

THE FARMER'S PLIGHT: A LOOK AT THE IMPACTS OF COVID-19 ON CANADIAN FARMERS

Bill Campbell – Farmer of fifty years to quit cattle due to COVID-19, worries about next generation of farmers

By: Matthew Houston, Canadian Federation of Agriculture

- **Bill Campbell owns a 1400 acre farm south of Brandon, MB that has been around since the late 1800s**
- **The farm raises purebred beef livestock and grows grains, oilseeds and pulses.**
- **Due in part to uncertainty due to COVID-19, Bill is looking to sell his herd and permanently stop raising cattle.**
- **Bill worries about the next generation of farmers, and why they would enter a business where the risks seems to only increase without any additional support to help mitigate them.**

Bill Campbell has raised cattle in Manitoba for over 50 years. In that time, he has seen his fair share of ups and downs. One of the largest being the BSE (Mad Cow Disease) outbreak in 2003, which cost Canadian cattle producers over \$5 billion.

The Canadian cattle market took years to recover from the damage of BSE, but Bill had the perseverance and, importantly, the time to eventually recover.

Seventeen years later, once again the food supply chain has been severely disrupted, this time by COVID-19. The breakdown of the restaurant sector has caused a sharp decline in demand for higher quality beef. Processing plants across North America have had their capacity severely reduced or completely halted, including the Cargill plant in Alberta that processes a third of all Canadian beef.

Many cows in Manitoba cannot even be sold as there are no facilities to process them. Those that can be sold have seen prices reduced by 25-30%.

All information points to it being a long time before things return to any type of normalcy.

But time is no longer a luxury Bill can afford. Close to retirement, Bill plans on selling off his herd in the Fall and getting out of the cattle game completely rather than wait to see if prices eventually stabilize.

"It's like if your investment portfolio tanks. When you're near the point where you plan to take them out, you don't have time to make adjustments and get it back. I don't have enough time in my life to ride this out and let it correct itself," says Bill.

"I lived through BSE and I will not do that again." said Bill Campbell.



Bill Campbell stands in front of his herd of purebred livestock. Bill plans to sell them in the Fall and stop raising cattle permanently.

The herd is essentially Bill's pension, but in today's climate he knows that selling it off could be a real challenge. In the past six weeks, he has seen their value erode significantly. It does not leave him feeling very confident.

"What will the market be like in December? Will there be anybody willing to buy? What will be the future? Young guys would essentially be my market and if they don't have any sense of security, they will not be buying. If there's no buyers than what do I have then?"

Bill's concerns are not unique. The 2016 census on agriculture found that the average farmers was 55 years old. With so many farmers nearing the age of retirement, it is time for a new generation to step in.

When a farmer with decades of experience isn't willing to accept the uncertainties and financial challenges that raising cattle presents, why would a new farmer see raising cattle as a good business venture?

“Who is going to be left on the landscape as this evolves? Without financial sustainability, no one is going to want to be in this business,” says Bill.

“My farm and my assets are my pension, that is what my wife and I will have to live on for the next 20 years,” says Bill.

“We're not sure where we will end up because of COVID, it's been a huge mental concern for me in moving forward in succession planning and transitioning to retirement. It weighs on me most mornings. It does. You worked your whole life for these assets and to have a farm that you can carry some pride in. What that value is at the end is hugely concerning because you've put your whole life into it,” says Bill.