

National Sheep Network Meeting

November 30, 2023

The meeting started with introductions of new NSN board members, Jimmy Lapointe, the new Chair of LEOQ and Karen Davis, the new second vice chair of OSF. Pierre Lessard is no longer on the board of LEOQ so will no longer represent Quebec on the NSN board. Pierre attended the meeting to make the transition as past chair of the NSN to the new board.

The NSN board held elections for the positions of Chair and Vice Chair. Art Alblas, chair of OSF, was elected Chair of the NSN. Christian Beaudry, vice chair of LEOQ, was elected as the new Vice Chair of the NSN.

The board also chose the NSN representative on the Canadian Federation Board. Art Alblas will sit on the CFA board for the NSN and Christian Beaudry will attend meetings when Art is unavailable. The ALP general manager will continue to represent the NSN on the CFA general manager committee.

Staff provided an update on the recent work of the CFA including the Ag Carbon Alliance work on bill C-234 and their federal pre-budget priorities. The pre-budget priorities of the CFA are:

- Make the interest-free limit for advances under the Advanced Payment Program's (APP) permanent beyond the 2023 program, as well as other administrative program adjustments, to make the APP more accessible and responsive to higher production costs.
- Make the Accelerated Capital Cost Allowance permanent across all classes of farm equipment, allowing producers to depreciate 100% of their capital allocated to purchases of farm equipment in the first year.
- Improve resilience against extreme weather events for all agricultural commodities, including aquaculture, by ensuring business risk management programs are responsive, predictable, and accessible. An immediate example would be using Agriculture and Agri-Food Canada's Drought Monitor to trigger an AgriRecovery assessment.
- Ensure the launch of the Sustainable Agriculture Strategy is inclusive of all agricultural commodities and is accompanied with an ambitious funding envelope commensurate with the incentives, research, and knowledge transfer activities required to reflect the inter-related demands of environmental, economic, and social sustainability.
- Increase the capital gains exemption threshold above \$1M to be more in line with current market values to allow additional exemption on lands sold to new entrants and/or young farmers.
- Build on the Budget 2023 legislative amendments to the Income Tax Act which expanded the definition of a "child" to also allow sibling shareholders to pass a non-controlling share of their ownership to the next generation.

The board discussed the Memorandum of Understanding between the members of the NSN to recommit to the document for 2024. Some changes were discussed to ensure balanced representation between the three members including:

- Clarifying that the chair and vice chair cannot be from the same organization;

- There must be at least two individuals present when advocating for NSN priorities and they must represent two different member organizations;
- Up to three board members from each board can sit on the NSN board as well as the executive director from each member organization.

The changes were made to the MOU and were ratified before each member organization signed the document.

LEOQ had their annual meeting on November 17th and the meeting went well. They have a fairly new and young board of directors. LEOQ has finalized their negotiations with buyers for the next year and the board is happy with the outcome. They have developed a new grading chart that meets the needs of buyers. A new version of their marketing software program is live online and the English version will be released soon.

OSF had a great AGM and Convention in October that included a carcass competition with two weight classes and a live butcher demonstration. All elements of the meetings were recorded and are available on the OSF YouTube channel. One processor spoke at the meeting and discussed the large demand for lamb in the new Canadian population – specifically the halal market. The Royal Winter Fair ambassador animal this year was a sheep and there was loads of positive press coverage for the industry as a result. OSF sponsored the Junior Sheep Show at the Royal this year. This supports the organization's goal to increase the number of new, young producers entering the industry.

ALP held their AGM in November and the event was very successful. There were great speakers and attendance and positive feedback. ALP has recently advocated for all sheep producers to be eligible for a provincial drought relief program.