.

In tests done for a similar disease in elk, as well as for BSE, Sensen and other researchers isolated specific gene sequences in blood that are different in infected animals.

He said the differences are very small - like picking out an extremely tiny needle in a genetic haystack - but could make a huge difference to Canadian farmers who have been hard hit by BSE.

H) OTSWANA: EU lifts ban on Ghanzi beef

23.jan.09

Botswana Press Agency

http://www.gov.bw/cgi-bin/news.cgi?d=20090123&i=EU_lifts_ban_on_Ghanzi_beef

GABORONE -- The European Union has lifted a ban on beef from the Ghanzi zone with effect from January 20. The ban followed an outbreak of foot and mouth in the Kuke and Ghanzi area last year.

However, the director of Veterinary Services Mr Moetapele Letshwenyo says in a press statement that control measures will continue as usual because there are several activities which the department wants to complete in ensuring that the disease does not recur.

After the outbreak government placed restrictions on movement of clove hoofed animals and some milk products.

The restrictions were later eased and some control measures put in place. The measures include completion of the Kuke fence and public campaigns on the disease.

The department is also negotiating with veterinary authorities in South Africa to a lift the ban on beef from the Ghanzi district.

Though the outbreak of the disease had negatively impacted on the cattle industry in Ghanzi the director applauds the farmers in the area and the public for their cooperation in the control exercise.

Meanwhile, says two months without any occurrence of clinical foot and mouth disease in Ngamiland, new cases have been reported at Spanplerk and Roomane crushes in Kareng Extension two.

Affected animals have been confined and the rest of the cattle in the area are being revaccinated.

The release appeals to farmers and the public to strictly observe cattle movement protocols.

If control movement protocols are not observed that makes it difficult to contain the outbreak especially during rains. BOPA

I) Flaherty's budget confirms ag spending plans

Alberta Farmer Express

Alana Vannahme

1/27/2009 7:57:00 PM

(*Resource News International*) -- Finance Minister Jim Flaherty's 2009 federal budget, announced in the House of Commons Tuesday, confirmed \$550 million in agriculture funding as had been announced Friday by Agriculture Minister Gerry Ritz.

That amount is split between a \$500 million agricultural flexibility plan and \$50 million to improve Canada's livestock slaughter capacity.

The agricultural flexibility plan is meant to help farmers develop new technologies and promote environmental sustainability, according to the budget.

"It will drive innovation, environmental change, marketing opportunities and we're looking for new and better ways to control input costs. This will be the proactive side rather the reactive side that the safety nets already provide," Ritz had said on Friday.

Tuesday's budget allocates \$190 million over two years to support its proposed agricultural flexibility program, to be funded from "existing unallocated Agriculture and Agri-Food Canada resources."

The announcement of funding for a "flexibility plan" follows calls from groups such as the Canadian Federation of Agriculture (CFA) for a federally-funded "AgriFlex" program that allows provinces and territories the flexibility to distribute money according to their requirements.

The \$50 million slaughter enhancement program is expected to make federal matching funds available alongside private sector investments in "sound business plans."

Eligible plans would aim at cutting costs, boosting revenues and improving operations of meat slaughter and processing facilities in Canada, "with a view to ensuring that Canadian livestock producers have viable and sustainable slaughter options available to them."

"Not clear yet"

CFA second vice-president Ron Bonnet said the early reaction to the budget was mixed.

A preliminary look at the budget showed positive changes to the payment plan for emergency loans and changes to farm loans as well as welcome tax cuts on investments.

"But we're not really clear yet that the flexibility program they announced is what we had been calling for," he said. "I'm not convinced that it mirrors what the CFA had wanted. It sounds like there might be restrictions on what the money can be used for, and that the money might be stretched over quite a period of time.

"It's a mixed reaction at this point and we're going through the budget right now in more detail," Bonnet said. Not all reactions were mixed, however. Stewart Wells, president of the National Farmers Union, ripped the budget's agriculture line items as "a veritable drop in the bucket compared to the magnitude of the farm income shortfall."

Of the \$500 million earmarked for agriculture, he said, "only \$190 million is new money," with the rest sourced from unallocated funds from the federal agriculture department.

Of the \$50 million slaughter support package, the NFU said there was "no provision to ensure these funds do not simply end up in the pockets of Cargill, Tyson and XL, the big three packing companies which together control over 80 per cent of Canada's beef processing facilities."

"The big three packers manipulate prices at the farm gate through captive supply measures," Wells said, suggesting that the Conservative government instead impose a ban on packer ownership of cattle, and set up tax incentives to help reduce the size of the Canadian cattle herd.

Credit availability

The budget also calls for amendments to the *Farm Improvement and Marketing Co-operatives Loans Act* to help make credit available to new farmers, support inter-generational farm transfers, and modify eligibility criteria for agricultural co-operatives.

"Currently, credit availability under the Act is limited to existing farmers and product marketing co-operatives fully owned by farmers," the budget noted. "The proposed amendments will support the renewal of the sector workforce and enable co-operatives to better seize market opportunities."

As well, Flaherty pledged \$225 million over three years toward a strategy to extend broadband coverage to unserved communities. "Canada remains one of the most connected nations in the world, with the highest broadband connection rate among the G7 countries," Flaherty's budget noted. "However, gaps in access to broadband remain, particularly in rural and remote communities."

The budget will also provide \$1 billion over two years for a community adjustment fund that will "help mitigate the short-term impacts of restructuring in communities. This support for communities in all regions will be provided through regional development agencies."

On tap also is a "clean energy fund" to invest in clean energy research development and demonstration projects, including carbon capture and storage. The government also pledged to consult on identifying specific assets used in carbon capture and storage, with an eye on accelerating capital cost allowance for those investments.

The budget also proposes to "permanently eliminate" tariffs on a range of machinery and equipment used in a variety of industries, such as forestry, energy and food processing, which must purchase specialized equipment from overseas.

Market volatility

The government's overall spending plans in the budget were ripped as irresponsible by the Fraser Institute, the Vancouver-based think tank known for its support of reduced taxes and reduced government intervention. Niels Veldhuis, the institute's senior economist, said in a release Tuesday that Flaherty's budget contained a "massive, \$30.5 billion increase in government spending over the next two years (2009-10 and 2010-11) to 'stimulate' the economy. The increase in spending is an attempt to appease nearly all special interests including seniors, aboriginals, farmers, the auto industry, forestry, tourism, arts and culture."

Flaherty's budget projects deficits of \$1.1 billion in 2008-09, \$33.7 billion in 2009-10, \$29.8 billion in 2010-11, \$13 billion in 2011-12 and \$7.3 billion in 2012-13, leading to a modest \$700 million surplus in 2013-14.

In his outlook, Flaherty noted that the volatility in commodity prices seen in recent months has brought "significant uncertainty" into the outlook for nominal gross domestic product (GDP), and therefore into the fiscal planning framework.

"Over the near term, the risks to the commodity price outlook are tilted to the downside, reflecting uncertainty over global economic conditions and continued financial market dislocation," he wrote.

While the past year's volatility makes it important to assume a "prudent path" for commodity prices going forward, Flaherty also noted that private-sector economists expect commodity prices to recover over the medium term, given the expected recovery in global demand coupled with tight supply.

Flaherty also noted that as part of its strategic review, Agriculture and Agri-Food Canada is "replacing or reducing programs that no longer meet the needs of clients and further aligning its programs with its mandate and the new Growing Forward policy framework." Those measures are expected to save \$130.2 million in 2009-10 and more going forward, he projected.

(With files by Farm Business Communications staff)



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If you would like to post your cattle industry news or event, send your information by Thursday at 4pm to lianne@cattle.guelph.on.ca or submit through the OCA Web site: <http://www.cattle.guelph.on.ca/calendar/calendar.asp>.

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