



CANADIAN  
CATTLEMEN'S  
ASSOCIATION

# TAKING

the NEXT STEPS

2019 ANNUAL REPORT

CANADIAN CATTLEMEN'S ASSOCIATION



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## 2019 BOARD OF DIRECTORS



President,  
David Haywood-Farmer, BC



Past President,  
Dan Darling, ON



Vice-President,  
Bob Lowe, AB



### BRITISH COLUMBIA

From left:  
Grant Huffman  
Brian McKersie

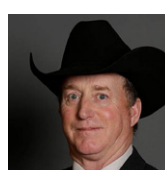
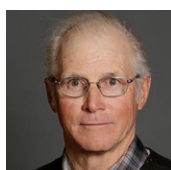


### ALBERTA

From left:  
Charlie Christie  
Doug Sawyer  
Cathy Sharp



From left:  
Stuart Somerville  
Tim Smith  
Miles Wowk



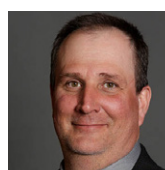
### SASKATCHEWAN

From left:  
Lynn Grant  
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Reg Schellenberg  
Duane Thompson



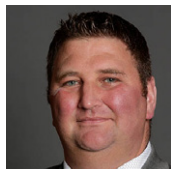
### MANITOBA

From left:  
Mike Duguid  
Gord Adams  
Tom Teichroeb



### ONTARIO

From left:  
Craig McLaughlin  
Joe Hill  
Rob Lipsett  
Jason Reid



From left:  
**QUEBEC**  
Philippe Alain  
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From left:  
**NEW BRUNSWICK** Nathan Phinney  
**NOVA SCOTIA** Victor Oulton  
**PRINCE EDWARD ISLAND**  
John MacDonald



## David Haywood-Farmer, President



I am pleased to provide this final report as President of the Canadian Cattlemen's Association (CCA). Helping advance the interests of Canadian beef producers has been a true honour and privilege. I am extremely proud of the work we've done over the past two years to move key files forward to support the competitiveness and growth of our industry. As I reflect on my two years as CCA President, many accomplishments, initiatives and activities come to mind.

By working together, we have been able to raise the voice of cattle producers from coast to coast on important issues including trade and market access; food policy; transportation of beef cattle; the environment; and public trust in beef production. We have come a long way in two years, but there is still much work to be done.

Here are a few highlights of CCA's priority files over the past two years:

### **Trade**

Our trade priorities continue to focus on maintaining and growing our exports of Canadian beef. Implementation of new trade agreements over the last number of years have allowed Canadian beef producers access to new markets and opportunities. In 2019, our exports have increased overall – we made gains in Japan, the US, South Korea, China and Hong Kong.

The implementation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) has been positive for Canadian beef sector and its full potential is becoming clearer. The demand for beef in Asia has grown since CPTPP's implementation and we expect it to hold the largest potential for growth in beef demand over the next 25 years. We have experienced significant growth of Canadian beef exports to Japan with a 65 per cent increase in 2019 over 2018. Japan is the second largest market for Canadian beef after the US. Another interesting CPTPP market is Vietnam - while this is currently not a large market for Canadian beef, we do see this as a potential market with growth potential.

We are also making progress in growing our market share in Europe under the Comprehensive and Economic Trade Agreement (CETA), but the full potential of the deal has yet to be reached. Our 2019 exports to the EU continue to outpace levels in 2018 and there is more room for growth as Canada produces more EU-eligible beef and the program infrastructure hits its stride. We also see the United Kingdom as an opportunity and will be one of our next priorities.

Closer to home, a key priority for CCA has been the renegotiation of the North American Free Trade Agreement (NAFTA), with 70 per cent of Canada's beef exports still bound for the U.S. Under both NAFTA and the Canada-United States-Mexico Agreement (CUSMA), the beef industries of Canada, the United States, and Mexico have and will enjoy reciprocal duty-free trade between our countries. Efforts to bring the mandatory country-of-origin labelling (mCOOL) back in the U.S. through NAFTA, which cost us close to \$1 billion between 2008 and 2015, were not successful through CUSMA. Another positive for Canada's beef industry is that the new agreement includes a section highlighting the commitment to not disrupt trade through labelling. Despite the progress we have made on mCOOL, we continue to monitor the discussion which is brought forth by a minority voice from time-to-time.



CCA meets with Minister of Agriculture and Agri-Food Marie-Claude Bibeau in April 2019.



With CUSMA passing the U.S. House of Representatives in January 2020, Canada remains the only NAFTA country to yet pass the bill through our House and Senate. We will continue to encourage the Government of Canada towards swift ratification and regulatory cooperation across borders, which will further enhance the value of trade and strength of the North American market. NAFTA will remain in force until the CUSMA is ratified by its members.

In the first half of 2019, China was poised to become a growth market for Canadian beef with exports up 299 per cent in volume and 271 per cent in value, but export certificates were halted for Canadian meat in June 2019 due to concerns over fraudulent export certificates. CCA was actively engaged in discussions with government officials to regain access to the Chinese market as soon as possible and meat exports were re-established on November 5, 2019. China presents a lucrative opportunity for the Canadian beef industry, but the challenge remains whether Canadian producers can rely on predictable uninterrupted access to China. CCA will continue to invest in building relationships with Chinese buyers through trade missions to help ensure that similar closures do not happen in the future.

### **Public and Stakeholder Engagement Program**

At a time when the gap between primary producers and consumers has grown, it is essential for us to help bridge this divide and enhance public trust in our sector. We have a great story to tell and need to find new avenues to connect with consumers. We are starting to make strides with these efforts with the creation of the Public and Stakeholder Engagement (PSE) program in 2018. PSE has grown into a fully funded program with three dedicated full-time staff who are tasked with mitigating consumer-facing issues related to beef production in Canada. With this increased capacity, the PSE team has moved away from solely focusing on the issue of the day to more proactive projects highlighting the benefits of Canadian beef. One such project that has received significant attention is the mini documentary "Guardians of the Grasslands", including numerous accolades from film festivals across our country. I am very proud of the work this team is doing on behalf of the Canadian beef industry and looking forward to working with them over the next year.

### **Food Policy**

In recent years, we have seen increased attention at the federal level on food policy. CCA has taken strides to be a part of these important discussions with policymakers. We have actively participated in conversations concerning the Government's "Healthy Eating Strategy" as well as the "National Food Policy". A key aspect of the Healthy Eating Strategy was revisiting Canada's Food Canada, which was updated and released in 2019. CCA provided input throughout the consultation process promoting beef as part of a healthy, balanced diet. The Government continues to work through the Healthy Eating Strategy and CCA is staying involved along with other national associations. Recognizing that important discussions concerning food and health will continue, CCA created the new Food Policy Committee in 2019 to focus on important public policy discussions related to food and health. The Committee is off to a busy start, discussing important policies from alternative proteins, to front-of-pack labeling, to food waste, and much more.

### **Humane Transport for Livestock**

Domestically, a priority file for CCA has been the new Humane Transport Regulations for Livestock including beef cattle. It was critical for us to ensure that any changes made contributed to demonstrable improvements in cattle welfare. Through efforts at the producer level, we already have a transportation success rate of over 99 per cent and we need to ensure that rule changes are not going to unintentionally move us away from the high levels of success we are achieving already or negatively impact the movement of cattle from coast to coast. These new regulations came into force on February 20, 2020, with a two-year transition period on the enforcement of feed, water and rest interval provisions for the cattle sector, which will allow time for education, awareness building, and the development of rest stop infrastructure. CCA will continue to be active on this file and will work with the Canadian Food Inspection Agency (CFIA) to find effective solutions to identified issues and help implement any adjustments for the beef sector.

### **Shortfalls in Packing Capacity in Eastern Canada**

Over the past year, CCA has worked closely with provincial beef producer organizations in Ontario, Quebec and the Maritimes to address the critical shortage of processing capacity in eastern Canada. This situation continues to threaten the competitiveness of the sector and has resulted in millions in lost income, and is seriously impacting the viability of cattle farms, livestock truckers, auction barns, processor, and other associated industries. Short- and long-term recommendations to help address the situation have been developed and efforts to influence lawmakers continue. If this current situation can be adequately addressed in both the short- and long-term, significant growth opportunities exist for the beef industry in eastern Canada.



## 2019 PRESIDENT'S MESSAGE

President's Message continued

### International Beef Alliance

As a member of the International Beef Alliance (IBA), CCA engages in discussions impacting trade and competitiveness with beef producers from the United States, Australia, New Zealand, Mexico, Paraguay and Brazil.

Each year, the IBA holds a meeting hosted by one of the seven member countries, with Canada hosting the meeting in 2018. IBA delegates visited ranches in British Columbia and Alberta as well as the Beef Centre of Excellence in Calgary before attending two days of meetings. It was an honour to host the IBA delegates at our family ranch and explain how we raise cattle. There were lots of great discussions throughout the tour and during the BBQ at our ranch.



International Beef Alliance tour at the Haywood-Farmer ranch in 2018.



International Beef Alliance in Brazil 2019.

### National Beef Strategy

The National Beef Strategy has provided real value for Canadian beef producers - it has acted as a roadmap for industry stakeholders to work together. We have set our industry up for success, now we need to continue with the accomplishments we have achieved thus far. Through the strategy, the National Check-off was increased to \$2.50, which has helped advance priorities with national scope and benefits including research, marketing, promotion and public trust.

The development of the 2020-24 National Strategy has been a very positive and collaborative process engaging all industry sectors and national and provincial organizations. Released in October 2019, the refreshed strategy promotes a united approach to position the Canadian beef industry for greater profitability, growth and continued production of a high-quality beef product of choice in the world. The industry vision, mission and pillars remain unchanged from the 2015-19 strategy, but

focus areas and tactics have been updated to reflect the current market and regulatory environment that producers face. I am confident that the industry has a clear path to a bright future in the National Beef Strategy, and I look forward to what the next four years will bring.

### Bovine Spongiform Encephalopathy (BSE) Negligible Risk Status

CCA is co-chairing, with the CFIA, a working group for the development, review and finalization of Canada's submission for BSE Negligible Risk Status to the World Organisation for Animal Health (OIE). Milestones and activities are on target to ensure a strong application is submitted in July 2020 for consideration by OIE in the spring of 2021. Achieving BSE Negligible Risk Status in Canada will have impact on market access and sets the stage for a review of our specific risk material (SRM) removal protocols and the opportunity to become more competitive with our key trading partners.

### Environment

Progress was also made on the environment file in 2019. The CCA actively engaged with senators, parliamentarians and government officials on concerns relating to the "Deeming Habitat" provision of Bill C-68, the "**Fisheries Act**". This was problematic as it would expand the definition of fish habitat to all water bodies being fish habitat or deemed fish habitat even if fish were not present for any life stage. CCA staff presented to the Senate Committee on Fisheries and Oceans outlining concerns related to the 'Deeming Habitat' provision and the Senate ultimately included the repeal of this provision in a grouping of other amendments messaged to the House. The amended Act received Royal Assent on June 21, 2019 with parts of the Act coming into force immediately. Fish and Fish Habitat provisions came into force by an Order in Council in September 2019.

A big thank you goes out to my fellow officers, directors and provincial leaders, and our CCA staff. Your work and dedication to our industry has made a positive difference. I would also like to acknowledge how important it's been to have the Quebec Cattle Producers (Les Producteurs de bovins du Québec) represented at our Board table and now our Board truly represents beef producers across our nation. As I close this chapter as CCA President, I am confident that we are well-positioned to take the next step in capturing new opportunities to grow and strengthen our sector.

Lastly, a special thank you to my wife Bonnie, my son Chris, and the rest of my family for making this all possible. I have really enjoyed my time as CCA President, and I could not have done this without your support and the extra hours you all put in to keep our ranch going while I was away on CCA business.

Respectfully submitted,

David Haywood-Farmer



## Dennis Laycraft, Executive Vice President



As we move into the decade of the twenties, it is a time to reflect on the past ten years and to look forward at the opportunities and challenges ahead of us.

Our theme this year is "Taking the Next Steps". With new trade agreements and the second stage of our National Beef Strategy approved, we are well-positioned take the next step to grow our market share, proactively communicate the benefits of beef cattle production, and be a growth-focused industry.

The past decade was a period of continued recovery from BSE and the great recession. Our industry pulled together to launch the National Beef Strategy in 2015 and began working more cohesively to implement the ambitious goals and activities that were set out in the Strategy.

Funding was increased to restore and expand our marketing, research, and public engagement activities.

Many of the goals and outcomes identified in the Strategy were achieved or are still in progress.

The Canadian Roundtable for Sustainable Beef (CRSB) was established and became the first roundtable in the world to have a verified sustainable beef claim marketed in a number of restaurant chains.

The new Public and Stakeholder Engagement (PSE) program was launched to address the growing questions about how we raise cattle, our impact on the environment, and the safety and healthfulness of our product. This built a partnership between Canada Beef and the CCA. It draws on the incredible work being done at the Beef Cattle Research Council (BCRC) and the CRSB and the growing relationship we have with the major Conservation groups.

We developed one of the most successful young leaders' programs in the world and are already seeing those participants serving as leaders in our industry.



In the face of growing anti-trade sentiment and protectionism around the world, Canada negotiated new trade agreements including the Comprehensive Economic and Trade Agreement (CETA) with Europe, the Comprehensive and Progressive Trans-Pacific Partnership Agreement (CPTPP), and the Free Trade agreement with South Korea. The Canada, United States and Mexico Agreement (CUSMA) was negotiated and set to be signed in early 2020.

Canada is the only G7 country to have comprehensive trade agreements with all G7 countries. Beef access has figured prominently in all agreements – which was a top priority of CCA. Canfax estimates that over \$600 per head additional value is realized on every fed animal due to the higher value export customers place on a range of products from each animal we produce.

The CPTPP and the CUSMA have immediate and preferential benefits for Canadian beef producers into two of the largest beef markets in the world – Japan and the United States.



CETA will take time and more work to fully access the European market. It is interesting to visit with experts and customers in Europe who feel that no one else will get as much access as was negotiated with Canada. Time will tell, but I believe we will increase our market share of the high-end/premium beef sales based on our work on sustainability and verified beef programs. The opportunity to negotiate a trade agreement with the European Union comes once in a generation and CETA was our path in. Now we will focus on the remaining technical issues.

We had hoped that a bilateral agreement with China would be next – similar in scope to what Australia and New Zealand have negotiated. Unfortunately, our bilateral relations with China took a serious turn for the worse following the arrest of the Huawei executive in December 2018. Last summer, we lost access to this rapidly growing market for five months due to fraudulent export certificates for products being imported as did Canadian pork. While fraudulent certificates have happened to other countries, our exports ended up being suspended along with pork. Hopefully relations will warm up with China and we can improve bilateral trade relations again. China was our fastest growing premium market and hopefully it will be again.

Today, we have the most secure and diverse market access that have ever enjoyed - it served our industry very well last summer and fall during the suspension with China. Following the closure, our exports increased to Japan and the United States and our value per kilogram remained strong. Looking ahead, demand for high-quality grain fed beef is forecast to grow substantially in Asia. These forecasts were made before African Swine Fever began ravaging the pork industries in Asia. Now, over 25 per cent of world pork production has been lost and a meat protein shortage is unfolding that will persist for years. Our growth into the high-value markets in Asia will be limited only by our supply.

We are entering into the next five-year Canadian Beef Strategy with optimism and a strongly united industry. We have ambitious goals to further increase our cut out values, our efficiency, and to pursue a more competitive regulatory environment. We will strengthen and grow our connectivity pillar.



Promoting Canadian beef in Tokyo, Japan.

There will be headwinds. We are facing new challenges and increased competition from plant-based alternatives and cell-based proteins are nearing commercial production. Many climate change activists are trying to vilify cattle production. There is erroneous information suggesting that we can convert the lands we use for cattle production to cultivated farming to produce more food. That would be an ecological disaster and would result in less food production.

In Canada, over 85 per cent of the feed our cattle consume is not suitable for human consumption. We help preserve and keep healthy millions of acres of native grasslands – one of the most endangered ecosystems in the world. The real threat to these lands and vast number of plants and animal species depending on these native pastures is urbanization and cultivation.

We have 48 million acres of pasture land that is considered marginal or completely unsuitable land for crop production. Breaking it up would destroy the biodiversity that is supports and would lead to massive erosion and salinization. The natural filtration these lands provide for our water systems would be lost. There would be irreparable loss of birds and other pollinators.



Minister of Trade Diversification Jim Carr and Executive VP Dennis Laycraft promote Canadian beef in Tokyo, Japan.





PSE's mini documentary "Guardians of the Grasslands".

An important way to share our story and counter misinformation about beef production is through PSE's mini documentary "Guardians of the Grasslands" developed in partnership with key stakeholders such as Ducks Unlimited and the Nature Conservancy of Canada.

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"I believe one of our greatest risks will be unchecked misinformation from groups that may even be well intended that simply do not understand agriculture and ecology".

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For more information on this initiative, please visit [www.guardiansofthegrasslands.ca](http://www.guardiansofthegrasslands.ca).

There is a symbiotic relation between animal and cropping agriculture. Managed together, soil health is improved, and sensitive lands are protected. When weather challenges turn millions of tonnes of crops grown for human food into damaged crops only suitable for animal feed, Canada's beef and pork industries provide a secure, competitive, and



readily accessible market for Canada's crop farmers. Bi-products from plant-based food processing, brewing, distilling, and ethanol are usually excellent feed ingredients for cattle and are not wasted.

The healthiest agriculture system is one that includes both crops and livestock. The most sustainable agriculture system includes well managed crop and livestock farms and ranches that are able to farm and ranch using modern management and technology. Canada's farmers and ranchers know this, and our task is to share this important story to those who don't.

Lastly, you will find in this year's Annual Report updates on CCA's efforts to address the issues facing our industry and how this important work is helping to better position Canada's beef producers for the future.

Respectfully submitted,

Dennis Laycraft





# 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 the Canadian Beef Cattle 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 Canadian Beef Cattle Check-Off.

The BCRC's research priorities focus on:

Improving competitiveness in the production of Canadian beef cattle, supporting science-based policy, and regulation and trade.

The BCRC is moving into its third year of transition with respect to funding and program enhancements. With all provinces except Ontario now collecting the increased Canadian Beef Cattle Check-off, a portion of which funds beef research, BCRC received approximately 32 per cent or 79 cents of the \$2.50 per head national check-off collected in 2018/19. BCRC's revenues were higher than projected in 2019 due to changes in provincial allocations of the national check-off and higher marketings than originally projected by the Check-off Agency. BCRC continues to operate within a 10-year plan in an effort to manage multi-year research funding contracts (3 to 10 years in length). This plan is built on the assumption that provincial allocations of the national check-off to research will remain unchanged moving forward.

## National Beef Strategy

The BCRC is a key partner in renewing and achieving the goals of the National Beef Strategy. Research and/or technology transfer outcomes in all four pillars of the 2020-2024 Strategy, those being productivity, competitiveness, beef demand, and connectivity, are addressed by the BCRC. Supporting the Strategy, BCRC programs are established to *Validate and enhance the Canadian Beef Advantage*, to increase, maintain and *enhance Consumer Confidence*, and support *Public Trust and Sustainability*. The BCRC works to increase productivity through investments in Genetic Selection, Research, Research Capacity and Technology Adoption, enhance competitiveness through investments in Surveillance and support an Outcome/Science-based regulatory system through targeted research funding.

## Canada's Beef Cattle Industry Science Cluster

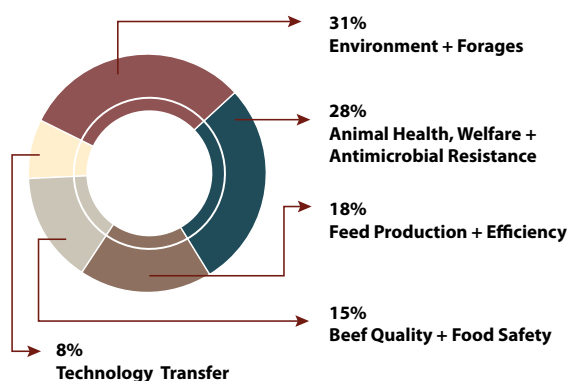
The Science Clusters are a partnership with Agriculture and Agri-Food Canada (AAFC) that combines their strengths with the BCRC's to make joint-investments in a variety of research programs with the greatest potential to advance the industry.

### Beef Science Cluster III in year 2

Projects funded under the current and third AAFC Beef Science Cluster under the Canadian Agricultural Partnership (CAP) got underway late 2018 and early 2019. The third Science Cluster, running April 1, 2018 to March 31, 2023, is a \$21.7 million program, with AAFC contributing \$14.1 million and BCRC and industry partners contributing a total of \$7.6 million over the five years. There are 27 projects, including Science Coordination, managed by the BCRC under the third Science Cluster. The projects are all multi-year projects and cover topics relating to one

of the following priority areas: Beef Quality and Food Safety; Animal Health, Welfare and Antimicrobial Resistance; Feed Production and Feed Efficiency; Forage Productivity and Environmental Sustainability; or Knowledge and Technology Transfer. As the multi-year research projects are all underway but not yet complete, results are not available. The project status as well as a link to a factsheet, highlighting background, objectives and what the researcher will do under each project, are available on BeefResearch.ca. In 2018/19, BCRC funding of \$1.1 million to Cluster III projects leveraged \$2.5 million additional funding from government and industry partners.

### BEEF SCIENCE CLUSTER III PROJECT FUNDING BY RESEARCH PRIORITY AREA



### Knowledge and Technology Transfer

This project, funded under the Science Cluster, is delivered internally by the BCRC and is focused on enhancing technology transfer in the Canadian beef industry through a broad range of activities. Results in 2019 included communication with industry through numerous presentations and regular social media activity, substantial enhancements to website functionality, and mentorship of four applied researchers by producers and other industry experts. Several new resources were also developed and distributed to industry and are available at BeefResearch.ca. The resources include: fact sheets, interactive decision-making tools; videos; articles for Canadian Cattlemen's the beef magazine; webinars; blog posts; infographics; and radio clips.

To measure and monitor adoption of various innovations by Canadian beef producers and other industry stakeholders, a first of its kind literature review was completed to provide a comprehensive report of

## 2019 DIVISION REPORTS

Beef Cattle Research Council continued

adoption rates on cow-calf operations across Canada. The Adoption Rates of Recommended Practices by Cow-Calf Operators in Canada, March 2019 report indicates trends where possible and highlights extension priorities and opportunities in various regions across the country.

This report will guide the BCRC's approach to extension and is expected to be utilized by the beef and forage extension community to inform both national and regional extension strategies and priorities. While it is difficult to measure or quantify the adoption of innovative knowledge, especially in the short term, BCRC's technology transfer efforts appear to be successful due to consistently positive feedback from producers and other stakeholders, increasing website traffic, increasing subscribers and followers, and increasing levels of redistribution of BCRC resources by other publications and organizations.



*Working with Tolko Industries and British Columbia Cattlemen's Association, Lauch Fraser of Thompson Rivers University is studying whether strip-logging allows more sunlight to reach more plants for the collective benefit of the trees, wildlife habitat, and grazing resources.*

*In a proof of concept research project funded by BCRC, researchers at the University of Manitoba are determining whether including high protein forages with corn can improve winter grazing practices, leading to improved beef cattle health and a reduced environmental footprint.*



### Priority Research Projects

In addition to the projects within the third Science Cluster, research projects aimed at achieving specific goals of high priority to the beef industry were sought. In 2019, researchers were awarded funding through an open call for proposals where BCRC received applications from researchers. This marks BCRC's first annual open call for proposals in over a decade, which is supported with BCRC's increased revenue resulting from the increase in the Canadian Beef Cattle Check-Off. For these non-cluster projects, the national check-off funding is generally matched with government and other industry funding at a minimum 1:1 ratio. Under the open call for proposals, BCRC received 82 letters of intent from researchers across Canada. Of these, 44 researchers were invited to submit a full proposal, with 38 forwarding a proposal for funding. BCRC engaged internal and external peer reviewers in the proposal selection process, and in February 2019 funding was approved for 18 projects. The projects are aimed at achieving specific outcomes related to beef quality, food safety, feed grain production, forage production and utilization, improved feed efficiency at both cow-calf and

feedlot levels, and production-related priorities in the areas of animal health and welfare and antimicrobial resistance and use. Many of these 18 projects are well underway but not complete, and information on each project is available on [BeefResearch.ca](https://www.beefresearch.ca).

### Proof of Concept Projects

Funding was also allocated to short-term (six months to one year) proof of concept based (POC) research to help inform whether a concept is worth pursuing as a larger, more defined research investment. BCRC approved funding in February 2019 for four POC projects. The 2018/19 POC projects were funded in large part by a private industry partner. A second call for POC projects was launched August 2019, and several of these proposals will get underway early 2020.

### Research Capacity

Research capacity remained a high priority in 2019. The evaluation of Research Chair concepts by BCRC considered the incremental nature of the proposed research capacity, institutional investments, program support, and capacity priorities that have been identified by industry. The two Research Chairs selected in 2019 have successfully procured matching funds and are now proceeding to contracting. The intent is for each Chair to be a ten-year commitment of \$1.5 million (\$150,000/year) through the BCRC, leveraged by a minimum of \$1.5 million from external funding. The two Chairs selected in 2019 include:

- Beef Production Systems Chair, University of Alberta
- One Health and Production Limiting Disease Chair, Western College of Veterinary Medicine (University of Saskatchewan).

### Advancement of the Verified Beef Production Plus program

BCRC remained responsible for the delivery of the Verified Beef Production Plus (VBP+) program, a program developed to educate producers and facilitate on-farm certification of practices related to food safety, animal care, biosecurity, and environmental sustainability. VBP+ training and certification continue to be very important in supporting industry's efforts to demonstrate to downstream supply chain stakeholders and consumers that Canadian beef is produced in a sustainable manner and that maintaining public trust is a priority. With VBP+ now officially recognized by the Canadian Roundtable for Sustainable Beef (CRSB) as a Certification Body for the CRSB's Certified Sustainable Beef Framework, all VBP+ Certified Operations are also considered Certified Operations under the Certified Sustainable Beef Framework. VBP+ has chosen to move forward with the implementation of a two-stream approach to delivering the VBP+ program, auditing and training. An arms-length non-profit corporation VBP+ Delivery Services Inc (VBP+ Inc) was established to begin this transition. Moving forward efforts will be focused on transitioning audit delivery services from provincial delivery agents to VBP+ Inc. and ensuring a more self-sustainable funding model reliant on producer audit fees.

To learn more about BCRC initiatives and take advantage of its extension resources, visit the BCRC website at [www.beefresearch.ca](https://www.beefresearch.ca).

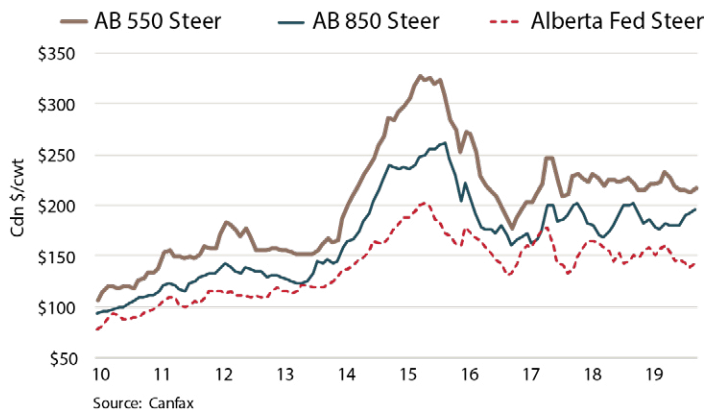




# CANFAX

Canfax has provided expert analysis of markets and trends in the ever changing North American beef industry for over 40 years.

## ALBERTA CATTLE PRICES



While there were some market shock's through the year, price movements from high to low for fed and feeder cattle were well within the seasonal ranges. On the other hand, Canadian calf prices were for a second year in a row very flat.

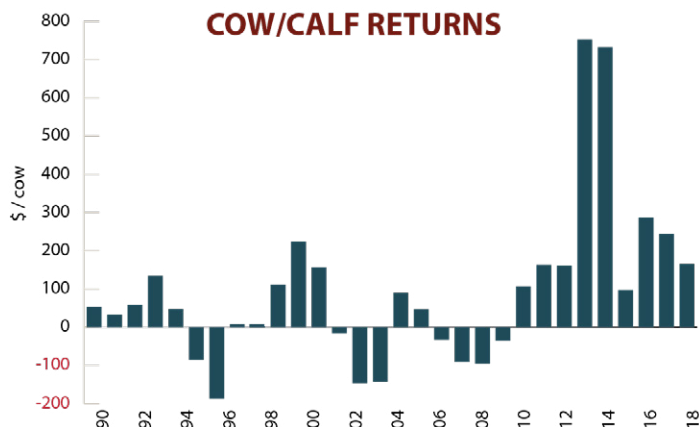
## Canfax Annual Market Report

It was another year of relatively stable cattle prices through 2019 despite the uncertainty regarding weather, and volatility in feed grain costs and basis levels. While there were some market shock's through the year, price movements from high to low for fed and feeder cattle were well within the seasonal ranges. On the other hand, Canadian calf prices were for a second year in a row very flat. Steer calves weighing 550 pounds have been generally trading in the \$210/cwt to \$230/cwt range since the summer of 2017. Alberta steer calf prices in 2019 averaged just under \$220/cwt compared to \$222.72/cwt last year and the five-year average of \$242.14/cwt. From 2016 to 2019, steer calf prices have averaged between \$217.76/cwt and \$222.72, an extremely tight range.

The fed market saw generally seasonal price movements from the spring high, to a fall low, with a strong recovery in fed prices to end the year. Alberta fed prices had a spring high of \$162.43/cwt in April and a September low of \$136.41/cwt, before prices rallied back up to \$162.61/cwt by the end of December. Alberta fed prices averaged around \$149/cwt in 2019, down from the \$152 in 2018.



## COW/CALF RETURNS



The Canadian fed market was hindered by tight packing capacity across North America which was exacerbated by a plant fire in August at one of the largest packing plants in the United States, as well as a closure of the Ryding Regency plant in Toronto in September as a result of an E.coli recall.

The Ontario fed market at times was stronger than the Alberta market in February and part of the summer, but again was at a significant discount at the end of 2019.

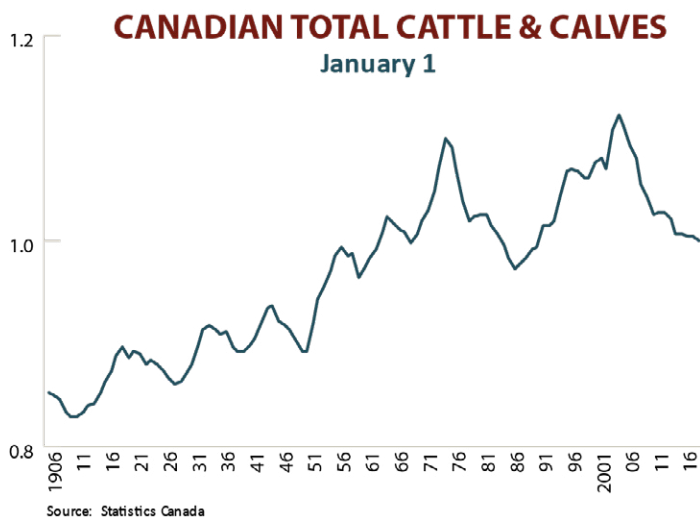
Looking back over the last decade, cow-calf producers have been generally profitable, with the Canfax benchmark model showing an average profit of \$268/cow, whereas in the previous decade from 2000 – 2009 the average profit was basically zero. The early 2000s were a good start to the decade but was followed by some tough years for the industry through the remainder of the decade.

## 2019 DIVISION REPORTS

CANFAX continued

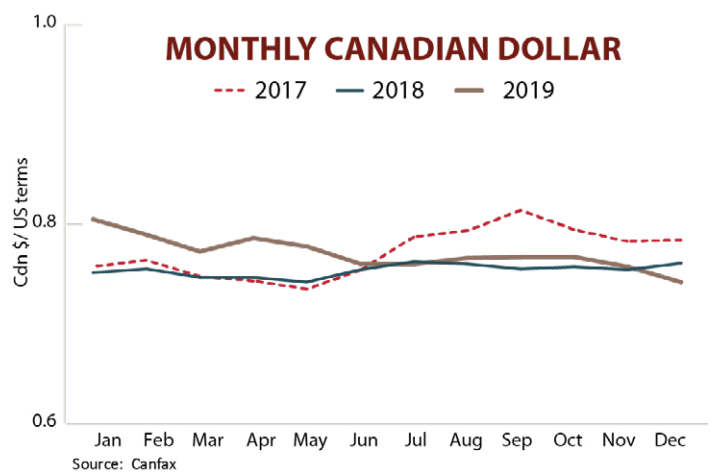
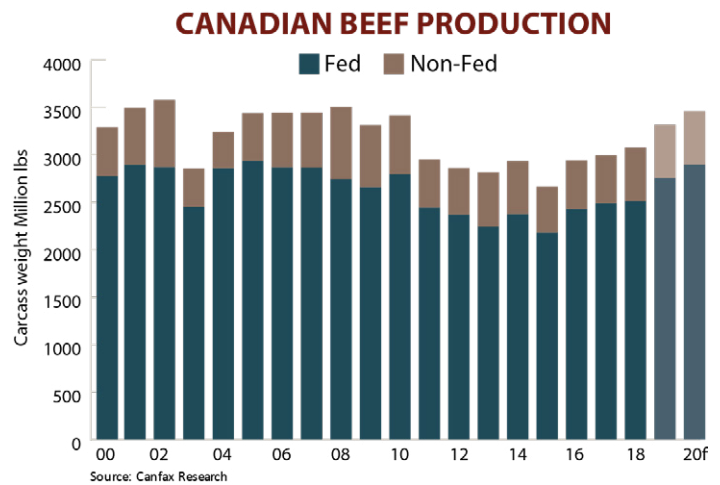
Despite the profitability at the cow-calf sector, Canadian cattle numbers continued to decline through the decade, including 2019. From January 1st 2010 to January 2019, Canadian beef cow inventories declined about 550,000 head, with 2019 beef cow inventory down about 19,000 head, or 0.5 per cent below 2018. Total cattle inventory at the start of 2019 was 11.44 million head.

Although the Canadian cattle herd has been shrinking, competitiveness at the feedlot and packing sector has resulted in a significant increase in domestic beef production over the last few years, with another strong jump in 2019. Beef production was supported through increased slaughter numbers as well as larger carcass weights. Canadian steer carcass weights averaged 909 pounds in 2019, 13 pounds larger than last year. This is only the second time steer weights have averaged over 900 pounds for the year. The last time was 2016 when weights averaged 919 pounds. Domestic beef production in 2019 was five per cent higher than a year ago, and overall Canadian beef production was further supported by strong slaughter cattle exports resulting total beef production up about eight per cent from last year. This year will be the fourth consecutive year of larger slaughter levels and beef production. Federally inspected cattle slaughter was 3.15 million head, the largest since 2010. Slaughter in western Canada was 2.48 million head, five per cent higher than a year ago, while it was about 667,000 head in the east, one per cent higher than a year ago.



Major drivers that pertain specifically to the Canadian cattle market are the Canadian dollar, feed costs, and basis levels. Through 2019, the Canadian dollar averaged 75.41 cents US, below 2018 and 2017 when the dollar averaged just over 77 cents. The dollar traded in a relatively narrow range over the year, spending its time between 74 and 76.5 cents. A less volatile Canadian dollar does help add stability to Canadian cattle prices.

The feed grain markets were certainly much more volatile than the cattle and currency markets. Barley prices were high to start the year based on tight domestic supplies. Given the tight domestic stocks, a significant amount of corn was imported from the US during the winter



and spring, resulting in barley prices mainly being driven off the price of corn delivered into Southern Alberta. Alberta had a significant feed cost disadvantage relative to the United States and Ontario. At times in the first half of 2019, Ontario corn prices were over \$50/tonne cheaper than Alberta barley. In mid-summer, barley and corn prices jumped almost \$50/tonne due to extremely wet conditions in the US delaying plantings, while Western Canada had extremely dry conditions which put some panic into the markets. Despite the summer panic, growing conditions improved and with the increased barley acres, barley prices were trading lower than the previous year in the fourth quarter. Lethbridge barley prices averaged almost \$260/tonne in 2019, about \$10/tonne higher than 2018, and well above the five-year average of \$208/tonne. Ontario corn prices averaged near \$215/tonne, \$25/tonne above 2018.

The western Canadian cattle market had been performing quite well relative to other regions of North America. Basis levels had been positive for the fed cattle market through a large part of 2018, meaning Alberta fed prices were at a premium to the US market. Cash to cash basis levels had generally been strengthening since 2014, but in early 2019, basis levels hit some of the weakest levels since late 2014. In late February, Alberta fed prices were almost \$20/cwt weaker than the US market. This shift in basis equates to a swing in lost value of about \$300/head compared to the strong basis February 2018.



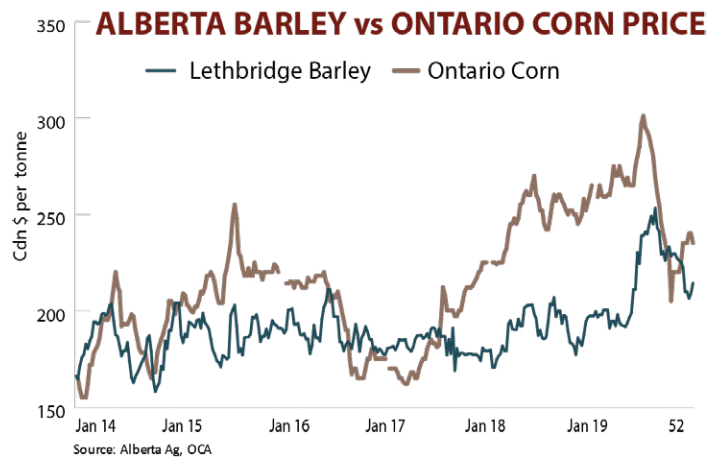


## Trade

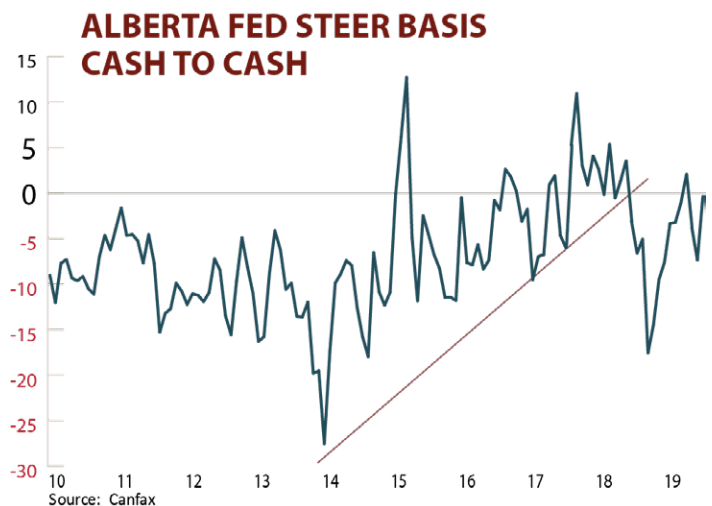
Beef and cattle trade continues to be extremely important to the Canadian beef industry. Canada continues to be a significant exporter of live cattle, with cattle exports in 2019 over 10 per cent higher than a year ago, totaling near 700,000 head. It is also interesting to note that while cattle exports were higher, cattle imports have been surging higher over the last three years, to the point where Canada has been a net importer of feeder cattle. Feeder cattle imports are expected to total near 250,000 head, while feeder cattle exports will be around 185,000 head. This will be the first time Canada is a net importer of feeder cattle in recent history. These imports have supported expansion in the Canadian feedlot and packing sector, which has resulted in the larger beef production previously discussed.

Beef trade was very positive in 2019. There were double digit gains for both the volume and value of exports compared to 2018. The value grew even faster than the volume which points to very strong international demand for Canadian beef. Beef exports are expected to total near \$3.3 billion which is the fifth consecutive year of setting new record high export values. The US continues to be the main destination for beef exports, accounting for just over 70 per cent of total exports. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) was in effect in 2019, and this supported strong beef exports to Japan. Exports to Japan were up approximately 55 per cent in volume and 65 per cent in value compared to 2018. Japan was Canada's second largest export destination, taking 11 per cent of Canadian beef exports. Mexico was Canada's third largest market, while Hong Kong and Macau was fourth. Despite China closing its border to Canadian beef for over four months this year, China climbed to be Canada's fifth top export destination, and exports to China in 2019 will still exceed 2018 levels.

Canadian beef imports were down from last year after seeing a small year over year increase in 2018. Beef imports into Canada have decreased in six of the last seven years. Imports this year will be the smallest since 2005. The largest sources of beef imports are the US, Australia, New Zealand, and Uruguay. Given the African Swine Fever (ASF) issue in China, and the major deficit of red meat as a result of ASF, Australia, New Zealand and Uruguay have all seen their exports to China spike dramatically over the last year. The tighter global red meat supplies should continue to be market supportive in 2020.



Given the tight domestic stocks, a significant amount of corn was imported from the US during the winter and spring, resulting in barley prices mainly being driven off the price of corn delivered into Southern Alberta.



## 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. CRS provides secretariat services to the **Beef Advisors** – The **2020-24 National Strategy** was launched in October 2019.
2. **Canadian Roundtable for Sustainable Beef (CRSB)** - CRS is providing staff support for the Science Advisory Committee. The Sustainability Projects Inventory was launched in May 2019. A Canadian Hay Life Cycle Inventory was completed with Groupe AGECO in December 2019. An Interim Report on the National Beef Sustainability Strategy was published in February 2020.
3. **BCRC:** The "BCRC 2013-18 Results Report" with updated research indicators was finalized February 2019. The "Adoption Rates of Recommended Practices by Canadian cow-calf Operators in Canada" was published in March 2019. This consolidates surveys across Canada (e.g. cow-calf and research surveys) and historically, along with census data and provincial environmental surveys. Providing direction for future extension projects. Several producer decision tools and associated blogs were delivered. Providing direction to the BCRC internal record keeping project.
4. The **Canadian Beef Cost of Production Network** provides is a collaboration with provincial coordinators to establish regional benchmarks in every province that reflect specific ecoregions and production systems. There will be 26 typical farms established with benchmarks, future farms that explore the adoption of different management and production practices; and the accompanying GHG emissions to establish where there are opportunities to both reduced GHG emissions while also supporting cow-calf competitiveness.





# Verified Beef Production Plus

**2019 was a transformative year for the Verified Beef Production Plus (VBP+) program. Building on a pivotal moment in 2018 that saw the VBP+ program achieve equivalency and Delivery Agent status with the Canadian Sustainable Beef Framework, VBP+ has continued to grow to meet the demands of the Canadian beef industry by providing both certification and education services.**

The success of the Canadian Beef Sustainability Acceleration Pilot drove increased demand for certification services in many provinces, particularly in Alberta and Saskatchewan. The announcement in August of 2019 that the pilot was being extended to a five-year program to support sustainability sourcing by Cargill, which currently has the only certified processing facilities, bolstered producer confidence in the potential of economic returns and the commitment of end-users to the program. Producer demand for certification remains strong and is expected to continue to grow. The number of active certifications increased from 867 reported in December 2018 to 1222 reported in December 2019 an increase of 355. Conservative estimates based upon current inquiries project that number to at least double for 2020. Anticipated certification of the Cargill Guelph plant is expected to trigger growth in provinces east of Saskatchewan as well.

VBP+ Delivery Services Inc. was launched in 2019 to serve as a stand-alone non-profit entity providing certification services nationally. This company was initiated to serve a number of purposes.

1. Ensures that certification services remain third-party and managed at arms length; allowing for program growth for multiple certifications through one audit process to provide greater value for producers.
2. Maintenance of program rigor to meet the expectations of both stakeholders and producers.
3. Allow for growth of training and education services offered by provincial delivery agents to meet producer needs and support through to the certification process.
4. Ensures efficiency and flexibility of certification service delivery across the country.
5. Creates the opportunity for producers to pay yearly for program services across the five-year audit cycle, spreading out the financial burden and decreasing financial barriers to entry to the program.

VBP+ Delivery Services Inc. successfully completed an oversight audit that was conducted by a third-party organization in the latter part of 2019. The completion of this audit not only re-enforces the commitment the program has made to the rigor of the certification process, but it lends third-party credibility to the Canadian Beef Sustainability Framework managed by the Canadian Roundtable for Sustainable Beef (CRSB). VBP+ Delivery Services Inc. will continue to build on these successes and will be looking to add value to the VBP+ audit through additional accreditations. For example, VBP+ is working to become eligible as a certifying body for producers looking to supply animals to supply chains destined for the European Union.

Looking forward to 2020, the VBP+ program will be focused on continuing to provide certification services to Canadian beef producers and enhancing the training platform, both online and in-person; ensuring producers have access to needed resources around sustainability. Focus will also be placed on continuing to improve the national database and collaborating with stakeholders, like CRSB, to streamline communications around participation in VBP+ and the downstream benefits. Strengthening these relationships not only bolsters trust in the value provided by VBP+ to producers, it helps to achieve many common industry objectives to ensure the viability of beef production in Canada.



# 2019 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 during the CCA's annual Convention, held during the 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.

Each nominee was profiled in CCA's Action News articles leading up to the awards presentation during the CBIC. In addition, CCA released several tweets ahead of, and during, the awards presentation. The tweets introduced each of the nominees and provided important messaging regarding Canada's beef industry as the largest Canadian conserver of the Great Northern Plains, an endangered grasslands ecosystem.

That pasture and grazing land of Canada's beef industry provides 1.5 billion tonnes of carbon sequestration annually, while the industry's greenhouse gas footprint is less than half the world average and one of the lowest in the world. In addition, grazing provides natural habitat for Canada's birds, especially endangered grassland songbirds. The evening of the award presentation, the CCA produced a national news release. Uptake by national agricultural and popular press was improved over previous years.

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# THE ENVIRONMENTAL STEWARDSHIP AWARD - TESA

## 2019 Provincial Recipients



### **Coulee Crest Farms**

Randy and Sandra Radau  
Red Deer County, AB

**Alberta Beef Producers  
Environmental Stewardship  
Award Recipient**



### **Willow Creek Ranch**

Randy and Terry Stokke  
Consul, SK

**Saskatchewan Stock Growers  
Association  
Environmental Stewardship  
Award Recipient**



### **Hodgins Farm**

Cameron and Lisa Hodgins  
Lenore, MB

**Manitoba Beef Producers  
Environmental Sustainability  
Award Recipient**



### **Sickle Farms**

Steve and Amanda Sickle  
St. George, ON

**Beef Farmers of Ontario  
Environmental Stewardship  
Award Recipient**



The CCA thanks our TESA Platinum Sponsor MNP for making this award possible.

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



# 2019 National Recipient

The recipient of the 2019 TESA is Clifton Ranch, near Keremeos, BC. The Clifton Ranch is owned and operated by Wade and Sandra Clifton and Brad and Dianne Clifton. CCA environment chair Duane Thompson and Stuart Person, Senior Vice President of Agriculture with MNP, TESA's Platinum sponsor, presented the Clifton family with the 2019 TESA during the CBIC in Calgary, AB.



“I think we need to look up and talk to some people and try to spread the word about the positive impacts of cattle production to the land and the ecosystems, habitat and biodiversity that coexist with livestock.”

Clifton Ranch is in BC's beautiful yet hot and dry Similkameen Valley, where the sunny climate creates challenges for beef producers. Steep terrain and lack of water sources require additional innovative management, and particularly so given the Clifton family's long-term goal to make the environment “better.”

The ranch runs 500 cow-calf pairs and has 50-70 bulls on test. The cattle are grazed on about 60,000 acres of owned, leased and crown grazing lands. Rotational pasture grazing is managed with the use of multiple float troughs and range fencing, and thousands of feet of pipe.

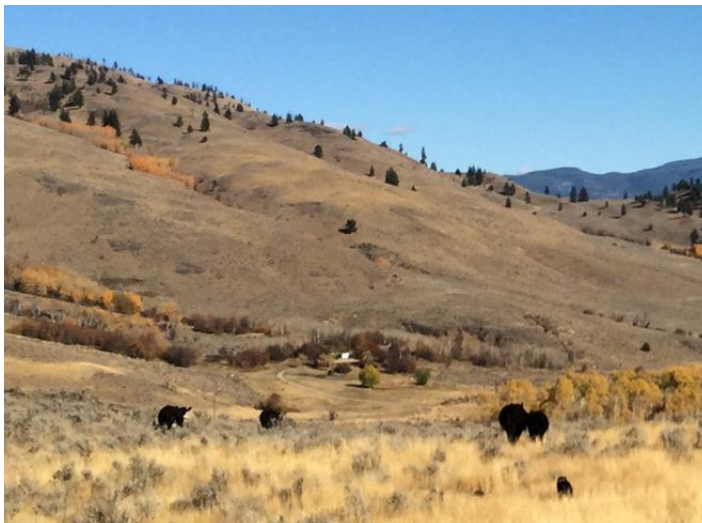
Existing water is successfully managed with a creative series of about 100 water troughs. Feed production is maximized by growing forage varieties suited to the Keremeos climate with the help of irrigation. Hay is cut three times per year, allowing for the removal of the forage crop and resumption of irrigation and plant growth, which, in turn, minimizes drought stress and maximizes growing potential.



Clifton Ranch, in partnership with Nature Trust of British Columbia, was key in the establishment of the White Lake Basin Biodiversity Ranch. The aim of the program was to showcase species at risk management by conserving and restoring natural grassland and associated ecosystems. This led to another project to fence a stretch of Keremeos Creek and the development of alternate cattle watering facilities to protect sensitive spawning habitat for Rainbow and Brook trout and enabling recovery of habitat for yellow-breasted chat, an endangered songbird.

In accepting the 2019 TESA, Wade Clifton said his family feels “very fortunate to receive this award.” Like most in the industry, he said, “when you are working hard you keep your head down, and we're probably one of those that never look up at what we're really doing, we're just doing our everyday thing. And as time goes on, the way our industry is going, I think we need to look up and talk to some people and try to spread the word about the positive impacts of cattle production to the land and the ecosystems, habitat and biodiversity that coexist with livestock.”

Clifton also acknowledged the contributions of his brother, Brad, who passed in February, to ensuring the ranch created its sustainability vision. It is thanks to his efforts, in part, that the Clifton family is recognized with the national TESA, he added.





# 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 (OIE) 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.

The Canadian beef industry provides world-class health and standards of care for our animals. This is achieved through recommended production practices and adherence to provincial and federal regulations. These efforts have resulted in improved market access and consumer trust in our products world-wide.

Animal health and care are fundamental to our industry. Disease outbreaks, climate, regulatory reform, and innovations in health and welfare systems add to the complexity and challenges experienced by our producers on an ongoing basis.

2019 once again provided many challenges and opportunities specific to animal health and care. A selection of activity highlights is provided below.

## Traceability

With the federal election in 2019, proposed changes to traceability regulations were postponed. Now that the election has passed, we expect the process towards regulatory change to once again be undertaken by government. CCA has pledged, along with our affiliate organizations, to implement livestock traceability in a cost effective and efficient manner without inhibiting commerce. The Canadian Food Inspection Agency (CFIA) expects to publish the proposed regulations in Canada Gazette I in early 2020.

CCA is a member of the Regulatory Implementation Committee led by CFIA and has been actively working with CFIA to ensure regulations adhere to the industry supported Cattle Implementation Plan (CIP) and to ensure definitions within the regulations accurately reflect industry expectations.

CCA has representation on the Canadian Cattle Identification Agency (CCIA) Board and the Technical Advisory Committee to CCIA and continues to work closely with CCIA in the implementation of pending traceability regulations specifically to movement tracking and reporting.

## Animal Health Canada

Building on the foundation of livestock traceability, the importance of effective animal disease prevention, preparedness, response and recovery (PPRR) is essential to ensuring the health and welfare of Canada's farmed animals. CCA co-chairs a multi-species initiative called Animal Health Canada (AHC) with a vision to create a collaborative national multi-stakeholder risk management structure to an emergency or animal health risk event.



The Working Group of AHC is examining the Canadian animal health system as well as international governance models to develop a collaborative new animal health strategy focusing on effective animal disease PPRR programming. The strategy will be informed and shaped with the input and shared values of the livestock production value chain and federal, provincial, and territorial partners.

Animal agriculture is vital to Canada's food production and our nation's prosperity. The government has identified agriculture as a primary industry for growth and exports for Canada, with the Barton Report objective to increase agricultural exports to at least \$75 billion annually by 2025. The importance of effective animal disease management is essential to meeting that objective.

## Antimicrobial Resistance and Use (AMR/AMU)

Canada is a member of a global community addressing the issue of antimicrobial resistance in human and animal medicine. All stakeholders in both human and animal health fields have a role to play in reducing the use of antimicrobials, and when they are needed, using them prudently.

With the 2018 regulatory changes to Health Canada's Veterinary Drug Directorate, retailers – driven by consumer demand, are asking where to from here. These changes include;

- removal of the claim for growth promotion from all products used in animal medicine that are medically important to human medicine;
- designating all products in Class I, II and III (human importance) as prescription only;
- establishing lists of veterinary products that can be imported for own use as well as a list and requirements for importing active pharmaceutical ingredients; and
- initiating a process of antimicrobial use data collection beginning with the mandatory reporting of sales by drug manufacturers.

Working through the broad membership base of the Canadian Roundtable for Sustainable Beef (CRSB) and with on-farm delivery mechanisms like Verified Beef Production Plus (VBP+), industry stakeholders are researching the possibility of setting national targets for antimicrobial use and stewardship, with a long-term goal of shifting the Canadian beef industry from reactive treatment to preventative animal health management.



### **Livestock Transportation**

The proposed changes to Transportation of Animals regulations will come into force on February 20, 2020 with a two-year transition period, specific to the feed, water and rest intervals announced by Minister of Agriculture and Agri-Food Marie-Claude Bibeau and the CFIA in December 2019. As industry transitions and adapts to the new regulations, the CFIA has stated it will focus its activities for feed water and rest times on compliance promotion through education and awareness measures for the first two years.

This education approach will allow the CFIA and industry to continue to work together on effective solutions to identified issues and for livestock sectors to implement any adjustments along with allowing time for transportation research that is currently underway to be completed.

The proposed changes have reduced the maximum time mature and fed cattle will be allowed to be in transit without feed and water from 52 hours to 36 hours and from 18 to 12 hours for ruminants too young to be fed hay or grain. Changes to some definitions, rest stop duration and transfer of responsibility requirements have also been proposed.

Proper animal care and welfare is paramount in the beef industry and producers are continually improving their practices and updating standards to ensure the best life possible for their livestock. Research conducted by Agriculture and Agri-Food Canada has found that 99.95 per cent of cattle on long hauls over four hours and 99.98 per cent of cattle on short hauls less than four hours reach their destination in good condition. Cattle producers want to ensure that any amended regulations do not inadvertently move this number farther away from 100 per cent.

Throughout the consultation period, CCA also stressed that a more sector specific analysis needs to be completed as the outcomes, costs and benefits of the regulations are not representative of the cattle sector. Finally, CCA emphasized that any regulatory change needs to be based on scientific evidence, use outcome-based guidelines that focus on the animal and are reflective of Canada's unique geography, climate and transportation infrastructure.

The National Farm Animal Care Council has also begun the process to update the Code of Practice for Animal Transportation, which will continue into 2020.

### **Code of Practice for the Care and Handling of Beef Cattle**

As part of the National Farm Animal Care Council's code maintenance process, the Beef Cattle Code of Practice underwent a five-year review process in 2018. The review, which was conducted by a Code Technical

Panel, focused on progress on research priorities identified through the Code development process. Additionally, the review assessed the Code's value and relevance from broad stakeholder perspectives and identified potential challenges that could be addressed in the next Code update. The review concluded the Code is a valuable and practical document that promotes beef cattle welfare in Canada and the Technical Panel recommended the Code be reaffirmed.

### **Cross Border Livestock Health**

CCA is an active participant of the Pacific North-West Economic Region (PNWER) cross border livestock health committee. Hosted in Saskatoon in 2019, the keynote presentation by the committee was a foreign animal disease (FAD) scenario panel discussion including Dr. Jack Shere, Deputy Administrator, Veterinary Services (VS) United States Department of Agriculture (USDA) and Dr. Jaspinder Komal, Chief Veterinary Officer (CVO) and Vice President of the Science Branch at CFIA.

Several key priorities were once again established by the committee and provide guidance for industry and government engagement throughout the year. Key priorities for 2020 include:

- CFIA/USDA develop, in cooperation and consultation with livestock organizations, 'disease zoning and/or regionalization' agreements in writing that minimize trade disruptions between the US and Canada, as well as with other major trading partners;
- CFIA/USDA and all industry sectors to prioritize national Emergency Management (EM) preparedness planning;
- Host regular meetings / exercises between industry leaders and CVOs at CFIA/USDA or trilateral meetings;
- CFIA/USDA/industry to discuss depopulation and disposal strategies and determine the delegation of responsibility between industry and government; and
- E-certification updates expand functionality of feeder cattle export certificates from Canada to emulate the 24-hour travel time available by multiple trucks on US feeder cattle export certificates.

### **World Organisation for Animal Health (OIE) for Negligible bovine spongiform encephalopathy (BSE) Risk Status Application**

CCA co-chairs an industry/government working group for Canada's OIE BSE negligible risk application. Stakeholders from each sector of the industry, including service providers like feedmills and renderers are working in close partnership with CFIA to complete the OIE application by the July 2021 deadline. Each work group member has been assigned specific roles and responsibilities and agreed to deadlines are strictly adhered to.

Canada's enhanced feed-ban legislation, which ensures specified risk material is excluded from human food, animal feed, pet food, and fertilizers, serves as the cornerstone to CFIA's application to OIE.

**Committee Members:** Pat Hayes, **Co-chair**, Reg Schellenberg, **Co-chair**, Grant Huffman, Miles Wowk, Gord Adams, Jason Reid, John MacDonald, Victor Oulton, Kirk Jackson, Brad Osadczuk, Rick Wright, **Livestock Markets Association of Canada (LMAC)**; and Kayla Weston, **YCC ex-officio**.

**CCA staff:** Brady Stadnicki and David Moss.



# 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.**

Almost two years into the five-year Canadian Agricultural Partnership, there remains a number of important fronts in domestic agriculture policy the committee is focused on. This includes addressing labour shortages, working to expand price insurance beyond western Canada and assessing potential modifications to the national business risk management (BRM) suite through the BRM review.

## **Agri-Food Immigration Pilot**

Labour shortages at the farm level and in beef processing have significantly limited growth opportunities and overall competitiveness of Canadian beef producers. A recent report from the Canadian Agricultural Human Resource Council (CAHRC) indicates the Canadian beef cattle sector reported \$334 million in lost sales due to unfilled vacancies on farms, ranches and feedlots. Additionally, there are approximately 1,700 empty butcher stations at meat processing plants across Canada.

According to the CAHRC report, which examines workforce issues in the agricultural sector to 2029, current chronic workplace shortages in the beef sector compounded by high rates of retirement will result in beef producers experiencing the second largest decline in labour supply within agriculture over the forecast period.

The Canadian Cattlemen's Association (CCA) and the entire agriculture and food processing sector have worked collaboratively to develop a comprehensive action plan, the Canadian Agriculture and Agri-Food Workforce Action Plan, to increase the skills and labour supply of workers in agriculture and food processing. Some recommendations from this plan have been implemented, including the elimination of the cumulative duration rule (four years in, four years out) but many remain a work in progress.

On July 12, 2019, Minister of Immigration Ahmed Hussen announced the Agri-Food Immigration Pilot. CCA is hopeful that the Agri-Food Immigration Pilot program will help put industry on the path to resolving the labour gap by helping to ensure we have more workers in beef processing plants and at the farm level, along with providing workers with the opportunity for a pathway to permanent residency. CCA anticipates the pilot to begin in early 2020 and will include spots for 2,750 full time, non-agriculture and agri-food workers.

## **Price Insurance**

CCA and its members have recognized the value of the livestock price insurance program as a risk management tool to cattle producers since its inception in 2009 by Agricultural Financial Services Corporation



(AFSC). The CCA has supported price insurance going national and being available to all cattle producers across Canada. That started with the move to the Western Livestock Price Insurance Program (WLPIP) in 2012.

In order to expand price insurance further, specifically into the maritime provinces, the beef industry has been working together to find an acceptable solution around price discovery in the region for the settlement index. This summer, Canfax Research Services and CCA interviewed producers in the Maritimes to better understand the regional market and risk management needs for producers.

There is not enough price data in the maritime region to support a maritime settlement index. However, producers have recognized that there is already a high correlation with cattle prices in Ontario and Quebec as the local prices arbitrage to those larger markets. The maritime producers are willing to accept an out of province settlement index. At CCA's semi-annual meeting at the Canadian Beef Industry Conference, the Domestic Ag Committee passed a resolution that would support the development of a five-year pilot of an Eastern Settlement Index that would be delivered in the Maritime provinces. The Eastern Settlement Index would consist of data from Ontario, Quebec and the Maritimes.

Provincial cattle associations in the Maritimes are working regionally to establish the pilot by demonstrating producer interest in the region and advocating that their provincial governments begin negotiations with AFSC, who administrate the WLPIP program.

CCA has advocated that administrative costs for the Eastern Settlement Index should be covered through the Agri-Risk Initiatives program and have the WLPIP federal backstop extended to include the eastern index. CCA also remains vigilant in lobbying for the WLPIP to continue as a permanent program under the BRM suite.





### Business Risk Management (BRM) Review

Since July 2017, FPT governments have initiated a BRM review to assess programs effectiveness and influence on growth and innovation. An expert panel made up of producers, academics and global experts was established to evaluate BRM programming in Canada and made recommendations to FPT Agriculture Ministers. Recommendations from the panel included investigating the feasibility of market-based tools to better manage the middle tier of “marketable risk,” examining BRM program equity including what qualifies as allowable expenses under AgriStability, further analysis on challenges with AgriStability and increased education on risk management. Many of the recommendations put forward by the panel were aligned to input CCA provided during the initial phase of the BRM review.

At the end of 2019, FPT Ministers announced two changes to the BRM suite that are expected to be implemented in 2020. The first change for the 2020 program year is to modify how private insurance is treated under eligible income and expense under AgriStability. CCA understands that WLPIP is likely to be considered a private insurance tool and the treatment of price insurance premiums and indemnities will be amended under AgriStability. The Committee will be working with Agriculture and Agri-Food Canada officials in 2020 to obtain specific details and assess the impacts of the change. In addition, Ministers agreed to launch a pilot in select jurisdictions where both cash and accrual tax return information to simplify the application process. Ministers will be meeting in Spring 2020 where changes to the reference margin limit and changes to eligible expenses under AgriStability are expected to be main discussion points.

CCA has strongly recommended a number of changes to AgriStability of this nature to improve program equity to beef cattle producers. Specifically, CCA is calling for the following changes to AgriStability:

1. That the AgriStability payment trigger be enhanced to 85 per cent of the reference margin.

2. That the reference margin limit (RML) be eliminated, as it is the largest contributor for the inequitable treatment of the cow-calf sector under AgriStability.
3. That allowable expenses under AgriStability be adjusted so producers who grow their own feed are treated equitably with producers who purchase feed.
4. That AgriStability treat pasture rental as an eligible forage expense. Land rent is a capital cost and not an eligible expense, but forage purchases are treated as an eligible expense. Buying replacement hay for cattle is recognized by the program, but renting alternative pasture, or standing forage, is not recognized.

Looking forward to 2020, the committee's priorities will be focused on lobbying for these technical and budgetary amendments to AgriStability along with the development of a price insurance Eastern Settlement Index and the full implementation of the Agri-Food Immigration Pilot. Improvements to the Livestock Tax Deferral Provision and addressing the lack of beef cattle processing capacity in Eastern Canada will also be top of mind in 2020. Finally, the committee will be keeping a close eye on potential taxation changes that affect cattle producers as Parliament convenes in the new year.

**Committee Members:** Tom Teichroeb, **Chair;** Joe Hill, **Vice Chair;** Brian McKersie; Charlie Christie; Tim Smith; Lynn Grant; Stuart Somerville; Rob Lipsett; Craig McLaughlin; Nathan Phinney; John MacDonald; Philippe Alain; Duane Thompson; Rick Wright, **Livestock Markets Association of Canada (LMAC);** and Ricky Seelhoff, **Young Cattlemen's Council (YCC) ex-officio. CCA Staff:** Brady Stadnicki

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# Environment Committee

**The Environment Committee works on assessing federal policy and regulations in the environmental realm and undertaking strategic initiatives that advance environmentally sound beef production and understanding.**

In 2019, Canadian Cattlemen's Association (CCA) environment and policy staff continued to actively engage with Senators, Members of Parliament and various government staff on amendments to Bill C-68, the Fisheries Act. CCA staff also presented to the Senate Committee on Fisheries and Oceans outlining concerns related to the 'Deeming Habitat' provision. The Senate ultimately included the repeal of the provision in a grouping of other amendments messaged to the House. The amended Act received Royal Assent on June 21, 2019 with parts of the Act coming into force immediately. Fish and Fish Habitat provisions came into force by an Order in Council in September.

The CCA had also recommended government address the regulatory burden on the agricultural sector by providing a streamlined approval process for small and low risk activities; and to establish clear and enforceable guidelines for man-made agricultural structures or exempt such structures. The Department of Fisheries and Oceans (DFO) reached out to the agricultural sector, including CCA directly, to begin engagement on developing the Fish and Fish Habitat provision regulations, standards and codes of practice related to the agricultural sector. Under the Act, the Minister can opt to form advisory panels in such processes. The indication is an agricultural advisory panel will be formed, which the CCA would sit on. With the calling of the fall federal election the process stalled but is expected to resume in early 2020.

CCA environment staff and committee also engaged with Transport Canada officials regarding concerns with the Canadian Navigable Waters Act within Bill C-69, which attained Royal Assent June 20, 2019. The CCA believes exemptions for agriculturally-related activities and specific agricultural structures are the best solution to ensure the Act will not negatively impact beef farms and ranches dependent on reliable access to fresh surface water nor their ability to protect and secure the environment of their working landscapes.

Transport Canada (TC) called for submissions on the Minor Works Order, including the listing of works/activities that would be exempt from needing authorizations. The CCA submission noted concerns over the potential interpretation of the definition of navigable waters; the potential regulatory burden on farmers and ranchers; recreational access to minor waters during high flows; the need for seasonal obstructions for structures like temporary fencing across iced-over water bodies among other activities and works.

The CCA recommended agricultural structures and activities be added to the minor works order and called for TC to re-institute the mechanism



to define 'minor waters' and add minor waters on agricultural lands to the minor works order. The amended Minor Works Order should be published early in 2020.

CCA environment staff sits on the Environment and Climate Change Canada's (ECCC) Species At Risk Advisory Committee (SARAC) and in recent months on the Conservation Agreements Working Group within SARAC. Under the Species At Risk Act, Section 11 states the Minister can enter into conservation agreements for species at risk and their habitats with organizations, individuals and others. In consultation with producer organizations, conservation organizations working with beef producers as well as producers familiar with habitat conservation agreements that work for producers, the CCA has brought several recommendations forward to the working group. In general, these recommendations call for ECCC to work directly with local communities and landowners in the development and on-going management of conservation measures. As well, to recognize the successes at the grass roots level in developing agreements that deliver positive outcomes for producers and at-risk species and their habitats alike, and to adopt a robust incentives-based approach to conservation agreements.

The five-year Species at Risk Partnerships on Agricultural Lands (SARPAL) program through ECCC wrapped up March 31, 2019. The CCA partnered with the Canadian Roundtable for Sustainable Beef (CRSB), Alberta Beef Producers, MULTISAR and Cows & Fish to increase, maintain and improve habitat for species at risk (SAR) within the Grassland Natural Region of Alberta. SARPAL keys on knowledge sharing, riparian and habitat assessments, developing five-year voluntary Habitat Conservation Strategies (HCS), and subsequent implementation and monitoring of beneficial management practices.

Since 2016, baseline environmental inventories have been completed on 17 ranches and grazing associations covering almost 190,000 acres. Ranchers implemented 24 habitat enhancements under their HCS. This past year wildlife, range and riparian surveys were completed covering

approximately 53,000 acres. Presently, there is a waiting list of ranchers wishing to access the program, which ECCC staff indicates will receive funding beyond the March 31 end date – though details were yet to be released at time of writing. The acres encompassed by those ranches on the wait list total approximately 54,000 acres.

The SARPAL program has shown benefits to at-risk species including Sprague's pipits, chestnut collared longspurs, ferruginous hawks, northern leopard frogs, small-flowered sand-verbena, loggerhead shrikes, burrowing owl, and Westslope-cutthroat trout, to name a few.

The federal government, in collaboration with the provinces and territories, has agreed to the implementation of the Pan-Canadian Approach to Transforming Species at Risk Conservation in Canada. This new endeavour will shift from a single-species approach to conservation to one focusing on multiple species and ecosystems. Conservation efforts will focus on priority places, species, sectors and threats across Canada. The federal government notes this approach will enable conservation partners to work together to achieve better outcomes for species at risk and biodiversity more broadly. Three priority sectors have been identified: agriculture, forestry and urban development.

In the fall of 2019, ECCC and Agriculture and Agri-Food Canada convened a meeting with agricultural and conservation stakeholders, including the CCA and CRSB, to begin discussions on developing an action plan for SAR with the agriculture sector. The proposed purpose of the action plan is to *'identify and prioritize opportunities for the alignment of agriculture sector policy and practice with positive outcomes for species at risk conservation and biodiversity conservation more broadly using multi-species and ecosystem-based approaches.'*



The action plan will be broadly scoped to consider biodiversity – including species at risk – and multi-species and ecosystem-based approaches for all agriculture lands in Canada. The planning process aims to engage collaboratively with the agriculture sector to build

on efforts enhancing positive outcomes on working landscapes and reducing adverse impacts of agriculture operations on species at risk and biodiversity. The action plan will achieve this through keying on common measures with the potential to promote beneficial practices and reduce stressors for multiple species, while respecting cultural, spiritual, social and economic values.

The action plan will be co-created by federal, provincial and territorial governments, Indigenous peoples, industry, communities, and other stakeholders. The initial plan is to establish a core planning team of 10-20 partner and stakeholder representatives to define the action plan's scope and purpose and to recommend an approach, likely in a larger national workshop context, for broader engagement with the agricultural sector and other partners. Developing the action plan is expected to take until the summer of 2021 to complete.

The CCA's 2019 The Environmental Stewardship Award (TESA) recipient is Clifton Ranch near Keremeos in the B.C. southern interior. Clifton family was recognized for ingenuity in enhancing range health through expansive watering systems along with their work on protecting species at risk and their habitats. Other nominees vying for TESA came from Ontario, Manitoba, Saskatchewan and Alberta. Stuart Person, Senior Vice President of Agriculture with MNP, TESA's Platinum sponsor, presented Wade and Sandra Clifton with the award at the CCA's semi-annual meeting held in Calgary in August.

After the fall federal election, the CCA congratulated all federal parties noting the organization looks forward to working with all parliamentarians from all parties to focus on the priorities of Canada's beef sector. On the environment file, the federal government will continue to prioritize addressing climate change and conserving biodiversity along with the conservation and protection of species at risk and their habitats.

In relation, there may be challenges ahead for the beef sector yet there may also be significant opportunities. One point of focus for the CCA may be the new Canada Water Agency under ECCC established by the federal government late in the fall. At the time of writing it remained unclear what the mandate of this new agency will be, how it may impact Canada's beef producers and how provinces and territories, who in many cases manage regional water resources, will factor into the agency's mandate.

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**Committee Members:** Duane Thompson, **Chair**; Grant Huffman; Doug Sawyer; Tim Smith; Miles Wowk; Stuart Somerville; Pat Hayes; Lynn Grant; Reg Schellenberg; Gord Adams; Mike Duguid; Joe Hill; Victor Oulton; and Geoffrey Larkin, **Young Cattlemen's Council (YCC) ex-officio**.  
**CCA staff:** Larry Thomas

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# 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 shining star of beef trade this year was the access gained through the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), one of the key factors to the impressive 17 per cent increase in Canadian beef exports in 2019 over 2018. Other positives included expanding technical access to Japan through their approval of over 30-month cattle and regaining access for meat and bone meal in Indonesia. However, 2019 wasn't without challenges. For example, the closure of the Chinese market, followed by its re-opening that was accompanied with the recommendation for Canada to be more attentive to the details of our exports. Of course, when summarizing 2019 one cannot leave out the important re-negotiation of the North American Free Trade Agreement (NAFTA) nor the hole left in the international meat supply by the African Swine Fever outbreak. Key market access areas are summarized below.

## Value of Beef Exports 2019

Country	2019 (mill CDN\$)	2019 as % of 2018	% of Total Beef Exports
USA	\$2,334	+14.8%	72.6%
Japan	\$353	+64.8%	11.0%
Mexico	\$126	+15%	3.9%
Hong Kong & Macau	\$156	-10.5%	4.9%
China	\$104	+7.1%	3.2%
South Korea	\$42	+41.4%	1.3%
Taiwan	\$21	-6.1%	0.7%
Other	\$80	2.5%	2.4%
Total	\$3,216	+17.1%	100%



## North America

In December 2019, the United States (US) Administration reached agreement with Congress on the Canada-United States-Mexico Agreement (CUSMA) and this agreement was confirmed to be acceptable to both Canada and Mexico. This cleared the path for the US House to pass the Agreement prior to Christmas and to be passed by the Senate in January. Canada remains the only NAFTA country to yet pass the bill through our House and Senate.

## Beef and Livestock Fast Facts

In recent years, Canada and Mexico have been the first and second largest US beef export markets, although they now have slipped behind Japan and Korea which currently top the list of export markets for US beef.

- Canada imported \$849 million of US beef in 2019.
- The US takes 72 per cent of Canadian beef exports and virtually all live cattle exports.
- Canada is a net exporter of beef to the US however, Canada is a deficit producer of high value cuts such as loins.
- Between 2015-2019, Canada exported 697,000 head of cattle to the US on average; 295,000 fed cattle, 192,000 non-fed & 208,000 feeders.
- In addition, Canada exports 278,000 tonnes (product weight) of beef to the US (15-19 average).

## Additional Information

- The US is Canada's largest beef trading partner.
- Between 2015-2019, Canada exported 697,000 head of cattle to the US on average; 295,000 fed cattle, 192,000 non-fed & 208,000 feeders. Canada also exports 278,000 tonnes (product weight) of beef to the US (15-19 average).
- On a carcass weight basis, exports to the US have averaged boxed beef 334,000 tonnes & live slaughter cattle 235,000 tonnes (5-year average).

The CCA will continue to encourage the Government of Canada towards swift ratification and regulatory cooperation across borders, which will further enhance the value of trade and strength of the North American market. NAFTA will remain in force until the CUSMA is ratified by its members.

Under both NAFTA and its successor CUSMA, the beef industries of Canada, the US, and Mexico have and will continue to enjoy reciprocal

duty-free trade. The preservation of this trade access was a high priority for the CCA in the renegotiation process. Cattle producers across all three nations worked to ensure the value of trade was understood by elected officials during the renegotiation process. The Canada – US beef trading relationship is the largest in the world and trade has significant benefits for both industries.

One of the key priority areas for the CCA during the re-negotiation process was to enable further regulatory cooperation across the border, such as;

- streamlining and aligning livestock handling procedures, traceability and standards at border ports;
- removing the requirement for reinspection of Canadian beef at I-houses; and
- aligning state requirements for Canadian livestock identification with federal requirements (federally there is an option to have either a tattoo or a brand, while some states only allow a brand).

While these were not achieved explicitly within the text the processes to move such regulatory reform forward are. The CCA will continue to advocate for regulatory cooperation.

**Mandatory Country of Origin Labelling (mCOOL)** was kept out of the new NAFTA; however, mCOOL supporters continue their efforts to reinstate the discriminatory market effects in one form or another. The CCA maintains the position that mCOOL is in contradiction to US World Trade Organization (WTO) commitments and that CCA would encourage the Government of Canada to utilize our retained retaliation rights should the need arise. Canada would not need to seek WTO approval to retaliate rather the US would have to prove WTO compliance to have the retaliation measures halted.

### **The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)**

The CPTPP is a trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam. CPTPP came into effect amongst Canada, Japan, Australia, New Zealand, Singapore and Mexico on December 30, 2018. Vietnam became the seventh to implement on January 14, 2019. For the remaining signatories, the CPTPP will enter into force 60 days after their ratification.

The access into Japan with the tariff dropping from the original 38.5 per cent to 26 per cent in 2019 was a leading factor in Canada's 2019 beef export success. The CCA encourages the further expansion of the CPTPP subject to review of specific country barriers and potential for beef trade. As we expect the Asian region to hold the largest potential for growth in beef demand over the next 25 years, securing further access to key Asian markets is a priority. CCA is supportive of the economies of Taiwan, South Korea and Thailand moving forward in the accession process of the CPTPP.



### **Japan**

In addition to the tariff reductions achieved through CPTPP, Canada attained expanded access for beef to the Japanese market as Japan lifted its over 30-month (OTM) age restriction for beef exports in May. The Canadian Cattlemen's Association (CCA) appreciates the implementation of this decision to eliminate the rule instated in the 2003 bovine spongiform encephalopathy (BSE) era and hopes that other markets within the Asian region will follow Japan's lead.

### **South Korea**

January 2020 marks the five-year anniversary of the Canada-Korea Free Trade Agreement and the sixth of fifteen annual tariff reductions. Prior to the entry into force of the CKFTA, Korean duties on Canadian exports of fresh, chilled and frozen beef cuts were 40 per cent. For 2020, the beef tariff for Canada is down to 24 per cent and will be eliminated by 2029. For beef offal, tariffs of 18 per cent will be eliminated by 2025 and is reduced to 8.2 per cent for Canada in 2020. All beef and offals must be from animals under 30 months of age.

Canadian cattle are required to be segregated in American plants shipping to South Korea due to differences in South Korea's BSE protocols for Canada and the US. The extent of impact of this segregation requirement was seriously amplified with tight Eastern Canadian packing house capacity and the closure of Ryding Regency in the fall of 2019. The CCA continues to work with South Korean and American counterparts to identify solutions.

### **China**

Export certificates for Canadian meat were halted on June 25, 2019 due to the discovery of fraudulent export certificates. During the closure, CCA actively engaged in discussions with government officials to help ensure Canadian beef exports to China would be eligible as soon as possible. The Government of Canada completed an investigation and submitted an Action Plan that has led to the re-establishment of exports



to China on November 5, 2019. All establishments eligible to export as of June 25, 2019, were once again eligible.

In 2018, Canadian beef exports to mainland China were up 19 per cent in volume and 15 per cent in value at 10,300 tonnes valued at \$97 million (CDN). In the first half of 2019, exports to China were up 299 per cent in volume and 271 per cent in value at 11,315 tonnes valued at \$96 million (CDN). Despite the four-month market closure, 2019 exports reached \$104 million (CDN) by the end of 2019.

In November 2019, the CCA travelled with colleagues from the Canadian Meat Council (CMC), Canadian Pork Council (CPC) and a number of representatives from individual meat exporting companies to China to meet with Chinese Food Safety and Customs officials. The purpose of the visit was to review concerns about past compliance of Canadian meat shipments with Chinese documentation requirements and to discuss future actions to avoid the recurrence of past mistakes in order to prevent further disruptions in trade. CCA also met with several Chinese importers of beef and pork as well as service providers in the customs clearance and logistical processes departments. CCA will collaborate with its colleagues and partners at CMC and CPC to develop an ongoing engagement strategy for China to ensure that we are well positioned serve our important customers in this market well into the future.

Ten years ago, Canada exported no beef to China. From the commencement of exports in 2012, China has grown steadily to become our fifth largest market in both 2017 and 2018. If it had not been for the suspension of trade in June, China would have been neck in neck with Japan to be our second largest beef export market in 2019. Averaging \$8.58, China is behind only the European Union and Hong Kong in value per kilo of beef exported. By any measure, China is a valuable market for Canadian beef producers and exporters and from what was seen on this mission, the value can only grow.

The challenge remains whether Canadian producers can rely on predictable uninterrupted access to China. This is where the recommendation for more regular ongoing contact is a valuable lesson that should be learned from the meetings on this recent mission. In 2019, Canada's export licences to export Canadian livestock genetics to China were not renewed. This issue has yet to be resolved.

### Europe

The Comprehensive Economic Trade Agreement (CETA) came into provisional effect in September of 2017 and since then beef exports to and from Europe have grown. In 2019 Canada exported \$27.8 million in total value at \$14.65/kg while Europe exported \$48.8 million in total value at 5.59/kg to Canada.

CCA is working on a number of proposals with the CFIA aimed at facilitating the eligibility of Canadian cattle for export to the EU, a key limiting factor to increasing exports to Europe. Firstly, as mature cattle culled out of producers' breeding herds will not have been exposed to hormone or beta agonist growth promotants, we are seeking a simplified certification option for these cattle. Secondly, we are seeking

to develop an option whereby Verified Beef Production Plus (VBP+) or other audit bodies could certify the eligibility of cattle for the EU, in lieu of a producer utilizing a veterinarian authorized by the CFIA. In the meantime, CFIA has increased the number of authorized vets.

The CCA hosted a number of European visits to Canada as well as arranged and attended meetings in Europe with key stakeholders throughout the 2019 year. European customers continue to be keen to purchase Canadian beef.

With Prime Minister Boris Johnson won a majority in the latest UK election that led to the UK leaving the EU on January 31, 2020. The transition agreement leaves existing trade provisions in place until December 31, 2020 (with possibility to be extended until June 30, 2021). The UK will keep the EU external MFN tariffs in place while this transitional agreement is in effect meaning that the unilateral MFN tariff reductions earlier proposed by the UK in the event of a no-deal Brexit will be on the back shelf pending what happens at the end of the transition period.

Regarding Canada-UK trade, both sides will continue to provide the other with CETA access until a permanent Canada-UK agreement is negotiated. Even though the UK will have left the EU, any beef that Canada exports to the UK will continue to be counted against the total EU CETA tariff rate quota (TRQ) until another agreement is in place.

### International Cooperation

The CCA continues to be involved in a number of international collaborations including the International Meat Secretariat, the International Beef Alliance and the Global Roundtable for Sustainable Beef where we are able to work with our international peers on areas of common concern.

A key issue of common interest is the functioning of the World Trade Organization. As of December 11, 2019, the appeal functions of the WTO Dispute Settlement system are no longer functioning due to the failure of WTO Members to agree to appoint new members to the Appellate Body. It remains to be seen if this essentially means that a WTO Member could circumvent a binding panel ruling and avoid countermeasures by simply requesting an appeal that would be unable to proceed. The CCA has lived the importance of the WTO through the mCOOL case and is communicating with the Government of Canada and stakeholders the importance of finding solutions.

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**Committee Members:** Bob Lowe, **Chair**; Doug Sawyer, Vice Chair; Brian McKersie; Brad Osadczuk; Cathy Sharp; Charlie Christie; Duane Thompson; Tom Teichroeb; Rob Lipsett; Craig McLaughlin; Philippe Alain; Ron Glaser, **Canada Beef**; Cody Renz, **Young Cattlemen's Council (YCC) ex-officio**; Michael Latimer, **Canadian Beef Breeds Council (CBBC)**; and Rick Wright, **Livestock Markets Association of Canada (LMAC)**

**CCA Staff:** Fawn Jackson; John Masswohl; Mark Klassen; and Dennis Laycraft

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# Food Policy Committee

The Food Policy Committee (FPC) had its inaugural year, after the CCA decided food policy was a priority policy file and the committee met formally for the first time at the CCA Semi Annual in August. The mandate of the FPC is to ensure federal food policy and food innovation supports Canadian beef as a strong, safe, and sustainable food choice of Canadian consumers.

The FPC will set longer-term policy direction for the Canadian Beef Industry and work with and through industry partners and a wide group of stakeholders to communicate on anything that affects food policy, including to effectively communicate the many nutritional benefits of Canadian beef to policy makers and influencers, educators, and consumers.

## **Duties and Responsibilities:**

- Oversee Government of Canada consultations related to food policy, including the Safe Food for Canadians Act / Regulations
- Develop food policy positions for CCA and communicate with government and interested stakeholders
- Food Guide and Policy lobbying and stakeholder communication on the many nutritional benefits of Canadian beef
- Stakeholder (partner) relationship management within the food and meat policy community
- Food labelling
- Food Waste
- Alternative and cell-cultured protein policy oversight
- Provide policy support to Public and Stakeholder Engagement and Canada Beef in their food and meat marketing, education, and communication efforts
- Meat inspection and grading, including instrument grading and new grading technologies
- Provide a forum for new food innovations



Photo credit: Canada Beef

Along with the FPC being formed, CCA staff have built strategic relationships with government officials within Health Canada, Canadian Food Inspection Agency (CFIA), Agriculture and Agri-Food Canada (AAFC), and Environment and Climate Change Canada (ECCC). The Co-Chairs of FPC and CCA Staff met with the new Deputy Minister of Health to begin strengthening the relationship between Canadian beef producers and Health Canada officials. It was a productive meeting where we heard Health Canada's broad priorities and found several opportunities for CCA to undertake strategic initiatives and align objectives.

At the direction of the FPC, CCA staff have created a Food Task Force to work across the industry (both nationally and internationally) to have a cohesive and collaborative outward approach, including with Public and Stakeholder Engagement Team, Canada Beef and Canadian Roundtable for Sustainable Beef.

In addition, CCA staff have worked on Government Consultations, including Food Labeling Modernization, and nominations for various government appointed positions, including the Food Policy Advisory Council. With thousands of entries, we expect the nominated individuals of the advisory council to be chosen in early 2020.

The FPC continues to monitor alternative and cell-cultured protein policy and government regulations, as well as where we see these policies shifting in the future. The Government of Canada, and specifically, CFIA, is very aware of CCA's position on labeling of proteins. The CCA will continue to engage with Parliamentarians, their staff, and government officials on this file in 2020.

**Committee Members:** Cathy Sharp, **Co-Chair**; Bob Lowe, **Co-Chair**; Dan Darling; Jason Reid; Nathan Phinney; Kirk Jackson; Evan Chaffe, **Young Cattlemen's Council (YCC) ex-officio**; Joyce Parslow, **ex-officio**; and Amie Peck, **ex-officio**. **CCA Staff:** Jennifer Babcock





# Canada Beef

As the marketing division of the Canadian Beef Cattle Research, Market Development and Promotion Agency, Canada Beef is the cattle producer-funded and run organization responsible for domestic and international beef and veal market development. It has 28 staff in offices in Canada, Mexico, Japan, China, and Taiwan. In addition to National Check-Off and import levy funding, Canada Beef leverages cattle producer dollars with private market partner investments, and government industry development funding to maximize the benefits of producer check-off investment.

## Capture High Growth Market Segments

Canada Beef is using market segmentation tools to identify high-growth, high-value consumer groupings by demographics, behavior, ethnicity, geography, etc. By understanding consumer segments' needs and wants, Canada Beef develops marketing and promotional campaigns relevant to each segment resulting in increased awareness, improved perception, heightened product desire and ultimately increased purchase.

Canada Beef completed extensive consumer research in Canada, Mexico, Japan, China and Taiwan looking at consumer and customer attitudes towards our beef products and production systems to better understand our relative strengths and weaknesses specific to those markets. This information is being used to develop promotional and marketing creative concepts to be as effective as possible with our consumer marketing investments.

## Domestic Market Development

Preliminary 2019 consumption data shows a slight decrease in per capita beef consumption due to larger net exports of Canadian beef. Eighty-one per cent of beef consumed in Canada was sourced from domestic production, up 3 per cent from 2018. The retail beef demand index was down 3.3 per cent while the wholesale demand index was up 1.3 per cent. (Note: final 2019 consumption data will be available in spring 2020.)

## Expand Programs with Retail and Foodservice Partners

By focusing on brand partners with large volumes and influence (such as Sobeys, Costco, Loblaw, Walmart, Federated Co-op, Tim Hortons, Swiss Chalet, Montana's, Subway, Sysco), Canada Beef can ensure that these partners are well-versed in Canadian beef, and can leverage the value of the Canadian Beef Brand. Moreover, these programs build loyalty and commitment to Canadian beef among trade partners and consumers thus generating sustained demand and increased value for producers.

## Consumer Marketing and Public Trust

Canada Beef's social and digital spaces engage and connect with consumers and producers to build brand loyalty. With over 61,000 followers and 7.2 million impressions, Canada Beef continues to successfully build relationships and drive demand. At Canadabeef.ca website consumers and producers can source information regarding recipes, beef know-how, media releases, beef campaigns and events in both English and French. The Make it Beef (MIB) monthly e-newsletter is deployed to almost 40,000 subscribers covering topics that are both



culinary and brand focused. The Roundup App is a mobile beef buying and cooking app, designed to help consumers have better success with beef when they cook at home. This resource is offered in English, French and Spanish and was adapted for the Chinese market.

Closely related to consumer marketing are efforts to build the beef industry's social license with the public. Canada Beef continues to partner with the Canadian Cattlemen's Association (CCA) and other beef industry groups to address public and consumer concerns about beef production, while also building/reinforcing the Canadian beef brand.

In response to the launch of Canada's Food Guide in January 2019, a social media campaign around sustainability and beef was developed. The posts highlighted key facts around nutritional benefits of beef and sustainability facts and information. The team prepared responses in advance to provide correct information and answers to consumer questions. The joint issues management team coordinated a response strategy for the launch of the food guide that included responding to over 50 interview requests; resource kits produced and shared with national and provincial organizations (#Beefbelongs shared previously with the Board); collaboration with other animal protein groups; and media training for key spokesmen.



### **Generic Beef Marketing Funded by the Import Levy**

The Import Levy (collected on beef imports at the equivalent rate of \$1 per head) continues to provide funding for positive beef messaging across Canada. With consumers' diminishing food skills, concerns over healthy diets and public trust issues, Canada Beef developed targeted initiatives to positively influence consumer preference for beef over other proteins. Activities included print advertising, social media (i.e. blogs), television and radio interviews, and generated over 24 million consumer impressions. Visit [www.thinkbeef.ca](http://www.thinkbeef.ca) for access to marketing resources generated from import levy funding.

Canada Beef conducted a Canada-wide television campaign for winter 2019. In light of the new Food Guide discussions around the value of plant-based protein foods, the campaign was designed to draw consumer attention to beef's substantial nutrient profile, in conjunction with its amazing taste and versatility as part of a balanced diet. The 3 x 15-second spots stressed the remarkable nutrient density of beef compared to other protein foods, including plant-based burgers. The \$220,000 campaign ran on a variety of prominent television networks such as CTV, CBC, CTV News Channel, CBC News Network, the Food Network, HGTV, Showcase and the National Geographic Channel. The campaign was projected to reach 15,000,000+ Adults 25-54.

### **Protect and Grow Canadian Beef in Export Markets**

Canada Beef's work in export markets is creating opportunities for the Canadian beef industry to realize greater value for the carcass than could be realized in the domestic market alone. As well as offering competitive bids on middle meats, the export markets can deliver better returns for end meats, credit/thin meats and offal than here at home. Canfax Research Services estimates that well over \$600/head in additional value is added to the carcass by export markets.

With heightened competition from other beef exporters, there is a need to intensify our business development programs in export markets

where we are currently present. These include: Japan, China, Southeast Asia, Korea, Taiwan, Mexico, European Union and the Middle East. By utilizing integrated marketing programs linking online and live events; culinary seminars and competitions; social media platforms and brand media campaigns; and business development outreach through trade shows and trade missions; Canada Beef is creating brand awareness and positively positioning Canadian beef in the minds of export customers, consumers and key influencers.

Overall Canadian beef exports from January to September 2019 were up 12.3 per cent in volume and 21 per cent in value. These are record high values and near record high volumes. Overall Canadian beef export demand was up 7 per cent from 2018. Japan in particular has been surging due to the tariff rate reduction Canada is enjoying with the implementation of the CPTPP trade agreement. Canada received a tariff reduction of 11 per cent on January 1st while our largest competitor the United States has remained at the previous tariff level. This has contributed to a doubling of typical Canadian beef export volumes to Japan through most of 2019.

### **Double the Business Generated by the Canadian Beef Centre of Excellence**

The Canadian Beef Centre of Excellence (CBCE) is a teaching/training demo theatre featuring: fabrication room, commercial and home kitchen, boardroom and dining room, world-class equipment and Hazard Analysis Critical Control Points (HACCP) standards. The Centre provides a place where staff can offer solutions to beef category challenges for existing customers and introduce new customers and markets to Canadian beef for the first time. To date, the CBCE has had visitors from more than 32 countries, hosted over 90 international missions and over 140 domestic missions representing over 450 companies from across the global.



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# Canadian Beef Breeds Council

Our mandate is to **SUPPORT, PROMOTE and REPRESENT** the Canadian beef cattle seedstock sector both internationally and within Canada. The Canadian Beef Breeds Council (CBBC) will continue to engage collaboratively with industry groups, government agencies and other valued partners in an effort to increase the profitability and sustainability of the industry.

## Connecting the industry

This year we will hosted the third annual CBBC Technical Forum at the Canadian Beef Industry Conference (CBIC) in Calgary, AB. The forum was designed to stimulate a scientific discussion on genetic improvement and feature a selection of industry leaders and academics. It is our intention to host the Technical Forum on an annual basis at CBIC as it moves to select locations across Canada. We are proud to be a founding partner in the CBIC and look forward to developing it into the most important as we move to Penticton in 2020.

## Growing our international markets

International markets are essential to long term profitability in the seedstock sector and the beef industry in general. As such CBBC and its members will continue to develop new opportunities and markets around the world. The development of a comprehensive international market development plan for the Canadian seedstock sector is ongoing and has been submitted to the Canadian Agricultural Partnership-AgriMarketing program for funding. This plan includes activities of breed associations, service providers, livestock exhibitions, as well as livestock genetic exporters. These activities are designed to capitalize on new trade agreements, industry advocacy efforts and will target increasing exports. The importing and exporting of genetics are an important aspect of building a strong and sustainable beef industry as it allows Canadian producers to select better cattle and increase on-farm profits.



2020 will be the implementation of the Canadian Beef Innovation Network (CBIN). This is still underway with the support of industry organizations who have identified the value that genetics bring to our industry, but there is still a substantial amount of work ahead of us. This network will include breed associations, academia, beef industry groups, service providers and government with the objective of improving our genetics in order to continue leading the world in high quality, sustainable beef production. The CBIN will link data networks and provide analysis tools for commercial and seedstock breeders. It will also provide an access point for key research projects that will have profound benefits for years to come.

## Serving the Canadian market

The importance of the domestic cattle market is often overlooked. The majority of purebred genetics from both a volume and a dollar value are sold within Canada to seedstock and commercial cow/calf producers. The purebred industry needs to not only ensure that our pedigree and performance data is accurate, but that we incorporate new scientific processes into our evaluation systems. This is a significant part of our image or 'brand' and is why the majority of bulls used in commercial operations are registered with a Canadian breed association. The CBBC will work to ensure that we have a strong domestic market through collaborative efforts with government agencies, breed associations and other stakeholders in the beef cattle industry.

## Collaboration across the industry

A consistent theme through our activities is collaboration while working on behalf of beef farmers and ranchers across Canada. In an effort to use our resources wisely, our belief is that the seedstock industry is served well through strategic alliances and interaction with other organizations in the beef industry and agriculture in general. This is accomplished through our participation in the Canadian Beef Advisors, the CBIC and numerous other events both internationally and across Canada.

Regards,  
Michael Latimer, CBBC Executive Director



CBBC Board of Directors and Staff 2019-2020

Stephen Scott, Ken Friesen, Dave Sibbald, Dennis Serhienko, Bruce Holmquist, Myles Immerkar, Reed Rigney, Doris Rempel, Roger Peters (President), Jay Cross, Michael Latimer (Missing: Garner Deobald, Terry White, Craig Scott)

## Continual genetic improvement

One of the components of the Canada's National Beef Strategy is continual genetic improvement of the national beef herd. The industry looks to the purebred sector to deliver results as any true genetic improvement will start with its seedstock. A primary goal of CBBC in

# Canadian Beef Check-Off Agency

The Canadian Beef Check-Off Agency (the Agency) manages and administers the Canadian Beef Cattle Check-Off, which is collected on each head of cattle sold in Canada. The provincial check-off also collected on each head, is earmarked for provincially-focused advocacy, policy, trade, research, market development and promotion initiatives, while the Canadian Beef Cattle Check-Off is invested into national research, market development and promotion activities on behalf of all Canadian beef producers.

It is my privilege to have been elected Chair of the Canadian Beef Check-Off Agency (the Agency) in August 2019 following our Annual General Meeting (AGM). I am honoured to lead such a dedicated group of producers and industry stakeholders, and work towards a unified and sustainable national funding strategy for Canadian beef cattle research, market development and promotion.

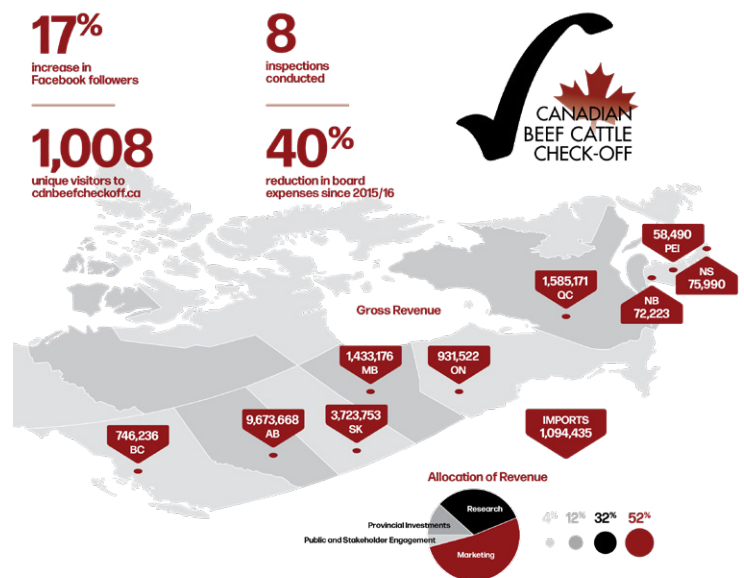
The Agency manages and administers the Canadian Beef Cattle Check-Off, which is collected on each head of cattle sold in Canada. The Canadian Beef Cattle Check-Off, the \$2.50 portion administered by the Agency, is invested into national research, market development and promotion activities on behalf of all Canadian beef producers, while the provincial check-off is earmarked for provincially-focused advocacy, policy, trade, research, market development and promotion initiatives.

By working with service providers, the Agency ensures that the check-off dollars invested into research, market development and promotion programs deliver measurable value to the Canadian beef industry. We are responsible for governance, communicating the value of the check-off investment, as well as training and education of producers and funding partners, regulatory management, collection and administration of check-off dollars.

I am encouraged by the strengthened relationships between our Agency and our provincial cattle association stakeholders. We have come a long way over the past few years, and it is our key priority to ensure the best use of the check-off dollars that the provincial associations allocate.

The Agency continues to work together with the provincial associations in many aspects, and I am confident that a renewed commitment to strong partnerships will help us to deliver measurable value for producers in Canada.

In 2018/19, the Canadian Beef Cattle Check-Off revenue totaled \$18,300,229 on cattle marketed. Revenue was generated at \$2.50 per head on cattle marketed across Canada, with the exception of British Columbia (BC) who increased in July 2018, and Ontario, who continues to collect \$1 per head.



Of the total net check-off funds collected of cattle marketings, 52 per cent was allocated to market development and promotion, 32 per cent to research, 12 per cent was retained by the provincial cattle organizations for regional marketing and research programs and 4 per cent was allocated to Public and Stakeholder Engagement (previously called issues management).

The Import Levy on beef cattle, beef and beef products imported into Canada was also collected at a rate of \$1 per head equivalent, for a total of \$1,094,435. These funds, net administration, are allocated to unbranded, generic beef marketing such as nutrition marketing, recipe development and culinary skills education.







\$629,683 was retained for the administration of the check-off, the Agency and the Board. Our Board of Directors expenses have been reduced by ten per cent in the last year, and over 40 per cent since 2016. Canada Beef covered the additional costs for the Marketing Committee.

The Agency Members approved an updated set of bylaws early in the fiscal year, just before our last AGM. The new bylaws set the stage for more independence for the Marketing Committee to oversee Canada Beef's strategic and business operations, and include the election of four additional non-Agency committee members. The Agency continues to oversee the Marketing Committee from a governance perspective.

The regulatory compliance of both check-off and import levy administration included the updating of all agreements with the nine provincial cattle associations. By modernizing the language and refreshing the details, the Agency strengthened relationships and laid the foundation for most provinces to administer an increased check-off.

As of March 31, 2019, eight of nine provinces have increased the checkoff to \$2.50 per head. The increases in Alberta, Saskatchewan, Manitoba on April 1, 2019, and British Columbia on July 1, 2019 were supported by the Agency for a smooth transition. The Agency concentrated on education of proper remittances, mostly on interprovincial trade. The approach will continue going forward with the goal of reducing slippage and incorrectly levied sales.

We continue to support increased communication and education activities around check-off and import levy compliance. Ensuring that all of our producers and beef importers are on equal footing strengthens our industry's competitiveness, and supports the programs that drive value for stakeholders through the investment of those dollars.

Our Agency is strong because of those who come together to guide our organization, and because of the stakeholders who we represent. I am proud to be a voice for Canadian beef producers from coast to coast, and to work with our experienced Agency Members to deliver the measurable value for our industry.

I am excited about the year ahead, and encourage everyone to connect with us any way you can, including through your provincial representative. You can find us online at [cdnbeefcheckoff.ca](http://cdnbeefcheckoff.ca), or on your favorite social media platform @cdnbeefcheckoff.

Regards,

Chad Ross  
Chair, Canadian Beef Check-Off Agency

# THE 2020 Calf Crop

Residual feed intake (RFI)<sup>1</sup>

Traceability<sup>2</sup>

IMF

Birth Weight

Milk

Average daily gain (ADG)<sup>1</sup>

## Designed for Efficiency

Cattle producers have many choices when making breeding decisions. The 2020 calf crop is pioneering the next generation of efficiency with low RFI cattle tested by GrowSafe Systems®.

Before you make your next breeding decision, test your cattle with GrowSafe Systems to make an impact on the 2020 calf crop. To find a system near you, visit [www.growsafe.com](http://www.growsafe.com).

<sup>1</sup>RFI and ADG EPDs are provided by GrowSafe Systems  
<sup>2</sup>Traceability: Via individual animal EID  
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# Canadian Cattle Identification Agency

The Canadian Cattle Identification Agency (CCIA) is pleased to report on another productive year.

The Board of Directors underwent several personnel changes in 2019. Pat Hayes, Canadian Cattlemen's Association (CCA) replaced Mark Elford, Saskatchewan Stock Growers Association, as Chair. Lyle Miller, Alberta Cattle Feeders' Association was elected as Vice-Chair. The Executive Committee now includes Ken Perlich, Livestock Markets Association of Canada, as well as previous members, Howard Bekkering, Alberta Beef Producers and Doug Sawyer, CCA.

The Board welcomes new representation from:

- Saskatchewan Stock Growers Association - Shane Jahnke
- Beef Farmers of Ontario - Dan Darling
- Manitoba Beef Producers - Nancy Howatt

## **Regulations**

Proposed amendments have been postponed until 2020.

Earlier this year, CCIA and the CCA discussed with the federal government the financial impact of the proposed regulations. Industry urged government to make traceability a budget item instead of stakeholders having to apply for funding.

Premises identification (PID) remains the building block for most of the proposed regulations. CCIA has received tremendous collaboration from many provincial governments whose PID numbers have been matched with CLTS accounts. CCIA continues to pursue collaboration with the remaining provinces.

The Canadian Dairy Network (CDN) will be moving forward as the responsible administrator for the dairy sector. This new traceability database will be known as DairyTrace. CDN and CCIA intend to work closely to establish a smooth transition of data which will involve the historical data transfer as well as on-going data capture.

## **Communications**

CCIA's Communications team developed and executed an intensive rebranding of the organization in 2019. This was launched with the introduction of the new logo in the final quarter of 2018. The redesign incorporated practical fact sheets which were developed as visual aids on numerous topics over the year. The fact sheets were developed to further educate and create awareness through simple and digestible learning literature. They are posted to the CCIA website and have been featured on social media via the daily posts. A successfully commissioned digital marketing campaign provided valuable insights for the communication team to continue to promote the webstore from social media channels.



CCIA was engaged at a variety of speaking engagements across the country. Delivered by CCIA staff, presentations were focused on how to prepare for proposed regulatory amendments and how to use the Canadian Livestock Tracking System (CLTS) and the CLTS MOBO APP. We are always happy to attend various industry events and have a chance to meet producers and dealers in person.

## **Webstore**

The CCIA Webstore gained momentum in 2019. The exclusive distribution of Angus tags and the addition of a Shorthorn tag helped drive traffic to the site. The webstore is now offering pre-regulatory goat and cervid indicators and tag readers. Increasing the range of products in the store, a user-friendly design and competitive prices have added more reasons for producers to take their shopping online and purchase digitally from our webstore.

## **Technology**

Ultra-High Frequency (UHF) technology has become a frequently discussed topic over the last few years. The CCIA Board of Directors received a short training session on UHF technology in order to ensure an understanding of the benefits and challenges surrounding the adoption of UHF technology. A fact sheet was developed to clearly compare the differences between UHF and Low Frequency technology and a UHF project is being contemplated to allow CCIA to have updated information on the technology as it relates to animal identification and traceability.

CCIA continues to place a high priority on improving tag retention. One ongoing study is focused on the plastic composition and its role on durability. We were pleased to help undertake a solution that will improve retention caused by plastic deterioration from manufacturers.





### Field Team

CCIA's National Field Services team was present all over the country; both by attending industry events and by conducting dealer verifications. The Field team put a heavy emphasis on educating dealers and producers on how to use the CLTS system and the value of the CLTS MOBO APP.

In a combined effort with the Communications team, strategies have been developed to increase communications with dealers via newsletters and verifications. The team has completed 364 dealer verifications of 753 total and has been successful in performing virtual dealer verifications, which help save on travel costs.

### Client Support

Our Client Support services was the focus of last year's annual mandatory internal audit. The recommendations led to stronger delivery of services and better preparations for future needs for representatives. We have developed closer relationships with other regulated parties, including Fairs and Exhibitions, who are setting up CLTS accounts for the first time.

A new Gift Certificate process was implemented. Gift certificates of any dollar amount are available for purchase and can be redeemed through a rebate process for any product in the CCIA webstore.

### Information Technology (IT)

The IT department made major changes in 2019 to update digital security and protect sensitive data. Removing all physical servers and changing to virtual systems decreased the need for hardware and freed up maintenance costs. Major overhauls took place to upgrade servers and redesign network structures for increased performance, availability and redundancy.

### CLTS MOBO

The CLTS MOBO APP received a complete revamp of the user interface, offering new features and a new design. Features include addition of practical events, an enhanced submission process and tag input via Bluetooth enabled tag reader.

An Offline Mode was added to the APP, which allows users to store data and upload at a more convenient time, or when back in a service area.

The CLTS MOBO APP offers the power of the CLTS at your fingertips. It is available as a free download, wherever you get your APPs.

### CLTS Enhancements

CCIA continues to improve the functionality of the CLTS by making enhancements to various features such as support of customized herd management numbers, revamped event type permission logic and support to cross reference two USDA tags.



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# Public and Stakeholder Engagement

Through 2019, the Public and Stakeholder Engagement (PSE) team continued to evolve, beginning with the addition of two new members. Domonique Anderson was hired on contract in June as the Stakeholder Engagement Technical Consultant, responsible for research analysis and expertise. Amie Peck was hired in May as the Stakeholder Engagement Specialist and stepped into the Stakeholder Engagement Manager position with the departure of Jill Harvie at the end of the October. Harvie was instrumental in setting up the PSE program and we wish her all the best in her future endeavours. The staff addition has increased the capacity of the PSE team to ensure that both issue response and proactive projects have dedicated resources.

## Issues Management

Managing and responding to issues remained a key area of responsibility for the PSE team, in coordination with provincial communications managers. Key examples include The Weather Network publishing a video encouraging a reduction in meat consumption, Tim Hortons running false environmental comparisons between beef and Beyond Meat burgers and the media response surrounding the UN IPCC report. In each case, key messages were researched and distributed, spokespeople were prepped for media requests and misinformation was corrected through existing contacts, new connections or speaking opportunities.

Two students from the Royal Ontario Museum filmed a series of videos in southern Alberta this summer with participants ranging from local ranchers to Ducks Unlimited Canada and the Nature Conservancy of Canada. These videos were shown during an evening event highlighting sustainable food choices and will be permanent additions to the Biodiversity exhibit at the museum. This is an excellent example of changing the rhetoric around grasslands to see cattle as vital partners in maintaining these ecosystems.

## Social Media Advocacy

Beef Advocacy Canada now has just under 700 users registered on the platform with 81 graduates of the new social media module. As well, a new social media sharing platform – the Content Corral – was launched in mid-August to coincide with the Canadian Beef Industry Conference. This is a centralized library of social media content, designed to be shared on various social media channels, in order to amplify positive messaging. At the end of 2019, over 90 users are registered on the program, which will also act as a conduit for campaigns created by the PSE team and be critical for quickly disseminating key messages for arising issues.

## Public Outreach

In partnership with Canada Beef, the PSE team published a new microsite, intended to provide the general public with production information specific to the cattle industry ([www.raisingcdnbeef.ca](http://www.raisingcdnbeef.ca)). The Where Canadian Beef Comes From booklet is in digital form, along with sections on nutrition, the economy, environment and antibiotics/

hormones. This resource will be used at various tradeshow and events to answer common questions and is also available in French.

The PSE team participated in the Grocery Innovations Canada tradeshow in Toronto with a new “Ask a Beef Farmer” booth that encourages local producers to connect with retailers on common questions about beef production.

In collaboration with Ducks Unlimited, the Nature Conservancy of Canada and others, the PSE team released a short documentary titled Guardians of the Grasslands that showcases how cattle are essential to the preservation of the one of the most endangered ecosystems in the world - the temperate grasslands. Promotion of the film included large screening events in Calgary, Ottawa, Regina, Saskatoon, Winnipeg and Toronto with partner organizations in conservation, agriculture and food production.

In order to reach urban audiences, the film was submitted to Canadian film festivals for consideration and has won Best Film Finalist and Best Director accolades at a Toronto-based festival. Promotional materials have been developed including a website where screening requests can be submitted. Over 100 requests have been received by various schools, community groups, government agencies and agricultural events with an estimated 20,000 people reached thus far. Promotion of the film will continue in 2020, with the film being publicly available online by the end of the year.

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Managing and responding to issues remained a key area of responsibility for the PSE team, in coordination with provincial communications managers.

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## Cattlemen's Young Leaders

Cattlemen's Young Leaders (CYL) is the flagship mentorship program, put forth by the Canadian Cattlemen's Association (CCA) in 2010. Since then, it has had a large role in developing young leaders in the cattle industry throughout Canada. Young beef enthusiasts between the ages of 18-35 are given the opportunity to apply, where there has been over 100 graduates from the program since it was established.

2019 saw multiple opportunities for CYL's and CYL alumni alike. As always, they took part in annual trips such as the National Western Stock Show, Spring Forum, Canadian Beef Industry Conference, International Beef Alliance and more.

On the annual CYL and Young Cattlemen's Council (YCC) trip to Denver in January 2019, CYLs Allana Minchau, Amy Higgins, Bree Patterson and Leonard Retzlaff toured multiple stops such as the Colorado State University's JBS Global Food Innovation Center and Leechman's Cattle of Colorado. They also participated in a roundtable meeting at the National Cattlemen's Beef Association (NCBA) head office, where the group touched on topics such as succession planning, research and development, and foreign trade. While at the National Western Stock Show, the participants had the chance to wander through the historic yards, as 2019 marked the last year for cattle to be housed in the yards during the show.



Canadian beef chili-cooking challenge.

The 2019 Spring Forum, which took place on June 10-12, was a success again this year. Following the Livestock Handling and Feedlot Training day on June 10, the CYLs were joined by a group of up and coming, influential young chefs selected as Hawksworth Scholarship Finalists. Together, the two groups took part in the Canadian Young Leaders Beef Experience, which included industry tours, hands-on learning experiences and a Canadian beef chili-cooking challenge. The event provided an opportunity for CYLs to develop strong peer relationships with the young chefs, helping them build increased confidence and understanding in the Canadian beef products they serve. A video project, in partnership with the Public and Stakeholder Engagement team profiling the event, was screened for the first time at the Canadian Beef Industry Conference during the CYL graduation. CYLs also had a chance to thank program sponsors and update them on their mentorship journey during the Spring Forum Banquet on June 10.

CYL alumni, Katie Songer, was selected as the representative for the 2019 International Beef Alliance Conference in Brazil. Songer was an excellent representative for the program and young producers across Canada. She was joined by YCC representative, Cody Renz.

In 2019, the program was excited to announce its 16 selected mentees and mentors. The mentees and mentors selected are as follows:

Cody Adams ( <i>Carrie Cholack</i> )	Kaitlan McLachlan ( <i>Jim Bauer</i> )
Patricia Fawley ( <i>Blake McMillan</i> )	Aaron Birch ( <i>Sheldon Kyle</i> )
Ethan David ( <i>Brad Osadczuk</i> )	Kathleen Holweger ( <i>Duane Thompson</i> )
Savannah Hodgkinson ( <i>Craig Klemmer</i> )	Tamara Quaschnick ( <i>Mark Cameron</i> )
Kimberly Lansdall ( <i>Tim Wray</i> )	Kate Barnett ( <i>Mick Taylor</i> )
Lacey Tillotson ( <i>Troy Drake</i> )	Cassandra DeMars ( <i>Reg Schellenberg</i> )
Broek Murray ( <i>Chris Lane</i> )	Cameron Olson ( <i>Dr. Matt May</i> )
Haley Scott ( <i>Michael Young</i> )	Robyn Unrua ( <i>Dawn Nhatow</i> )

We are very excited to see where each of these pairings go over the course of the year.

At the beginning of 2020, the CCA welcomed Jessica Giles, who participated in the 2018 CYL program, as the new Youth Leadership Coordinator. Jessica was mentored by Agriculture and Rodeo Reporter and Broadcaster, Dianne Finstad, and will be working full-time from the Calgary office.

Funding for the CYL program is made available through its Foundation Partners: Cargill, MNP and McDonald's Canada. The program also receives support from Gold Sponsors Farm Credit Canada and New Holland and program sponsorship from the Alberta Cattle Feeders' Association. The CCA and the program participants are extremely grateful for the support received by these generous partners.

Working with the Alberta Cattle Feeders' Association (ACFA) and the CCA, the program looks forward to hosting the first of its kind Government Relations training workshop for current CYL participants in the 2020 year.

The CYL program looks forward to expanding the program and creating more young leaders for the Canadian beef industry. With a focus on youth development and engagement, CYL is working, collaboratively with multiple other members of industry, to build a strong foundation of future beef producers.



Spring Forum 2019 Group.

## Young Cattlemen's Council

The Young Cattlemen's Council (YCC) is a youth subsidiary board of the Canadian Cattlemen's Association (CCA), aimed at youthful leadership, governance training and industry advocacy. YCC provides young producers with the opportunity to engage with the leadership of CCA and learn the inner functioning of the organization.

2019 provided multiple successful ventures for the council. From the beginning of the year through until August, the Council was led by President, Heather Hargrave (ON), and Vice President, Andrea Haywood Farmer (BC). The Council was made up of provincial representatives Geoffrey Larkin (Maritimes), Kayla Weston (AB), Dean Sentes (SK) and Stefan Bouw (MB), and Members at Large, Ben Campbell (AB), Cody Renz (MB) and Ricky Seelhof (BC).

In January 2019, YCC representatives Geoff Larkin and Stephan Bouw joined a group from the Cattlemen's Young Leaders (CYL) on its annual trip to the National Western Stock Show in Denver, Colorado. The event provided YCCs and CYLs a chance to network with young producers from the U.S. through a roundtable discussion at the National Cattlemen's Beef Association (NCBA) head office, all while touring the agriculture industry in Colorado.

YCC participated in their second "fly-in" lobby day opportunity in March 2019. Delegates Kayla Weston (AB) and Geoffrey Larkin (Maritimes), along with Member at Large Ben Campbell (AB), spent the day prior to the CCA Annual General Meeting (AGM) touring Parliament and meeting with Members of Parliament from all parties, along with a brief visit and photograph with Prime Minister Justin Trudeau. The group raised issues pertinent to young producers such as succession planning, increasing market access for Canadian beef, access to financing and continued support through the business risk management suite. The presence of YCC on Parliament Hill was well received and policymakers repeatedly commented that the future of Canada's beef industry is in good hands. YCC's objective is to continue and grow this worthwhile opportunity and learning experience in the future.



The Council held their AGM during the Canadian Beef Industry Conference as always. Elections were held for two Member at Large positions, where Jessica Sperber (AB) and Ethan David (SK) were elected to replace Cody Renz (MB) and Ben Campbell (AB). New Provincial Representatives Evan Chaffe (ON), Holly Thompson (SK) and Ian Lauder (BC) were also welcomed to the board. Kayla Weston (AB) was elected to lead the Council as President, and Geoffrey Larkin (Maritimes) was elected as Vice-President.

The AGM also featured a presentation from Stakeholder Engagement Manager, Amie Peck, about the newly launched Content Corral. Young producers learned how to use the new platform designed to promote positive, coordinated messaging about the Canadian beef industry and encourage grassroots advocacy.

The YCC is made possible through the support of the Provincial Organizations, British Columbia Cattlemen's Association, Alberta Beef Producers, Saskatchewan Cattlemen's Association, Manitoba Beef Producers, Beef Farmers of Ontario, Nova Scotia Cattlemen's Association, New Brunswick Beef Producers, and Prince Edward Island Cattle Producers. It is also sponsored by New Holland Agriculture.

The YCC is incredibly grateful for the support from these organizations.



YCC fly-in: (L-R) Ben Campbell, Kayla Weston, Prime Minister Trudeau, Emily Lowe, MP Mark Eyking, Geoff Larkin.



# British Columbia Cattlemen's Association

**British Columbia Cattlemen's Association (BCCA) continues to take action on a number of key issues impacting our members in British Columbia (BC).**

## **Water**

Water, especially stock watering regulation, continues to be a major focus. We continue to advocate strongly for our six key points, including recognition of existing water use by livestock and to provide livestock owners with the opportunity to voluntarily protect that use under a licence with a historic date of precedence. We have asked for an exemption from licensing on dugouts for livestock water, continued direct access for livestock to a water source and recognition of historic water use by livestock. We have asked that all livestock watering continue to be allowed during drought/scarcity on the basis of animal welfare. On Crown land, BCCA has asked that water authorization be included with the definition of an animal unit month (AUM). BCCA reiterated these messages from our position statement at a BCCA field tour in April with senior government staff, Beef Day in May with ministers, the Assistant Deputy Ministers (ADM) tour in September. Stockwater was again top of mind at the end of October for BC Agriculture Council's Ag Days in Victoria.

## **ALR Revitalization**

The Agricultural Land Reserve (ALR) has been a major focus under the NDP government and the rules under the Agricultural Land Commission (ALC) are of significant interest to our members. BCCA has engaged with both the Province and the Agricultural Land Commission to bring forward our concerns and solutions. We have taken the message to the ALC that the ALR only protects one of the three key elements of food security – the land – without providing equitable protection/support for either water for agriculture or the people needed to work the land. This is reflected in our guiding principles, articulated most recently in our submission last fall and in our meeting with the ALC in December.

BCCA's submission was part of the Ministry of Agriculture and the ALC request for feedback on ALR. It focused on the founding principles of:

1. Provide ranchers/farmers with protection and support to carry out agricultural activities;
2. There should be no further infringement on private property rights;
3. The province needs to manage with a goal of making agriculture more profitable; and
4. Bonafide operations must be allowed to diversify income (through a variety of means) as long as the productive capacity of the land is not diminished.

We also made 15 recommendations such as long-range planning for agriculture that enables growth and viability, Chief Agrologist similar to the Chief Forester that advocates for agriculture in BC, and income diversification for bonafide ranching/farming operations. BCCA has also been advocating for Crown land within the ALR to give first priority to agriculture.



## **Agricultural Environmental Management Code of Practice Outreach**

On February 28, 2019, the Code of Practice for Agricultural Environmental Management, the Code, replaced the Agricultural Waste Regulation (AWCR). The Province began this process in 2009 and over the next 10 years, BCCA actively engaged with the Province. We provided extensive feedback on each intentions paper (2012, 2015, 2017) and BCCA, represented by many cattlemen, sat on the agricultural waste control regulation (AWCR) working group (established by BC Ag Council in 2012) during the development of the new regulation. While the Code is still a big change, it is a far cry from the one size fits all approach of the original proposed regulation.

The new Code is comprehensive and it will require some additional actions by ranchers to ensure compliance. Key changes include: post-harvest soil testing, record keeping, manure storage and spreading, setback distances, composting/deadstock, etc. BCCA is committed to ensuring our members are aware of the changes and has developed two key documents for producers and delivered a webinar on the Code.

## **Mandatory Premises ID**

The Province sought feedback from stakeholders on the proposal for mandatory premises ID. BCCA Board of Directors passed a motion during their Fall Director's Meeting that supported a mandatory premises identification on the following conditions: only the ranch headquarters be registered, with all other properties to be covered under the linked premise; that all information remains confidential to keep producers safe from activists; all livestock operations, regardless of commodity, must comply; all operations, regardless of number of head be obligated to receive a premises identification number; and registered producers retain access to land for animal welfare (including haying) purposes during natural emergencies.

## PROVINCIAL REPORTS

British Columbia Cattlemen's Association continued

### **Trespass Act**

Animal activists have taken their protests of farm operations to a new level by trespassing onto farms and illegally entering barns and buildings. In addition to serious incidents in Ontario and Alberta, a hog farm in BC's Lower Mainland was targeted. This has jeopardized the biosecurity of the farm, the health and safety of animals and the well-being of producers. Recognizing the serious implications to livestock operations, BCCA joined with other livestock and agriculture groups to develop a working group to advocate for strengthening the laws and penalties around trespass. BCCA took the lead in presenting to the minister at BC Ag Days. Lawyer Mary MacGregor also developed a factsheet for the working group on how trespass affects the livestock producer.

One of the messages BCCA has strongly voiced is the need for BC to keep pace with the other Provinces on strengthening the Trespass Act to ensure that BC does not leave our producers vulnerable and become a haven for animal activists. We have been working with the Province to take action but since some of the rules around trespass come under the federal Criminal Code, the Province has committed to taking our concerns forward to the Federal Government. This will be an issue that we will continue push for action on and will follow closely.



### **Comprehensive Economic Trade Agreement (CETA): Veterinarians Needed**

BC needs more Canadian Food Inspection Agency (CFIA) certified veterinarians to verify cattle for the European market. Producers have expressed interest in accessing the market, but they need to meet the restrictions around the use of antimicrobials. BCCA has reached out to Jane Pritchard, Chief Veterinary Officer, to encourage more BC veterinarians to become certified and we will be preparing communications materials to be circulated to large animal vets in BC.

### **Packing Plant**

This initiative has been allowed an opportunity to move forward with developing a BC branded beef product, processed through an existing federally inspected packing plant in BC. The Packing Plant Advisory Committee recognized that the Packing Plant is a tool for getting their product to the consumer and now that a federal packing plant has

become available in BC, it gives the opportunity to build the Brand first. Once it is established, and the existing capacity is utilized, then a new Plant can be considered.

The Brand will be built on the same co-operative model, with a much-reduced initial investment necessary to participate. The structure and governance model are now being finalized and the chance for producers to become involved in the New Brand should be available by the New Year. Stay tuned for further updates and information on how to participate.

### **Targeted Grazing for Wildfire Prevention**

This program, announced in May with funding from the Province, is using cattle as a tool to manage fine fuels around communities with the aim of lowering fire intensity and creating a fire break close to vulnerable communities. The program has made positive steps this year, setting the groundwork for three separate projects sites: Cranbrook, Peachland/Summerland and Merritt. A fourth possible project is being considered. BCCA is working closely with the Ministry of Forests, Lands, Natural Resource Operations and Rural Development, regional districts, municipalities, forest companies and First Nations. Further funding for a research program to support data collection and research on the pilot projects has been received.

### **Pacific National Exhibition (PNE)**

BCCA had a successful return to the PNE this summer with a Beef Zone display. The booth included live beef animals (two cow-calf pairs and a heifer), displays and handouts over three weeks. In addition, two ranching families attended and connected with the public for five of those days. BCCA plans to attend the PNE next year.

### **Canadian Beef Industry Conference 2020**

The Canadian Beef Industry Conference is coming to BC in 2020 and we are pleased to invite everyone to Penticton from August 11-13, 2020. Planning is well underway. Conference Chair Judy Guichon says, "The committee for the 2020 Canadian Beef Industry Conference is excited to welcome everyone to British Columbia for the first time. We are looking forward to showcasing not only the beautiful Okanagan, the lakes, the mountains and many wineries but also our native grasslands. This year's tour promises to be very special. It will be a busy few days packed with good speakers, terrific tradeshow and chance to catch up with old friends." We hope to see you all in August!

In closing, BCCA appreciates the hard work of all the Canadian Cattlemen's Association (CCA) directors and staff and we would like to thank retiring CCA Director Brian McKersie for his hard work on behalf of the industry. We welcome Ryan Scorgie who joins Grant Huffman as BC CCA director. We appreciate their dedication to the industry.

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

Respectfully submitted,

Kevin Boon, General Manager





# Alberta Beef Producers

**In 2019, Alberta Beef Producers (formerly the Alberta Cattle Commission) celebrated 50 years of producers working on behalf of producers. The 50th anniversary was a significant milestone for the beef industry in Alberta. Fifty years ago, our industry came together with a vision for the future.**

In the late 1960s, Alberta cattle producers believed their messages were not being heard by governments and thought they needed a stronger voice in Edmonton and Ottawa. Producers as a whole needed to be better organized, financed, and coordinated in their efforts to influence policy makers. On September 3, 1969, the first meeting of the newly established Alberta Cattle Commission was called to order – a group of producers working on behalf of producers.

In the 50 years of Alberta Beef Producers' (ABP) existence, the issues our organization has addressed on behalf of cattle and beef producers have varied widely. However, the overall challenges producers face in maintaining sustainable and competitive operations have been relatively constant. Producers and ABP continue to deal with retaining access to land and water, government policies and regulations, improving production efficiency, consumer perceptions of beef and public pressure related to animal welfare, the environment and food safety.

The vision for our industry from 50 years ago still holds true today. ABP's mandate has not changed and we continue to focus on our four priority areas of advocacy (government relations and policy), communications (to government, producers, and the public), promotion (marketing and education) and research (production and technology transfer). As we move forward into the next 50 years, we will continue to pursue these priorities while constantly working to make ABP a more efficient organization that engages producers and provides value for their check-off investments.

With the impetus provided by the 50th anniversary, the results of the plebiscite in 2018 on a non-refundable service charge and our five-year Regulatory Review, ABP took time last year for a hard look at all elements of our structure and operations, including our strategic plan for the 2019-20 year. The ABP vision, a strong and clear voice for cattle and beef producers, and the ABP mission, to strengthen the sustainability and competitiveness of the beef industry, still seem valid and important for our organization. The Board of Directors and staff then spent a considerable amount of time developing a proposal for changes to our structure and establishing strategic objectives for the year with key performance indicators and measurable results.

The changes considered in the review of our structure addressed the size and composition of the delegate body and Board of Directors, our processes for geographic and sector representation, the timing and format of our fall meetings and the timing and location of our general meetings. A proposal for structural changes was presented to producers during our 2019 fall meetings and the delegates at our Annual General Meeting then considered the proposal and responses from producers. The result was a series of resolutions for structural changes that will form



the basis for regulation and by-law amendments that we hope to have approved by June 30, 2020.

The six strategic objectives for the 2019-20 year address important issues for our industry and reflect input we have received from producers across the province. Our first objective is to establish productive working relationships with key officials in the new provincial government. We are revitalizing the structure and operations of ABP and implementing an enhanced communications strategy with measurements of engagement and effectiveness. We want positive government actions on a wide range of vital grazing lease issues and investments in research and technology that provide real benefits to producers. We want to increase the level of knowledge and understanding of the cattle and beef industry among young consumers and students.

One of the areas where we see great opportunity for making the industry stronger is through collaboration with other organizations in our industry. Our work with the Alberta Cattle Feeders' Association (ACFA) leading up to the service charge plebiscite demonstrated that our two organizations could come together for a common cause. Although we did not get the results both organizations wanted, we saw great value in the collaboration and are committed to continuing and strengthening our relationship. This year, we worked with ACFA on our key lobbying priorities for the new government in Alberta and we have decided to do almost all our government relations work together. We also collaborated with ACFA on a Competitiveness Study and an MNP project to develop a strategy for dealing with municipal development plans and frameworks.

ABP is not changing our mandate or the work we do for producers, but we are looking at significant changes in the way we do this work. We hope these changes will invigorate the organization and create enthusiasm among the producers who are both the owners and the customers of ABP.

# Saskatchewan Cattlemen's Association

**The Saskatchewan Cattlemen's Association (SCA) is proud to be "The Voice of Saskatchewan's Cattle Industry." We represent and work for all cattle producers in the province.**

Saskatchewan is in an election year in 2020. This slows the legislative and regulatory environment for much of the year even though the election is slated for October. The update to Saskatchewan trespass laws still awaits finalization of the regulations to be fully in force. We keep advocating for that final step. Some of the holdup is due to technology development as the government wants to have an app up and running that can facilitate contact between land owners and people desiring access. Under the new rules people will have to have permission or will be trespassing under the law.

This process began before some of the high-profile farm incursions in Ontario and Alberta. Saskatchewan Cattlemen's Association (SCA) will be keeping an eye on developments in neighbor jurisdictions to ensure Saskatchewan does not become a jurisdiction that is "more attractive" to people looking to disrupt farms and ranches. If one province has lower fines or enforcement that could make things more enticing. Federal criminal code penalties and enforcement also need to consider the latest tactics. Penalties for conspiring toward and funding these disruptions need to be deterrent.

SCA continues to fund research in province with a goal of \$500,000 of research funding per year. This past year SCA's process was moved closer to working in step with the provincial Agriculture Development Fund process. This process saw dozens of applications come in and SCA agreeing to partially fund 13 of them. Industry's co-funding of research and advocating for this kind of spending aligns well with a government with stated goals of increasing livestock receipts (along with growth of all agriculture receipts and exports).

This focus on agriculture was evident in Saskatchewan's latest Plan for Growth. Agriculture is given prominent place in this plan and SCA continues to work on the details of how this would be achieved. It is constant work to ensure Saskatchewan's huge grain industry is not allowed to push cattle production aside in funding, advocacy or research. SCA continues to push for equitable treatment in programs, policy and funding for cattle producers.

SCA continues to support Canadian Cattlemen's Association (CCA) activities including during fly-ins to Ottawa, and in travelling to the Cattle Industry Convention in San Antonio. Over the past several years we have been able to arrange many state meetings at the NCBA convention. The information conveyed helps ensure policy development in Canada and the US is well informed about what is going on in our respective areas. We continue to explore avenues to improve our names list beyond the people who actively come to meetings. There are a couple of avenues that should work but progress has been frustrating.



Forage rainfall insurance saw record payouts in 2019 due to the drought but also due to increased coverage levels being available. The coverage available is now closer to what it needs to be to replace the feed that did not grow. We continue to work with Saskatchewan Crop Insurance to improve their offerings.

Glenn LaPointe joined our team in December in a communications and marketing lead role. I do see this as more of a marketing position along with some communications. We remain a small team of five as the model in Saskatchewan involves funding many partner organizations to advance the goals of the SCA board. Some of the organizations SCA funds include Farm and Food Care Saskatchewan, Agriculture in the Classroom, Prairie Conservation Action Plan, South of the Divide Conservation Action Program, Beef Education via the Saskatchewan Stock Growers, Saskatchewan Forage Council, Verified Beef Production + Saskatchewan, and via sponsorship of events, many others.

Checkoff refunds have been on a downward trend over the past four years. This was good to see as the increase to national was expected to spur more requests. Budget for 2019-20 is aiming to spend more on communications and promotions to deliver positive messages about cattle on the land and beef on the plate.

Glenn brings a high level of enthusiasm to this area and I look forward to seeing what creative ways we can get our messages out beyond our supporters to consumers and others who need the reassurance of our positive story.

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

Respectfully submitted,

Ryder Lee, CEO



# Manitoba Beef Producers

**Adverse weather conditions, agricultural Crown lands program changes, and predation management were some of the priority files dominating the work of Manitoba Beef Producers (MBP) in 2019.**

A second consecutive year of drought conditions hit in 2019. Throughout the summer months and into fall, MBP was in regular contact with the provincial and federal governments, discussing what kinds of assistance might be available to help affected producers. This included asking whether consideration would be given to an AgriRecovery initiative, such as the types of needs-based forage shortfall and transportation assistance programs used during previous disasters. MBP asked the federal government to trigger the Livestock Tax Deferral Provision. Requests for water-related programming were also raised.

On July 5, the Manitoba government announced producers could graze cattle and to cut hay in wildlife management areas. On July 22, the federal government identified 96 designated regions under the Livestock Tax Deferral Provision, covering off virtually every municipality in southern and central Manitoba. Programming to help producers dig wells or reservoirs, or to rehabilitate existing reservoirs was announced on September 12. However, requests for an AgriRecovery initiative proved to be a non-starter with either level of government. Although moisture conditions began to improve with fall rains, many producers had already downsized their herds due to feed availability concerns or exited outright. Herd growth is stalled in Manitoba.

The continued modernization of Manitoba's Agricultural Crown Lands (ACL) Leasing Program was another key focal point of activity for MBP. This process has been underway for two years. During these consultations MBP's comments focused on areas such as: the need to continue family and unit transfers; allowing eligible producers to be able to renew leases; how ACL lease auctions would work; lease lengths; program compliance monitoring and enforcement; how to value lease hold improvements; the allowable Animal Unit Months per lease holder; recognition of the ecosystem services provided by producers in managing ACL; and the need for informed access, among others.

On September 27, then Agriculture Minister Eichler announced a series of changes to the program. Beef producers immediately expressed concerns about affordability, with the increase in the rental formula essentially tripling the lease rate over two years. Another key concern is predictability as lease lengths are being reduced to 15 years with no first right of renewal. Unit transfers will come to an end, i.e. the ability to transfer leases with the sale of deeded land. MBP reiterated its position that existing lease holders should have the first right of renewal upon expiry of their lease if they can demonstrate that they still meet the program terms and conditions. Following pressure from MBP and other stakeholders, the province announced on October 11 that producers will be given the first right of renewal for existing ACL leases, but public consultation and a regulatory change will be needed to achieve this. In late October, a cabinet shuffle resulted in a new Agriculture Minister and MBP is continuing to advance concerns with him in areas such as the need for a longer transition period to the new rental rate, the need to



continue both family and unit transfers and other matters.

MBP continues to co-chair the Livestock Predation Protection Working Group (LPPWG). It includes reps from the livestock sector, government and the trapping community. In 2019, a pilot project – the Manitoba Livestock Predation Prevention Project was jointly developed by the LPPWG. Key project elements include: On Farm Predation Risk Assessments; testing the effectiveness of Risk Management Practices; and communication of livestock-wildlife risks and management practices. The pilot would be delivered in targeted municipalities where predation losses are most severe based on predation claim “hot spots.” The proposal was submitted to Manitoba government for funding consideration and a decision is pending.

Other key issues for MBP in 2019 included: changes to the federal transportation rules and the impact on the movement of Manitoba cattle to the east; the lack of progress on the construction of the Lake Manitoba and Lake St. Martin outlet channels needed to reduce the risk of flooding around Lake Manitoba; the end of the Riding Mountain Eradication Area in relation to bovine tuberculosis following years of surveillance testing of live cattle in the area; providing comments on the province's new Manitoba Protein Advantage strategy; and, the successful completion of the three-year “Manitoba Mixed-grass Prairie Species at Risk Enhancement Project funded via the Species at Risk Partnerships on Agricultural Lands initiative. MBP also had two public trust videos produced for it, one focusing on animal care practices and the other featuring bird expert Dr. Christian Artuso discussing the value of preserving grasslands in order to protect species at risk. These will be used at an array of public and producer-facing events going forward.

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

# Beef Farmers of Ontario

2019 has been a challenging year for Ontario beef producers. Larger supplies of fed cattle and reduced processing capacity have limited price increases and challenged profitability. There have been several contributing factors, including lack of options with U.S. packers, trade disruptions, and most recently, the cancellation of Ryding-Regency's licence. A late, wet spring delayed planting and pasture development, and a wet, cold harvest have seen crop still standing in the fields in December.

To ensure industry sustainability and growth in the province, Beef Farmers of Ontario (BFO) is continuing to develop a number of initiatives for new and existing beef farmers and their families, from the cow-calf and feedlot sectors through to our industry partners in the processing sector.

## Government Relations

On June 20, 2019, Premier Ford reset his cabinet after one year into a majority Progressive Conservative (PC) government. Ernie Hardeman, Ontario Minister of Agriculture, Food and Rural Affairs, was one of only eight ministers to maintain his portfolio. At the same time, the role of Parliamentary Assistant to the Minister became a shared role between two long-term MPPs from rural Ontario, adding depth to the Ministry and more access for BFO when our directors are at Queen's Park. BFO has been meeting with new and not-so-new MPPs since the provincial election last year. Key messages in our meetings included immediate assistance to help mitigate losses in processing capacity that have led to periodic and increasingly lengthy backlogs in cattle, and prolonged market price depression; increased investment/beef top-up to the Risk Management Program; access to Crown land; and expansion of community pastures. These key priorities were also reinforced at the agricultural round tables attended by Minister Hardeman in advance of this year's Federal-Provincial-Territorial (FPT) meeting of the nation's agriculture ministers.

BFO directors were in Ottawa throughout 2019 to meet with MPs and federal officials to discuss issues facing our industry. Priority discussion items for Ontario at the federal level were transport regulations; access to labour; processing capacity in Eastern Canada; and improved and equitable BRM programs.

## Policy Review

BFO's policy department continues to address policies and regulations affecting the beef sector, working with various government ministries on a number of critical files. Current issues include: transportation regulations; trespassing legislation and regulations; Ontario's Wildlife Damage Compensation Program; provincial meat processing regulations and enforcement; the Beef Cattle Financial Protection Program; the *Nutrient Management Act*; the ethanol content mandate; animal welfare legislation and enforcement; regulatory and inspection cooperation with the United States; SRM removal policies and the enhanced feed ban; BSE negligible risk status; and access to veterinarians and livestock medicines, among others.

## Elora Beef Research Centre

Construction is now complete at Elora to modernize the Beef Research Centre facilities. The new facility features 165,000 square feet of barn



space with the capacity to hold close to 400 animals. The facility also features a state-of-the-art genomics lab, more than 200 individual feed intake monitoring units, and precision research equipment including: GPS animal monitors, rumen sensors to monitor pH and temperature, new ultrasound technology, and greenhouse gas monitoring equipment. In addition to the improvements made to the cow-calf facilities, upgrades are also underway for the feedlot facilities and the Centre's pasture capacity.

The reinvigoration of this facility is extremely important to the long-term strength and success of Canada's beef industry and the broader economy it supports.

## Consumer Engagement

To achieve greater market share for new and existing Ontario beef brands, BFO staff has undertaken a wide range of consumer-facing initiatives. Launched in May 2019, BFO's new consumer logo incorporates product values that Ontario consumers are looking for: fresh, local, modern, quality, trustworthy and delicious. Our brand development work has all been based around the findings from BFO's significant consumer research project with Hill + Knowlton Strategies of Toronto. Consumer surveys, focus groups and key informant interviews conducted as part of this research also helped to identify BFO's key target audience in development of consumer messaging to support Ontario beef, Ontario beef production, and Ontario beef farmers.

The Ontario Beef brand tells the story of local, quality and trustworthy products. Ontario beef is delicious, nutritious and a healthy protein source. The brand supports the promise that consumers can trust that Ontario beef is responsibly raised by local family farmers and, in buying local, they are supporting and strengthening their communities.





Some of the consumer activities include a newly launched consumer website, which also boasts a store locator; a consumer engagement campaign; photography; video development; event participation; research; education; resource printing; promotional items; and a culinary resource.

2019 has been dedicated primarily to creating the logo and asset building. The focus in 2020 will be on getting our content in-market, building relationships with influencers and partners, and continuing to build the Ontario beef brand story with the public.

### Market Development

At BFO's February AGM, a motion was carried to increase the provincial check-off for the development of a joint marketing effort with BFO/OCFA. At the initial meeting of the Joint Marketing Committee (JMC), the strategic objectives for the market development plan were developed: growth in the domestic market for Ontario branded beef; growth in export markets for Ontario branded beef – starting with Ontario Corn Fed Beef; maximizing value of Ontario Beef products such as working with the processing sector and better carcass utilization for Ontario; and development of a mandatory on-farm quality assurance program for Ontario Beef. BFO's Regional Marketing Initiative (RMI) was a catalyst for the development, promotion and expansion of Ontario beef programs.

This market development initiative complements BFO's consumer engagement strategy: if the big retail stores see that consumers are enthusiastic for Ontario beef, they will make it available to their customers. The Carve Premium Ontario beef brand is in Phase 2, and is now working on market expansion through various media channels and presence at the Taste of Toronto event; Longo's has launched its Ontario AAA Beef program, which was originally approved under RMI; and Vince's Markets, a five-store retail chain located in and around the GTA and focused on high-end product, have developed their Ontario Reserve Angus Beef program. These are two retailers doing what RMI set out to do, which is maximizing opportunities to develop niche markets for Ontario beef.

### Producer Engagement

To provide opportunities for producers to network and feel engaged within the industry, BFO's producer engagement has focused on a wide range of activities in 2019. We have completed our fourth Beef Youth Development Program, which is a two-day event offered to those aged between 18-35. As the pressure from activists have continued to grow, we have hosted two workshops in conjunction with Farm and Food Care on how to protect yourself and your farm. This August, we hosted our first Cow-Calf Management School which featured a Ranching for Profit Workshop, and farm tours across Bruce County. We have plans underway for a Feedlot Management School in early 2020. An open house was held at the new Ontario Beef Research Centre, and we spoke with the Beef Production class at Ridgetown College. In conjunction with Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), we hosted two Cover Crop workshops, and worked with them and the University of Guelph to host a Carcass 101 workshop. As a means to connect with representatives who work within the beef industry, we hosted two meetings to update them on opportunities that affect their beef customers. Plans are in place for another successful Beef Symposium conference, and another Young Producer Development program being offered at the 2020 BFO AGM.

Upcoming producer webinar topics include bfoUP Young Producer series featuring the stories of successful and innovative beef producers; and a three-part video series on Calf Clubs.


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

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# Les Producteurs de bovins du Québec

Les Producteurs de bovins du Québec (PBQ) has pursued efforts with the different levels of government with a view to achieving the objectives set out in the *Plan de développement 2018-2025 – Pour une production dynamique et durable* (2018–2015 Development Plan: Towards Dynamic and Sustainable Production). One of the central points in the plan received special focus in implementation efforts, namely sustainable development and the promotion of beef production in Quebec. The areas of action set out in the plan are chiefly geared towards raising the profile of beef and veal, encouraging responsible development, and adapting government funding and income security programs to better meet the needs of beef production. The overall aim of the plan is to ensure that production returns to a growth phase so that its critical threshold can be reached once again.

The PBQ actively participated in developing a strategic planning effort, which was conducted in close collaboration with the Quebec government and with industry stakeholders. These major areas of action in the beef and veal sectors serve as a complement to the PBQ's current initiatives. Throughout the year, our organization increased its efforts to meet with elected representatives and government officials in order to implement foundational measures for producers. This outreach to federal representatives was done in close collaboration with the Canadian Cattlemen's Association (CCA), particularly in the areas of international market access, product designations, and the new animal transportation regulations.

## 2020 promotion production campaign

In recent months, the PBQ collaborated with the Union des producteurs agricoles (UPA) on an initiative to more effectively handle criticisms levelled against beef production and to provide responses grounded in the most up-to-date scientific data. Various efforts put forth by the Beef Cattle Research Council (BCRC) were of great use in developing documentation on the topic. This work formed the basis for a communications initiative aimed at producers and the public, which was launched this year. As a first measure, all PBQ members received an argumentation guide for farmers titled "Démêler le vrai du faux" (Fact vs. Fiction); the document was sent out to 10,100 businesses, thereby reaching 14,500 farmers. As a second measure, a public campaign to respond to false or imprecise claims is being developed to achieve the PBQ's aims of raising awareness about production and maximizing social acceptability in the eyes of the public and the government.

## Product designations

At the start of 2018, the PBQ files complaints regarding advertising and labelling of new products made by the American company Beyond Meat (then newly available in grocery stores), which failed to comply with regulations. The company's advertising material used the term "meat" along with descriptors such as "plant-based" or "plant." The chair, Mr. Claude Viel, and the vice-chair, Mr. Kirk Jackson, gave many interviews on the topic in media outlets across the country. According to information obtained by the PBQ in 2019, the Canadian Food Inspection Agency (CFIA) sided with the PBQ. As of today, the situation has been remedied.



## Certified sustainable beef promotion

Since the Verified Beef Production Plus (VBP+) program was recognized by the Canadian Roundtable for Sustainable Beef (CRSB), the PBQ has redoubled its efforts to increase the number of Quebec farmers under certification. Incentive programs have been implemented for feeder calf and fed cattle farms. A total of 25 training workshops have been held and attended by 357 people. In Quebec, 64 per cent of fed cattle production volume and 47 cow-calf producers (up from just two) fall under VBP+ certification. The PBQ also recently became a member of the CRSB. Recall that the PBQ created a mandatory certification program for its grain-fed veal producers to ensure that all veal calves sold since January 2020 are "Quebec Certified Grain-Fed Veal." And 58 per cent of milk-fed veal produced in Quebec is also "Verified Veal" certified.

## 2019–2024 Strategic planning

During 2019, the PBQ undertook a strategic planning exercise for the 2019–2024 period. This exercise, finalized in fall 2019, was organized into veal and beef components. Veal includes grain-fed veal, milk-fed veal, and dairy producers (for bob calves), while beef includes feeder calf, fed cattle, and dairy producers (for cull dairy calves). The exercise was a success thanks to the teamwork among the different sectors. Note that the strategic planning also included representation from the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec (MAPAQ), processors, auctions, and other stakeholders.

For more information, please visit the PBQ website at [www.bovin.qc.ca](http://www.bovin.qc.ca).



# New Brunswick Cattle Producers

The 2019 calendar year was marked by progress for the New Brunswick Cattle Producers (NBCP) as the Board and Staff work to generate opportunities for industry development and growth.

The NBCP continues to work with regional partners through the Maritime Beef Council (MBC) to implement the Maritime Beef Sector Growth Strategy. The Strategy is focused on generating new opportunities for growth and development in the regional cattle industry. The five core goals of the Maritime Beef Growth Strategy are:

The five core goals of the Maritime Beef Growth Strategy are:

1. Increase the regional cow herd by 20,000 by 2027;
2. Increase beef production profitability through training and education;
3. Develop an industry-leading regional feed efficient beef herd;
4. Maximize pasture and forage stand productivity; and
5. Advance the profitability of the industry through value chain co-ordination.

Enhanced communication with the membership continues to be a top priority for the NBCP. As a cost reduction measure and a general modernization of the NBCP communications strategy, the NBCP encourages producers to be proactive in sourcing information by visiting the NBCP website and Facebook Page.

Piloted in 2017, the integration of training workshops into the NBCP Fall Regional Meetings was continued in 2018 and through to 2019. Member feedback suggest that the delivery of professional development opportunities along with updates from the Board of Directors on association activities increased the value proposition for attending regional meetings around the province. Presentations for 2019 included and introduction to cost of production for the cow-calf enterprise, understanding stored forage and pasture management costs and Verified Beef Production Plus. Bruce Andrews from Atlantic Beef Products, the regions only federally inspected beef processing plant, provided an update on the Certified Island Beef (CIB) brand which offers price incentives to feedlots who choose to enroll in the program. Humane animal handling training is a requirement for enrollment in the CIB program.

Two significant regional events were hosted with support from NBCP during 2019. The now annual AAFC-Maritime Beef Council Forage Field Day hosted more than 120 growers from across the Maritimes in August, and the 2019 Maritime Beef Conference hosted over 120 producers and industry stakeholders from across the region with representatives from across the country bringing a national perspective to the speaker lineup.



The lack of a Price Risk Insurance program in the region continues to limit sector growth in New Brunswick, but work continues to see a Maritime index developed to support price risk management for Maritime cattle producers.

Looking ahead to continued program delivery, the NBCP leadership is working with staff to develop a clear direction for programs for the next three years of the Canadian Agriculture Partnership by review of the NBCP strategic and aligning with the Maritime Beef Growth Strategy and the National Beef Strategy.

For more information, please visit the NBCP website at [www.bovinsnbcattle.ca](http://www.bovinsnbcattle.ca)

## Nova Scotia Cattle Producers

**The Nova Scotia Cattle Producers (NSCP) had another busy, productive year. We were able to wrap up some projects and are continuing work on others into the New Year. Additionally, we are busy planning for upcoming Zone Meetings and the Annual Meeting.**

For another year, the NSCP partnered with the Maritime Beef Council, holding the fourth annual Maritime Beef Conference in Moncton, New Brunswick (NB) this past March. This year's theme was "Healthy Cattle, Healthy Grass, Healthy Profit". Of the numerous presentations, such speakers were Lee Irvine, TrustBIX Inc.; Duane Ellard, Canada Beef Inc.; Dr. John Kastelic, University of Calgary; and Dr. Jill Hobbs, University of Saskatchewan. The East Coast was also well represented with many Maritime based presenters. This conference continues to offer attendees a great venue to gather information, network with peers and participate in conversations about the future of the beef industry.

The NSCP organized the fifth annual Nova Scotia Elite Beef Expo held once again at the Nova Scotia Provincial Exhibition this past August. The Expo this year featured 63 cattle from eight varying farms, with awarded prize money totalling \$5,300. The NSCP would like to thank all the volunteers who helped with this event. We would also like to thank all our sponsors who provided prize money, particularly our Presenting Sponsor again this year – Atlantic Beef Products in PEI. Congratulations to all of the exhibitors who once again brought great looking cattle to Truro.

This past fall, five Forage and Winter Feeding workshops were held throughout Nova Scotia. Jonathan Wort, Livestock Specialist with Perennia, delivered a presentation explaining the importance of forage sampling and testing, as well as how producers should be aware of the quality of their forage. Also discussed were strategies to combat forage shortages and ensuring producers are feeding adequate forage to ensure animal requirements are being met. Local forage tests were distributed to demonstrate how to effectively interpret forage testing results. Both beef and sheep components were discussed.

The NSCP and the Sheep Producers Association of Nova Scotia (SPANS) offered Safe Handling courses throughout the fall for producers who were requiring a Safe Handling certification. These courses were instructed by Jane Morrigan, Animal Welfare and Humane Handling Trainer, Integrity Livestock Services and Miriam Gordon, Program Coordinator for the Animal Welfare Certificate and Professor at Dalhousie University Faculty of Agriculture.

Since September, the NSCP have been working collaboratively with Dairy Farmers of Nova Scotia (DFNS) on the upcoming transportation regulation changes. The proposed regulations which are set to come into force in February 2020 will have a significant impact on the movement of cattle to and from Atlantic Canada, especially bob calves. The working group has been focused on working to understand the implication of the changes, as well as advocating for delayed implementation, or at least enforcement.

The NSCP is also working through the Maritime Beef Council on a Dairy/Beef Value Chain Coordination Project to increase the value of



bob calves in Nova Scotia. The changing transportation regulations significantly decrease the amount of time young animals who are not yet weaned are able to travel. This, in combination with the Code of Practice for both Dairy and Veal, creates an opportunity to grow and finish bob calves as beef. There have been ongoing industry meetings to implement a strategy for this production chain amongst dairy and beef producers for a changing market.

Throughout the year, the NSCP have been working on the Nova Scotia Multi-Species Ultrasound Enhancement Project, which we have secured funding for through the Nova Scotia Department of Agriculture CAP Program. We sent two participants to Kansas and Iowa to be trained and certified as ultrasound technicians this past fall and are excited for them to begin ultrasound technology work. Our goal is to see increases within overall carcass quality by having this service available and subsequently improve carcass quality genetics within the region.

Another project we have been working on and secured funding for is the Feeder Cattle Vaccination Screening Project. We partnered with Atlantic Stockyards Ltd. (ASL), Fundy Veterinarians and the Atlantic Veterinary College to conduct vaccination screenings on feeder cattle during the fall and winter 2019-20. The objectives are to determine the effectiveness of varying vaccination protocols in feeder cattle and to improve the quality of feeder cattle sold through ASL. We are expecting to sample approximately 450 random cattle who have been identified as vaccinated and non-vaccinated. These samples will be used to test whether or not expected antibodies are present. All data will be combined, with no individual results shared publicly.

In closing, if you have any questions, comments or concerns, please contact Brad at the office [office@nscattle.ca](mailto:office@nscattle.ca) or 902-893-7455.

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

# Prince Edward Island Cattle Producers

The Prince Edward Island Cattle Producers (PEICP) held their Annual Meeting on April 2, 2019. Board members include Jeremy Stead, Peter Dixon, Tim Dixon, Kevin Simmons, Kenneth MacEachern and Greg Stavert. Ex-Officio Director, Gary Hughes represents Dairy Farmers of Prince Edward Island (PEI).

In April of 2019, the PEICP launched its ninth 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 PEI in general.



This social media campaign featured eighty-five restaurants who sold over 184,000 hamburgers made from Island beef. It is held each April and lasts for the entire month. It is estimated that the minimum overall economic impact to the Island's economy since the inception of the campaign seven years ago is 10+ Million. The winner this year was the Phinley's, a restaurant that has previously won in 2013! Phinley's is the first repeat winner since the inception.

The PEICP continues to deliver the VBP+ program in PEI by providing information and delivering workshops. While the number of producers attending VBP+ workshop has remained consistent, the number of audited operations remains low. We have seen a small increase in producers wanting to be VBP+ audited. We accredited this to the announcement from Atlantic Beef Products that offers a \$.02 bonus for cattle that meet specific specs and come from a VBP+ registered operation. To date, we have 13 registered operation on PEI with 2 operations due for their re-audit in Spring of 2020.

The PEICP continues to offer third party Age Verification. This is very important to the feedlot sector in PEI who generally feed animals to an older age. This practice results in a high number of animals determined to be over thirty months of age or OTM. A Birth Certificate can help to avoid a penalty of \$.20/lb if an animal is deemed to be OTM at Atlantic Beef Plant. As a result, we have seen an increase in the number of producers Age Verifying their animals. An important benefit from providing this service is that more producers are getting their Premise ID and merging multiple CCIA accounts into one. All of this will assist producers in preparing for traceability.



The Livestock Development for Beef program was delivered through the PEICP. Funding for this program is provided through Canadian Agricultural Partnership (CAP) and offers qualifying producers money for programs such as premium sires, genetic heifer renewal, seedstock testing, RFID readers, scales and handling facilities.

The PEICP coordinates the *Prince Edward Island Certified Beef* (CIB) brand. PEI beef is produced by those who are committed to quality, consistency and flavour, drawing on generations of experience. Beef farming and processing has long been a staple of our Island heritage and we take it very seriously. We have developed the CIB brand based on these attributes and values. Feeders from any of the Atlantic provinces are now eligible for the brand enabling producers from these provinces to participate. Much of the criteria for CIB is based on current practices and so it does not take a lot of adjustment for producers to join. Two key factors include, documenting treatments and tracing all animals produced under the brand.

Today's consumers are knowledgeable and demand certain attributes for the food they eat. They want to know that the beef they consume has been raised responsibly, that the animals were treated humanely and that the beef is safe to eat. Each year new CIB members are required to attend a Humane Handling Workshop delivered by Jane Morrigan and Miriam Gordon of Integrity Livestock Services. This practical overview is a great reminder of why we need to keep animal welfare top of mind. The CIB brand continues to grow steadily.

The PEICP continues to administer the Deadstock Removal service to beef producers. This \$850,000.00 service is cost shared with Dairy Farmers of PEI, PEICP and the province. The province announced in June



## PROVINCIAL REPORTS

Prince Edward Island Cattle Producers continued

2019 they would be taking over administration of the Deadstock service contract for the upcoming year. Since this announcement, we have learned that the province will be increasing their portion they fund of the service. There has been uptake of just over 50 per cent of all beef producers paying to use the service. Those who did not pay are not eligible and must arrange for proper disposal of their deadstock themselves.

The PEICP is a member of the Maritime Beef Council (MBC). The MBC hosted the annual Maritime Beef Conference in March 2019 in Moncton, NB. The conference was very well attended. The conference has gained a lot of attention from the beef industry over the years and has grown steadily each year.

The MBC continues to work on the development of a Maritime Beef Strategy. The main objective of the strategy is to grow and expand the Maritime herd over five years. There are many aspects to the strategy including professional development. To address this the Maritime Beef School was developed. Several feedlot sessions have already been offered with new modules planned for the coming year. Leadership development is another area of focus in the strategy. If producers take advantage of the Beef School and attend the various presentations at the MBC Conference, they will receive a wide array of valuable information they can use to implement changes on their farms.



This year, MBC and PEICP have implemented a Feedlot club on PEI. This club meets approximately 4-6 times per year where producers get together and we bring in speakers to discuss topics impacting the beef industry. We have held three meetings so far and have seen consistent growth in attendance at each meeting and are very well attended. Topics have included disease control and prevention where we have veterinarian as a guest speaker; feeding and nutrition where we had 2 speakers in to discuss different prices of feed and market trends as well as a second speaker who discuss the nutritional contents of feeds, and common issues seen. We had a third session on traceability software and technology where we had a couple speakers in to discuss the options available.

Atlantic Beef Products (ABP) has been consistently processing 650 hd/week. This is up from previous years and includes fats as well as culls

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<sup>1</sup>Rademacher RD, Behlke EJ, Parr SL, Hannon SJ, Williams CM, Fenton RK, Jim GK, Booker CW. An evaluation of eprinomectin extended-release injectable (LongRange®) on the performance of yearling cattle on pasture in western Canada. *Bov Pract* 2018;52:46-52. <sup>2</sup>Canadian label. LongRange® is a registered trademark of Merial (a member of the Boehringer Ingelheim group of companies), used under license. ©2019 Merial Canada Inc. (a member of the Boehringer Ingelheim group of companies). All Rights Reserved.

cows. ABP has plans to expand and hoping to break ground with their expansion in Spring of 2020. ABP continues to sell Island View Farms and CIB branded beef through Sobeys stores across PEI. In addition to this brand, ABP has been selling Certified Island Beef, Blue Dot and True Beef brands at other retail and food service locals across Canada.

We are pleased to have national representation as follows: John MacDonald; Canadian Cattlemen's Association (CCA) Board of Directors, David Francis; Canada Beef, and Ivan Johnson; Canadian Cattle Identification Agency (CCIA) Board of Directors. These representatives provide a valuable link between our provincial organization and our national organizations.

Respectfully submitted,

Amanda Miller, Executive Director of the PEI Cattle Producers.

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



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# Management's Responsibility

To the Board of Directors of Canadian Cattlemen's Association:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors are composed of Directors who are neither management nor employees of the Association. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Association's external auditors.

MNP LLP is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

December 18, 2019



**David Moss,**  
**General Manager**



# Independent Auditors' Report

To the Board of Directors of Canadian Cattlemen's Association:

## **Opinion**

We have audited the financial statements of Canadian Cattlemen's Association ("the Association"), which comprise the statement of financial position as at June 30, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Matter – Unaudited Schedules and Supplementary Information**

Our audit of Canadian Cattlemen's Association's financial statements for the year ended June 30, 2019 was not directed to the determination of the accuracy of the information included in Schedules 1 to 9. While such information has been subjected to the auditing process applied in the audit of the financial statements as a whole, we do not express a separate opinion on Schedules 1 to 9.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta  
December 18, 2019

*MNP LLP*

Chartered Professional Accountants

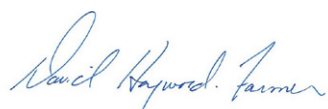


# Statement of Financial Position

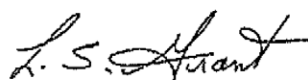
As at June 30, 2019

	2019	2018
<b>Assets</b>		
Current		
Cash	8,719,264	4,641,064
Accounts receivable (Note 3)	3,117,585	1,614,118
Goods and services tax recoverable	1,883	5,878
Investment in BIXSCO Inc. (Note 17)	-	25
Prepaid expenses	111,824	50,040
	<b>11,950,556</b>	<b>6,311,125</b>
Property and equipment (Note 4)	29,949	42,196
Investments (Note 5)	2,666,489	-
	<b>14,646,994</b>	<b>6,353,321</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities (Note 6)	3,070,386	750,695
Deferred contributions (Note 7)	3,092,967	1,022,388
	<b>6,163,353</b>	<b>1,773,083</b>
Commitments (Note 8)		
Contingency (Note 7(d))		
<b>Net Assets</b>		
Invested in property and equipment	29,949	42,196
Unrestricted	6,117,836	3,038,042
Restricted – Beef Cattle Research Council	2,000,000	1,500,000
Restricted – Marketing Assessment	315,856	-
Restricted – Public and Stakeholder Engagement	20,000	-
	<b>8,483,641</b>	<b>4,580,238</b>
	<b>14,646,994</b>	<b>6,353,321</b>

Approved on behalf of the board



Director



Director



# Statement of Operations

For the year ended June 30, 2019

	2019	2018
<b>Revenue</b>		
Canadian Cattlemen's Association Division (Schedule 1)	4,430,763	3,416,340
Canfax Market Analysis Division (Schedule 3)	431,525	425,871
Canfax Research Services Division (Schedule 5)	236,346	201,312
Beef Cattle Research Council (Schedule 6)	7,548,721	3,099,942
Canadian Beef and Cattle Market Development Fund (Schedule 7)	-	(14,344)
Beef Science Cluster (Schedule 8)	2,695,542	1,558,427
Canadian Roundtable for Sustainable Beef (Schedule 9)	1,299,030	1,311,350
	<b>16,641,927</b>	<b>9,998,898</b>
<b>Expenses</b>		
Canadian Cattlemen's Association Division	3,995,755	3,511,457
Canfax Market Analysis Division	447,448	444,449
Canfax Research Services Division	169,510	218,792
Beef Cattle Research Council	4,466,657	2,895,620
Canadian Beef and Cattle Market Development Fund (recovery)	-	(14,344)
Beef Science Cluster	2,695,542	1,558,427
Canadian Roundtable for Sustainable Beef	1,187,930	997,663
Amortization	25,657	21,369
	<b>12,988,499</b>	<b>9,633,433</b>
<b>Excess of revenue over expenses before other items</b>	<b>3,653,428</b>	<b>365,465</b>
Premium on redemption of shares (Schedule 1) (Note 17)	249,975	-
<b>Excess of revenue over expenses</b>	<b>3,903,403</b>	<b>365,465</b>

# Statement of Changes in Net Assets

For the year ended June 30, 2019

	Invested in property and equipment	Unrestricted	Restricted	2019	2018
Net assets, beginning of year	42,196	3,038,042	1,500,000	4,580,238	4,214,773
Excess (deficiency) of revenue over expenses	(25,657)	3,929,060	-	3,903,403	365,465
Reserve allocation	-	(835,856)	835,856	-	-
Invested in property and equipment	13,410	(13,410)	-	-	-
Net assets, end of year	29,949	6,117,836	2,335,856	8,483,641	4,580,238



# Statement of Cash Flows

For the year ended June 30, 2019

	2019	2018
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	3,903,403	365,465
Amortization	25,657	21,369
Premium on redemption of shares	(249,975)	-
	<b>3,679,085</b>	<b>386,834</b>
Changes in working capital accounts		
Accounts receivable	(1,503,467)	215,745
Goods and services tax recoverable	3,995	8,205
Investment in BIXSCO Inc.	-	(25)
Prepaid expenses	(61,784)	29,472
Accounts payable and accrued liabilities	2,319,691	(142,036)
Deferred contributions	2,070,579	(681,512)
	<b>6,508,099</b>	<b>(183,317)</b>
<b>Investing</b>		
Purchase of property and equipment	(13,410)	(36,717)
Purchase of investments	(2,666,489)	-
Proceeds on redemption of shares	250,000	
	<b>(2,429,899)</b>	<b>(36,717)</b>
<b>Increase (decrease) in cash</b>	<b>4,078,200</b>	<b>(220,034)</b>
<b>Cash, beginning of year</b>	<b>4,641,064</b>	<b>4,861,098</b>
<b>Cash, end of year</b>	<b>8,719,264</b>	<b>4,641,064</b>



# Notes to the Financial Statements

*For the year ended June 30, 2019*

## 1. DESCRIPTION OF BUSINESS

The Canadian Cattlemen's Association (the "Association" or "CCA") was incorporated in March 1932. Under the Income Tax Act (Canada), the Association is classified as a not-for-profit organization and, accordingly, is not subject to income taxes. The Association's mandate is to represent the interests of Canadian beef producers for the enhancement of the beef industry. The Association undertakes its activities through a number of divisions.

The Canfax Market Analysis provides market intelligence services and up to the minute information to its members, who are primarily feedlot, cow-calf and backgrounding operators.

The Canfax Research Services provides a market research service that is used by provincial cattlemen's association and government.

The Beef Cattle Research Council ("BCRC") sets priorities and contributes funding to national beef research and development projects in specific research areas.

The Canadian Beef and Cattle Market Development Fund ("CBCMDF") supports worthy market development and trade cattle genetics, and beef and beef products over the longer term.

The Beef Science Cluster is a contribution agreement between the Canadian Cattlemen's Association and Agriculture and Agri-Food Canada. This initiative is administered by the Beef Cattle Research Council. It is intended to fund practical, applied research to improve the competitiveness of Canada's beef value chain, and to encourage continued investment in infrastructure and human capital in strategically important areas of beef and cattle research.

The Canadian Roundtable for Sustainable Beef was set up as a division of CCA to engage a broad range of stakeholders to promote sustainability throughout the Canadian beef industry through three pillars of focus – Certified Sustainable Beef Framework, Sustainability Benchmarking, and Sustainability Projects.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

### *Divisional reporting*

These financial statements have been prepared to include the results of the following Association divisions: the Canadian Cattlemen's Association Division, the Canfax Market Analysis Division, the Canfax Research Services Division, the Beef Cattle Research Council, the Beef Science Cluster, the Canadian Beef and Cattle Market Development Fund, and the Canadian Roundtable for Sustainable Beef. For presentation purposes, amortization expense has not been segregated on the Schedule of Operations and changes in Net Assets for the Canadian Cattlemen's Association Division, the Canfax Market Analysis Division, the Canfax Research Services Division, the Beef Cattle Research Council, the Beef Science Cluster, and the Canadian Roundtable for Sustainable Beef.

### *Expenditures*

The expense categories on the Schedule of Operations for the Canadian Cattlemen's Association Division have been grouped by department. The expense categories on the Schedules of Operations and Net Assets for the CCA Division, the Canfax Market Analysis Division, the Canfax Research Services Division, the BCRC Division, the Beef Science Cluster, the Canadian Beef and Cattle Market Development Fund, and the Canadian Roundtable for Sustainable Beef have been grouped by type of expense.

### *Cash*

Cash includes bank balances and deposits with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.





**Property and equipment**

Purchased property and equipment are recorded at cost.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Rate</b>
Computer equipment	3 years
Furniture and fixtures	5 years
Office equipment	10 years

**Revenue recognition**

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Subscription and assessment revenues that meet the definition of a liability are deferred and recognized on a pro-rata basis over the subscription and assessment period. Interest income is recognized as revenue in the year in which it is earned.

**Contributed service and materials**

Contributions of services and materials are recognized both as contributions and expenses in the Statement of Operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association's operations and would otherwise have been purchased.

**Investments**

Investments are recorded at fair value for those with prices quoted in an active market, and cost less impairment for those that are not quoted in an active market.

**Measurement uncertainty (use of estimates)**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the years in which they become known.

**Allocation of expenses**

The Association follows CPA Handbook Section 4470 Disclosure of Allocated Expenses, which establishes disclosure standards for not-for-profit organizations that classify their expenses by function and allocate their expenses to a number of functions to which the expenses relate. The Association has allocated administrative expenses, primarily salaries and office expense, to the Canadian Cattlemen's Association Division, Canfax Market Analysis Division and Beef Cattle Research Council Division. The expenses are allocated based on budgeted figures and are disclosed in the accompanying schedules. The Association does not engage in any fundraising activities.

**Restricted net assets**

Restricted net assets represent amounts set aside to finance future operating and capital expenditures. Restrictions are established at the discretion of the Association. Increases to and/or from the restricted net assets are reflected as an adjustment to the respective division.

**Financial instruments**

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CPA Handbook Section 3840 Related Party Transactions.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Association's financial assets and liabilities are subsequently measured at amortized cost.



**Financial asset impairment**

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when there are numerous assets affected by the same factors. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment which is not considered temporary is included in current year excess of revenue over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

**3. ACCOUNTS RECEIVABLE**

	2019	2018
Canadian Cattlemen's Association Division	870,110	972,061
Canfax Market Analysis Division	64,306	66,414
Beef Science Cluster	2,075,421	255,533
Canadian Roundtable for Sustainable Beef	89,467	69,800
Other receivables	18,281	250,310
	<b>3,117,585</b>	<b>1,614,118</b>

**4. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment	92,081	72,891	19,190	31,400
Furniture and fixtures	10,984	4,231	6,753	5,789
Office equipment	10,015	6,009	4,006	5,007
	<b>113,080</b>	<b>83,131</b>	<b>29,949</b>	<b>42,196</b>

**5. INVESTMENTS**

	2019	2018
Mawer Balanced Pooled Funds, at fair market value (cost - \$2,545,798)	2,666,489	-

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2019	2018
Canadian Cattlemen's Association Division	2,709,089	499,695
Beef Science Cluster	361,297	251,000
	<b>3,070,386</b>	<b>750,695</b>

Canadian Cattlemen's Association Division accounts payable in 2019 included \$1,126,829 accrued for third party grants (2018 - \$43,976), \$1,239,684 of general accounts payable (2018 - \$182,525), \$66,496 of payroll liabilities (2018 - \$49,410) and \$276,080 of other accruals (2018 - \$223,784).

## 7. DEFERRED CONTRIBUTIONS

Deferred contributions consists of the following:

	2019	2018
Beef Science Cluster (a)	<b>1,748,419</b>	8,242
Beef Cattle Research Council Division (b)	<b>146,234</b>	95,260
Subscriptions (c)	<b>112,672</b>	106,939
Contingency (d)	<b>500,000</b>	327,528
Young Leaders Development Program (e)	<b>227,363</b>	190,710
Sustainable Beef (f)	<b>87,935</b>	247,416
Canfax Research Services Division (g)	<b>16,523</b>	10,000
Town Halls (h)	<b>16,458</b>	16,458
National Beef Strategy (i)	<b>2,138</b>	5,985
Canfax Market Analysis Division (j)	-	13,850
Public Engagement (k)	<b>235,225</b>	-
	<b>3,092,967</b>	1,022,388

- a) During the year, interest of \$21,147 (2018 - \$5,726) was earned on the grant, and grant income allocations for the year totalled \$3,651,135 (2018 - \$1,552,701). Expenditures totalled \$1,910,958 (2018 - \$1,558,422) resulting in a deferred balance for the Beef Science Cluster of \$1,748,419 (2018 - \$8,242).
- b) During 2019, the Beef Cattle Research Council received \$348,258 (2018 - \$606,551) including interest earned of \$89,052 (2018 - \$53,936) as funding for E.coli Research, Traceability Phase 2, Heat Resistant E.coli, Enhanced CVS Grading, Canadian Integrated Program for Antimicrobial Resistance Surveillance, Antimicrobial Resistance Framework Development, and Enhanced Verified Beef Production Plus. As at June 30, 2019 the Beef Cattle Research Council has spent \$297,284 (2018 - \$923,384) on qualifying activities and the balance of unexpended funds is \$146,234 (2018 - \$95,260) which has been deferred.
- c) These balances represent the unearned portion of yearly subscriptions billed for Canfax Marketing and sponsorship and registration for the Association's convention.
- d) The balance represents the unearned portion of funds received from the provincial members to help support legal costs. A standing policy is on record that the Canadian Cattlemen's Association retain a cap of \$500,000 in the legal reserve with a special assessment triggered when the reserve is drawn down to \$250,000.
- e) During the 2019 fiscal year, the Association received funding of \$nil (2018 - \$nil) from the Alberta Livestock and Meat Agency Ltd. ("ALMA") for the National Cattlemen's Young Leaders Development ("YLD") Program and \$168,500 (2018 - \$168,379) in industry sponsorship. In the 2019 fiscal year, the Association spent \$131,847 (2018 - \$126,257) in qualifying expenses. The balance of unexpended funds is \$227,363 (2018 - \$190,710) and this amount has been deferred.
- f) During the 2019 fiscal year, the Association received \$1,144,133 (2018 - \$891,222) in industry sponsorship and government funding for the Sustainable Beef Program. As of June 30, 2019, the Association has spent \$1,303,614 (2018 - \$1,311,349), resulting in deferred contributions of \$87,935 (2018 - \$247,416).
- g) During the 2019 fiscal year, the Association received \$248,546 (2018 - \$187,080) in contract and sponsorships for the Canfax Research Services Division. As of June 30, 2019, the Association has spent \$242,023 (2018 - \$219,611), of which \$nil (2018 - \$18,299) of unrestricted funds were used, resulting in deferred contributions of \$16,523 (2018 - \$10,000).
- h) During the 2019 fiscal year, the Association received \$nil (2018 - \$12,000) in sponsorships for the Town Halls Division. As of June 30, 2019, the Association has spent \$nil (2018 - \$8,802), resulting in deferred contributions of \$16,458 (2018 - \$16,458).
- i) During the 2019 fiscal year, the Association received \$23,485 (2018 - \$nil) in sponsorships for the National Beef Advisors and issued a credit of \$nil (2018 - \$4,000) for funds received in the prior year. The Association also received \$nil (2018 - \$nil) for the Canadian Beef Industry Conference. As of June 30, 2019, the Association has spent \$27,332 (2018 - \$6,099), resulting in deferred contributions of \$2,138 (2018 - \$5,985).





- j) During the 2019 fiscal year, the Association received \$nil (2018 - \$27,500) in sponsorships for the development and advertising of Canfax's CFX Pro mobile cattle information system. As of June 30, 2019, the Association has spent \$13,850 (2018 - \$13,650), resulting in deferred contributions of \$nil (2018 - \$13,850).
- k) During the 2019 fiscal year, the Association received \$590,400 in sponsorships for the development and advertising of public engagement programs. As of June 30, 2019, the Association has spent \$355,175, resulting in deferred contributions of \$235,225.

## 8. COMMITMENTS

The Association has annual lease commitments for office space in Calgary and Ottawa. The Calgary lease expires May 31, 2024 and the Ottawa lease expires April 30, 2027.

The Association has entered into various lease agreements with estimated minimum annual payments as follows:

2020	170,883
2021	178,295
2022	179,876
2023	180,866
2024	176,382
Thereafter	93,901
	<u>980,203</u>

In addition, the Association is obligated to pay common area costs under certain leases.

## 9. NET ASSETS

	Net assets invested in property and equipment	Unrestricted net assets	Restricted net assets	2019	2018
Canadian Cattlemen's Association Division	16,212	1,009,845	335,856	1,361,913	688,251
Canfax Market Analysis Division	4,160	55,687	-	59,847	84,446
Canfax Research Services Division	421	189,295	-	189,716	123,095
Beef Cattle Research Council	7,916	4,439,767	2,000,000	6,447,683	3,371,064
Beef Science Cluster	-	-	-	-	-
Canadian Roundtable for Sustainable Beef	1,240	423,242	-	424,482	313,382
	<u>29,949</u>	<u>6,117,836</u>	<u>2,335,856</u>	<u>8,483,641</u>	<u>4,580,238</u>

During 2019, the BCRC increased its restricted net assets from \$1,500,000 to \$2,000,000.

## 10. BUDGET INFORMATION

Budget figures shown on the divisional supplementary schedules have not been audited. They were approved by the Board of Directors.

## 11. ECONOMIC DEPENDENCE

The Canadian Cattlemen's Association division receives a significant amount of its revenue from assessments received from various provincial associations. Each member province is assessed by the Association according to its relative marketing. The Association received \$3,353,978 (2018 - \$2,873,514) in assessments and \$387,245 (2018 - \$271,699) in legal assessments; during the year, \$214,773 (2018 - \$206,230) of legal assessments previously received and deferred were recognized as revenue. The Canfax Market Analysis Division received \$431,525 (2018 - \$425,871) in subscriptions. The Beef Cattle Research Council received \$5,851,923 (2018 - \$1,435,011) of funds from the Canadian Beef Cattle Check-Off Agency (Note 13).



## 12. FINANCIAL INSTRUMENTS

All significant financial assets, financial liabilities and equity instruments of the Association are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk, credit risk, currency risk, liquidity risk and other price risk.

## 13. AFFILIATED ORGANIZATION

During the year, the Association and BCRC, received \$5,851,923 (2018 - \$1,435,011) from the Canadian Beef Cattle Check-Off ("the Agency"). Agency with established terms outlined in a service agreement that exists between the Agency and CCA. The current agreement was renewed on January 29, 2018 and shall continue until March 31, 2023. Each provincial cattle organization determines the allocations directed toward research and marketing activities, with BCRC receiving those allocations directed toward research. These provincial organizations are also members of the CCA. The Agency was established as a market development, promotion, and research agency by Federal proclamation in order to provide a sustainable funding base to finance promotion, beef market development and relevant research activities for the benefit of the Canadian beef and beef cattle industry. A portion of cattle levies received by the Agency are paid to BCRC to carry out the activities outlined above. The contributions received from the Agency are recorded at the carrying value of the cash received.

## 14. RELATED PARTY TRANSACTIONS

The Association is contracted by the Canadian Beef Check-off Agency ("the Agency") to undertake certain activities. The Agency is related by virtue of certain common Board members. During the year, the Agency was invoiced the following expenses:

	2019	2018
Contract services	81,616	97,302

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## 15. INDEMNIFICATIONS

In the ordinary course of operations, the Association enters into grant and contribution agreements which contain indemnification provisions. In such contracts, the Association may indemnify counter parties to the contracts if certain events occur. These indemnification provisions vary on an agreement by agreement basis. In some cases, there are no pre-determined amounts or limits included in the indemnification provisions and the occurrence of contingent events that will trigger payment under them is difficult to predict. Therefore, the maximum potential future amount that the Association could be required to pay cannot be reasonably estimated, and no amounts have been recorded in these financial statements.

## 16. COMPENSATION

The remuneration and benefits paid to all members of the Board of Directors (on an individual basis by title) are as follows:

	2019	2018
President	30,000	30,000
Vice-President	15,000	15,000
	45,000	45,000

## 17. INVESTMENT IN BIXSCO INC.

On April 20, 2018, the Association entered into an agreement with ViewTrak Technologies Ltd. ("ViewTrak") to convert the 25 common shares it owned of BIXSCO Inc. ("BIXSCO") to 250,000 preferred shares with a redemption value of \$1.00 per share. The preferred shares had voting rights. Property with an agreed upon value of \$250,000 but with a value of \$nil on these financial statements was transferred to BIXSCO. As the transaction was between related parties, it was measured at the carrying amount.

On May 1, 2019, the Association redeemed the 250,000 BIXSCO preferred shares in exchange for \$250,000 cash. This resulted in a premium on redemption of shares of \$249,975 which has been included in Canadian Cattlemen's Association Division income for the year.

## 18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary to conform to the current year's presentation.



## Auditors' Communication on Supplementary Information

To the Board of Directors of Canadian Cattlemen's Association:

We have the following comments with respect to the supplementary information included in the attached schedules of the Canadian Cattlemen's Association for the year ended June 30, 2019.

### ***Management's Responsibility for the Schedules and Supplementary Information***

Management is responsible for the preparation of these schedules, which are presented for the purposes of additional analysis and are not a required part of the Canadian Cattlemen's Association's general purpose financial statements.

### ***Auditors' Responsibility***

Our audit dated December 18, 2019 of the Canadian Cattlemen's Association's financial statements for the year ended June 30, 2019 was not directed to the determination of the accuracy of the information included in the attached schedules. While such supplementary information has been subjected to the auditing process applied in the audit of the general purpose financial statements as a whole, we do not express a separate opinion on the attached schedules.

Calgary, Alberta  
December 18, 2019

**MNP LLP**

Chartered Professional Accountants





Schedule 1 – Canadian Cattlemen's Association Division

# Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
Assessments (Schedule 2)	3,289,136	3,353,978	2,873,514	2,873,514
Legal assessments	600,000	214,773	600,000	206,230
Sponsorship	10,000	10,000	15,000	10,000
Interest	4,800	37,478	4,320	8,551
Other				
CCA Associate Membership	18,000	21,000	28,500	19,500
Mastercard program	15,000	14,084	20,000	14,217
Young Leaders program	109,000	67,347	111,000	88,443
Young Cattlemen's Council	46,600	64,500	46,600	37,814
Town halls	12,000	12,000	12,000	8,802
International Beef Alliance	145,000	107,519	-	-
National Beef Strategy	23,485	23,485	13,174	6,099
Public and Stakeholder Engagement	486,239	355,175	138,913	143,145
Investment revenue	-	19,079	-	-
General revenue	-	132,483	-	-
Gain on investment	-	-	-	25
	4,759,260	4,430,763	3,863,021	3,416,340
<b>Expenses</b>				
Canadian Cattlemen's Foundation	-	52	-	56
CCA Division services	327,785	368,049	330,279	358,261
Calgary office	1,327,715	1,255,148	1,289,485	1,301,840
Ottawa office	349,695	416,486	336,610	354,484
Legal reserve	600,000	214,773	600,000	206,229
Communications	55,651	51,009	56,788	44,885
Conventions	16,000	21,667	16,000	17,972
Town halls	12,000	6,066	12,000	8,802
Executive and finance	123,113	207,761	126,113	172,005
Advocate services	300,168	397,805	318,993	313,282
Annual meetings	87,800	92,603	87,800	109,299
Semi-annual meetings	67,200	60,692	67,200	58,620
Animal health and meat inspection	83,641	91,968	88,641	83,925
Animal care committee	19,704	29,023	20,100	21,888
Value creation and competitiveness	4,081	3,513	4,165	3,807
Foreign trade committee	72,100	67,890	72,100	111,393
Domestic agriculture policy	16,460	8,779	16,800	11,221
Young Cattlemen's Council	43,735	34,730	44,735	37,814
International Beef Alliance	196,500	152,408	51,500	38,984
Young Leaders development	90,000	97,116	95,300	88,443
Environment	36,930	53,017	46,930	32,274
National Beef Strategy	16,850	21,347	7,500	6,099
Public and stakeholder engagement	427,100	355,174	135,420	139,241
	4,274,228	4,007,076	3,824,459	3,520,464
<b>Excess (deficiency) of revenue over expenses before other items</b>	485,032	423,687	38,562	(104,124)
Premium on redemption of shares	-	249,975	-	-
<b>Excess (deficiency) of revenue over expenses</b>	485,032	673,662	38,562	(104,124)
<b>Net assets, beginning of the year</b>		688,251		792,375
<b>Net assets, end of the year</b>		1,361,913		688,251



Schedule 2 – Canadian Cattlemen's Association Division

## Schedule of Assessment Revenue

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
British Columbia	138,940	138,944	132,756	132,756
Alberta	1,835,700	1,835,700	1,558,019	1,558,019
Saskatchewan	599,540	599,540	537,060	537,060
Manitoba	271,920	258,001	238,502	238,502
Ontario	411,140	411,142	375,281	375,281
Quebec	-	90,824	-	-
New Brunswick	10,057	10,057	10,057	10,057
Nova Scotia	12,069	-	12,069	12,069
Prince Edward Island	9,770	9,770	9,770	9,770
	<b>3,289,136</b>	<b>3,353,978</b>	2,873,514	2,873,514

Schedule 3 – Canfax Market Analysis Division

## Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
Subscriptions (Schedule 4)	251,400	243,715	246,900	246,091
Market information system – Alberta Beef Producers	42,600	42,600	42,600	42,600
Canadian Cattlemen's Association Division dues	15,000	15,000	15,000	15,000
Alberta Beef Producers dues	21,000	21,000	21,000	21,000
Newswires	21,600	22,184	21,600	22,083
Interest	1,800	5,430	1,800	3,289
Grading Agency contract	2,400	2,400	2,400	2,400
Sponsorships	30,000	5,000	28,800	5,000
Miscellaneous	63,360	74,196	61,200	68,408
	<b>449,160</b>	<b>431,525</b>	441,300	425,871
<b>Expenses</b>				
Salaries and benefits	348,800	348,444	341,465	343,395
Travel, promotion and meetings	8,160	2,771	8,280	1,993
Postage	3,000	1,763	3,480	2,173
Telephone	4,200	3,363	4,800	3,459
Rent	39,540	38,792	39,540	38,463
Office supplies, printing, computer and other	34,660	47,540	40,252	46,620
Newswires	6,600	3,323	6,600	6,172
Resource information	1,680	1,357	1,680	1,578
Amortization	7,275	8,676	7,005	6,809
Consulting fees	1,500	95	1,500	595
	<b>455,415</b>	<b>456,124</b>	454,602	451,257
<b>Deficiency of revenue over expenses</b>	<b>(6,255)</b>	<b>(24,599)</b>	(13,302)	(25,386)
<b>Net assets, beginning of the year</b>		<b>84,446</b>		109,832
<b>Net assets, end of the year</b>		<b>59,847</b>		84,446



Schedule 4 – Canfax Market Analysis Division

## Schedule of Subscription Revenue

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
Feedlot yearly	55,200	57,822	54,000	57,663
Feedlot monthly/quarterly	21,000	21,393	21,000	20,959
Associate/producer East	16,800	14,113	19,200	15,248
Associate West	100,800	95,098	96,000	97,539
Cow/calf	50,400	47,902	49,800	47,149
Trends	7,200	7,387	6,900	7,533
	<b>251,400</b>	<b>243,715</b>	<b>246,900</b>	<b>246,091</b>

Schedule 5 – Canfax Research Services Division

## Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
CCA dues	25,000	25,000	25,000	25,000
Canada Beef Contract	56,500	56,500	54,500	56,500
Projects	80,500	90,020	75,000	70,637
Other income	25,250	64,826	33,250	49,175
	<b>187,250</b>	<b>236,346</b>	<b>187,750</b>	<b>201,312</b>
<b>Expenses</b>				
Salaries and benefits	120,140	117,467	164,900	152,563
Rent	21,540	20,817	21,540	20,849
Office	7,830	10,414	7,830	10,056
Travel	8,040	6,894	8,040	3,851
Consultant	6,000	11,511	6,000	25,098
Amortization	120	215	937	819
Registrations	2,400	2,407	2,400	1,375
Projects	-	-	-	5,000
	<b>166,070</b>	<b>169,725</b>	<b>211,647</b>	<b>219,611</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>21,180</b>	<b>66,621</b>	<b>(23,897)</b>	<b>(18,299)</b>
<b>Net assets, beginning of the year</b>		<b>123,095</b>		<b>141,394</b>
<b>Net assets, end of the year</b>		<b>189,716</b>		<b>123,095</b>





Schedule 6 – Beef Cattle Research Council

## Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
On-farm food safety	-	-	42,059	37,092
Canadian Beef Check-Off (Rate of \$2.50 per head for 2019 and \$1.00 per head for 2018)	5,000,000	5,851,923	1,100,000	1,435,011
Interest	30,000	89,052	27,000	53,936
Cluster projects	660,923	775,652	349,444	656,648
Alberta Beef Producers Beef Science Cluster	-	-	67,500	67,500
Provincial science cluster	-	-	35,000	35,000
Grants	241,000	312,405	325,146	89,728
Enhanced Verified Beef Production+	129,925	120,762	613,825	725,027
Verified Beef Production+ industry and market alignment	155,000	149,001	-	-
Investment income	-	249,926	-	-
	6,216,848	7,548,721	2,559,974	3,099,942
<b>Expenses</b>				
BCRC Division Services	831,745	724,836	673,682	672,740
Projects	1,945,273	2,012,604	576,944	555,708
Quality Starts Here	-	-	237,500	197,031
On-farm food safety	-	-	42,059	34,573
Cluster projects	1,125,389	1,067,890	805,567	755,649
Enhanced Verified Beef Production+	604,860	520,665	613,825	684,349
Verified Beef Production+ industry and market alignment	155,000	146,107	-	-
	4,662,267	4,472,102	2,949,577	2,900,050
<b>Excess (deficiency) of revenue over expenses</b>	1,554,581	3,076,619	(389,603)	199,892
<b>Net assets, beginning of the year</b>		3,371,064		3,171,172
<b>Net assets, end of the year</b>		6,447,683		3,371,064

Schedule 7 – Canadian Beef and Cattle Market Development Fund

## Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019	2018
<b>Revenue</b>		
Legacy Fund Provincial	-	(14,344)
<b>Expenses</b>		
Administration	-	(5,000)
International	-	-
Alberta and other	-	(9,344)
	-	(14,344)
<b>Excess of revenue over expenses</b>	-	-
<b>Net assets, beginning and end of the year</b>	-	-



Schedule 8 – Beef Science Cluster

## Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019	2018
<b>Revenue</b>		
Agriculture and Agri-Food Canada funding	2,674,395	1,552,701
Interest	21,147	5,726
	<b>2,695,542</b>	<b>1,588,427</b>
<b>Expenses</b>		
Administrative	255,204	-
Beef quality	-	94,629
Feed efficiency	527,072	171,015
Animal health and production limiting diseases	636,328	263,027
Project management	-	164,728
Forage and grassland productivity	435,317	318,055
Food safety	216,624	194,984
Technology transfer and information dissemination	356,163	271,489
Environmental foot print	268,835	80,500
	<b>2,695,542</b>	<b>1,558,427</b>
<b>Excess of revenue over expenses</b>	-	-
<b>Net assets, beginning of the year</b>	-	-
<b>Net assets, end of the year</b>	-	-

Schedule 9 – Canadian Roundtable for Sustainable Beef

## Schedule of Operations and Net Assets

For the year ended June 30, 2019 (Unaudited)

	2019 Budget	2019 Actual	2018 Budget	2018 Actual
<b>Revenue</b>				
Membership	224,000	290,347	201,083	476,893
Alberta Livestock and Meat Agency	-	-	124,279	113,451
Agriculture and Agri-Food Canada	600,000	605,397	600,000	721,006
Provincial Canadian Agricultural Partnership	250,000	250,000	-	-
Federal Canadian Agricultural Partnership	116,600	153,286	-	-
	<b>1,190,600</b>	<b>1,299,030</b>	<b>925,362</b>	<b>1,311,350</b>
<b>Expenses</b>				
Administration and membership	395,472	179,247	201,083	162,368
Alberta Livestock and Meat Agency funded development	-	-	125,400	114,594
Multisar	600,000	605,397	600,000	721,006
Provincial Canadian Agricultural Partnership	250,000	250,000	-	-
Federal Canadian Agricultural Partnership	116,600	153,286	-	-
	<b>1,362,072</b>	<b>1,187,930</b>	<b>926,483</b>	<b>997,968</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>(171,472)</b>	<b>111,100</b>	<b>(1,121)</b>	<b>313,382</b>
<b>Net assets, beginning of the year</b>		<b>313,382</b>		-
<b>Net assets, end of the year</b>		<b>424,482</b>		<b>313,382</b>





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 complements 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.

## Prime Partners



### Farm Credit Canada

#### About Farm Credit Canada

FCC is Canada's leading agriculture lender, with a healthy loan portfolio of more than \$36 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. As a self-sustaining Crown corporation, our profits are reinvested back into the agriculture and food industry we serve and the communities where our customers and employees live and work while providing an appropriate return to our shareholder.

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

#### Au sujet de Financement agricole Canada

FAC est le plus important prêteur à l'industrie agricole canadienne et possède un portefeuille de prêts de première qualité de plus de 36 milliards de dollars. Nos employés ont à cœur l'avenir de l'agriculture au Canada et le rôle de cette industrie qui devra subvenir aux besoins alimentaires d'une population mondiale toujours croissante. Nous offrons des solutions de financement souples et concurrentielles ainsi que des logiciels de gestion, de l'information et des connaissances spécialement conçus pour l'industrie agricole et agroalimentaire. À titre de société d'État financièrement autonome, nos profits sont réinvestis dans l'industrie agricole et agroalimentaire que nous servons ainsi que dans les collectivités où vivent et travaillent nos clients et nos employés et servent à verser des dividendes à notre actionnaire.

Visitez [fac.ca](http://fac.ca) ou suivez-nous sur Facebook, LinkedIn et sur Twitter à @FACagriculture.





## AAA Partners



### Boehringer Ingelheim

Improving the health of humans and animals is the goal of Boehringer Ingelheim, a research-driven pharmaceutical company. In doing so, the focus is on diseases for which no satisfactory treatment option exists to date. The company therefore concentrates on developing innovative therapies that can extend patients' lives. In animal health, Boehringer Ingelheim stands for advanced prevention.

More information about Boehringer Ingelheim can be found at [www.boehringer-ingelheim.ca](http://www.boehringer-ingelheim.ca) or in our annual report: <http://annualreport.boehringer-ingelheim.com>.



### GrowSafe Systems

The GrowSafe Systems® decision management GrowSafe Systems Ltd. builds advanced animal agriculture systems to help producers optimize their operations. GrowSafe's advanced data acquisition platform features integrated hardware and software analytics that provide producers with data to make better decisions for their operations. Today, GrowSafe is helping to raise more efficient, environmentally friendly and healthier animals in 22 U.S. states, seven Canadian provinces and on farms in Mexico, Australia, Brazil, Uruguay, Namibia, South Africa, New Zealand, Russia and across Europe.

For more information, visit [www.growsafe.com](http://www.growsafe.com)

### Agricultural Banking



### Scotiabank

Are you planning to grow, diversify or transition your farm operations to the next generation? Scotiabank's team of dedicated Agricultural Banking Specialists understands your need for dependable financial services and is committed to the future of your business. Scotiabank is Canada's international bank and a leading financial services provider in North America, Latin America, the Caribbean and Central America, and Asia-Pacific. We are dedicated to helping our 23 million customers become better off through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets.



### RBC Royal Bank

RBC is a longstanding supporter of producers in the Canadian agriculture community. As Canada's largest bank, we offer a range of tailored financial and business solutions that go beyond banking, and our dedicated industry specialists are committed to helping producers successfully start, manage and grow their business.

For more information, visit [rbc.com/agriculture](http://rbc.com/agriculture) or visit your local RBC branch to speak with an Agriculture Account Manager.



### Merck

For more than a century, Merck, a leading global biopharmaceutical company, has been inventing for life, bringing forward medicines and vaccines for many of the world's most challenging diseases. Merck Animal Health, a division of Merck & Co., Inc., Kenilworth, N.J., USA, is the global animal health business unit of Merck. Merck Animal Health is dedicated to preserving and improving the health, well-being and performance of animals and the people who care for them.

For more information, visit [www.merck-animal-health.com](http://www.merck-animal-health.com) or connect with us on LinkedIn, Facebook, and Twitter at @MerckAH.

### Platinum TESA sponsor



### MNP

MNP is a leading national accounting, tax and business consulting firm for Canada's agriculture industry. We have invested for time and resources into understanding agriculture than any other firm. With more than 15,000 agriculture clients and a team of over 600 agriculture specialists, MNP delivers a diverse suite of services to protect farmers and maximize results.



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