

Alberta Beef Red Tape Reduction Recommendations

ISSUE: Lack of adequate investment in rural infrastructure resulting in unfair municipal tax systems on select businesses, which further creates competitive disadvantages in specific regions of the province.

BACKGROUND

To ensure the livestock industry is well supported, sustainable and competitive, investment in roads, bridges, water systems, utilities and technology are necessary. Most agriculture operations are located in small rural municipalities with a limited tax base, thus meeting local infrastructure needs can be challenging and the lack of a strong rural infrastructure foundation is a significant barrier to growth in agriculture.

IMPACTS, JOBS, COSTS

The lack of support for rural infrastructure has led some municipalities to target specific industries and businesses with an increased tax burden to make up some of the investment shortfall. An example is the Lethbridge County “Livestock Head Tax” which targets confined feeding operations to pay extra municipal taxes. The Lethbridge county example also directly contradicts the UCP platform which states: *“Amend the MGA to allow municipalities to offer property tax incentives to attract investment and development (p77)”*. The head tax does not attract investment or development to this county.

RECOMMENDATIONS

A wholesale reform of the property tax system as it relates to assessment and taxation of farmland is needed. The current system is out of date, and highly inequitable because it does not capture all agricultural uses of land, nor the revenue generated from different uses. A modern property tax system for farmland would help rural municipalities generate revenue for infrastructure, and dispense with the need for special levies that target specific agriculture producers. We would be willing to discuss our ideas and details on a modernized agriculture property tax system.

In addition, the provincial government can increase investment in rural infrastructure, especially in municipalities that do not have the ability to generate revenue necessary to maintain decent infrastructure. This also would align with the UCP platform statement: *“Ensure predictable, long-term infrastructure funding for municipalities (p77)”*

COST TO TAXPAYER

We recognize that there could be increased tax costs to some agriculture producers (ie feedlots) throughout the province, and could potentially go down for others. Feedlot producers generally accept that it could mean higher property taxes but recognize it would create more fairness to the system and more consistency and clarity for business planning.

ISSUE: “Exclusion zones” or other measures to restrict or eliminate the development of Intensive Livestock Operations in Municipal Development Plans

BACKGROUND

There is a growing trend of municipalities using various planning tools including municipal development plans (MDP) and the striking of exclusion zones to restrict or eliminate the development of intensive livestock operations. Examples include the County of Minburn trying to reclassify CFOs from “agriculture” to “commercial” or the County of Ponoka looking to restrict or eliminate development of intensive livestock operations by specifically defining zones where they are prohibited.

IMPACTS, JOBS, COSTS

There is concern that this is in conflict with the Alberta Operations Practices Act (AOPA) and reduces the ability for ILOs to expand and grow.

RECOMMENDATIONS

The Government strengthen the Agricultural Operation Practices Act (AOPA) to ensure that the Natural Resources Conservation Board (NRCB) has authority over the location and approvals for Intensive Livestock Operations. Exclusion zones and restrictions must have valid reasons approved by the NRCB to include in Municipal and inter-municipal development plans.

A review of farmer’s rights would also be applicable.

COST TO TAXPAYER

Minimal. Increased oversight or authority by the NRCB may need moderately more investment.

LABOUR ISSUE: The process and approval system for foreign workers in agriculture is slow, onerous and inhibits the operations of many agricultural businesses

BACKGROUND

A chronic shortage of labour is the single largest challenge confronting Canadian agriculture and agri-food. Current labour demand is growing by 0.5% annually from the current shortage of 365,000 workers. Agriculture and agri-food has the highest job vacancy rate of any industry in Canada, which is affecting how well producers can run their businesses. Alberta agriculture producers need access to labour, especially foreign labour, in a timely and efficient manner as well as the ability to efficiently move TFWs into permanent residents.

On a Federal level, there have been some small improvements in the TFWP. The transition to place all employees involved in reviewing and approving Labour Market Impact Assessments (LMIA) into a central office in Toronto appears to have increased consistency in the applications and speed of processing applications for the agriculture stream.

Also, the new Agri-Food Immigration Pilot just announced, will include spots for 2,750 full time, non-seasonal agriculture and agri-food workers to work on farms and in meat packing facilities with the opportunity for permanent residency. Launching in 2020, this program will address labour shortages for producers directly, increasing growth opportunity and competitiveness.

Unfortunately, a recent TFWP regulatory notice of intent for Occupation-Specific Work Permits will mean that the TFWP will no longer only have workers placed where the proven job vacancy exists (called employer-tied work permit), the worker will be able to move to another employer. It takes significant time and resources to source workers internationally, and our sector has an excellent reputation, with people wanting to work on Canadian farms. The Canadian Agriculture Human Resource Council (CAHRC) has documented the average cost of the TFWP to farm employers is between \$8,000 to \$12,000 per worker. This program will see our sector punished for the negative actions of others who may be abusing the system, adding more issues to an already problematic system. A preferred approach would be the development of a "trusted employer status".

The next step is to move TFWs into permanent residents, and the process is no less onerous than the TFWP. Current backlogs in the Alberta Immigrant Nominee program (AINP) have extended the timeline for approval from one to two years which is nearly impossible when the TFW permit only lasts for 2 years. As well, changes to education requirements and English language proficiency now exceed federal requirements, which also is unnecessary red tape.

IMPACTS, JOBS, COSTS

Lack of labour in the livestock industry is significantly inhibiting growth in livestock operations. This can also sometimes affect the ability to harvest crops in a timely manner, negatively impact animal welfare, and creates serious stress on farm owners and managers. In many instances, the managers/owners are working so hard, they don't have time to go through the onerous process of applying for a foreign worker. Easier and timely access to foreign labour will have a very positive impact on the agriculture sector and its growth.

RECOMMENDATIONS

- **Improve the efficiency for labour approvals in the TFW and AINP programs.**
 - Shorten the application forms and processing time (to 1 month)
- **Transition more TFWs into permanent residents.**
- **Streamline and increase the target numbers in the Alberta Immigrant Nominee Program.**
 - Including reducing restrictive educational and English language proficiency requirements for agricultural workers to transition to permanent residency.
- **Adjust labour classifications for immigrants to allow for more agricultural workers.**
 - Change entrance requirements under the TFW program to a concrete job offer in agriculture rather than under the National Occupation Classification system
- **Explore the creation of a new foreign labour program specific to agriculture.**

COST TO TAXPAYER

Minimal- extra costs associated with reducing application inefficiencies and time

ISSUE: Very slow processing of public land grazing lease transfers of ownership and renewals. This also includes for water licenses and permits in agriculture.

BACKGROUND

Grazing leases are a fundamental component the Alberta beef industry as well as a Crown land use strategy that provides benefits to the people of Alberta and the leaseholders while maintaining our province's rangelands as functional, working landscapes. They are an asset that provide economical grazing opportunities and security, especially when deeded land prices rise to the point where paying off that land is impractical through raising livestock. For many livestock producers, grazing leases are fundamental to the sustainability of the ranching business.

Grazing lease transfers of ownership need to be streamlined to provide security to the grazing stakeholder and to not impede the business. Transfers of ownership and renewals are backlogged by up to 3 years in some cases, which creates uncertainty, and in some cases the new owner is not allowed to graze until the transfer has been completed. Furthermore, if the new lease owner wants to make range or infrastructure improvements, this is difficult when the transfer has not been completed.

IMPACTS, JOBS, COSTS

This creates significant uncertainty in the livestock sector and impedes the ability to make long term investments by livestock producers. Invested capital is also tied up in the transfer process and returns on that investment (through the ability to graze) are not realized, which significantly impacts business operations.

RECOMMENDATIONS

- Streamline the approval process for grazing lease transfers and renewals to less than 3 months. Seek the same goal for water license transfers and permit approvals
- Allow for the new lease owners the ability to graze the lease before the formal transfer has occurred, by issuing a temporary grazing permit.
- Allow for range or infrastructure improvements while the lease transfer is in process.

COST TO TAXPAYER

Minimal- costs associated with new software or processing methods/resources

ISSUE: Lack of approvals for range improvements on public land grazing dispositions.

BACKGROUND

Currently it is very difficult to get approvals to do brush or timber removal on public land grazing lease lands to improve grasslands and rangelands. The approval process is onerous, and it seems government staff are reluctant to give approvals for brush or timber removal. Instead, some leaseholders have seen incremental reductions in the number of animals they are allowed to graze, which compounds the problem by allowing brush to continue to grow. Some leases have become so overgrown that there is no grazing value left. In addition, re-forestation practices can also compound the problem by re-planting when the area was traditionally a grassland.

Related to this, it is also difficult to get approvals for clearing fence lines adequately so that treefall does not damage these fences and so that they can be checked and maintained regularly.

IMPACTS, JOBS, COSTS

Brush and timber encroachment will eventually reduce the value of the grazing lease to zero for livestock producers. Not only is this a significant loss financially, it is also a loss of habitat for other wildlife while becoming a significant fire hazard. This becomes compounded when deer, elk and moose must find other sources of grazing which happens to be private land in many cases. This creates further financial stress on the landowner as grazing on private land is further reduced due to increased wildlife numbers and lack of grazing on their lease land.

RECOMMENDATIONS

- Streamline the approval process for range improvements on public land grazing dispositions.
- Amend forestry re-planting policies to consider historical (100 yr) landscapes, and to not re-plant if the area was historically a grassland.
- Incorporate livestock grazing into fire hazard control programs

COST TO TAXPAYER

Minimal- potential for increased revenue to government with timber harvests.

ISSUE: No clear regulations or best management practices for handling paunch manure from livestock processing facilities

BACKGROUND

Paunch manure is the stomach and intestinal contents of livestock when they are processed. Essentially it is a very benign material and is equivalent to manure, but only 6 hours younger. However, paunch manure is not explicitly referenced in the Agriculture Operations Practices Act, or in any Alberta Environment regulations. Therefore, it is not clear whether it is considered waste or manure as there are differing opinions between Alberta Environment, the livestock industry, and the NRCB.

IMPACTS, JOBS, COSTS

Because of the lack of clear guidance or best management practices for paunch manure, processing facilities are uncertain on how they are able to dispose of the material, and fear they will be penalized if government doesn't agree with how they dispose of it. In some cases, this has created significant increased costs of disposal, for a benign material that is essentially the same as manure and has significant nutrients for compost or fertilization.

RECOMMENDATIONS

- Since paunch manure is essentially the same composition as manure and has high value as a compost and/or fertilizer, we recommend the government allow it to be handled the same as regular manure and under the same regulations as manure.
- Government amend the Agriculture Operations Practices Act to include paunch manure in the definition of "manure" for proper and clear handling and disposal practices

COST TO TAXPAYER

None

ISSUE: Inability to sell or donate meat from animals slaughtered on the farm

BACKGROUND

Alberta beef producers work very hard to follow best management practices in animal welfare and ensuring their livestock is well cared for and healthy. Unfortunately, even under the some of the best animal husbandry practices in the world, cattle do accidentally get injured on the farm and need to be euthanized to mitigate any suffering. In almost all cases it is more humane to euthanize these animals rather than transport them to a processing facility which would prolong the animal's pain. The meat from these animals in most cases is still safe for human consumption, and many livestock owners will try to salvage the meat for their own consumption because they don't want the meat to be unnecessarily wasted. Consumption of this meat by the owner and the owner's family is allowed under the current Alberta legislation.

However, there is only so much meat a farm family can use, and there are no other options for salvaging this extra meat from the farm, which results in a waste of perfectly good food. Currently there are not mechanisms in place to sell or donate meat from any livestock slaughtered on the farm. An unintended consequence of this legislation is that some of these compromised or injured animals are transported when they shouldn't be, and which compromises animal welfare.

Current Alberta Legislation:

Under the *Alberta Meat Inspection Act (2010)*, a producer can sell, transport or deliver meat to any person who is not a member of your immediate household only if all the following criteria are met (Alberta Agriculture and Rural Development, 2014):

- The animal (ante-mortem) must be inspected by an appointed inspector
- Inspection must take place both before and after slaughter
- Slaughter must take place at an abattoir
- The carcass must be found to be fit for consumption

The Act also allows for a mobile butcher to slaughter on farm, however this meat cannot be sold or given away (Alberta Agriculture and Rural Development, 2014).

Inspected Meat and Emergency Slaughter (Source: <https://www.albertabeef.org/producers/cattle-practices>)

To qualify as "Inspected Meat," an appointed meat inspector (usually a veterinarian) must perform an ante-mortem inspection of the animal prior to emergency slaughter (humane stunning and bleeding) at the farm or feedlot. The carcass must then be transported, in a manner that protects it from contamination or spoilage, to a Provincially Licensed Abattoir for evisceration and further processing. The carcass must be delivered to the abattoir within two hours of slaughter and receive a post-mortem (PM) inspection. The PM inspection can be done by either the appointed inspector or by a Meat Inspection Branch Inspector. Once approved, the product is stamped as inspected and is then legal to sell. Note that the appropriate forms must be completed by the appointed inspector on farm or feedlot and these forms will need to accompany the carcass to the licensed facility. Professional fees to engage an appointed inspector are at the discretion of the provider. **NOTE:** It is possible that another person, such as a mobile butcher could be appointed as an inspector under the Act. (see appendix under "Inspectors").

The *Alberta Meat Inspection Regulation (2009) S43 Emergency powers outside a meat facility* states:

43 Where an inspector is outside a meat facility and there is an emergency situation which, if the same circumstances existed in a meat facility, would be such as to empower the inspector to adopt certain measures under other provisions in the Regulation, the inspector may exercise those powers as if in a meat facility.

Selling Meat from the Farm

Generally, for healthy uncompromised animals, you can sell your animals for meat if you transport them to a licensed provincial or federal processor. If it is inspected (both ante and post mortem), processed, and packaged you can store the meat on farm and can legally sell at farmers' markets **only**, and you do not require a handling permit from Alberta Health Services. If you intend to sell your meat at the farm gate, in public markets, to restaurants and institutions, or online, you require a food handling permit for the storage and transport of the meat to your customers. (Alberta Agriculture and Rural Development, 2014).

Wild Game Donations to Food Banks

Under the *Wildlife Act* wild game cannot be sold. However, meat that is intended to be used by the hunter and the hunter's immediate family can be processed at a licensed meat facility.

Moose, elk and deer can be donated for human consumption through the *Alberta Hunters Sharing the Harvest* program and participating food banks. The program is monitored by Alberta Health Services, and meat has to be processed in a licensed facility and follow processing and inspection regulations (except for ante-mortem inspection). Processing costs are covered by sponsorship.

<https://www.edmontonsfoodbank.com/about/programs/alberta-hunters-sharing-harvest/>

Other Province's Regulations

Source: <https://www.cbc.ca/news/canada/edmonton/homegrown-rules-wild-meat-animals-producers-hunters-1.4836719>

Saskatchewan:

- Livestock raised and slaughtered on farm can be sold directly to a consumer at the farm. If the meat is uninspected, the consumer needs to be made fully aware that it is not inspected, but has the right to purchase or not.

British Columbia

- Producers can obtain different classes of slaughter licenses that allow them to sell animals that were killed on-farm
- Class E license allows on-farm slaughter for direct sale to consumers
- Sales restricted to the region in which the meat was produced and operators are only permitted to slaughter their own animals

Newfoundland

- Wild meat that is hunted can be sold to anyone (including a restaurant) who holds a wild meat service license. Hunters who sell their wild meat must also have a permit to sell the meat.

IMPACTS, JOBS, COSTS

Food waste is a major contributor to a commodity's environmental footprint, and reducing food waste reduces impacts to the environment while providing additional sources of food. The National Beef Sustainability Assessment found that reducing meat waste by 50% could avoid the release of 1.6 Mt CO₂ eq/ year in Canada (source: https://crsb.ca/assets/Uploads/About-Us/Our-Work/NBSA/Infographics/Infographics-High-res/154c61c4f8/crsb_meat_waste_v6.1.pdf) Allowing producers to sell or donate meat from animals killed on the farm helps to reduce food waste, while contributing to the economic viability of the beef business.

In addition, it also improves animal welfare whereby producers have a viable option to recover value from the animals and do not make unnecessary decisions to transport compromised animals to an auction or processing facility.

RECOMMENDATIONS

While we recognize that food safety and animal welfare is of utmost importance, we believe that meat can be safely donated or sold from a healthy or injured animal (non diseased) that has been slaughtered on the farm. This will ensure this safe and viable meat is not wasted, and that animal welfare is further enhanced. To do this we recommend that the Alberta government:

- **Amend the Meat Inspection Act and Regulations to allow for animals that are inspected, slaughtered on farm, and the carcasses transported to a licensed meat processing facility to be sold or donated for human consumption.**
- **Allow for the use of photographs and videos as a means of ante-mortem on-farm inspection by a veterinarian to reduce ante-mortem inspection fees.** The veterinarian still would have the ability to not approve if they felt the animal was diseased or compromised, the photos/video were not clear, or other reasons.
- **Alternatively, or in addition to the point above, allow for mobile butchers to be appointed as licensed inspectors under the Act, especially for ante-mortem inspection.**
- **Develop a new program or expand upon the *Alberta Hunters Sharing the Harvest* program, to allow for meat from domesticated livestock that are killed on-farm to be donated as part of this program (pending similar inspections and processing standards as wild game donations are followed).**

COSTS TO TAXPAYER:

Minimal- some increased costs for training non-veterinary ante-mortem inspectors. Some costs with development of protocols for photo and video inspection.

ISSUE: Restricted ability to sell meat in other provinces from provincially inspected meat processing facilities

BACKGROUND

Perfectly safe meat processed in provincially inspected abattoirs cannot be sold in other provinces. It doesn't make sense that meat that is deemed to be safe to eat for Albertans is not allowed to be eaten by residents of other provinces and vice versa.

IMPACTS, JOBS, COSTS

This is an unnecessary barrier that restricts the opportunity to grow or expand beef and other meat processing facilities in Alberta.

RECOMMENDATIONS

- Allow for interprovincial free trade of meat and meat products that have been processed at provincially inspected processors.

COST TO TAXPAYER

None

ISSUE: Valuable grasslands are being lost in Alberta's forest reserves due to forest encroachment and timber re-forestation policies

BACKGROUND

Similar to forest and brush encroachment issues on public land grazing leases, forests are also encroaching onto grazing lands in Alberta's forest ranges. Dr. Edward Bork at the University of Alberta estimated that 58% of the grasslands in the Rocky Mountain Forest Reserve have been lost to tree and brush encroachment, mainly due to fire suppression. This has resulted in a significant loss of habitat and feed for both wildlife and livestock.

Not only does it make grazing in forest reserves and other public lands less valuable to livestock producers, it also pushes wildlife outside of the forestry onto grazing leases and private land, resulting in further depredation and losses to landowners. As ungulates leave the forest reserves looking for decent feed, they are also followed by predators which further exacerbate the conflict between landowners and wildlife.

The Alberta Forests Act S(23)5 states that a timber permit holders shall *"(a) pay a reforestation levy based on the volume of timber cut, or (b) progressively reforest any land where a holder has harvested or an equivalent amount of forest land within the management unit, whichever the director directs."* While the requirement to reforest seems reasonable, it doesn't take in a historical context, where the land may have been a grassland. However, under the Forests Act Timber Management Regulation, there are provisions for a director exempting a permit holder from paying the levy or reforesting: *"S143.7 If public land that is required to be reforested by a timber disposition holder has at any time after its reforestation been destroyed by burning, flooding, insects or clearing for industrial use **or has been scheduled for agricultural expansion**, the director may exempt him from his reforestation obligations under this Part if the director is satisfied that circumstances warrant the exemption."*

IMPACTS, JOBS, COSTS

Forest encroachment on public lands is having a significant impact on domestic grazing and reducing wildlife habitat. This is creating a financial strain on livestock producers, both in decreased grazing opportunities on public land and increased wildlife damage on private land.

RECOMMENDATIONS

Traditionally, grazing and fire were the two methods that kept forest encroachment under control. As timber management mainly mimics forest fires, we recommend that the historical view of the landscape (100 year) be considered before imposing re-forestation on timber permit holders. Provisions should be made in the Forests Act and Timber Management Regulations to make it easier for a timber permit holder to apply for exemption from re-foresting an area if it was traditionally a grassland.

COST TO TAXPAYER

None



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