

Canadian beef producers call for resolution prior to work stoppage at CP Rail to avoid feed shortage emergency

March 18, 2022

Ottawa, ON – The Canadian Cattlemen's Association (CCA) and the National Cattle Feeders' Association (NCFA) remains hopeful that the progression of the collective bargaining negotiations between the Canadian Pacific Railway (CP Rail) and the Teamsters Canada Rail Conference will avoid a work stoppage and subsequent significant impacts to Canada's beef sector.

On March 16, 2022, CP Rail gave notice of their intention to lock out employees as of March 20. The union also gave their notice of intention to strike on the same day.

"We have communicated with both negotiating parties and Government representatives the absolute need to have trains continue moving otherwise we will have an animal care emergency on our hands," said Bob Lowe, CCA President. "We remain hopeful that they will reach a resolution and are pleased to see them remain at the negotiating table."

"Any stoppage of trains coming into Canada would be devastating to the Canadian cattle industry. We have been dealing with feed shortages over the last few months and are completely reliant on feed coming from the United States (U.S.)," states James Bekkering, NCFA Chair. "If a stoppage occurs, feed supplies will run out in one to two weeks causing a serious concern for the welfare of our animals."

Western Canadian cattle producers are dependent on feed shipments from the U.S. because of the hard-hitting drought producers faced last year from British Columbia through to Ontario. A disruption in shipments of feed grain from the U.S. will significantly impact the ability of beef producers to feed their cattle. Prior issues with rail and transportation have already reduced feed availability and feeders have been managing their needs on a train-by-train basis. There is no buffer in the system.

CCA and NCFA have been strongly encouraging both sides to reach a solution prior to strike or lock outs. In the event a solution cannot be reached, the parties should move directly to binding arbitration to avoid a work stoppage and the resulting necessity of implementing back-to-work legislation. It is imperative to prevent the serious consequences that would arise from a shortage of critical feed supplies on Canadian beef operations.

According to Statistics Canada, Alberta and Saskatchewan corn imports in 2021 were up 400 per cent.

Key considerations:

- Drought 2021 caused a small crop and what was available was of moderate to good quality.
 - Estimated current available feed supply is one to two weeks.
 - On February 1, 2022, there were 1.1 million head of cattle on feed in Alberta and Saskatchewan.
 - One rail car is estimated to feed approximately 8,000 head for one day, therefore we need nine to ten trains per week.
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- According to Statistics Canada, Alberta and Saskatchewan corn imports in 2021 were up 400 per cent.
- It is estimated that over 1,000 super-B trucks would be needed weekly to replace the volume of feed grain currently be transported by Canadian Pacific Railway trains and trucking capacity is not available leaving no alternative solutions.

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