

2015 ANNUAL REPORT

UNLOCKING THE

POTENTIAL



National Voice Of Cattle Producers

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2015 ANNUAL REPORT



CANADIAN  
CATTLEMEN'S  
ASSOCIATION

National Voice Of Cattle Producers

**Many significant developments occurred in 2015 that will help to 'unlock the potential' of the Canadian beef industry.**

**The successful repeal of U.S. mandatory Country of Origin Labeling (COOL)** is a historic achievement that represents the culmination of years of hard work by the Canadian Cattlemen's Association (CCA) and industry and government allies.

Beef producers who paid the \$4 million in legal fees to fight COOL through their provincial check-off share in this victory.



CCA Executive Vice President Laycraft and the Canadian team fought COOL at the World Trade Organization in Geneva.

## New trade agreements are offering the strongest market access prospects industry has seen in nearly three decades.

### The Trans-Pacific Partnership (TPP)

**Agreement** offers improved access to Japan and other growing markets in Asia. Canada could double or triple its annual beef exports to Japan to nearly \$300 million under the agreement once ratified.

**Trade with South Korea** resumed in time for the one-year anniversary of the implementation of the Canada-Korea Free Trade Agreement, enacting the second of 15 tariff reductions on Canadian beef and offals under Korea's beef tariff phaseout with Canada. Canadian beef exports to Korea have the potential to exceed \$50 million per year under the agreement.



### Burgeoning exports of Canadian beef to

**China** propelled China to Canada's second largest export market, up from fifth place in 2014. The value of Canadian beef exports to China more than doubled in 2015 and there is further potential once access is expanded to also include bone-in beef.



Above: CCA President Solverson, Executive Vice President Laycraft and staff John Masswohl lobbying to repeal COOL in Washington, D.C.

Left: CCA President Solverson shares beef industry view as Federal Government seeks authority from the World Trade Organization to impose billions in retaliatory tariffs over COOL.



CCA President Solverson in Washington, D.C. with U.S. Senator Pat Roberts. Roberts, who is trying on Solverson's hat, was instrumental in helping to achieve COOL repeal.

## The long-term outlook for Canada's beef industry looks solid.

The long-term outlook for Canada's beef industry looks solid supported by tariff reductions, market access expansion and continued world growth in high quality beef demand.

The National Beef Strategy goal to unlock potential through strengthening industry competitiveness, the brand appeal of Canadian product and the connection between industry and customers, consumers, and the public, enhances the outlook.

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## 2015 BOARD OF DIRECTORS



President,  
Dave Solverson, AB



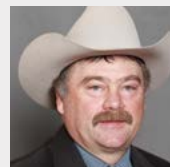
Past President,  
Martin Unrau, MB



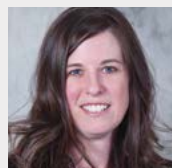
Vice President,  
Dan Darling, ON



**BRITISH COLUMBIA**  
*From left to right:*  
David Haywood-Farmer  
John Anderson



**ALBERTA**  
*From left to right:*  
Howard Bekkering  
Bob Lowe  
Colin Campbell  
Doug Sawyer



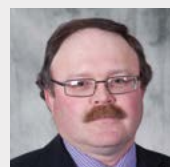
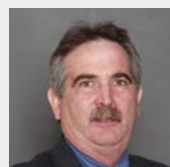
*From left to right:*  
Bryan Thiessen  
Cathy Sharp  
Tim Smith



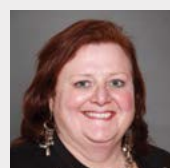
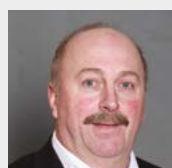
**SASKATCHEWAN**  
*From left to right:*  
Brent Griffin  
Perry Rasmuson  
Reg Schellenberg  
Pat Hayes



**MANITOBA**  
*From left to right:*  
Heinz Reimer  
Ramona Blyth  
Tom Teichroeb



**ONTARIO**  
*From left to right:*  
Bob Gordanier  
Joe Hill  
Tom Wilson  
Matt Bowman



*From left to right:*  
**QUEBEC** Claude Viel (ex officio)  
**NOVA SCOTIA** George Smith  
**PRINCE EDWARD ISLAND** Ivan Johnson  
**NEW BRUNSWICK** Jennifer MacDonald

## 2015 PRESIDENT'S REPORT

Dave Solverson, President CCA



Many events throughout 2015 have transformed the Canadian beef industry. The most significant of these occurred in December with the repeal of U.S. Country of Origin Labeling (COOL) for beef and pork. The December 18 repeal of U.S. COOL for beef and pork marked the historic and successful conclusion of a legal battle initiated by the Canadian Cattlemen's Association (CCA) more than seven years ago.

**"COOL repeal is an excellent example of provincial check-off dollars at work and I thank producers for directing their dollars towards the file."**

Then, just as 2015 was coming to a close, South Korea lifted the temporary restrictions it imposed following the February 2015 case of bovine spongiform encephalopathy (BSE). With the implementation of the Canada-Korea Free Trade Agreement in late 2014, the CCA believes Canadian beef exports to Korea have the potential to exceed \$50 million per year.

The repeal of COOL for beef and pork, which became law when U.S. President Barack Obama signed the omnibus appropriations bill, is a huge achievement and represents the culmination of years of hard work by CCA Executive Vice President Dennis Laycraft, CCA Director, Government and International Relations John Masswohl, and many industry and government allies along the way.

I'd like to personally thank Laycraft and Masswohl for their leadership and guidance throughout my term as CCA President and also on behalf of the presidents before me whose persistent advocacy work on the COOL file contributed greatly to its successful conclusion. I'd also like to recognize CCA Officers and Directors for making themselves available, often at short-notice, to support the advocacy effort.

Indeed the repeal of COOL is a major accomplishment of collaboration and persistence. I'd personally like to thank all the

producers who supported us with their check-off dollars to make this historic event possible. Fighting COOL has been a long and arduous battle, and a costly one with legal fees nearing \$4 million. However, that amount – paid by beef producers through their provincial check-off – is eclipsed by the cost of COOL discrimination inflicted on Canadian and Mexican producers. COOL repeal is an excellent example of provincial check-off dollars at work and I thank producers for directing their dollars towards the file.

The CCA thanks Minister of International Trade Chrystia Freeland and Minister of Agriculture

and Agri-Food, Lawrence MacAulay, for standing firm on retaliation if COOL was not repealed. COOL was repealed on the same day that Canada received authority from the World Trade Organization (WTO) to impose retaliatory tariffs of more than \$1 billion on U.S. products if COOL wasn't repealed.

We also thank Prime Minister Justin Trudeau for personally weighing in on the issue with President Obama at just the right time, as the effort clearly helped the CCA achieve its top priority of resolving the WTO dispute with the U.S. over COOL.

CCA President Solverson, International Trade Minister Chrystia Freeland and Edmonton Centre MP Randy Boissonnault at Trans-Pacific Partnership consultations with industry.



## 2015 PRESIDENT'S REPORT

continued from previous page

I'd also like to acknowledge former Agriculture Minister Gerry Ritz and International Trade Minister Ed Fast for their outstanding efforts on the COOL file over the years. In particular I would like to acknowledge them for supporting producers by taking the very serious step of taking the U.S. – Canada's most important trading partner – to the WTO. At every step of the process, the WTO repeatedly found that the U.S. is in breach of its WTO obligations. The final ruling from the Appellate Body of the WTO on May 18 confirming that U.S. COOL discriminates against live imports of Canadian cattle and hogs was another decisive victory.

The CCA initiated the fight in 2008 because the U.S. failed to live up to its international trade obligations. In the seven years since U.S. COOL has been in effect, the cumulative losses for the Canadian beef and pork sectors have been staggering.

The CCA is satisfied that the U.S. legislative action on December 18 to repeal U.S. COOL, accompanied with the U.S. Department of Agriculture (USDA) notification the same day that they will no longer enforce COOL for beef and pork, should eliminate the need to segregate imported cattle in the U.S. Based on this result, the CCA informed the Government of Canada that there is no further need to retaliate at present. However, Canada must retain its retaliatory rights as insurance against the possibility that the U.S. might at some future time implement a renewed discriminatory program. This means Canada will be in a position to quickly impose tariffs on U.S. products in the event either Congress puts



CCA President Solverson and Cattle Council of Australia President Smith in Durango at Five Nation's Beef Alliance meeting.

in place a new program or USDA replicates the discriminatory effect via regulatory action.

Many people and organizations have been involved in the effort to repeal COOL over the years. Close collaboration with the CCA's U.S. counterpart, the National Cattlemen's Beef Association (NCBA), and many state cattle producer organizations ensured the implications of COOL on the U.S. industry were well-understood by beef producers. Strong alliances were forged with the U.S. livestock industry through the 'barnyard coalition' and also the COOL Reform Coalition, which represents a diverse group of associations and companies in the U.S. food, agriculture and manufacturing industries. It was a very unique trade dispute, as industry on both sides of the border were on the same side and wanted COOL for beef and pork repealed. I'd also like to thank U.S. Senator Pat Roberts for his tireless efforts to repeal COOL. Of course, much appreciation

goes out to our Mexican counterparts, the Confederación Nacional de Organizaciones Ganaderas, and the Mexican Government, who fought COOL alongside us.

The relationships CCA established and in many cases strengthened throughout this process reflect the integrated nature of the North American beef industry and will serve the industry well going forward.

The resumption of access to South Korea is important for Canada's beef producers. South Korea holds huge potential for beef and especially cuts and offals that are underutilized here at home. Korea is a market that will pay more for those select items and that helps to increase the overall value of the animal for producers.

Exports to South Korea were 1 per cent of Canadian beef exports in 2014 – or 3,200 tonnes for \$25.8 million, making it the sixth largest export destination by volume. With the implementation of the Canada-Korea Free Trade Agreement in late 2014, the CCA believes Canadian beef exports to Korea have the potential to exceed \$50 million per year.

The action by South Korea follows the recent release of the Canadian Food Inspection Agency (CFIA) final report on the investigation into BSE case #19. Per the protocol between Canada and South Korea reached in 2012, in the event of confirmed BSE cases in Canada, South Korea can temporarily suspend importation of Canadian beef, pending provision of further information on the case.

The CFIA final report on case #19 found that the most likely cause was the presence of a very small level of residual contaminated feed at the farm – a conclusion consistent with investigations conducted by other countries who have had BSE cases born after enhanced feed bans were implemented.

It's important to note that prices for all cattle types remained very strong (and even strengthened) following the temporary suspensions over case #19 which is a good indication of a rational response from the market.

Indeed 2015 was another year of new highs for the Canadian cattle market. In spite of a significant market correction at the end of the fourth quarter, average cattle prices in 2015 were at record highs. As the fourth quarter of 2015 came to a close, it appeared the highs were in for the cycle as the market experienced a significant correction. With calf prices record high for most of the first three quarters of the year, the price swing to the fourth quarter lows were record large. That said, it is important to keep prices in perspective. Although calf prices fell about \$80/cwt from high to low, prices were still \$80/cwt higher than 2013.

Although calf prices have dropped, cow-calf producers had another very profitable year, but by year-end, feedlot margins had moved significantly into the red. Calf prices are expected to remain under pressure moving forward.





CCA President Solverson with Agriculture Minister Lawrence MacAulay in Ottawa.

The major market story for Canadian cattle prices in 2015 has been the Canadian dollar. The loonie continues to fall to the lowest point in more than a decade as overall commodity markets are struggling. The weaker dollar will continue to cushion Canadian cattle prices relative to the U.S. heading into 2016.

The CCA continues to work on issues that can help create the operating environment for beef cattle herd expansion in Canada, such as fully funding programs that help producers manage risk, investing in infrastructure, securing access to high value and growing markets, developing policies that ensure the competitiveness of Canadian producers, investment in research and sustainable practices and access to sufficient labour. The CCA will continue its work to address the factors that may be preventing some producers from expanding their herds to take advantage of current market opportunities.

Throughout the year I attended various government and producer meetings. I've noticed there's a general approval of CCA policy and our interactions with government and trading partners. There's widespread support for the National Beef Strategy and an understanding that implementing the strategic plan successfully will require more producer investment with an increase in check-off.

Positioning Canadian beef as the best in the world is part of the collaborative effort of the National Beef Strategy. I've been using the Trans-Pacific Partnership (TPP) negotiations to help demonstrate the power of large-scale collaboration. The outcome of the TPP is good

for beef producing nations including Canada precisely because each country at the TPP negotiating table received a consistent message from the beef industry, represented by the International Beef Alliance (formerly the Five Nations Beef Alliance) about what was required.

Once the TPP is enacted, Canada's beef producers will receive the same preferential access to Japan and other key markets in Asia as their competitors. While the TPP will level the playing field for Canadian producers, there will be strong competition as beef supplying countries become more commercially viable with lower tariffs.

CCA President Solverson and Vice President Darling with NCBA President Ellis (second from left) and Vice President Uden (left).



As a result, maintaining and increasing Canada's market share in these key markets will require a major step up in Canadian branding, marketing and differentiation efforts in order to compete effectively with the U.S. and Australia.

The National Beef Strategy intends to complement existing work through achieving the industry goals identified in the Strategic Plan, which are estimated to require a projected National Check-off (NCO) investment of approximately \$19 million, or around \$2.50 per head (a \$1.50 increase from the current \$1 NCO). Most provincial associations have endorsed the idea of a \$1.50 increase.

Significant progress was achieved this year on the sustainability front. Both the CCA Environment Committee and the Canadian Roundtable for Sustainable Beef, which is staffed by the CCA, made great strides in progressing this file, which seems to attract more and more attention from consumers and media. It is crucial that the beef industry is well represented in these areas of interest as they evolve.

Finally, I am confident that the industry is in fine shape and that 2016 will be another year of achievement for the CCA. My appreciation goes out to CCA staff for their fine work in 2015.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Dave Solverson'.

Dave Solverson

## 2015 EXECUTIVE VICE PRESIDENT'S REPORT

Dennis Laycraft, CCA Executive Vice President



Clearly 2015 was a year of remarkable change and resolution for the Canadian beef industry.

The political landscape in Canada changed dramatically with the election of a new Prime Minister and Liberal Majority. The biggest surprise occurred in Alberta when the NDP formed a majority government.

The Canadian Cattlemen's Association (CCA) has been careful to remain neutral during elections and to meet and work with all parties. Our mandate is to represent the interests of cattle producers at the national and international levels and to work with our provincial members where we can be supportive.

Since the federal election, the CCA has been in regular contact with the new government and received strong support from the Prime Minister and the Ministers of Agriculture and International Trade on the U.S. mandatory Country of Origin Labeling (COOL) file. The CCA's priority is to unlock the potential of an excellent working relationship with the many

**"As we head into 2016, new trade agreements are offering the strongest market access prospects since the approval of the Canada-United States Trade Agreement in 1989 and expansion to the North American Free Trade Agreement in 1993."**

new Members of Parliament (MPs) and continue a strong relationship with the returning MPs. We have worked well with the previous Liberal governments and are pleased to see some veteran Cabinet Ministers returning. We have already hosted a successful reception in December and will encourage our members to step up their "fly-in days" to meet with their MPs in 2016.

I also wish to thank our outgoing Conservative government for their excellent leadership. The former Prime Minister and then Ministers of International Trade and Agriculture travelled the world to reopen markets for Canadian beef and cattle and to secure a number of historic trade agreements that offer great potential for the industry. The "one for one" rule on regulations was a great innovation to prevent unnecessary regulatory creep.

On the resolution front, the greatest breakthrough was the repeal of the mandatory COOL law in the U.S. The CCA submitted the original legal opinion that recommended taking the U.S. to the World Trade Organization (WTO) over the requirements that unfairly discriminated against the import of live animals. The case started in 2008 and resulted in four successive rulings, all in favour of Canada (and Mexico). The fifth legal step was the arbitration ruling that determined that the damages were

greater than \$1 billion annually and set the stage for duties based on that amount to go into effect in late 2015. U.S. Congress was finally able to reach sufficient support to repeal COOL and struck down the law on December 18.

Once again the North American market can begin to function more efficiently. Trademarks and branded beef programs such as our Canadian Beef mark will provide more useful origin and quality information to the market.

The next great breakthrough was the successful conclusion of the Trans-Pacific Partnership (TPP) negotiations. Attention now shifts to ratification

of the agreement by the participating countries. The CCA has expressed strong support for the agreement based on the significant improvement in market access for beef into Japan. Japan remains one of the most important high-quality beef markets in the world.

As the year wrapped up, the CCA received more welcome news that Korea had lifted its temporary restrictions on Canadian beef products stemming from the case of bovine spongiform encephalopathy (BSE) that was discovered last February. The controls in Canada are very strong. The CCA will be seeking changes to the procedures that



CCA Executive Vice President Laycraft meets Agriculture Minister Lawrence MacAulay in Ottawa.



countries such as South Korea follow. These temporary interruptions are not warranted and unjustifiably damage our reputation as a reliable supplier.

As we head into 2016, new trade agreements are offering the strongest market access prospects since the approval of the Canada-United States Trade Agreement in 1989 and expansion to the North American Free Trade Agreement in 1993. Work remains on getting the TPP approved and on plant approval issues with Europe under the Comprehensive Economic and Trade Agreement (CETA). The CCA will be putting a high priority on the remaining CETA issues in 2016 with the objective of achieving certification of Canada's large plants. Assuming TPP is approved and preferential access to Europe is achieved, it will set the stage for the current and next generation of cattle producers in Canada.

To unlock this potential, the National Beef Strategy I featured in my report last year is being presented to producer meetings across Canada. So far, the response has been very positive. The strategy is designed to strengthen industry competitiveness; the brand appeal of Canadian product and the connection between industry and customers, consumers, and the public. I encourage everyone to go to the [beefstrategy.com](http://beefstrategy.com) website to become fully familiar with the proposal and to engage in this important discussion.

One new aspect to the strategy is more dedicated activities on issues and reputation management related to how cattle are raised, the benefits of the products and



CCA Executive Vice President Laycraft and the Canadian team in Geneva at the final appeal of COOL.

technologies producers use and the many positive contributions the industry makes to the environment. The CCA is slated to handle the production related issues, and Canada Beef the product related issues. There will be some overlap and close coordination will be key to ensuring optimum results. The CCA is the 'go to' source for information about Canada's cattle industry and has decades of authentic experience in cattle production.

In our view it was imperative that we advance these enhanced activities immediately. We now live in an information society that is virtually connected 24/7 around the globe. We need to be proactive in ensuring information about the industry is available in a credible, timely, and audience appropriate manner. If we are not telling our story – that vacuum will almost certainly be filled with misinformation that can come from anywhere in the world. The CCA made the decision that we need to move ahead now as best we can within our budget and funding constraints.

This past fall we employed a new Issues Management team member, Tom Lynch-Staunton, to expand these activities, strengthen

our national/provincial network, and update information resources. This work builds on top of what we have currently done through CCA's communications team and with strategy partners. Presently, we only have the resources for this to be a part-time position. The National Beef Strategy will hopefully expand our capacity to make this position full-time and allow a suite of activities that will enable us to be more proactive and to "change the conversation." With all of our activities, CCA works to improve the long-term economic well-being and sustainability of Canada's beef cattle producers. The beef cattle industry by the very nature of the bovine animal and production cycle is a long term business that requires decisions based on what we think will happen in the years ahead.

Much of what the CCA does is to set the stage for both the short and long term. We believe there are compelling market signals to again grow our cow herd. In my view, cattle prices have shifted up into a new price range with our low range hovering around previous highs. While it is unlikely we will see the high we saw in 2015 for some time, the long-term future looks solid supported by tariff reductions, market access expansion and continued world growth in high quality beef demand.

The theme of the 2015 CCA annual report is "unlocking the potential." To achieve this potential, cattle producers must be confident about the future and there must be sufficient profitability to keep land in cattle production and to support expansion.

When people feel good about the industry, they feel good about the product. I strongly feel that the industry can get greater recognition for the many benefits cattle production contributes to sustainable agriculture and to biodiversity. Hopefully, this is beginning to happen.

One example we are excited about is the McDonald's Verified Sustainable Beef Pilot Project on sourcing sustainable beef. It started almost two years ago when McDonald's and Cargill approached us about the first-of-its-kind project. Canada was favoured due to its supply chain, years of work on quality and on-farm food safety initiatives (Verified Beef Production™ and animal care codes), and McDonald's commitment to sourcing 100 per cent Canadian beef. Since that time, there have been many meetings to develop credible, practical, and science-based criteria to qualify cattle under the program. This pilot is intended to set a template for the Canadian Roundtable for Sustainable Beef to expand the project to include other retail and food service companies looking for a credible source of sustainable beef.

Canada is a world leader in producing high quality beef cattle and beef products. Building our brand recognition and strengthening our connection will help us unlock the potential.

Respectfully submitted,

Dennis Laycraft

## 2015 DIVISION REPORTS

### The Beef Cattle Research Council



The Beef Cattle Research Council (BCRC) is Canada's industry-led funding agency for beef, cattle and forage research. Its mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer National Check-off funds allocated to research. The BCRC is led by a committee of beef producers who proportionally represent each province's research allocation of the National Check-off.

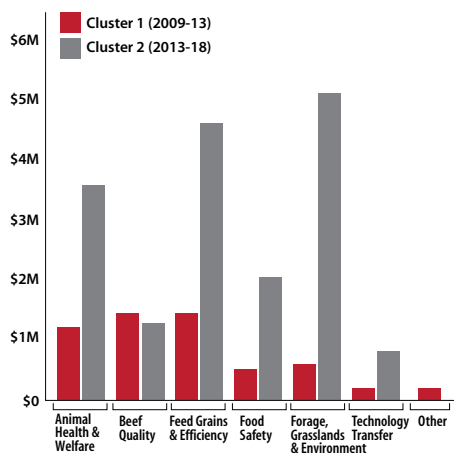
On average nationally, the BCRC receives approximately 18 per cent of the National Check-off, and plays a key role in leveraging additional funding for beef cattle research. Recognizing this, the Council works to ensure the highest return on investment possible for industry contributions to research through ongoing consultation with other provincial and national funding organizations.

Investments in beef research have several benefits, including an improved ability to meet increasing global food demand and supporting responsible production, increased productivity and profitability of Canadian beef cattle producers. Advancements in the industry also positively impact the nation's economy.

#### CANADA'S BEEF CATTLE INDUSTRY SCIENCE CLUSTERS

The first Beef Cattle Industry Science Cluster directed \$10.5 million to 32 research projects

**Beef Science Cluster Funding by Research Priority Area**



between April 1, 2009 and March 31, 2013. It proved to be a very successful step towards improving coordination of beef research funding in Canada while generating meaningful, applicable results.

Joint industry and government commitments to the second Cluster (April 1, 2013 - March 31, 2018) total \$20 million, including \$14 million in funding from Agriculture and Agri-Food Canada (AAFC), \$1 million in provincial government investments, and \$5 million in funding from the research allocation of the National Check-off and provincial beef industry groups. Funding was directed to 26 research projects. A summary of each project can be found by navigating under the Research tab on BeefResearch.ca.

**Find the project summaries at:**  
[beefresearch.ca](http://beefresearch.ca)

#### ADDRESSING CRITICAL CAPACITY NEEDS

As highlighted in the 2012 National Beef Research Strategy developed by the BCRC and the national Beef Value Chain Roundtable, Canadian beef industry stakeholders strongly identify the need for continued and reinvigorated forage and grassland productivity capacity and research.

Having recognized ongoing cuts by government and other organizations to investments in research related to forage and grassland production, and disappointing impacts including declining tame hay yields, the BCRC substantially increased its proportion of funding to this area.

However, ongoing cuts to necessary expertise and infrastructure continue to erode research programs. The BCRC is working with AAFC and universities to maintain and increase capacity, and encourage the transition of new replacement scientists prior to retiring scientists' departure to ensure research momentum is not lost.

#### RESEARCHER MENTORSHIP

Launched in 2014, the Beef Researcher Mentorship Program provides practical learning and networking opportunities to applied researchers with little or no background in Canadian cattle, forage or beef production. Participants are paired with producers and other industry experts who are valuable resources of information about day-to-day cattle and forage production, industry structure and influences, and perspectives on industry challenges and opportunities at regional and national levels.

Four researchers were selected for the 2015-2016 term and include university and AAFC employees with specialities in genomics, food safety or animal disease vectors. The knowledge, connections and experiences gained through the program better enable these scientists to develop effective, industry-focused research and extension programs.

#### THE CANADIAN BEEF INDUSTRY AWARD FOR OUTSTANDING RESEARCH AND INNOVATION

The Canadian Beef Industry Award for Outstanding Research and Innovation was established by the BCRC in 2015. It will be presented annually to recognize a researcher or scientist whose work has contributed to advancements in the competitiveness and sustainability of the Canadian beef industry. The inaugural award will be presented in early 2016, following an industry nomination and committee selection process.

#### ENHANCED COLLABORATION TO MAXIMIZE RESEARCH INVESTMENTS

The BCRC continues to place significant focus on enhancing collaboration between itself, provincial check-off groups, and other funders (AAFC, Alberta Livestock and Meat Agency (ALMA), Agriculture Development Fund (ADF) from the Government of Saskatchewan, the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), and others) to ensure critical research priorities are addressed, reduce duplication, and reduce administrative burden for researchers and funding agencies.

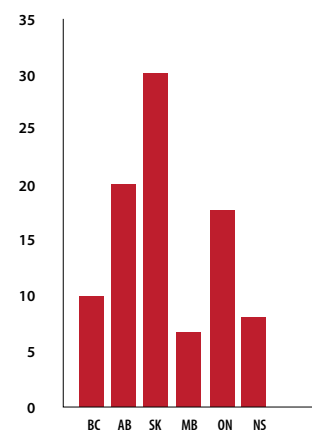


As a tool to better enable collaboration and efficient use of research funds, the BCRC has taken the lead in developing a database containing research proposals that various funders are considering, as well as projects that have been funded. This allows all funders to determine whether all priority research areas are being addressed, while avoiding over-funding of particular research topics and improving coordination between funders. It also allows the BCRC to measure funder buy-in to the priority research outcomes identified in our 2012 National Beef Research Strategy.

### THE NATIONAL BEEF STRATEGY

With a growing global appetite for beef, consumers with questions and concerns about beef production, and a small Canadian beef herd, among other factors, the BCRC joined forces with the Canadian Cattlemen's Association (CCA), National Cattle Feeders' Association, Canadian Beef Breeds Council and Canada Beef to develop a National

**Allocation of the National Check-off Dollar to the BCRC as determined by Provincial Cattle Associations**



Beef Strategy. The BCRC will play an integral role in achieving several of the industry goals established through strategic investments in research and extension. Consequently, the BCRC has developed a long-term funding plan to identify the necessary funding requirements to achieve these goals.

### TECHNOLOGY TRANSFER & KNOWLEDGE DISSEMINATION

BCRC continues to advance the implementation of its Knowledge Dissemination and Technology Transfer Strategy, which is focused on converting applied research into effective tools that drive industry competitiveness.

The BCRC website, [www.beefresearch.ca](http://www.beefresearch.ca), provides access to general information on research topics, summaries of in-progress and completed projects, and information that helps producers make informed decisions on implementing innovation into their production practices.



The website delivers various BCRC-produced and other valuable extension resources including articles, videos, webinars, and calculators.

Communications from the BCRC can also be found in the CCA's Action News, provincial cattle organizations' newsletters, email updates and magazines, and through a regular research column that appears in Canadian Cattlemen magazine.

### VERIFIED BEEF PRODUCTION™ PROGRAM

In addition to sponsoring research and technology development, the BCRC oversees and supports the beef industry's on-farm food safety program, Verified Beef Production™ (VBP). The VBP program is now working with industry stakeholders to develop additional modules for animal care, biosecurity and environmental stewardship. Pilot projects will be completed to help make each module auditable in 2015-16. The additional modules will be an opportunity for producers to secure further recognition for credible production practices. The resulting program will dovetail in with the work of Canada's Roundtable for Sustainable Beef (CRSB) and the Beef InfoXchange System (BIXS).

It is recognized that VBP must prepare for a reduced federal/provincial funding structure once modules are fully developed in the years to come. Consequently, moving forward with the development of a strategic plan and business plan that sets out a long-term sustainable funding and delivery model for VBP has been a key priority in 2015.

### FOR MORE INFORMATION

To learn more about BCRC initiatives and take advantage of our extension resources, visit our website at [www.beefresearch.ca](http://www.beefresearch.ca) and join our email list at [www.beefresearch.ca/blog/subscribe](http://www.beefresearch.ca/blog/subscribe)



## 2015 DIVISION REPORTS

### CANFAX



Suffice it to say 2015 was another year of new highs for the Canadian cattle market. However, by the fourth quarter, it appeared the highs were in for this cycle as the market experienced a significant correction. Although average cattle prices in 2015 were record high, the market tone shifted dramatically by the end of the year.

After calf prices were record high for most of the first three quarters of 2015, the price swing from the annual highs to the fourth quarter lows were record large. By the end of the year, calf prices dropped almost 25 per cent from the summer high. It is important to keep prices in perspective; although calf prices fell about \$80/cwt from high to low, prices were still about 75 per cent higher than the 2009 – 2013 average fall prices.

#### FEEDER CATTLE

Feeder prices averaged \$243/cwt in 2015, up 21.7 per cent from \$200/cwt in 2014. Alberta and Ontario 850 lb. feeder steers peaked in September at \$262/cwt and \$258/cwt respectively. Feeder prices this summer were influenced by weather conditions in Western Canada that impacted the outlook for feed supplies.

Lethbridge barley prices rallied from \$200/tonne in February to a high of \$243/tonne in July as drought in some regions forced cattle off pasture early and forage crops looked bleak.

But rain in late July and a better than expected forage and grain crop saw prices drop quickly to \$220/tonne in August, and stayed generally steady through the remainder of the year.

#### FED CATTLE

Alberta and Ontario fed cattle prices averaged \$183/cwt in 2015, up 19 per cent and 15 per cent from the previous year. Alberta fed cattle prices peaked at \$202/cwt in May 2015, and declined 20.6 per cent to \$160/cwt in December. December fed prices were about \$21/cwt lower than 2014.

#### COW PRICES

Alberta and Ontario D1,2 cow prices averaged \$132/cwt and \$118/cwt respectively in 2015, up 19 per cent and 13 per cent from 2014. Prices peaked in March and April with reduced cow marketings in North America, but dropped off

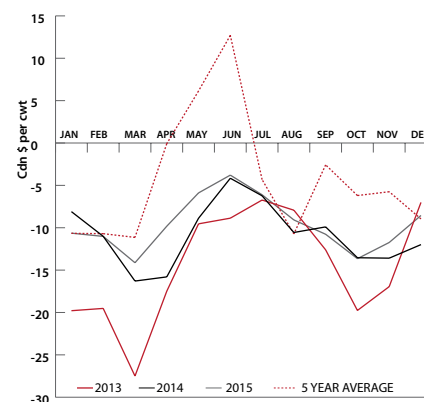
sharply in September and October as U.S. prices for 85 per cent trim adjusted sharply lower to larger supplies of non-NAFTA imports. U.S. cow slaughter is down 4.6 per cent from last year and down 17 per cent from the five year average.

Alberta cow prices traded at a \$5.46/cwt premium to the U.S. market year-to-date. July was the only month with a \$2.70/cwt discount as producers were selling cows due to drought conditions. The last time Alberta was at a premium was in 1999 and 2000, but the premium was only \$1.27-1.42/cwt at that point. A premium in the domestic market has discouraged cow exports which are down 26 per cent.

Despite the large drop in calf prices in the fall, cow-calf producers remain very profitable. Feedlots had a run of strong profits, but falling prices certainly had a big hit on feedlot equity. Break-evens for cattle being marketed were near record high to end 2015, while fed prices were about \$40/cwt lower than break-evens.

The U.S. cattle market peaked in November of 2014, while Canadian prices peaked in May 2015. This was generally a result of the weakening Canadian dollar. The Canadian dollar depreciated from a high of US\$0.82 in January to a low of US\$0.72 in December - the lowest exchange rate since 2004. The Canadian dollar is likely the biggest market factor for the Canadian cattle industry as its weakness has supported domestic cattle prices, encouraged exports and discouraged imports.

#### Alberta Fed Steer Basis - Cash to Cash

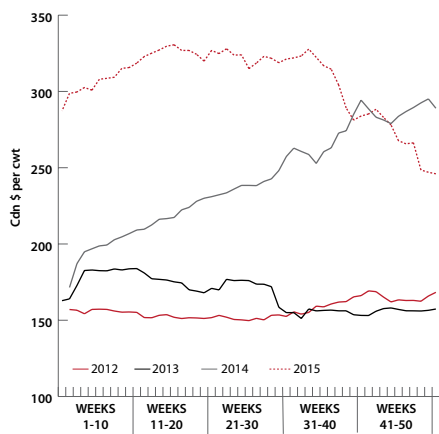


#### BASIS AND EXPORTS

The Alberta/Nebraska cash to cash basis had the longest and strongest period on record in the second quarter of 2015 averaging +\$6.25/cwt. Even after adjusting U.S. prices to Canadian dollars, Alberta prices were at a premium to Nebraska. This certainly kept cattle in Canada. While the basis did drop back into negative territory in the third and fourth quarters, the basis remains strong compared to the five year average. Tighter calf supplies and significant feeder and calf exports at the end of 2014, and the start of 2015 had Canadian packers competing aggressively for fed cattle which supported the strong basis levels.

The 850 lb. feeder cash to futures basis was weaker than the five year average from January through August but strengthened sharply in September to a \$5/cwt premium, before going back to a slight discount in October and November. The strong fed basis, competitive

#### Weekly 550 lbs calf prices

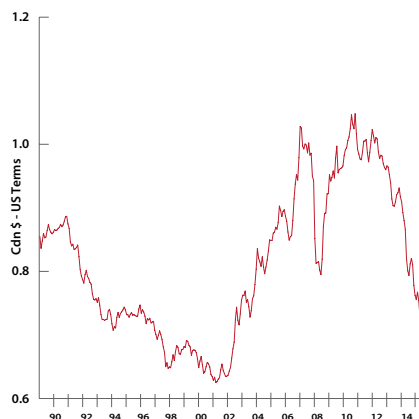


feed costs, and local feedlots which had enjoyed greater profitability compared to U.S. feedlots supported local feeder basis levels.

When the basis levels shifted, it had a dramatic impact on exports. By the end of 2015, feeder exports virtually dried up, and for the year, fed exports were down 42 per cent.

It is important to note that despite a weak Canadian dollar, cattle exports have been decreasing. A weak Canadian dollar does not encourage exports of cattle; relative feed costs and basis levels drive cattle exports.

### Monthly Canadian Dollar



### BEEF PRODUCTION

On July 1, 2015 steer inventories (>1 year) were up 4 per cent; but with larger feeder exports from July 2014 to June 2015 (up 14% or 59,613 head) and slaughter heifers down 1.7 per cent. The number of Canadian feeder and calf supply outside of feedlots was down 1.5 per cent or 86,240 head contributing to smaller fed marketings in 2015.

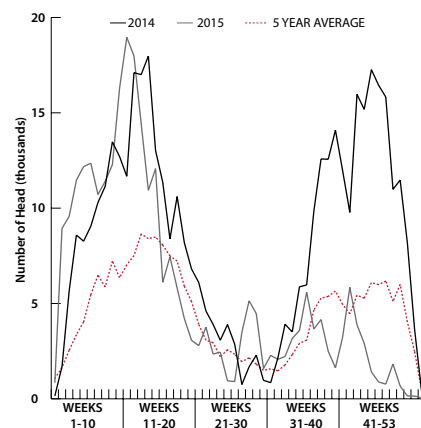
Placements into Alberta and Saskatchewan feedlots have gone from 16 per cent below last year in the first quarter, to down 8 per cent in the second quarter and down only 1 per cent in the third quarter. Moving into the fourth quarter with carcass weights significantly higher than last year and marketings coming back in line with year ago, fourth quarter beef production was down only modestly from 2014.

Annual beef production (domestic and live exports) will be down a projected 9 per cent in 2015. However, this is barely noticeable in the domestic market with domestic production down a modest 3 per cent as the decline has been pulled from live slaughter exports (-33%). Packers have been able to keep more cattle at home in 2015 with 86 per cent of production occurring domestically compared to 81 per cent in 2014. Domestic production has not been that high (excluding the 2003-2005 period) since 1991.

### BEEF EXPORTS

From January through November 2015, Canadian beef exports were up 1.5 per cent in volume and 16 per cent in value. Reduced Canadian beef production, record high beef prices, and the temporary trade restrictions following the February 2015 Bovine Spongiform Encephalopathy (BSE) case all contributed to the lower volumes in the first half of the year. But monthly export volumes jumped from 24,000 tonnes in July to 31,000 tonnes in August and September and 30,000 tonnes in October. The U.S. (72%), China (10%), Mexico (6.2%), Japan (4%) and Hong Kong (3.6%) are the top five

### Canadian Weekly Feeder Exports



markets for Canadian beef, accounting for 95.6 per cent of total export volumes.

Exports to the U.S. were up 4 per cent in volume and 19 per cent in value. Exports to mainland China increased almost four times what they were last year despite the temporary trade restriction in February and March. This makes China Canada's second largest export market. The significant gains to China more than offset the losses in Hong Kong where volumes are down 59 per cent and 56 per cent in value. Declines in Hong Kong reflect the Chinese government crackdown on smuggling through grey channels.

Exports to Mexico were down 16 per cent in volume but up 5 per cent in value. In addition to the tight supply of Canadian beef, the continuous weakness of the Mexican peso has made Mexico a less attractive market in North America.

Exports to Japan are down 31.5 per cent in volume and 19 per cent in value. In Asia, beef imports remain strong with tight local supplies, but overall beef demand has potentially been negatively impacted by the weaker economic performance in the region.

### BEEF IMPORTS

Beef imports from January through November were up 2 per cent in volume and 12 per cent in value. These imports were sourced from the U.S. (57%), Australia (22%), New Zealand (12%) and Uruguay (7%).

Imports from the U.S. are down 9.5 per cent, but the reduction is more than offset by the increased imports from Australia (+28%) and New Zealand (49%). Lingering drought conditions in Australia continue to induce large slaughter and support exports. On the other hand, import demand for grinding beef has been very strong in Canada as domestic non-fed beef production is down 10 per cent year-to-date.

Non-NAFTA countries export to Canada under a tariff rate quota (TRQ) for beef and veal of 76,409 tonnes. This is divided between Australia (35,000 tonnes), New Zealand (29,600 tonnes) and the Most-Favoured-Nation (MFN) pool (11,809 tonnes). The MFN pool can be used by Australia and New Zealand once their country-specific reserves are fully utilized.

As of early November, Australia's quota and the MFN pool have been fully utilized. Imports in the last two months are expected to be limited. While supplemental quota has been provided in the past at 0% tariff, in 2004 requirements

## 2015 DIVISION REPORTS

CANFAX continued from previous page

changed. Supplemental quota would not be allowed if a firm can purchase Canadian product of an equivalent type at a competitive price. While domestic 85 per cent boneless beef traded well above Australia/New Zealand imports in the first nine months of the year (\$0.40/lb premium on average) this difference has largely been eliminated.

### CANADA'S 2016 CATTLE AND BEEF SUPPLY OUTLOOK

While the Canadian cattle market likely peaked in 2015, prices are expected to continue at historically strong levels, with the Canadian dollar being the key factor to watch in 2016. In addition to the market fundamentals which will support these cattle prices, the Canadian industry also received very positive news on the international front to start 2016. The U.S. repealed the Country of Origin Labeling (COOL) rules which will be supportive to Canadian prices, as it will remove the discounts associated with shipping feeder and fed cattle to the U.S., and allow for quicker price responses with the U.S. market. In addition, South Korea has resumed the importation of Canadian beef after halting imports due to the February BSE case. The industry and government continue to work on the Trans-Pacific Partnership Agreement and the Comprehensive Economic and Trade Agreement (CETA) with European Union (EU), to increase market opportunities for Canadian beef.

The Canadian cattle herd on July 1, 2015 was anticipated to be steady to slightly elevated. Instead it was reported to be down 2.1 per cent to 13.0 million head. Beef cow inventories were down 3.4 per cent or 79,000 head to 3.8 million head, the lowest since 1992. It should be

remembered that these percentage changes, while at times look large, come from relatively small changes in the number of head. Beef heifers for breeding at 612,600 head were down 0.6 per cent from last year, representing 16.4 per cent of the beef cow herd to be the highest percentage retained since 2012. Beef breeding heifers have been steady around 600,000 head since 2009.

After seeing record high prices throughout 2014, that have stayed strong in 2015, there was much anticipation that Canada would move into expansion in 2015. As dry weather in June and July resulted in cows coming to market, it was thought this would not be possible. However, feed production rebounded in August with larger yields for second cut hay and a poor harvest resulted in greater supplies of feed grain alleviating the winter feed concerns for most producers.

The beef cow culling rate is projected to drop to 10.6 per cent in 2015, down from 13.8 per cent in 2014, back at the long term average and the culling rates seen in 2011 and 2012 when inventories were stable. In addition, the heifer slaughter ratio dropped to 61 heifers for every 100 steers marketed, from 74 in 2014. This is below the 20 year average of 69 and the lowest since 1995. Consequently, the female-to-male disposal ratio (or the number of heifers and cows disposed for every steer and bull), is estimated to be 0.92, the lowest since 2005. Beef cow inventories are projected to be steady, up 2 per cent on January 1, 2016. Continued low heifer retention means that herd expansion is coming from reduced cow marketings.

### Canfax Research Services

Canfax Research Services (CRS) continues to focus on the delivery of accurate data, market information, and economic analysis of issues that are of importance to the Canadian beef industry. In the last year CRS has been focused on the launch of several new initiatives, as well as the enhancement of existing activities.

These include:

1. In 2015 CRS published the Annual Outlook as a subscription for the first time. Increasing industry awareness of this resource is a goal moving forward.
2. The Competitiveness Benchmarking Study was completed by Agri-team in February 2015. This provided a set of measures and the initial benchmark for the Competitiveness pillar of the National Beef Strategy.
3. The Price Discovery study with Dr. Ted Schroeder and Eric Belasco was funded by AgriRisk Initiative and is scheduled to be completed in February 2016.
4. The Economic Assessment for the Canadian Roundtable for Sustainable Beef (CRSB) Sustainability Assessment has been completed and approved by the Steering Committee.
5. The Canada Beef contract was expanded to include a series of "Conversation Starters" with market trends, consumer trends and beef opportunities.
6. The Animal Health and Welfare Priority Area Review for the Beef Cattle Research Council (BCRC) is scheduled to be completed in the first quarter of 2016. A webinar on 'The Economics of Preconditioning Calves' and the 'Economics of Preg-Checking' producer decision making tool were completed in September 2015.
7. The Canadian Cattlemen Market Development Council (CCMDC) contract was extended for two years (April 2015-March 2017) under the Alberta funding. CRS will continue to provide statistical and economic analysis for both the annual business plan and result reports.





## Verified Beef Production™ program



The Verified Beef Production™ (VBP) program identifies practical, industry-sanctioned practices to manage on-farm risks for food safety and additional areas. Led by producers, this program welcomes the addition of modules for biosecurity, animal care and environmental stewardship.

### VBP principles:

- Science-based
- Industry/ producer led
- Practical/ affordable
- Market driven
- Outcome-based, flexible

Early development and pilot testing for the new modules, developed via a generic risk assessment process to determine auditable points, is currently underway. This is based in ISO (International Organization for Standardization), which are international approaches to determining priorities for auditing and awareness.

A systematic approach to determining potential auditable points assists in keeping the program achievable at the farm and feedlot level. Initial work on this approach was done with technical experts from the dairy industry, who are doing similar work in these areas. With the addition of the three modules the program will be called VBP Plus (+).



Technical committees were used to add expertise for drafting pilots for biosecurity, animal care and environmental stewardship. On-farm testing was completed July to November 2015 for all three new modules. Beef cattle operations in the cow-calf, backgrounding and feedlot sectors provided valuable input to shaping reasonable questions and expectations. This included feedback from producers in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

VBP also completed a technical 18 month review with the Canadian Food Inspection Agency (CFIA), as part of ongoing program recognition requirements. Overall, steady progress was achieved and many producers are supportive of VBP including the new modules, to avoid duplication and ensuring a practical approach.

As of June 2015 using a weighted average:

- 70 to 75% of beef production is from VBP-trained operations (19,636)
- 24% of beef production is from VBP-Registered operations (1,183)

During the last few years the incidence of physical hazards in beef carcasses, such as buckshot pellets, has increased. While buckshot may be related to public access to pastures during hunting season, every effort is needed to avoid inadvertent shotgun use near cattle. VBP also sponsored a background study on the use of projectile instruments for delivering animal health products, to determine if there are appropriate practices that need to be followed.

Results from the initial assessment will help determine future communications, as it is believed some of this equipment is used due to existing labour shortages in the industry.

VBP worked with consultants to assist development of a VBP+ business plan and strategy for growth and phase-in of new modules. Development teams have also been involved peripherally with the McDonald's beef sustainability pilot, and participated within work of Canadian Roundtable for Sustainable Beef (CRSB) committees. This is ushering in a new era of renewed commitment to responsible practices which can be understood and supported by the marketplace and beef customers.



## The Environmental Stewardship Award - TESA 2015 PROVINCIAL RECIPIENTS



### 2015 Provincial Recipients

As stewards of a vast portion of the Canadian landscape, Canada's beef cattle producers play a significant role in protecting and enhancing the environment. They continuously strive to improve existing stewardship conservation practices to create a sustainable future – always farming for tomorrow.

Since 1996, TESA has recognized producers who go above and beyond standard industry conservation practices and set positive examples for other cattle producers and the general public.

At the local level, a producer receives provincial recognition for their outstanding contributions. These recipients move forward as nominees for national recognition from the CCA. The national TESA recipient is announced at a special event held during the CCA Semi-Annual Meeting.

Each nominee exemplifies significant innovation and attention to a wide range of environmental stewardship aspects in their farm operation. Such innovations extend beneficially to areas far beyond their land, including water, wildlife and air.

For nomination and general information, please contact your provincial cattle association.

### PREVIOUS TESA WINNERS

Many outstanding Canadian farm families have been TESA recipients over the past 18 years. At the provincial and national level, these individuals and families lead the way in creating a sustainable future for Canada.

To learn more about the significant contributions of past TESA winners, please visit: <http://www.cattle.ca/sustainability/the-environmental-stewardship-award/>



#### **Darrell & Doris Squair**

Squaw Valley Ranch, Lumby, B.C.

*British Columbia Cattlemen's Association*

*Environmental Stewardship Award Recipient*



#### **Clay & Avril Chattaway**

Bar S Ranch, Nanton, AB

*Alberta Beef Producers*

*Environmental Stewardship Award Recipient*



#### **Jason & Karla Hicks**

Bluestone Stock Farms, Mortlach, SK

*Saskatchewan Stock Growers Association*

*Environmental Stewardship Award Recipient*



#### **Kristine Blair & Graham Tapley**

Langruth, MB

*Manitoba Beef Producers*

*Environmental Stewardship Award Recipient*



#### **Chad & Debbie Anderson**

Mooregrove Farms, Mooregrove, ON

*Beef Farmers of Ontario*

*Environmental Stewardship Award Recipient*







## 2015 NATIONAL RECIPIENT

**“A healthy environment is a sustainable environment that everyone will be able to enjoy, today as well as for future generations.”**

Darrell Squair, Squaw Valley Ranch

### 2015 National TESA Recipient



**Darrell and Doris Squair**  
Squaw Valley Ranch, Lumby, B.C.

Squaw Valley Ranch is the 2015 recipient of The Environmental Stewardship Award (TESA.) Operated by Darrell and Doris Squair, along with their son Travis and daughter-in-law Katie, Squaw Valley Ranch is a 500 head operation focused on environmentally sustainable operating practices. The Squairs received the national award and a commemorative belt buckle in August during a special ceremony at the Canadian Cattlemen's Association (CCA) Semi-Annual Meeting in Winnipeg.

Located near Lumby, B.C. in a secluded valley, Squaw Valley Ranch includes 2,800 acres of private land, 700 acres of leased land and thousands of acres of sub-alpine Crown range divided between the original property and two satellite properties near Rawlings Lake and the Shushwap River, respectively. The 500 head ranch is surrounded by a 1,300

acre woodlot, which preserves the integrity of the environment and helps sustainability. Environmental stewardship is a key philosophy of the family; the Squairs led their local community by completing one of the first Environmental Farm Plans in the area.

A key concern for the Squairs is co-existing with wildlife, particularly large predators like grizzly bears. In spite of rapid expansion, the ranch has continued a well-established legacy of co-habitation with native species and manages to run their herd without fear of predation. In fact, recognizing the role bears and other predators play in the natural ecosystem, the Squairs have committed to a no-hunting policy on their private land. Their Rawlings Lake property also provides habitat for turtles, birds and other



wildlife. Keeping with the goal of working with nature rather than against it, the Squairs used natural materials in the stabilization of the banks of the Shushwap River on their property and restricted cattle access to the

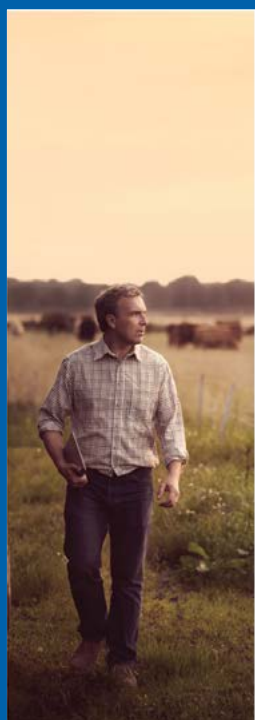
river to minimize future damage. The ranch even receives a large portion of its electricity from a custom designed hydro-electric dam built in 1989.

“The Squairs have shown their firm commitment to environmental stewardship, doing an excellent job in caring for the land and co-existing with wildlife,” commented CCA Environment Committee Chair Bob Lowe.

Darrell and his wife Doris thanked the other provincial environmental stewardship award

winners and fellow TESA nominees as they accepted the 2015 award. “We’re very honoured to be chosen for this award. We would like to thank everyone and especially the other provincial TESA nominees for their continued work towards environmental stewardship,” said Darrell.

“A healthy environment is a sustainable environment that everyone will be able to enjoy, today as well as for future generations,” he added.





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# 2015 COMMITTEE REPORTS

## Animal Health and Care Committee

The Animal Health and Care Committee is responsible for monitoring current issues and trends in animal health, care and welfare including federal legislation and regulation, activism, research and international bodies such as the World Organisation for Animal Health and the International Meat Secretariat. For both animal health and animal care, the committee advocates for regulations that are based on sound, current science and do not unnecessarily impede trade.

### BSE

Canada confirmed its 19th case of bovine spongiform encephalopathy (BSE) on February 11, 2015.

The Canadian Food Inspection Agency (CFIA) issued their investigative report on November 30 which stated in part :

*Case #19 was a case of classical BSE in a Black Angus beef cow, 5 years and 10 months of age at time of diagnosis. It was born in March 2009, 20 months after the enhanced feed ban was implemented. A previous case of BSE was diagnosed on the same birth farm from an animal born in 2004.*

*As for other cases of classical BSE in Canada and in other countries, feed-borne infection is the most likely source of BSE in this case.*

*BSE case #19 was born shortly after the enhanced feed ban was implemented, which may suggest residual feed contamination on-farm or off-farm as the source of infection. No significant events could be linked with this case but the potential for the carry-over of a small amount of residual contaminated feed could not be discounted.*

*Considering the stringent safeguards implemented from 2007 to ensure that SRMs [specified risk materials] are excluded from the entire terrestrial and aquatic animal feed chains as well as fertilizer, together with the rigorous inspection oversight by the CFIA the contamination of both prohibited and non-prohibited materials with SRM at either a slaughter establishment or a rendering facility, would in all likelihood, be highly improbable. As a result, the carry-over of a small amount of residual contaminated feed associated with the earlier case (#17) on the same birth farm is the most plausible explanation for BSE case #19.*

As a result of this case, Canada was unable to submit a request to the World Organisation for Animal Health (OIE) for status change review in 2015. The current guidelines are that a country can request status review 11 years after the birth year of the latest case. Going forward, the International Beef Alliance (formerly Five Nations Beef Alliance) is discussing a review of the 11-year guideline in light of the diminishing global prevalence of BSE. While case #19 prevented Canada from applying for minimal risk status, Canada retains its existing status as a controlled risk country for BSE.



Maintaining a credible level of BSE surveillance to demonstrate that Canada's control measures are effective and are working towards eradicating the disease is still an ongoing issue. It is anticipated that Canada will once again be short of its target of 30,000 tests in 2015 (the final tally is expected to be more than 25,000 BSE tests). A number of contributing factors make meeting this target a challenge including a much younger herd than in 2003, a smaller herd and higher market values for cull cows.

The CCA remains confident that despite a shortfall in recent years, the overall level of surveillance and the control measures in place will allow Canada to maintain its current controlled risk status and seek a change in risk status from the OIE when the time is right.

### TRACEABILITY

The CFIA and Agriculture and Agri-Food Canada (AAFC) conducted a series of regulatory consultations in the late spring of 2015. Advocacy by the CCA and the Canadian

Cattle Identification Agency (CCIA) have been persistent that the proposed regulatory amendments for traceability are not consistent with the Cattle Implementation Plan (CIP). The CCA and CCIA are adamant in holding the CIP as the staged approach to implementing full traceability for beef cattle, and as such, the regulations should reflect and respect the timelines presented by the plan. Certain sections of the regulations can be deferred from coming into force consistent with the CIP. This would allow for technology advancement and preparation by the industry for capturing the value of full traceability.

### FEED REGULATION MODERNIZATION

The CCA continued in 2015 as a participant on a steering committee looking at modernizing the feed regulations to align the issues associated with ingredient approvals, manufacturing processes, efficacy of commercial feed, labeling of complete feeds (and supplements) and inspection and compliance. It is expected that the amended regulations will be published in Canada Gazette I in 2016.

### ANTIMICROBIAL RESISTANCE AND ANTIMICROBIAL USE

Antimicrobial resistance (AMR) and antimicrobial use (AMU) are global issues impacting both human and animal health. The implication for animal agriculture is a potential loss of some products and a higher degree of vigilance in prudent use. The Canadian beef cattle industry has a good record of prudent use with minimal results in surveillance for resistant bacteria in food. However, the industry



will be impacted by changes being proposed by global organizations such as the World Health Organization (WHO) and OIE and by the Canadian government, not to mention the pressure being applied by fast food and retail establishments using it for market differentiation.

The Public Health Agency of Canada is leading a cadre of federal departments including Health Canada, CFIA and AAFC in consulting with human and animal health stakeholders in Canada under the Federal Framework for Action on AMR and AMU.

Initial initiatives are removing the claim for growth promotion from medically important pharmaceuticals (Class I, II and III), formalizing the process for Own Use Imports (OUI) and Active Pharmaceutical Ingredient Imports (API), and establishing a higher level of veterinary oversight for the use of medically important drugs in livestock.



The three key areas of the federal government action plan include surveillance (use and resistance), stewardship (prudent use), and innovation (alternatives).

The Canadian beef industry is well positioned to contribute to and provide leadership in all of these areas. The Verified Beef Production™ (VBP) program has always advocated prudent use of antimicrobials and with the addition of biosecurity in VBP+, industry's contribution to stewardship will be well documented. The Beef Cattle Research Council (BCRC) is leading the review and planning for research in innovation for the future, while CCA will support surveillance in the use and resistance.

#### **CODE OF PRACTICE FOR THE CARE AND HANDLING OF BEEF CATTLE**

Work continues on incorporating the beef code, as a national standard, into the VBP+ program, along with biosecurity and environmental stewardship. A risk assessment has been completed and the audit process has been field tested. Pain mitigation for processes such as dehorning and castration are scheduled for implementation in 2016. The best identified mitigation is performing both processes at as young an age as possible.

#### **NATIONAL FARMED ANIMAL HEALTH AND WELFARE COUNCIL**

The CCA is a charter member of the National Farmed Animal Health and Welfare Council. The council is a not-for-profit corporate body with members from industry and federal and provincial government representatives. There is a growing appreciation for the



inter-related impacts and benefits in a "One Health" approach.

The council's vision is "Canada values and supports the health, care and welfare of the farmed animal population and its contribution to the well-being of people, the environment and the Canadian economy." With this as a guiding principle, the council has continued to deliberate on the key outcomes of the strategy and develop thoughtful and practical recommendations to achieve the outcomes, thereby enhancing our world class animal health and welfare system.

#### **NATIONAL FARM ANIMAL CARE COUNCIL**

The CCA is a founding member of the National Farm Animal Care Council (NFACC), an organization which brings together all stakeholders interested in ensuring good animal care practices are implemented throughout the value chains of all animal agriculture production systems.

Former CCA staff Ryder Lee, while now with the Saskatchewan Cattlemen's Association, will continue his term as Chair of NFACC on behalf of the beef cattle industry.

#### **CANADIAN ANIMAL HEALTH COALITION**

The CCA is a founding member of the Canadian Animal Health Coalition (CAHC), with our own Carl Block having served as the first chairperson. The coalition provides a forum for animal industries in Canada to share in the management of mutually beneficial projects and discussions on priorities for its members. The Canadian Livestock Transport certification program is managed by the coalition and contributes a significant benefit for certifying livestock transport drivers in Canada.

The CAHC presents an award in the name of Carl Block to Canadians who contribute significantly to the improvement and benefit of Canadian animal health and welfare. We are pleased that the 2015 recipient of the Carl Block Award was Ray Armbruster from Manitoba who has led the fight against Bovine Tuberculosis in the Riding Mountain Eradication Area for many years, with an end in sight. Armbruster has held numerous positions on both Manitoba Beef Producers and the CCA.

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**Committee Members:** Pat Hayes, Co-chair,  
Reg Schellenberg, Co-chair;  
John Anderson, Heinz Reimer,  
Howard Bekkering, Matt Bowman,  
George Smith, Ivan Johnson,  
Rae-Leigh Pederzoli, YCC ex-officio.  
**CCA staff:** Rob McNabb, Jill Harvie.

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## 2015 COMMITTEE REPORTS

### Convention Committee

The Convention Committee plans the Canadian Cattlemen's Association (CCA) national convention held during the semi-annual meeting to provide cattle producers with the opportunity to view their national organization at work, discuss prevalent industry issues and network with industry stakeholders. The convention is held annually in August.

The 2015 CCA Semi-Annual meeting was held in Winnipeg, Manitoba and hosted by Manitoba Beef Producers (MBP). Special guests included representatives from the National Cattlemen's Beef Association (NCBA), Nebraska Cattlemen's Association, and Confederacion Nacional de Organizaciones Ganaderas (CNOG).

#### TOUR, ENTERTAINMENT EVENING AND SILENT AUCTION

The CCA 2015 semi-annual kicked off with a tour showcasing agricultural research and innovation in Manitoba. More than 90 people participated in the tour and enjoyed stops at the Bruce D. Campbell Farm and Food Discovery Centre. This hands-on facility lets participants explore the ways in which food is made in Canada and highlights ongoing research at the National Centre for Livestock and the Environment. J.V. Ranch at Hylife Ltd., - the 2013 recipient of Manitoba's The Environmental Stewardship Award - was a feature stop of the tour.

The President's Reception held Wednesday evening was well-attended. A traditional Manitoba Social was held Thursday evening and served as a fundraiser for Manitoba and National 4-H. The fundraising included sales

of raffle tickets and drinks and a 'bail out or keep in' fund for CCA President Dave Solverson and CCA director Tom Teichroeb (MB), who were apprehended on the Prairie Dog Express, one of the oldest regularly scheduled vintage operating trains in North America, by the sheriff and posse en route to the Anderson's Hitch'N Post Ranch dinner. More than \$2,100 was raised.

During the Manitoba Social, Steaks for Soldiers campaign leader Harvey Dann presented CCA's President with a special gift in recognition of the CCA's support for the Steaks for Soldiers campaign, which wound down in 2015 - a custom wood box from the Joint Task Force Afghanistan containing a Maple Leaf Flag. The flag flew at Kandahar Air field and represents the 37,000 Canadians who served between 2002 and 2011 to build an enduring legacy of security in southern Afghanistan. The flag and display case will be on display in the CCA's Calgary office for the next two years.

The CCA thanks MBP for organizing an exceptional event.

#### THE 2015 TESA AWARD

Squaw Valley Ranch of British Columbia was named the 2015 recipient of CCA's The Environmental Stewardship Award (TESA) at a special awards ceremony held during the President's Reception.

Operated by Darrell Squair and his wife Doris Squair along with their son Travis and daughter-in-law Katie, Squaw Valley Ranch was selected for their exceptional commitment to the environment. This includes having led their

local community by completing one of the first Environmental Farm Plans (EFP) in the area (two of the Squairs satellite properties, Rawlings Lake Property and Shuswap River Property, have completed EFPs), as well as their commitment to ensuring their ability to co-exist with grizzly bears in particular.

CCA Environment Committee Chair Bob Lowe presented the Squairs with local artwork and a belt buckle. The Squairs were chosen for their firm commitment to environmental stewardship, and for doing an excellent job in caring for the land and co-existing with wildlife.

The CCA's national annual award, TESA has recognized the outstanding stewardship efforts of Canadian beef producers since 1996.

#### IMPORTANT CHANGES FOR THE CONVENTION COMMITTEE IN 2016

The 2015 semi-annual marked the end of the CCA's routine event hosting schedule.

The 2016 semi-annual meeting will take place in Calgary, AB as part of the new Canadian Beef Industry Conference (CBIC). Set for August 9 - 11, the CBIC is a one-of-a-kind event under the National Beef Strategy that will bring together the semi-annual and annual meetings of several key stakeholder groups, along with learning and networking opportunities to create a unique experience for all participants, regardless of their connection to the Canadian beef industry.

As such, the CCA Convention Committee per se has been disbanded and staff reassigned to the CBIC event operations committee and elsewhere as required. CBIC planning got underway in November with CCA Communications Coordinator Stina Nagel involved on behalf of CCA Communications.

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**Committee Members:** Ramona Blyth, Chair; Ivan Johnson. **CCA staff:** Gina Teel.

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CCA President Solverson and CCA director Teichroeb being escorted from the Prairie Dog Express by a sheriff and her posse. More than \$2,100 was raised during the 'bail out or keep in' fundraising event.



## Domestic Agriculture Policy and Regulations Committee

The Domestic Agriculture Policy and Regulations Committee deals with non-trade related regulatory issues, such as general government policy, safety nets and transportation regulations. It also makes representation to the government and works with other committees or groups on issues of mutual interest.

The past year has been a quiet time in federal and provincial agriculture policymaking as it is the midpoint between Agriculture Policy Frameworks. This is kind of the 'calm before the storm' as both Growing Forward and Growing Forward 2 (GF2) agreements were subject to late agreement signings and delays, even though the deadlines were known ahead of time. Growing Forward 3 (or whatever it may be called) will likely be subject to the same end-rush. The recent federal election temporarily stalled framework discussions and provincial elections are always an excuse to delay federal provincial agreements. These reasons make it that much more pressing that the Canadian Cattlemen's Association (CCA) input for the next framework is prepared well ahead of time. The Domestic Ag Policy Committee is already identifying ways to improve existing programs and is developing priority requests for GF2's successor.

In June, the committee met in Ottawa to gain a better understanding about GF2. Agriculture and Agri-Food Canada (AAFC) gave a presentation that explained GF2's policy goals, budget aims, business risk management programs and strategic initiatives that helped the committee better comprehend the

framework. Business risk management programs have been a big focus of the committee. Under GF2, AgriStability's trigger point was lowered so that the program is not activated until margins drop below 70 per cent of historical margins. AgriStability by its very complex nature and reliance on tax filing data has not yet provided much data to review its performance under these changes. It is difficult to assess the changes until more data is available early next year and even then it will be a small sample size of only two years.

The June meeting brought to light a frustrating roadblock for the CCA's goals around national assurance programs. Federal (and CCA) investment in developing national programs has relied on provincial government investment on implementation. The main example is Verified Beef Production™, a national program that has seen very different provincial implementation programs. As Verified Beef Production Plus (VBP+) develops and the Canadian Beef Advantage depends on aspects of this program, it becomes increasingly important that all producers are moving forward on the program. However, different provinces prioritize different things. If animal care is a priority in one province and environment in another, then implementation of different aspects of VBP+ may be very different. The committee realizes this is not helpful and will be advocating for maintained funding at the federal level and increased coordination and consistency of funding at the provincial level.

Bill C-18, the *Agriculture Growth Act*, received Royal Assent on February 25, 2015. The changes



to plant breeder's rights under this legislation are anticipated to benefit cattle producers through enhanced forage production. The Advanced Payments Program (APP) was also changed under C-18 and allows the possibility for alternative security options other than AgriStability for producers to access a cash advance. This change supports the CCA's policy of expanding the list of risk management programs that qualify producers for the APP. A number of committee members are continually engaging government on these changes.

In August 2015, the committee developed policy that directs the CCA to encourage the federal government to participate in and enhance the loan guarantees of feeder and breeding cattle financing programs. Various feeder and breeding cattle financing programs have operated efficiently under provincial jurisdiction for many years. With the recent surge in cattle prices, the loan guarantee limits

of these programs are no longer sufficient to cover the capital investments required to acquire cattle in today's market.

The CCA continues to lobby for the expansion of a price insurance program beyond the western provinces that allows all Canadian cattle producers to better manage price and basis risk. The Western Livestock Price Insurance Program pilot helped many cattle producers manage their risk this fall when markets shifted in a relatively short period of time. In the absence of a single sufficiently-funded national program, the CCA encourages the government to contribute to each jurisdiction's existing livestock insurance program.

The committee also views the change in Parliament as a great opportunity for the CCA to inform policy makers about beef cattle producers' priorities for GF2's successor. The Liberal government has identified many

## 2015 COMMITTEE REPORTS

Domestic Agriculture Policy and Regulations Committee continued from previous page

areas in domestic agricultural policy that the CCA can collaborate with them on. With the likelihood of increased infrastructure investment under this government, there is a chance to provide input on many projects that could benefit the beef industry, such as improved water management systems and value-added processing facilities. Enhanced, long-term funding for basic research and Beef Cattle Industry Science Cluster programing continues to be a key goal for the industry. The CCA is well-positioned to present government with the benefits research has produced, not only for the cattle industry, but for the general public as well.

In the upcoming year, the committee and the CCA Board will continue to prioritize aims for the next policy framework. This includes knowing where additional funding should be allocated if the budget for GF2's replacement is increased. Conversely, the committee will also be mindful in determining which areas funding

cuts would be most manageable for the industry if the agriculture budget is lower.

The CCA and all provincial cattle associations will need to effectively lobby their respective governments for good policy for cattle producers and ensure that the transition between frameworks is seamless, timely and avoids gaps in funding.

The Domestic Ag Policy committee would like to thank Ryder Lee for his years of dedication to the committee and the CCA. The committee wishes him well in his new role as CEO of the Saskatchewan Cattlemen's Association and in all of his future endeavors.

**Committee Members:** David Haywood-Farmer, Co-chair, Ivan Johnson, Co-chair; Bob Gordanier, Bob Lowe, Perry Rasmuson, Ramona Blyth, Tom Wilson, Jennifer MacDonald, Tom Teichroeb, Joe Hill, Tim Smith, Allen Rawluk, YCC ex-officio.  
**CCA staff:** Brady Stadnicki.

## Environment Committee

Stakeholder interest in responsible agriculture production continues to grow as does the national discussion on climate change and agriculture. The Canadian beef industry has taken a leadership role in delivering and communicating environmentally responsible beef production in Canada. A recent Agriculture and Agri-Food Canada study shows that between 1981 and 2011, it took 29 per cent fewer cattle in the breeding herd and 24 per cent less land to produce the same amount of beef. During the same time period, greenhouse gas emissions per kilogram of Canadian beef produced decreased by 16 per cent.

In 2015, funding for the Species at Risk Partnerships on Agricultural Landscapes was initiated by the federal government as part of the National Conservation Plan. The purpose of the funding is to support projects that increase agriculture sector engagement in protection of species at risk and/or critical habitat on agricultural land. The focus is to develop and test effective alternatives to regulatory action under the *Species at Risk Act*. Activities may include: outreach, engagement, stewardship measures or voluntary habitat protection agreements.

Nationally, \$2.9 million has been committed per year between 2015 and 2020. The Canadian Cattlemen's Association (CCA) applauds this type of engagement in regards to species at risk conservation on agriculture landscapes and will continue to work with government to find viable solutions for species conservation.

The Canadian Roundtable for Sustainable Beef (CRSB) has made an incredible amount of progress this year in successfully establishing the young multi-stakeholder organization—organizationally, the CRSB grew membership, set the governance framework, built staff capacity, leveraged membership commitment to undertake work in nationally benchmarking sustainability and began developing the framework within which verified sustainable beef may be sourced. The CRSB is the national go-to body on beef sustainability in Canada.

Many people often ask, "What is sustainable beef?" The CRSB has an answer. Sustainable beef is a socially responsible, environmentally sound and economically viable product that prioritizes Planet, People, Animals and Progress. The CRSB is working to give further depth to this definition through the National Beef Sustainability Assessment and the development of individual operation-level indicators.

The National Beef Sustainability Assessment is the largest, most complex beef sustainability assessment of its kind. It focuses on assessing the three pillars of sustainability: environment, social and economic. This study, led by a CRSB committee of industry stakeholders and scientific experts, will be the first study to utilize the recently released Livestock Environmental Assessment Partnerships (LEAP) methodologies.

The National Beef Sustainability Assessment is forward thinking and will enable the Canadian beef industry to identify areas of improvement,



## "The National Beef Sustainability Assessment is the largest, most complex beef sustainability assessment of its kind."



but also areas where significant progress has already been made. This report will be released mid 2016.

Over the last year, McDonald's undertook meaningful steps in their Verified Sustainable Beef Pilot Project in Canada.

Throughout this pilot project, McDonald's liaised with the CRSB and committed to sharing the learnings of their project with the CRSB. McDonald's pioneered the development of the framework used to source verified sustainable beef in Canada through a scientific, multi-stakeholder process.

The CRSB has already begun building on the learnings of the McDonald's Verified Sustainable Beef Pilot Project, wrapping up in April 2016, through the development of the CRSB Indicators. These indicators, to be used by individual operations, are undergoing public consultation early in the new year with final publication planned for spring of 2016. The next step in building the

verification framework is developing verification protocols. The Verification Committee is currently working to develop these protocols and will cover topics such as audit process and chain of custody.

CCA Executive Vice President, Dennis Laycraft became President of the Global Roundtable for Sustainable Beef in January 2016. The CRSB will be hosting the Global Conference on Sustainable Beef in October 2016. The CCA continues to be an active member and contributor to the CRSB.

New governments provincially and nationally have renewed the discussion on climate change. The Canadian beef industry is well-positioned as an environmental stewardship leader. Canadian beef producers are already actively engaged in reducing environmental footprints, including green house gas (GHG) emissions, through continual improvements in health programs, sustainable production and innovation.

The CCA looks forward to learning more about the Global Climate Change Agreement reached in Paris, France, and working with the Minister of Environment and Climate Change, Catherine McKenna, and officials, to understand further the commitments and how the Canadian beef sector fits into the new agreement.

A recent Agriculture and Agri-Food Canada study shows that between 1981 and 2011, it took 29 per cent fewer cattle in the breeding herd and 24 per cent less land to produce the same amount of beef. During the same time period, GHG emissions per kilogram of


Canadian beef produced decreased by 16 per cent. Furthermore, healthy grasslands can sequester up to 200 tonnes of carbon per hectare. Further studies are underway to help understand the beef industry's contribution and mitigation opportunities for climate change.

In 2016, the CCA Environment Committee will continue to strive to develop science-based information tools, programs and policies that help to ensure that Canada's beef cattle

producers continue to be recognized as the best environmental stewards while maintaining a dynamic and profitable industry.

**Committee Members:** Bob Lowe, Chair; Colin Campbell, John Anderson, Doug Sawyer, Bryan Thiessen, Pat Hayes, Reg Schellenberg, Joe Hill, Heinz Reimer, Jennifer MacDonald, Dan Muir, YCC ex-officio.

**CCA Staff:** Fawn Jackson.



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## 2015 COMMITTEE REPORTS

### Foreign Trade Committee

The Foreign Trade Committee works to ensure favourable access to international markets for the Canadian beef industry and prevent exposure to unfair competition or dumping into the Canadian market, with a top priority focus on eliminating programs, measures and subsidies that distort world trade.

#### THE UNITED STATES

More than a dozen years of work and millions of dollars spent finally culminated in the repeal of the mandatory Country of Origin Labeling (COOL) legislation for beef and pork on December 18, 2015.

Once the World Trade Organization (WTO) Arbitration Panel decision on a retaliation amount of more than US\$1 billion for Canada and Mexico combined was reported on December 7, a chain reaction of events was set in motion. First, Agriculture and Agri-Food Canada Minister Lawrence MacAulay and International Trade Minister Chrystia Freeland moved quickly to announce their intention to impose retaliatory tariffs. The Mexican government did likewise. The Canadian Cattlemen's Association (CCA) was immediately in Washington D.C. to ensure that legislators there were fully aware of these developments and understood that nothing short of repeal could avert the retaliatory tariffs. This message was heard loud and clear and within a week and a half, COOL on beef and pork had joined Prohibition as a failed and discarded policy experiment.

The CCA is satisfied that the December 18 legislative action to repeal COOL, accompanied with the U.S. Department of Agriculture (USDA) notification the same day that they will no longer enforce COOL for beef and pork, should eliminate the need to segregate imported cattle in the U.S. Based on this result, the CCA informed the Government of Canada that there is no further need to retaliate at present. However, Canada must retain its retaliatory rights as insurance against the possibility that the U.S. might at some future time implement a renewed discriminatory program. In other words, Canada should remain in a position to quickly impose tariffs on U.S. products in the event either Congress puts in place a new program or USDA replicates the discriminatory effect via regulatory action.

#### TRANS-PACIFIC PARTNERSHIP

The CCA is very pleased with the Trans-Pacific Partnership (TPP) Agreement reached October 5 in Atlanta, GA. CCA's top priority in the TPP of ensuring that Japan would provide significantly improved and equal access to all TPP beef supplier members was achieved. The CCA believes that Canada could eventually double or triple its annual beef exports to Japan to nearly \$300 million.

The TPP is an agreement amongst 12 countries from both sides of the Pacific Ocean. Canada already has duty-free access for beef with many of them, including the U.S. and Mexico, and now the TPP will gradually reduce a 38.5 per cent

tariff on Canadian beef in Japan down to 9 per cent in 15 years, including an immediate cut to 27.5 per cent on day one of the agreement coming into force. This will restore Canada's competitive position with Australian beef in that market.

Other wins for Canadian beef producers in the TPP include achieving elimination of beef tariffs in Vietnam and Malaysia, two countries that have not traditionally been significant beef consumers, but have been identified as potentially important markets in the future as their level of economic development increases. The TPP also addresses the exclusion of some beef access from previous agreements with Peru.

The CCA is also very pleased that Canada has secured its place as one of the founding members of the TPP. This is extremely important as it gives Canada input into the terms of entry for additional countries that may want to join the TPP in the future. It will be a priority for CCA to continue to work in 2016 to achieve the ratification and implementation of the TPP Agreement.

#### KOREA

The Canada-Korea Free Trade Agreement (CKFTA) entered into force on January 1, 2015. For the first six weeks of 2015, we experienced strong Canadian beef exports to South Korea. However, Korea was then closed to Canadian beef for the rest of 2015 as the result of a

bovine spongiform encephalopathy (BSE) case in Alberta in mid-February.

According to the protocol Canada has had with Korea since 2012, when Canada discovers new cases of BSE, Korea will temporarily suspend customs clearance of Canadian beef until Canada provides sufficient information about the case to enable Korea to make a determination that the resumption of importation of Canadian beef poses no health risk to their population. Unfortunately, Korea took no action until Canada had fully completed its trace-outs and published its complete epidemiological report. On the positive side, once the report was released on November 30, Korea considered the information and resumed imports effective December 30, 2015.

The CCA's view is that Canada had sufficient information within days of the discovery to adequately assure any country, including Korea, of any concerns they might have had regarding the safety of Canadian beef. The protocol with Korea was never intended to enable a delay of resumption of imports pending the full completion of Canada's trace-outs and publication of complete epidemiological report. In fact, during the test run of the protocol on case 18 in 2011, Korea reached its determination in less than a month following confirmation of the case.

The CCA will be seeking assurance that Korea will not be permitted to maintain such a lengthy

delay in resumption of imports again in the future. Consideration of Korea's future entry into the TPP may be an opportunity to achieve clarification to the protocol.

Without the CKFTA, Canadian beef would continue paying a 40 per cent tariff when imported into Korea. On January 1, 2016, the Korean tariff on Canadian beef drops to 34.7 per cent with the second of 15 annual tariff cuts. On offals, the tariff prior to the CKFTA was 18 per cent and will drop to 14.7 per cent in 2016. The U.S. is three years and 8 per cent ahead of Canada on its beef phaseout with Korea, while Australia is one year and 2.7 per cent ahead. The CCA believes that acceleration of Korea's beef tariff phaseout to match the U.S.' access should be another condition of Korea's entry into the TPP.

### EUROPEAN UNION

For beef access to the European Union (EU), the most important piece of unfinished business is resolution of the longstanding technical barriers that have prevented the EU from approving Canada's main packing plants to export to the EU. Despite a commitment by former Agriculture Minister Gerry Ritz and his EU counterpart to establish full equivalency of our respective meat inspection systems, we are not there yet and neither of the two signing Ministers remain in their offices. The most difficult issue is the EU resistance to approve the various carcass wash treatments that are an essential element of anti-microbial food safety controls in Canada.



The CCA has been very clear that we are conditioning our support for the Canada-EU Comprehensive Economic and Trade Agreement (CETA) on approval of the larger and mid-sized federally inspected Canadian beef packers to export to the EU. Until this happens, we cannot envision that they will send any market signal for Canadian cattle producers to raise animals under the EU 'hormone-free' protocol.

### CHINA

All of the technical work to achieve bone-in, under-30-month (UTM) access to China has been done and the CCA feels that China should have expanded market access to include bone-in UTM by now. This is, of course, frustrating. On a positive note, following BSE case # 19, Chinese officials imposed only a very brief suspension of Canadian boneless UTM imports, resuming imports within a few weeks. Nevertheless, case #19 does seem to have affected progress towards bone-in expansion. In 2016, it will be

a priority for CCA to work with the Trudeau government as it seeks to re-invigorate the Canada-China relationship and endeavor to expand Canadian beef access in that context.

### TAIWAN

Access for Canadian beef to Taiwan in 2015 was similar to Korea in that access was suspended following the confirmation of BSE case #19 in February. However, unlike Korea, Canada does not have a protocol with Taiwan and the process for resuming trade is unclear, but political one. Like Korea, Taiwan has indicated its interest in joining the TPP, which would require Canada's approval as a founding TPP member. The CCA's view is resumption of access for Canadian beef into Taiwan as well as clarity in the event of future BSE cases should be a pre-condition for Taiwan's membership in TPP.

### MEXICO

Imports of Mexican beef to Canada commenced in March 2014. Modest quantities of muscle cuts are the primary beef products coming in from Mexico. While access for Canadian over-30-month (OTM) beef to Mexico remains elusive to complete the normalization of the Canada – Mexico beef trade, Canadian UTM exports to Mexico have been very strong. The Government of Canada continues to press Mexico for OTM trade, but must be cautious not to jeopardize UTM access.

### OIE BSE STATUS

There are several criteria that countries must meet to achieve BSE negligible risk status with

the World Organisation for Animal Health (OIE). These include the level of surveillance, specified risk material (SRM) removal, robustness of feed ban and length of time since latest born case. Until the discovery of case #19, Canada had been in a position to apply for negligible risk status in the fall of 2015 for approval at the OIE annual meeting in May 2016. With case #19 born in the spring of 2009, unless the criteria change, we can apply in the fall of 2019 for approval in the spring of 2020.

The CCA has started to introduce the idea of a change to the negligible risk criteria to ensure that countries that are conducting strong surveillance programs are not penalized for doing so. CCA would envision that rather than being allowed zero BSE cases born in the previous 11 years, negligible risk countries would be allowed no more than one case in the previous X number of years (with X yet to be determined by the OIE's scientific experts). This idea has been met with some interest by our International Beef Alliance partners as well as some additional countries that have found themselves in similar circumstances.

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**Committee Members:** Dan Darling, Chair; Doug Sawyer, Vice Chair; David Haywood-Farmer, Cathy Sharp, Colin Campbell, Bryan Thiessen, Brent Griffin, Tom Teichroeb, Bob Gordanier, Jennifer MacDonald, Tom Wilson, Laura Bodell, YCC ex-officio; Rob Meijer (Canada Beef), Michael Latimer (Canadian Beef Breeds Council).  
**CCA staff:** John Masswohl, Mark Klassen, Dennis Laycraft.

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## 2015 COMMITTEE REPORTS

### Value Creation and Competitiveness Committee

The mandate of the Value Creation and Competitiveness Committee is to seek out technologies, goods or services that create a more profitable business climate from birth to processing. The committee reviews issues related to competitiveness and adding value within the beef production chain.

Issues monitored in 2015 include:

- Ongoing labour shortages in Canada including meat processing positions that continue to go unfilled. Qualified candidates from Canada are very difficult to secure and often the positive contributions of foreign workers are overlooked, resulting in missed opportunities. More than 1,000 unfilled jobs according to the Canadian Meat Council represents 4,000 to 7,000 value-added processing jobs and trade opportunities lost.
- Research on beef quality, technology and food safety by the Canadian Cattlemen's Association (CCA) including projects on mobile technology for Radio Frequency Identification (RFID) tag readers, automated

trim sampling for E.coli, and a National Beef Quality Audit (NBQA) in 2015-2016. The NBQA will include retail tenderness, consumer satisfaction benchmark, and a retail meat study with feedback on areas such as production schemes/labels.

- The CCA irradiation petition completed all requirements and government advised in the fall of 2014 there was a process to move ahead. No action has been taken, and noted this time was support from the Consumers Association of Canada.
- A revised version of the Beef InfoXchange System (BIXS) was released and the McDonald's Verified Sustainable Beef Pilot Project includes this electronic information exchange platform as a success factor. Revitalized through its new part-owner, BIXSco Inc., BIXS has renewed potential, such as enhanced ability for third parties to upload data and maintain proprietary ownership.
- Progress of the Cattlemen's Young Leaders (CYL) program and associated work on beef education for the general public.
- Updates on producer issues with the Canadian Cattle Identification Agency (CCIA), such as tag retention and cattle movement reporting.
- Regulatory change upgrades regarding responsibilities carried out by the Canadian Beef Grading Agency, including the outstanding request by industry to change to U.S. yield grade classes.

- Enhancements to the Verified Beef Production™ (VBP) program and efforts to add modules for animal care, environmental stewardship and biosecurity, including technical and delivery aspects to enhance this national program.

Board members and cattle industry representatives are encouraged to forward issues for discussion and review to the VCC committee. This committee serves to continuously identify industry priorities

and effect change through other committees, agencies and identified initiatives.

**Committee Members:** Cathy Sharp, Chair; Howard Bekkering, Brent Griffin, Ramona Blyth, Dan Darling, Matt Bowman, George Smith, Tim Smith, Shane Klepak, YCC ex-officio, David Bolduc (CBBC), CCIA. **CCA staff:** Terry Grajczyk, Mark Klassen.

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## WORKING TOGETHER

BIXSco

“Helping the beef industry unlock the value of data and reflect our pride in what we do.”



BIXSco Inc. was formed with two shareholders, the Canadian Cattlemen's Association (CCA) and Viewtrak Technologies Inc., in December 2014 to take over operations of the Beef InfoXchange System (BIXS).

BIXS has been making strong inroads with all of the stakeholders in the beef industry. In July, an agreement was reached with Cargill to have case studies conducted to demonstrate the value of carcass data to the cattle/beef industry. These case studies explored the correlation of carcass data to genetics, but in general explored what economic value such data brings to the industry. From those case studies arose further studies pertaining to carbon footprint, greenhouse gas emissions, feed efficiency, etc. To complete these studies in a short period of time, the data used was taken from BIXS. In one study, 1.9 million records were accessed and analyzed.

As one of the stakeholders in this industry, BIXSco expects to see many different value propositions to evolve out of these case studies. As an industry producers have insisted we needed, or demanded, the right to carcass data, but have never explored value propositions for the various stakeholders, including the packers. BIXSco sees this as connectivity and collaboration within an industry that has, historically, struggled to have the various stakeholder groups cooperate and work together. The industry research conducted in

June indicated that BIXS needs to become a winning proposition to everyone in industry.

For the past nine months, the BIXS IT department has collaborated with the Canadian Cattle Identification Agency (CCIA) IT department, working out data flow issues, as well as preparing for an anticipated increase in data flow moving forward. It has been inspiring and encouraging to see these two departments, from two important industry organizations, work collaboratively. Having a seamless data flow with the Canadian Livestock Tracking System (CLTS) is key to the success of BIXS. Collaboration is also happening with the pharmaceutical industry to track producers enrolled in health programs, and the IT department continues to explore how to work with the Verified Beef Production™ Program. BIXSco's IT Director has continued to meet the deliverables required of the McDonald's Verified Sustainable Beef Pilot Project, which has pleased the Project Manager and McDonald's. BIXS has successfully demonstrated the ability to track cattle through the production chain.

But the most exciting news to date is that BIXS will be fully rewritten by June of 2016, enabling much more efficient uploading of data, better integration with software providers' programs, simpler registration and more efficient use for producers. Improved functionality was identified as a need early on and the BIXS IT team responded. This will improve connectivity within the industry.

Animal traceability is not unique to Canada nor to the cattle industry. Countries around

the world struggle with how their traceability systems should work and what is required of producers. The requirement for food animal traceability is being driven by consumers, who want to know where their food comes from, how it is raised and that it is safe.

After producers visited the BIXS booth at Farmfair International and Canadian Western Agribition this fall, we saw an increase of registrants in BIXS. Registration has also been prompted by participants in the McDonald's Verified Sustainable Beef Pilot Project. There will be opportunities to visit with BIXS representatives at many of the industry meetings that will be held early in 2016. Stay tuned for the launch of the new BIXS website and other developments in the coming months.

BIXSco and Cargill Canada signed a master agreement on January 13, 2016, through which Cargill will provide the past three years of carcass data and all future data in trust to BIXSco.

This agreement will enable important access to carcass data through the supply chain—and to producers in particular—allowing everyone to unlock the value of their data and reflect the pride of the Canadian cattle industry by allowing it to demonstrate the quality of its beef.

Respectfully submitted,

Deborah Wilson  
Senior Vice President  
BIXSco Inc.



**BIXS - working with the Canadian beef industry to find efficiencies and build collaboration along the value chain, while meeting the information needs of consumers.**

## WORKING TOGETHER

### Canada Beef



Over the past three years, Canada Beef has made it a priority to only invest time and money in projects that reflect a distinct return on investment and to aid in aligning the beef and veal industry under a common national strategic vision. Canada Beef also reimagined the organization's relationship with the consumer to ultimately achieve brand loyalty, rather than building on volume and value of beef itself. These efforts helped to develop mind-share over market-share and strengthened consumer relationships with Canadian beef.

Canada Beef has continued to rationalize operations through focusing on global markets and selecting brand partnerships that align with Canadian values. The organization has saved more than \$3 million by finding efficiencies, which has translated into an increased investment in programs and services.

The National Check-off continued to bring in much needed funding for the research and marketing activities of Canada Beef. Roughly \$7.7 million was raised by the check-off in 2014/15, \$5.5 million of which was used to support the promotion of Canada Beef at home and abroad. Levies collected in the upcoming fiscal year will be applied to Canada Beef's new three year strategic plan, which kicked off April 1, 2015.

Last year, the collection rate of the Import Levy was over 90 per cent, and most beef importers are now paying the levy. Since the Import Levy was introduced in 2013, it has raised \$1.1 million with roughly \$900,000 received during the 2014/15 fiscal year. Although these funds cannot be used for the promotion of Canada Beef, they are directed to researching and marketing the nutritional aspects of beef, which is beneficial for all producers.

Communicating the Canada Beef brand story is a key role of the organization. This brand story is the cornerstone on which brand awareness, brand loyalty and buying decisions are built. Global marketing efforts continue to adapt to the evolving demands for protein around the world. Canada Beef is committed to further solidifying its positive brand opinion here at home while growing foreign markets and emerging geographies.

North America is not only the largest and most important market for Canadian beef – it is home to the industry. Canada Beef continues to invest domestically to ensure our product remains a staple of Canadian diets and is adapting to evolve with the ever-changing needs of the United States market.


Canada Beef's alignment with the Canadian Football League (CFL) is the ideal platform to highlight Canadian beef as the optimum source of protein for professional athletes and athletic Canadians. This message has been effective enough to be recognized by both the trade and wellness communities. The message of the

value of beef as a protein was further imparted to consumers by partnering with Loblaw's Health and Wellness Division to provide in-store consumer engagement programs across Canada.

Canada Beef's initiatives to target emerging demographics have focused on the Hispanic market in the U.S. Through market development programs to increase sales volumes through major distributors to the U.S. Hispanic

demographic, we are able to strategically create brand presence with key clients.

The organization's ongoing partnership with Air Canada Vacations and Karisma Resorts continues to drive value and raise the status of Canadian beef through the five-star resort segment in the Mayan Riviera. Through this partnership, influential food personalities were engaged as brand ambassadors to raise public brand awareness, including high-profile chefs.



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The muscle to lift heavy loads and rear implements...the power to pull through harsh conditions...the range of configurations necessary to meet the needs of agricultural producers as well as commercial and municipal customers. The 6M Series gives you the engine and hydraulic power you need. Ask your John Deere dealer about the capable, ready to work 6M Series.

\*Manufacturer's estimate of power (ISO) per 97/68/EC.



**JOHN DEERE**



“Engagement is more than simply broadcasting the Canada Beef message; we must create conversation points and spur creative thought, and we must do this with an international audience.”



This Culinary Series was then leveraged through our partners' social media platforms to engage with consumers in Mexico, North America and even Europe.

No market holds greater potential for growth than Asia and Canada Beef continues to build on the momentum it has earned there in previous years. Canada Beef has expanded its consumer-facing marketing efforts and has developed a new, innovative market outreach approach to relay our brand message to key influencers and officials. While the focus has been on the major markets of Japan, China, Korea, Hong Kong and Macau, Canada Beef is expanding efforts to capture consumer attention in the emerging markets of Southeast Asia.

The Asian Hub pioneered the Canadian Beef Branding Series, an important initiative that is expandable and scalable to other global markets. The series brought together key trade contacts, media, government and food enthusiasts alike to learn about the Canadian beef industry, brand and the Canadian Beef Advantage on both emotional and technical levels.

A central business objective, or brand action plan, of the past fiscal year is the opening of the Canadian Beef Centre of Excellence (CBCE). It is the jewel of the Canada Beef brand and one of the organization's richest resources. Through the lens of “Connect, Innovate and Inspire,” the CBCE is poised to bring the Canada Beef brand and story to life for industry partners, influencers, media and consumer audiences. With multi-media presentation and broadcasting capabilities, and a skilled staff of teaching and cooking professionals, the CBCE is a knowledge hub for the Canada brand and embodies the upcoming three year brand building strategy.

Engagement is more than simply broadcasting the Canada Beef message; we must create conversation points and spur creative thought, and we must do this with an international audience. Canada Beef's loyal brand advocates want two-way, reciprocal communication, so the organization will find ways to engage consumers through building communities that bring the brand to life.

Canada Beef views producer families and the beef industry as investors. Rather than simply reporting on the activities of the organization, we are making it a priority to communicate our goals and priorities to producers across the country. This allows Canada Beef's 'investors' to see and feel what success looks like and encourages them to actively participate.

This is the Canada Beef brand and it is one that all industry partners have a stake in.

We look forward to having everyone join Canada Beef on its journey.

Respectfully submitted,

Rob Meijer

President  
Canada Beef

**“When I ride out to treat calves on pasture, I need a product that works fast and I know will last...because I’m only doing this once.”**



Summer pneumonia is a challenge anytime you have calves on grass. Treat them with a product that gets to work right away<sup>1</sup> and gives long lasting<sup>2</sup> action in a single dose. Treat them with the product that is safe<sup>3</sup> to handle, and comes in a plastic bottle that you can toss in your saddlebag.

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1. Giguère S, Huang R, Malinski TJ, Dorr PM, Tessman RK & Somerville BA. Disposition of gamithromycin in plasma, pulmonary epithelial lining fluid, bronchoalveolar cells, and lung tissue in cattle. Am. J. Vet. Res. 72(3): 326-330 (2011).  
2. Based on label claims.  
3. See ZACTRAN MSDS.

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## WORKING TOGETHER

### Canadian Beef Breeds Council



**Our Vision-** To provide a unified voice in support of the purebred genetics provided with the Canadian beef cattle industry.

**Our Mission-** To ensure the continuity, growth and prosperity of the Canadian purebred cattle sector as an integral component of the Canadian beef cattle industry.

The Canadian Beef Breeds Council (CBBC) extends its sincere appreciation to the Government of Canada, the Government of Alberta, the Government of Saskatchewan and the Canadian beef industry for their continued support of the Canadian purebred beef cattle sector through the Legacy Fund and Growing Forward 2 programs. Under the AgriMarketing program, the CBBC will continue its international marketing activities which were previously funded under the Legacy Program.

The CBBC's focus is to ensure recognized representation for the purebred sector within the Canadian beef and cattle industry. The CBBC will continue to engage and work with both industry and governments at home and abroad to represent and promote Canadian pedigreed beef cattle genetics. As the recognized representative for the sector, the CBBC's focus plays out in five main areas:

#### **A FOCUS ON THE NATIONAL BEEF STRATEGIC PLAN**

As the beef industry develops its dynamic collaborative process engaging all industry sectors and national and provincial beef organizations, the CBBC is proud to play an integral role in the Canada Beef Advisors, a diverse group of industry representatives. This group, in collaboration with provincial beef cattle organizations, developed the National Beef Strategic Plan. Unwavering in its support of the National Beef Strategy, the CBBC believes that a united industry is a stronger industry, and that all participants will benefit from this initiative. As a partner in the Canadian Beef Industry Conference, the CBBC will provide its support in achieving the common goals of the Canada Beef Advisors.

#### **A FOCUS ON LEGACY**

The CBBC entered into a three-year International Marketing Strategy, including a 2015-2018 Market Implementation Plan. This comprehensive strategic marketing plan for the organization is reaffirmed annually through strategic planning with the membership to establish goals and priorities in export markets. The CBBC enlists the support of its membership to execute activities within the plan. The CBBC is fortunate to have a membership with extensive experience and success in global markets.

#### **A FOCUS ON DOMESTIC AWARENESS AND COLLABORATION**

A key focus for the CBBC will be its collaboration with other stakeholders in the Canadian beef



industry. Today, organizations recognize the importance of working together and elimination of redundancies. These efficiencies are necessary to create a sustainable and successful beef production chain. In essence, the purebred beef cattle sector in Canada is the genetic foundation for the Canadian beef industry but recognizes that it takes each sector to flourish to make the system work. A production chain that works together is a fundamental component to achieving success.

#### **A FOCUS ON THE BEEF VALUE CHAIN AND MARKET DEVELOPMENT**

The importance of the purebred sector in the Canadian beef supply chain is the primary focus for CBBC. However, there has been a renewed commitment to focus on the needs of the commercial cattle industry.

The adoption of new technologies by purebred producers benefits commercial cattlemen by providing them with new tools to select cattle that suit their operation with greater accuracy.

#### **A FOCUS ON VALUE AND CAPACITY BUILDING**

The CBBC recognizes that value can be created and maintained through consistently delivering quality products and services. Rather than only focusing on volume, we are pursuing opportunities that generate the highest value or greatest return for Canadian producers.

Respectfully submitted,

Michael Latimer

Executive Director  
Canadian Beef Breeds Council

# WORKING TOGETHER

## Canadian Cattle Identification Agency



### NEW BOARD OF DIRECTORS

Canadian Cattle Identification Agency (CCIA) announced its board of directors and executive committee for 2015/2016 elected at CCIA's Annual General Meeting and board meeting March 26-27, 2015 in Calgary.

In 2015, Canadian Veterinary Medical Association representative Dr. Pat Burrage was elected to continue as Board Chair. Saskatchewan Stock Growers Association representative Mark Elford was re-elected as Vice Chair. Maritime Beef Council representative John Tilley was re-elected as Finance and Audit Committee Chair. Canadian Cattlemen's Association (CCA) representative Pat Hayes was re-elected as Director at Large; and Livestock Markets Association of Canada representative Rick Wright was re-elected in the second role of Director at Large.

Though CCA representative Martin Rossmann, Beef Farmers of Ontario (BFO) representative Steve Eby and Alberta Beef Producers (ABP) representative Mark Francis left CCIA's board in spring 2015, CCIA welcomed CCA representative Doug Sawyer, BFO representative Tim Fugard and ABP representative Howard Bekkering to CCIA's board of directors.

### NEW GENERAL MANAGER

In June 2015, CCIA announced Anne Brunet-Burgess as the new general manager. Drawing

on more than six years as general manager for a Canadian beef breed association and a decade of experience in livestock operations as a cattle owner, Brunet-Burgess will provide leadership to CCIA's team and reinforce the strong relationships with key stakeholders to support the next steps in developing a fully-functional livestock traceability system in Canada.

### NEW HEAD OFFICE LOCATION

The building in which CCIA's former head office was located was sold in November 2014. After investigating a variety of options to relocate, CCIA selected a new head office site that rationalizes the square footage needs of the organization while reducing the overall office space cost per year. The new office meets CCIA's team needs in an easy-to-access, meeting-friendly location with ample, free parking at 7646 – 8 Street N.E., Calgary, Alberta.

### CANADIAN FOOD INSPECTION AGENCY CONSULTATION PROCESS ON THE DRAFT COMPLIANCE, CONTROL AND ENFORCEMENT FRAMEWORK

With the intent of working together to ensure industry practices are in alignment with new regulations, after participating in the Canadian Food Inspection Agency's (CFIA) second phase of regulatory amendment consultations across Canada, CCIA compiled a list of industry's critical issues, comments and questions for the CFIA to address prior to the regulations coming into force in late 2016. CCIA converted this list into a letter endorsed by industry. CCIA submitted this joint letter to the CFIA in response to the second phase of consultations regarding the proposed

regulations, which are expected to come into force in late 2016.

Industry gathered and submitted the following needs to CFIA for consideration:

- Nation-wide premises identification registry and support;
- Elimination/repeal of official tagging site status;
- Development and access to affordable, effective technology that facilitates tag activation, animal identification, premises identification and animal movement reporting;
- Funding support/cost-share for research and development of technology that enables tag activation, animal identification and movement reporting as well as the ongoing maintenance of such technology/equipment/software;



- Administrative and communications/educational support;
- Clarity around which party is responsible for untagged animals; which party should be responsible for reporting which segment of the movement data; tag activation; animal export timelines; as well as the tag testing framework, testing and review process.

During the second phase of consultations, the CFIA introduced and offered the option for the development and use of an "Incorporation by Reference" tool, which will enable industry to adapt to new regulations over time (i.e. as new technology and cost permit).

### TAG DISTRIBUTION

In February 2015, CCIA celebrated the successful completion of its first year as the sole distributor and logistics provider for approved CCIA RFID non-breed specific beef and Limousin breed tags.

## WORKING TOGETHER

Canadian Cattle Identification Agency continued from previous page

In February 2014, CCIA streamlined tag data and tag distribution processes for the approved tag dealer network as well as non-breed specific beef producers by means of a quick and easy-to-use, direct-to-buyer tag web store at [tags.canadaid.ca](http://tags.canadaid.ca) and toll-free order desk services at 1-877-909-2333 and [orderdesk@canadaid.ca](mailto:orderdesk@canadaid.ca) available Monday through Friday from 7 a.m. to 5 p.m. MST.

### QUICK FACTS:

- Every livestock operator that purchases approved CCIA RFID beef tags also has a web store account that can be activated in minutes.
- In addition to the convenience of 24-hour online tag ordering, three-to-five day delivery to an address of choice and a starting price under \$3 per tag, this change in tag distribution is improving data integrity within the Canadian Livestock Tracking System (CLTS) database through immediate issuance of tag inventories to tag buyers' CLTS database accounts, which eliminates third-party data handling and tag event sequencing errors in the CLTS database.
- As a not-for-profit organization and the national administrator for beef and dairy cattle, bison and sheep animal identification, CCIA reinvests its revenues into:
  - Technical research and development;
  - The CLTS database infrastructure; as well as:
  - The labour to manage the database and support the livestock industry to meet provincial, territorial and federal regulatory requirements through education and by raising awareness about the elements and value of traceability to Canada's present and future domestic and international livestock markets.
- Industry's support of the tag web store is directly reinvested into Canada's livestock traceability program. The tag web store offers all six approved CCIA RFID tags as well as tissue sampling tags to all approved tag dealers for the same costs, which may result in lower tag prices for livestock operators when purchasing tags in the private sector.

### STRATEGIC PLAN

CCIA's Board of Directors reviewed and accepted a new strategic plan, which was developed in several sessions over the course of 10 months by CCIA's Board of Directors, management and a strategic planning facilitator. CCIA will use this plan as a guiding document and incorporate it into the agency's business plan with budgets, targets and deliverables, timelines and labour resources. CCIA's Board of Directors will review this plan regularly and use it for ongoing performance measurement.

### CANADIAN AGRI-TRACEABILITY SERVICES

Final arrangements regarding the details for a licensing agreement on the system's source code were underway throughout 2015. Since Canadian Agri-Traceability Services (CATS) will be a database service provider only, CCIA will remain the sole administrator for beef, dairy, bison and sheep outside of Quebec when CATS is fully-operational. NOTE: Canadian Sheep Federation is planning to self-administer the

animal identification program for sheep in Canada as soon as CATS is fully-operational.

### CCIA TECHNICAL ADVISORY COMMITTEE

In 2015, CCIA's Technical Advisory Committee (TAC) created and now leads a Research and Development (R&D) Cluster to develop practical solutions to challenges facing industry and governments with the implementation of a fully-functional livestock traceability system in Canada.



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**MERCK**  
Animal Health



## "In November 2015, CCIA released four key process enhancements for event reporting within the Canadian Livestock Tracking System (CLTS) database."

The initial inspection of the International Committee of Animal Recording (ICAR) - approved test lab at the Southern Alberta Institute of Technology was completed with all issues addressed by the end of 2014. At the end of 2015, tag testing was ongoing to complete the accreditation by ICAR.

In 2015, CCIA's R&D Cluster developed the Private Data Network Project (PDNP) in preparation for complying with the proposed regulations. The PDNP will test and evaluate an automated method for collecting animal movement data using sighting events rather than individual animal movement reporting (as described in the proposed regulations). The goal of the PDNP is to provide a simpler and quicker data-collection process for livestock operators.

### CANADIAN LIVESTOCK TRACKING SYSTEM DATABASE PROCESS ENHANCEMENTS

In November 2015, CCIA released four key process enhancements for event reporting within the Canadian Livestock Tracking System (CLTS) database. The first process update enabled the database to support 840-series USDA tag identification (ID) numbers. This means CLTS users are now able to submit an Imported and Retirement events for USDA tag ID numbers that are formatted 15 digits in length, starting with 840, followed by any 12 digits (i.e. 840002123456789), then also Move In, Move Out, Temporary Export, Exported and Retired events to 840 tags. These changes also enable CLTS users to apply the Tag/Animal History Search, Export Manifest and Account



Animal Inventory functions in the database to 840 tags.

The second update facilitates industry compliance with proposed animal movement reporting regulations by means of a new data field for industry to record the transport vehicle's licence plate number, which supports Import, Export, Temporary Export, Move In and Move Out reporting within the CLTS database.

A Source Location field for Imported events and a Destination Location field for Exported events have also been created to capture the foreign location at a sub-national level to which an animal has been imported/exported. Since the details of the proposed regulations have yet to be finalized, CCIA's Information

Technology (IT) team has created this new field to be optional only at this time.

The third and fourth enhancements were designed to optimize data integrity. To promote accuracy during age verification data entry, CCIA's IT group created a new warning message display and date selection feature for the birth date reporting process. To help tag dealers verify CLTS accounts at the time of tag sale and issuance, CCIA's IT group added an optional field for contact name.

### NATIONAL TAG RETENTION PROJECT

By the end of 2015, the Tag Retention Project Manager will have completed the mature cow scans. Within the early months of 2016, the Tag

Retention Project Manager will summarize and analyze the mature cow data for tag retention across all herds, tag loss by herd and tag brand as well as tag readability.

In early 2016, CCIA's Tag Retention Project Committee will prepare and submit a funding application requesting federal government support to refocus the project to extend beyond March 2016. In late spring 2016, CCIA will share the preliminary results for the mature cow update by media release and joint communications with industry and governments. CCIA anticipates the final analysis and project report to be completed in late spring 2016, with a nation-wide communication outreach to follow.

Respectfully submitted,

Anne Brunet-Burgess

General Manager  
Canadian Cattle Identification Agency



## LEADERSHIP DEVELOPMENT

### Beef Advocacy Canada



The Canadian Cattlemen's Association (CCA) and Canada Beef have joined forces along with Alberta Livestock and Meat Agency (ALMA) to provide beef advocacy information and training through the Beef Advocacy Canada (BAC) program. The goal of the program is to train effective spokespeople for the beef industry and provide the general public with basic information regarding production, nutrition, industry scope and environmental interaction.

The CCA and Canada Beef have identified the need to train more spokespeople to advocate for the Canadian beef industry, especially in light of the recent challenges that industry has faced in these areas.

BAC consists of two tiers of course work. The first tier is very basic and serves an audience that includes producers, consumers and retail workers.



The second tier of course work is available to producers and those that have the desire to advocate for the beef industry. It focuses on the areas of the industry that raise questions with consumers, including the more sensitive subjects.

The course work concentrates on key messaging and background information. Those that graduate from the two tiers of the course will have access to a resource library that includes material from several industry organizations and will receive email updates on timely information concerning our industry. BAC also travels to consumer and trade shows to communicate with both producers and consumers, young and old, in a face to face manner.

## Canadian Cattlemen's Foundation



The mission of the Canadian Cattlemen's Foundation is to build an endowment that will provide funds into perpetuity for the growth and betterment of the Canadian beef industry.

A registered charity, the Foundation was created to support the sustainable advancement and legacy of the industry. The Foundation has three main focus areas related to Canadian beef: youth, environment and research.

### FOUNDATION UPDATE

The Canadian Cattlemen's Foundation was officially launched on June 15, 2015 at the Canadian Cattlemen's Foundation Golf Tournament in Calgary. Jointly hosted by the Canadian Beef Breeds Council, the Canadian Cattlemen's Association (CCA) and Canada Beef, the tournament attracted 54 golfers and raised a total of \$1,125 for the Foundation through mulligans as well as a silent auction following the tournament.

To date, the Foundation has collected a total of \$40,000 in pledges, including three substantial initial donations of \$10,000 apiece by early supporters of the Foundation.

The Foundation's goal is to have \$1 million in place by the end of the 2016 calendar year.

A number of activities were undertaken in 2015 to facilitate broader participation by industry and the general public.

In December 2015, at a CCA Executive meeting, a motion was passed to re-direct the national portion of the CCA semi-annual auction proceeds to the Foundation. Traditionally, the proceeds from the auction were divided evenly between the national and provincial 4-H associations in the host province. As a follow up from the June 2015 executive meeting, a decision was made to support 4-H Canada financially as a member and to direct half of the proceeds from the CCA Semi-Annual Auction to the Foundation. The other half of the proceeds will continue to be sent to the Provincial 4-H in the host province. For 2015, this amounted to \$1,086.02 going to the Foundation.

Public communications promoting donations to the Foundation have focused on the idea of a meaningful gift for cattle people to preserve and protect the very lifestyle they love. CCA Action News ran a pre-Christmas promotion on making a donation to the Foundation in the name of a loved one. Donations made as a gift in this manner will receive a special printed certificate acknowledging their gift.

Additional Foundation activities include:

- Development of a stand-alone Foundation website, which is currently underway and anticipated to be live in the first quarter of 2016;
- Production of Foundation information brochures for distribution;
- Raising awareness by once again being a part of the golf tournament to be held during the new Canadian Beef Industry Conference on August 9, 2016.



## LEADERSHIP DEVELOPMENT

### Cattlemen's Young Leaders Program

#### CONTRIBUTIONS

The Canadian Cattlemen's Foundation is a registered charity and eligible donations of \$25 or more qualify for an official charitable tax receipt.

The Foundation has outlined three areas where the funds will be dispersed, including:

1. To create and/support education, leadership development, and outreach programs to serve youth involved with beef cattle;
2. To facilitate and encourage stewardship practices and conservation activities that preserve and/enhance the environment, biodiversity, and wildlife habitat on working agricultural landscapes;
3. And to support the beef industry's sustainability through research and awareness.

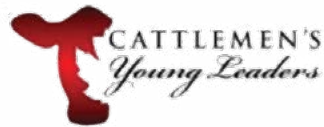
Donations can be made by filling out a donation form (available on the website) or directly contacting the Canadian Cattlemen's Foundation.

For more information, visit [www.canadiancattlemensfoundation.ca](http://www.canadiancattlemensfoundation.ca) or contact Jill Harvie at 403-275-8558 or [harviej@cattle.ca](mailto:harviej@cattle.ca).

Respectfully submitted

Bob Lowe

Chair  
Canadian Cattlemen's Foundation



The Cattlemen's Young Leaders (CYL) program provides industry-specific training and mentorship to young producers through a combination of formal and informal opportunities to learn from beef cattle industry leaders and other youth organizations.

Producers between 18 and 35 years of age have a chance to participate in provincial, national and international high-level discussions that define the direction and future of the Canadian cattle and beef industry. The CYL program provides participants with a chance to explore a potential career choice or involvement in provincial/national producer organizations, while gaining essential business connections and learning tools along the way.

Since the start of the program, CYL has graduated 68 young leaders from across the country. These graduates accumulated knowledge and skills in their area of interest through their relationship with the 70 industry leaders that have participated as mentors since 2010. Currently, CYL has 16 mentees enrolled in the program alongside 20 mentors, including past and present CCA Presidents and Directors.

The 16 current CYLs were selected at the CYL Spring Forum held in Saskatoon in March. Young beef enthusiasts competed for the 16 spots in the program and were evaluated by past mentors and sponsor representatives, including

three CCA directors. The 2014 - 2015 graduates along with the 2015 semi-finalists participated in roundtable discussions, heard from speakers on topics ranging from the value of networking to tips from a CYL program graduate and attended a tour of local research facilities.

CYLs were also in attendance at the CCA Semi-Annual Meeting in Winnipeg in August. They attended two days of training that focused on negotiation, governance and leadership. Hosting the training during the CCA meetings provided opportunity for the CYLs to attend committee meetings and the President's Reception. They were able to gain insight into the operations of CCA and network with the directors and staff.

As in years past, CYL has provided opportunity for young leaders to travel abroad, allowing them to gain knowledge of the global beef industry, build relationships with our trading partners and advocate for the Canadian beef industry. In 2015, CYLs attended the National Western Stock Show (NWSS), the National Cattlemen's Beef Association's (NCBA) Annual Convention and the International Beef Alliance (IBA) – formerly Five Nations Beef Alliance - Conference. The advocacy CYL contributes as delegates to such events is evident. For example, during the NWSS trip, CYLs participated in events hosted by the Canadian Consulate including a leadership meeting regarding U.S. mandatory Country of Origin Labeling (COOL), a young producer roundtable and a Canada-Colorado reception. During the NCBA trip, CYLs networked with American producers and participated in the Young Beef Leaders meetings. In October, the



CYLs attended the IBA Conference alongside Canadian leadership and participated in discussions with peers and leadership from across the globe.

Advocacy is of great interest to youth in the beef industry and CYLs are eager to share their story and that of the Canadian beef industry with consumers. Besides speaking out over various social media platforms, CYLs have volunteered at the Calgary Stampede Cattle Trail, the Toronto Royal Agricultural Winter Fair, FarmFair International student tours and various booths, tours and displays at the Canadian Western Agribition. CYLs enjoyed connecting with a variety of audiences, from school children to parents to millennials. Industry partners and retailers such as Canada Beef and McDonald's Canada have also utilized these advocates in their messaging and consumer outreach.

Funding for the CYL program is made available through its foundation partners: UFA Co-operative Ltd., the Alberta Livestock and Meat Agency (ALMA), Cargill and MNP. The program also receives support from gold sponsors Farm Credit Canada and New Holland.



## LEADERSHIP DEVELOPMENT

### Young Cattlemen's Council



The Young Cattlemen's Council (YCC) was created with two primary goals in mind. The council provides youth in the industry an opportunity to learn how to lead the industry through a direct opportunity for involvement. The council also acts as a conduit for information between industry and the youth in the beef industry.

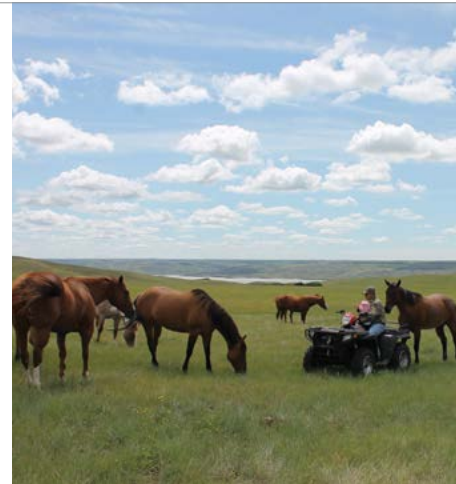
The council is active on social media (Facebook and Twitter - @YCCbeef) and on their website [www.youngcattlemencouncil.com](http://www.youngcattlemencouncil.com). This website houses the online member application form, along with other important member information. Members of YCC receive a quarterly newsletter with industry and

YCC updates and a message from sponsors. Establishing a membership base has expanded and continues to expand their communication reach.

The YCC has welcomed new representatives from Manitoba and Ontario in 2015 and would like to recognize Marianne Sytnyk (MB) and Jason Reid (ON). Sytnyk and Reid join the following board members:

Jake Meyer, President, Alberta;  
Brodie Haugan, Vice President, Alberta Member at Large;  
Erika Strande, Past President, British Columbia;  
Daniel Muir, Atlantic,  
Laura Bodell, Alberta Member at large,  
Shane Klepak, Saskatchewan Member at Large,  
Rae-Leigh Pederzoli, Alberta Member at Large.

A couple of industry initiatives that YCC has been involved in recently are the Edmonton City Council vegan meal proposal and the



Growing Forward 3 (GF3) framework. Through the summer and fall of 2015, the YCC contributed to industry efforts alongside the Canadian Cattlemen's Association (CCA) and Alberta Beef Producers when the Edmonton Youth Council proposed a motion to Edmonton City Council to have only vegan catering options in order to become more environmentally sustainable. YCC first connected with the Edmonton Youth Council over social media and later spoke to both Edmonton City Council and the Youth Council about the sustainability and environmental impacts of the beef industry. After hearing from both industry and the Youth Council, the City Council did not put forth the motion.

The YCC is bringing forth feedback and recommendations to the CCA and the Government of Canada regarding the GF3 framework from the youth of the industry. The Council held roundtable sessions at the CYL Fall Forum at Canadian Western Agribition and have also accepted input over social media from their general membership on this important issue.

The YCC will be holding its annual general meeting (AGM) and elections in August 2016 at the Canadian Beef Industry Conference in Calgary.

Funding for the YCC is made available through its Platinum Sponsor New Holland and the following provincial member associations: British Columbia Cattlemen's Association, Alberta Beef Producers, Saskatchewan Cattlemen's Association, Manitoba Beef Producers, Beef Farmers of Ontario and Prince Edward Island Cattle Producers.

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## 2015 PROVINCIAL ASSOCIATION REPORTS

### B.C. Cattlemen's Association



#### B.C. BEEF DAY

B.C. Beef Day is an extremely important event for the British Columbia (B.C.) cattle industry. This May, the B.C. Cattlemen's Association (BCCA) participated in the 6th Annual B.C. Beef Day in Victoria. B.C. Beef Day, officially declared by the B.C. Government, coincides with the last day of the spring sitting of the Legislature and is a highly anticipated event for government and industry associations.

Ten ranchers and staff from BCCA attended this year's event. In conjunction with the public barbeque event on the lawns of the B.C. Legislature, BCCA meets with many of the key ministers and staff on issues facing the cattle industry.

These advocacy efforts provide BCCA with the opportunity to present recommendations and solutions to government on the issues and challenges facing the beef industry. This year, BCCA focussed on the opportunities for growth available with a strong cattle market. The association also highlighted areas where government could help, such as access to a healthy supply of grass, forage and water, and management of wildlife (predators and ungulates) to ensure the sustainability and expansion of the industry. BCCA delivered that message in its meetings with provincial Liberal Caucus members; Ministries of Agriculture, Forests, Lands and Natural Resource Operations



(FLNRO); Environment; Aboriginal Affairs and Reconciliation and Jobs, Skills and Tourism, as well as with Lana Popham, NDP Agriculture Critic and Chair of the Opposition Standing Committee on Agriculture and Food.

BCCA continues to meet with various government ministers and staff throughout the year to discuss issues of importance to the industry.

#### WATER

The provincial government is moving ahead with plans to modernize B.C.'s water laws, regulate groundwater and strengthen provincial water management through the new *Water Sustainability Act* (WSA), passed by government in 2014. As such, WSA and the regulation development associated with the Act continued to be one of BCCA's top priority issues in 2015. BCCA established a water sub-committee that remains vigilant about keeping government informed and offering practical solutions.

Over the past year, the government released a new water pricing scheme and four policy intentions papers (on dam safety, groundwater protection, groundwater licensing and enhanced

compliance) were released for public comment. BCCA has raised several concerns with the policy papers through meetings with government and a written submission. The messaging strongly reiterated industry's concerns and urged government to provide agricultural users with more information as these regulations will have severe implications for ranch businesses. Government anticipates bringing the WSA into force in spring 2016. Following that, consultation will begin on another stage of regulations including Livestock Watering, Monitoring and Reporting, and Water Dedicated for Agriculture.

The ability to maintain water storage has been another area of concern for B.C. ranchers since the provincial government increased enforcement of high risk dams in 2011. Despite having many benefits to society, environment and wildlife, the province has declined all of BCCA's requests for financial assistance for dam safety assessments and upgrades. The costs of infrastructure improvements and maintenance can be prohibitive to producers.

Provincially, BCCA has requested that the Environmental Farm Plan include Best Management Practices for agricultural dams and water storage. Nationally, the return of Canada's funding for water storage infrastructure would assist producers to better adapt to climate change and extreme weather events.

#### WILDLIFE

Wildlife management continues to be one of the highest priority issues for BCCA and includes both predators and ungulates. BCCA has urged the government to address wildlife through a complete wildlife management plan and to

ensure that all government agencies responsible for agriculture and wildlife be involved in creating the solutions. Early in 2015, BCCA asked the provincial government for a results-based predator mitigation program that would offer verification, compensation and mitigation throughout the province for all predators affecting cattle and sheep.

Crop damage by ungulates is another area of concern. BCCA has been advocating for changes to the B.C. Ag Wildlife Damage program for several years. This year, the association participated in a government Task Team that made 15 recommendations for improving the program. BCCA is also requesting that the Task Team be given a more permanent role in reviewing the program's effectiveness through the establishment of an Advisory Board.

#### SPECIES AT RISK – PARTNERSHIPS ON AGRICULTURAL LANDS (SARPAL)

BCCA has received funding from Environment Canada to develop a pilot program that will enable cattle producers to implement Best Management Practices (BMP's) and contribute to projects related to two bird species listed as threatened under the Species at Risk (SAR) legislation – the Yellow Breasted Chat and the Lewis's Woodpecker. To date, activity has been focussed on identifying projects that highlight opportunities for species enhancement while providing benefit to the landowner. Four projects have been identified and will be completed by March 2016. It is hoped that some of these sites will be available for local ranchers to view in the future so that they can see firsthand the types of projects that can be undertaken through the program.



## 2015 PROVINCIAL ASSOCIATION REPORTS

B.C. Cattlemen's Association continued from previous page

### AGRICULTURAL WASTE REGULATIONS

BCCA has been actively engaged in the stakeholder consultation sessions on Agricultural Waste Regulations for the past several years. In 2015, the B.C. government released a revised intentions paper on the regulations. BCCA was pleased that many of its recommended changes had been included and that the overall tone was less critical of industry. Following the public comment period, government met with industry in early December to review and analyze the comments. BCCA, along with the other industry stakeholders, is working to ensure that the regulations will only reflect the relevant comments and will remain practical for the livestock sectors while addressing the need to protect the environment. We anticipate that this industry consultation period will be completed in January 2016 and that the regulations will follow later in the year. BCCA is recommending a phased-in approach to implementing any changes required under the new regulations.

### ABORIGINAL AFFAIRS

In B.C., treaty negotiations have been very active with the Northern Shuswap (NSTQ) treaty table which includes four First Nations communities situated in the 100 Mile House-Williams Lake area. BCCA understands and supports the efforts of the province to negotiate treaties and agreements with B.C.'s First Nations communities that will resolve long-standing grievances. The treaty talks have reached Stage Four- Agreement in Principle – of a six stage process. The Province has made a land offer to the NSTQ which will impact a significant number of grazing tenure holders in the area.



It is the first treaty negotiations in B.C. that impact Crown land tenures. BCCA has urged the province to seek a resolution in a timely manner and has promoted an 'Avoid – Mitigate – Compensate' process. Even if negotiations proceed smoothly, a final treaty is at best five or more years away.

### B.C. AGRIFOOD AND SEAFOOD STRATEGIC GROWTH PLAN

A new strategic growth plan for B.C.'s agrifood and seafood industries was released by the provincial government at the end of 2015. It aims to increase agrifood and seafood revenues to \$15 billion annually by 2020. The plan, developed collaboratively between government and the Minister's Agrifood Advisory Committee (MAAC), focused on three key areas including economic growth, climate change and food supply security. MAAC includes representatives from throughout the agrifood industry. Following the conclusion of the Ranching Task Force in 2013, BCCA's general manager, Kevin Boon, joined MAAC as one of the representatives from the cattle industry.

### TECHNOLOGY TRANSFER PROJECT

BCCA has had a very successful year with its technology transfer pilot project. B.C. ranchers have identified extension in the agriculture industry in the province as a major factor in supporting innovation and adoption of new practices. Fortunately, the prospect of using technology to connect people with learning opportunities is growing. Webinars, blogs and videos are new ways of accessing knowledge from researchers, associations and universities.

BCCA acquired funding through Growing Forward 2, a federal-provincial-territorial initiative, to test new ways to effectively transfer relevant industry information and research to producers. The Beef Industry Technology Transfer System project is a two-year project that combines traditional delivery mechanisms such as field days, workshops and seminars, with innovative technologies and learning tools, like webinars, videos and blogs, in an effort to reach beef industry stakeholders across the province. The Technology Transfer program has delivered two in-person events: BCCA's Education Day at the AGM in May 2015 and a workshop/field day on maximizing forage in Prince George in October. Along with each in-person event, BCCA has coordinated technology-based materials. For the Education Day, a two-part video was created and distributed to regional associations. In conjunction with the field day and workshop, BCCA delivered a webinar at the end of November and additional videos are being developed. Another aspect of the program is to develop resource materials to assist producers with using technology. BCCA has developed a webinar handbook for producers. A third in-

person event is planned for February in Fort St. John and will focus on the environment. All of the technology transfer materials will be hosted on our newly launched Technology Transfer webpage, found at [www.cattlemen.bc.ca/techtransfer.html](http://www.cattlemen.bc.ca/techtransfer.html).

### B.C. DIRECTORS

In closing, BCCA appreciates the commitment and hard work of all the Canadian Cattlemen's Association (CCA) Directors and staff. BCCA offers a special thank you to Martin Rossmann who retired from the CCA Board this year. In addition, we would like to thank our dedicated CCA Directors David Haywood-Farmer and John Anderson.

**For more information, please visit the BCCA website at [www.cattlemen.bc.ca](http://www.cattlemen.bc.ca)**





## 2015 PROVINCIAL ASSOCIATION REPORTS

### Alberta Beef Producers



Following a 'Year of Change,' which was the theme of the Alberta Beef Producers (ABP) 2014 Annual Report, the theme of the 2015 Annual Report was 'Travelling New Trails.' The cattle and beef producers of Alberta and ABP have certainly been travelling new trails this year, especially this fall.

The first new trail was set when the people of Alberta elected a new government for the first time in almost 44 years last May. Then, the people of Canada elected a new government after almost 10 years of Conservative Party government. As producers, we are travelling a trail that is being blazed by an NDP government in Alberta and a Liberal government in Canada.

With the prolonged federal election campaign, the Alberta government did not move quickly to implement what people would normally characterize as an NDP agenda. However, the time since the federal election has seen a flurry of activity. Alberta now has increased personal and corporate income taxes, substantially increased minimum wage, implemented a Climate Leadership action plan that includes a carbon tax and a rather rapid move away from coal-fired electrical generation, began an energy royalty review, and introduced sweeping changes in labour legislation affecting farm and ranch workers. ABP made a presentation to the Climate Change Advisory Panel that highlighted the steps the beef industry has taken to reduce



greenhouse gas emissions and the positive impact of cattle operations on rangelands, biodiversity and carbon sequestration. ABP is pleased that our sector was not made an obvious target for further reductions in the Climate Leadership plan, but we are unsure of what the future impacts of the plan will be for cattle and beef producers.

The government certainly rocked the farmers and ranchers of Alberta with the introduction of Bill 6, the *Enhanced Protection for Farm and Ranch Workers Act*, in November. The Act will create significant changes for farmers, ranchers, and their employees in the areas of occupational health and safety (OH&S), Workers' Compensation (WCB), employment standards, and labour relations. ABP has been working on farm and ranch safety with industry partners and the government for six years and we have been involved in extensive consultations

on farm and ranch labour legislation for the past year. We were very disturbed that these consultations did not have more influence on the direction of the legislative changes. ABP joined farmers, ranchers, and all livestock and crop boards and commissions in asking for a delay in the passage of Bill 6 until there was sufficient consultation with farmers and ranchers and clarity on the impact of the bill on farms and ranches.

Bill 6 created an uproar in rural Alberta that was greater than anything ABP has seen in recent memory. Even after the government introduced amendments to Bill 6 that exempt farm and ranch owners, family members, friends and neighbours from the OH&S and WCB parts of the bill, thousands of farmers and ranchers swamped town hall meetings, blocked highways with tractors and farm equipment, and demonstrated at the Legislature. With a

large number of farm and ranch workers now exempt from OH&S standards, the bill no longer seems to be focused on improving the safety of all farm and ranch workers, but rather seems aimed at making it appear that paid employees on farms and ranches are treated in the same way as in other jurisdictions. The amendments will not improve farm and ranch safety or provide clarity for those farms and ranches with paid employees, they will just create unwelcome divisions in rural communities.

Bill 6 was forced through the Alberta Legislature over the widespread and vocal opposition of producers and Members of the Legislative Assembly (MLAs) from across the province. ABP was extremely disappointed that the calls for a delay in passage of the bill were not heeded. Going forward, ABP will be working with the crop and livestock boards and commissions to hold the government to its promise to consult with producers on the regulations for employment standards, labour relations, and the OH&S Code. We will be working to make sure that these regulations respect the unique nature of farm and ranch work and are practical for farmers and ranchers. ABP also will continue to press for changes in the legislation that will allow farmers and ranchers to select the best insurance coverage for their employees and their operations without being forced into mandatory WCB coverage.

In the face of the challenges and turmoil created by Bill 6, ABP enjoyed one of the best annual general meetings (AGM) in years. ABP's fall meetings have historically been well attended, even though strong prices and good weather would typically be a recipe for empty seats.

## 2015 PROVINCIAL ASSOCIATION REPORTS

Alberta Beef Producers continued from previous page

There were elections in five of nine zones and ABP welcomed 12 new delegates, including a number of young producers. At the AGM, the delegates elected five new directors to the ABP Board and returned all of our CCA directors for another year. Greg Bowie finished his two-year term as ABP Chair and the new Executive comprises of returning members Bob Lowe as Chair and Roland Cailliau as Vice-Chair, along with new director Charlie Christie, of Trochu, as Finance Chair.

After making the need for increased industry funding a major topic of our conversations with producers over the past two years, ABP decided to more formally seek direction on this issue during 2015 fall meetings. We presented the case for more industry funding and options for funding increases through the National Check-off and provincial service charges to close to 900 producers at 23 meetings across the province. There was good discussion at these meetings, consistent support for increased industry funding and clear direction in the form of resolutions and straw votes. After further

discussion among the delegates at the AGM, ABP now has direction to pursue an increase in the National Check-off to \$2.50 per marketing and to continue working with the Alberta Cattle Feeders' Association and the Alberta government for a return to some form of a non-refundable provincial service charge.

This was also an eventful year in other ways. After setting an objective of enhancing ABP's level of contact and influence with the provincial government, we were pleased to enter an agreement with the Canadian Cattlemen's Association (CCA) to have Tom Lynch-Staunton take a joint position working on issues management for CCA and government relations for ABP. ABP directors and senior staff members attended a meeting facilitation workshop presented by Jim Brown, of STRIVE!, and we had significant success using one of the interactive techniques from the workshop to stimulate dialogue among the AGM delegates. The retirement of Barb Sweetland, ABP's Marketing and Education Manager, and Claudia Young, our receptionist, brought us sadness because we will miss them, but it also gives ABP an opportunity for renewal of its staff. Now, both ABP Board of Directors and staff have an excellent combination of experience and new perspectives to help us work on the opportunities and the challenges that the new year will bring to producers and our industry.

**For more information, please visit the ABP website at [www.albertabeef.org](http://www.albertabeef.org)**

## Saskatchewan Cattlemen's Association



The Saskatchewan Cattlemen's Association (SCA) experienced considerable change in 2015, including perhaps most significantly a relocation to a new city and an entirely new staff.

Ryder Lee, a long-time employee of the Canadian Cattlemen's Association (CCA), was named chief executive officer (CEO) of SCA in early 2015. This coincided with the transition of the SCA's office from Saskatoon to Regina in July. The relocation was deemed necessary for strategic reasons, positioning the SCA's headquarters in the same city and in close proximity to the majority of the Government of Saskatchewan's offices. The new downtown Regina location, only a few blocks from the Legislature building, allows for a much quicker turnaround time when connecting with Member of the Legislative Assembly (MLAs) and government staff.

The move to Regina also saw the appointment of an all-new SCA staff. Policy analyst Christina Patterson, executive administrator Leann Clifford and communications specialist Scott Sakatch joined Lee in the new offices by the end of August. Some of the top administrative priorities achieved before the end of 2015 were the creation of a new SCA website that would allow for more frequent updates, the expansion of the SCA's social media presence, and bringing accounting in-house.

Keeping producers and the general public up to date on the beef cattle industry, and the agriculture industry in general, is increasingly important. To meet that need, the SCA began an overhaul in its communication efforts starting in late summer.

The SCA added a Facebook account in September, which grew to almost 400 followers within a few months. A concerted effort to increase the amount of information shared on Twitter saw the SCA's account @SaskCattlemens drastically increase its number of followers in the same period, from 600 to more than 1,000 by the end of 2015. The majority of these social media followers are actively engaged in the world of agriculture. Social media, as well as the redesigned website, allows the SCA to deliver information quickly and to the intended audiences on a regular basis. This is one of SCA's key goals, and one which we will continue to expand on in the coming year.

The SCA funds a number of different research programs and projects via the Saskatchewan Beef Industry Development Fund that are seen as positive for the beef industry.

Current projects as of November for 2014-2015 include:

- Prairie Conservation Action Plan
- Farm and Food Care
- Canadian Western Agribition
- Species at Risk projects
- Saskatchewan Stock Growers Association
- Young Cattlemen's Council
- Barley and Oat Swath Grazing Research
- Western Canadian Feedlot Management School





## “The SCA funds a number of different research programs and projects via the Saskatchewan Beef Industry Development Fund.”

- Ag in the Classroom
- Bovine Respiratory Disease research
- Triticale varieties evaluation for backgrounding
- Research into using core body temperature to evaluate feed efficiency and nutrient status.

These are in addition to ongoing multi-year projects.

Further on the research front, SCA has committed \$1 million to what used to be the project to renew the feedlot portion of the University of Saskatchewan. That project now forms part of the Livestock and Forage Centre of Excellence, an integrated cow-calf and feedlot research and teaching centre, along with applied research such as occurs at the Western Beef Development Centre.

SCA continues to be involved with active participation from Research Chair Mike Spratt and CEO Lee. Industry is also represented on a number of committees by Murray McGillivray, Brad Wildeman, Tim Oleksyn, Ryan Thompson, Chad MacPherson, Andrea Brocklebank, Aaron Ivey, and Janice Bruynooghe.

SCA is also the lead applicant for funding from the federal government's Canadian Agricultural Adaptation Program for the remaining shortfall of funds. That was on hold due to the federal election but a decision is expected soon.

The project received a major boost earlier in the year when the federal and provincial governments committed \$10 million through Growing Forward 2. A project director was hired



in the fall to speed the project along. There is work to be done in the coming months on the project operation and also on governance, as it is a real collaboration between the university, governments and industry, and the governance of the Centre of Excellence needs to reflect this collaboration so the needs of today and tomorrow are met.

The SCA's presence was expanded at Canadian Western Agribition in November, with the addition of a second booth alongside Canada Beef in the new food pavilion. The two SCA booths targeted different audiences, specifically

producers and consumers. Hundreds of the latter dropped by the food booth to discuss beef and the beef cattle industry, and were rewarded with packages of beef jerky. As for producers, there was a concerted effort to collect more contact information to help them keep in touch with the SCA and its activities, and to promote the province's Premises ID program and encourage signing up for it. The annual Premier's reception was also very popular, with some 200 people coming out to meet with MLAs and discuss government co-operation with the beef cattle industry.

Crop and price insurance, along with predation, have long been issues among Saskatchewan beef producers, and these were once again discussed at length during the SCA's district meetings this fall. SCA staff and directors have been working closely with the Saskatchewan Crop Insurance Corporation and the Ministry of Environment to address producers' concerns throughout the year. Crop Insurance representatives gave presentations on the insurance programs available to producers at each of the district meetings, and work continues to see better management of the wildlife/livestock/human interface.

The new staff and SCA's Board of Directors have worked hard to ensure that the association's priorities for the coming year are properly outlined, and that we are ready to continue moving forward with them on behalf of Saskatchewan's beef producers.

**For more information, please visit the SCA website at <http://www.saskbeef.com/>**





## 2015 PROVINCIAL ASSOCIATION REPORTS

### Manitoba Beef Producers



Building resilience and helping to ensure the long-term sustainability of the province's beef industry were the focal point of many of Manitoba Beef Producers (MBP)'s 2015 activities.

MBP, with funds from Growing Forward 2 (GF2), engaged a consultant to survey its members to determine their priority areas, both for the association and for Manitoba's beef industry in the years ahead. Producers and other allied stakeholders were asked about the challenges and risks facing Manitoba's cattle industry. The findings mirrored much of what MBP hears in its ongoing outreach to producers.

Not surprisingly, a future border closure was deemed the biggest threat. Other concerns included: the need for more effective Business Risk Management (BRM) programs; land costs, including land prices and rental costs (especially among young producers); government regulations and a lack of competitiveness with both the United States and other provinces; natural disasters; animal health considerations; livestock predation; the ability to access loans (especially for younger producers); the need for new management tools (like improved technology and research); Crown lands policies; and succession planning.

Information gleaned from this survey has proven very useful to MBP as it provides input on matters affecting the industry.

An example of this is MBP's feedback to the province's Agriculture Risk Management Review Task Force. This Task Force is studying whether the current suite of BRM programs is effective in helping producers manage and recover from climate-related challenges. MBP identified several gaps in existing programs, for example, that beef producers lack access to the same type of risk management tools available to crop producers, or that programs targeted at the beef industry are not as responsive as those available to other commodities. Another concern relates to challenges arising around forage insurance in the wake of repeated flood or excess moisture events. MBP requested the continuation of the Western Livestock Price Insurance Program, as well as support for the Verified Beef Production™ (VBP) Program and the Environmental Farm Plan in Growing Forward 3 (GF3).

Mitigation is a critical component of managing risk. MBP continues to ask governments to upgrade water management infrastructure to reduce threats caused by future flooding or droughts. This includes but is not limited to challenges related to: Lake Manitoba, the Shoal lakes, Whitewater Lake, Shellmouth Dam, and the need for upgraded dikes along the Assiniboine River, so the Portage Diversion does not need to be used so frequently. Enhanced interjurisdictional cooperation on water management is also critical in MBP's view.

A provincial drought management strategy is being developed and MBP provided input into this. Producers in a number of drought-affected



municipalities on the western side of the province were deemed eligible for the Livestock Tax Deferral Provision in 2015.

The Manitoba government introduced Bill 5 – *The Surface Water Management Act* (Amendments to Various Acts to Protect Lakes and Wetlands). Key components include: strengthened protection of wetlands (no net loss of wetland benefits); setting nutrient targets to improve water quality, with reporting requirements; and, streamlining drainage licensing requirements with enhanced inspection and enforcement efforts. MBP expects to provide feedback on this legislation.

In late 2015 the Manitoba government unveiled its Climate Change and Green Economy Action Plan and pledged to cut greenhouse gases (GHG) by one-third by 2030. The province wants to look at ways to continue expanding markets and adopting sustainable farming practices to reduce GHG emissions and intends to introduce a Climate Friendly Agricultural Practices Program. MBP is awaiting details and will provide feedback as the plan is rolled out to

ensure the important role beef producers play in managing the environment is recognized.

A provincially-appointed task force evaluated rural veterinary services in 2015. Manitoba has a combination of private veterinary practices as well as Veterinary Service District clinics for which some provincial government support is provided. MBP noted the importance of beef producers having access to veterinary services for reasons ranging from protecting animal health to biosecurity and trade considerations.

Work continues on three initiatives aimed at eradicating bovine tuberculosis (TB) from Manitoba and bringing an end to ongoing surveillance of live cattle (with a focus instead on slaughter surveillance). Components include on-farm risk assessments for producers in the Riding Mountain Eradication Area, as well as the creation of a scenario tree model which will examine the risk of bovine TB occurring. MBP appreciates the participation of affected producers in these initiatives and recognizes governments for their commitment to these important projects. MBP thanks the Canadian Cattlemen's Association (CCA) for its support of the bovine TB coordinator's position which is so crucial to this work. The work being done in Manitoba is critical to Canada maintaining its TB-free status.

MBP regularly provides feedback about BMP offerings under Manitoba's Growing Forward 2 (GF2) Growing Assurance – Food Safety On-Farm Program. Support for several new items has been achieved including a tilt table

## “Livestock predation remains a major concern to producers in Manitoba.”

and hoof trimming chute, on-farm veterinary training for administration of pain blockers, calf-catching pens and portable calf carts, remote surveillance of calving barns and calf pens and livestock guardian dogs for beef herds.

Livestock predation remains a major concern to producers in the province. MBP co-chairs the Livestock Predation Protection Working Group (LPPWG.) It includes representatives from provincial departments and agencies, livestock commodity groups and the Manitoba Trappers Association, with the purpose to review existing predator management initiatives and provide recommendations to the Manitoba government around improved strategies.

MBP is currently looking at a potential pilot project that would include components such as: on-farm mitigation strategies; financial assistance/compensation; and problem predator management strategies. Key goals include reducing risk and ensuring producers are fairly compensated for losses. MBP has also asked that consideration be given to compensating producers for labour costs associated with treating animals injured by predators.

The ability to access Crown lands for grazing, haying or cropping purposes is very important to Manitoba producers. MBP had several meetings in 2015 with the Minister of Agriculture, Food and Rural Development (MAFRD) and staff from Agricultural Crown Lands about issues of importance. Key among these is informed access to Crown lands.

All Manitobans have the right to enter Crown lands and do not have to inform lease holders. MBP is discussing with provincial officials strategies to ensure more people are informing producers that they intend to enter their Crown lands, such as signage. Other areas of discussion include improvements on Crown lands impacted by excess moisture, the 4,800 Animal Unit Month cap, lease rates and eligibility for leasing Crown lands. The provincial government's triennial pasture land rental rate review has been completed and producers will be facing a rate increase in 2016.

Having access to community pastures is also very important to many producers. MBP continues to work with the Association of Manitoba Community Pastures and the provincial government to see the transition of the community pastures to new management through to a successful completion.

MBP – through Manitoba Beef & Forage Initiatives Inc. (MBFI) – is working with several stakeholders, including MAFRD, Manitoba Forage and Grassland Association and Ducks Unlimited to develop a beef research and extension farm in the Brandon area. The federal and provincial governments are investing \$3.1 million in this important initiative through GF2 funding. MBP is providing financial and in-kind support toward it, in partnership with other key stakeholders including academic institutions

This initiative will support foundational and applied research and develop information

and resources focused on sustainable beef production and grassland management. There has been extensive work on this initiative in 2015, including preliminary research activities, as well as getting the infrastructure in place to support the farm's work in the years ahead. MBFI will play an important role in evaluating and verifying foundational research and knowledge transfer to producers. MBP believes it will provide substantial value to the beef and forage sectors and help build industry capacity.

Another key finding in MBP's member survey was the importance of communications, both within the industry and with the general public.

In 2015, MBP dedicated considerable resources towards promoting beef as the protein of choice among consumers. A new project that has been very successful is 'Eat Like An Athlete. In conjunction with TSN Radio in Winnipeg, MBP promotes beef's high protein and iron content with easy to make recipes that appeal to athletes or consumers who lead an active



lifestyle. As the promotion's slogan says "You don't have to play like an athlete to eat like one." MBP's involvement in Great Tastes of Manitoba also continued. The popular television program runs province-wide on CTV and provides an excellent opportunity to showcase the versatility of beef through creative recipes appealing to cooks of all skill levels.

MBP was proud to sponsor the Manitoba Beef Producers' Family of the Game at Winnipeg Blue Bombers home games this season. For 10 games MBP provided four tickets to deserving Manitoba families. It was MBP's way to give back to the families that support our members by purchasing their great product. MBP's Environmental Stewardship Award winners were hosted and recognized at a Bombers' game in August as part of promotional activities with Canada Beef.

Within industry, MBP was very pleased to host the CCA Semi-Annual Meeting and Convention in Winnipeg. Thank you to the participants and sponsors for making it such a great event. The fall district meetings were also a tremendous success with the highest attendance in many years and a good number of young producers in attendance. This should bode well for the future of our industry.

**For more information, please visit the MBP website at [www.mbbef.ca](http://www.mbbef.ca)**

## 2015 PROVINCIAL ASSOCIATION REPORTS

### Beef Farmers of Ontario



Optimism in the beef business continued in Ontario throughout 2015 as strong prices persisted in the marketplace. In early spring, pastures and crops were dry; however, conditions improved throughout the summer with most regions experiencing considerable rainfall and exceptional forage and grain crops.

The Beef Farmers of Ontario (BFO) continues to be involved in a number of initiatives to address the decline in the cow herd in the province, and in developing and improving programs that support Ontario beef farmers and their families.

#### GOVERNMENT RELATIONS

On October 19, the country witnessed the rise of Prime Minister Justin Trudeau and his party who now hold a majority government with 184 seats in the House of Commons. The Liberals experienced substantial gains in Western Canada and breakthroughs in Quebec and in Ontario, where they now hold 80 seats compared to 13 seats prior to the 2015 election.

In the coming months, BFO will be engaging with Ontario Members of Parliament (MPs) and Agriculture Minister, Lawrence MacAulay, to talk about federal research funding for the University of Guelph's beef research barn in Elora, which would help strengthen livestock research capacity in the country. BFO also plans to discuss program support that would provide federal participation in the Ontario Feeder Cattle Loan Guarantee Program.

Provincially, BFO continues to emphasize to the Ontario Minister of Agriculture and his staff that BFO's highest priority is to expand and grow Ontario's beef industry and support Ontario's processing sector. BFO believes that the following requests would assist in reaching its goal: release of Crown land for beef expansion; enhanced feeder and breeder finance programs; and the creation of a perimeter fence loan program.

#### RISK MANAGEMENT PROGRAM

BFO, as a member of the Ontario Agriculture Sustainability Coalition (OASC), visited Queen's Park and met with Members of Provincial Parliament (MPPs) on several occasions in 2015 to talk about the value and importance of the Ontario's Risk Management Program (RMP) for non-supply managed commodities. Through BFO's partnership with OASC, a study was commissioned which demonstrated the economic value of the RMP to Ontario. OASC partners are happy to have a third-party report to support their request to government to maintain and enhance the program.

#### IMPROVEMENTS TO THE ONTARIO FEEDER AND BREEDER FINANCE PROGRAMS

After BFO's lengthy lobby on behalf of the Feeder Finance Co-ops in Ontario, Ontario beef farmers are now able to purchase more cattle and expand their operations thanks to the Government of Ontario, who announced in April 2015 a boost to the individual loan limits under the Ontario Feeder Cattle Loan Guarantee Program.

For the purchasing of feeder cattle, new members who are enrolled in the program are now able to



access a loan for up to \$100,000 (an increase of \$50,000), and existing members are now able to access a loan for up to \$500,000 (an increase of \$250,000).

In addition to the increased loan limits, BFO has also been looking for a solution to double the lending capacity for both the feeder and breeder programs provincially. BFO formally requested that Ontario Agriculture Minister Jeff Leal double the Feeder Cattle Loan Guarantee program for which Ontario provides a 25 per cent government guarantee.

#### COW HERD EXPANSION IN NORTHERN ONTARIO

Working towards a solution to the critical decline in beef production in Ontario, BFO together with the provincial government have investigated the viability of developing a new beef production system beginning with expanding the cow herd in Northern Ontario. The objective of this system is to attract new investment, bring profitability to the industry, and be sustainable for future generations.

BFO representatives continue to promote the concept with government and have met with

numerous cabinet ministers, each of whom has expressed strong support for the project. BFO was successful in securing funding support through Growing Forward 2 (GF2) to begin the next phase of this long-term initiative with a focus on implementation strategies which will include wider producer/stakeholder engagement and communications, developing resources, and mentorship training and support.

BFO is awaiting confirmation from the Ontario government honouring its commitment to work with farmers on a visionary plan to bring Crown and private northern land into agricultural development.

#### COW HERD EXPANSION IN SOUTHERN ONTARIO

To complement BFO's efforts in looking at ways to re-build and expand the cow herd in Northern Ontario, 130 Ontario beef farmers participated in six consultation workshops across Southern Ontario in the summer of 2015 to discuss and identify ways to expand the cow herd in southern regions of the province.

Participants were very positive about the potential for expanding Southern Ontario's cow herd and the opportunity to share their ideas at the meetings. A comprehensive list of challenges and opportunities was developed over the span of meetings and participants offered their suggested actions and areas to focus on. The key ideas and priority areas for expansion that were identified include financial assistance for fencing, improving the breeder finance program and the potential of cover crop grazing.



## "The Farm to City marketing project aims to provide urban customers with another option for conveniently purchasing locally raised beef."

### MARKETING FROM FARM TO CITY

The Farm to City marketing project aims to provide urban customers with another option for conveniently purchasing locally raised beef. This pilot project will create a direct marketing opportunity in Ontario cities that's similar to a virtual farmer's market where customers can order and purchase Ontario raised and processed beef. While BFO's project is focused on beef, the project intends to create a business model that can easily include different commodities and be replicated in other urban areas.

The main objective is to provide a new marketing option for beef farmers who are interested in direct sales. Interested producers identify a potential location and customer base. This project can provide a practical business model to assist with growing the business by providing recipes, cooking tips, and a website for online ordering and payment.

VG Meats was the first pilot participant and a handbook for farmers is in development which will outline key considerations for the planning and implementation of the model. Once the handbook has been finalized and circulated, BFO will be hosting workshops/webinars in 2016 for interested participants to gain a better understanding on how the model works, and the potential value of this direct marketing channel.

### BUILD LEADERSHIP DEVELOPMENT PROGRAM

Since BFO's BUILD Leadership Development Program was launched over four years ago, 65 participants have been trained through the program with the help of the Rural Ontario Institute. BFO invested in the development of this program to provide industry leaders with the knowledge and confidence to excel, and to provide stronger leadership capabilities for the entire organization.

The program was offered in Northwestern Ontario in April 2015 for 21 participants, the largest session to date. BFO is currently accepting applications for the next BUILD course in 2016.

### LOW-STRESS CATTLE HANDLING CLINICS FOR BEEF FARMERS

To date, 30 workshops have been hosted across Ontario to educate beef farmers on the renewed Code of Practice for the Care and Handling of Beef Cattle. To expand on these efforts, BFO together with Farm and Food Care Ontario hosted a free workshop series on low-stress cattle handling in the fall in 10 locations across the province. The workshops featured cattle handling experts Dylan Biggs and Curt Pate.

### ONTARIO CORN FED BEEF GAINS GLOBAL ATTENTION

BFO continues to support the Ontario Corn Fed Beef program, a program that was established to provide high-quality, premium-branded beef for the Ontario marketplace. BFO was pleased to be a part of the announcement with the Ontario Cattle Feeders' Association and Premier Kathleen Wynne in June to celebrate the expansion of the program into the Japanese market. Ontario Corn Fed Beef can now be found in 33 Kinsho stores throughout the Osaka Japan market. Initial feedback has been very positive and there is an expectation for significant and rapid growth.

### RESEARCH

BFO helped fund one new research project in 2015 entitled 'Enhanced bull evaluation: desirable reproductive capacity and improved feed efficiency' under the GF2 implementation



stream. This project is in addition to 12 other ongoing beef research projects funded or co-funded by BFO for the 2015 program year.

BFO was pleased to learn that Dr. Angela Canovas, the new Beef Geneticist at the University of Guelph, was selected as one of the participants in the 2015 Beef Research Mentorship Program. In addition to the hire of Dr. Canovas, the University of Guelph completed the candidate selection for a new Beef Nutritionist position. The successful candidate, Dr. Katherine Wood, will begin her position in April 2016. We are happy to see the University re-engaged and committed to the beef program at Guelph.

In addition, we continue to work with the province and the University of Guelph on the Elora Beef Research Infrastructure Project. Refreshed beef facilities will provide new and innovative research infrastructure capacity for faculty and students, and will help address research priorities as outlined by the beef industry in the provincial and national beef research strategies. It is hoped that the new facility will break ground sometime in mid-to-late 2016.

**For more information, please visit the BFO website at [www.ontariobeef.com](http://www.ontariobeef.com)**



## 2015 PROVINCIAL ASSOCIATION REPORTS

### New Brunswick Cattle Producers



The New Brunswick Cattle Producers (NBCP) is actively building bridges and communications in advance of upcoming levy changes.

Currently, for every dairy, beef or veal animal sold in New Brunswick, a mandatory levy of \$3/head (plus HST) must be remitted to the NBCP. This levy is remitted via New Brunswick cattle drovers. Under the National Beef Strategy, it is suggested that the check-off levy increase to \$2.50/head from \$1/head.

NBCP is also expected to increase the provincial portion of the levy at the same time and is conducting an economic analysis – while in communication with the cattle boards in Nova Scotia and Prince Edward Island – before making a final decision. The board is keen to help harmonize levy collection processes across the Maritime region.

An information meeting was held November 20, 2015 in Moncton, N.B. for all interested New Brunswick and Nova Scotia cattle producers. In addition to NBCP representatives, Dennis Laycraft, Canadian Cattlemen's Association; Andrea Brocklebank, Beef Cattle Research Council; and Ron Glaser, Canada Beef, were also present to answer questions.



On December 2, 2015 a presentation and question period was delivered at the Dairy Farmers of New Brunswick annual meeting in Fredericton. Presentations at the NBCP fall regional meetings and articles in both beef and dairy cattle newsletters have also shared the latest information and debunked common myths about the levy collection process.

The NBCP continues to make solid progress on levy collection in New Brunswick and holding members to account. For the second year, the

board has initiated dealer audits to review levy compliance.

NBCP is moving the needle on levy collection compliance, and will continue to be candid and cooperative in its discussions with stakeholders as the association does its part to build a stronger cattle industry in New Brunswick and across Canada.

For more information, visit the NBCP website at <http://www.bovinsnbcattle.ca/>

**“The New Brunswick Cattle Producers continues to make solid progress on levy collection in New Brunswick and holding members to account.”**



## 2015 PROVINCIAL ASSOCIATION REPORTS

### Nova Scotia Cattle Producers



This was a banner year for cattle producers in Nova Scotia, who experienced record high feeder prices. This was the shot in the arm the province needed to help in the recovery of the cow herd. The latest numbers indicate that for the first time in several years, the provincial cow herd has shown a slight increase. As an organization, the Nova Scotia Cattle Producers (NSCP) is pleased to see this growth and has implemented programs to assist producers with the rejuvenation of the beef industry.

It was also a busy year for the NSCP.

The association is very pleased to have accomplished several goals that it laid out earlier in the year and continues to work toward achieving the remaining goals. NSCP has successfully worked with government and researchers to implement new programming for producers; this has been possible because the association continues to improve levy compliance.

NSCP has worked with its provincial agriculture department to design and launch two programs which will assist in moving the industry forward. The first program focuses on the purchase of genetically superior sires to introduce into provincial herds.

This program also encourages farmers to use genetic evaluation services to evaluate their herds. The second program helps farmers improve safety for themselves and their animals while performing routine tasks by providing assistance for safe handling equipment. NSCP is also working with the department to ensure that cattle producers are prepared for traceability implementation with a goal to complete its premises identification program before 2017.

Over the past two years, NSCP has had the good fortune to have Dr. Yuri Montanholi working in the province, who, along with his team of students, has rejuvenated beef research in the region. They have been working very closely with our bull test station to improve testing practices of both bulls and replacement heifers.

NSCP fully supports the implementation of the National Beef Strategy and believes the plan is very important to the continued success of the



industry as it relates to research, market access and marketing and promotion.

Like other provincial associations, NSCP is communicating with stakeholders on the importance of the plan and the need to support it both ideologically and financially.

NSCP continues to work with its sister provinces through the Maritime Beef Council on regional initiatives related to research, regulation harmonization and programming.

Earlier this year the inaugural Maritime Beef Conference was held, which brought together more than 100 producers from across the regions to discuss research priorities, marketing opportunities and the financial and environmental sustainability of the industry as we move forward.

The NSCP annual general meeting was held on February 20, 2016.

**For more information, please visit the NSCP website at <http://nscattle.ca/>**

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## 2015 PROVINCIAL ASSOCIATION REPORTS

### Prince Edward Island Cattle Producers



The Prince Edward Island Cattle Producers (PEICP) held its Annual Meeting on April 7, 2015. Board members include Brian Morrison, Jeremy Stead, David McCloskey, Sterling Jay, Kenneth MacEachern and Derrick Annema. Ex-Officio Director Randal MacFarlane represents Dairy Farmers of PEI.

In April of 2015, PEICP launched its fifth annual PEI Burger Love campaign. This campaign was established to raise the awareness of the importance of the PEI beef industry to agriculture and to the province in general. This social media campaign saw an increase in all aspects of the campaign from the previous year, with 60 restaurants selling more than 145,527 hamburgers during the month of April, again surpassing the number of burgers sold the previous year. The 2015 PEI Burger Love's most loved burger was the Cabbage Patch, from the Home Place Inn and Restaurant, another first time participant in the campaign.

The PEICP continues to deliver the Verified Beef Production™ program in the Atlantic provinces by providing information and workshops to producers. There has been a large increase in the number of animals that are age verified and the organization continues to offer third party age verification to many of them. The Livestock Development for Beef program was also delivered through PEICP once again.

Funding for this program is provided through Growing Forward 2 and offers qualifying producers money for programs such as Premium Sires, Genetic Heifer Renewal, Seedstock Testing, Radio Frequency Identification (RFID) reader purchases, scales purchases and components of feed efficiency. Funding for handling facilities was reoffered this year.

PEICP coordinates the 'Prince Edward Island Certified Beef' brand. The role in this capacity is to communicate between the producers and the Atlantic Beef Products (ABP) facility to ensure the animals meet brand specifications and that supply is keeping up with the demand. To date, there are approximately 23 feedlots and 60 cow-calf producers on the brand. This is a premium brand that has enjoyed continuous growth in demand.

PEICP continues to administer the Deadstock Removal service to beef producers. Cost for this program is shared with Dairy Farmers of PEI and the province, which contributed



\$350,000 to the service. Industry is responsible for the remaining cost of \$850,000. There has been uptake of just over 50 per cent of all producers paying to use the service. Those who did not pay are not eligible and must deal with their deadstock themselves.

PEICP is a member of the Maritime Beef Council (MBC), which represents the three Maritime cattle organizations on various issues. Quarterly meetings are held throughout the year, while the annual meeting took place on September 9, 2015. The MBC continues to work on various issues that affect producers from the region. The MBC also hosted a Maritime Beef Conference in March, 2015 in Moncton, NB. The conference had terrific speakers and was well attended considering it was the inaugural event.

The ABP facility has been consistently processing 400 hd/week. This includes fats as well as cull cows and lean Holsteins. ABP has a growing demand for ground beef and so is encouraging more producers to raise Holstein steers to supply them with lean beef for the

grind. Some producers have chosen to finish dairy steers and heifers and while this sector is expanding, ABP has been busy developing a price grid for lean Holstein that is satisfactory to everyone.

A Humane Handling course was delivered to producers of the PEI Certified Beef brand by Jane Morrigan of Nova Scotia. This practical overview was a great reminder of why producers need to keep animal welfare top of mind.

PEICP is pleased to have Ivan Johnson represent PEI on the Canadian Cattlemen's Association (CCA) Board of Directors and its Executive, and John MacDonald on the Canada Beef Board of Directors.

**For more information, please visit the PEICP website at [www.peicattleproducers.com](http://www.peicattleproducers.com)**

# 2015 FINANCIAL REPORT

## Schedule of Operations and Net Assets

Year ended June 30, 2015  
with comparative figures for 2014

### Revenue:

#### Assessments

British Columbia	110,046	93,510
Alberta	1,431,153	1,491,842
Saskatchewan	544,132	575,157
Manitoba	218,429	267,870
Ontario	437,412	416,910
Quebec	-	-
New Brunswick	9,425	10,070
Nova Scotia	9,702	12,084
Prince Edward Island	11,642	9,783

Total Assessments	2,771,941	2,877,226
Legal Assessment	695,025	781,385
Interest	6,744	9,054
Other	285,405	309,087

3,759,115 3,976,752

### Expenses:

CCA Division Services	321,068	327,994
Calgary Office	1,008,696	1,002,094
Ottawa Office	383,789	347,646
Legal Reserve	695,025	781,910
Communications	43,978	46,714
Conventions	4,281	6,665
Town Halls	15,270	19,909
Executive & Finance	141,868	163,004
Advocate Services	316,202	522,481
Annual Meeting	81,274	100,998
Semi Annual Meeting	75,373	52,406
Animal Health & Meat Inspection	82,519	82,828
Animal Care Committee	18,455	19,875
Value Creation & Competitiveness	2,418	2,761
Foreign Trade Committee	75,301	83,623
Domestic Agriculture Policy	12,489	8,881
Young Cattlemen's Council	13,704	11,331
CYL Second Step	103,668	82,824
Five Country	31,834	32,809
Young Leaders Development Program	55,898	126,252
Environment	34,197	53,812
National Beef Strategy	16,402	-
Sustainable Beef	26,557	5,335

3,560,266 3,882,152

### Excess (deficiency) of revenue over expenses

198,849 94,600

Net assets, beginning of year

538,318 443,718

### Net assets, end of year

737,167 538,318





## 2015 PARTNERS PROGRAM

### Prime Partners

The CCA Partners Program is a corporate membership program for organizations wishing to affiliate themselves with the CCA and the Canadian beef industry. In addition to showing support for Canadian cattle producers, the program provides the opportunity to participate on issues affecting the industry. As a non-voting member, the partnership provides a unique method to foster valuable relationships with those involved in the cattle industry.

The program offers three levels of partnership – Prime, AAA, and AA, allowing organizations to select a level of involvement that compliments their corporate sponsorship goals.

With the support of corporate partners, the CCA will continue to work toward a dynamic, profitable Canadian beef industry with high quality beef products recognized as the most outstanding by customers at home and around the world.



#### Farm Credit Canada

FCC is Canada's leading agriculture lender, with a healthy loan portfolio of more than \$27 billion. Our employees are dedicated to the future of Canadian agriculture and its role in feeding an ever-growing world. We provide flexible, competitively priced financing, management software, information and knowledge specifically designed for the agriculture and agri-food industry. Our profits are reinvested back into agriculture and the communities where our customers and employees live and work.

**Visit [fcc.ca](http://fcc.ca) or follow us on Facebook, LinkedIn, and on Twitter @FCCagriculture.**

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**For more information, visit [www.merck-animal-health.com](http://www.merck-animal-health.com)**





## 2015 PARTNERS PROGRAM

AAA

AA



### GrowSafe Systems

Since 1990, GrowSafe's engineer, computer and animal specialists have developed applications for livestock producers which maximize profitability through better decision-making, ensuring animal health and well-being. GrowSafe feed efficiency technology has been installed worldwide identifying those animals that grow as quickly as possible, eat the least amount of feed, require the least amount of medical treatment, and produce the highest quality product enabling selection for animals that perform consistently on the ranch and in the feedlot. A strong supporter of Canadian agriculture GrowSafe is proud to be a sponsor of the Canadian Cattlemen's Association.



### Merial

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