



ANNUAL REPORT

SCA

SASKATCHEWAN
CATTLEMEN'S ASSOCIATION

2017

www.saskbeef.com

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ANNUAL REPORT



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MISSION STATEMENT



The SCA's mandate is to promote the well being of all production sectors of the Saskatchewan beef cattle industry through effective representation from all regions of the province.

CORPORATE GOVERNANCE

The Saskatchewan Cattlemen's Association (SCA) is an agency established under the Agri-Food Council, complies with the provisions of the Agri-Food act 2004, and operates according to the regulations of the Cattle Development Plan.



DISTRICT 1
 Ryan Beierbach
 Whitewood

DISTRICT 2
 Joe Jackson
 Moose Jaw (incoming)
 Philip Lynn
 Marquis (outgoing)

DISTRICT 3A
 Laurie Disney
 Rockglen

DISTRICT 3B
 Keith Day
 Kyle (incoming)
 Larry Grant
 Val Marie (outgoing)

DISTRICT 4
 Rick Toney
 Gull Lake

DISTRICT 5
 Levi Hull
 Willowbrook

DISTRICT 6
 Garret Hill
 Duval

DISTRICT 7
 Paula Larson
 D'Arcy

DISTRICT 8
 Michael Spratt
 Melfort

DISTRICT 9A
 Arnold Balicki
 Shellbrook

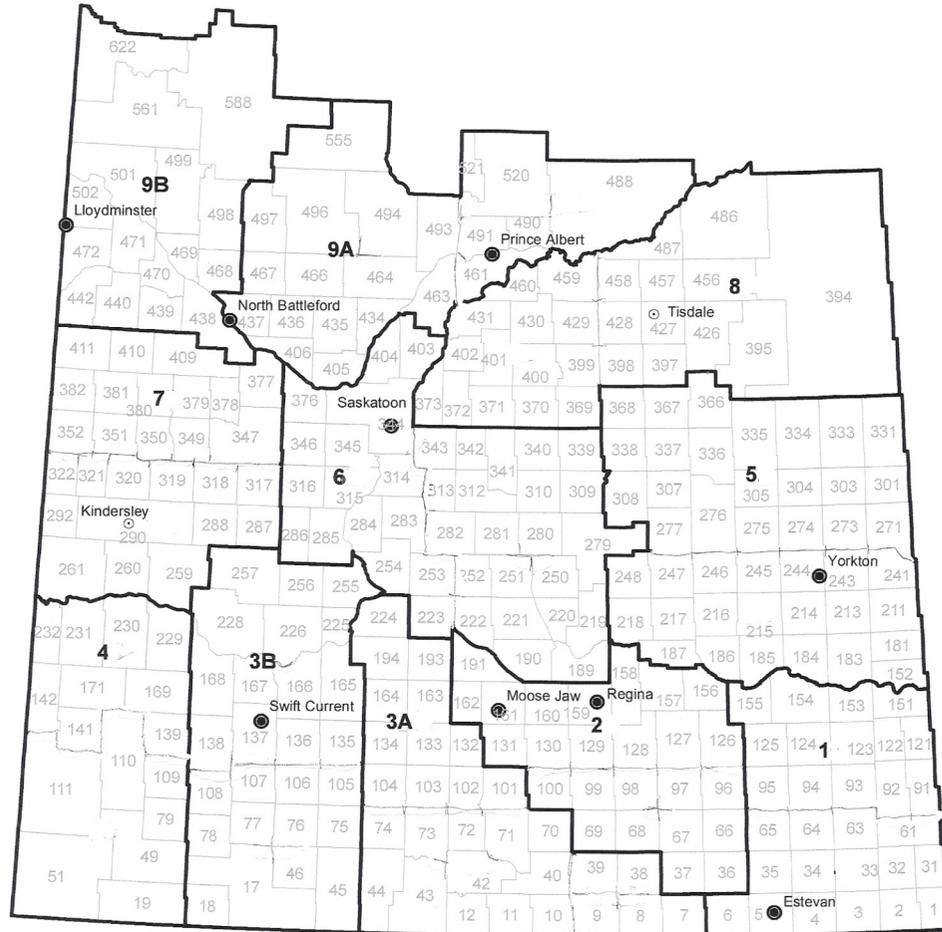
DISTRICT 9B
 Dean Moore
 Paradise Hill

SCFA
 Brad Welter
 Viscount

Chad Ross
 Estevan

SSGA
 Harold Martens
 Swift Current
 Lloyd Thompson
 Camduff

PAST CHAIR
 Bill Jameson
 Moose Jaw



THE SASKATCHEWAN CATTLEMEN'S ASSOCIATION BOARD OF DIRECTORS: Back row, left to right: Arnold Balicki, Paula Larson, Mike Spratt, Brad Welter, Garret Hill, Larry Grant, Lloyd Thompson, Chad Ross. Front row: Ryder Lee (CEO), Rick Toney, Ryan Beierbach, Bill Jameson, Levi Hull. Missing: Laurie Disney, Philip Lynn, Dean Moore, Harold Martens.

COMMITTEE MEMBERS AND REPRESENTATIVES

EXECUTIVE

Ryan Beierbach - Chair
Rick Toney - Vice-Chair
Levi Hull - Member At Large
Philip Lynn - Finance Chair
Bill Jameson - Past Chair

ANIMAL HEALTH

Dean Moore - Chair
Arnold Balicki
Garret Hill
Brad Welter

AUDIT AND FINANCE

Philip Lynn - Chair
Laurie Disney
Rick Toney
Brad Welter

COMMUNICATIONS

Levi Hull - Chair
Larry Grant
Harold Martens
Arnold Balicki
Shane Klepak

ENVIRONMENT

Harold Martens
Chad Ross
Philip Lynn
Larry Grant

FORAGE INSURANCE WORKING GROUP

Larry Grant - Chair
Michael Spratt
Harold Martens
Arnold Balicki

GOVERNANCE & RESOLUTIONS

Lloyd Thompson - Chair
Paula Larson
Arnold Balicki
Chad Ross

RESEARCH

Mike Spratt - Chair
Garret Hill
Dean Moore
Levi Hull
Ex Officio - Henry Soita (SaskAg)

PFRA WORKING GROUP

Paula Larson - Co-chair
Rick Toney - Co-chair
Levi Hull
Larry Grant

TRACEABILITY WORKING GROUP

Rick Toney - Chair
Harold Martens
Bill Jameson
Garret Hill

SASKATCHEWAN CCA REPRESENTATIVES

PAT HAYES

Val Marie

REG SCHELLENBERG

Beechy

DUANE THOMPSON

Kelliher

PERRY RASMUSON

Moosomin

SCA STAFF

RYDER LEE

CEO

LEANN CLIFFORD

Executive Administrator

CHRISTINA PATTERSON- BETKER

Policy Manager

MARIANNE POSSBERG

Beef Production Specialist

SCOTT SAKATCH

Communications Specialist

EXTERNAL COMMITTEE REPRESENTATIVES

BEEF CATTLE RESEARCH COUNCIL

Ryan Beierbach
Tim Oleksyn
Michael Spratt

PRAIRIE DIAGNOSTIC SERVICES - DIRECTOR

Michael Spratt

SASKATCHEWAN FORAGE COUNCIL

Michael Spratt

CANADA BEEF

Chad Ross

NATIONAL CATTLE FEEDERS ASSOCIATION

Ryan Thompson

WESTERN BEEF DEVELOP- MENT CENTRE COMMITTEE

Levi Hull

FARM & FOOD CARE SK

Harold Martens

AG IN THE CLASSROOM

Arnold Balicki

VERIFIED BEEF PRODUCTION

Arnold Balicki

CANADIAN ROUNDTABLE FOR SUSTAINABLE BEEF

Ryan Beierbach

SCA CHAIR'S REPORT: A YEAR OF PROGRESS AND CHALLENGES

The past year has been an interesting one in the cattle markets. Prices fell further and faster than what most people guessed, then in November, things turned around and picked up until the end of the year. It looked to me like the market swing at the end of the year was caused by two significant factors, futures prices going up and leverage shifting from the packing sector to the feeding sector. This shows us that no one can consistently predict what the market will do. It also shows the need for effective ways to manage price risk.

We are working to make sure that price insurance becomes a permanent program for the Next Policy Framework and to recommend changes that will make it as effective for producers as possible. Last fall, price insurance had its largest payout to date. Western Livestock Price Insurance can be an effective risk management tool, look at it to see if it can work for you.

The need for the Canadian Roundtable for Sustainable Beef was highlighted by Earl's announcing that they are sourcing all of their beef from a U.S. supplier with the brand name of Certified Humane. This appears to be the direction many retail and food service companies are moving.

By having a credible group that includes stakeholders from all parts of the value chain as well as animal welfare and environmental groups working to set out guidelines that show how the beef industry is working to become more sustainable, we can get ahead of this. Verified Beef Production + is getting set up to be able to verify this. I encourage all producers to look at getting VBP+ verified. There is going to be more demand for



RYAN BEIERBACH
Chair

Are these wild market gyrations the new norm? I would say yes, they are. This just goes to prove how fragile markets can become.

this all the time and we need a large percentage of producers on the program to make this work.

Our working relationship with the Saskatchewan Ministry of Agriculture

is excellent. Ryder is in constant contact with ministry staff on all issues relating to the beef industry. Minister Lyle Stewart has an excellent understanding of our industry and works hard to provide us with resources that help us succeed and to ensure regulations are effective not burdensome.

Although we don't have as many issues that fall under Minister Scott Moe and the Ministry of Environment, we have a good relationship with them as well. We are lucky to live in Saskatchewan where we have the most Ag friendly government in Canada but we still make sure we are at the table representing the interests of the cattle industry.

In the fall, we had a large turnout at most of our district meetings. We are trying to provide valuable information at these meetings as well as give producers a chance to see what we are doing and provide feedback on what is important to you. We are here to represent Saskatchewan cattle producers and welcome your input. You can email your district representative or the SCA office or give us a call to discuss issues you are having. To get information out to you, we are using social media, our website and email. We are also using radio and doing mailouts, but these are expensive, so it limits the frequency we can use them. If you have an email address, please get it to us so we can communicate with you that way.

I want to keep this brief so I will close with that, and wish everyone a great year in 2017. We are in a cyclical industry and although I hope we have seen the bottom, we need to manage our risks with the realization that cattle prices may be higher or lower than in 2016 ... or both.

SCA CEO'S REPORT: MOVING FORWARD WITH NEW STAFF

I am proud to report on behalf of the staff of the Saskatchewan Cattlemen's Association. One of my goals in this role is to build a solid team that is dedicated to developing and promoting the Saskatchewan cattle industry. The team we have right now is solid. Nobody has worked for SCA for two years so things are fresh and I think that is noticeable. We have been doing some different things and we have been doing some things differently.

Marianne Possberg has been on the scene for the shortest time. She is our Production Specialist. Marianne's role is a new one but it is modeled after a similar role in other provincial cattle organizations. Her focus is production. That means facilitating research and extension and working with various partners to get useful information discovered and then communicated to producers. She is



RYDER LEE
CEO

We continue to build and maintain our relationships with decision makers and influencers wherever we see a benefit for cattle producers.

looking for productivity improvements, profitability boosters, anything that can help cattle producers operate more competitively or better in other ways. Marianne's work in reaching out to researchers and other applicants produced an almost overwhelming response to our November call for proposals for the Saskatchewan Cattlemen's Association Industry Development Fund. Marianne will continue working to find researchers who can propose research that is seen by the board as applicable and beneficial to cattle producers. These will not always be the first proposals. It is an ongoing

job to find and foster the right projects for funding, then to take the findings to producers. There are many research findings already out there that would help producers improve their operations. The challenge is finding ways to get awareness and adoption. A lot of that is a communications challenge.

SCA's communications specialist is Scott Sakatch. Scott has been on board for just over a year and his skills and enthusiasm have been on display in many ways. Scott does not have a big agriculture background so he brings a fresh outlook

to any undertaking we have. This is refreshing and important. If everything is perfect, change is not needed. I take the view that there is room for improvement in most aspects of the industry, including how SCA communicates to the public and producers. Scott has helped us take that view and bring it to life with a vigorous social media presence, with communications that have a consistent look and include information for producers and consumers, and with new approaches.

The first new approach in the past year was suspending the Saskatchewan Cattlemen's Connection magazine. The publishing deal SCA had when the magazine was created was no longer available, meaning a huge cost per issue going forward. That was a good opportunity to take a break, work on our contacts and try some new communications avenues. Directly mailed print content will always be a part of SCA communications (by regulation and legislation) but faster, more cost-effective and more dynamic forms are coming out of our office in the meantime.

Another initiative of Scott's has been SCA advertising on the John Gormley show. The audience for Gormley is producers and consumers, and we can change up messaging and communicate about timely issues while reaching much of the province's populated areas. Another new undertaking from SCA was our virtual ranch tours launched at Agribition. Funded in part by Saskatchewan Agriculture's Agriculture Awareness Initiative Program, these videos have been a huge success. We will never be able to bring everyone to a ranch to show them the good work underway, but this puts a rancher right in their ear while they take a 360-degree look at what it's like on a Saskatchewan ranch. These videos will have a long life and we expect to add to the library in the future.

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There is a real need to connect with consumers looking for comfort in their decisions. This is one way to provide that connection.

A continued focus of outbound communications is the consumer. In the coming year SCA is looking to partner with retailers and restaurants where we can support beef sales in Saskatchewan. We intend to include consumer messages in our communications wherever possible. Producers will see production and other communications targeted to them, but you will notice often that there is a consumer angle included. Consumers like beef and are in need of support for choosing beef. If we do not provide it, they will be overwhelmed by messages that plant doubt about the effects of meat, particularly beef, on health and the environment.

Anyone calling the SCA office at 306-585-BEEF (2333) will likely have had the pleasure of speaking with Leann Clifford. Leann oversees the SCA office including our financial record keeping, operational details such as meetings and minutes, and she works with levy remitters in collecting the beef cattle levy which SCA manages. Leann brings a passion for doing things well coupled with a kind and happy personality. This combination helps the whole organization run smoothly. Compliments came from our auditor earlier this year on the books that Leann oversees. I don't think that kind of compliment should be taken lightly. Leann has had a steep learning curve as she is new to development commissions and levy collection. The provincial and federal levies can be complex. Her ability to learn the system, work with others and engage wherever it is needed to improve processes are great assets for the industry.

Happy change for our staff has been the arrival of Christina Betker's son. Christina has been working reduced hours in the last year as she adjusts to parent-

Consumers like beef and are in need of support for choosing beef.

hood but is still helping SCA develop and advance policy. Christina's experience with producer organizations and with government are great assets to the industry. Drainage regulations, hunting regulations, lease land regulations and transport of animals regulations are all being considered by government right now and Christina works with the board and other organizations to ensure cattle producer input is considered on these and other files. Cattle price insurance is a pilot project and we want that to be a permanent project.

A large focus of the coming year is the replacement to Growing Forward 2. This framework does not have a name yet aside from the Next Policy Framework. SCA is engaging with the provincial government and along with the national and other provincial organizations with the federal government to see good programs continue and improve. We are also working to understand what new focus areas are going to mean and how they are going to be implemented. This applies to the framework and to the proposed carbon tax the federal government is pushing. Christina's experience with developing and implementing prior frameworks and with federal provincial politics are great assets in this and other work she does.

Saskatchewan's provincial government is a vocal champion of agriculture as important to the province. That is not the case in most other provinces. We continue to build and maintain our relationships with decision makers and influencers wherever we see a benefit for cattle producers. Producers can help this along by building relationships with their elected officials. SCA is glad

to help with messaging any time you are meeting with an MLA or MP. The more these people know you, what your operation means in their area and what they can do to improve your viability, the more likely they are to act on your behalf.

In addition to the team, I work to ensure the organization is strong. Work is ongoing to ensure our regulations provide a strong foundation, our finances are solid and deployed to meet the goals set by the board and to advance those goals. I also spend a lot of time working on the University of Saskatchewan's Livestock and Forage Centre of Excellence project. Along with District 8 Director Mike Spratt, I sit on the Provincial Steering Committee for this project. I am also involved in raising funds for the project.

This modernization, consolidation and expansion of the beef and forage and other livestock research facilities at the University of Saskatchewan is a key part of ensuring the research can be done to improve beef cattle productivity, competitiveness and resiliency in Saskatchewan in the future. It is a big and important project that is helped along by the \$1 million contribution from Saskatchewan Cattlemen's Association.

My final comment for this report is to reflect on the board I work for. When I think of the cattle producers I meet in Saskatchewan of all different types, I am comfortable they are represented on this board. Large and small, cow-calf, feeder, backgrounder, early career, very experienced, men, women - they are all there and the board is from across the province. That goes a long way to ensuring we are working on things that will benefit the industry as a whole and is a major strength of the SCA.

I wish everyone a prosperous, and especially safe, year ahead. We all have times when we are busy when our inner voice says "maybe this is not so safe." Please listen to that voice.

RESEARCH COMMITTEE REPORT: INCREASING OUR INVESTMENT

FUNDING RESEARCH PROJECTS

A third of the Saskatchewan Cattlemen's Association budget is dedicated to industry development. Roughly half of those industry development funds are spent on research funding. The Research Committee had 43 excellent research proposals to choose from, which we hope will improve our cattle production. The Research Committee recommended that nine of these research proposals receive funding. The total amount for each category of research strategy objectives are below. In addition to funds for Forage and Feed Grains research, the SCA has also provided funds to the Saskatchewan Forage Council to test and showcase new forage varieties in Saskatchewan.

To decide which research projects our organization should fund, the committee sought opinions and recommendations from our staff as well as staff from the Beef Cattle Research Council, the Alberta Beef Producers, the Saskatchewan Forage Network, the Saskatchewan Forage Council, and the Manitoba Beef and Forage Initiative.

Experts in these groups, in addition to other peer reviewers, helped the committee evaluate each research proposal based on the need for the research, the methodology of each proposal, the size of the potential outcome, and the ability to provide additional information to beef producers. Our organization also had input on the research projects funded by the Saskatchewan Government's Agricultural Development fund, which funded several beef and forage projects that will also help our industry.

The SCA does not pay for research on its own. We depend on other organizations like the Saskatchewan Agricul-

tural Development Fund, the Manitoba Beef and Forages Initiative, and the Canadian Government's Beef Cluster to also support research. Those organizations also look to us to financially support projects that meet our objectives. As a result, for every dollar that was spent by the SCA, \$25 was spent by a partnering organization. We hope to continue this involvement by engaging with researchers and like minded organizations.

RESEARCH PRIORITIES AND COMMITTEE ACTIVITIES

Our committee has worked towards, and will continue to work towards staying aligned with the top priorities in our industry, and decided that economic issues needed greater attention. These priorities can be found on our website. If you believe that there is an important area missed, please contact the office, as your voice is necessary and appreciated.

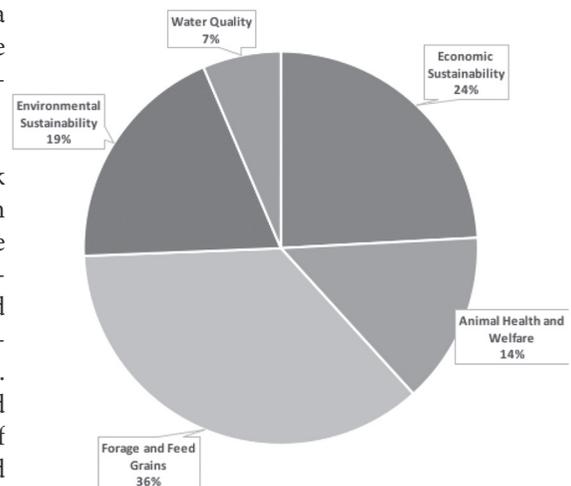
The committee plans to look at more specific research priorities to mirror those from the Beef Cattle Research Council, but also add in priorities specific to Saskatchewan beef producers. Members of the SCA board also sit on the Western Beef Development Centre and the Saskatchewan Forage Network partly in order to direct their research initiatives.

LIVESTOCK AND FORAGE CENTRE OF EXCELLENCE

Work continues for the Livestock and Forage Centre of Excellence (LFCE). Ground has been broken for Phase 1, the feedlot.



MICHAEL SPRATT
Chair



This phase also includes a barn with offices for forage testing, chute-side demonstrations, and room for smaller studies on cattle. The SCA has provided \$1,000,000 for the LFCE project and also approved funding for several research projects to understand the environmental impacts of feedlots with an aim to mitigate these potential problems.

SEE PAGE 10 FOR A BREAKDOWN OF SCAIDF RESEARCH PROJECTS

SCAIDF FUNDING REPORT: CURRENT RESEARCH PROJECTS

EFFECT OF ERGOT ON BEEF BULL FERTILITY

\$28,980 over 2 years

Head Researcher: Jaswant Singh

The effect of ergot on cattle has been studied in the past. Beef nutritionists feel comfortable providing their cattle with a low level of ergot in feed, while higher levels of ergot can lead to large wrecks. However, Dr. Singh and his team are investigating whether even these low levels of ergot can lead to poor fertility for bulls in the year that they eat ergot and beyond. They hope to provide better recommendations to bovine nutritionists with this information, which could lead to higher fertility rates in years after ergot contaminated crops.

EFFECT OF STOCK DENSITY AND TIME OF GRAZING ON CONTROL OF LEAFY SPURGE

\$10,000 over 2 years

Head Researcher: Bart Lardner

Leafy spurge has become common in Saskatchewan and the rest of the prairies. Efforts to eradicate these plants in a forage stand can be expensive and difficult to mechanically access. Leafy Spurge beetles have been used to some degree of success, while goat grazing could be effective if it did not affect beef producer's time. Research from animal behaviorist Kathy Voth has noted that cattle can be acclimatized to eating this high-protein weed, this study will investigate if cattle can eat leafy spurge through high intensity grazing without the long term effects of scours or skin and digestion tract irritation. As previous research has indicated that high cattle stock grazing can increase total forage production, increase the total pounds/acre weaned, and decrease invasive species, these researchers plan on sharing information about soil health, animal performance, and economic benefits about leafy spurge control after their 3 year trial.

ADDRESSING LIVESTOCK WATER SECURITY THROUGH SULPHATE REMOVAL USING BIOSORBENT MATERIALS AND MODIFIED FORMS

\$20,000 over 2 years

Head Researcher: Lee Wilson

While the Canadian Water Quality Guidelines recommend a maximum sulphate concentration of 1,000 mg/L, many livestock producers in Saskatchewan have reported high levels of sulphates in their water. This has led to a deficiency of copper, zinc, iron, and manganese that in turn causes lower growth rates, infertility, a depressed immune response, and even death in very high concentrations. Some sulphate management practices, like adding copper to feed, can be a cost effective. However, these solutions are more adequate for feedlot cattle. Dr. Wilson's team will create a prototype of a sulphate removal system that could also ultimately also remove phosphate as well.

OPTIMIZING RUMINAL FERMENTATION USING SILAGE AND CEREAL GRAIN INCLUSION STRATEGIES FOR BACKGROUNDING AND FINISHING STEERS

\$81,714 over 2 years

Head Researcher: Greg Penner

New varieties of corn to Saskatchewan have brought more options for beef producers. At the same time, preventing acute rumen acidosis due to the provision of excess amount of rapidly digestible carbohydrates, usually associated with barley. The nutrient content and the rate of nutrient digestions in the rumen are quite different between barley and corn, whether cereal grain or silage. This research hopes to optimize digestion in the rumen by selecting cereal silage sources in combination with cereal grains. Therefore, trials with blends of barley and corn cereal grain and silage diets will be conducted to

determine the health of cattle and their rumen as well as the cost of production.

SELECTION OF CLONAL PROPAGATED ALFALFA AND SAINFOIN PLANTS UNDER GRASS OR LEGUME COMPETITION

\$20,700 over 3 years

Head Researcher: Bill Biliget

Sainfoin and alfalfa provide better health to agricultural soils. Sainfoin, in particular, is a non-bloating type of legume that can increase protein absorption. However, growth of sainfoin decreased in the '60s and '70s due to its inability to grow in mixed forage stands. Dr. Biliget and his research team have proposed a research plan that will help both alfalfa and sainfoin strains thrive. This team will breed alfalfa and sainfoin plants then transplant them in a meadow brome stand. Those plants that show superior genotypes will be intercrossed and evaluated for yield and quality. As a result, there will be an advanced breeding line for alfalfa and sainfoin than can contribute to a healthier forage soil as well as healthier and more efficient cattle herds.

THE ECONOMICS OF FORAGE-BASED BACKGROUNDING PROGRAMS IN CONVENTIONAL AND NON-CONVENTIONAL BEEF PRODUCTION SYSTEMS

\$55,200 over 2 years

Head Researcher: John McKinnon

Changes in consumer demands as well as labour availability on beef farms have led to producers pondering alternate farming practices. However, these changes are often filled with risk which could cause more strain on the farm. In order to provide a clearer outlook, steers in this trial will be separated into three different feeding trials, and further separated into conventionally treated cattle and "naturally" treated cattle without antibiotics, hormones, or Ionophores. Dr. John McKinnon and his team will

compare direct finishing, short-backgrounding, and long-background (which rely more heavily on hay and pasture diets) and each groups' status as "natural" or "conventional" to its death loss, cost of feed, equipment, health treatments, and labour, as well as the revenue from each of the six production systems. The researchers hope to provide beef producers with more information to choose from alternative production and feeding systems.

A FIELD COMPARISON OF INTRANASAL VERSUS INJECTIBLE BRD VACCINATION ON BEEF CALF TITRES, ADG, MORBIDITY AND MORTALITY

\$15,000 over 3 years

Head Researcher: Nathan Erickson

Bovine Respiratory Disease (BRD), according to the Beef Cattle Research Council, accounts for 65-80% of the morbidity and 45-75% of the mortality in some feedlots. There are several causes, including age, weather, immune status, comingling, crowding, and exposure to several types of infectious agents. Pre-conditioning, or weaning and vaccinating at least 3 weeks prior to shipping has been noted as beneficial to decrease the prevalence of BRD. Dr. Erickson and his team will study the effectiveness of an intra-nasal vaccine, as opposed to an injection, which could reduce time for cow-calf producers and make pre-conditioning less labour intensive.

FACTORS AFFECTING THE ADOPTION AND EXPLOITATION OF DATA MANAGEMENT SYSTEMS IN THE CANADIAN BEEF INDUSTRY

\$10,000 for one year

Head Researcher: Eric Micheels

Prior studies of data management tools have shown there to be significant economic returns to farm record keeping in Western Canada. However, the adoption of these tools have not become widespread. Understanding

barriers to technology or policy adoption can help the beef industry change its approach in communicating with beef producers. Dr. Micheels and his team will conduct in-depth interviews to examine the factors affecting adoption of electronic farm record keeping systems among beef producers, while also identifying key success factors common among firms able to exploit these tools for gain.

ENHANCING THE EFFICIENCY OF COMPUTER VISION CARCASS DATA CAPTURE AND REPORTING FOR FEEDLOTS AND PACKING PLANTS

\$10,000 for one year

Head Researcher: Mark Klassen

At the moment, carcasses at the top and bottom of Canada's yield class 1 differ by more than 50 pounds of lean mean. Researcher Mark Klassen will develop procedure for plan computer vision system grading with support from a web based Carcass Information System (CIS). CIS will be used at a pilot evaluation at Harmony Beef, which will pay on a lean yield % basis, as opposed to yield classes. In addition, CIS can be further developed to provide analytical reporting to feedlots and processors, so that they can adjust their beef production and procurement practices. This research has the potential to reduce the number of graders necessary, and therefore reduce grading costs.

ENVIRONMENTAL DATA COLLECTION AT THE LIVESTOCK AND FORAGE CENTRE OF EXCELLENCE

The installation of the Beef Cattle Research and Teaching Unit as part of the Livestock and Forage Centre of Excellence has provided an excellent opportunity to collect baseline environmental data before and after cattle are present at the site. This information gathered here will be shared with the beef industry as well as the provincial government in order to provide accurate data to inform regulations and

mitigation strategies.

PEN SURFACE SOIL PERFORMANCE OF VARIOUS SOILS DURING THE FIRST TWO CYCLES OF CATTLE AT A FEEDLOT IN SAS-KATCHEWAN

\$22,998 over three years.

Head Researcher: Terry Fonstad

Different types of soil not only lead to increased leaching, but also increased costs as pens containing water have shown to need 50% higher cattle maintenance. Three different types of onsite soils will be used in six pens throughout different seasons.

IMPROVED MANURE UTILIZATION METHODS FOR FEEDLOTS IN SASKATCHEWAN

\$24,531 over three years

Head Researcher: Terry Fonstad

There are several different methods to dispose of manure from a feedlot. Stockpiling manure allows yards to be cleaned as needed without spreading it, and is less likely to pollute the local environment. However, the usefulness of stockpiled manure diminishes at as much as 40% of total manure nitrogen can be lost. In addition, years with heavy precipitation can also lead to losses of potassium and sodium can be lost. Also, the time and management of these piles might offset costs saved by not using mechanical spreading equipment.

SOLUTE AND MOISTURE FLUXES BELOW SMALL WATERSHED AMENDED WITH FEEDLOT MANURE

\$12,265 over three years

Head Researcher: Terry Fonstad

This research intends to provide insights into the dynamics of soil moisture below fields that have had manure applications. It intends to measure the seepage rates and chemistry changes in the near surface and subsurface to understand the mitigation of nitrate and phosphorus from manure.

2016 AUDITED FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT

To the Members of Saskatchewan Cattlemen's Association:

We have audited the accompanying financial statements of Saskatchewan Cattlemen's Association, which comprise the balance sheets as at July 31, 2016 and the statements of operations, changes in net assets and cash flows for the year ended July 31, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Cattlemen's Association as at July 31, 2016 and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan
January 13, 2017


Dudley & Company LLP
Chartered Professional Accountants

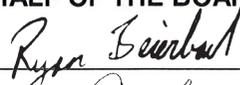
SASKATCHEWAN CATTLEMEN'S ASSOCIATION

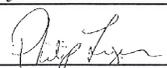
Balance Sheet

July 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	\$ 1,232,585	\$ 986,440
Current investments (Note 4)	3,548,287	4,264,520
Accounts receivable	45,508	42,742
GST receivable	11,114	5,389
Prepaid expenses	39,820	41,253
	<u>4,877,314</u>	<u>5,340,344</u>
TANGIBLE CAPITAL ASSETS (Note 6)	3,416	4,827
LONG TERM INVESTMENTS (Note 4)	<u>1,261,185</u>	<u>1,381,106</u>
	<u>\$ 6,141,915</u>	<u>\$ 6,726,277</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 2,409	\$ 21,194
Payroll deductions payable	1,028	12,802
Accrued SBIDF commitments	66,746	80,165
	<u>70,183</u>	<u>114,161</u>
NET ASSETS	<u>6,071,732</u>	<u>6,612,116</u>
	<u>\$ 6,141,915</u>	<u>\$ 6,726,277</u>

ON BEHALF OF THE BOARD

 _____ Chair

 _____ Director

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
Statement of Operations
Year Ended July 31, 2016

	2016	2015
REVENUE		
Check-off revenue	\$ 3,316,170	\$ 3,684,213
Interest and investment income	50,227	159,167
Communications revenue	11,759	5,000
Unrealized gains/losses on investments	6,666	(95,709)
	<u>3,384,822</u>	<u>3,752,671</u>
EXPENSES		
Administration (Schedule 1)	318,250	221,809
Board (Schedule 1)	236,289	239,498
CEO expenses (Schedule 1)	13,469	22,968
Committee expenses (Schedule 1)	1,842	128
Communications (Schedule 1)	67,375	72,697
Policy expenses (Schedule 1)	8,107	3,994
Salaries and benefits	281,263	474,141
Industry Development fund (Schedule 1)	1,193,193	444,315
National Policy & Trade Advocacy (Schedule 1)	1,802,609	1,958,577
Production expenses (Schedule 1)	2,809	-
	<u>3,925,206</u>	<u>3,438,127</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (540,384)	\$ 314,544

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Statement of Changes in Net Assets

Year Ended July 31, 2016

	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 6,612,116	\$ 6,297,572
Excess (Deficiency) of revenue over expenses	<u>(540,384)</u>	<u>314,544</u>
NET ASSETS - END OF YEAR	<u>\$ 6,071,732</u>	<u>\$ 6,612,116</u>

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Statement of Cash Flows

Year Ended July 31, 2016

	2016	2015
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from producers and other sources	\$ 3,325,163	\$ 3,746,176
Cash paid to suppliers	(3,970,111)	(3,567,932)
Interest and investment income	50,227	159,168
Cash Flows From (For) Operating Activities	<u>(594,721)</u>	<u>337,412</u>
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Purchase of capital assets	(1,955)	(1,890)
Investment cash equivalents	107,024	53,990
Purchase of investments	(3,634,738)	(5,490,204)
Disposal of investments	4,370,535	3,898,665
Cash Flows From (For) Investing Activities	<u>840,866</u>	<u>(1,539,439)</u>
Net change in cash and cash equivalents during the year	246,145	(1,202,027)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>986,440</u>	<u>2,188,467</u>
CASH AND CASH EQUIVALENTS - END OF YEAR (Note 3)	<u>\$ 1,232,585</u>	<u>\$ 986,440</u>

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
Notes to Financial Statements
Year Ended July 31, 2016

1. NATURE OF OPERATIONS

Saskatchewan Cattlemen's Association was established under the authority of *The Agri-Food Act, 2004* and operates according to The Cattle Development Plan Regulations. The purpose of SCA is to promote the well being of all production sectors of the Saskatchewan beef cattle industry through effective representation from all regions of the province. SCA is exempt from income taxes as a non-profit entity under Section 149(1) of the *Income Tax Act*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

Saskatchewan Cattlemen's Association follows the deferral method of accounting for contributions.

Revenue from check-off fees is recognized when received or receivable. Investment income includes interest, realized and unrealized gains and losses on investments. Revenue from investments and other income is recognized on an accrual basis as it is earned.

Financial instruments

- a) Measurement of financial instruments - The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred. Financial assets measured at amortized cost include cash, accounts receivable and fixed income investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. Financial assets measured at fair value include investments in equity and other securities. The fair values of investments in equity and other securities are determined by reference to the latest closing transactional net asset value of each respective security.

(continues)

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
Notes to Financial Statements
Year Ended July 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

- b) Impairment - At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the organization, including but not limited to the following events: significant financial difficulty of the issuer; delinquency in payments; or bankruptcy. When there is an indication of impairment, the organization determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. If identified, the organization reduces the carrying amount of the asset to the present value of cash flows expected to be received. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as a bad debt in the statement of operations. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statement of operations in the period the reversal occurs.
- c) Transaction costs - Investment management fees are expensed as incurred.

Capital assets

The costs of capital assets are capitalized upon meeting the criteria for recognition as a capital asset, otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized in the statement of operations when the carrying amount of the capital asset exceeds its fair value.

Capital assets are recorded at cost. Amortization is provided for on the straight-line basis at rates which are estimated to amortize the costs over the useful lives of the assets. The useful lives of the assets are estimated at the following annual rates:

Office furniture and equipment	5 years
Computer equipment	3 years

Management estimates

The preparation of these 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Significant estimates include those used when accounting for amortization and the impairment of financial assets. All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

(continues)

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Notes to Financial Statements

Year Ended July 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*Cash equivalents

Highly liquid investments with maturities of six months or less at end of year are classified as cash equivalents.

Check-off revenue

On August 4, 2010 the Saskatchewan Cattlemen's Association became responsible for the administration of the cattle levy of Saskatchewan. Historically the Saskatchewan Ministry of Agriculture had administered the collection of the levy and the Cattle Marketing Deductions Fund. Prior to April 1, 2012 a \$2 levy on all cattle marketed in Saskatchewan was collected and consisted of a \$1 refundable provincial levy and a \$1 non-refundable national levy. As of April 1, 2012 a \$3 levy on all cattle marketed in Saskatchewan is collected and consists of a \$2 refundable provincial levy and a \$1 non-refundable national levy.

Comparative figures

Prior year's comparative figures have been restated to conform to the current year's presentation. The comparative figures were reported on by another auditor.

3. CASH AND CASH EQUIVALENTS

	<u>2016</u>	<u>2015</u>
Chequing account	\$ (26,237)	\$ 9,672
Credit union membership share	5	5
Restricted cash account	1,096,563	915,634
Investment cash account	1,240	7,139
Investment cash equivalents	161,014	53,990
	<u>\$ 1,232,585</u>	<u>\$ 986,440</u>

The investment cash equivalents are made up of highly liquid investments and GIC's which are due in the next 6 months.

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
Notes to Financial Statements
Year Ended July 31, 2016

4. INVESTMENTS

	2016	2015
Fixed income investments	\$ 100,610	\$ 188,602
Fixed income securities	2,624,889	3,247,514
Equities and equity funds	822,788	828,404
Current Investments	\$ 3,548,287	\$ 4,264,520

LONG TERM

	2016	2015
Long term investments	\$ 1,261,185	\$ 1,381,106

Investments maturing within 12 months from the year-end date, as well as equities held for trade are classified as current.

The fixed income investments and securities have effective interest rates ranging from 2.75% to 4.4% (2015: 2.45% to 5.8%) with maturity dates ranging from ten months to seventy-one months (2015: ten months to eighty-nine months).

5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks on an annual basis. The following analysis provides information about the organization's risk exposure and concentration as of July 31, 2016:

Credit risk

Credit risk arises from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the association could incur a financial loss. The organization is exposed to credit risk from its producers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of producers which minimizes concentration of credit risk.

The maximum exposure of the organization to credit risk is represented by the balance as shown on the balance sheet for cash and cash equivalents and accounts receivable.

Cash and cash equivalents and investments: Credit risk associated with cash and fixed income investments is minimized substantially by ensuring that these assets are invested in major financial institutions.

(continues)

SASKATCHEWAN CATTLEMEN'S ASSOCIATION**Notes to Financial Statements****Year Ended July 31, 2016****5. FINANCIAL INSTRUMENTS** *(continued)*

Accounts receivable: Credit risk associated with trade accounts receivable is minimized by the organization's diverse producer base. The organization monitors the amount of credit extended when deemed necessary. Management assesses annually whether potential credit losses should be recognized based on existing factors.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet a demand for cash or fund its obligations as they come due. The organization is exposed to this risk on its accounts payable and accrued liabilities.

The organization meets its liquidity requirements by monitoring cash flows from operations and holding assets that can be readily converted into cash.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

The organization is exposed to market risk on its cash and cash equivalents and investments.

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The organization holds a small portfolio of equity investments in foreign currencies and therefore is exposed to this risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities.

The exposure of the organization to interest rate risk arises from its interest bearing assets. Cash and cash equivalents includes amounts on deposit with financial institutions that earn interest at market rates.

The organization manages its exposure to the interest rate risk of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis.

The primary objective of the organization with respect to its fixed income investments is to ensure the security of principal amounts invested, provide for a high degree of liquidity and achieve a satisfactory investment return.

(continues)

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Notes to Financial Statements

Year Ended July 31, 2016

5. FINANCIAL INSTRUMENTS *(continued)*

The organization manages the interest rate risk exposure of its fixed income investments by using a laddered portfolio with varying terms to maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instruments or its issuer or factors affecting all similar instruments traded in the market.

The organization is exposed to other price risk because of its investment in equity securities.

There have been no changes in the organization's risk exposures from the prior year.

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value
Computer equipment	\$ 10,896	\$ 9,567	\$ 1,329
Office furniture and equipment	12,327	10,240	2,087
	<u>\$ 23,223</u>	<u>\$ 19,807</u>	<u>\$ 3,416</u>
	Cost	Accumulated amortization	2015 Net book value
Computer equipment	\$ 10,190	\$ 8,541	\$ 1,649
Office furniture and equipment	11,077	7,899	3,178
	<u>\$ 21,267</u>	<u>\$ 16,440</u>	<u>\$ 4,827</u>

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
Notes to Financial Statements
Year Ended July 31, 2016

7. COMMITMENTS

Office lease

A five year, one month lease agreement for the term of June 1, 2015 to June 30, 2020, was entered into for office space in Regina, Saskatchewan. The future minimum lease payments over the next five years including operating cost at \$8 per square foot are as follows

2017	\$ 41,916
2018	42,914
2019	42,914
2020	<u>43,912</u>
	<u>\$ 171,656</u>

Project

The Saskatchewan Cattlemen's Association has committed \$200,000 per year for five years, April 2013 to April 2017, to the University of Saskatchewan Beef Cattle Research and Teaching Unit building project. This project is conditional on all of the following criteria being met to the satisfaction of the SCA board of directors:

- 1) The investment shall be used to build the pavilion within the five year period the funds are advanced
- 2) Both parties agree to meet twice per year to discuss SCA research priorities, direction of research and industry needs
- 3) If the circumstances result in non-completion or closure the University of Saskatchewan shall repay to SCA the funds provided within a reasonable time period
- 4) Naming rights will be given to SCA for the Research/Teaching and Metabolism pavilion
- 5) The investment is contingent on the financial commitment from the Government of Saskatchewan, the Government of Canada, and the University of Saskatchewan to meet the total project cost.

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Expenses

(Schedule 1)

Year Ended July 31, 2016

	2016	2015
Administration		
Administration expenses	\$ 475	\$ 106
Relocation expenses	27,464	2,991
Advertising expense	113	611
Amortization	3,367	1,655
Accounting services	14,645	32,125
Bank charges and interest	310	829
Contract work	58,747	15,622
Fees and memberships	70,458	54,833
Insurance	2,573	1,796
Investment advisory fees	39,362	37,531
IT support	3,701	4,952
Legal	2,857	9,808
Office rent	75,589	35,837
Office supplies	5,296	6,156
Photocopying	2,649	4,463
Postage and courier	1,023	2,278
Professional development	459	2,282
Telephone	9,162	7,934
	\$ 318,250	\$ 221,809
Board		
Accommodations	\$ 29,544	\$ 28,733
Conference calls	1,981	1,162
Facility rental	4,215	8,959
Meals	11,047	12,861
Other	352	1,288
Per diems	107,230	104,500
Registration fees	6,260	1,945
Travel	75,660	80,050
	\$ 236,289	\$ 239,498
CEO expenses		
Accommodations	\$ 4,063	\$ 5,673
Meals	815	2,591
Travel	8,591	12,926
Other	-	1,778
	\$ 13,469	\$ 22,968

(continues)

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Expenses (continued)
Year Ended July 31, 2016

(Schedule 1)

Communications			
Accommodations	\$	-	\$ 2,021
AGM facilities		1,236	4,393
District meeting		22,607	14,191
Memberships and subscriptions		1,534	2,982
Meals		-	998
Promotion		-	4,525
Education		-	4,550
Promotion and marketing		5,602	2,505
Ag in the Classroom		400	96
Sponsorship		4,650	3,030
MLA "beef on a bun"		3,771	4,743
Advertising		14,169	5,974
Trade show		13,406	20,207
Travel		-	2,482
	\$	67,375	\$ 72,697
Policy			
Accommodations	\$	2,931	\$ 1,352
Meals		586	334
Travel		4,590	2,308
	\$	8,107	\$ 3,994
Industry Development Fund			
IDF funding expense	\$	1,126,717	\$ 358,700
Levy refund expense		66,476	85,615
	\$	1,193,193	\$ 444,315

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Expenses (continued)

(Schedule 1)

Year Ended July 31, 2016

	2016	2015
National Policy and Trade Advocacy Programs		
Canadian Cattlemen's Association	\$ 703,589	\$ 733,080
National check-off agency	1,099,020	1,225,497
	\$ 1,802,609	\$ 1,958,577
Production		
Accommodations	\$ 439	\$ -
Meals	185	-
Travel	1,385	-
Other	800	-
	\$ 2,809	\$ -
Committee		
Executive	\$ 135	\$ -
Audit and finance	1,039	-
Research	186	-
Communications	309	-
Prairie farm rehabilitation administration	173	128
	\$ 1,842	\$ 128

AUGUST 1, 2015 - JULY 31, 2016 - CASH BASIS

Personal Services

NAME	PER DIEMS	EXPENSE REIMBURSEMENTS	TOTAL
Arnold Balicki	\$7,835.00	\$10,292.11	\$18,127.11
Bill Jameson	\$6,540.00	\$9,110.09	\$15,650.09
Brad Welter	\$4,655.00	\$5,313.94	\$9,968.94
Brent Griffin	\$1,970.00	\$1,199.16	\$3,169.16
Chad Ross	\$690.00	\$1,862.78	\$2,552.78
Dean Moore	\$2,900.00	\$5,052.69	\$7,952.69
Duane Thompson	\$920.00	\$1,140.70	\$2,060.70
Garret Hill	\$2,605.00	\$4,339.26	\$6,944.26
Harold Martens	\$9,160.00	\$10,790.67	\$19,950.67
Larry Grant	\$3,010.00	\$2,751.22	\$5,761.22
Laurie Disney	\$3,370.00	\$3,561.22	\$6,931.22
Les Johnson	\$460.00	\$1,575.06	\$2,035.06
Levi Hull	\$750.00	\$1,198.41	\$1,948.41
Lloyd Thompson	\$4,940.00	\$7,738.56	\$12,678.56
Michael Spratt	\$6,855.00	\$4439.76	\$11,294.76
Pat Hayes	\$2,510.00	0	\$2,510.00
Paula Larson	\$10,000.00	\$13,752.86	\$23,752.86
Perry Rasmuson	\$650.00	\$444.00	\$1,094.00
Philip Lynn	\$780.00	\$986.35	\$1,766.35
Reg Schellenberg	\$3,180.00	\$1,080.35	\$4,260.35
Rick Toney	\$6,825.00	\$12,235.75	\$19,060.75
Ryan Beierbach	\$18,500.00	\$19,653.29	\$38,153.29
Tim Oleksyn	\$4,325.00	0	\$4,325.00
TOTAL	\$103,430.00	\$118,518.23	\$221,948.23

National Activities (Threshold: \$10,000)

Canadian Cattlemen's Association-operations	\$591,369.25
Canadian Cattlemen's Association – Legal	\$112,220.15
Cdn Beef Cattle Research, Market Development (National Check off)	\$1,099,019.68
National Cattle Feeders	\$50,000
TOTAL	\$2,008,576.51

Research (Threshold: \$10,000)

University of Saskatchewan – LFCE	\$400,000
PAMI	\$10,000
PAMI	\$10,000
PAMI	\$15,000
Prairie Diagnostic Services	\$12,000
Saskatchewan Forage Council	\$45,000
TOTAL	\$492,000

Industry Development (Threshold: \$10,000)

Livestock Services	\$336,334
Farm & Food Care	\$50,000
Saskatchewan Stock Growers	\$36,000
Ag in the Classroom	\$25,000
PCAP	\$20,000
Saskatchewan Forage Council	\$25,000
Livestock Marketers	\$43,850
Canadian Western Agribition	\$50,000
Canadian Cattlemen's Association – VBP+	\$20,000
SSGA	\$10,392
TOTAL	\$616,576

Vendor Payments (Threshold \$10,000)

James Stinn CGA Pof Corp	\$39,344.26
Contract Work	\$58,746.65
Northstar Innovative developments	\$20,929.78
101061888 Saskatchewan	\$52,180.72
TOTAL	\$171,201.41

TOTAL **\$1,279,777.41**

SCA BUDGET APPROVED JULY 2016

	2016-17 BUDGET	2015-16 ACTUAL	2015-16 BUDGET
INCOME			
Dealer Rebate	-47,000	\$-49,136.56	\$-52,500
Gain/Loss - sale of investments	\$0	\$49,968.10	\$0
Check-off Revenue	\$3,200,000	\$3,365,306.33	\$3,700,000
Communications Revenue	\$15,000	\$11,759.13	\$5,000
Interest Revenue - Restricted	\$15,000	\$12,625.83	\$15,000
Interest Revenue - Chequing	\$1,500	\$1,633.92	\$1,800
National Bank inv distributions	\$120,000	\$138,441.91	\$140,000
TOTAL INCOME	\$3,304,500	\$3,530,598.66	\$3,809,300
EXPENSE			
Administration Expenses			
Relocation Expenses	\$0	\$27,464.17	\$40,000
Advertising	\$0	\$112.53	\$2,000
Amortization	\$500	\$3,000	
Audit & CA Services	\$20,000	\$14,645.19	\$35,000
Bank Charges & Interest	\$300	\$314.72	\$1,000
Contract Work	\$10,000	\$58,746.65	\$10,000
Fees & Memberships (move to Industry Development)	\$70,575.00	\$75,000	
Insurance	\$1,300	\$2,663.06	\$2,000
Investment advisory fees	\$40,000	\$39,344.26	\$40,000
IT Support	\$2,000	\$3,700.93	\$5,000
Legal	\$8,000	\$2,857.02	\$8,000
Office Rent	\$51,000	\$73,110.50	\$60,000
Office Equipment	\$4,000	\$30,000	
Office Supplies	\$6,000	\$5,296.16	\$10,000
Photocopying	\$5,000	\$2,649.28	\$2,000
Postage & Courier	\$1,100	\$1,022.67	\$3,000
Professional Development (moved to staff)	\$2,500	\$458.81	
Telephone	\$9,000	\$9,161.81	\$8,000
Administration Expenses - Other	\$602.83		
TOTAL ADMINISTRATION EXPENSES	\$158,200	\$312,725.59	\$336,500
Board Expenses			
Accomodations	\$30,000	\$29,543.33	\$35,000
Conference Calls	\$2,200	\$1,980.94	\$2,000
Facility Rental	\$5,000	\$4,214.9	\$6,500
Meals	\$10,000	\$11,047.33	\$13,000
Other	\$1,000	\$352.46	\$1,500
Per Diems - moved to Salaries		\$7,350.00	
Registration Fees	\$2,000	\$6,260.35	\$3,000
Travel	\$65,000	\$75,659.56	\$75,000
TOTAL BOARD EXPENSES	\$115,200	\$136,408.87	\$136,000
CEO Expenses			
Accommodations	\$5,000	\$4,063.42	\$7,000
Meals	\$1,000	\$814.89	\$3,000
Other	\$800.	\$0.00	\$1,000
Travel	\$10,000	\$8,590.84	\$15,000
TOTAL CEO EXPENSES	\$16,800	\$13,469.15	\$26,000
Committee Expenses			
Assurance Fund	\$0	\$100	
Animal Health	\$250	\$250	
Environment	\$500	\$500	
Traceability	\$0	\$250	
SCAIDF	\$2,000	\$500	
Executive	\$1,500	\$135.19	\$3,000
Audit and Finance	\$1,100	\$1,038.68	\$250
Research	\$1,000	\$186.43	\$750
Communications	\$1,000	\$308.67	\$500
Governance	\$0	\$2,500	
PFRA	\$0	\$173.30	\$250
TOTAL COMMITTEE EXPENSES	\$7,350	\$1,842.27"	\$8,850

SCA BUDGET APPROVED JULY 2016

	2016-17 BUDGET	2015-16 ACTUAL	2015-16 BUDGET
Communication Expenses			
Accommodations - (moved to staff)	0.00	\$2,000	
AGM Facilities	\$3,000	\$1,235.59	\$4,500
District Meeting	\$25,000	\$22,606.80	\$16,000
Fees Memberships Subscriptions	\$500	\$2,372.47	\$3,000
Promotion and Marketing	\$7,000	\$5,602.02	\$7,000
Meals (moved to staff)	\$0	\$750	
Post & Design	\$0	\$250	
Ag in the Classroom	\$0	\$400.00	
Education & Publication	\$0	\$5,000	
Sponsorship	\$7,000	\$4,650.00	\$6,000
MLA Beef on a Bun	\$6,000	\$3,770.72	\$5,000
Advertising	\$60,000	\$14,169.00	\$6,000
Trade Show	\$20,000	\$13,405.67	\$25,000
Travel -(moved to staff)	\$0	\$0.00	\$2,500
TOTAL COMMUNICATION EXPENSES	\$128,500	\$68,212.27	\$83,000
Industry Development Fund			
Levy Refund Expense	\$80,000	\$66,475.50	\$90,000
SBIDF Funding Expense	\$500,000	\$590,383.10	\$500,000
Projects	\$100,000		
External Organization Memberships	\$140,000		
Industry Development Fund - Other		\$536,334.00	
TOTAL INDUSTRY DEVELOPMENT FUND	\$820,000	\$1,193,192.60	\$590,000
National Policy & Trade Advocacy Programs			
CCA - Operations	\$556,000	\$591,369.25	\$692,926
Natl Check-off Agency	\$1,066,000	\$1,099,019.68	\$1,329,727
CCA - Legal	\$125,000	\$112,220.15	\$50,000
TOTAL NATL POLICY & TRADE ADVOC. PROG	\$1,747,000	\$1,802,609.08	\$2,072,653
Staff Expenses			
Accommodations	\$5,000	\$2,930.33	\$3,000
Meals	\$1,000	\$586.42	\$1,000
Other	\$800		
Professional Development	\$1,500		
Travel	\$10,000	\$4,590.09	\$7,500
TOTAL STAFF EXPENSES	\$18,300	\$8,106.84	\$11,500
Production Expenses			
Accommodations		\$439.66	
Meals		\$184.91	
Travel		\$1,384.77	
Other		\$800.00	
TOTAL PRODUCTION EXPENSES		\$2,809.34	
Salaries & Benefit Expenses			
Group Benefits	\$7,000	\$6,205.12	\$7,140
Payroll Expense	\$400,000	\$268,972.29	\$420,000
Per Diems	\$95,000	\$99,880.00	\$95,000
RRSP Employer	\$17,000	\$5,683.16	\$15,000
WCB	\$500	\$-628.94	\$1,000
Salaries & Benefit Expenses - Other		\$1,031.75	
TOTAL SALARIES & BENEFIT EXPENSES	\$519,500	\$381,143.38	\$538,140
Total Expense	\$3,530,850.00	\$3,920,519.39	\$3,802,643.00
Net Ordinary Income	\$-226,350.00	\$-389,920.73	\$6,657.00
Net Income	\$-389,920.73	\$6,657.00	

SASKATCHEWAN CATTLEMEN'S ASSOCIATION 8TH ANNUAL GENERAL MEETING

WEDNESDAY, JAN. 25, 2016 - 1:30 P.M., EVRAZ PLACE, REGINA



1:30 p.m. - Call to Order

Approval of Agenda

Appointment of Officials

- Resolutions Chair
- Election Chair
- Scrutineers

1st Call for Nominations for CCA (2),
NCFA (1) and YCC (1)

1st Call for Resolutions from the Floor

Review Minutes of 2016 AGM

Business arising from minutes not on agenda

2:00 p.m.

Financial Review

Motion for Appointment of Auditor

Year in Review

2:30 p.m.

Guests: Farm and Food Care, Ag in the Classroom, Livestock and Forage Centre of Excellence, National Cattle Feeders, RCMP.

3:00 p.m.

CFIA presentation

2nd Call for Nominations and Resolutions from the Floor

3:30 p.m. - 15-Minute Break

3:45 p.m.

The Year Ahead

Final Calls for Nominations and Resolutions from the Floor

4:00 p.m.

Speeches and Voting

Resolutions

5:15 p.m. - Adjourn

5:30 p.m. - Cocktails

6:30 p.m. - Banquet

Annual General Meeting, Thursday, Jan. 21, 2016

1.0 – CALL TO ORDER

The meeting was called to order at 1:50 p.m. by Bill Jameson

2.0 – APPROVAL OF AGENDA

MOTION- AGM 16-01: Ryan Beierbach/Rick Toney
“To approve the agenda.”

Motion Carried

3.0 – REVIEW OF 2015 AGM MINUTES

Ryder Lee presented the minutes of 2015.
 No errors or omissions were brought forward.
 There was no business arising from the minutes.

MOTION – AGM16-02: Paula Larson/Garrett Hill
“That the 2015AGM minutes be approved as circulated.”

Motion Carried

4.0 – CHAIR REPORT – A YEAR IN REVIEW

Bill Jameson, SCA chair, presented his report

5.0 – FINANCE REPORT

Rick Toney, SCA Finance Chair, Presented the financial report.

MOTION – AGM16- 03: Rick Toney/ Ryan Beierbach
“To accept the 2015 finance report as presented.”

Motion Carried

6.0 – APPOINTMENT OF AUDITOR

Motion – AGM16-04:Rick Toney/Duane Thompson
“To appoint Dudley & Co as auditor for the upcoming year.”

Motion Carried

Introduced:

Lynn Grant – Resolutions chair
 Brad Wildeman – Nominations chair

7.00 –YEAR AHEAD

Ryder Lee presented the Year Ahead report

Brad Wildeman made the first call for CCA nominations.

Reg Schellenberg – nominated by Tim J Oleksyn
 Pat Hayes – nominated by Will Lowe
 Lynn Grant – nominated by Murray McGillivray

Lynn Grant made the first call for resolutions.

8.0 - CANADIAN CATTLEMEN’S ASSOCIATION

Dennis Laycraft presented report.

9.0 – BEEF CATTLE RESEARCH COUNCIL

Andrea Brockelbank presented report.

10.0 – SASKATCHEWAN CCA REPRESENTATIVES

Two positions open for a two-year term.
 One position open for a one-year term.

Brad Wildeman made the second call for nominations.

Paula Larson – nominated by Fred Lansdall
 Duane Thompson – nominated by Ryan Thompson

Lynn Grant made the second call for resolutions.

Brad Wildeman made the third and final call for nominations.

Lynn Grant made the third and final call for resolutions.

MOTION AGM16-05: Larry Grant/ Michael Spratt
“That nominations cease.”

Motion Carried

11.0 - CANADA BEEF

Marty Carpenter presented report.

12.0 – PREDATORS AND ACCESS TO LAND

Mike Gollop, Ministry of Environment presented

13.0 – CANADIAN CATTLEMEN’S ASSOCIATION REPRESENTATIVE ELECTIONS

Reg Schellenberg, Pat Hayes, Lynn Grant, Paula Larson, & Duane Thompson made presentations to the crowd.

Introduced:
Murray McGillvray - Chief Returning Officer
Rich Smith – Scrutineer
Kim McLean – Scrutineer

Ballots were handed out and a vote taken.

14.0 – RESOLUTION SESSION

Lynn Grant, resolution chair, discussed the process that would be employed to deal with the resolutions. Twenty resolutions from the 2015 Fall District Meetings listed in the 2015 Annual Report, plus four resolutions from the floor, were debated and voted on.

2016 SCA AGM – Resolution 1

SCA District 1 – Resolution 1

Moved by: Thomas Mold
Seconded by: Barry Schorr

“That SCA investigate the feasibility of Product liability to protect producers from liability suits brought against their product.”

MOTION AGM16-06: Chair/Philip Lynn

“To move Resolution 2016 #1.”

Motion Carried

2016 SCA AGM – Resolution 2

SCA District 1 – Resolution 2

Moved by: Barry Schorr
Seconded by: Perry Rasmuson

“That SCA move that for those producers who are involved in custom grazing of private land or grazing associations should be able to participate in some program covered through forage insurance in order to protect their financial risk.”

MOTION AGM16-07: Chair/Ryan Beierbach

“To move Resolution 2016 #2.”

Motion Carried

2016 SCA AGM- Resolution 3

SCA District 1-Resolution 3
Moved by: Garth Woods
Seconded by: Perry Rasmuson

“That SCA continue to engage the SCIC to work towards

more equality in insurance programming by allowing live-stock producers to defer payments tied to the expiration of their policy.”

MOTION AGM16-08: Chair/Garth Woods

“To move Resolution 2016 #3.”

Defeated

Motion to Amend: Garth Woods
Amendment to read: “That SCA continue to engage WLPPI to work towards more equality in insurance programming by allowing livestock producers to defer premium payments tied to the expiration of their policy.”

Amendment Carried

MOTION AGM16-09: Chair/Garth Woods

“To move the Amended Resolution 2016 #3.”

Defeated

2016 SCA AGM – Resolution 4

SCA District 2-Resolution 1

Moved by: Bill Jameson
Seconded by: Ken Demyen

“That SCA lobby the government on behalf of Livestock Services of Saskatchewan, to extend enforcement and investigative powers to LSS to enable them to address the issue of cattle theft.”

MOTION AGM 16-10: Chair/Bill Jameson

“To move Resolution 2016 #4.”

Motion Carried

Motion to Amend: Bill Jameson
Amendment to read: “That SCA lobby the Livestock Services board of directors to hire a RCMP enforcement officer to work exclusively with LSS.”

Amendment Carried

MOTION AGM16-11: Chair/Jameson

“To move Amended Resolution 2016 #4.”

Motion Carried

2016 SCA AGM – Resolution 5

SCA District 2- Resolution 2
 Moved by: Dave Spooner
 Seconded by: Phillip Lynn

“That SCA lobby the provincial government to create an appeal process for suspected losses due to predators and to address how the compensation paid to producers is determined.”

MOTION AGM16-12: Chair/Spooner
“To move Resolution 2016 #5.”

Motion Carried

MOTION to Amend: Dave Spooner
 Amendment to read: “That SCA lobby the provincial government to create an appeal process independent of SCIC control for suspected losses due to predators and to address how the compensation paid to producers is determined.”

Amendment Carried

MOTION AGM16-13: Chair/Spooner
“To move Amended Resolution 2016 #5.”

Motion Carried**2016 SCA AGM – Resolution 6**

SCA District 2 –Resolution 3
 Moved by: Rick Swenson
 Seconded by: Dave Spooner

“That the SCA lobby the provincial government to remove the designation of “fur bearing animal” as it pertains to wolves in the agriculture areas of the provinces.”

SCA District 9a – Resolution 2
 Moved by: Brandon Armstrong
 Seconded by: Ryan Sommerfield

“That SCA lobby the provincial government to include wolves that are located along the forest fringe in the provincial draw system, similar to other big game animals.”

MOTION AGM16-14: Chair/Arnold Balicki
“To move Resolution 2016 #6.”

Motion Carried**2016 SCA AFM – Resolution 7**

SCA District 2- Resolution 4
 Moved by: Phillip Lynn
 Seconded by: Deb Spooner

“Whereas the administrative costs required to enforce the collection of fees on cattle with horns far exceed the revenue generated and
 Whereas the marketplace already discounts the value of those animals,
 Be it resolved that SCA supports the repeal of the Horned Cattle Purchases Act.”

Motion AGM16-15: Chair/Phillip Lynn
“To move Resolution 2016 #7.”

Tabled**2016 SCA AGM – Resolution 8**

SCA District 3B – Resolution 1
 Moved by: Doug Gillespie
 Seconded by: Gerald Schultz

“Whereas BSE testing numbers are dropping below OIE requirements. Be it resolved that SCA investigate the feasibility of doing inspections at provincially inspected slaughter plants.”

MOTION AGM16-16: Chair/Doug Gillespie
“To move Resolution 2016 #8.”

Defeated**2016 SCA AGM – Resolution 9**

SCA District 3b – Resolution 2
 Moved by: Doug Gillespie
 Seconded by: Troy Laforge

“Whereas a viable cattle industry relies on a productive grass and forage resource base. Be it resolved that SCA increase its effort (both funds allocated and lobby effort) to ensure increased research and breeding activity in grass and forage production.”

MOTION AGM16-17: Chair/Troy Laforge
“To move Resolution 2016 #9.”

Motion Carried

2016 SCA AGM – Resolution 10

SCA District 3b – Resolution 3
 Moved by: Doug Gillespie
 Seconded by: Lynn Grant

“Whereas we cattle producers believe in our industry and are committed to ensuring our continues profitability, Therefore be it resolved that we support the increase in National Check Off to implement the National Beef Strategy.”

SCA District 4 – Resolution 1
 Moved by: Gord Kozroski
 Seconded by: Tim Anderson

“Be it resolved that SCA District 4 support an increase of \$1.50 to the National Checkoff to fund the National Beef Strategy.”

SCA District 9a – Resolution 1
 Moved by: Ryan Sommerfield
 Seconded by: Brandon Armstrong

“That SCA support the increase to the Nation Check off to \$2.50 to support the National Beef Strategy.”

SCA District 9b – Resolution 2
 Moved by: Dave Kerr
 Seconded by: Terry Adamson

“That Saskatchewan increase the National Check off to \$2.50 in support of the National Beef Strategy.”

MOTION AGM16-18: Chair/Bill Jameson
“To move Resolution 2016 #10

Motion Carried

2016 SCA AGM – Resolution 11

SCA District 4 – Resolution 2
 Moved y: Tim Anderson
 Seconded by: Rick Toney

“Be it resolved that Western Livestock Price Insurance Program update their technology to allow producers to better manage the time sensitivity of the program.”

MOTIONAGM16-19: Chair/Rick Toney
“To move Resolution2016 #11.”

Motion Carried

2016 SCA AGM – Resolution 12

SCA District 4 – Resolution 3
 Moved by: Leif Brost
 Seconded by: Chad Weiss

“That SCA investigate the feasibility of paying \$350.00/head for BSE tested cattle.”

MOTION AGM16-20: Chair/Brent Johnson
“To move Resolution2016 #12.”

Motion Carried

MOTION to Amend: Dave Spooner/Pat Hayes
 Amendment to read: “That SCA lobby CFIA for the feasibility of paying \$350.00/head for BSE testing cattle.”

Amendment Carried

2016 SCA AGM – Resolution 13

SCA District 5 – Resolution 1
 Moved by: Brent Johnson
 Seconded by: Garrett Johnson

“Whereas some producers receive checkoff refunds on the advise of their accountants, Whereas accountants can use a blank refund form to give to producers,

“Be it resolved that the SCA begin only allowing check off requests on forms issued from SCA’s office and accomplish this by numbering request forms.”

MOTION AGM16-21: Chair/Brent Johnson
“To move Resolution 2016 #13.”

Motion Carried

2016 SCA AGM – Resolution 14

SCA District 9b – Resolution 1
 Moved by: Dave Kerr
 Seconded by: Tom Hougham

“That SCA lobby that the U of S Board of Governors contain members with agriculture backgrounds.”

MOTION AGM16-22: Chair/Rick Toney

Motion Carried

2016 SCA AGM-Resolution 15

SCA Board Meeting – Resolution 1

“That the per diem rate for SCA board members is \$230./day or \$115/half day and that the board’s Chair per diem rate is \$300/day.”

MOTION AGM16-23: Grant/Hill
“To move Resolution 2016 #15.”

Motion Carried

2016 SCA AGM – Resolution 16

Moved by: Lynn Grant
 Seconded by: Lloyd Thompson

From the floor:

Whereas the beef industry is under increasing pressure to be more efficient in the areas of production and environmental footprint all while maintaining our social license through enhancing biodiversity on the land we operate on. This challenge depends on a viable and productive research program. Therefore,
 Be it resolved that the Saskatchewan Cattle industry increase the portion of National check off going to research by 10% of the check off.”

MOTION AGM16-24: Lynn/Jackson
“To Table Resolution #16.”

Motion Carried

2016 SCA AGM – Resolution 17

Moved by: Lynn Grant
 Seconded by: Bill Jameson

From the floor:

“Whereas the Saskatchewan Cattle Feeders Association recognizes the importance to support the pillars and outcomes of the National Beef Strategy therefore,
 Be it resolved that the Saskatchewan Cattlemen’s Association move forward with the implementation of the National Beef Strategy.”

MOTION AGM16-25: Ryan Thompson/ Bill Jameson
“To move Resolution 2016 #17.”

Motion Carried

2016 SCA AGM – Resolution 18

Moved by Lynn Grant
 Seconded by Chad Ross

From the floor:

“Whereas the Western Livestock Prince Insurance Program (WLPIP) requires payments of premium up front, while other Saskatchewan Crop Insurance Corporation (SCIC) insurance programs allow for payment to be made later, Be it resolved that the Saskatchewan Cattlemen’s Association seek support from the Ministry of Agriculture to consider alternative payment methods within a reasonable time frame.”

MOTION AGM16-26: Chair/Jameson
“To move Resolution 2016 #18.”

Motion Carried

2016 SCA AGM – Resolution 19

Moved by: Chair
 Seconded by Joe Jackson

“That SCA request CCA to request to CFIA that APHIS remove the requirements of the CAN Brand on export feeder cattle, thus eliminating the need to unload feedlot destined cattle at the border.”

MOTION AGM16-27:Grant/Jackson
“To move Resolution 2016 #19.”

Motion Carried

15.0 Election Results from the Saskatchewan CCA Elections

- Murray McGillvray delivered the results of the ballot
- Reg Schellenberg voted in for a two year term.
- Pat Hayes voted in for a two year term.
- Duane Thompson voted in for a one year term.

MOTION AGM 16-28: Larson
“To destroy the ballots.”

Motion Carried

16.0 Adjournment

MOTION AGM16-29: Michael Spratt
“To adjourn the meeting.”

Motion Carried
Meeting adjourned at 6:20 p.m.

Resolutions from 2016 District Meetings

The following resolutions were passed at the SCA district meetings the last two weeks of October and the first week of November 2016. These 11 local meetings provide a chance for producers to hear from SCA and provide input. The resolutions below have been reviewed by the Governance Committee and brought to the floor at the Annual General Meeting on Jan. 25 at the Saskatoon Inn in Saskatoon. As was stated at the district meetings motion supporters are encouraged to be at the annual meeting to speak to their resolutions. At that meeting, resolutions can also come from the floor and from the Board for the consideration of the attendees.

DISTRICT 1 – WHITEWOOD

Resolution 1

That The Saskatchewan Cattlemen's Association lobby the provincial and federal governments to implement a program that would pay agricultural producers for any measurable increases in soil carbon that occurs on their land

Further be it resolved that the Saskatchewan Cattlemen's Association encourage the Canadian Roundtable for Sustainable Beef to support policy to pay agricultural producers for any increase in carbon sequestration that occurs on their land.

Resolution 2

That the Saskatchewan Cattlemen's Association investigate the potential of a biological control of burdock and absinthe.

Resolution 3

That the Saskatchewan Cattlemen's Association implement the approved increase of the national checkoff on April 1, 2017.

DISTRICT 2 – WEYBURN

Resolution 1

That CFIA negotiate an end to the dentition age verification requirement on exports of cull cows and bulls.

DISTRICT 3B – SWIFT CURRENT

Resolution 1

Whereas the Government of Saskatchewan introduced legislation this spring to repeal The Horned Cattle Purchases Act (HCPA); and

Whereas cattle continue to be sold with horns that cause significant carcass damage during marketing and transportation; and

Whereas the horned cattle penalty has been at \$2 per animal since 1949, be it resolved:

That the Saskatchewan Cattlemen's Association support the retention of a \$10 horned cattle levy in Saskatchewan.

Resolution 2

Whereas each and every agricultural production unit has its own unique set of circumstances and constraints and every agricultural decision maker needs to be free to make decisions based on his/her unique circumstances without outside coercion, be it resolved:

That SCA, as a representative of cattle producers, resist any move by the federal and/or provincial governments to exact any cross compliance measures to be eligible for any government or industry program.

DISTRICT 8 – TISDALE

Resolution 1

Be it resolved that the Saskatchewan Cattlemen's Association lobby the Government of Saskatchewan, and instruct the Canadian Cattlemen's Association and the Canadian Roundtable for Sustainable Beef to lobby the Federal Government, to implement a program that would pay agricultural producers for any measurable amount of carbon sequestered on their land.

DISTRICT 9A – SHELLBROOK

Resolution 1

Given the light sentences that courts are handing down to cattle rustlers, be it resolved that Saskatchewan Cattlemen's Association pursue the provincial and federal Departments of Justice and Canadian Food Inspection Agency to ensure that convicted rustlers are punished to the full extent of the law.

DISTRICT 9B – TURTLEFORD

Resolution 1

That the Saskatchewan Cattlemen's Association lobby the governments of Saskatchewan and Canada to implement a program that would pay agricultural producers for carbon sequestration that occurs on their land.

NATIONAL CATTLE FEEDERS REPORT: BUILDING ON THE PILLARS

The National Cattle Feeders' Association (NCFCA) represents Canadian cattle feeders on national policy and regulatory issues, and collaborates with other cattle organizations to strengthen Canada's beef industry. Established in 2007, NCFCA enables the country's cattle feeders to speak with one voice on the challenges and opportunities facing the fed cattle production chain.

NCFCA membership is comprised of provincial beef organizations from the major cattle feeding regions of Canada, each of which contributes funding based on provincial fed cattle populations. Each provincial member organization appoints a Director to serve on the NCFCA Board, as well as a staff representative. NCFCA maintains a presence in Ottawa through a team of experienced consultants that provide advice and assistance on our key political, regulatory, and trade issues.

I am pleased to report on an active and exciting year for NCFCA in 2016, a year in which we made great strides in completing several initiatives under our Strategic Plan. This plan is built on three pillars—growth and sustainability, competitiveness, and industry leadership.

STRATEGIC PILLAR #1: GROWTH AND SUSTAINABILITY

Under this pillar, NCFCA works with government and industry to create a business environment that will enable long-term growth of the cattle feeding sector. A key focus here is to pursue expanded export markets and new trade opportunities, and investing in research and industry development projects.

- **Canada-EU Comprehensive Economic and Trade Agreement:** In October 2016, the new CETA agreement was signed in Brussels, Belgium. This modern and progressive trade agreement will provide Canada with access to the world's second largest single market and more than 500 million consumers



RYAN THOMPSON
Vice-Chair, SCA Rep

that generate some \$20 trillion in annual economic activity. Throughout 2016, NCFCA strongly encouraged the new federal government to sign CETA, and we also worked to ensure full EU approval of Canadian food safety practices in our processing facilities.

- **Trans-Pacific Partnership:** In February 2016, the new TPP agreement was signed in Auckland, New Zealand. The TPP captures some 40% of the global economy and will create the world's largest free trade zone. Because the agreement still requires approval from all governments before coming into force, NCFCA has actively engaged the federal government and has continued to press for parliamentary approval. In April 2016, NCFCA appeared before the Parliamentary Standing Committee on International Trade to provide testimony on how TPP is critical to Canada's beef industry.

- **Propelling Other Opportunities:** NCFCA maintains membership in the Canadian Agri-Food Trade Alliance (CAFTA) and engages with the Market

Access Secretariat (MAS), the Beef Cattle Trade Advisory Group (BCTAG), the Beef Cattle Policy Advisory Committee (BCPAC), the Beef Value Chain Roundtable (BVCRT), and officials at Agriculture and Agri-Food Canada and International Trade to identify other opportunities for expanded market access. In 2016, NCFCA urged an increased focus on securing opportunities in China.

- **Research and Industry Development:** Improving the profitability, efficiency, and sustainability of beef production requires strategic investments in research and industry development. In 2016, NCFCA was an active participant in the renewal of the research strategy at the Beef Cattle Research Council (BCRC) and also provided funding to the Barley Council of Canada (BCC). Significant work was also undertaken to align the Canadian Feedlot Animal Care Assessment Program—a fully auditable animal welfare protocol certified by the Professional Animal Auditor Certification Organization (PAACO) and reviewed by the National Farm Animal Care Council (NFACC)—with the Verified Beef Production (VBP) program.

STRATEGIC PILLAR #2: COMPETITIVENESS

Under this pillar, NCFCA works to enhance the competitiveness of our sector by ensuring that federal decision-makers and regulators understand the business realities of beef production and that the policy and regulatory regime “works” for cattle feeders.

- **Competitiveness Report:** NCFCA completed a comprehensive study on the competitiveness of cattle feeding in Canada. The study showed that revenues to the cattle feeding sector would grow by almost \$500 million if certain regulations could be reformed. The study has been presented to the CFIA and the Beef Value Chain Roundtable, and will serve as a valuable guide and touch point for NCFCA's ongoing advocacy efforts in Ottawa.

- **Policy and Regulatory Submissions:**

Throughout 2016, NCFCA staff and consultants made numerous submissions to federal authorities and agencies on a wide range of policy and regulatory issues. Examples include the ongoing feed regulatory modernization initiative at the Canadian Food Inspection Agency (CFIA), Health Canada's new regulations on the usage of antimicrobials, the new workplan of the Regulatory Cooperation Council (RCC), and a licensing proposal at the Canadian Grain Commission (CGC). NCFCA also prepared and submitted a Pre-Budget Submission in advance of the upcoming 2017 Federal Budget.

- **Parliamentary Hearings:** In 2016, NCFCA appeared as a witness before four different Parliamentary Standing Committees to provide expert testimony on issues impacting cattle feeders:

- Parliamentary Standing Committee on Trade (April 2016)
NCFCA testimony on the Trans-Pacific Partnership

- Parliamentary Standing Committee on Human Resources, Skills and Social Development (May 2016)

- **NCFCA testimony on the Temporary Foreign Workers Program**

- Parliamentary Standing Committee on Finance (October 2016)

- **NCFCA testimony on the Budget 2017 and Rural Infrastructure**

- Parliamentary Standing Committee on Agriculture (October 2016)

- **NCFCA testimony on the new Agriculture Policy Framework**

- **Advocacy and Outreach:** Throughout 2016, NCFCA engaged in numerous outreach activities. Examples include a feedlot tour with CFIA officials, and a feedlot tour with federal MPs. NCFCA also participated in townhalls held across Cana-

da by the CFIA on its feed modernization initiative. NCFCA also participated on the ESDP Committee designing the new digital platform for e-certification. NCFCA also made a presentation with the Commissioners of the CGC in Winnipeg.

STRATEGIC PILLAR #3: INDUSTRY LEADERSHIP

Under this pillar, NCFCA undertakes actions to position the association as a reputable and solutions-oriented expert on Canada's beef industry. By meeting regularly with government decision-makers, NCFCA builds bridges, strengthens relationships, and cultivates champions for the cattle feeding sector.

- **Government Relations:** A key focus for NCFCA in 2016 was to refresh our government relations program after the 2015 election. To that end, NCFCA implemented an "Ottawa Engagement Strategy" that rolled out in four phases and culminated in the annual NCFCA "Lobby Week" on Parliament Hill in November 2016. This strategy proved highly successful, resulting in six separate meetings with four key federal Ministers (Infrastructure, Agriculture and Agri-Food, Immigration, Refugees and Citizenship, and Employment, Workforce Development and Labour). Three meetings were also held with the President of the CFIA. Meetings were held with over 70 MPs, including the Chairs of the Agriculture and Finance Committees, the Chair of the Federal Liberal Rural Caucus, and the Parliamentary Secretaries for Trade, Agriculture, Labour, and Finance. Meetings were also held with the Opposition Critics for Trade, Agriculture, Labour, and Health. Meetings were also held with 55 government officials (Chiefs of Staff, Policy Advisors, and Political Aides). All of these activities are designed to build political champions for the beef industry and the cattle feeding sector.

- **Labour:** Resolving a chronic and severe shortage of labour in agriculture and agri-food is one of NCFCA's top policy priorities. Throughout 2016, NCFCA worked closely with the Canadian Agricultural

Human Resource Council (CAHRC) and other partners to secure federal support for the recommendations of the Agriculture and Agri-Food Workforce Action Plan and improvements to the Temporary Foreign Workers Program (TFWP). NCFCA's efforts have begun to payoff as the federal government is reviewing the program, the cumulative-duration rule (four-in, four-out) has been scrapped, and the planned move to a 10% cap was cancelled.

- **National Beef Strategy:** NCFCA participated in the development of the new National Beef Strategy and is working to implement components of the strategy that align with our own priorities. The completion of the Competitiveness Report in 2016 demonstrates NCFCA's commitment to achieving elements of the strategy, one of which is to build a supportive regulatory environment that will reduce cost disadvantages compared to our main competitors.

- **Industry Partnerships:** The beef industry is a complex production chain that includes breeding, cow-calf production, transportation, auction marts, backgrounding, finishing, and processing. NCFCA operates throughout this chain whether this is working with the Beef Cattle market Advisory Committee (BCMAC), the Canadian Beef Grading Agency (CBGA), the Canadian Cattle Identification Agency (CCIA), or the National Farm Animal Care Council (NFACC). By plugging into this network, NCFCA ensure that the voice of cattle feeders are factored into important industry decisions.

I am proud of the work that the NCFCA Board and Staff have accomplished in 2016 to promote the interest of our members and deliver value. NCFCA continues to serve as a strong voice at the national policy table for Canada's cattle feeders and as a highly focused and effective representative for our sector.

BEEF CATTLE RESEARCH COUNCIL REPORT: STRATEGY FOR THE FUTURE

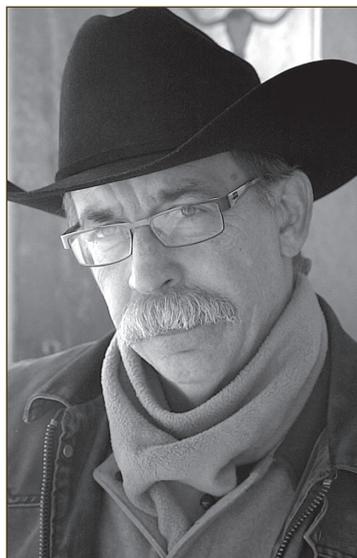
The Beef Cattle Research Council (BCRC) is Canada's industry-led funding agency for beef, cattle and forage research. Its mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer the Canadian Beef Cattle Check-off funds allocated to research. 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.

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

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

CANADA'S BEEF CATTLE INDUSTRY SCIENCE CLUSTERS

The first Beef Cattle Industry Science Cluster directed \$10.5 million to 32 research projects between April 1, 2009 and March 31, 2013. Joint industry and government commitments to the second Cluster (April 1, 2013 – March 31, 2018) totaled \$20 million, including \$14 million in funding from AAFC, \$1 million in provincial government investments, and \$5 million in funding from the research allocation of the Canadian Beef Cattle Check-off and provincial beef industry groups. Funding was directed to 26 research projects. A summary of every Cluster-funded project can be found



TIM OLEKSYN
BCRC Chair



on BeefResearch.ca.

The first and second Clusters have proven to be a very successful step towards improving coordination of beef research funding in Canada including AAFC, BCRC, provincial governments, provincial cattle associations, and other industry funders. The Clusters motivated a growth of industry investment in research and technology transfer. Funding has been focused on a comprehensive outcome-based research program directly aligned with industry's vision and priorities, including capacity development in critical areas. As a result, Cluster investments are generating meaningful, applicable knowledge and technologies for the industry, as well as extension tools to increase adoption of the innovations.

The BCRC is working to renew this pro-

gram under AAFC's next agricultural policy framework and planning for the third Beef Cattle Industry Science Cluster covering the period April 1, 2018 to March 31, 2023. AAFC's funding commitments for the third Cluster are expected to be announced in 2017. The BCRC will then allocate available funding to research projects aligned with the outcomes in the Canadian Beef Research and Technology Transfer Strategy that have the greatest potential to advance the industry.

CANADIAN BEEF RESEARCH AND TECHNOLOGY TRANSFER STRATEGY

Following a collaborative development process with input from industry stakeholders, grassroots producers, researchers, research institutions, and beef research funding agencies through various means including direct consultation, an online survey, and two workshops, the Canadian Beef Research and Technology Transfer Strategy was released in December 2016. The new Strategy builds upon the success of the 2012-2018 National Beef Research Strategy developed by the BCRC and the national Beef Value Chain Roundtable (BVCRT).

Like the first Strategy, the 2018-2023 Strategy is intended to ensure all of industry's research priorities are adequately addressed, strengthen future funding requests from industry to federal and provincial governments, and maximize the value of all investments in research within the Canadian beef cattle industry.

Having developed specific outcomes under industry-identified priority areas, the Strategy will support the industry's core research objectives of enhancing industry sustainability and improving production efficiencies, improving consumer confidence and beef demand, and improving public confidence in Canadian beef. The new Strategy's research objectives are to be captured by 2023.

The Strategy will guide the industry to achieve high priority beef research objectives that support increasing productivity while remaining environmentally, socially and economically sustainable. It will better enable Canada to seize the opportunity to play a leading role in meeting rising global food production needs responsibly and contribute to the industry's ability to remain globally competitive from a production, regulatory, and trade perspective through investments in agriculture research across a variety of disciplines.

The full Strategy and a 6-page overview can be found on BeefResearch.ca. The Strategy is a dynamic document intended to continue to evolve based on stakeholder feedback and ongoing review as research outcomes are achieved and new outcomes arise. Feedback on the Strategy and its outcomes is welcome and encouraged.

THE NATIONAL BEEF STRATEGY

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

The proposed increase in Canadian Beef Cattle Check-off will be integral to maintaining existing BCRC research programming. Additional funding would enable an expansion of research programming into high priority areas, such as strategic investment in research capacity in meat science and forage utilization, and the expansion of research surveillance networks to monitor antimicrobial resistance, production limiting diseases and other animal health information.

The National Beef Strategy will better enable Canada to seize the opportunity to play a leading role in meeting rising global food production needs.

TECHNOLOGY TRANSFER

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

Bov-Innovation sessions were introduced at the 2016 Canadian Beef Industry Conference. The sessions featured researcher presentations on particular concepts, followed by producers who explained how they made the innovation work in their situation. The six short, exciting and interactive sessions focused on improving productivity and profitability in cow-calf and cattle feeding operations through advancements in animal health and welfare, forage productivity and genomics.

The BCRC website, www.beefresearch.ca, provides access to general informa-

tion on research topics, summaries of in-progress and completed research projects, and information that helps producers make informed decisions on implementing innovation into their production practices. The website delivers various BCRC-produced and other valuable extension resources including articles, videos, webinars, and calculators.

Communications from the BCRC can also be found through various cattle organizations' publications, and through a regular research column that appears in Canadian Cattlemen magazine.

ADVANCEMENT OF VBP+

In addition to sponsoring research and technology development, the BCRC oversees and supports the beef industry's on-farm food safety program, Verified Beef Production Plus (VBP+).

The VBP program has worked with industry stakeholders to develop additional modules for animal care, biosecurity and environmental stewardship. The additional modules will be available to producers in Summer 2017. These modules are an opportunity for producers to secure further recognition for credible production practices. The program is now working with Canada's Roundtable for Sustainable Beef (CRSB) in a process to determine equivalency of VBP+ and ProAction (dairy equivalent) with the CRSB's sustainability indicators.

FOR MORE INFORMATION

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

CCA PRESIDENT'S REPORT: BOVINE TB, TRADE ISSUES AND MORE

I am pleased to report to you as President of the Canadian Cattlemen's Association (CCA). There were many interesting developments in 2016, not the least of which occurred in November with the changing political landscape in the U.S. The year brought significant market access developments with the expansion of beef access to China, Mexico and Taiwan, and the successful launch of the Canadian Beef Industry Conference.

In the fall, Canada was notified that a case of bovine tuberculosis (bTB) had been found. The subsequent Canadian Food Inspection Agency (CFIA) epidemiological investigation continues in the new year. This large undertaking requires several streams of investigative work to trace the movement of animals for the past five years, and resources to complete the testing and analysis of the test results. As trace-outs and trace-ins from the original infected premises proceed producers can expect to see the number of premises quarantined to increase. However, at the same time some quarantines may also be removed. This is expected and an important part of the investigation, which is expected to take several months.

As of January, the incident numbers remain unchanged with six confirmed cases of bTB and one large index herd comprised of 18 premises. The CCA's Rob McNabb participated in the CFIA's Western Region Emergency Operations Centre, a first from an industry-government collaboration. He shared these duties with Karin Schmid and Rich Smith from Alberta Beef Producers. Overall government and industry collaboration is excellent and appreciated.

In terms of the impact to the Canadian industry, one case of bTB does not impact our trade status nor Canada's TB-free status relative to the OIE Codes and the Canadian Health of Animals Regulations. One case can involve several positive animals but is still considered



DAN DARLING
CCA President



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one case if through the investigation they are found to be connected. Canada's status can be impacted if another unrelated case is confirmed within 48 months.

The CCA is monitoring the investigation and working closely with both federal and provincial officials and Ministers to provide financial assistance to the pro-

ducers under quarantine. We continue to communicate with CFIA on a regular basis and will update members of any developments impacting Canada's trade status.

The U.S. national election will put president-elect Trump in the White House upon his inauguration on Friday, January 20, 2017. The tenor of Trump's "America First" trade policy rhetoric during the campaign may have provided a glimpse as to the shape of things to come in 2017. The first potential issue for the beef industry arose almost immediately, when media reported that Trump's transition team had included reinstatement of Country of Origin Labeling (COOL) as an objective. Fortunately, CCA has close relationships with key advisors on the Trump transition team who realized that COOL is a negative policy for U.S. jobs and immediately undertook to remove any mention of COOL from the Trump trade policy agenda.

There are two key take-aways from this episode: the value of maintaining our relationships in Washington D.C. and throughout the U.S. with our U.S. allies, and the importance of Canada retaining its right to impose retaliatory tariffs if the U.S. re-introduces COOL in a manner that causes renewed discrimination against imported livestock.

There is every indication that President-elect Trump means to follow through on his campaign pledges to renegotiate or withdraw from NAFTA and withdraw from the Trans-Pacific Partnership (TPP). The CCA believes that the economic reviews and studies Trump has since ordered will demonstrate that NAFTA has been beneficial for the U.S. economy and supports hundreds of thousands, if not millions, of U.S. jobs. Nevertheless, a list of U.S. objectives to improve the agreement will likely emerge to justify following through on a notice to Canada and Mexico that the U.S. wishes to engage in negotiations.

Naturally, Canadian packing plants are unwilling to risk the health of Canadians to comply with European procedures.

Trump's position on trade provides an opportunity to renegotiate and improve the agreements. The CCA sees an opportunity to work with the new Administration on regulatory cooperation as they have signaled their intention to eliminate two regulations for every new one created. This could be an avenue to address some outdated requirements on Canadian live cattle shipments into the U.S.

The CCA will work closely with Canadian government officials and the Embassy in Washington to ensure the interests of Canadian beef producers are well represented.

The CCA will continue its efforts to create positive opportunities for Canadian beef producers. Free trade agreements like the TPP will ensure Canadian beef producers can compete fairly in a global marketplace, create jobs for Canadians and contribute to economic growth and long-term prosperity across the country.

However, recognizing that TPP approval in the U.S. appears unlikely, the CCA is recommending that Canada pursue one or both of two Plan B options passed by our CCA Foreign Trade Committee at our August semi-annual meeting. First is to ensure Canada is well positioned to be Japan's number one priority for completion of a bilateral trade agreement and second, Canada should explore an option whereby some or all of the remaining 11 members, and

possibly some new entrants, implement the TPP without the U.S.

The Canada-EU Comprehensive Economic and Trade Agreement (CETA), moved forward with Prime Minister Trudeau's signature of the agreement in Brussels on October 30 and International Trade Minister Freeland introducing the implementing legislation (Bill C-30) in Parliament on October 31. This necessitated CCA to evaluate the state of work on the issue of EU approval of critical food hygiene procedures used in Canadian meat production to ensure that consumers are not exposed to potentially harmful bacteria such as E.coli. Unfortunately, the EU does not allow the use of two of the products used in Canada. Naturally, Canadian packing plants are unwilling to risk the health of Canadians to comply with European procedures. This likely means we will see only a very modest increase until the EU approves our procedures.

We are working with the Canadian Meat Council to complete and submit the necessary approval packages to the EU and we are working with our EU meat industry counterparts toward full, outcome-based equivalence recognition of Canada's red meat system.

Following a review of the situation by CCA Foreign Trade Committee in November, we determined that despite the remaining work to be done, \$600 million annual export potential exists and our history of a positive collaborative

industry/government effort to achieve market access success suggests that we can resolve the EU barriers as well.

When I was invited to appear before the House of Commons Standing Committee on International Trade on November 17, I advised them that the CCA is supporting the passage of Bill C-30 and implementing the CETA with three conditions:

- We will expect a commitment from the Government of Canada to develop and fully fund a comprehensive strategy utilizing technical, advocacy and political skills to achieve the elimination of the remaining non-tariff barriers to Canadian beef.
- We expect that any EU beef or veal imported into Canada is in full compliance with Canadian food safety requirements.
- We expect that the beef sector will be afforded Government of Canada investment into both beef processing and beef producer operations to help us comply with the complexities of the EU market.

I anticipate it will likely take a few years to achieve the resolution of these technical issues, but by working together and the commitment of resources and transitional assistance from government, I believe we can get the job done. The CCA has been actively engaged in the national Agricultural Policy Framework (APF) consultations. Our overarching recommendations are that the programs under the next APF be finalized for a seamless roll out on April 1, 2018 and that program delivery is simplified and approval processes are more transparent and consistent.

A high priority for the beef cattle sector is to ensure that the next APF enhances our competitiveness in both international markets and here in Canada.

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CANADA BEEF CHAIR REPORT: EXPANDING THE BRAND



In the 2015/16 fiscal year, Canada Beef launched its 2nd, three year strategic roadmap to further its core objectives over the period (2015-17).

The strategy is firmly geared towards:

1. Brand loyalty
2. Consumers
3. Value creation back to producers

The 2015/16 shift towards brand loyalty was critical for the industry to further market Canadian beef internationally. Canada Beef learned via research and market intelligence that consumers want an emotional connection to Canadian beef and that there is a need to create global co-brand partnerships.

The Canadian beef brand is proven to have meaning with consumers worldwide. More than a brand mark, it is a powerful story that reflects all that is good about our beef: “We put the best of Canada into our beef”.

Global research told us consumers value our community of ranchers and farmers who tend to the cattle and land with care, hard work and resourcefulness. Your story makes a personal connection that builds relationships, trust and loyalty. The brand is your story.

Canada Beef continues to drive the Canadian beef brand through three core functions: branding, marketing and business development. Canada Beef’s approach leverages a ‘national league’ strategy anchored by the Canadian beef brand, its promise, pillars and moreover, the very DNA of the brand being the Canadian



LINDA ALLISON

Canada Beef
Chair

Beef Advantage. A league of 68,500 beef farms and ranches united with one voice, one story, and one brand.

Canada Beef continues to work with over 60 core brand partners around the world to enable commercial opportunities for Canadian beef. To date, Canada Beef has executed over 180 market development programs, ensuring that for every \$1 Canada Beef invests; at a minimum \$6 of partner investment is leveraged.

The number of downloads of The Round-up app, a Canadian beef buying and cooking resource for smart phones and tablets, grew by about 285 percent reaching a total of 10,360 downloads. The consumer-focused Make it Beef Club continued to leverage ongoing domestic and international initiatives to grow the database of subscribers. Nearly 3,500 new members were added through a contest, leveraging the partnership of Canada Beef with Karisma Resorts. The Make it Beef Club currently has over 40,500 subscribers. A new consumer-focused website was launched in January, 2016. Preliminary results show



MIKE KENNEDY

Canada Beef
Chair of Market Development
and Promotions Committee

a growing engaged audience and a more integrated communication channel for the Canadian beef brand story.

One of the most impactful means to achieve brand loyalty is through co-branding with market leaders in select priority regions or ‘market hubs’, including North America, Hispanic, Asia, and potential Emerging Markets.

In export markets, Canada Beef focused on strategic alignment with selected partners to communicate the Canadian beef brand to end users and through to consumers in order to strengthen their confidence and trust in Canadian beef. Key marketing programs included the industry-focused Canadian Beef Branding Series, consumer-focused Canadian Beef Culinary Series, educational youth and family cooking classes, professional chef seminars, culinary events and brand media including targeted social media campaigns.

Here at home, Canada Beef continued to host the gate-to-plate “Canadian Beef Experiences” for industry partners, and find

CANADA BEEF CHAIR REPORT CONTINUED

alignments with strong national brands. Canada Beef completed year three of a three year partnership with the Canadian Football League to build consumer brand connectivity. For example, an aligned CFL-focused partnership with PepsiCo and Overweitea Food Group reached over 135,000 consumers.

In 2015/16, social media events that were direct partnerships with Canadian brand partners garnered over 283 million views and over 74,000 posts, focusing on the Canadian beef brand, and leveraging partner resources to tell the brand story to consumers. Key highlights included brand partners McDonald's (Mighty Angus), Subway (Prime Rib Melt), Swiss Chalet (rotisserie beef) and Montana's (hand-carved 7 oz. steak) all using Canada Beef hosted Twitter Parties as a communications platform for launching new Canadian beef menu items. Canada Beef also evolved its social media events by linking online and live events through early adoption of Periscope, a social media platform linked with Twitter that hosts live-stream video feeds. Periscope enables Canada Beef to engage consumers

around the world in the Canadian beef brand, in real-time.

One of Canada Beef's proudest accomplishments was the opening of the Canadian Beef Centre of Excellence (CBCE) – a hub of connectivity between customers and the Canadian beef brand on both a technical and emotional level. Over the first year in operation, the CBCE hosted 38 specific missions, over 1,000 industry guests and enabled or leveraged approximately \$145 million in commercial business.

In August, 2016, the Canadian Beef Cattle Research, Market Development and Promotion Agency worked in partnership with Canfax Research Services to release a study evaluating the economic benefits from the Canadian Beef Cattle Check-Off. The study, prepared by Dr. James Rude and Dr. Ellen Goddard, is an update on the 2010 Cranfield Study which had reported results ahead of the 2010 merge of the Beef Information Centre, Canadian Beef Export Federation and the National Check-Off Agency. The new study reports that marketing, managed by Canada Beef, had a benefit

cost ratio of \$13.50, up from \$7.55 in the previous study. Along with the full study from Dr. Rude, the Agency worked with Canfax Research Services to develop two supplementary documents to pinpoint the highlights of the study and how they are applicable to the Canadian beef industry. To learn more about the study and to view the supplementary documents, visit canadabeef.ca/national-check-off.

As Canada Beef continues its three year strategy through 2017, the call to action is for the industry to work together to align and share one collective and powerful message, the Canadian beef story – the Canadian beef brand. Canada Beef will work collaboratively and share resources so the industry continues to build a global brand from a strong united front. This is the key to success. Canada Beef invites you to join The League, to be a part of your Canadian beef brand: building consumer trust and loyalty for Canadian beef together. Help tell your story; how you are committed to do the best you can do to bring quality Canadian beef to the consumer's table. To join The League, visit www.canadabeef.ca/theleague.

CCA PRESIDENT'S REPORT CONTINUED

This will require a strong emphasis on research, science and innovation.

Industry and government have a shared responsibility for research that contributes to the competitiveness, innovation and sustainability of the beef cattle industry. Research is integral to providing science-based information to support consumer confidence and to ensure that Canada's beef industry is globally competitive and able to take advantage of current and emerging trade opportunities.

One of the most successful programs under Growing Forward 2 is the Beef Science Cluster and we feel strongly that it should be retained and expanded. It has encouraged increased industry invest-

ment in research and allowed the beef industry to fund a more comprehensive research portfolio, including significant investments in areas like animal health and care, environmental sustainability and antimicrobial resistance.

On the APF's environmental sustainability programming, CCA encourages Government to support ranchers' conservation actions through funding and further developing ecological service and agri-environmental programs. Programs such as these promote natural resource conservation, improve the environmental health of Canada's landscape and build resiliency into the agriculture sector. These programs will be most successful if they are incentive-based, community delivered, and voluntary.

Fortunately, the Canadian beef sector is already a global leader in environmental sustainability. We are working to ensure the broader benefits of beef production, in terms of conservation, stewardship, and sustainability, are well understood by the Minister of Environment and Climate Change and reflected in any new policy directions.

Finally, progress continues on the National Beef Strategy with regard to increasing the check-off to \$2.50 per head marketed to meet the strategy goals. Discussions between the Canadian Beef Check-Off Agency and the provinces continued throughout the year and we continue to watch for developments with interest.



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