

**REGIONAL DISTRICT OF BULKLEY-NECHAKO**

**AGRICULTURE COMMITTEE MEETING**  
**(Committee Of The Whole)**

**Thursday, April 20, 2017**

**PRESENT:** Chair Mark Parker

Directors Eileen Benedict  
Shane Brienen  
Mark Fisher  
Tom Greenaway  
Dwayne Lindstrom  
Thomas Liversidge  
Rob MacDougall  
Bill Miller  
Rob Newell  
Jerry Petersen  
Darcy Repen  
John Illes  
Gerry Thiessen

Director Taylor Bachrach, Town of Smithers  
Absent

Staff Melany de Weerd, Chief Administrative Officer  
Cheryl Anderson, Manager of Administrative Services  
Jason Llewellyn, Director of Planning – arrived at 1:00 p.m.  
Laura O’Meara, Senior Financial Assistant  
Corrine Swenson, Manager of Regional Economic Development  
Wendy Wainwright, Executive Assistant

Others Steffen Apperloo, Steti Transport Ltd., Smithers  
Chris Beach, Mayor, Village of Burns Lake – arrived at 1:08 p.m.  
Colin Bruintjes, Westend Ventures Ltd., Smithers  
Norm Hildebrandt, Audit Partner, Price Waterhouse Cooper  
Alex Kulchar, Nechako Valley Regional Cattlemen’s Association  
Wayne Ray, Nechako Valley Regional Cattlemen’s Association  
Anne Marie Sam, BC New Democratic Party Candidate Nechako  
Lakes – arrived at 1:00 p.m.  
Trevor Tapp, Nechako Valley Regional Cattlemen’s Association  
Fred Wilson, Westend Ventures Ltd., Smithers

Media Flavio Nienow, LD News – arrived at 11:18 a.m., left at 11:28  
a.m.

**CALL TO ORDER**

Chair Parker called the meeting to order at 11:00 a.m.

**AGENDA**

Moved by Director Lindstrom  
Seconded by Director Miller

**AG.2017-3-1**

“That the Agriculture Committee Agenda of April 20, 2017 be adopted.”

(All/Directors/Majority)

**CARRIED UNANIMOUSLY**

**MINUTES**

Agriculture Committee  
Meeting Minutes  
-March 2, 2017

Moved by Director Newell  
Seconded by Director Fisher

AG.2017-3-2

“That the Minutes of the Agriculture Committee Meeting of March 2, 2017 be received.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

**DELEGATION**

**NECHAKO VALLEY REGIONAL CATTLEMEN’S ASSOCIATION FIBRE COMMITTEE –**  
**Wayne Ray, Trevor Tapp and Alex Kulchar**

Chair Parker welcomed Wayne Ray, Trevor Tapp and Alex Kulchar, Nechako Valley Regional Cattlemen’s Association Fibre Committee.

Mr. Kulchar provided an overview of the Nechako Valley Regional Cattlemen’s Association (NVRCA).

- 163 members, 163 farm businesses;
- Inventory ~ 23 000 cattle in 2015;
- Boundaries:
  - o North of Fort St. James
  - o West to Endako – Savory Road;
  - o East to the Chilako River;
  - o South to Tatelkuz Lake;
- 2<sup>nd</sup> largest economic driver in the region;
- \$39M cattle traded at the stock yard in Vanderhoof;
  - o Doesn’t include the cattle transferred to feedlots in Alberta;
- Represent 260 Families;
- Represented provincially by the BC Cattlemen’s Association;
- Region is mostly cow/calf family operations;
- 100 head cow/calf operation investment:
  - o Not including the value of the home;
  - o 4 ¼ of productive land at \$1,000 per acre = \$640,000;
  - o 100 head of good productive mother cows \$2,500 per head = \$250,000;
  - o Basic infrastructure for the livestock \$75,000;
  - o Tractor and haying equipment \$175,000;
    - \$11,400 per cow;
    - Total in membership of \$262M invested;
- Provincially – cattle growth is moving north – room for further expansion and investment in the beef industry in the region;
- Proposed projects of a slaughter house in Prince George;
- Challenging for Nechako Valley Cattlemen’s Association ranchers - will not be able to take advantage of feeding animals for a plant without reliable quality bedding for the animals;
- Calves produced by NVRCA members are sold in the fall to Alberta feedlots;
- Feedlot developing, backgrounding and expansion would be an opportunity to add value to the economy and add value to the cows;
- Potential for the Dairy Industry to move north;
- Farmland values in central and northern BC increased by 9% in 2016 according to a recent report released by Farm Credit Canada;
  - o Due to foreign ownership;
  - o Family farm expansion;
- Economic impact of beef production in the Nechako region is substantial;

**DELEGATION (CONT’D)**

**NECHAKO VALLEY REGIONAL CATTLEMEN'S ASSOCIATION FIBRE COMMITTEE –  
Wayne Ray, Trevor Tapp and Alex Kulchar (Cont'd)**

- NVRCA members and families make a substantial contribution to the local economy;
  - o Purchasing products;
  - o Participating and volunteering with local organizations, charities, youth groups, etc.
  - o Community events;
- Agriculture will continue to be a consistent economic driver in the region in the future

Messrs. Kulchar, Ray and Tapp provided a PowerPoint Presentation.

**Nechako Valley Regional Cattlemen's Association**

- A sustainable Cattle Industry provides long term stability for families and the economy of the Nechako Valley;
- Cattle ranching has been a part of the Nechako Valley since before the railroad came in 1914;
- The Cattle Industry is the second largest industry in the Nechako Valley;
- In 2015, 39 million dollars in cattle were traded through the BC Livestock Co-op yards in Vanderhoof;

**Beef demand globally is expected to rise approximately 20% by 2023.**

- Canadian Cattle inventory at lowest level since 1994;
- Opportunity for increased beef production in Nechako Region;

**Diversification to the local economy is essential to healthy communities.**

- The cattle sector contributes both economically and socially to the region;

**Local ranchers support local business and the community's tax base.**

- "We run two agro centers one in Quesnel and one in Vanderhoof both successful because of the support we receive from not only the cattle producers but all farmers. The agricultural community adds in excess of \$20 million to our annual sales." *Joe von Doellen, Vanderhoof and Districts Co-op.*
- Glendale Agra is a crop input supplier to the Nechako Valley Region. "The livestock industry significantly contributes to the success of our business as well as to the entire economy locally" *Glen Birky, President*

**Factors that will make a difference to Canadian Beef Exports**

- The Trans-Pacific Partnership between Pacific nations has lost the USA as a partner, however that agreement may move forward with the other nations;
- Canada continues to work on beef trade with Japan and others including China.
- The Comprehensive Economic Trade Agreement (CETA) between Canada and the European Union has been approved and is moving forward.
- More countries are opening to Canadian beef.
- Recent indications the Canadian Cattle Inventory is about to expand – retention of heifers.

**Importance of fibre supply to the Cattle Producers of the Region**

- Since the 1960s when shavings had no value to the local mills, farms have been using shavings for livestock bedding.
- During the 1980's the Regional Cattlemen's Association struck an agreement with Plateau division of Westar to obtain shavings for use as cattle bedding.
- Cattlemen built a facility for loading shavings at the mill site.
- The association charged a fee to producers to cover the cost of construction.
- 1988 – All costs had been covered, the fee was continued with excess funds distributed to local charities.
- These donations continued for 14 years, estimated to be \$105,000.

**DELEGATION (CONT'D)**

**NECHAKO VALLEY REGIONAL CATTLEMEN'S ASSOCIATION FIBRE COMMITTEE –  
Wayne Ray, Trevor Tapp and Alex Kulchar (Cont'd)**

**2002 - The Loading Facility needed upgrading**

- NVRCA borrowed money to help with the construction and backed off from the community donations as the debt needed to be repaid.
- Cattlemen at that point in time were second in line for shavings as the Plateau Energex plant had first priority.
- Premium Pellet Plant took any excess shavings (third in line).

**2003 – BSE (Bovine Spongiform Encephalopathy) Crisis**

- The Canadian Cattle Industry was brought to its knees.
- The USA, the largest importer of Canadian Beef slammed the borders shut. Many other countries followed suit.
- The negative effects lasted almost a decade.
- Ranchers were shipping off mother cows and some exited the business altogether, unable to pay the bills.
- Canadian Cattle inventories eventually fell.

*Imagine the impact of the total shut down of BC Lumber exports to the USA and other countries and the impact on local families and communities. Devastation!*

**Pellet and Bio-Energy Industries**

- Over the same decade that the Cattle Industry was suffering from dealing with BSE, more Pellet Plants and Bio-energy Industries have emerged.
- Canfor has now put the shavings up to the highest bidder, which is currently Pacific Bioenergy.
- Ranchers now procure our supply of shavings from Pac-Bio, paying current market price with a limit of 10,000 bone dry tonnes under a short term contract.

**Benefits of using Shavings for Bedding Cattle**

- The Beef Industry is based on production of pounds. 100 lbs of additional gain could equate to \$25,000 on 100 head of calves.
- Comfortable clean cattle are healthier, gaining weight more efficiently; bedding alleviates stress increasing feed efficiency.
- Bedding packs 12 to 18 inches deep establishes a heat source throughout the winter;
- Cattle without proper winter bedding packs tend to have more tag (clumps of manure) on their hides.
- Excess tag reduces the insulation value of their coats. More energy is put into heat to keep warm than into weight gain.

**Clean Cattle – Reduce E.coli Contamination**

- Reduced risk of contamination of the meat with E.coli at slaughter.
- Cattle with large amounts of tag can contaminate meat at the slaughter house when cut.
- Tag particles can easily become air borne at slaughter attaching themselves to the meat.

**North Dakota State University Study – Found bedding to:**

- Increase Dressing percentage (#lbs of actual meat for market).
- Increase Marbling scores (indicator for carcass quality scores).
- Bedding is a factor in reducing ammonia volatilization from animal manure. Raw manure loses 65% of its nitrogen, manure mixed with shavings reduces that to 20% loss. The bedding then becomes fertilizer for crop land reducing the reliance on commercially produced soil amendments.
- *Points above relate to feedlot and backgrounded cattle in our Region. These producers pen calves in the fall, feed through the winter and market the cattle in the spring or put them to summer pasture marketing them the following fall.*

**DELEGATION (CONT'D)**

**NECHAKO VALLEY REGIONAL CATTLEMEN'S ASSOCIATION FIBRE COMMITTEE –  
Wayne Ray, Trevor Tapp and Alex Kulchar (Cont'd)**

**The Mother Cow**

- Largest portion of the beef industry in the Nechako Valley is the cow calf operation.
- Shavings keep calves warm, dry and comfortable during calving season.
- The milk bag of the mother cow is cleaner with the use of bedding reducing the spread of disease in the calf crop.
- Disease free calves that have clean bedding gain weight more efficiently increasing the financial returns to the industry when sold in the fall.

**Added Benefits – Softwood Shavings**

- Less bacterial growth;
- Locally available;
- Easily aerated for composting;
- Applied to fields as compost improve soil biological activity;
- Resulting in greater nutrient cycling;
- Potential for higher forage production;
- Reduces the use of fossil fuels.

**Long Term Supply of Fibre**

- The Cattle producers of the Nechako Valley require a long term secure supply of shavings for bedding helping to provide good animal husbandry and producing quality product to markets while maintaining profits.
- Cattlemen have been bumped down the list of users, finding that they are at the bottom of the list. Now wondering where NVRCA will be in 2018 when the current contract for shavings supply runs out.
- Area forest companies have shavings for livestock bedding on their lists of products.
- Canfor in their 2014/2015 Sustainable Forest Management Plan and West Fraser in their 2014 Responsibility Report.
- Cattle producers were using shavings as bedding material for livestock long before the sawmills were using them and therefore one would expect that cattle producers should have the ability to have a 'first in line' consideration that would enable the purchase of a reasonable amount of the available shavings being sold to satisfy the amount required for bedding for livestock husbandry needs.

**The Cattle Industry has a large impact on the economic and social stability of the Nechako Region.**

- The industry requires that same level of respect and attention given to any value-added sector of the Forest Industry.
- The Cattle Industry added value to the Forest Industry long before the term "value-added" was used.

**The Nechako Valley Cattlemen's Association**

- Not looking for free or cheap shavings;
- Willing to pay the full market value;
- Only want a small percentage of the shavings that are available, but NVRCA wants a secure long term supply to ensure a healthy and sustainable cattle industry far into the future.

Discussion took place regarding the difference between chips and shavings. Shavings have a higher absorbency and break down easier working into the ground/soil at a faster rate.

**DELEGATION (CONT'D)**

**NECHAKO VALLEY REGIONAL CATTLEMEN'S ASSOCIATION FIBRE COMMITTEE –  
Wayne Ray, Trevor Tapp and Alex Kulchar (Cont'd)**

Director Lindstrom mentioned that while attending the COFI Convention in Vancouver on April 5-7, 2017 a company was present that makes chips and shavings. He will forward the information. Discussion took place regarding the costs associated with purchasing and operating chipping machines. Director Lindstrom commented that at a recent Northern Development Initiative Trust (NDIT) meeting discussion and a decision was made to support agriculture in the region through agricultural funding opportunities.

Mr. Kulchar noted that pellet plants may be changing their mixture of products used and needed in making pellets.

Write a Letter of Support  
RE: Shavings for the  
Agriculture and Cattle Industry

Moved by Director Repen  
Seconded by Director Illes

AG.2017-3-3

“That the Agriculture Committee recommend that the Regional District of Bulkley-Nechako Board of Directors write a letter of support for the Agriculture and Cattle Industry to be provided a secure long term supply of shavings to ensure a healthy and sustainable cattle industry; and further, that the letter be provided to sawmills and pellet plants throughout the region.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Director Thiessen spoke of finding a solution in regard to the need for shavings for the agriculture sector throughout the region. He commented that it would be beneficial for the RDBN Agriculture Committee, the Regional Cattlemen's Associations within the RDBN and NDIT to meet to find an innovative solutions to the issues.

Chair Parker thanked Messrs. Ray, Tapp and Kulchar for attending the meeting.

**Break at 11:28 a.m.**

**Reconvened at 1:00 p.m.**

**DISCUSSION ITEMS**

**Funding Opportunities for Northern Development Initiative Trust (NDIT)**

1. Long term solutions to provide shavings to cattle ranchers and farmers
  - Innovative ideas to allow ranchers and farmers access to shavings/fibre;
    - Utilizing cardboard for shavings
    - e.g. Western Resource Group – Eco Shred;
2. Agriculture research funding
  - need for science and technical studies to encourage growth of products in the region;
    - e.g. Summerland Research Centre:
      - Orchard management research;
      - Variety development;
      - Seed development;
      - Hybridization.

**DISCUSSION ITEMS (CONT'D)**

### **Funding Opportunities for Northern Development Initiative Trust (NDIT)**

3. Human Resources
  - Internship;
  - Supporting community initiatives;
    - e.g. Groundbreakers Agricultural Association (Smithers).
4. Cold Storage in the region
  - Food security and stability;
  - Increase growing capacity to extend season.
5. Funding assistance for an Agriculture Coordinator in the Region
  - Ministry of Agriculture has received some funding for an Agriculture Coordinator to provide workshops/courses.

Discussion took place regarding funding for Beyond the Market. Corrine Swenson, Manager of Regional Economic Development commented that Beyond the Market has recently received funding for two years from the Rural Dividend Fund. Due to the recent resignation of the Beyond the Market Coordinator the Planning Session that was scheduled to take place has been delayed.

### **CORRESPONDENCE**

#### Correspondence

Moved by Director Benedict  
Seconded by Director Miller

#### AG.2017-3-4

“That the Agriculture Committee receive the following:  
correspondence:  
-ALC Application Portal Update – New Public Search  
Functionality;  
-Country Life in BC – February 2017 Edition – RDBN Ag  
Committee Turns one.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

### **NEW BUSINESS**

#### Vaccination Protocols

Director Benedict asked if others are aware of potential changes wherein vaccines have to be administered by a veterinarian. Chair Parker mentioned that he’s been made aware of potential vaccination protocols being considered.

### **ADJOURNMENT**

Moved by Director MacDougall  
Seconded by Director Repen

#### AG.2017-3-5

“That the meeting be adjourned at 1:14 p.m.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

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Mark Parker, Chair

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Wendy Wainwright, Executive Assistant