CFGA Testimony to
The House of Commons
Standing Committee on Agriculture and Agri-Food
May 12, 2014

CFGA is a national, non-profit association representing Canadians who produce hay and forage products, as well as stakeholders who depend on forage and grasslands to support their industries.

Forages are Canada's largest cultivated crop at almost 13 million hectares, or 39 percent of the land devoted to crop production. Forages are also grown on an additional 15 million hectares of native or natural pastures and rangeland. The livestock sector is the largest user of forages in Canada, with 80 percent of Canada's beef production and 60 percent of a dairy cow diet dependant on forages.

These 28 million hectares of forages generate almost $5.1 billion in economic activity annually. Of this total, the forage, hay and seed export industry represent $288 million, with forage and hay currently experiencing about a 50 percent growth rate, due to water quality and supply issues, population growth, and protein and fibre shortages in many regions of the world. Our export members have been instrumental in opening China to Canadian alfalfa exports, and this spring, Minister Ritz signed a trade deal with China to accept timothy exports.

This economic activity excludes $13 billion of indirect value contributed in Ecosystem Services to Canadians, with regard to climate change mitigation, erosion control, pollination services, recreation, wildlife habitat preservation and the regulation, protection and improvement of water resources.

Society in general, is unaware of forages unique attributes relative to most other crops. Forages are perennial species that regrow every spring, fix atmospheric nitrogen biologically and enhance soil fertility. However, producer-funded check-off programs for research and other activities exist for crops such as canola, and livestock such as beef – but not for forages.

The Canadian Forage and Grassland Association interprets competitiveness as the ability to sustain an advantage over competitor nations. This advantage will develop through innovation derived from a consistent, long-term strategic plan that integrates activities across the value chain. A strong research program is the essential foundation that will allow the innovation required to drive competitiveness.

Canada has experienced a substantial decline in investment and expertise in forage research. Between 1985 and 1998, research expenditures and scientific capacity declined by 55 percent. Since then, research capacity has continued to decline, funding has been inadequate and sporadic in nature, goals have been short-term, and there has been no long-term commitment to building or maintaining existing infrastructure.

Research investment to address priorities such as forage yield stagnation are required to reverse the removal of forages from cropping rotations in favour of annual crops like canola, corn and soybeans. Dramatically reduced forage research funding has created a situation in which forage yields have not kept pace with those of annual crops, putting the livestock sector at risk. Producers are losing the financial incentive to grow forages and forage seed on productive land as part of a perennial cropping system.

Evidence of a reduction in forage competitiveness includes:

- The national beef herd continuing to decline despite recent record high prices in cattle markets
- Land reclamation, restoration efforts and biodiversity initiatives becoming a challenge as the availability of cultivated and native forage seed and inoculant declines
- Canada losing its capacity to test new forage varieties nationally in 2014

One solution is to integrate the goals and resources of both the public and private sector. Our association's vision includes a renewal of the public sector's commitment to forage and grassland research, and a division of research activities between the public and private sector. Public sector research would focus on:

- Longer-term goals where there is a need to solve complex technological issues, develop platform technologies or overcome technological bottlenecks, particularly where private ownership of intellectual property is not in the public interest
- Increasing intellectual capacity and expertise through scientific training, mentoring and teaching
- Areas where the private sector has vacated the market due to lack of commercial viability
- Providing Ecosystem Services for the public good

The Canadian Forage and Grassland Association has developed a framework for fair compensation for Ecosystem Services through the Commission for Environmental Cooperation, a trinational organization created in connection with the North American Free Trade Agreement. Our pilot project catalyzes North American grassland conservation and sustainable use through beneficial management practices that demonstrate positive linkages between cattle production and native grassland conservation.

In closing, our three main recommendations are:

1. To improve forage and grassland research capacity by enhancing federal government support of long-term, innovative, basic and applied research programming. Through innovative research, the issue of yield stagnation and declining competitiveness can be addressed, which will drive sustainable advances for forage and grassland stakeholders.
2. Assist in addressing the lack of availability of cultivated and native forage seed and inoculants through innovative research and practices, and develop new and innovative capacity to test forage varieties nationally
3. Identify a means of capturing or compensating producers for the value of Ecosystem Services provided by forages and grasslands owing to their range of unique attributes, and value to the Canadian economy and society