



**BRIEFING NOTE PROVIDED TO
GOVERNMENT OF MANITOBA**
Tomorrow Now – Manitoba's Green Plan
October, 2012

A. Introduction

Who Are Manitoba Beef Producers?

Manitoba Beef Producers (MBP) is a non-profit organization, with a producer-elected board that consists of 14 directors, each representing cattle producers in a specific region or district of our province.

MBP represents approximately 8,000 individual cattle producers involved in various aspects of the beef cattle industry, including the cow-calf, backgrounding, and finishing sectors.

The role and mission of MBP is to represent our cattle producers through communication, research, advocacy and education—within industry, to government and to consumers.

These efforts take place to strengthen our industry viability, improve prosperity and ensure a sustainable future for the beef industry in Manitoba for the benefit of our beef producers and all Manitobans.

To represent our Manitoba beef producers and their well-being is more than a job—it is work that we are passionate about and to which we are deeply committed.

Manitoba Beef Producer's Place in the Economy

Agriculture is a key economic driver in Manitoba. The industry makes up a significant portion of the province's GDP and is one of Manitoba's single largest wealth-generating activities.

Beef production represents Manitoba's single largest agricultural sector in terms of the number of individual farm operations there are in the province. Our industry plays a vital role in the maintenance of Manitoba's economic and environmental sustainability.

my farm, your family, our future

154 Paramount Road, Winnipeg, Manitoba, Canada R2X 2W3
www.mbbeef.ca E info@mbbeef.ca P 204.772.4542 F 204.774.3264

MANITOBA CATTLE PRODUCERS ASSOCIATION

The economic impact of Manitoba's beef producers is large. Approximately 98 per cent of individual commercial beef cattle operations in Manitoba are cow-calf producers. Many of these cow-calf ranches are located around Manitoba's great lakes and waterways. There is no other driver of the Manitoban economy that has felt a greater impact from the flood of 2011 or feels a greater impact of perpetually high water levels on the lakes. These are critical issues for our members.

On an annual basis Manitoba's beef cattle industry purchases over \$300 million in feed. Beyond feed, beef producers purchase \$225 million in operating inputs each and every year. The value of goods and services demanded by Manitoba's beef operations is about \$635 million annually.

Our industry's demand-creation power means that not only can our rural communities continue to survive but also that Winnipeg, Brandon and other major urban centers can continue to receive the extensive economic derivatives of our industry's wealth creation.

Our industry's economic spin-offs help lead the growth of the rest of the province's business community.

B. General Overview – Strong Science-Based Environmental Regulations

Manitoba Beef Producers is concerned about a growing trend that has seen pressures for environmental and health regulations that are based on the perception of public opinion and not grounded in sound science.

Manitoba Beef Producers will strongly object to any health or environmental regulations that are not based on sound, peer reviewed science. Inappropriate, non-science-based reactions to environmental and health issues have resulted in significant losses by our producers and by the Manitoba economy.

The reverse is also true. Manitoba Beef Producers will strongly support science-based initiatives that are designed in co-operation with producers.

This leads to another concern. It is the perception of many producers that legislation, regulations and policies are being brought into effect without effective consultation with our sector. When consultations do take place, producers do not see the positive and practical suggestions brought forward by the beef sector in the final policy positions.

Efforts to preserve our watershed are the responsibility of every Manitoban. To be effective, measures must have the co-operation of every sector of the economy. Direct consultations on new initiatives are always necessary to allow producers to outline new co-operative approaches that do not require legislative or regulatory measures.

Producers are the natural stewards of the land. Our members do not need to be forced to be environmentally conscious—this is their natural state. Producers know and understand the needs of their local environment, which is why voluntary measures that will effectively meet the needs of each region of the province and each part of the watershed will be most effective.

Manitoba Beef Producers Policy Positions:

- 1. MANITOBA BEEF PRODUCERS SUPPORTS STRONG SCIENCE-BASED INITIATIVES THAT ARE DESIGNED TO ENSURE THE PRESERVATION OF OUR LAND AND WATER.**

- 2. MANITOBA BEEF PRODUCERS STRONGLY SUPPORTS PRODUCERS AND GOVERNMENTS WORKING TOGETHER TO DEVELOP ENVIRONMENTAL INITIATIVES THAT CAN BE EMBRACED BY ALL SECTORS OF OUR INDUSTRY, WITHOUT HARMING PRODUCERS' ABILITY TO EARN A LIVING.**
- 3. MANITOBA BEEF PRODUCERS STRONGLY BELIEVES THAT CO-OPERATION BETWEEN PRODUCERS AND GOVERNMENT, AS OPPOSED TO EXCESSIVE REGULATION, WILL ALWAYS LEAD TO MORE EFFECTIVE RESULTS AND TO PROGRAMS THAT ARE FLEXIBLE ENOUGH TO MEET CHALLENGES AND CHANGES OVER TIME.**

C. Environmental and Rural Stewardship

The *Green Plan* contains a commitment by the provincial government to develop added partnerships with the agricultural industry to “encourage the preservation and development of ecological goods and services to benefit Manitoba’s environment while supporting a strong agricultural sector and rural economy.”

MBP is pleased to see this commitment as it has long advocated for societal and financial recognition of the ecosystem services provided by Manitoba’s beef producers.

Beef production in Canada produces many external benefits to society. As noted in our introduction, some of these benefits include the production of sustainable habitat and the protection of many species at risk. Other potential environmental benefits include the preservation of wetlands.

Governments are searching for ways of increasing protection for vulnerable habitat and species at risk. However, straight economic drivers tend to encourage landowners away from practices that increase habitat and wetland conservation.

There is a straightforward, market-based solution that will help society accomplish its conservation goals and give producers the opportunity to continue (and expand) the practices that generate environmental benefits.

To date, producers have not been compensated for the external environmental benefits that they provide to society. If governments were to amend this shortcoming and provide market-based compensation for the environmental goods and services (EG&S) already provided, producers would have adequate economic incentives to increase conservation management practices.

Ecological goods and services pilot projects have been run in Manitoba. The projects include the joint Agriculture and Agri-Food Canada/Ducks Unlimited Canada research project at South Tobacco Creek near Miami. Manitoba has also played a leadership role in the investigation of agri-environmental incentive initiatives, as seen by the development of agri-environmental incentives initiatives.

MBP has been directly involved in the development of environmental programs through collaboration with the University of Manitoba and the Manitoba Rural Adaptation Council on a \$500,000+ research project into the environmental value of Manitoba forages and the scientific quantification of carbon lifecycles on Prairie cow-calf operations.

Enough work has been done to unequivocally state that programs designed to compensate producers for the delivery of environmental goods and services will increase conservation management practices and accomplish many of society's environmental objectives. Additional research is not required prior to launching such initiatives.

These societal benefits can be accomplished without rigid legislation and regulation. Market-based environmental incentives are flexible and can be easily adjusted to changing circumstances and new knowledge.

In November 2008, MBP presented a detailed proposal for an Environmental and Rural Stewardship Incentive Program (ERSP) to the Manitoba government. It requested the introduction of a province-wide, Social and Ecological Goods and Services payment program. It is an incentives-based approach and producer participation would be voluntary.

Recommendation:

Manitoba Beef Producers calls on the Government of Manitoba, specifically Conservation and Water Stewardship and Agriculture, Food and Rural Initiatives, to work with their federal counterparts to implement an effective environmental goods and services program to encourage expanded adoption of conservation management practices by Canadian beef producers.

D. Species at Risk

The *Green Plan* states that stronger legislation and policy is pending for “the timely inventory, monitoring and assessment of species at risk, the development of recovery and conservation strategies and the enhanced protection of habitat for listed species.”

The federal government is also planning to review its species at risk legislation.

MBP strongly believes the beef industry must be at the table when species at risk legislation is discussed and potentially modified. Producers provide valuable habitat on their land and this ecosystem service needs to be recognized by governments. Producers can also provide important insights into how wildlife can thrive on their working landscapes.

Beef producers already are society's partners in maintaining habitat for species at risk. Manitoba Beef Producers maintains that a partnership approach with governments is more effective in habitat preservation and ultimately more cost efficient for taxpayers. This is opposed to a legislative/regulatory framework that imposes costly requirements and unjust liability on producers.

Pastures have the unique ability to encourage grassland preservation while maintaining economic productivity. Pastures, through soil conservation, are widely sought by various species and wildlife. This is shown by work done on the 930,000 hectares of grasslands that are preserved in the community pasture program in Manitoba. These pastures alone provide a home to 33 different species at risk (endangered and threatened).

The biodiversity found on well-managed pastures significantly exceeds that found on land set aside as nature preserves and not grazed. The benefit generated from the economic activity of beef production should be recognized by governments. This factor must also be taken into account before any

consideration is given to setting aside additional lands as nature preservations, either through actions of government or private organizations.

Substantial increases in feed grain and other input prices have been partially led by an expansion in the biofuel sector. For example, a report by the George Morris Centre shows Canadian ethanol production mandates are responsible for increasing costs to the Canadian livestock sector by \$130 million per year.

These price pressures, coupled with low cattle prices, have forced many cattle producers to convert perennial forage land to grain land as a strategy for economic viability. These activities have a negative impact on forage-based beef cattle producers in Western Canada and a negative impact on biodiversity and habitat protection.

Negative unintended consequences of policies, like incentives for biofuel production, should be considered before these programs are implemented and should be part of a re-evaluation of their environmental effectiveness. If these programs are to continue, measures should be put in place to mitigate their negative environmental impacts.

Manitoba Beef Producers supports the following operating principles of delivery-focused conservation:

1. Approaches to conservation management that can be harmonized with other landscape uses;
2. Adaptive management that responds to changing conditions;
3. Principles of sustainable development that allow for economic/social uses of the land; and
4. Direct stakeholder involvement.

These principles are often directly reflected in the day-to-day operations of beef producers. These principles are not reflected in operations that take land out of economically viable grazing in the name of habitat preservation.

Recommendations:

- 1. Manitoba Beef Producers requests that a co-operative and flexible approach be adopted to meet society's goals for habitat and species preservation. Manitoba Beef Producers would welcome the opportunity to work with all levels of government to develop incentives for beef producers that would be designed to encourage both habitat and species preservation as well as ongoing economic growth and development.**
- 2. Manitoba Beef Producers advocates a market-based biofuels industry. Government policy that favours biofuel production as a purchaser of feed grain favours that industry at the expense of the livestock and meat sector. This in turn has unintended negative consequences on efforts to protect both species and habitat.**

E. Nutrient Management

Manitoba Beef Producers strongly holds that the most effective nutrient management efforts are stewardship programs developed in co-operation with the producers who manage the land and water. Programs designed to be voluntary are most cost-effective for Manitoba taxpayers, they will be most successful in delivering long-term environmental results and they will encourage the growth and development of Manitoba's economy.

Manitoba Beef Producers strongly supports producers and governments working together to develop environmental initiatives that can be embraced by all sectors of our industry, without harming producers' ability to earn a living.

Manitoba producers believe that agriculture has been unnecessarily singled out and targeted by past legislation and regulation designed to protect the health of our water, in particular Lake Winnipeg. Not only are producers concerned about the impact this legislation has had on their ability to make a living, they are concerned that the efforts will not solve the problems we see on our great lakes.

Take, for example past legislation that has severely restricted hog production in Manitoba. We do know that this has driven hog production elsewhere, but do we know if there has been any impact on Lake Winnipeg? Anecdotal evidence would seem to suggest that these regulations have had no (or at best limited) positive environmental impact on the lake.

Manitoba Beef Producers proposes a different approach. We suggest working with Manitoba's producers to enhance voluntary measures that will effectively meet the needs of each region of the province and each part of the watershed.

Voluntary measures have the additional advantage of flexibility. One size does not fit all when it comes to the protection of our water. Measures that are effective in the southwest corner of the province may not be appropriate for application in the Interlake region. Yet legislation and regulation is exactly that, a single rigid approach that will not be appropriate for each region and location.

Further, rigid legislative and regulatory requirements do not have the flexibility to meet the needs of changing weather and environmental conditions. Recently, Manitoba has been hit with floods and excess moisture. But we all remember times of water shortages and drought. Are the same nutrient management approaches appropriate for each situation? The answer is no. And a voluntary, non-regulatory approach could address this need for flexibility.

Recommendation:

Manitoba Beef Producers promotes the development and encouragement of voluntary beneficial management practices to mitigate potentially negative environmental impacts and to effectively manage any nutrient flows into the environment.

Producers know and understand the needs of their local environment. The right approach is consultation and co-operation with producers.

F. Water Management

Regions across Manitoba have been hard hit with flooding and excess moisture that has created economic hardship on beef producers. It is imperative that the provincial government make a budgetary commitment to responsible drainage and water management, such as the creation of new drains, maintenance of existing drains, and new long-term flood mitigation efforts.

Floods have not only had a significant (and ongoing) negative impact on producers' incomes, they have also had a severe negative environmental impact. For example, the shorelines and riparian areas around

the lakes and rivers require time to naturally repair and re-establish natural vegetation. This is why MBP has recommended that the target levels for Lake Manitoba, for both spring and summer, be maintained below the long-term sustainable target levels for at least the next two years and perhaps longer if it is scientifically determined that additional time is required for vegetation regrowth.

A Holistic Approach

Long-term flood mitigation and water management must be a holistic approach. This means, for example, that the province should consider impacts on the entire water structure when new outflows are created or water capacity is increased. Impacts and unintended consequences must be considered before permanent structures or dikes are put in place, e.g. the impacts seen from the operation of the Portage Diversion in the spring of 2011.

Lake outlets need to match inflows. Existing infrastructure and control structures do not allow for the appropriate upstream and downstream water level management. As a result, accumulated water takes a significant amount of time to recede, unnecessarily creating and preserving flood conditions.

Water management, both in Manitoba and outside of our jurisdiction, has increasingly focused on moving water into Lake Manitoba as quickly as possible. The flood of 2011 was intensified because of these decisions which were made by both municipal and provincial/state governments.

The principle of “what goes in must come out” must be adhered to if normal business operations are to resume around Manitoba’s lakes.

MBP maintains that the Government of Manitoba should be engaging in the development of a comprehensive watershed management plan that examines the desirability of the drainage system that has developed over many years. This review should include governments in other jurisdictions such as South Dakota, North Dakota, Saskatchewan and Alberta. A holistic approach is required.

Lake Manitoba Levels

Examining inflows cannot provide the solution to chronically high lake levels nor prevent the recurrence of the 2011 flood. It is abundantly clear that the Fairford Water Control Structure is no longer sufficient to control and manage the level of Lake Manitoba. It is for this reason that MBP is recommending the development of a new controlled drain out of Lake Manitoba.

Lake Manitoba levels have steadily increased and have become increasingly unpredictable. This must be corrected if Manitoba is to maintain, let alone see an expansion of, our beef industry. MBP recommends an ongoing spring target level of 812 feet above sea level for Lake Manitoba. Lake levels should not exceed this height after the end of May each year. MBP recommends an ongoing summer target level of 811 to 811.5 feet above sea level for Lake Manitoba. Lake levels should not exceed this level after the end of June.

Flood Compensation and Disaster Assistance

Beef producers in all parts of Manitoba have been significantly impacted by the flood of 2011. This includes both cow-calf operators as well as Manitoba’s feedlot sector.

MBP is calling on the governments of Canada and Manitoba to expedite the payments under the programs announced in June of 2011. The length of time spent waiting for the flow of flood compensation is causing undue hardship on many producers and may drive some operations into

insolvency. This applies to both cow-calf operations near the lakes as well as feedlot operators waiting for support for infrastructure repairs.

A significant number of acres of pasture and hay land remain flooded. Much of the land that has drained will not be able to support full capacity for some time. MBP is calling on the governments of Canada and Manitoba to develop transportation and forage shortfall programs to address the needs of those still fighting the effects of the 2011 flood. These producers need assurances that they will be able to continue operations despite the loss of productive land.

These farmers, ranchers and families still need help. This is not a handout. This is simply compensation for accepting a flood so others could stay dry.

MBP is also calling on the provincial and federal governments to work together to revise and modernize the *Disaster Financial Assistance* (DFA) program to meet the needs of modern agriculture operations.

Currently, producers with an income of over \$2 million are not eligible to apply under the DFA. MBP recommends the removal of eligibility restrictions based on a producer's revenues and potential artificial geographic restrictions. These restrictions would have rendered many Manitobans ineligible for any compensation if specialized programs had not been developed to address the 2011 flood.

Other amendments to the DFA are urgently required. The 2011 flood and high moisture conditions in Manitoba are a clear demonstration that the DFA is outdated and does not meet the needs of the industry. Reform of the *Disaster Financial Assistance Act* is necessary so provincial and federal governments can move away from emergency *ad hoc* programs. A modernized standing disaster assistance program that is effective, has known criteria and known compensation levels is necessary.

Manitoba Beef Producers strongly urges the province to implement MBPs' recommendations on long-term flood mitigation to alleviate future flooding and excess moisture in Manitoba, and to avoid another 2011 flood.

Recommendations:

- 1. The Government of Manitoba should be engaging in the development of a comprehensive watershed management plan that includes governments in other jurisdictions such as Saskatchewan, Alberta, North Dakota and South Dakota.**
- 2. The principle of "what goes in must come out" must be adhered to when drainage practices and systems around Manitoba's great lakes are examined.**
- 3. The Fairford Water Control Structure is no longer sufficient to control and manage the level of Lake Manitoba. For this reason, the Government of Manitoba should build a new controlled drain from Lake Manitoba.**
- 4. Manitoba Beef Producers recommends an ongoing spring target level of 812 feet above sea level for Lake Manitoba. Lake levels should not exceed this height after the end of May each year. MBP recommends an ongoing summer target level of 811 to 811.5 feet above sea level for Lake Manitoba. Lake levels should not exceed this level after the end of June.**

5. **Manitoba Beef Producers is calling on the governments of Canada and Manitoba to expedite the payments under the programs announced in June 2011. MBP is further calling on the governments of Canada and Manitoba to develop transportation and forage shortfall programs to address the needs of those still fighting the effects of the 2011 flood.**
6. **Manitoba Beef Producers is calling on the provincial and federal governments to work together to revise and modernize the Disaster Financial Assistance (DFA) program to meet the needs of modern agriculture operations.**

G. Potential Limitations on Pesticide Use

The Pest Management Regulatory Agency (PMRA) is a science-based regulatory body. It is the view of Manitoba Beef Producers that the PMRA conforms to the requirement for a science-based regulatory system. The Government of Canada has established the scientific benchmarks that need to be obtained in order to effectively protect both human and environmental health. These benchmarks are applied to pesticides on an individual basis to determine regulatory compliance and approval for use within Canada.

Individual decisions by the PMRA are made, as they should be, without involvement of the legislative branch of government. This principle of independent scientific assessment is critical to ensure the confidence of Canadians in Canada's regulatory approval process.

MBP strongly believes that this independent, science-based process should not be circumvented. If there are legitimate concerns regarding the safety of individual compounds, these concerns should be addressed to the science-based regulatory body, the PMRA. If there are concerns regarding the rigor of the process, these should be addressed through amendments to the policies, regulations and legislation governing the PMRA and not by bypassing their decisions.

MBP has concerns regarding the artificial distinction being made between so-called cosmetic use of pesticides and agricultural uses. Quite simply, we do not believe that products can be considered safe in one environment and toxic in another. It is our view that this distinction between different uses of products sends an unfortunate (and ultimately dangerous) mixed message to the public at large.

If a product is unsafe to use to eliminate noxious weeds in urban areas then it is unsafe to use in rural/agricultural settings as well. Pesticides should be either considered safe for the environment and human health, or not safe. If scientific review determines that a product is not safe, it should not be available in Canada.

Pesticides are essential tools for modern agriculture. For our members in particular, these products allow them to maintain productive and environmentally sustainable hay land and pastures. Pesticides allow for the control of harmful insects, fungi and noxious weeds that would otherwise have to be controlled through other, less sustainable means—if they could be controlled at all. MBP is concerned that new restrictions on the use of these products in urban/home settings will deliver a message to the public that they are somehow unsafe, despite the rigorous scientific reviews conducted prior to their release.

MBP is very concerned that restrictions on urban/home use of pesticides will create reservoirs of weeds and pests that will migrate into commercial agriculture operations. Our concerns are magnified many times in cases where these weeds and pests are invasive species or noxious weeds.

The spread of pests from urban/home settings to commercial agriculture operations can have significant negative consequences.

This is not a theoretical problem. Following the implementation of the ban in Quebec, farmers found that they required additional pesticides near residential areas. This is because of pest pressure from urban/residential regions.

The invasive species council of Manitoba lists 53 species of plants. Twenty one of these species are listed in the “early detection and rapid response” categories. This means we still have an opportunity to control these weeds before they get completely out of control. This task will become far more difficult if homeowners no longer have access to the herbicides required to hold back the invasion.

Recommendations:

- 1. Manitoba Beef Producers encourages the Government of Manitoba to not place additional limits on the use of pesticides approved by the Pest Management Regulatory Agency. The recommendation applies to all pesticides no matter if they are to be used in an urban/residential environment or in a rural/agricultural setting.**
- 2. Manitoba Beef Producers does not accept the artificial distinction between “commercial” and “cosmetic” pesticide use. We submit that the safety of a product does not depend on where it is used and if a product is safe for use in rural Manitoba, it is safe for use in urban Manitoba.**
- 3. Manitoba Beef Producers is concerned that new restrictions on the use of pesticides by the Government of Manitoba will undermine the science-based regulatory system upon which agriculture is based.**
- 4. Manitoba Beef Producers is concerned that a ban on the sale or use of pesticides in urban/home settings will send mixed and dangerous messages to Manitoba’s citizens regarding the safety of modern pesticides and this situation should not be allowed to develop.**
- 5. Manitoba Beef Producers is concerned that new restrictions on the sale and use of pesticides in urban/home settings will create reservoirs of pests, including noxious weeds and invasive species, within urban areas and on municipal land.**
- 6. MBP supports current requirements for certification and licensing for retailers who sell pesticides and for commercial applicators. MBP also supports education and awareness programs that are designed to increase the public’s understanding of the proper use of pesticides. MBP believes that notification requirements would help individual citizens make personal choices regarding their use of public places when pesticides have been recently utilized.**