## My Experiences as a Student at the

ILC – Calgary 2006

Ashley Stewart
University of Manitoba

In the spring of 2006, I was asked to write a brief paragraph about myself – little did I know it would lead me to the International Livestock Congress (ILC) in Calgary!

Once notified that I would receive this honour, I was curious about what attending the Congress would be all about – what speakers would be there, and what they would talk about, what types of contacts would I meet, what events would take place, and what Calgary and its famous Stampede would be like, as I had never been to either. The following paper describes some of the experiences I had while attending the Congress, the friends and contacts I made while there, and the impacts I think these few days will have on my future career in the agriculture industry.

On Wednesday, July 12<sup>th</sup>, 2006, after eagerly anticipating the trip that I was now about to embark on, I boarded a plane at the Lethbridge, AB airport to fly to Calgary to attend the International Livestock Congress. As I am not the world's most comfortable flyer, I was glad when the plane touched down and I was in Calgary for the first time! The airport I arrived at was much busier than the one I had left, but the terminal was well marked and I had no problem finding my way to the baggage claim area and locating the driver who was picking me, along with several other ILC – Calgary attendees, up.

On the drive from the airport to the Deerfoot Inn and Casino, the other students and I introduced ourselves and we began learning about each other - where we were from, and what areas of the beef industry each student was most interested in. For some of the American students, the education portion of the congress began during this half hour drive, as one of them noted a speed limit sign marked 90, and remarked "Gee, you guys drive fast up here!" She had never been to Canada before and momentarily forgot that we follow the metric system, and that our speed limits are posted in kilometers per

hour, not miles per hour. This small slip acted to break the ice between the students in the vehicle, and was a standing joke throughout the Congress.

That night we had a brief meeting where the 22 students involved in the ILC introduced ourselves and received the much-waited for schedule of events. I was very surprised when I heard how far some of the students had traveled to attend the Congress. One student had come all the way from New Zealand, and another was from Brazil! There were also students from all across Canada and the United States. After our brief introduction, we moved into the restaurant for supper. This gave me the chance to visit with the students seated around me and to get to know each of them a little bit better. Following the meal, which was very good and left everyone feeling as though they would not need to eat for two days, we went into the casino, where a table had been reserved for us to watch the band McQueen play. This provided me with a great opportunity for socializing with the other students, to really get to know them on a level that is only possible by talking about things other than school.

On Thursday morning, we boarded a national motor coach bus and headed for High River where we were going on a tour of the Cargill plant. Upon arrival at the plant, each student had to sign in as a visitor and was issued a visitor pass that had to returned after the tour. Once we were all signed in we proceeded to the board room where we were split into two groups, after which half of us put on hairnets, earplugs, hard hats, rubber boots, and jackets in preparation for our tour. While we were waiting in the hallway for our tour guide, I noticed a posting on the bulletin board where current Cargill employees could receive bonuses for recruiting potential employees. The size of these bonuses increased from \$50 if the new employee stayed for two weeks all the way up to

\$200 if the recruit remained an employee for three months. This posting really opened my eyes to the labour situation in Alberta, and Canada. I knew that it was difficult to persuade people to work in slaughter plants, but I had not realized it was that difficult to draw in workers or that the turnover rates were that high.

The tour began at the end of the packing process so we would not expose the finished products to any organisms that they had been safeguarded against throughout the slaughtering and packing processes. The first room we toured was the trimming room. Several computers control the equipment and maintain conditions to ensure quality control. There are several check points in this room, and many other quality control points before the product ever enters the trimming room, to ensure the consumer is getting a safe and tasty product. One of the control points involved in reducing the risk to products in this section of the plant is that everyone has to wash their hands before entering or exiting the room.

From the trimming room, we moved into the cutting and packaging area of the plant. Again, hand washing was required before entrance was permitted to this area. This area was quite large, and had several rows of conveyers that moved product along to the workers. Our tour guide led us onto a catwalk that spanned the room and, by allowing us to walk above the conveyors and employees, provided a good view of what takes place in that part of the facility.

We moved through the plant to the grading station, watching the carcasses get closer and closer to their original size as we moved backwards through the chain of events. The inspector uses a series of dots and lines, written on the carcass, to indicate how the animal graded. From the grading station, we walked through the coolers to the

kill floor. Here we saw the hides being removed from the animals, a job for which the plant has a machine that grabs the loose hide that is hanging approximately half way down the animal's back, and then pulls the hide off over the animal's head in one swift motion. Before this step, but after the animals have been stunned and bled, they pass through a series of disinfecting agents, such as lactic acid, to kill any bacteria that may be present on the animal – another quality control point.

To finish off the tour, we went to the lab where samples taken from various stages of the packing procedure are tested to determine if any contamination has occurred.

Results are obtained quickly, and no shipments are sent out until the tests have been completed – yet another quality control point. It is imperative that the plant have numerous quality control check points in place to ensure consumer safety – if they did not, they would be shut down.

While the other half of the students went on the plant tour, we were escorted to the board room where Megan Gauley of the Canadian Cattle Identification Agency, and Andrea Brocklebank of the Canadian Cattlemen's Association spoke to us about the national identification program that is currently in place in Canada, and the advantages that this program offers Canadian producers in the global market. They also spoke about age verification, a new addition to the national identification program, which is currently under construction. Once the age verification system is fully in place, the birth date of an animal will be recorded on the RFID (radio frequency identification) tags that will be required to be used in the national identification program as of September 1<sup>st</sup>, 2006. It is also hoped that the RFID tags can also be used to implement a full traceability system, which will record each time an animal is sold or re-located.

From the slaughter plant, we moved one step farther back in the chain – we visited one of the three feedlots owned by Western Feedlots. Dave Plett, the president of Western Feedlots, invited us to his farm where we had lunch and heard a presentation from Andrea Brocklebank about the Canadian Cattlemen's Association and Canada's position in the global market. As well, Anne Dunford, who works for Canfax, delivered a market update.

After lunch we took our tour bus where no bus has ever gone before – a feedlot with the capacity to hold 30,000 – 35,000 head of cattle! We learned about their herd health management strategy, which involves cooperation with a veterinarian on a regular basis – not only when there is a disease concern. Our tour guide, Robert Peterson, showed us the hospital on site for sick animals, the cattle, the rations being fed, and last, but not least, he showed us the feed mill and silage pile. The most frequently used feed ration at Western Feedlots consists of barley silage, tempered barley and a vitamin/mineral premix.

Upon arrival at Western Feedlots, each animal is vaccinated and given an ear tag (the RFID tag the animal arrived with is not removed) with a number on it so that health and performance records of each individual animal can be kept. In addition, cattle are given a coloured tag so that employees know which pen the animal belongs to. A computer is located in the animal hospital so that all of the information about a particular animal can be obtained immediately. The computer program links the animal's national identification number to the number it was assigned at the feedlot, and also contains information such as where the animal came from, how old it is, and what vaccinations/ treatments it has received and when.

From Western Feedlots, we went a little farther down the road to another feedlot, Tongue Creek Feeders. The capacity at the second feedlot was less than Western Feedlots, but at approximately 25,000 head, it was still larger than any feedlot I had seen before our tour of Western Feedlots! At Tongue Creek Feeders they are composting their manure and some waste products from the Cargill plant. They have been composting for several years now, and had manure in various stages of the composting procedure.

Tongue Creek Feeders also has a small cow herd, as thy are just starting to branch out into the cow/calf side of the industry.

After our tour of Tongue Creek Feeders, we headed back to Calgary. The ILC was hosting a welcome reception Thursday evening for the students, sponsors and speakers. This was a wonderful opportunity to network with some of the people from industry, the Calgary Stampede and ILC boards, as well as people from other countries, such as the ILC – Houston board members. At this reception I also had a chance to put my public speaking skills to work – each of the students gave a brief introduction of where they are studying and what their research interests are.

Bright and early Friday morning we boarded a trolley that would take us to the Stampede Grounds for the conference. The conference was very interesting and the speakers stimulated some tough, but interesting questions. There were a total of eight speakers throughout the day - five from various companies across Canada, one from Tennessee, another from Australia, with the final speaker of the day coming from England. The variety of speakers provided the conference audience a wide array of viewpoints and topics.

The first speaker of the day was Alanna Koch, who is the vice president of Canadian Agri-Food Trade Alliance. She spoke about the Doha Round of trade negotiations between countries involved in the World Trade Organization. Although agriculture is near the forefront of these discussions, nothing has been agreed upon as of yet, and many deadlines have come and gone with no resolution of the issues. Alanna stressed the importance that these talks have for agriculture, especially the livestock industry, as meat remains the one of the most protected products in the world. Canadian producers are competing against products which are heavily subsidized (and can, therefore, be offered at a lower price), and high tariffs which discourage companies from importing Canadian meat products. If these barriers to trade could be eliminated by Doha Round negotiations, Alanna feels that Canadian producers will benefit as their products will be valued by potential importers as more competitive with other meat products.

Glen Hodgson, the vice president and chief economist for the Conference Board of Canada, which is located in Toronto, ON, was the second speaker of the day. Glenn brought to light the fact that the growth of the Canadian economy is slowing and that countries such as China and India are currently experiencing substantial economic growth. In Canada, the domestic demand is upholding the Canadian economy, and this demand could increase as net incomes rise this year after tax cuts. Another trend being seen in the Canadian economy is that the growth is not spread evenly across the country – the west is prospering while the east is beginning to stagnate. Also, due to the high value of the Canadian dollar, manufacturers and exporters are expected to suffer until the United States fixes its imbalances and the Canadian dollar lessens in value. Glen views Alberta as "the land of opportunity" and feels that if government and industry are

prepared for the challenges that they will be faced with in the near future, the growth that is currently being experienced could continue.

Whenever computers are involved, there is a chance that something will not function the way it should, as demonstrated by the third speaker of the conference!

Dennis McGivern, the vice president of Informa Economics, Inc., which is headquartered in Memphis, TN, spoke to us about how the exchange rate affects the Canadian cattle industry. Dennis described the agricultural products whose prices are negatively affected by a rising Canadian dollar, and this list included cattle and grain. Resources, such as land prices and labour, are not affected (either positively or negatively) by the fluctuating Canadian dollar. The price of agricultural input products, such as fertilizer, electricity and fuel, are slightly dependant on the exchange rate. The primary factor in determining whether or not a product's value changes with the Canadian dollar is how closely the Canadian market is tied to the market in the United States.

Dennis explained that the strength of the Canadian dollar affects beef cattle prices because it determines how competitive Canadians are in the global market. If the Canadian dollar appreciates relative to the currency value of other countries, our products are more expensive for other countries to purchase, and buyers go elsewhere if Canadian prices do not drop to become comparable with the competition.

The final speaker of the morning proceedings was Brant Randles, who is the president of Louis Dreyfus Canada Ltd, based in Calgary, AB. Brant's presentation focused on the effects that an increase in biofuel production would have on the beef industry. As more and more ethanol plants are established, the demand for corn is going to increase and the market will become more competitive between the food, feed and

energy sectors – all three will be competing for the same corn, and prices will escalate. If corn production is going to keep up with the demand that will exist if the planned expansion in biofuel production occurs, many more acres will have to be seeded. Some even expect that lower quality land currently seeded to forages for conservation purposes could be put into grain production, if the price goes up enough. Although Canada is not a major corn producer, if the price of corn increases, the price of other feed grains will also increase as feed grains such as barley are used in place of corn. This bodes well for the grain producer; however, the outlook is somewhat bleaker for the cattle producer. Margins are already small, and an increase in feed costs, without an increase in cattle prices, would have severe negative effects on the beef industry.

The Honorable Doug Horner, the Minister of Agriculture, Food and Rural Development, from Edmonton, AB started off the afternoon program of the Congress. He focused on the importance of partnerships between companies and producers, and that innovations between these two entities of the beef industry are necessary for Canada to become more competitive and successful in today's changing market place. Interprovincial partnerships are also important to ensure competitiveness in Canadian agriculture. A recent example is the partnership formed between New Brunswick and Alberta which helps both provinces to compete successfully in the aquaculture industry. The Minister also stressed the importance of the age verification system and the establishment of the necessary infrastructure for that program as soon as possible. Implementing a full traceability system will make other countries more confident in Canada's surveillance and testing programs, especially since the latest case of Bovine Spongiform Encephalitis (BSE) found in Canada.

The sixth speaker of the Congress was David Baxter, the executive director of Urban Futures Institute in Vancouver, BC. He spoke to the audience about the aging workforce and the labour shortage in the near future. In rural areas, young people are moving to the city or bigger centers to follow careers. As the farmers retire, there are going to be very few people left in rural areas to farm the land. Potential employees can earn more money, often with more regular hours, working in alternative industries, such as the oilfield or in the city, than they can by pursuing on-farm employment. As wages in other fields increase to draw in employees, farmers need to increase the wages they are offering, and this is very rarely an affordable option.

David also talked about where Canadian businesses are going to get their employees from in the future, as there are just not enough people entering the work force in Canada's future to fill all of the needed positions. Industries in some parts of Canada are already beginning to feel the effects of a labour shortage. This point was evident at the tour of the Cargill plant on the previous day. David proposed that the only way Canada can avoid a labour shortage is to find a way to bring the Native American population into the workforce on a larger scale than it currently is, and to encourage people to immigrate to Canada.

Professor Bernie Bindon, who is the former chief executive officer of the CRC for Cattle and Beef Quality at the University of New England, in Armidale, Australia was the seventh speaker at the conference. Bernie talked about the research they have been doing that looks at nutrition, meat science and the genetic merit of cattle in providing customers with a guaranteed, quality product. This project was driven by the fact that Australia is the number one exporter of beef in the world, and some of their customers were

dissatisfied with the product they had been receiving. The researchers used Brahman cows and produced purebred and crossbred calves, all of which were fed the same during the backgrounding phase, and then one half of the animals were finished on grain, while the other half were grass finished. The animals were slaughtered at three different weights (as the markets to which the animals are sold fall into one of three weight categories) and tested for carcass, meat and eating quality. They found that there was greater genetic expression in the grain-fed animals. Sire breed effects were seen on beef quality, and there was no re-ranking of sires across the different finishing types. The cows that had been bred to Wagyu and Angus bulls produced the highest grading calves.

The researchers involved in this project have found a gene marker and the technology to identify cattle carrying desirable genes for marbling and tenderness. They have also developed a grading system (called Meat Standards Australia) that grades animals based on the eating quality of the meat, rather than by carcass characteristics.

The final speaker of the day was Professor David Hughes, from Imperial College at the University of London, in the United Kingdom. He pointed out that the agriculture industry thinks it is alone in trying to survive, when in reality, all food industry companies are finding it tough to survive. Consumers today are looking for quality; they are not simply concerned with which product is offered at the lowest price. There are niche markets available, and the beef industry needs to adapt to fill these consumer driven markets.

Contrary to what some of the earlier speakers had said, David did not think that just because incomes are on the rise in countries such as China, there will be a large increase in the market for beef products in these countries. Traditionally, these people

have not been large beef consumers, and chances are that as their incomes rise, they will consume more meat, but more of their traditional meats. They will likely increase their beef consumption by a very modest amount, but not by the large leaps and bounds predicted by some forecasters. Success in obtaining a share in the growing meat market will depend on the ability of food suppliers to provide consumers with the products they want, and in a manner that makes them easy to prepare, eat and clean up.

The coffee and lunch breaks throughout the conference provided me with very extensive networking opportunities as there were a wide range of industry and government representatives from Canada, and I was also able to make contacts with people from other countries – a network that could prove very valuable if my career choices lead me abroad. Learning about the way people in other countries view what is occurring in Canada, and hearing what is similar or dissimilar in different countries was very educational. Further, it reinforced the concept that what is good for one area of the world is not always beneficial or applicable in another area – each location is unique, with different challenges and solutions.

After the presentations were completed, we went on a "behind the scenes" tour of the stampede grounds. We saw the infield area and learned about the stock that the Calgary Stampede raises for use in its rodeo. We got an up close and personal view of two rodeo stallions – both were sired by the champion bucking horse Grated Coconut.

Friday evening we ate supper in the Grand Stand Clubhouse restaurant on the Stampede Grounds. The meal presented another networking opportunity for me, as some of the people who had been at the conference had come for the tour and meal. We had reserved seats in the clubhouse to watch the chuckwagon races and the evening show.

The chuckwagon races were fast paced, and very entertaining. The evening show featured the group of students known as the Young Canadians who are excellent singers and dancers. There were also gymnasts who performed during the show, and approximately midway through the show, there was a comedian who played the bagpipes. The entire evening was entertaining and a great experience.

Saturday, the final day of the Congress, there was a breakfast meeting at which Stewart Campbell talked about biofuels. He touched on the emerging industry in Canada, and how Canada should look to the United States and Europe for direction and technology. He also spoke about some of the issues that face a company trying to produce biofuels. These issues include the policy that surrounds the set-up and manufacture of biofuels and use of the byproducts. Stewart also briefly discussed some alternative biofuels to corn, such as canola, barley or wheat. There is a long list of things that need to be in place to build a biofuel industry in Canada. Included on this list are entrepreneurs, public support and the risk capacity to undertake a project of this magnitude.

Following the presentation, there was a discussion period during which members of the group posed questions/problems, and other members tried to answer the questions or explain how other groups had tried to solve similar issues. There were representatives from various sectors of the industry and multiple countries, so there were several different perspectives, providing a lively environment for debate.

In closing, I would like to thank all of the sponsors who made it possible for the student program at the ILC to exist, and I would like to say that attending the International Livestock Congress was a wonderful experience for me. I had the chance to

tour the Cargill plant and two feedlots. At the plant I learned first hand how many critical control points must be in place to ensure that a safe, quality product is produced. Coming from a cow/calf and small feedlot operation in Manitoba, it was very interesting for me to see how the large feedlots operate.

The speakers that I heard at the Congress opened my eyes to the complexity of some of the issues that the beef industry is currently faced with, as well as the issues that may arise in the near future. As a student hoping to enter the industry within the next year and a half, the issues that were discussed at the conference are ones that all students who attended the ILC will soon be faced with. The information gathered at the conference will enable us to play an active role in searching for solutions. Throughout the Congress, I was also given the opportunity to network with many different industry professionals. I was also exposed to many jobs in the agricultural and related industries that I had not known existed. This will open up many doors to me, and widen my career choices - making an already difficult task even harder, but that much more exciting!