



CANADIAN
CATTLEMEN'S
ASSOCIATION

National Voice Of Cattle Producers



Finding **Opportunity** amid Uncertainty

Canadian Cattlemen's Association
2017 Annual Report

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2017 Board of Directors



President,
Dan Darling, ON



Past President,
Dave Solverson, AB

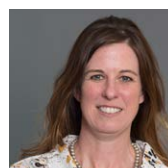


Vice-President,
David Haywood-Farmer, B.C.



BRITISH COLUMBIA

From left:
Lary Fossum
Grant Huffman



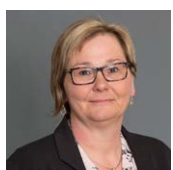
ALBERTA
From left:
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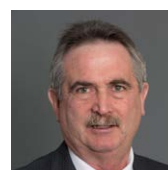
From left:
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Bryan Thiessen



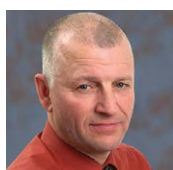
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Tom Teichroeb



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From left:
QUEBEC Claude Viel (ex officio)
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NEW BRUNSWICK Nathan Phinney

2017 President's Report



Dan Darling
President

I am pleased to provide you with this final report as President of the Canadian Cattlemen's Association (CCA). It has been an honour and a privilege to represent the interests of Canada's beef producers as President and Vice President of this organization. I am extremely proud of the achievements and progress achieved during my term that support the long-term competitiveness of the industry going forward.

Public trust initiatives including the launch of the Canadian Beef Industry Conference, the National Beef Strategy and the industry issues management position will provide a solid, science-based foundation for the Canadian beef industry to thrive on. The CCA's written submissions defining the potential harm to industry of regulatory change proposals including Canada's Food Guide and the Food Labelling Modernization Initiative, deserve recognition, as do the ongoing efforts in sustainable beef production, climate change and verification frameworks. Approval to permit irradiation of raw fresh and frozen ground beef was finally granted after nearly two decades of effort.



The CCA addressed areas of vital importance to the viability of beef production itself, securing revisions to harmful provisions within Ottawa's proposed Tax Planning Using Private Corporations changes. Advocacy efforts resulted in tax relief measures for producers affected by bovine tuberculosis (bTB), and drought, flood or excess moisture conditions, and tax relief and other disaster relief measures for producers impacted by the B.C. wildfires. We progressed files on traceability and labour shortages and, with the Canadian Food Inspection Agency (CFIA) secured the elimination of an outdated requirement to prove that live cattle exported to the U.S. are born after March 1, 1999.

Much effort was expended on our trade and market access priorities, including liberalizing trade in the Asia-Pacific through the new Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and progressing market access expansion in China. These developments, along with ongoing efforts with the Canada-EU Comprehensive Economic and Trade Agreement (CETA), will help to manage the possible risk of U.S. withdrawal from the North American Free Trade Agreement (NAFTA).

Details can be found in the Foreign Trade Committee report of this annual report. Here are a few highlights on CCA's top files.

Comprehensive and Progressive Agreement for Trans-Pacific Partnership

In late January 2018, following two days of negotiations in Tokyo, International Trade Minister François-Philippe Champagne confirmed Canada's inclusion as a member country in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), also referred to as TPP11. The Minister will travel to Chile in early March to sign the landmark trade agreement which provides beef producers with competitive access to Japan and dynamic markets in the Asia-Pacific region.

The CPTPP is a massive opportunity for Canada's beef sector, particularly in the Japanese market. Japan imported US\$3.8 billion of beef in 2016. Canada was the fourth largest beef supplier to Japan with \$115 million, behind Australia (\$1.8 billion), United States (\$1.6 billion), and New Zealand (\$163 million). Those trade figures were achieved with Canada, the U.S. and New Zealand all paying a 38.5 per cent tariff on beef exports to Japan, while Australia enjoys an increasingly preferential tariff.



CAFTA

President's Report continued

Once the CPTPP is implemented, Canadian beef will immediately be imported into Japan at the same preferential tariff as Australian beef. We will also be relieved from the current Japanese 50 per cent safeguard tariff on frozen beef that has been in place since July 2017. Importantly, we will enjoy a competitive advantage over American beef as the United States will not be part of the agreement and will remain at a much higher tariff.

This new market access in the Asia Pacific region is of vital importance to the hard-working farm families who operate Canada's 60,000 beef farms and feedlots. With the CPTPP Canadian beef exports to Japan, are anticipated to see an increase of over \$200 million.

NAFTA

The CCA's participation at all rounds of the NAFTA modernization and re-negotiation process continued in 2018 with the seventh round of formal talks in Mexico City in late February.

While it remains unclear whether or when the U.S. might commence procedures to withdraw from the NAFTA, CCA's presence, to provide Government of Canada negotiators with expertise and ensure the interests of beef producers are preserved in the ongoing trade talk, remain as necessary as ever.

The talks resumed following a great deal of progress in 2017 to modernize a range of non-controversial technical issues. However, this positive progress towards modernization has largely been overshadowed by several regressive proposals tabled by the U.S. and subsequently rejected as unacceptable by Canada and Mexico.

Canadian beef producers strongly support keeping the existing NAFTA provisions on beef trade intact. The CCA and its U.S. and Mexican beef cattle producer organization counterparts are united in their support that the terms of trade remain unchanged in the renegotiations.

Our united priorities for the beef sector include: continued duty-free and quota-free access for beef and live cattle trade with the NAFTA tariff preference for beef based on the current rule of origin; opposing the return of a trade disrupting mandatory country of origin labeling regime; maintaining dispute settlement mechanisms, both within NAFTA (Chapters 19 and 20) and external dispute settlement tools at the World Trade Organization. Furthermore, we believe it is possible to improve bilateral cattle and beef trade through greater regulatory cooperation and elimination of some obsolete regulatory border requirements.

Canadian beef producers strongly support keeping the existing NAFTA provisions on beef trade intact.

China

Late in 2017, China signalled it would allow the importation of Canadian fresh-chilled beef in a pilot project and establish the documentation to enable bone-in beef trade. The next priority for CCA in China will be to obtain access for offals, gain full system approval of Canada's federal meat inspection system and negotiate a free trade agreement (FTA) to eliminate the current 12 per cent duty on Canadian beef. CCA's objective under a FTA would be to eliminate the Chinese tariffs on Canadian beef as well as regain parity with our Australian and New Zealand competitors who already have FTAs with China.

CETA

CETA came into provisional effect on September 21, 2017. The CCA continues to work with government and the Canadian Meat Council to produce the research data necessary to gain European approval for Canada's meat safety procedures. While this research is proceeding, producers can enroll their herds in the CFIA's 'Program for Certifying Freedom from Growth Enhancing Products for Export of Beef to the EU' to be eligible for the EU market. Resources to help cattle producers understand the requirements of this program, are available on CCA's website under the Market Access tab.

Canadian Agriculture Partnership

Replacing Growing Forward 2 on April 1, 2018, the Canadian Agriculture Partnership (CAP) is a 5-year, \$3 billion-dollar investment designed to bolster competitiveness, growth and innovation in the Canadian agriculture and agri-food sector. In addition to some changes to Business Risk Management (BRM) programming, Federal, Provincial and Territorial Agriculture Ministers will undertake a comprehensive review of BRM programming to investigate the types of risks producers face presently and in the future, and assess the effectiveness that BRM programming has on growth and innovation in the industry. CCA has expressed that cattle producers need to be meaningfully engaged as contributors throughout this process to best address the risk management needs of the sector.

*President's Report continued***Climate change**

The CCA appeared before the Standing Senate Committee on Agriculture and Forestry in 2017 to illustrate how sustainable beef production can continue to be an effective partner to achieving Canada's economic and environmental targets. Priorities here include the continuation of the Beef Science Cluster and further investment in programs that support research, innovation and knowledge transfer regarding practices that reduce the environmental footprint of beef production; and the creation/ further development of payment for ecosystem services programs that will provide incentives for best land and water management practices.

Additionally, in 2018 the provinces will be expected to continue to move forward their carbon pricing plans to meet the set price of \$10 per tonne in 2018 and \$50 by 2022. Draft federal regulations are expected to be released in 2018 as a backstop to the provincial pending regulations. CCA, in partnership with provincial members, is engaged in discussions surrounding this topic and have undertaken a study to assess the impact of carbon pricing on the Canadian beef sector to help better inform these discussions.

Transportation of animals

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

CCA's position is that any regulatory change needs to be based on scientific evidence conducted under Canadian conditions and wherever possible, use outcome-based guidelines that focus on the animal.

Given the high prevalence of positive outcomes delivered by industry today, it is crucial that any regulatory change also contribute to real welfare improvements. The CCA appeared before the House Agriculture Committee in second quarter 2017 to outline aspects of the regulatory proposal of concern to industry and provided recommendations that ensure regulations are consistent with an outcome-based approach.

Traceability

In October, the CCA hosted CFIA officials on a traceability tour of Southern Saskatchewan and Alberta to enable CFIA senior staff to experience first-hand the practical realities of tracking cattle from ranch to auction market and feedlot during the business of the fall run. Ideally, the CFIA will use the information and insights gathered from the experience to ensure any regulations are in line with the Cattle Implementation Plan supported by industry and outcome-based.

The CFIA expects to publish the regulations in Canada Gazette Part I in by mid-2018, followed by the Gazetting process. The CCA continues to urge livestock operators to ensure they have a valid Premises ID number well in advance of the final version of the proposed regulation, anticipated to be implemented in 2019.

Animal health

The CCA advanced its objective of revising the World Animal Health Organisation (OIE) criteria for countries to achieve BSE negligible risk status at the OIE's annual general assembly in 2017. Progress was made including the assembly's agreeing to create a working group to draft a significantly revised BSE chapter.

In February 2018, CFIA's investigation into the 2016 case of bovine tuberculosis (bTB) in Western Canada reached an important milestone. The CFIA reported it had removed all quarantines from farms with cattle in Alberta, Saskatchewan and Manitoba, and that no further cases of bTB have been detected beyond the initial six animals from one infected herd. The investigation will remain open until final laboratory culture results are received later this spring. The CFIA cited the cooperation of producers and their associations as playing a crucial role throughout the investigation with no disruption in access to international markets as Canada maintained its bTB free status.

We continue to communicate with CFIA on a regular basis and will update members of any further developments.

Canada is a member of a global community addressing the issue of antimicrobial resistance in human and animal medicine. Regulatory and policy changes made by Health Canada's Veterinary Drug Directorate in effect November 2017 and on December 1, 2018 will support Canada's efforts; producers can contribute to the effort in the daily management of their herds through stewardship and good production practices.

Mentorship

The Cattlemen's Young Leaders (CYL) program celebrated its fifth graduating class of young leaders in 2017. This flagship program continues to deliver exceptional mentoring experiences to youth in the beef industry.

Finally, the Canadian Beef Industry Conference will take place August 14-16, 2018 in London, Ontario. I hope to see you there.

Respectfully submitted,

Dan Darling

Executive Vice President's Report



Dennis Laycraft

Executive Vice President

Finding opportunity amid uncertainty is the theme of our 2017 annual report. It is my experience that during times of uncertainty, strong leadership and effective organizations are more important than ever to gain competitive advantage.

One of my favorite phrases is "luck favours the prepared." Those industries and groups that are well prepared and adequately resourced will manage their way through uncertainty and find and benefit from the opportunities that arise. If you believe in the Chaos Theory – this is when some of the most important changes occur. Those with the best information – make the best decisions.

At the Canadian Cattlemen's Association (CCA), it is our job to be well prepared and to ensure we are well informed. We have one of the finest and most dedicated teams I have ever worked with. We strive to lead in every service and activity we carry out on behalf of Canada's beef cattle industry.

Our Canfax and Canfax Research Services divisions provide exceptional and objective analysis on market information and market trends in Canada and around the globe. Our Beef Cattle Research Council (BCRC) division remains a leader in the formation of the research clusters that transformed how research is prioritized, funded, and coordinated in Canada. BCRC completed a new five-year plan and was the first group to present its application for matching funding under the new Canadian Agriculture Partnership program starting April 1, 2018. This coming year, the increase in Canadian Beef Cattle Check-Off as recommended under the National Beef Strategy will enhance our research capacity and will lead to innovation and adoption that will keep our industry strong well into the future.

We provide the secretariat services for the Canadian Roundtable for Sustainable Beef (CRSB). I have just completed my two-year term as President of the Global Roundtable for Sustainable Beef and had a first-hand view of the work that is going on around the world. I am very proud to say that CRSB is considered the leader in the world and is a model that others are trying to emulate. Our industry has one of the lowest carbon and greenhouse gas (GHG) footprints in the world due to the efficiency of our production. I believe we are well positioned for sustainability to be an opportunity.

This year we celebrated our fifth graduating class of young leaders from our Cattlemen's Young Leaders (CYL) Program. CYL is one of the best mentorship programs in the world matching future leaders together with today's leaders serving as their mentors. I am constantly impressed with the calibre of people who enter and compete to be part of the program. Already we are seeing graduates getting actively involved in the provincial associations as delegates and directors. Ryan Beierbach is the first of our graduates to be elected Chairman of one of our member organizations – the Saskatchewan Cattlemen's Association.

Our team in Ottawa is regularly recognized for being amongst the top lobbyists in Canada. The frequent "fly in's" of our provincial members to lobby for the industry have proven to be very effective. I want to thank everyone who has taken part. We maintain a strong and credible relationship with the government and with the various departments that we work with. We bring solutions to the table, not just problems.

NAFTA, to be signed in March, provides competitive market access in Japan and the Asia Pacific region and is of vital importance to Canada's entire beef sector.



Trip to China

Executive Vice President Report continued



Dennis Laycraft and David Haywood-Farmer in Beijing, China

A recent example of our work in Ottawa was on the proposed changes on taxation. The CCA and several other agriculture groups co-funded analysis by the tax experts and MNP of the proposed changes that would have impacted incorporated farms and ranches. We presented the analysis to the federal government and recommended several changes. Significant changes were made to the final policy and unintended consequences to farm families were prevented.

Similarly, we are actively engaged in the North American Free Trade Negotiation (NAFTA) negotiations, the bilateral talks with China, and

Canfax Research Services estimates that we are generating more than \$500 additional per head by finding higher value markets for more than 300 edible and inedible products derived from every animal we process in Canada.

approval of eligible cattle and processors to export to the European Union. In late January 2018 Canada joined the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), an outcome the CCA actively advocated for throughout 2017 culminating with a trip to Tokyo in the new year to support the Government of Canada negotiators. This historic agreement, to be signed in March, provides competitive market access in Japan and the Asia Pacific region and is of vital importance to Canada's entire beef sector.

Agreements like this support the CCA's goal to expand/protect meaningful access to every market that can add value to every animal we produce. This is part of the getting the product right and getting the right product to the right customer strategy.

There can be more than 300 edible and inedible products derived from every animal we process in Canada. Many of these products command a premium in other countries where it is considered a delicacy or a staple in their diet. Short ribs, short plates, skirt meat, flank meat, beef lips, tongue, liver, offals, etc. are a few of the examples.

Canfax Research Services estimates that we are generating more than \$500 additional per head by finding higher value markets for these products. Every time we can find even \$1 per head additional value, that results in a 200 per cent return on the investment that is made through the check off funded assessment that supports the CCA.

Finding value in all our activities is a top priority at CCA. We look forward to working on these and many other issues in 2018.

Respectfully submitted,
Dennis Laycraft



Beef Cattle Research Council

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

On average nationally, the BCRC receives approximately 18 per cent 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.

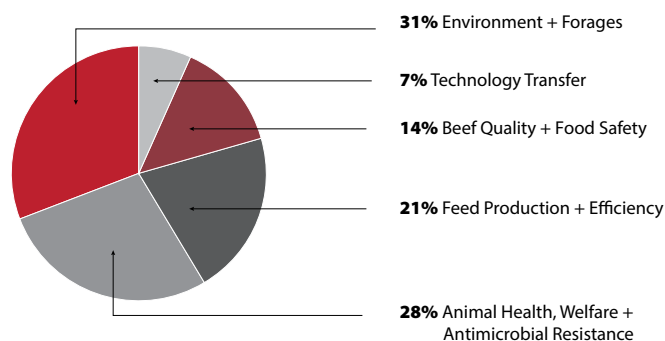
Investments in beef research have several benefits, including an improved ability to meet increasing global food demand and supporting responsible production efficiencies and profitability of Canadian beef cattle producers. Advancements in the industry also positively impact the nation's economy.

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 Agriculture and Agri-Food Canada (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 on BeefResearch.ca.

Proposed Beef Science Cluster III Funding by Priority Area



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 was 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 has worked extensively to renew the Cluster program under AAFC's Canadian Agricultural Partnership and plan for the third Beef Cattle Industry Science Cluster covering the period April 1, 2018 to March 31, 2023. AAFC launched the program and released application forms in November. Our full application, based on several years of planning and consultation with numerous consultations with experts and stakeholders, as well as economic and practical analyses, was submitted to Ottawa in December.

The proposed third Cluster, which builds upon Cluster I and II, aims to grow beef exports and supply growing global beef demand while enhancing competitiveness and public trust. Proposed activities will work to achieve priority objectives in the Canadian Beef Research and Technology Transfer Strategy that the BCRC is most qualified to deliver and do not duplicate activities already funded by other groups.

The Canadian beef industry has a tremendous opportunity to increase productivity and grow Canadian beef exports to support broader economic growth. Activities proposed in the third Cluster are key to realizing that opportunity. Proposed activities will directly address climate change challenges, growing world population pressures, and knowledge gaps that impede public trust or the strength of regulatory systems. They will advance the science of past Clusters, address current and anticipated threats to Canadian beef production, benefit Canadian farmers and ranchers with access to new, practical knowledge and innovations that can improve their business and end products, and continue to improve the industry's antimicrobial and environmental stewardship.

AAFC's funding commitments for the third Cluster are expected to be announced in early 2018. Following AAFC approval, the BCRC will initiate the new Cluster research projects and announce project details on BeefResearch.ca.

The National Beef Strategy

The BCRC will continue to play an integral role in achieving several of the industry goals identified in the National Beef Strategy through strategic

Beef Cattle Research Council continued

investments in research and extension. The proposed increase in Canadian Beef Cattle Check-Off will be integral to maintaining existing BCRC research programming to ensure continued improvements are made in:

- Forage and Grassland Productivity
- Environmental Sustainability
- Feed Grains and Feed Efficiency
- Animal Health and Welfare
- Antimicrobial Use, Resistance and Alternatives
- Food Safety
- Beef Quality

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. A domestic and international research liaison would look for practices and technologies from across Canada and around the world that have the potential to benefit more producers here and find ways to modify them so Canadian producers can use them on their own operations. Additional funding would also enable greater national and regional extension network support and ongoing delivery of the Verified Beef Production Plus (VBP+) program.

Technology Transfer

The BCRC continues to advance the implementation of its Knowledge Dissemination and Technology Transfer Strategy, which is a core activity of the Beef Science Clusters.

The Beef Researcher Mentorship Program, which launched in 2014, continues to facilitate and encourage new applied beef-related researchers, especially those from non-Canadian agriculture backgrounds, to attend industry events and network with producers and other industry professionals. The program is advancing researchers' appreciation of industry needs and fueling their ambition to share their findings with a practical, solution-based focus.

Another new extension video has been produced. 'What Beef Producers Need to Know about Environmental Footprint' has exceeded 35,000 views on Facebook and YouTube combined.

Bov-Innovation sessions were held at the 2017 Canadian Beef Industry Conference. The sessions focused on economic and reproductive factors of replacement heifer development, using feed analysis to balance rations and manage for mycotoxins, and how producers can leverage genomic technology on their commercial cattle operations.

The BCRC website, www.beefresearch.ca, provides access to general information 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 interactive decision making tools.

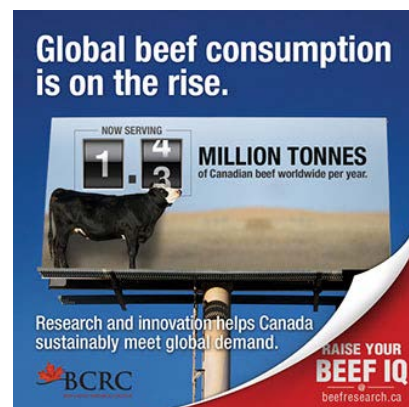
Communications from the BCRC can also be found through various cattle organizations' publications, and through a regular research column that appears in Canadian Cattlemen magazine.

Advancement of the Verified Beef Production Plus program

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

VBP+ has worked with industry stakeholders to develop additional modules for animal care, biosecurity and environmental stewardship that are now available to producers. 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.

A new VBP+ website, www.verifiedbeefproductionplus.ca, launched in March 2017. It houses a wealth of information for consumers and retailers and is a great resource for Canadian beef cattle producers. It also includes a Feeder Cattle Listing for those VBP+ Registered operations signed onto the AgriClear platform.



Please refer to the VBP+ report to learn more.

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

CANFAX

Prices

Cattle prices were surprisingly strong in the first half of 2017, supported by international demand and significantly lower carcass weights that put leverage into the hands of the feedlot. The historically strong basis witnessed in 2015 and 2016 continued throughout 2017. Stronger fed cattle prices resulted in record large profits for feedlots in the second quarter and has been supportive to feeder prices through to the fall.

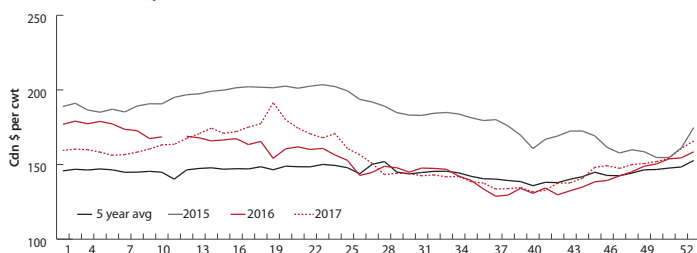
Fed cattle

Alberta and Ontario fed cattle prices have averaged near \$154/cwt and \$148/cwt in 2017 to be steady with last year, despite large differences in the first and second quarters.

Alberta prices made a sharp peak in May at \$178/cwt, 12% above 2016, but dropped 25% to \$133/cwt in September. The seasonal drop is partly related to the exchange rate as well as a major shift in the fed market across North America.

Alberta enjoyed very strong basis levels for most of 2017. There were several weeks where the strongest cattle prices in North America were in Alberta. At times, the Ontario fed basis levels struggled, and were often weaker than Alberta, but overall the Ontario basis levels were within historical levels. The Alberta to Nebraska cash to cash basis continues to be very strong averaging near -\$3.10/cwt from January to December compared to -\$5.30/cwt last year and the three-year average of -\$8.50/cwt. This is expected to be one of the strongest basis years on record (records start in 1986).

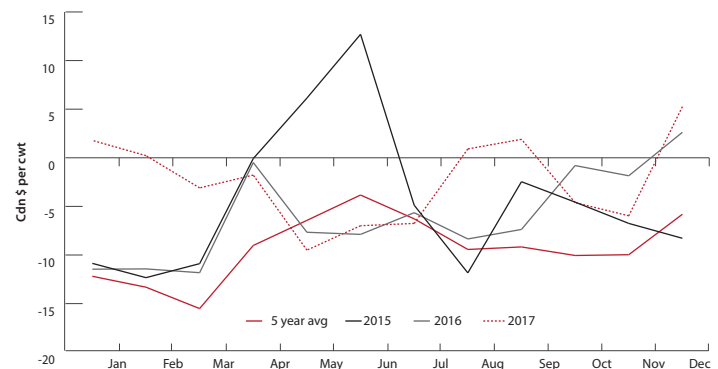
Alberta Weekly Fed Steer Price



Feeder cattle

Alberta and Ontario 850 lb feeder cattle prices will average near \$186/cwt and \$183/cwt respectively in 2017. Alberta prices are slightly higher than 2016, while Ontario prices are down slightly. Strong fed basis levels added additional support to the Alberta calf and feeder market. Prices were also just above the five year average. After the big run-up in prices this spring, prices failed to rally seasonally from April/May to August/

Alberta Fed Steer Basis

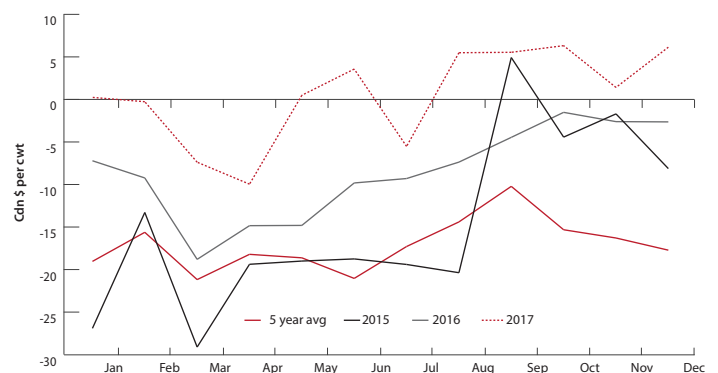


September with significant uncertainty regarding the impact of weather on feed grain supplies. Early reports of drought conditions developing or continuing in certain regions had producers being cautious.

Lethbridge barley prices rallied from \$164/tonne in March to \$200/cwt in July and was generally trading at \$220/tonne in the fourth quarter. Barley prices this fall were about 24% above last year, and put Lethbridge barley about 30% higher than Omaha corn (CDN\$165/tonne in barley equivalents). This has eliminated the feeding advantage Western Canada had over the U.S. and Ontario since last fall. In addition, the large supplies of feed grains from last year's badly weathered harvest are essentially gone.

Despite the change in cost of gain advantage, the Alberta 850 lb feeder cash to futures basis has averaged near \$0 and is significantly stronger than the three-year average of -\$16/cwt and the strongest since 1987 when it was at a premium of \$0.12/cwt. Strong demand to keep feeders in Canadian feedlots continues to be supported by the strong fed basis and solid feedlot profitability. Alberta feeders are running at a \$2.85/cwt premium to U.S. feeders, so it is no surprise that feeder cattle exports are down 37% from last year.

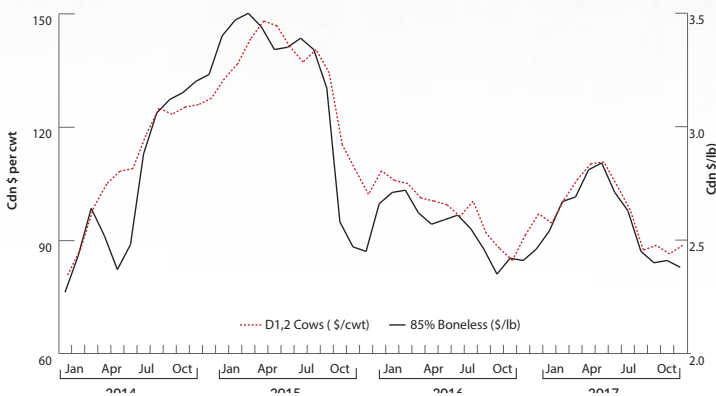
Alberta 850 lb Feeder Steer Basis



Canfax continued

Alberta and Ontario 550 lb steer calf prices from January through October averaged \$220/cwt and \$208/cwt down 1% and 4% from last year; but again, in line with the five-year average. Despite slightly lower prices, lower winter feed costs last winter are anticipated to support cow-calf margins solidly in the black. Most producers have rebuilt equity and made infrastructure investments, but producer age demographics are not encouraging expansion of the cow herd. A poor hay crop this summer in many areas of Western Canada have producers looking for alternative feed sources to maintain their cow herd and keep production costs reasonable.

D1,2 Cows versus 85% Boneless Beef Price



Cow prices

Alberta and Ontario D1,2 cow prices from January to October averaged \$100/cwt and \$86/cwt, steady and down 7% from last year. Alberta has had a \$14/cwt premium over Ontario and \$15/cwt premium over the U.S. cow prices so far in 2017 with an exceptionally strong cow market.

The premium in the Canadian market has reduced cow exports which were down 34% from January to September. This has not reduced cow marketings which are relatively steady with last year but shifted marketings to domestic slaughter which is up 14%.

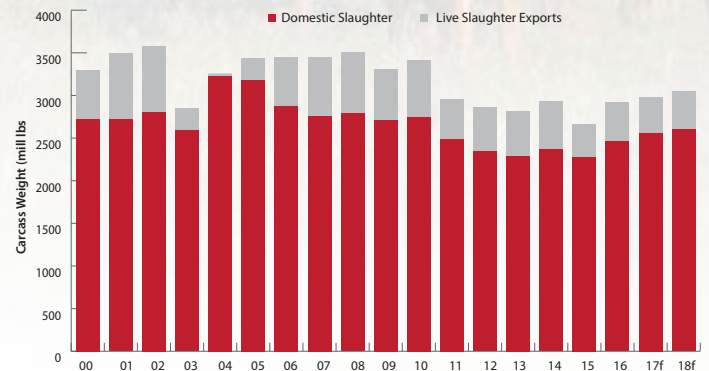
Cow prices have been supported by the lean manufacturing trim which has been strong with smaller imports from Australia and New Zealand.

Beef production

Domestic beef production is up only 3% year to date with smaller carcass weights offsetting the 6% increase in slaughter numbers. Annual beef production (domestic and live slaughter exports) are projected to end the year up 1.4% at 3.0 billion pounds with domestic

production up 3.2% at 2.5 billion pounds and live slaughter exports down 9.1% at 418 million pounds. Larger domestic slaughter has occurred as a strong basis have kept cattle in Canada. Fed cattle exports are up only 5% year to date and non-fed exports are down close to 30%.

Canadian Beef Production



Domestic slaughter & utilization

Packers have been successful in keeping more cattle in Canada since 2015 with 84-87% of production occurring domestically compared with 80-84% in the 2007-14 period. Slaughter cattle exports have been ranging between 470-550,000 head since 2015, well below the 10-year average of 700,000 head annually.

Packer utilization levels have rebounded strongly since the low in 2015. At 82% in 2017 this is better than the 10-year (2007-16) average of 78%. This has occurred even with the opening of Harmony Beef at Balzac, AB. This shows the significant improvement in the situation for Canadian packers and how they have been able to maintain the record strong fed cattle basis levels that are keeping these cattle at home.

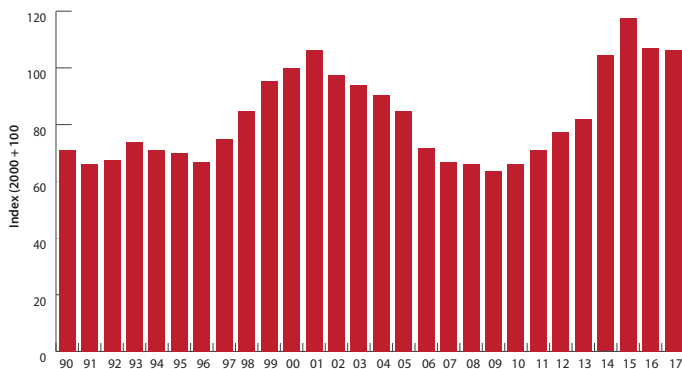
Trade

Beef exports

From January to October, Canadian beef exports were up 5% in volume and 6.6% in value. Monthly volumes between March and August were up 7-18%. The January-September export volume in 2017 was the largest since 2010. Shipments through October to the top five markets were all up except Hong Kong (-16%) with U.S. up 2.3%, Japan up 24.3%, Mexico up 5%, and Mainland China up 55%. In 2001 and 2002, Canada exported 28-30% of beef to non-U.S. markets. After the May 2003 case of bovine spongiform encephalopathy (BSE) it became a priority for industry to diversify markets away from the U.S., but market access limited these efforts. Since 2012, Canada has exported 27-32% of beef to non-U.S. markets. The peak of 32% occurred in 2014, before dropping to 27% in 2016 and is projected to rebound back to 29% in 2017.

Canfax continued

International Beef Demand Index

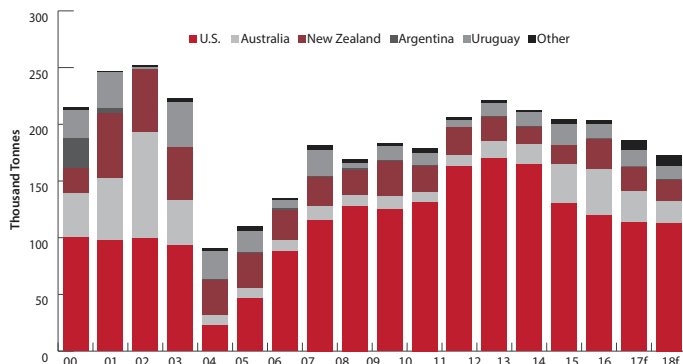


Beef imports

Beef imports from January to October were down 9% in volume and 2.9% in value – projected to end the year at 166,000 tonnes, 14% below the 10-year average of 195,000 tonnes. Major suppliers continue to be the U.S. (66%), New Zealand (11.3%), Australia (10.6%), and Uruguay (7.2%).

Despite larger production, imports from the U.S. were only up 2.5% while import volumes from Australia (-42.5%) and New Zealand (-14%) continue to decline. Rain has allowed the Australian herd to stabilize in 2017 reducing export volumes, while New Zealand is in expansion, reducing both production and exports. Overall, non-NAFTA imports are projected to be down 29.6% to 51,000 tonnes. This is well below the levels seen 2014 through 2016 but is more in line with the 2004-2013 average.

Canadian Beef Imports



Key factors to watch in 2018

Although Canadian beef cow numbers have not expanded, North America could have record large beef production in 2018, and continue to trend larger over the next three years. The Canadian cattle herd has stabilized, but domestic beef production could still increase as more cattle are fed and processed in Canada. In 2017, markets performed very well despite larger beef and meat supplies, will 2018 be able to impress again? The key factors for Canadian producers to watch are:

Beef demand – International demand has been very strong, as we have exported more beef and at higher prices. Competitive access to international markets will be critical as supplies grow. Domestic demand has also been impressive, as retail prices have only declined modestly despite the larger supplies. Consumption may fall next year, but that is partly a function of strong international demand. Demand is also driven off economic performance across North America. The economic outlook is quite positive for 2018, but any challenges to the economy, employment, or wages will impact beef demand.

Competing meats – North American beef production could be record large in 2018. Pork and poultry is also expected to be record large next year. Trade will also be important for competing meats, but if there is price pressure due to the large supplies, it could also negatively impact beef prices. Demand is key for competing meats.

Basis levels – Basis levels have a significant impact on the fed and calf market. If Canada can maintain historically strong basis levels, it will be supportive to the feedlot sector and the calf market, but if basis levels were to move back to historical levels, it could put pressure on the calf market. A basis that is \$6 better than expected translates to almost \$15/cwt higher calf prices.

Canadian dollar – The Canadian dollar has generally been friendly to the cattle market since it went below 80 cents in 2015. The dollar can be volatile, and varies depending on oil prices, the Canadian economy, the U.S. economy and relative interest rates. The dollar has been somewhat stronger than expected in the second half of 2017, and if it were to move over 80 cents, it could weigh on the markets. On the other hand, if the dollar stays below 80 cents or drops further, it will continue to be supportive.

Weather and feed availability – The U.S. cow herd has had a rapid expansion since 2014. Strong markets and very good growing conditions have aided this expansion. Therefore, there are larger cattle on feed numbers, and more cattle outside of feedlots. Any significant changes in the grazing and feed conditions, could result in a surge of cattle available to the slaughter market and negatively impact the markets.

Canfax Research Services

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



1. CRS hosted the 15th annual agri benchmark beef and sheep conference June 17-23, 2017, in Saskatoon, Saskatchewan, on international cost of production. This was attended by 12 countries and representatives from all provinces. The provinces expressed an interest in developing a Canadian network that would enable inter-provincial comparisons of data.
2. Price Discovery Alternative Survey was administered between June-July 2017 and the Task Force convened to provide direction. CRS is working with Agriculture and Agri-Food Canada (AAFC) and Statistics Canada to explore the feasibility of alternatives.
3. Brandon Schaufele, Ivey Business School, University of Western Ontario, is completing a study on "Implications of Carbon Pricing for Canada's Beef Sector: Quantitative Analysis and Assessment of Revenue Recycling Policies." Funding was provided by: B.C. Cattlemen's Association, Alberta Beef Producers, Saskatchewan Cattlemen's Association, Manitoba Beef Producers, and Beef Farmers of Ontario.
4. Canadian Roundtable for Sustainable Beef (CRSB) - CRS is providing staff support for the Science Advisory Committee mandated to address data and research gaps for the next National Beef Sustainability Assessment (NBSA).
5. Canada Beef – CRS provides market outlooks, environment scans and ongoing data sets to assist Canada Beef in communication to industry and the public. The Cost of Trade Barriers to the Canadian Beef Industry with Dr. Pascal Ghazalian at the University of Lethbridge was completed in April 2017.
6. Beef Cattle Research Council: the Feed Grains and Feed Efficiency Priority Area Review was published in June 2017. CRS is managing a Beef Production Economics call for proposals that will be added to the Beef Cattle Science Cluster II commencing April 2017 to March 2018. Industry matching funds were provided by the Saskatchewan Cattlemen's Association, Manitoba Beef Producers and Beef Farmers of Ontario.
7. A feasibility study of expanding a packing plant and building a feedlot at Westwold, B.C. was completed for Brand Marketing & Consulting in August 2017.
8. Two summer interns completed the following projects: summaries of the 2016 Census of Agriculture data, Cost: benefit Analysis of different Watering Systems, and The Value of Grading for the Canadian Beef Industry.

Verified Beef Production Plus

The Verified Beef Production Plus (VBP+) program grew from its roots in the Quality Starts Here (QSH) program. QSH and its successors are an educational initiative to help the beef industry move toward the highest beef quality in the world through on-farm verification of practices relating to food safety and beef quality. The VBP+ program builds on the success of the QSH program by adding the ability to verify on-farm practices related to animal care, environmental stewardship, and biosecurity.



VBP+ has continued work towards recruiting new producers for training and registration as well as getting those producers already registered under the on-farm food safety program trained and registered under the new VBP+ program. The transition is slated to be complete early in 2018.

With the launch of the Canadian Roundtable for Sustainable Beef (CRSB) Certified Sustainable Beef (CSB) framework VBP+ has been working diligently with CRSB to gain equivalency with the CSB framework. VBP+ has been deemed equivalent with the CSB indicators and work is progressing very positively on the equivalency assessment to the CSB assurance process.

VBP+ is also involved with the Canadian Beef Sustainability Acceleration (CBSA) pilot. The CBSA pilot is led by Cargill, BIXS, and VBP+ and hopes to (i) build the supply of beef intended to be able to meet the CSB standard; and (ii) figure out the infrastructure necessary for sourcing beef tracked through a fully certified supply chain. CBSA launched in October 2017 and will continue until at least September 2018. Cattle producing operations which are VBP+ Registered will be eligible to have their cattle

“qualify”. If cattle go through a supply chain of fully eligible operations then they “qualify” and those operations will receive a financial credit calculated quarterly and provided by a growing list of retail and foodservice partners including McDonald’s, Loblaw’s and CARA Foods.

VBP+ is continuing preparations for a reduced federal/provincial funding structure. Progress continues on the uptake of a national database and website which is set to be complete in early 2018. VBP+ is further reviewing its program and delivery system to ensure that the program remains relevant and continues to provide the most benefit possible to the Canadian beef industry while being delivered through an efficient and effective system.

The VBP+ program is a core pillar in championing and verifying sustainable beef production. VBP+ will continually increase its ability to deliver tools relating to sustainable production to producers while concurrently improving its alignment with the CRSB, Canada Beef, and others looking for options to communicate what is happening at the farm level through verification and reporting.

2017 Provincial Recipients

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

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

At the local level, a producer receives provincial recognition for their outstanding contributions. These recipients move forward as nominees for national recognition from the CCA. The national TESA recipient is announced during the CCA's annual Convention, held during the semi-annual meeting.

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

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

Previous TESA Winners

Many outstanding Canadian farm families have been TESA recipients over the past 21 years. At the provincial and national level, these individuals and families lead the way in creating a sustainable future for Canada.

To learn more about the significant contributions of past TESA winners, please visit:

<http://www.cattle.ca/sustainability/the-environmental-stewardship-award/>

2017 Provincial Recipients



Copper-T Ranch

Trevor and Janice Tapp
Village of Fraser Lake, B.C.

B.C. Cattlemen's Association
*Ranch Sustainability Award
Recipient*



Winding Creek Ranch

Tom Thompson
Mayerthorpe, AB.

Alberta Beef Producers
*Environmental Stewardship
Award Recipient*





Box H Land & Livestock

Mark and Laura Hoimyr and family
Gladmar, SK

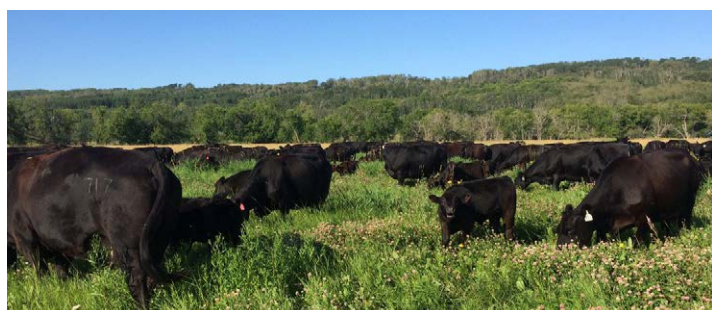
**Saskatchewan Stock Growers
Association**
*Environmental Stewardship Award
Recipient*



Nerbas Bros.

Angus, Arron and Shane Nerbas
and families
Shellmouth, MB.

Manitoba Beef Producers
*Environmental Stewardship Award
Recipient*



Clear Creek Farms

Chris Knight and family
and his brother Carl Knight
Highgate, ON.

Beef Farmers of Ontario
*Environmental Stewardship Award
Recipient*



The David Francis Farm

David and Brett Francis and
families
Lady Fane, PEI

PEI Cattle Producers
Gilbert R. Clements Award Recipient



2017 National Recipient

The David Francis Farm's longstanding commitment to soil conservation, reflected in investments in sustainable agriculture practices and modern technology to ensure a sustainable farm for generations to come, is what earned the Francis families the 2017 TESA.



The David Francis Farm, of Lady Fane, Prince Edward Island (PEI) is the recipient of the 2017 The Environmental Stewardship Award (TESA). The seventh-generation farm is operated by father and son team David and Brett Francis and families.

Soil conservation remains a primary focus at the potato and 80 cow-calf beef operation, with David and his wife, Vicki Francis, and their five children, having made continual improvements to the land during nearly four decades of farming. They have installed thousands of feet of soil conservation features, while respecting the land they farm and the natural environment surrounding their designated Century Farm.

The David Francis Farm's longstanding commitment to soil conservation, reflected in investments in sustainable agriculture practices and modern technology to ensure a sustainable farm for generations to come, is what earned the Francis families the 2017 TESA.

Through sharing his extensive knowledge about sustainable agriculture practices, David has played a major role in raising public awareness about sustainable agriculture and encouraging many farmers to participate in stewardship activities.

This, along with the Francis family's commitment to managing the sandy soils in a manner that benefits their environments, while also meeting and in some instances exceeding strict environmental regulations, demonstrates the commitment to sustainability that the TESA embodies.

David Francis was presented with the 2017 TESA at the Canadian Beef Industry Conference (CBIC) in Calgary, AB. David, on behalf of his wife Vicki and son Brett and family, expressed sincere gratitude as he accepted the award, a sterling silver TESA belt buckle and local artwork. "I'd like to thank the Cattlemen's Association, It's truly an honour."

PEI's sandy soils are very susceptible to wind and water erosion. Sudden rainfall events and other extreme weather can have devastating effects on farmland and can cause soil erosion resulting in washouts or runoff.

In 1991, the David Francis Farm became one of the first farms in PEI to install an integrated soil conservation system. Grassed waterways and buffer zones, natural filters that help slow down and filter runoff before it leaves the field, are among the measures used to reduce soil erosion and help safeguard the health of the adjacent streams and wetlands.

Further improvements were made through the PEI Alternative Land Use Services (ALUS) program, which assists farmers in reducing soil erosion, increasing wildlife habitat and reducing the impacts of climate change.



In addition to fencing to keep cattle from streams and waterways, the Francis' have made major investments in fencing for a rotational grazing system on 120 acres of pasture, and are seeing positive results in weight gain and herd health for their animals.

The David Francis Farm, a nominee of the PEI Cattle Producers, on behalf of the Maritime Beef Council, is the first farm from the Atlantic region to participate in the TESA program's 21-year history.

Thank you to our Platinum Sponsor MNP for sponsoring the TESA program.

Animal Health and Care Committee

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

One of the Canadian beef industry's greatest assets is the overall health and standards of care we ensure for our animals. This is achieved through good production practices and adherence to the country's regulations, federally and provincially. These efforts have resulted in increased market access and confidence in our products world wide.

Animal health and care are fundamental issues that are continually presenting challenges and opportunities for our industry. Disease outbreaks, weather, regulatory reform and modernization, and innovations in health and welfare management systems add to the complexity experienced by our producers on a daily basis.

The year was not short on any of these issues and while we cannot cover all of them in this report, we will highlight some of the most relevant.

Traceability continues to dominate discussions by our committee with a pledge by the Canadian Cattlemen's Association (CCA) and our affiliate organizations to employ the Cattle Implementation Plan (CIP) in a cost effective and efficient manner without inhibiting commerce. The Canadian Food Inspection Agency (CFIA) has completed its review of Phase II comments to amending the traceability regulations. The CFIA expects to publish the regulations in Canada Gazette Part I in the spring of 2018. Following the publication stakeholders will have 75 days to comment. These comments will be reviewed, and adjustments made prior to publication in Canada Gazette Part II, which will then be final and come into force upon publication or be post dated. In addition to the various committees formed through the years to address traceability, CCA is a member of the Regulatory Implementation Committee led by CFIA.

On October 17-18, the CCA hosted CFIA officials on a traceability tour of Southern Saskatchewan and Alberta. The purpose of the tour was to enable CFIA senior staff to experience first-hand the practical realities of tracking cattle from ranch to auction market and feedlot during the business of the fall run. Ideally, the CFIA will use the information and insights gathered from the experience to ensure any regulations are in line with the CIP supported by industry and outcome-based.

Antimicrobial resistance and use (AMR/AMU) continues to have an impact on our industry. Canada is a member of a global community addressing the issue of antimicrobial resistance in human and animal



medicine. Everyone involved in both human and animal health fields have a role to play in reducing the need for antimicrobials and when they are needed, using them prudently.

We have communicated the changes made by Health Canada's Veterinary Drug Directorate on the regulatory and policy front. These include removing the claim for growth promotion from all products used in animal medicine that are medically important to human medicine; designating all products in Class I, II and III (human importance) as prescription only; establishing lists of veterinary products that can be imported for own use as well as a list and requirements for importing active pharmaceutical ingredients; and initiating a process of antimicrobial use data collection beginning with the mandatory reporting of sales by drug manufacturers.

While these regulatory and policy changes will support Canada's efforts to reduce and control antimicrobial resistance, cattle producers can contribute to the effort in the daily management of their herds through stewardship and good production practices. These include implementing biosecurity practices that reduce the risk of introducing disease to the operation; establishing a herd health program with your veterinarian; and ensuring proper nutrition and housing. Reducing the need to treat animals with antimicrobials will contribute to the reduction of antimicrobial resistance.

Canadian beef producers can control their own destiny for ensuring the health and well being of the animals they care for through good stewardship. The alternatives are simply not acceptable, either removing all medically important drugs for veterinary use or those products we do use no longer working to treat illnesses in our animals.

Enrolling in programs such as Verified Beef Production Plus will demonstrate to the Canadian and global public that we take the issue

Animal Health and Care Committee continued

seriously and intend to do our part in preserving the value of usefulness of antimicrobials for animals and humans.

The CCA is a founding member of the National Farmed Animal Health and Welfare Council and provides significant leadership. The Council is gaining a reputable position in Canada's animal health and welfare community. The Council's recommendations on a number of issues has the attention of the Council for Regulatory Assistant Deputy Ministers (FPT), and industry stakeholders across Canada.

Most recently, the Council has engaged in discussions with the drivers for the Plant and Animal Health Strategy (PAHS) for Canada and is considering a leadership role in overseeing the implementation plans for the PAHS. The PAHS was endorsed by the FPT Ministers of Agriculture at their July 2017 meeting. The strategy describes the need for a body, such as the Council to provide leadership in each area (plants and animals). The Council is well positioned with the makeup of its members, represented by industry and both levels of government.

Issues such as emergency preparedness and management, surveillance, biosecurity and best practices for animal health and welfare are key components of the Strategy and have been key areas of interest for the Council. Working with the Canadian Animal Health Coalition, the Council will be in a good position to advance these areas on behalf of animal agriculture, particularly through the next policy framework, dubbed the Canadian Agriculture Partnership.

The proposed changes to Transportation of Animals regulations, were published by CFIA in Canada Gazette 1 in December 2016, and remains an important topic for the industry.

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

The CCA submitted comments on the proposed regulatory changes in February 2017. The CCA also appeared before the Standing Committee on Agriculture and Agri-Food and the Animal Welfare Caucus in 2017 to share the cattle sector's views on the proposed changes. CCA's message was that proper animal care and welfare is paramount in the beef industry and producers are continually improving their practices and updating standards to ensure the best life possible for their livestock. Outcomes for transported cattle are very positive. Research conducted by Agriculture and Agri-Food Canada has found that 99.95 per cent of cattle on long hauls over four hours and 99.98 per cent of cattle on short hauls less than four hours reach their destination in good condition. Cattle producers want to ensure that any amended regulations do not inadvertently move this number farther away from 100 per cent.



CFIA staff and committee members on the CFIA feedlot tour

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

CFIA continues to evaluate the submissions received from the public comment period and the proposed regulations will not likely hit Canada Gazette Part II until 2018. The National Farm Animal Care Council has also begun the process to update the Code of Practice for Animal Transportation, which will continue into 2018.

The Code of Practice for the Care and Handling of Beef Cattle was released in 2013. As part of the National Farm Animal Care Council's code maintenance process, the Beef Code of Practice will begin a review process in 2018. Progress on research priorities identified through the code development process and information about code awareness and implementation are a few aspects that will be covered in the review as it begins in 2018.

The CCA continued to be involved in many other files including the Bovine Tuberculosis case, BSE surveillance, and feed regulatory modernization. On the BSE front, CCA has been instrumental, through the International Beef Alliance, in seeking changes to the OIE chapter on BSE to reform the criteria for a country's status.

Committee Members: Pat Hayes, **Co-chair,**

Reg Schellenberg, **Co-chair;** Grant Huffman, Heinz Reimer, Roland Cailliau, Matt Bowman, Nathan Phinney, Victor Oulton, John MacDonald, Dean Sentes, **YCC ex-officio.** **CCA staff:** Rob McNabb, Jill Harvie, Brady Stadnicki.

Domestic Agriculture Policy and Regulations Committee

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

The year has been an eventful one for domestic agriculture policy development in Canada. The announcement of the Canadian Agriculture Partnership (CAP), proposed tax changes for private corporations, and research on pasture insurance were some of the main topics that the committee focused on in 2017.

Canadian Agricultural Partnership

In July Federal, Provincial and Territorial (FPT) Agriculture Ministers reached an agreement on the CAP, which will replace Growing Forward 2 (GF2) on April 1, 2018. The CAP is a 5-year, \$3 billion investment designed to bolster competitiveness, growth and innovation in the Canadian agriculture and agri-food sector.

The CAP will feature some changes to Business Risk Management (BRM) programming. Changes include capping the AgriStability reference margin limit (RML), which is intended to make the program more equitable to producers with lower cost-structures. The RML change is a positive step for cattle producers, especially cow-calf operators with lower eligible expenses.

A late participation mechanism will also be added to AgriStability, which is intended to allow producers to access the program after the enrollment deadline in times of large income decline. Early descriptions suggest that this measure will be under the decision-making authority of provinces and territories.

Starting in the 2018 program year, the maximum Allowable Net Sales eligible under AgriInvest will be reduced to \$1 million, down from \$1.5 million. The annual government matching contributions will be limited to \$10,000 per AgriInvest account, down from \$15,000.

FPT Ministers also agreed to undertake a comprehensive review of BRM programming. The review process will focus on investigating the types

The review process will focus on investigating the types of risks agriculture producers face presently and in the future and will assess the effectiveness that BRM programming has on growth and innovation in the industry.



of risks agriculture producers face presently and in the future and will assess the effectiveness that BRM programming has on growth and innovation in the industry. Preliminary findings of the review will be presented to FPT Ministers at next July's meeting. The Canadian Cattlemen's Association (CCA) has expressed that cattle producers need to be meaningfully engaged as contributors throughout this process to best address the risk management needs of the sector.

Non-BRM federal programming under the CAP includes AgriMarketing, AgriCompetitiveness, AgriScience, AgriInnovate, AgriDiversity and AgriAssurance.

Proposed tax changes affecting private corporations

Federal tax policy was another focus for the committee in 2017. In July, Finance Minister Bill Morneau announced proposed measures that would change how incorporated businesses could "Income Sprinkle," use Passive Investments within the Private Corporation and convert income into Capital Gains. During the 75-day consultation period the CCA, in collaboration with other agriculture commodity associations, contracted agriculture tax experts at Meyers Norris Penny (MNP) to conduct an analysis and advise us how the proposed changes, if implemented, might affect beef cattle operations in Canada. The analysis, which was included in CCA's submission to Finance Canada, provided a real-life scenario of how the proposed tax changes would create challenges for a typical family operated beef cattle farm regarding farm succession, retirement savings, increased debt to the incoming generation and an overall increase in tax burden.

Domestic Agriculture Policy and Regulations Committee continued

After the consultation period concluded, the Government of Canada announced amendments to the original proposals. On Income Sprinkling, more clarity was provided on what would be considered as meaningful contributions to the business from a family member but there is still some apprehension about short timelines for small businesses to adapt. The government is planning to move forward on changes that restrict the tax deferral opportunities related to passive investments, but will provide business owners some flexibility for savings purposes (e.g.: business downturn, expansion, retirement or parental leave.) Specifically, the government will allow up to \$50,000 in passive income in a year before higher tax rates are imposed to provide flexibility for business owners who want to hold savings in their corporation. While this is an improvement compared to the original proposal, more examination of technical details will be required when they are released next year. The government also announced that it would not be moving forward with proposed measures that would limit access to the Lifetime Capital Gains Exemption or with measures relating to the conversion of income into capital gains. The CCA thanked the government for recognizing the need to rescind their planned capital gains changes, as work undertaken by agriculture groups showed moving forward as intended would have significant unintended consequences in terms of increased cost, from a tax perspective, to transfer a farm in family compared to a third party.

Overall, the amendments to the proposed tax plan are improvements on the original proposals. Legislation on the Income Sprinkling and Passive Investment measures will commence with the 2018 Budget process. The CCA will analyze the final plan when it is tabled and will continue to work with Finance Canada in the upcoming year to ensure that any shortcomings in tax policy are addressed without unfairly targeting independent businesses such as incorporated farms and ranches.





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AgriRisk Initiative Remote Sensing Project

The CCA received funding under GF2 to conduct a study comparing satellite data with native pasture production. At the Canadian Beef Industry Conference, researchers Rick McConnell and Tom Crozier outlined the past three years of their research conducted in Alberta and shared encouraging news about the "X to Y" relationship between the satellite-based remotely sensed data and actual pasture production sampled. Using this model, the objective of the project is to form the basis for a pasture insurance program that is identical in concept to that available for annual crops and can be applied at a ranch level. A long-standing policy of the CCA's is to improve forage and pasture insurance programs across Canada. The committee sees value in the project continuing to move forward both in design development and application to tame pasture and forage. The CCA is hopeful that this project will be extended under CAP's AgriRisk Initiatives program and that it will ultimately lead to improved, more accurate forage and pasture insurance programs in the near future.

Committee Members: Tom Teichroeb, **Chair;** Joe Hill, **Vice Chair;** John MacDonald, Nathan Phinney, Tom Wilson, Rob Lipsett, Larry Fossum, David Haywood-Farmer, Roland Cailliau, Bob Lowe, Duane Thompson, Lynn Grant, Ramona Blyth, Tim Smith, Victor Oulton. Domestic Ag **YCC ex-officio,** Julien Collette. **CCA staff:** Brady Stadnicki.

Environment Committee

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

As a standalone subject area, environmental stewardship is high on the priority list for the Liberal Party of Canada. However, environmental stewardship is certainly not a standalone subject; it is one that the government has interwoven into nearly every conversation, negotiation and commitment they have made. This steadfast commitment has made for a busy year however it also opened opportunities for the Canadian Cattlemen's Association (CCA) Environment Committee to share and build upon the stewardship success of Canada's farmers and ranchers.

The much-anticipated Canadian Agricultural Partnership was released with sustainable growth and public trust being two of three core areas of focus. Its pending full release on April 1, 2018, will open doors for further investment in environmental stewardship and initiatives that build public trust between the agriculture sector and consumers. It is anticipated that one enhanced area of focus will be for a National Environmental Farm Plan. Industry associations, including the CCA, alongside governments have been engaging in a dialogue on the logistics, benefits and otherwise of such an initiative.

The CCA has been actively engaged federally and internationally in the conversations surrounding greenhouse gas (GHG) emissions from livestock and the further potential for carbon sequestration in lands managed by cattle producers.

Nationally the government is anticipated to continue its focus on a low carbon economy and green growth through the Pan Canadian Framework. In 2017 the draft regulatory framework was released for a Clean Fuel Standard with a comment period open until early 2018 followed by the Gazetting process in 2018. Additionally, in 2018 the provinces will be expected to continue to move forward their carbon pricing plans to meet the set price of \$10 per tonne in 2018 and \$50 by 2022. Draft federal regulations are expected to be released in 2018 as a backstop to the provincial pending regulations. The CCA, in partnership with provincial members, have been engaged in discussions surrounding this topic and have undertaken a study to assess the impact of carbon pricing on the Canadian beef sector to help better inform these discussions.

Funding has been made available to support the implementation of the Pan Canadian Framework. The \$2 billion federal investment is being split between the Low Carbon Economy Leadership Fund, (\$1.4 billion available to those provinces that have signed onto the Pan Canadian Framework), with the remainder being focused at the Low Carbon Economy Challenge and the implementation of the Framework.

The CCA will continue to work with our provincial partners to communicate the importance and opportunity of investing these funds in the agriculture sector.

The Species at Risk Act (SARA) requires that Recovery Strategies for Species at Risk be completed within a specified timeframe. Environment and Climate Change Canada laid out an ambitious plan to reduce the backlog that had previously been built up and is making significant progress on this. The Species at Risk Advisory Council was re-instated and the CCA Manager, Environment and Sustainability, Fawn Jackson, sits on this committee.

This year the environment committee has also been engaged in the federal Food Policy as well as the Healthy Eating Strategy that focused on topics such as sustainable diets and environmental stewardship within Canada's agriculture and food systems. Previous research in areas of environmental stewardship and GHG footprint of the Canadian beef sector has proven extremely valuable to help inform these initiatives regarding the environmental benefit and impact of the beef sector. The federal government has a target goal of releasing the finalized Food Policy in 2019 and as such it is anticipated there will be a large amount of work in this area in 2018.

The Canadian Roundtable for Sustainable Beef (CRSB) launched their much-anticipated Certified Sustainable Beef Framework this year. The development of the Certified Sustainable Beef Framework had input from CRSB's wide membership base throughout the development process, including the CCA. It is anticipated in 2018 equivalency will be determined between the Verified Beef Production Plus (VBP+) program and the Certified Sustainable Beef Framework enabling those that participate in VBP+ to qualify for Certified Sustainable Beef sourcing programs.

The CCA continued to build relationships with the conservation community this year co-hosting a meeting with Ducks Unlimited Canada and eight other environmental organizations to discuss conservation within the agricultural landscape and the role of beef production. The conversation regarding the importance of the beef industry to conservation and wildlife habitat is growing momentum at a valuable time as pressures continue to grow in all agriculture sectors to continually improve the sustainability of their operations.

The 2018 year will continue to be extremely active for the environment committee and we look forward to working on behalf of Canada's beef producers.

Committee Members: Bob Lowe, **Chair**; Duane Thompson, **Vice Chair**, Doug Sawyer, Colin Campbell, Grant Huffman, Pay Hayes, Lynn Grant, Heinz Reimer, Joe Hill, Tim Smith, John MacDonald;
YCC ex-officio Glen Kummer. **CCA staff:** Fawn Jackson.

Foreign Trade Committee

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

The top priorities of the CCA Foreign Trade Committee in early 2018 are the North American Free Trade Agreement (NAFTA) negotiations, ensuring access to Japan through the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), creating genuine access to Europe under the Canada – EU Comprehensive and Economic Trade Agreement (CETA), resolving on-going access issues with China as well as ensuring workable international standards and dealing with new barriers as (or before) they arise.

United States/NAFTA

The NAFTA modernization negotiations commenced August 2017 and seven official rounds have taken place up to early March 2018. Round eight is expected to take place shortly after the CCA AGM in late March. The main objective of the CCA is to maintain what we already have in the NAFTA, namely unlimited duty-free trade in cattle and beef, workable rules of origin and binding dispute settlement. We also see an opportunity to make regulatory improvements and expedite border transactions. The CCA is in lockstep with our U.S. and Mexican counterparts on these objectives. We have also flagged for Canadian negotiators that addressing “Buy American” restrictions would open new opportunities for Canadian beef in the U.S.

The negotiation has progressed so far on two tracks. First is the modernization track whereby technical officials have been working collaboratively and diligently to bring the NAFTA text up to date. This work has been generally positive, good progress is being made and could be expected to conclude successfully subject to there being positive results on the second track.

That second track has largely been characterized by rhetorical posturing over areas where the U.S. seeks to fundamentally change the agreement and “rebalance” benefits in their favour. Through the first six rounds, the U.S. strategy was to reiterate demands with no indication of flexibility while the Canadian strategy was to refrain from engaging in discussion, but to encourage the U.S. to reassess its position. Prior to round six, CCA expressed its concern to Canadian negotiators that the refusal to engage could result in a stalemate forcing the U.S. to follow through on its threat to withdraw from NAFTA. Canada came to round six in late January prepared to make some creative counterproposals. Although the



Canadian counterproposals were not yet deemed acceptable to the U.S., it was acknowledged that effort to achieve consensus was being made and that negotiations should continue.

Round eight in late March or early April is unlikely to reach a conclusion but it will be pivotal in that the parties will need to determine whether to 1) terminate negotiations; 2) suspend negotiations until after Mexican and U.S. Congressional elections; or 3) continue negotiating during the election period.

Access to Japan/CPTPP

The CCA is ecstatic that the Trans-Pacific Partnership has been salvaged amongst 11 members in the form of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The CPTPP was agreed in principle in Tokyo on January 23 with the CCA's Dennis Laycraft present at the margins of the final negotiation. Indeed, CCA and its partners in the red meat sector, along with our partners in the Canadian Agri-Food Trade Alliance (CAFTA), had worked hard and were a driving force to resurrect this agreement when many thought it to be dead or unachievable. Given our critical role in advocating for the CPTPP, International Trade Minister François-Philippe Champagne invited CCA and CAFTA members to be on hand when the CPTPP was signed in Chile on March 8. The government will now proceed to ratify the Agreement and CCA will continue to be leading voice in ensuring this happens quickly so that Canada will be among the initial six members to implement and get a leg up on the competition.

The CCA has been delivering the message to MPs on Parliament Hill, through advertising, conventional media, social media and one on one meetings regarding the need for swift action to ratify CPTPP to ensure we enjoy the often mentioned “first mover advantage.”

Foreign Trade Committee continued

These efforts have progressed the need for the government to map out a strategy to ratify and implement the agreement, so that Canadian exporters can take advantage of it. Nevertheless, the government's timeline on introducing a bill to Parliament remained unknown at press time.

CCA's concern about a speedy ratification is at least three-fold.

First, our Australian beef competitors already have an advantage over us due to their pre-existing bilateral free trade agreement with Japan, so everyday the CPTPP implementation is delayed prolongs that disadvantage.

Second, once six CPTPP member countries ratify the agreement, it will be implemented 60 days later amongst those six. Right now, it is anybody's guess who the first six will be and when will they complete their domestic processes. If Japan and our beef exporting competitors in New Zealand and Mexico are amongst the first six while Canada is not, then we will have an even greater disadvantage in the Japanese market.

Third, the current safeguard tariff of 50 per cent on our frozen beef exports to Japan is expected to be lifted on April 1 and the former rate of 38.5 per cent reinstated. Without the CPTPP in effect, we will be exposed to the potential re-imposition of the safeguard back up to 50 per cent as early as July 1 if the lower rate causes imports to surge. With CPTPP in effect, we will be immune from that safeguard.

European Union/CETA

The Comprehensive Economic and Trade Agreement (CETA) came into provisional effect on Sept 21, 2017.

The CCA and Canadian Meat Council (CMC) participated in a mission to Brussels with Agriculture and Agri-Food Canada (AAFC) Minister Lawrence MacAulay in October 2017 where we had the opportunity to have a joint discussion with our EU meat industry counterparts at the Canadian Embassy. The Canadian and EU industry representatives were united in a message that progress needs to be made on three tracks. First is to resolve the regulatory barriers. Second is to undertake demand building activities. Third is to build supply of EU-eligible cattle. It is critical that initiatives under all three tracks are planned to succeed simultaneously. If any two succeed without the third, the ability to realize the benefits of the CETA will be severely limited.

Regarding resolution of the remaining technical barriers, the research work continues in Canada to prepare the efficacy data required by the European Food Safety Authority that would enable approval of requests for use of citric acid and peroxyacetic acid in beef and pork production

to be evaluated. This work is being led by the CMC through arms-length researchers with cooperation from CCA, the Canadian Pork Council and AAFC.

Developing demand is primarily the responsibility of Canada Beef, so we will not report on that here other than to note that CCA had the opportunity to observe their efforts at the ANUGA Food Show in Germany in October along with Minister MacAulay.

With respect to supply, the CCA has undertaken several initiatives. We have produced [documentation](#) which is published on the CCA website to inform producers about the requirements for producing EU-eligible cattle. We have also produced [instructional videos](#) which are also on the CCA website. Once a producer decides they want to produce for the EU, they must enroll their cattle in Canada's Growth Enhancing Product (GEP) Free program under the supervision of a private veterinarian authorized by Canadian Food Inspection Agency (CFIA) to oversee the program. We have published a [list of authorized veterinarians](#) on the CCA website and we continue efforts to encourage CFIA to authorize additional veterinarians across Canada.

We are also continuing to develop a transitional investment by the federal government to help the Canadian red meat industry take advantage of the CETA.

Full year imports of beef and veal from the EU to Canada were 2,806 tonnes for \$14.8 million in 2017, up from 1,714 tonnes for \$7.6 million in 2016.

Full year exports of beef and veal from Canada to the EU were 496 tonnes for \$7.8 million in 2017, up from 340 tonnes for \$4.5million in 2016.

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Foreign Trade Committee continued

China

There was a flurry of activity in the fall of 2017 to resolve Canadian beef access issues to China following the U.S.'s successful achievement in July 2017 of access for under-thirty-month (UTM) boneless and bone-in frozen and fresh chilled beef and offals. This activity was conducted in the lead up to Minister MacAulay's mission to China in November, on which he was accompanied by CCA Vice President David Haywood-Farmer and Dennis Laycraft. Good progress was made on that mission enabling approval of the frozen bone-in documentation and a pilot project for fresh chilled to be announced in December when Prime Minister Justin Trudeau went to Beijing accompanied by Haywood-Farmer and John Masswohl.

However, with China there always is more work to do. So far, the frozen bone-in access is limited to certain approved facilities and none of the major Canadian packers are included yet. We will continue to seek full systems approval for federally inspected facilities. Access for offals also continues to be sought as well as establishing details for the fresh chilled beef pilot project.

It had been hoped that a decision to launch formal negotiations toward a Canada-China FTA would be taken when the Prime Minister was in Beijing in December. Although it was not, exploratory discussions are continuing between China and Canada and we are hopeful of progress on this front. China has a 12 per cent tariff applicable to Canadian beef.

In the meantime, Canadian beef exports to Mainland China and Hong Kong continue to grow impressively. This region was our second largest export destination in 2017, taking eight per cent of Canadian beef exports. Although the volume of beef exports to China/Hong Kong fell 4.6 per cent in 2017, the value increased by six per cent. In fact, amongst Canada's top five beef export destinations (US, China/HK,



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Japan, Mexico and Korea), the value per unit was highest in China at \$10.61 per kilogram. Clearly China has consumers with an ability to pay for quality.

OIE Negligible Risk Status Criteria

At a February 2018 meeting with CFIA, officials reported that work which CCA advocated to amend the World Organisation for Animal Health (OIE)'s negligible risk criteria is continuing but will not be ready for adoption at the May 2018 annual OIE meeting. CCA encouraged them to continue efforts to achieve the amendment and to work with likeminded countries to facilitate adoption. The CCA will also work with our beef producer counterparts in the International Beef Alliance and the International Meat Secretariat to build support for the amendments.

Committee members: David Haywood-Farmer, **Chair**; Doug Sawyer, **Vice Chair**; Cathy Sharp, Colin Campbell, Bryan Thiessen, Duane Thompson, Tom Teichroeb, Rob Lipsett, Tom Wilson, Laura Bodell, **YCC ex-officio**; Rob Meijer (Canada Beef), Michael Latimer (Canadian Beef Breeds Council). **CCA staff:** John Masswohl, Mark Klassen, Dennis Laycraft.

Value Creation and Competitiveness Committee



The mandate of the Value Creation and Competitiveness Committee is to seek out technologies, goods or services that create a more profitable business climate from birth to processing. This committee acts as a “watch-dog” for industry issues and effects response through other committees and agencies if needed.

The committee's mandate includes opportunities to engage youth, food safety, meat quality and additional competitiveness issues. Issues monitored this year:

- Beef quality and safety research at the meat and retail level, which seeks to enhance the beef eating experience for consumers.
- Maintaining the Cattlemen's Young Leaders (CYL) youth mentorship program.
- Enhancing practical on-farm certification programming with Verified Beef Production Plus (VBP+) to meet Canadian Roundtable for Sustainable Beef (CRSB) Indicators and the new Canadian beef sustainability standard.
- Strengthening animal tracking/enhancing information transfer through beef chain and instrument grading to add value. Assisting participation in Cargill-led Canadian Beef Sustainability Accelerator Pilot project to enable sourcing cattle from VBP+ operations, so that retailers can legitimately provide label claims to customers.

- Support for changes to carcass grading, and updates from the Canadian Beef Grading Agency with its work to categorize carcasses and harmonize with the United States' yield method.

Additional priorities include understanding how industry can positively position itself in marketing claims, and addressing impediments to succession or business transition for renewal.

Board members and cattle industry representatives are encouraged to forward issues for discussion and review to this committee. This committee serves to continually identify industry priorities and effect change through other committees, agencies and identified initiatives.

Committee Members: Cathy Sharp, **Chair**; Ramona Blyth, **Vice Chair**; Reg Schellenberg, Matt Bowman, Bryan Thiessen, Nathan Phinney, **YCC ex-officio** Shane Klepak; CBBC Garner Deobold.
CCA staff: Mark Klassen, Virgil Lowe, Terry Grajczyk.

The Beef InfoXchange System (BIXS)

The Beef InfoXchange System (BIXS) melds technology, business processes and strategic agreements together, to create a trusted platform for collaboration between competitors, companies and countries that desire to do what is necessary for both the beef industry and for consumers but have historically had challenges protecting their own competitive advantages, privacy and intellectual property.

BIXS launched the new web-based BIXS data system in early December and initial comments from producers/users are very positive about the intuitiveness and ease of use. The new system also features an API (application program interface) which allows for ease of integration with other platforms and software. The interface between the new Verified Beef Production Plus (VBP+) data management system CORS and BIXS is functioning and being tweaked to maximize functionality which will be used during the Canadian Beef Sustainability Acceleration (CBSA) Pilot project referred to in this report.

Current users of BIXS include:

- CBSA pilot project spearheaded by Cargill along with their customers (McDonald's, Loblaw's, Swiss Chalet, Original Joe's and possibly others) using BIXS to track chain of custody of VBP+ certified sustainable cattle, enabling retailers to channel financial credits back upstream to producers, participating in the pilot project.
- Loblaw's, a large grocery retailer with more than 2,000 stores in Canada, has expressed interest in understanding where their beef is sourced, with an ability to use a "locally sourced" claim, by defining regions that can be verified with BIXS, and will dovetail with their DNA Traceback program.
- With the launch of the Financial Interest Notification System (FINS) pilot project, four national banks in Canada, FCC and the regional banks in Alberta are either participating or investigating the possibility of participating. They have identified FINS as a risk management tool or a "dream come true," enabling them to issue high leverage loans or reduce interest rates in adjustment to risk, providing increased financing to the cattle industry. They are all very interested in the inventory reporting abilities of FINS to confirm their security on a regular basis through RFID tags as a quasi serial number or type of "License plate."
- The framework for the Canadian Roundtable for Sustainable Beef (CRSB) was launched for producers in early December, with the launch of the program to retailers scheduled for 2018. Auditing of operations and tracking of cattle from those certified sustainable



operations will be necessary. BIXS is the only option available, able to deliver that process on a national basis, with integration with the national VBP+ certification program.

- During the launch of the CRSB Framework, BIXS connected with a company that provides a textile exchange. They are looking for a way to verify sustainable leather for several manufacturers of high end leather products and were so excited to learn that BIXS could provide or provide chain of custody to them. Another possibility in the retail movement is sustainable dogfood.

BIXS is positioned as an industry led "trusted, neutral, third party data platform" that complies with data security and data privacy requirements of our producers, and end customers, while encouraging data sharing even among industry competitors to provide traceability and chain of custody tracking, as required by the Iseal Alliance which represents the global movement of sustainability standards for all sustainability programs. As a data platform, the new BIXS also allows data applications to be developed on top of it. For producers who do not currently use herd management software, BIXS is positioned as the "Cloud for Cows," a free system to record and store cattle records without the fear of losing their records, assisting producers to conform with the anticipated new federal traceability regulations expected to launch in early 2018.

For more information, please visit the BIXS website at www.bixsco.com/

Respectfully submitted,

Deborah Wilson

Sr. Vice President, BIXSco Inc.

Canada Beef

As the marketing division of the Canadian Beef Cattle Research, Market Development and Promotion Agency, Canada Beef is the cattle producer-funded and run organization responsible for domestic and international beef and veal market development. It has 28 staff in offices in Canada, Mexico, Japan, China, and Taiwan.

In addition to National Check-Off and import levy funding, Canada Beef leverages cattle producer dollars with private market partner investments and government industry development funding such as Growing Forward 2 and Western Economic Diversification to maximize the benefits of producer check-off investment.

In May, Canada Beef welcomed Francis Andres as the organization's new President. Working with the Board of Directors, Andres leads all aspects of Canada Beef's domestic and international market development and promotion efforts.

Canada Beef works to enable and sustain consumer and customer loyalty to the Canadian beef brand and build strong relationships with trade customers and partners around the world. These efforts increase demand for Canadian beef and the value producers receive for their cattle. Canada Beef delivers its three-year business strategy through three core functions:

1. Brand Development
2. Consumer Marketing
3. Business Development

With limited overall Canadian beef supply leading to limited product availability and higher prices, Canada Beef's role in ensuring consumers understand the value of the product and continue to perceive value in Canadian beef, is critical to providing a return on producer investment.

In terms of refining and communicating the Canadian beef brand, the [Canadian Beef Centre of Excellence \(CBCE\)](#) is a pivotal piece in Canada Beef's abilities to connect and collaborate with clients in a meaningful way. The CBCE connects the technical attributes of the product with the emotional components such as taste and enjoyment, while sharing the story of how it was raised. The Centre provides a place where staff can offer solutions to beef category challenges for existing customers and introduce new customers and markets to Canadian beef for the first time.

To date, the Centre has directly engaged 226 domestic and 242 foreign companies in business development programming; has hosted 46 international missions and 42 domestic missions; and helped generate more than \$380 million in new Canadian beef business. The Centre has worked with packers, further processors,



foodservice clients and hosted cattle industry events with provincial cattle producer associations, breed associations, federal and provincial government partners.

Canada Beef continues to invest domestically to ensure Canadian beef remains a staple of Canadian diets. By focusing on brand partners with large volumes and influence (such as Sobeys, Costco, Loblaw, Walmart, Federated Co-op, Tim Hortons, Swiss Chalet, Montana's, Subway, Sysco), Canada Beef can ensure that these partners are well-versed in Canadian beef and can leverage the value of the Canadian Beef Brand.

Recently two large national entities have made the decision to advocate and promote 100 per cent Canadian Beef: Walmart and Harvey's. Harvey's has worked closely with the Canadian Beef industry to secure and commit to sourcing 100 per cent of their beef exclusively from Canada.

Partnerships like these continued to be a priority, focusing on Canadian beef messaging and branding alignment. Canada Beef continued to host the gate-to-plate "Canadian Beef Experiences" for industry partners and find alignments with strong national brands. Canada Beef had a large presence at the Restaurants Canada and Canadian Federation of Independent Grocers trade shows which included keynote seminars and presentations.

Launched in 2014, [The Roundup App](#) is an online beef buying and cooking resource. Since then, additional content as well as French and Spanish language versions have been added. Subscribers to the App in the past year increased 40 per cent. This tool is key in providing readily accessible beef purchase and cooking information for consumers. We are very excited to announce that Canada Beef (and partner BTI Brand Innovations Inc.) was a winner in the 2017 Summit Creative Awards. With more than 5,000 submissions from 24 countries, the RoundUp app creative scored among the very best and won a Gold medal.

Canada Beef continued

The Make It Beef Club is Canada Beef's data-base and e-blast outreach platform of more than 40,000 consumers and grew by 5,000 subscribers this year. This group of loyal beef fans is interested in engaging in conversation across multiple social channels and many of the subscribers are influential advocates.

The digital footprint of Canada Beef's communication and marketing efforts was expanded with additional development of the new consumer-focused website www.canadabeef.ca. The new site creates an immersive experience for visitors and makes Canada Beef the go-to place for information on the industry from farm to fork.

Canada Beef continues to be a leader in the social media space. The digital footprint has grown to include a variety of social media platforms, each reaching target audiences in helpful, informative, and engaging ways. There are consumer and producer focused pages on Facebook and Twitter and a Canada Beef account on Instagram.

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

To celebrate and leverage Canada's 150th birthday in 2017, Canada Beef began a year-long campaign that ties the national celebration into the Canadian beef brand. Canada Beef teamed up with Fairmont Hotels and Resorts across the country to celebrate the anniversary through a series of unique culinary exchange events with talented chefs from across the globe.

Through the hands of top global chefs, Canada Beef and Fairmont's culinary exchange series is designed to course-correct the understanding of Canada's food identity. All events in the series will include ranch tours, beef and wine pairing seminars, charity BBQs and gala dining experiences. As well, a 30-second Canadian beef brand video was featured prior to movies at Cineplex Theatres in March.

Canadian beef producers in B.C., Alberta and Saskatchewan were greatly impacted by wildfires this summer and fall. Canada Beef hosted fundraisers to support those affected, including a barbecue fundraiser at the Bar U Ranch in Longview, AB. All funds raised went to the Salvation Army relief efforts.

Canada Beef's work in export markets is creating opportunities for the Canadian beef industry to realize greater value for the carcass than could be realized in the domestic market alone. As well as offering competitive bids on middle meats, the export markets can deliver better returns for end meats, credit/thin meats and offal than here at home. Canfax Research Services estimates that more than \$500/head in additional value is added to the carcass by export markets.

The Canadian Beef Branding Series strategically positioned the Canada Beef brand as premium grain-fed beef in export markets. This approach brings together the brand (emotional elements) and the Canadian Beef Advantage (technical elements) to create brand loyalty.

The Latin America market hub continued to support various marketing and promotional programs as well as social media marketing, in partnership with leading export partners JBS and Cargill and with retail and foodservice distributors in Mexico and Latin America. With successful programs such as the Canadian Beef Culinary Series, promotions featuring high-profile celebrity chefs, and business development outreach through trade shows and trade missions, Canada Beef is creating brand awareness and positioning the product in the minds of consumers and key influencers.

The Asian market continued to position the Canadian beef brand through a series of educational cooking classes and professional chef seminars; integrated marketing programs linking online and live events; culinary seminars or competitions; Canadian Beef community building in social media platforms and brand media campaigns. The marketing initiatives successfully brought the Canadian Beef Advantage to end users as a real experience through cutting/cooking demonstrations and beef tasting - giving them an emotional connection to the brand and creating the conversations with end users.

Canada Beef continues to work towards building brand loyalty and increasing the value that producers receive for their check-off investment and for their cattle in the marketplace. By continuing to leverage the strong Canadian story, consumers, brand partners, trade partners and industry members will increasingly demand the qualities that set Canadian beef above the rest.

For more information, please visit the Canada Beef website at <https://canadabeef.ca/>

Respectfully submitted,
Francis Andres
President, Canada Beef

Canadian Beef Breeds Council

On behalf of the membership, board and staff at the Canadian Beef Breeds Council (CBBC), we are pleased to present our 2017 briefing report to the Canadian Cattlemen's Association.

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

A focus on the connecting the industry

A continuation of our efforts surrounding the Canada's National Beef Strategy has been the development of the Canadian Beef Industry Conference (CBIC), which was held for the second time in Calgary from August 15-17, 2017. This year CBBC hosted its first Technical Forum along with Genome Alberta. The forum was designed to stimulate a scientific discussion on genetic improvement as it featured several leading academics and industry leaders. The CBBC is proud to be a partner in CBIC as it has developed into the meeting place for the beef industry. It was a great opportunity to network with commercial cattle producers, feedlot owners, packers, retailers and more. We look forward to seeing everyone in London, ON in August 2018.

A focus on growing our markets

International markets are essential to long term profitability in the seedstock sector and the beef industry in general. As such CBBC will continue to develop new opportunities and work to maintain current international markets. In 2016, we signed an MOU with the China Agricultural University to exchange information and genetics. This has resulted in several incoming missions from China and the attendance by CBBC in Beijing at the 2nd National Symposium on Applied Techniques in Beef Production. The inaugural meeting of the China Canada Beef Industry Alliance was also held with the primary goal for Canada to be China's preferred source for beef cattle genetics. We are hopeful that through this interaction and with the central managed Chinese systems that this will also translate to increase in beef demand from Canada. As discussions between China and Canada regarding free trade ramps up, this interaction and solid relationships with Chinese beef industry officials will become even more important.

A focus on continual genetic improvement

One of the components of the Canada's National Beef Strategy is continual genetic improvement of the national beef herd. The industry has looked to the purebred sector to deliver results as any true genetic improvement will start with its seedstock. CBBC received funding from Agriculture and Agri-Food Canada under the Canadian Agricultural Adaptation Program (CAAP) program for \$1 million dollars in 2016 to

be used to encourage producers to adopt genomic technology. This funding has been fully utilized by Canadian producers as they look to use genomic information to improve their herds.

A focus on the domestic market

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



CBBC Board of Directors and Staff 2017-2018

A focus on collaboration

Year after year, a consistent theme through our activities is collaboration. We believe that the seedstock industry is best represented through strategic alliances with other sectors in the beef industry Canadian agriculture and international organizations. This is evident through our participation in the CBIC, the China Canada Beef Industry Alliance and the Canadian Beef Advisors.

For more information, please visit the CBBC website at www.canadianbeefbreeds.com

Respectfully submitted,

Michael Latimer
CBBC Executive Director

Canadian Beef Check-Off Agency

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

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

This past year, the Agency continued to focus on transparency and the distinct management of the Agency's business operations from that of the marketing operations.

With support from our provincial funders, separation between administration and marketing has continued to evolve. Our Board of Directors have proven to be an engaged group, and have driven positive discussion and movement for the Agency, to ensure continued distinct separation.

The Agency's focus on transparent administration has allowed the Agency to maintain positive working relationships with the provincial cattle organizations, Canadian industry partners and the Farm Products Council of Canada (FPCC).



The Agency's relationship with FPCC has grown more positive and productive, and FPCC leadership continue to tout the Agency's appointment of dedicated staff and quality of information as a benchmark for agencies which they oversee.

The level of engagement between the Agency and provincial cattle association partners continues to strengthen and grow. Progress continues around the increase of the Canadian Beef Cattle Check-Off to create valuable returns for Canadian beef producers.

The progress made on administration and management of internal processes have been monumental. The development of policy manuals, business plans, reporting tools, tracking of costs and other operational practices has intensified this past year, and will continue to grow as the Agency evolves. The organization continues working with provinces to simplify the reporting and remittance processes, and engaged with many on reducing slippage and missed collections.

It was through the provincial cattle association partners that the Agency could reach out across the country to ensure that each province was getting the support and dedication that was needed. The Agency had the privilege to be invited to five provincial annual meetings, four provincial board meetings and held countless calls with organizations from coast to coast through the last fiscal year, not only to communicate the Agency's evolved role, but to better understand the unique challenges and nuances associated with check-off collection and remittance in each province.

Canadian Beef Check-Off Agency continued

January 1, 2017 was an exciting day as the Nova Scotia Cattle Producers enacted an increased Canadian Beef Cattle Check-Off to \$2.50 from \$1 per head marketed in their province. This is an incredibly large and positive step forward for not only Nova Scotia and the Agency, but for the country as a whole. The positive trend continued in June, when Prince Edward Island became the second province to increase the national check-off to \$2.50.

The check-off is invested on behalf of producers in Canada into research, market development and promotion by the Agency's three service providers: Canada Beef, the Beef Cattle Research Council (BCRC), and the Canadian Cattlemen's Association (CCA), which currently houses Issues Management. These organizations continue to bring value to Canadian producers for their Canadian Beef Cattle Check-Off investments.

Market development and promotion efforts undertaken by Canada Beef focused on enhancing and leveraging the Canadian Beef brand story both around the world and here at home in Canada.

The Board was thorough in the creation of a new leadership role for Canada Beef, taking extra time to ensure that both the role and a newly selected leader were a fit for the organization and the industry. Francis Andres joined Canada Beef just after the close of the last fiscal year and has already been a positive force for the organization.

As the leader in national beef cattle research, the BCRC played an important role in supporting the Canadian beef industry's research priorities and influencing public sector investment in beef cattle research. The BCRC facilitated and encouraged collaboration and coordination among researchers, other funding agencies and industry partners in order to maximize the benefits obtained from all investments in beef cattle research.

The Agency entered into a new service agreement with CCA to execute Issues Management. The main focus of the Issues Management hub is to develop stronger industry relationships and networks, and increase and maintain public confidence in our industry. Issues Management ensured that the focus, strategies and resources put in place were of benefit to the entire industry to support the National Beef Strategy's call for increased focus on this area.

Expanded information outlining the increased check-off investment strategy of all three service providers above can be found at www.beefstrategy.ca/.

A targeted communications strategy is always instrumental in times of change, and the Agency's plan to reach out to both provincial cattle associations, and their constituents directly, proved to increase the understanding of the value of Check-off in Canada. With new tools like



the Gatepost newsletter, our social media outreach and the growth of relationships, the Agency's message of the value of check-off has continued to spread. By engaging with producers at a grassroots level, we can encourage them to stay connected with us on a national level.

It remains a priority to show a more defined internal structure, and streamlined and separate operations. We will continue to work in tandem with our provincial cattle association partners, and strive to deliver measurable value for Canadian beef producers.

Many producers will still have questions about the pending Canadian Beef Cattle Check-Off increase, funding allocations, return on investment, and how the check-off is administered.

First and foremost, we encourage you to talk to your provincial cattle association, or your provincial association representative to the Agency, about how your province is looking at the check-off increase, the timelines and how your province plans to allocate the check-off between research, market development and promotion.

We also encourage you to sign up for our monthly newsletter at www.canadabeef.ca/national-check-off, or following us on Facebook and Twitter at @cdnbeefcheckoff to stay engaged and learn how the Canadian Beef Cattle Check-Off continues to bring returns for producers. The Agency will continue to provide measurement and report on progress so the return on investment for an increased Canadian Beef Cattle Check-Off will be clear to producers across Canada.

Looking forward, the Agency will remain focused on meeting the goals of our provincial partners, and continue to drive value for industry check-off investment.

Respectfully submitted,

Linda Allison

Chair, Canadian Beef Check-Off Agency

Canadian Cattle Identification Agency

Board of directors

The Canadian Cattle Identification Agency (CCIA) announced its board of directors and executive committee for 2017/2018 elected at CCIA's Annual General Meeting and board meeting April 6-7/17, in Calgary, AB. At that time, Saskatchewan Stock Growers Association representative Mark Elford was re-elected as Board Chair. Canadian Cattlemen's Association (CCA) representative Pat Hayes was re-elected as Vice Chair. Beef Farmers of Ontario representative Tim Fugard was re-elected as Finance and Audit Committee Chair. Livestock Markets Association of Canada representative Rick Wright was re-elected as Executive Director and CCA representative Doug Sawyer was re-elected as CCIA's second Executive Director. CCIA welcomed new Canadian Meat Council representative Alan Schlachter to CCIA's board of directors for 2017/2018.

Online

- CCIA celebrated its third year as sole distributor for approved beef indicators/tags in Canada – reducing third-party data handling, maximizing data integrity, equalizing tag prices and making the full array of approved tags available online for non-breed specific beef cattle. In 2017, CCIA customized another beef-breed specific section within the web store at www.tags.canadaid.ca for Canadian Simmental, which joins Canadian Limousin, Hereford and Gelbvieh producers as the site's fourth breed-specific section.
- CCIA became active online and welcomes everyone to follow CCIA on Facebook at facebook.com/CanadianCattleIdentificationAgency and Twitter at twitter.com/CCIA_Canada.
- CCIA re-launched the CLTS MOBO application – a free and portable version of the Canadian Livestock Tracking System (CLTS) database, that allows users to submit birthdates, animal movement and retired events quickly and easily to the CLTS database using a mobile device. CLTS MOBO features Optical Character Recognition technology, which converts images of number lists into editable, searchable data for upload to a CLTS-user's database account. Moving forward, CCIA's IT group will continue to enhance the CLTS MOBO application by enabling more reportable animal events and an approved animal indicator/tag-ordering feature. Learn more at support.canadaid.ca/?p=601.

CCIA becomes administrator for goats

CCIA continued its work with Canadian National Goat Federation (CNGF) to determine the details for a Responsible Administrator/Species relationship with CNGF ahead of proposed livestock traceability regulations that may include goats in the category of ruminants.



By December, CCIA had customized a goat-specific section within the web store for goat producers while goat producers continued to prepare for the proposed animal identification and livestock traceability regulatory amendments by confirming/setting up a CLTS database account, confirming/acquiring a Premises Identification (PID) from a provincial/territorial registry, voluntarily purchasing and applying pre-regulatory animal indicators to goats, and voluntarily submitting animal move in and move out events to the CLTS database.

Preparation for proposed animal identification and livestock traceability regulatory amendments

- CCIA continued to prepare for the Canadian Food Inspection Agency (CFIA) to announce the semi-final version of the proposed animal identification and livestock traceability regulations in Part I of the Canada Gazette in Spring 2018, by recruiting and training additional technical and Information Technology team members. CFIA will provide industry with a comment period before drafting the final version of the regulations in Part II of the Canada Gazette, which CCIA anticipates being announced in Part II of the Canada Gazette in early 2019 when the proposed regulations will be implemented.
- CCIA General Manager Anne Brunet-Burgess continued to be an active, instrumental member of the Regulatory Implementation Committee, which is the new industry-government advisory committee that is working together to ensure regulatory stakeholders are prepared to learn about and comply with CFIA's proposed livestock traceability regulations ahead of implementation.
- Having distributed more than 198,000 PID and contact reference cards to livestock traceability stakeholders across Canada by early 2017, and even producing a do-it-yourself video tutorial to upload a valid PID into a CLTS database account, CCIA continued

CCIA continued

to encourage livestock operators to identify their premises by applying for/confirming a valid PID number with their local provincial/territorial premises registry in preparation for CFIA's proposed animal identification and livestock traceability regulatory amendments, which may require all livestock operations to have a valid PID and use it to report animal movement data to the CLTS database.

- CCIA's Information Technology (IT) team completed the programming for group-movement event reporting in preparation for the implementation of CFIA's proposed livestock traceability amendments, which may require auction marts, buying stations and assembly yards to report receipt of animals as a group with source PID and time of loading.
- On behalf of the Cattle Implementation Plan (CIP) Committee, CCIA recruited a project team of experts to perform an independent, third-party review of CFIA's epidemiological report, CFIA's proposed regulatory changes and the CIP's recommendations.

Research and Development Cluster

In 2017, CCIA launched projects that explore how to reduce the administrative burden on industry members to report animal identification and movement events, including projects that:

- Automatically send data to the CLTS database using the cellular network;
- Address how granular data may be used to satisfy CFIA's epidemiological standards;
- Test readers with the ability to read multiple, different radio frequency identification animal indicators/tags, which may be more cost-effective than using wide alley readers;
- Use a computer to learn the answers to the questions CCIA is most frequently asked. If the computer chatbot is unable to answer a caller's question, the system would reroute the call to CCIA's Call Centre for a live response; and
- Use transponders on livestock conveyances to report data automatically to the CLTS database – rationalizing the tag numbers in a CLTS-user's tag inventory with the animals/tags that are loaded onto a conveyance.

In direct response to producer complaints regarding material degradation, moving into 2018, CCIA will announce the results for the second phase of the Tag Retention Project, which explores how accelerated exposure to ultra-violet radiation affects material

degradation. To complete this phase, CCIA retained a Standards Council of Canada (SCC)-approved, materials-testing laboratory to evaluate the mechanical performance of the full array of approved animal indicators for beef cattle, following various periods of Xenon Arc exposure (i.e., UV radiation produced by Xenon Arc exposure).

At 250-hour intervals, the laboratory randomly selected seven specimens from each sample group of approved indicators, and visually inspected each of the seven specimens for evidence of damage, degradation and/or colour change. After which, the laboratory randomly selected three specimens from each sample group of approved indicators, to be subjected to a series of mechanical tests to determine the amount of force required to pull apart already coupled devices, following periods of Xenon Arc exposure.

Though official project details will be revealed in 2018, unofficial findings indicate all specimens displayed varying degrees of progressive degradation and/or discolouration at 250, 500, 750 and 1000 hours of UV exposure. CCIA will release final results in 2018 – please stay tuned!

For more information, please visit the CCIA website at <http://canadaid.com/>

Respectfully submitted,

Anne Brunet-Burgess
General Manager, CCIA



Issues Management

As part of the Connectivity and Beef Demand Pillars in the National Beef Strategy.

This year we continued to implement the Issues Management strategy with efforts mainly focussed on the National Beef Strategy goal of Connectivity - bringing our national and provincial organizations, including other industry partners, together to share information and address consumer questions effectively and efficiently. By creating an "Issue Response Team," which includes a staff representative from each of our national and provincial beef organizations, we have been able to keep each other informed as issues arise in a particular region, or effectively address and respond to issues as they arise. For example, a significant issue that we addressed this year was the revisions to the Canada Food Guide. By sharing the great nutritional and environmental information and key messages put together by Canada Beef, the Canadian Meat Council and the Canadian Cattlemen's Association (CCA) with our other national organizations and provincial associations, we were able to write letters and contribute as one voice to Health Canada expressing our concerns with the proposed direction for the food guide. It resulted in more than 11 letters written from our organizations to Health Canada and provincial health ministries, and opened the door to further meetings and consultation with Health Canada.

Going forward, we hope to engage with the Issue Response Team on a more regular basis, and continue to strengthen the collaboration that has been established. The intention of greater cohesiveness and internal industry communication will help us, as an industry, address consumer issues proactively, in a timely manner, while using our limited resources as efficiently as possible. This effort with the Food Guide greatly reduced the effort, time and money each organization would have had to spend on their own to gather the information they needed for a credible response.

This fall we also increased our efforts in engaging producers about what Issues Management is intended to do for the industry, and how everyone can contribute. Our team did many presentations this fall travelling to several provinces to present on the program, and the opportunity to expand these efforts with an increase to \$2.50 of the Canadian Beef Cattle Check-Off. This increased producer engagement was intended to help address some of the confusion on what the program is supposed to do, why we need it, and where it fits among our National Beef Strategy organizations and other partners in the beef industry.



In the spirit of Connectivity, we were very engaged in supporting Canada Beef's Brand Camp workshop, which included representatives from the provincial and national organizations to come together for two days in June 2017 to discuss the direction and give input into the Canadian Beef Brand.

This was a very successful workshop, and will hopefully be the start of many more to come. Canada Beef, Issues Management, and all those participating came away with great insight into all our organizations with respect to building both the Canadian beef brand, how issues management can complement and support the brand, and how our organizations can support each other in consumer communications.

Other highlights include the submission of the project proposal: "Increasing the capacity of Canada's beef industry to address consumer concerns and public trust through new training programs and young leadership development" to the Canadian Agricultural Adaptation Program (AAFC) in collaboration with Canada Beef, Issues Management and the Young Cattlemen's Council YCC). This project, if funded, will provide funding for a social media training module for the Beef Advocacy Program, a consumer communications tool kit for our provincial organizations, and extended training for the YCC participants. In addition, the Issues Management team collaborated

Issues Management continued



with the Beef Cattle Research Council (BCRC) and Canada Beef to produce a public targeted video addressing the environmental benefits of cattle production, with stock footage for use in our partners' communication efforts. This video is available here:

<https://youtu.be/JDSoZBmdudg>

Presentations of the issues management strategy were made to several groups including the Canadian Beef Check-Off Agency (CBCOA) board, the Canadian Beef Advisors, the Beef Value Chain Roundtable, the B.C. Beef Industry Development Council, Beef Farmers of Ontario, B.C. Cattlemen's Association Public Affairs committee, the Canada Beef Brand Camp participants, various provincial organization annual general meetings and fall producer meetings, two townhalls in Manitoba and Ontario, the Conference Board of Canada Food and Drink Summit, and the Sustainability Speaker Series at the University of Calgary.

Of course, we (and our industry partners) continued to deal with several other issues and misleading articles or stories, through writing rebuttal articles of our own, or doing media interviews. There have been TV interviews on several provincial and national stations, several articles written for newspapers, and much activity promoting our stories and information through social media.

Other activities include:

Strategy and work plan development

Several strategy meetings took place with industry stakeholders including the first Issues Management Strategic Planning group meeting including representatives from the CCA, BCRC, National Cattle Feeders' Association (NCFA), Canada Beef, CRSB, and Canadian Beef Breeds Council (CBBC) to give input to the Issues Management Strategy. The Issues Management team, with oversight from the Canadian Beef Advisors and the CBCOA, will be completing a revised work plan based on increased funding from the National Check-Off for 2018-2019.

Key message resource development

On-going activities in the program involve the creation and development of the key message resource repository for industry partners to access quickly and easily when dealing with issues as they arise. Draft fact sheets which include key messages, background of the problem, lead organizations, research to inform the key messages, and additional links to further information have been developed for several issues. Monthly columns have been written for CCA's Action News on topics including Water Use, Land Use, Food Waste, the Canada Food Guide, Canada's National Food Policy, the power of simple messaging, and many other topics. I must give credit to the CCA Communications Manager for her help in turning my articles into something readable and hopefully enjoyable, through great editing.

Lastly, although the program remains the same, we did change the Issues Manager title to Manager- Public and Stakeholder Engagement to better reflect a positive collaboration with the public as we address their concerns and questions. We look forward to expanding the program in 2018, and continuing working with the public and consumers on why beef is ok, and why it should be supported as an environmentally friendly and nutritious food source.

Respectfully submitted,

Tom Lynch-Staunton

Manager, Public and Stakeholder Engagement

Canadian Cattlemen's Association

Beef Advocacy Canada

The year was full of exciting growth and change for the Beef Advocacy Canada (BAC) program. In the first full year under the Issues Management portfolio, the program has revisited its mandate, revised activities, and endeavored to be more efficient and effective with both time and resources.

The year began with an enhanced social media strategy, recognizing the value of connecting with external audiences as a program, and enabling producers and other advocates to do the same and amplify industry messaging. BAC experimented with live stream videos and curated posts related to various issues, and collected information on successes and opportunities for improvement.

Other activities included the development of a secure, online information repository to host issues management materials for access by industry partners, media training, speaking engagements across the country to promote the program and collect feedback, and a revised fall show structure that emphasized supporting cattle exhibitors and provincial association partners in their advocacy efforts to increase efficiencies.

However, the most notable achievement for the BAC program this past year was the opportunity to partner with the Beef Cattle Research Council to film a public-facing video communicating the environmental benefits of raising beef in Canada and answering common questions and misconceptions.

The video was extremely well received and was shown at meetings across the country, as well as reaching over 16,000 people on Facebook and other social media channels.

This highlighted the power of video as an advocacy communications medium and the value of connectivity among industry organizations.



Looking ahead to 2018, the BAC program will continue to provide training and support to industry staff, advocates, and producers to speak on behalf of the Canadian beef industry and enhance public trust. Increases to the Canadian Beef Cattle Check-Off and potential grant funding will help to provide resources for further activities for the industry's benefit, including populating the online repository and developing the proposed social media training module.

Cattlemen's Young Leaders

Cattlemen's Young Leaders (CYL) is the flagship mentorship program, launched by the Canadian Cattlemen's Association (CCA) in 2010. Since then, it has played a pivotal roll in developing young leaders in the Canadian cattle industry. The program, open to beef enthusiasts between the ages of 18-35, continues to attract applicants due in part to its reputation as a one-of-a-kind mentorship opportunity.



To date more than 100 participants have graduated from the program. There were many exciting events and opportunities in 2017 for the 15 graduates of the program. From trips to Denver for the National Western Stock Show and Nashville for the National Cattlemen's Beef Association Convention, to participating in producer panels and connecting with elementary school students on beef production and ranching, CYL's continue to make a positive impact on the beef industry. Wilco van Meijl, 2017 CYL graduate, had the opportunity to attend the International Beef Alliance (IBA) in Paraguay. Once again, the Canadian Youth representatives stood out among the young leaders at IBA.

For the second year in a row, the CYL finalist selection process took place in Calgary, AB at the Canadian Beef Industry Conference (CBIC). There, 24 semi finalists participated in roundtable discussions where the top 16 for the 2017-2018 program were officially selected.

In December 2017, CYL announced its mentee (and mentor) pairing as: Andrea Haywood-Farmer (Emily Murray), Alecia Karapita (Rob Smith), Taylor Grafton (Mike Munton), Carley Henniger (Bob Lowe), Lee Creech (Travis Toews), James Jenkins (John Cross), Ben Wilson (Phil Braig), Ashley Gaudet (Rob and Gale Hamilton), Melissa Lee (Clint Morasch), Cale Toews (Dr. Cody Creelman), Lacey McCrae (Kelly and Julie Anne Howe), Matt Kumlin (Dave Solverson), Allan Hjertaas, (John Griswold), Quinn Anderson Folk (Shelly Jones), Kaitlyn Polegi (Jill Harvie) and Rachel Verwey (Tara Mullhern Davidson).

In 2017, the CYL program welcomed its newest Foundation Partner. Already a strong supporter of the Canadian beef industry, McDonald's



Canada continued its commitment to agriculture by stepping up to support the CYL program. McDonald's Canada looks forward to working with the CYL program with a focus on succession planning with the program. The continued support is appreciated.

Funding for the CYL program is made available through its Foundation Partners: UFA Co-operative Ltd., Cargill, MNP and McDonald's Canada. The program also receives support from Gold Sponsors Farm Credit Canada and New Holland.

Young Cattlemen's Council

The Young Cattlemen's Council (YCC) is a youth subsidiary board of the Canadian Cattlemen's Association (CCA), designed to provide participants with further training and experience in leadership, governance, and advocacy. YCC provides young producers with the opportunity to engage with the leadership of CCA and learn the inner functioning of the organization.



It was another busy year for the council. YCC President, Brett McRae, alongside Vice President, Jason Hurst lead the council of Members at Large, comprised of Glen Kummer, Ryan Scorgie, Laura Bodell, and provincial representatives, Shane Klepak (SK), Erika Strande (BC), Julien Collette (Maritimes), and Kolton Kauser (AB). The YCC worked hard to engage young producers on a larger scale.

At the Manitoba Beef Producers (MBP) annual general meeting (AGM), YCC President and Manitoba representative, McRae, worked with MBP to hold a young producer meeting in conjunction with their annual meeting. The event encouraged more young producers to attend the



AGM, in conjunction with the event, and was a great success. In the Maritimes, a similar event was held, with the same positive outcome. YCC looks forward to building future initiatives at the provincial level in the future.

Another project that came out of YCC in 2017 was the latest "Through the Fence" video. YCC worked with the CCA Animal Health and Care Committee to produce a video that follows the lifespan of a bovine animal, from birth to plate. YCC is working to develop a plan to launch the video and looks forward to sharing it across Canada.

The video was premiered at the YCC AGM at the Canadian Beef Industry Conference (CBIC). CBIC took place in Calgary, AB in August of 2017 and was a great success. The YCC AGM was well attended by young producers and acted as a platform for the YCC Access to Capital Roundtable, hosted by MNP. The event acted as a sounding board for young producers, facilitated by industry experts, to discuss ideas on how to access necessary capital for grassroots production.

YCC looks forward to another year with its newly elected board. Moving forward, Shane Klepak has stepped into the roll of president, with Julien Collette, as acting vice president for the 2017-2018 year.



Newly appointed provincial representatives include Andrea Haywood-Farmer (BC), Dean Sentes (SK), and Heather Hargrave (Ont.). Ben Campbell (AB), was also elected as the newest Member at Large.

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

British Columbia Cattlemen's Association

This past summer was very eventful to say the least. It started with the first change in our provincial government in 16 years. The newly formed B.C. NDP/Green Party minority government took power in July after several months of uncertainty. July also saw the start of the worst wildfire season on record in B.C.

The wildfire quickly took priority at the B.C. Cattlemen's Association (BCCA). In the early days, and throughout the summer as the fires continued to grow in size and in number, the association worked on many levels, starting with emergency response and coordinating with Emergency Operations Centres. We took scores of beef producer calls and worked to be the voice for producers with the many levels of government involved. One of our biggest successes was to get a rancher liaison in the Cariboo Emergency Operations Centre (EOC) to get producer's access permits. The permits allowed producers to stay on their properties during evacuation orders to do the essential work of ranching, like animal care and haying.

At the same time, BCCA worked with federal and provincial governments to build an AgriRecovery program that would help ranchers recover from the losses caused by the wildfires. We were able to meet with several of the new ministers early on as governments worked to address the emergency situation and prepare for recovery. We really appreciate the tremendous support of the Canadian Cattlemen's Association (CCA) with ensuring our messages were heard with the federal government. A comprehensive AgriRecovery package was announced in early October. A huge thank you to all the provinces and producers for their hay and pasture donations and support. Thank you to Canada Beef for arranging two fundraisers to support the fire victims, and to all those that supported the fundraisers.

BCCA, though an ad hoc wildfire committee, is looking ahead after the emergency wildfire situation this summer to see if there are some lessons learned that could improve on current practices.

Building relationships with the new government and ensuring that our concerns and solutions were heard was also an essential undertaking for our association over the last few months. The wildfires provided the first opportunity to meet with the Minister of Agriculture and the Minister of Forests, Lands, Natural Resource Operations and Rural Development. BC Beef Day, held annually with provincial government



for the past seven years, was cancelled in 2017 due to the election. We anticipate celebrating BC Beef Day in 2018. This year, in lieu of BC Beef Day, BCCA sent a delegation to Victoria in September to meet with Ministers and ministry staff. A joint meeting was held with five of the Ministers as well as individual meetings with key ministries. BCCA also met with the Green Party of B.C., Liberal Members of the Legislative Assembly (MLAs) and Forest Practices Board while in Victoria. Topics brought forward were numerous such as wildfire recovery, water storage, water licensing, invasive weeds, agricultural waste control regulation as well as continued funding for the Livestock Protection Program and the Highway Fencing Program.

BCCA General Manger Kevin Boon presented to the Select Standing Committee on Finance and Government Services in October. BCCA's submission focused on forage enhancement in wildfire areas, water storage for climate adaptation, and highway fencing.

In November, BCCA representatives also attended B.C. Ag Day, coordinated by the B.C. Agricultural Council, in Victoria with 80 other ranchers and farmers from numerous agricultural commodities in B.C.

Water security continues to be a big focus for the BCCA. The Water Sustainability Act was brought into force in 2016 and the first regulation to be implemented was the requirement to licence groundwater use for all existing non-domestic wells. Since then, BCCA has worked to help ranchers navigate the complex licensing process. This fall, BCCA participated in the province's review of the licensing process. On the horizon is the completion of the livestock watering regulation. BCCA recently met with government to discuss the regulation and reiterate our policy statement (adopted in May 2017).

British Columbia Cattlemen's Association continued

Our Livestock Protection program has been in operation for a full year on private and Crown land across B.C. (October 2016 – October 2017). The program started in January 2016 largely on private lands. Over the following months, BCCA worked to get permits in place for operating on Crown land in each of B.C.'s regions. The final permit was granted in the B.C. Peace region in October 2016. All indications show that we have been successful in addressing many conflicts for livestock producers. Monitoring has shown that ranchers are using many of the recommended Best Management Practices to reduce predation, one of the requirements of the program. BCCA has a three-year funding agreement with the Ministry of Agriculture that was initiated in January 2016. In recent meetings with government, BCCA has requested additional funding to cover the full costs of operating the program.



One issue we have been following closely is the Ministry of Environment orders placed on farmers due to high nitrate levels in the Hullcar Aquifer, near Armstrong. The province has initiated a new review of Hullcar and local farming practices. The review may have implications to future regulation development on agriculture waste. We will continue to watch this develop, especially since we spent years consulting with the previous government on the development of an agricultural waste regulation that has yet to be brought into force.

Plans are moving forward on developing an implementation plan for a federally inspected beef packing plant in the Prince George area. This follows the completion of a Business Plan earlier this year that included the infrastructure plan (supply and plant), production requirements, financial plan, and commercialization strategy. The plan is based on 50,000 head per annum to start, with the ability to increase to 100,000 head. BCCA has discussed the implementation plan with B.C.

Minister of Agriculture Lana Popham. We anticipate presenting the plan to industry in the coming spring (2018).

In closing, BCCA appreciates the commitment and hard work of all the CCA Directors and staff. We would like to thank our hard working CCA Directors Grant Huffman and Lary Fossum.

For more information, please visit the BCCA website at www.cattlemen.bc.ca.



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Alberta Beef Producers

Each December, we seem to approach the Annual General Meeting (AGM) of Alberta Beef Producers (ABP) thinking that our industry has faced an especially crazy year, only to find that the following year is even wilder.

After the horrible harvest weather across much of the province last year, we were hoping for better weather conditions this year and most of the province had good moisture in the spring. Unfortunately, many areas in central and southern Alberta had an extremely hot and dry summer that left grass, crops, and water supplies parched. The grain harvest went quickly and well in southern Alberta, but parts of northern Alberta again faced terrible harvest weather. Two years of unfavourable harvests certainly strain the finances of a farming operation, particularly for young producers trying to get going in the business.

The most striking impact of the hot, dry summer was a horrific year of devastating wild fires. We began the summer with our hearts going out to friends and colleagues in B.C. who were battling terrible fires across their province. Later in the summer, we had fires in Alberta near Waterton Lakes National Park and the Suffield Base that greatly affected producers in those areas. Finally, on a frightful night in October, a series of fires driven by strong winds created great swaths of devastation near communities across southern Alberta. The fires caused people to lose livestock, feed, grass, buildings and fences.

Tragically for his family, friends, neighbours, and our industry, one of the outstanding young leaders in the ranching and grazing community died while helping to fight the Hilda fire in Cypress Country that night. James Hargrave was a rancher from Walsh who at a young age, had established himself as a pillar of the community, a fierce advocate for the rights and interests of land owners and leaseholders, and a caring and thoughtful steward of the land and water on his ranch. He was a devoted husband and father of four young children, a proud and dedicated operator of a historic southern Alberta ranch, and passionate about the southeastern Alberta rangeland. This has been a heartbreaking loss for all the people who knew, worked with, and loved James.

After years of talking about the need for increased industry funding and receiving clear direction from producers to pursue more funding, ABP took significant steps forward on the issue this year. At our Semi-Annual General Meeting in June, the delegates approved regulatory amendments that will increase the Canadian Beef Cattle Check-Off to \$2.50 per marketing from \$1 per marketing, effective April 1, 2018. The regulatory amendments have been approved by the Alberta Agricultural Products Marketing Council and filed with the legislature. Now, we are just waiting to see them posted on the Queen's Printer website before formally announcing the increase.

Provincially, we are excited by the possibility of creating the Alberta Beef Industry Development Fund (ABIDF), a fund that would support research, market development, education, and industry collaboration activities in Alberta. The money for the ABIDF would come from the additional revenue available to the industry with a non-refundable provincial service charge. We think that the ABIDF represents a tremendous opportunity for our industry to come together and make investments in initiatives that will make it stronger and more profitable.

We have reached a tentative agreement with the Alberta Cattle Feeders' Association (ACFA) on the allocation of funding from a non-refundable service charge. Once we have a signed agreement with the ACFA and have completed the terms of reference for the ABIDF, we hope to be in a position to formally request a plebiscite on a non-refundable service charge following the ACFA AGM in February. We expect that it will take some time to work through the process of conducting a plebiscite, but we hope that the enormous potential of the ABIDF will encourage our partner organizations and producers across the province to support a non-refundable service charge.



Alberta Beef Producers continued

While the agriculture sector has been trying to understand the full implications of Bill 6, The Enhanced Protection for Farm and Ranch Workers Act, the Government of Alberta has continued to pursue an active agenda on workplace and labour legislation. This year, the government introduced Bill 17, The Fair and Family-friendly Workplaces Act that brought significant changes to labour relations and employment standards in Alberta. Most recently, the government presented Bill 30, An Act to Protect the Health and Well-Being of Working Albertans, that will bring major changes to the occupational health and safety system in Alberta and increase support for injured workers through our Workers' Compensation program.

Even though not all of these initiatives are directed at the agriculture industry, farmers and ranchers face substantial challenges in dealing with this wave of new legislation, regulations, and policies. ABP is still trying to identify the best role we can play in helping cattle producers comply with the new legislation, but our participation in the AgCoalition has provided us with significant benefits from the combined resources of the coalition and the united voice it represents for the agriculture industry. The AgCoalition has also taken the positive step of guiding the formation of the AG Safe Alberta Society, an industry-led farm and ranch safety association that will coordinate education, awareness, and training activities for our sector. We know that producers will have to meet the requirements of legislation and regulations, but we believe that the work of the AG Safe Alberta Society is the key to developing a culture of safety that will make all farm and ranch workers safer.

Clearly, there was no shortage of topics for discussions at our fall producer meetings in late October and early November. After the success of our producer engagement exercise last year, we started the meetings this year by asking producers to identify the consumer trends

and perceptions that caused them the most concern and the actions ABP should take to assist with farm succession and attract young people to the industry. Once again, we had lively discussion of the topics and many good ideas to help us set objectives for the coming year.

We were pleased with the results of our delegate and director elections this year. Almost a quarter of our zone delegates are new to ABP and we have six new directors out of 16 on our board. The new delegates and directors have made both our delegate body and board younger, and given them more gender balance.

The theme of our 2017 Annual Report, Risks and Rewards, also suggests that next year will be a time of challenges and opportunities for ABP. We will face challenges from government legislation and policies and we certainly would like to have more young people expanding our cow herd. In the face of these challenges, ABP is in a position to generate significant benefits for producers through our improved government relations and the positive industry funding developments. We are confident that the combination of experience and fresh new perspectives on our board, supported by our enthusiastic and dedicated staff, will help us to mitigate the risks and reap the rewards of the coming year.

For more information, please visit the ABP website at www.albertabeef.org



Saskatchewan Cattlemen's Association

This past year has seen both challenges and success for the Saskatchewan Cattlemen's Association (SCA) in the province. A good portion of Saskatchewan suffered through severe drought conditions through much of the year. Those same conditions contributed to massive grass fires in the south west part of the province. In other areas, many producers will be dealing with the realities the dry conditions bring such as shortages of feed and poor water. Only time will tell what the lasting impacts of this weather will be on the cattle industry. Handling one year like this is a challenge. The main concern is if there is another one in store next year.

Maintaining government relations

While producers are facing these problems, the SCA continues to work on finding solutions and ways to help. Much of this involves working with governments and ministry representatives, including Saskatchewan Agriculture Minister Lyle Stewart and his staff, to ensure the needs of producers are being met. This work helped secure additional monies through the Provincial Disaster Assistance Program (PDAP) to assist producers affected by the wildfires.

The SCA also continues to work with government representatives on the details around the new Canadian Agriculture Partnership. SCA and others in Saskatchewan have voiced the desire to maintain continuity from Growing Forward 2 to the new suite of strategic investments. SCA will be working to make sure programs are well designed and communicated so producers can benefit from the new framework. Programs like Farm and Ranch Water Infrastructure will be important moving ahead as they have been in the past.

Two important components of the agreement for cattle producers in Saskatchewan are the continuation of funding for the Western Livestock Price Insurance Program (WLPPI) for the next five years and the changes to the AgriStability program.

The SCA's goal is to help all cattle producers succeed. We are committed to developing successful partnerships with industry leaders, researchers, other industry organizations and governments at all levels to reach this goal.

Federally

Representatives of the SCA travelled to Ottawa in April and again in October, for several meetings on Parliament Hill. This included speaking to the Standing Committee on Agriculture and Agri-Food about debt in the agricultural sector. The government walk-back on some aspect of tax changes was a group effort and SCA is glad "the team" can have an impact.



Provincially

Saskatchewan's provincial government is a vocal champion of agriculture and recognizes the industry's importance to the province. We will continue to build and maintain our relationships with the decision makers and influencers wherever we see a benefit for cattle producers. Several members of the SCA board and staff hosted summer meetings with politicians including providing tours of their operations to help build a better understanding of the realities faced by producers.

Shaping the future through research and extension

Although there have been setbacks the past year has also been filled with many successes. One of the biggest is the funding partnership between the SCA, the University of Saskatchewan (U of S), and the Government of Canada to help build the Livestock and Forage Centre of Excellence (LFCE) near Saskatoon.

Construction on the LFCE facilities southeast of Saskatoon, is well underway. This project is a major focus for the SCA as it includes modernizing the research facilities at the U of S and the bringing together of cow-calf, cattle feeding, veterinary and applied forage and cattle research.

The project will renew and expand the research feedlot, see construction of a nearby cow-calf facility and bring the work of Western Beef Development Centre closer to Saskatoon.

Saskatchewan Cattlemen's Association continued

Recently the SCA was part of a major funding announcement with the university. A&W donated \$5 million to the project. This is one of the largest donations in the history of the U of S.

There are still funds to be raised and that is a major focus for SCA CEO Ryder Lee and Mike Spratt, who both sit on the Provincial Steering Committee for this project. This is an exciting, once-in-a-generation opportunity for industry partners (and producers) to contribute to the capacity of the industry to find the answers to the challenges of today and tomorrow. Anyone interested should reach out to SCA.

Research priorities and committee activities

Research is an important pillar of the SCA. Roughly one third of the SCA's budget is dedicated to industry development. Of that budget, more than \$300,000 was allocated to ongoing research projects this year.

The SCA's Research Committee continues to approve research projects that align with those priorities in our industry which need the greatest attention. These priorities can be found on our website (saskbeef.com). If you believe an important area has been missed, please contact the office, as your voice is necessary and appreciated.

The SCA's Production Specialist also works closely on research development and analysis and on extension and promotion of research outcomes. Producer viability depends on finding the answers to challenges and there is often a gulf between the researchers finding out answers and producers. It is this position that is working to bridge that gulf, so producers are benefitting from the research their check-off dollars help to fund.

A unified voice for producers

We had great turnouts for our district meetings this past fall. We are always trying to provide valuable information at these meetings and to give producers a chance to see what we are doing and provide feedback on what is important. This year's meetings opened with a workshop called "What are my calves worth?"

The session provided producers with ways to use a variety of information to help them market their cattle with confidence. Raising the best cattle does not help if you are not getting the most for them. Knowing what the market should be offering is a big step in getting the most out of that market.

Other sessions during these meetings included information on Verified Beef Production Plus programs, Rural Crime Stoppers and the WLPPI.

Communicating with varied audiences

SCA continues to focus communications resources towards several audiences including producers, industry partners and consumers. The SCA sponsors several events designed to showcase the benefits of eating beef to the public. Sponsorships go towards hosting events like The Regina Catholic Schools Cooking Skills Competition, and Taste of Saskatchewan in Saskatoon. As well, we partner with groups like Farm and Food Care Saskatchewan, Ag In the Classroom and Agri-Ed Showcase with both money and in-kind donations to help them educate the public.

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



Manitoba Beef Producers

The operating environment affecting cattle production – be that driven by public policy, natural or economic factors, helped shape Manitoba Beef Producers' (MBP) activities in 2017.

MBP regularly engaged with the provincial government around its goal to grow Manitoba's cattle herd to pre-bovine spongiform encephalopathy (BSE) numbers. The province has committed to funding for an enhanced Livestock Growth Strategy, increased development activities for the livestock sector, and the development of a Protein Strategy. Details are pending.

Predation is a costly and frustrating issue that impedes growth. MBP strongly emphasized to the Manitoba government the immediate need for enhanced livestock predation protection initiatives, including the use of on-farm risk assessments and effective problem predator mitigation strategies. Concerns were also raised about dangerous hunting practices.

Managing other production risks, such as flooding and drought remained a priority. MBP is working to ensure that producers affected by the construction of the Lake Manitoba outlet channel (needed to reduce flood risk), are treated fairly for losses and disruption they will sustain. MBP also continued its involvement with the Aquanty project which is developing a HydroGeoSphere modelling system of the Assiniboine River Basin and its sub-basins. Once completed this decision-support tool will focus on the role forages and grasslands can play in mitigating floods and droughts.

The Manitoba government consulted in the fall on three separate but intertwined initiatives around water management and watershed planning. One involved a new ecological goods and services program -- Growing Outcomes in Watersheds (GROW). It is based on the Alternative Land Use Services program and built around the following principles: sustainability; a targeted, watershed-based approach; locally-delivered, farmer focused; measurable results; and, use of evidence-based evaluation systems. MBP has requested financial recognition through such programming for the extensive ecosystem services provided by beef producers.

MBP also provided input into the two related consultations which focused on watershed-based drainage and water resource management, as well as the role of conservation districts in managing water. The province committed to a no-net loss principle of water retention. In December Manitoba introduced The Sustainable Watershed Act aimed at strengthening watershed management through measures focused on wetland protection, drainage management and enforcement, water quality and a modernized conservation districts program.



In March MBP unveiled its carbon policy which, among other elements called for an exemption for on-farm agricultural emissions and recognition of agriculture for the greenhouse gas emissions reduction benefits it provides. MBP was pleased when the province announced in October that its Made-in-Manitoba Climate and Green Plan exempts from the carbon tax fuel used on farms, as well as agricultural emissions. Manitoba's \$25/tonne carbon pricing takes effect in 2018. The plan is built on four proposed strategic pillars: climate, jobs, water and nature and includes 16 keystones for priority action. For example, the water pillar focuses on agriculture and land use, wetlands and watersheds, flood and drought and water quality, while the nature pillar looks at elements such as wild species and habitat and conservation. MBP provided input into it as well.

Having sound Crown lands policies is essential to Manitoba's beef sector. MBP provided detailed feedback to the province about proposed changes to Crown lands regulations, touching on areas such as the number of allowable animal units of production, the need for effective and efficient land utilization, and the need for the public to inform producers if they intend to enter Crown lands used by producers. MBP believes balancing agricultural and conservation objectives is important.

MBP provided input to the federal and provincial governments about the next agricultural policy framework. MBP sought support for initiatives such as Verified Beef Production Plus (VBP+), Western Livestock Price Insurance Program, the Association of Manitoba Community Pastures and the Environmental Farm Plan Program.

With \$750,000 in funding from Environment and Climate Change Canada's Species at Risk Partnerships on Agricultural Lands initiative

Manitoba Beef Producers continued

MBP began delivering voluntary, incentive-based habitat enhancement actions with beef producers in areas of southwestern Manitoba to protect important habitats. MBP, while contracting experts at Manitoba Heritage Habitat Corporation, is encouraging producers to undertake practices that enhance cattle production as well as habitats for specific species at risk.

On the animal health front, MBP asked the federal government to consider improved labelling of feed containing potentially dangerous concentrations of ergot to ensure producer awareness so they can better manage this contaminant. MBP said current research must be taken into consideration to ensure the regulatory climate reflects existing conditions and knowledge of contaminants such as ergot.

Progress is being made on the bovine tuberculosis (bTB) file. No domestic livestock herd testing by the Canadian Food Inspection Agency (CFIA) is planned for the 2017-18 season, but surveillance continues in wildlife. Producers in the Riding Mountain Eradication Area can now access an incentive program to undertake on-farm risk assessments. Producers must link their Premises ID location to their Canadian Cattle Identification Agency (CCIA) account to be eligible. Producers who complete this linkage may be eligible to apply for the Manitoba Bovine TB Data Incentive offered by Manitoba Agriculture.

MBP remains involved with Manitoba Beef & Forage Initiatives Inc., a centre of agricultural innovation undertaking research to improve producer profitability, benefit ecosystems and build social awareness around the beef and forage industry. MBFI's research priorities focus on forage and grassland productivity, nutrition and feed efficiency, environmental sustainability, animal health and welfare, beef quality and food safety. A new MBFI learning centre will open in 2018. Visit www.mbf.ca to learn more.

It has been an exciting year from a communications perspective as MBP broadened its efforts to promote awareness of the beef industry. Thanks to the generosity and terrific work by our friends with the Saskatchewan Cattlemen's Association, MBP was able to add a virtual reality (VR) system to our display materials. The On the Ranch VR system allows users to learn more about beef production and the pride and passion of Canadian beef producers. MBP debuted the system locally to great success at Agriculture in the City, an annual event in Winnipeg. With a largely urban audience attending it, the VR system allowed MBP to take people to the ranch, many for the first time. MBP used the VR system at other events such as the Royal Manitoba Winter Fair, Red River Ex and the Canada Summer Games where attendees lined up for their chance to visit the ranch.

Another highlight was the installation of a new display at the Bruce D. Campbell Farm and Food Discovery Centre. Located south of



Winnipeg this tremendous facility was unfortunately lacking a strong beef industry presence. MBP's display is comprised of two panels, one focused on Manitoba's beef industry and another which touches on nutrition and the use of growth promotants in beef production. MBP plans to add a VR headset to the display in 2018.

In January MBP hosted a well-received Canadian Cattlemen's Association (CCA) Town Hall in Ashern. MBP also thanks the CCA for a successful May fly-in event to Ottawa to discuss topics affecting Manitoba's beef industry, including herd growth, water management, carbon pricing, bTB, transport regulations, the next agricultural policy framework, investments in research and innovation, own use import policies and more.

At its fall district meetings MBP partnered with 4-H Manitoba to hold Emerging Beef Leaders Forums at three locations, part of efforts to get more young producers involved with MBP. After the success with our Young Producers Forum at the 38th Annual General Meeting, MBP felt this was another step in that direction.

The year closed with a new producer engagement event, a National Check-Off (NCO) Town Hall in MacGregor featuring speakers from the Canadian Beef Check-Off Agency, Canada Beef, the Beef Cattle Research Council and the CCA to explain to producers how the NCO is utilized on behalf of the industry.

For more information, please visit the MBP website at www.mbbef.ca

Beef Farmers of Ontario

In Ontario, 2017 began with strong prices resulting in profitability for most producers in all sectors of the industry. Unfortunately, by mid-July a price slide began to affect our feedlot producers who experienced low margins and losses in the last half of the year. In addition to the price fluctuations, we also experienced weather fluctuations through which many producers dealt with the effects of excessive rain and weeks of cool weather. This was in stark contrast to the previous year where the province experienced excess heat and farmers struggled with the lack of forages.

The Beef Farmers of Ontario (BFO) is continuing to develop several initiatives that will create industry stability in the province for new and existing beef farmers and their families from the cow-calf sector through to our industry partners in the processing sector.

Market information

A snapshot of Ontario's beef industry in 2017:

- Ontario beef farm and cattle numbers have dropped more than the national average since the last census.
- Share of Ontario's provincial beef consumption has remained relatively unchanged.
- In the last half of the year, rail prices were trending lower in Ontario, with prices below the breakeven.
- Feeder cattle prices in Ontario were above 2016 prices, but well below 2015 prices.
- Carcass weights are dropping to near the five-year average.
- From September 9, 2016 through to May 19, 2017 the Ontario-Alberta price spread was stuck in a negative position. BFO staff noted that this was the largest negative spread period in more than 10 years, also noting that in a six-week period, Ontario went from the largest negative spread (-24.07 on May 5) to its largest positive spread (+28.78 on June 16). These are the two largest negative and positive figures we have seen since recording the spread began in 2004.

Strategic plan

In March, the BFO Board of Directors revisited the strategic direction of the organization – a task completed every five years. In formulating the strategic plan, the board assessed many factors, which included the continued decline in the Ontario cow herd; the inability to attract younger producers due to increased price volatility; and the unprecedented negative margins in Ontario despite being the largest market in the country. Through the strategic planning process, the



board has established three areas of focus: Ontario-branded products, new entrants and cow herd expansion. Activities of the organization moving into 2018 will address the need for increased consumer and producer engagement, continued regional marketing activities to create greater stability for beef farmers and their families, and to respond to increasing demand for locally grown and produced products.

Regional Marketing Initiative strategy

BFO's Regional Marketing Initiative (RMI), launched in 2017, is a progressive marketing strategy designed to leverage regional opportunities that will help the beef industry in Ontario meet the challenge of increasing pressures from diverse import competitors, and to cope with significant cost of production and economy of scale disadvantages in the North American market. While the RMI is complementary to the national brand strategy, its three main objectives are to i) increase market penetration for Ontario beef brands; ii) maximize the value of Ontario beef products; and iii) enhance consumer confidence in the Ontario beef industry.

BFO's Marketing & Promotions Committee was active in 2017, executing activities outlined in BFO's marketing strategy. A major undertaking by the committee was the beginning of a consumer research project with Hill + Knowlton Strategies based in Toronto. This valuable research will help BFO gather consumer opinions and perceptions of Ontario beef, Ontario beef production, and Ontario beef farmers. This information will help shape a brand definition, develop key messages for Ontario consumers of beef, and identify further research requirements.

Several applications have been approved under the Collaborative Partnership Program, which was developed to stimulate industry alignment and encourage collaboration with industry partners and organizations to enhance the overall impact of the RMI. Marketing

Beef Farmers of Ontario continued

related projects submitted by Enright Cattle Company, Flanagan Foodservice, Norwich Packers and Ryding Regency have all been approved.

Consumer outreach is critical to the enhancement of consumer confidence in the Ontario beef industry. Through the RMI implementation, BFO has reached urban consumers at restaurants through a pilot project in partnership with Mushrooms Canada and the Neighbourhood Group, through event participation, and through e-newsletter communications and collaboration with dietitians.

Cow herd expansion

In May, the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) announced a livestock farming pilot project which will see new investment into research to understand the social, environmental and economic aspects of northern livestock expansion, work to provide parcels of Crown land to help kick-start livestock farming in the region, and the development of educational resources to help those starting a farm in the north.

BFO's two-year Beef North Growing Forward 2 project concluded at the end of October. The project focused heavily on resource development, policy and producer outreach. Project successes include a dedicated Beef North website and video series; blog and monthly e-newsletters; an online training program delivered by College Boreal, and a First Nations training program delivered by College Boreal; tours and producer engagement at various events; development of economic models, completion of research projects focused on northern production and Crown land access; and policy work on Crown land and private land access with provincial and municipal governments.



As identified in BFO's strategic plan, BFO is committed to investigating tools, programs and resources that could help spur expansion province-wide.

Government relations

Provincially, BFO's major lobby event for the year is the Annual Queen's Park Beef Barbecue. On May 30, BFO held its 13th annual beef barbecue and lobby day on the south lawn of the Legislature in advance of the House rising for its summer break. This is a highly anticipated event by the Members of Provincial Parliament (MPPs) and their legislative staff, and is a great opportunity for BFO Directors and staff to meet and interact with government representatives. Ontario Minister of Agriculture, Food and Rural Affairs Jeff Leal was joined by Premier Kathleen Wynne at the carving table with BFO President Matt Bowman and BFO Vice President Joe Hill along with the Leader of the Opposition and the Third-Party Leader. Meaningful conversations took place both at the lunch barbecue and at the caucus breakfasts earlier that day. Key topics discussed were the importance of maintaining and enhancing Ontario's Risk Management program, which is a valuable business tool for farmers in the province, and the need for timely access to Crown land to expand the cow herd.

Federally, BFO presented to the Standing Committee on Agriculture and Agri-Food and to the Liberal Caucus on Animal Welfare to reinforce that any change to the transport regulations must measurably contribute to real welfare improvements that do not detract from the success the current regulatory system has provided for cattle transported in Canada. BFO followed up with the 121 Ontario Members of Parliament (MPs) with a letter and brochure emphasizing to them and their constituents that beef farmers are compassionate caretakers of our animals.

Other meetings with MPs focused on federal participation in the long-term strength and competitiveness of Canada's agriculture industry, international trade, Health Canada's proposed food guide revisions, and on investment in sufficient and equitable Business Risk Management programming.

Policy review

BFO's policy department continues to address proposed policies and regulations affecting the beef sector by providing comments to the appropriate government ministries on critical files. Current issues include, but are not limited to: traceability, livestock transportation, livestock emergencies, the Canadian Agriculture Partnership, antimicrobial use, feed regulations, phosphorus loading in the Great Lakes, climate change and Ontario's Cap and Trade program.

Beef Farmers of Ontario continued

**Elora Beef Research Centre**

BFO is extremely appreciative of the investments made by both the provincial and federal governments to support beef research in the province. In July 2017, the Ontario government announced a capital investment of \$12.4 million which will be used in the construction of a new beef cattle research centre in Elora. The Canadian government announced a \$2 million AgriInnovation investment which will be used to support valuable genetic, environmental and sustainability research to be conducted at the new facility.

Contributing to three of the four main pillars of the National Beef Research Strategy developed in partnership with the Beef Cattle Research Council (BCRC), the new research centre will act as a hub for bovine research in Eastern Canada. The purchase of innovative beef research technologies has already begun, and the design-build tendering has closed. It is expected that we will break ground in 2018.

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

Research project support

BFO sponsored or contributed to 11 new beef projects in 2017. Six projects were funded through the BFO Call for Proposals, two projects were funded through Agriculture and Agri-Food Canada's AgriInnovation Program, another two projects were funded through Growing Forward 2, and one project is earmarked for 2019 via BCRC.

The focus areas of the funded projects include alternatives to growth promotants, cow productivity, calf health, genetic improvement, Crown land disposition, and cattle health during long distance transport.

BUILD Leadership Development program

BFO's BUILD Leadership Development program, launched in June 2011 and delivered by the Rural Ontario Institute, is a training program for beef farmers designed to develop and improve the leadership skills of existing and potential leaders of BFO.

There were 16 graduates of the BUILD course offered in April 2017, and BFO encourages all BUILD participants to continue to stay involved in the beef industry and to consider taking on more leadership activities that support Ontario's beef industry.

Environment

To combat the growing threat of toxic and nuisance algal development in Lake Erie, the United States and Canada committed, through the 2012 Great Lakes Water Quality Agreement, to establish binational phosphorus load reduction targets for Lake Erie by February 2016. BFO is part of the working group assembled by the provincial government to help achieve its new target commitments. BFO continues to assure the provincial government that beef production systems are beneficial to Ontario's environment by contributing to soil health with manure application and forage-based crop systems, and through sustainable pasture management.

The Government of Ontario launched its Cap and Trade Program in January 2017, which is a central part of Ontario's solution to fight climate change. BFO is a member of the Ontario Agricultural Commodity Climate Change Working Group and policy staff have been reviewing the Carbon Offset Credits regulatory proposal and protocol. BFO is also partnering with the Canadian Cattlemen's Association (CCA) and Canfax Research Services on a carbon pricing project, which looks at different costs in various beef sectors in various provinces.

BFO is developing tools to communicate to government and consumers that we take our role as environmental stewards very seriously, because we know that the grasslands we manage do more than produce beef. We want them to know that beef farming supports wildlife habitat, biodiversity, carbon sequestration, soil health, and moderates nutrient run-off. We are letting them know we want to do our part through adopting innovative practices and technology that can reduce greenhouse gas emissions from cattle. We are environmentalists raising beef, and we are focused on creating a sustainable future together.

For more information, please visit the BFO website at www.ontariobeef.com/

New Brunswick Cattle Producers



Overall work to move the New Brunswick cattle industry forward remained the primary focus in 2017, despite some roadblocks.

New Brunswick Cattle Producers (NBCP) members voted by plebiscite in 2016 to support the reorganization of the districts and increase in levy to \$6 a head. However, implementation of either of these actions remains on hold. A challenge to the membership decision was launched in late 2016 and continues to work through the provincial court process. The New Brunswick Court of Appeal heard the matter in November 2017 and it's expected to be Spring 2018 before a decision is rendered.

Early in 2016, the NBCP, in conjunction with the Maritime Beef Council co-ordination, applied to the Agriculture and Agri-Food Canada AgriRisk Initiative program to explore participation in the Western Livestock Price Insurance Program and creation and operation of a price insurance program for Maritime producers based on currently available programs.

The NBCP continues to work with neighbouring provinces to implement the Maritime Beef Growth Strategy. In July, along with the Maritime Beef Council, the NBCP presented details of the strategy to provincial agricultural ministers and engaged regional Members of Parliament in discussions on how our regional strategy aligns with the federal governments' Atlantic Growth Strategy. The NBCP met again to discuss the strategy with Ottawa officials in November as the Maritime Beef Council prepares to launch the strategy as part of the new Canadian Agricultural Partnership in April 2018.

The Maritime Beef Growth Strategy is focused on opportunities for the cattle industry. It includes new ways to expand the beef industry and improve farming practices with value chain co-ordination in emerging local and niche markets, and to take advantage of vast and rich grasslands and a feed-efficient beef herd. Partners include Atlantic Beef Products, Agriculture and Agri-Food Canada, the Maritime Beef

Test Station, the Community Pasture Network, agriculture and food science programs at Dalhousie University, the University of Prince Edward Island and Acadian University, the Food Technology Centre and Perennia Product Development and Commercialization Centre.

Five goals of the Maritime Beef Growth Strategy are:

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

The NBCP recognizes the value of education and partnered with the Maritime Beef Council to host numerous training sessions, including the Maritime Feedlot School at the Nappan Research Station in August. More than 100 producers from New Brunswick, Nova Scotia and Prince Edward Island attended and took in sessions on marketing, management, feeding and health. Forage field days and calf club introduction sessions have also been held.

Throughout 2017, communication remained a priority for the NBCP, with ongoing outreach to producers. The NBCP encourages producers to be proactive in sourcing information by visiting the NBCP website and Facebook Page.

Looking ahead to 2018, the NBCP, the leadership is working with staff to develop a clear direction for programs for the next five years by review of the NBCP strategy plan and work with the board to ensure goals are aligned with the Maritime Beef Growth Strategy and the National Beef Strategy.

For more information, please visit the NBCP website at www.bovinsnbcattle.ca

Nova Scotia Cattle Producers

It was another productive year for the Nova Scotia Cattle Producers (NSCP) in 2017 as we continued to work with local, regional and national stakeholders to move the cattle industry forward. Over the past year NSCP has focused on three major initiatives we believe will move the industry forward in the coming years: regulatory review, industry strategic planning and program development.

Over the past three years, NSCP has conducted and completed a review of its Marketing Plan and Regulations to ensure that the organization is operating in a way that benefits all industry participants. In last year's report we noted that we were the first province to implement the new \$2.50 Canadian Beef Cattle Check-Off and are pleased to be supporting marketing and research activities at the local and national level. In November 2017, NSCP completed the review of its Marketing Plan which will bring about some small but important changes to the board in 2018. We have restricted the board to hold a seat for a livestock dealer as well as enhanced our reporting requirements to the industry.

NSCP continues to work with New Brunswick and Prince Edward Island on the Maritime Beef Development and Expansion Strategy, which calls for a 40 per cent increase in the regional herd while increasing forage and animal efficiency. The strategy also focuses on expanding marketing opportunities and enhancing producer management skills.



We have already started working on implementing several components of the strategy including hosting the first ever feedlot school as well as participating in an AgriRisk project to evaluate the possibility of adapting the Western Livestock Price Insurance Program (WLPIP) for Maritime producers.

As we move closer to traceability implementation, we continue to work with all stakeholders to ensure producers will be well informed and prepared for traceability implementation when it comes into effect in the near future. Premises identification (PID) is one of the key barriers in Nova Scotia. We have jointly (with the sheep and hog producers) requested that the Nova Scotia Department of Agriculture investigate the possibility of incorporating the PID application with the farm registration application, to capture a significant number of farms all at the same time, while making the process easier for farmers.

We have also partnered with the hog and sheep producers on a project with the Canadian Animal Health Coalition to develop an emergency preparedness plan for the livestock sector in the province.

In 2017, NSCP was granted project funding through the Growing Forward 2 program to implement the Verified Beef Production Plus (VBP+) program for Nova Scotia beef operations. In November, the first Nova Scotia beef operation became a VBP+ Registered operation. Dean and Catherine Manning of Oakdale Farms in Windsor, NS were the first to complete the requirements to become a VBP+ Registered operation.

For more information, please visit the NSCP website at www.nscattle.ca



Prince Edward Island Cattle Producers

The Prince Edward Island Cattle Producers (PEICP) held their Annual Meeting on April 6, 2017. Board members include Brian Morrison, Jeremy Stead, Peter Dixon, Holland Cahill, Kenneth MacEachern and Derrick Annema. Ex-Officio Director, Ranald MacFarlane, represents Dairy Farmers of PEI.

In April 2017 the PEICP launched its sixth annual PEI Burger Love campaign. This campaign was established to raise the awareness of the importance of the PEI beef industry to agriculture and to PEI in general. This social media campaign saw an increase in all aspects of the campaign from the previous year. Eighty-four restaurants sold more than 184,397 hamburgers or 78,000 lbs of Island beef during the month of April, again surpassing the number of burgers sold the previous year. It is estimated that the minimum overall economic impact since the inception of the campaign seven years ago is more than \$8.7 million in sales of burgers alone. This was the first year Canada Beef partnered in the campaign by promoting beef and the producers who raise it.

The PEICP continues to deliver the Verified Beef Production Plus (VBP+) program in PEI by providing information and delivering workshops. While the number of producers attending VBP+ workshops has remained consistent, the number of audited operations remains low. We are carefully monitoring the Cargill pilot project to see if the pull for VBP+ will come from the marketplace. If it does, it is likely that Atlantic Beef Products (ABP) would request their producers become audited as well. We are prepared to assist producers in becoming audited if this occurs.

The PEICP continues to offer third party Age Verification. An important benefit from providing this service is that more producers are getting their Premises ID and merging multiple Canadian Cattle Identification Agency (CCIA) accounts into one. All of this will assist producers in preparing for traceability.

The Livestock Development for Beef program was delivered through the PEICP. Funding for this program is provided through Growing Forward 2 and offers qualifying producers money for programs such as premium sires, genetic heifer renewal, seedstock testing, Radio Frequency Identification (RFID) readers, scales and handling facilities. The fund was reduced to \$72,000 this year, down from \$132,000 the previous year.



The PEICP coordinates the Prince Edward Island Certified Beef brand. Prince Edward Island beef is produced by those who are committed to quality, consistency and flavour, drawing on generations of experience. Beef farming and processing has long been a staple of our Island heritage and we take it very seriously. We have developed the Prince Edward Island Certified brand based on these attributes and values. Today's consumers are knowledgeable and demand certain attributes for the food they eat. They want to know that the beef they consume



Prince Edward Island Cattle Producers continued

has been raised responsibly, that the animals were treated humanely and that the beef is safe to eat. Each year new members are required to attend a Humane Handling Workshop delivered to producers by Jane Morigan of Integrity Livestock Services.

This practical overview was a great reminder of why we need to keep animal welfare top of mind. The brand continues to grow steadily and includes feeders from all Atlantic Provinces. To date, there are approximately 33 feedlots and 123 cow-calf producers on the brand.



The PEICP continues to administer the Deadstock Removal service to beef producers. This \$850,000 service is cost shared with Dairy Farmers of PEI, and the province. The province contributes \$350,000 to the service each year. There has been uptake of just over 50 per cent of all beef producers paying to use the service. Those who did not pay are not eligible and must arrange for proper disposal of their deadstock themselves.

The PEICP Gazetted its Registration and Cattle Marketing Levies Order which came into effect on April 1, 2017. Under this new order, the levy increased to \$6 /transaction for every animal sold. This was a significant change for PEI producers as they were accustomed to paying \$4 /head levy upon slaughter only. This brings us in line with Nova Scotia who are already at \$6 /head.

The PEICP is a member of the Maritime Beef Council (MBC). The MBC hosted a Maritime Beef Conference in March 2017 in Truro, NS. The conference had terrific speakers and was well attended. The next MBC Conference is scheduled for March 16-17, 2018 in Moncton, NB. Keynote speaker will be Dr. Temple Grandin, Ph.D.

The MBC continues to work on the development of a Maritime Beef Strategy. The main objective of the strategy is to expand the Maritime herd by 10,000 cows over the next five years. One of the strategies includes an examination of the feasibility of offering price insurance to producers in this region. A price insurance program like the Western Livestock Price Insurance Program offered in Western Canada, would provide producers in the region another tool in the toolbox to manage sudden drops in market prices.

The ABP facility has been consistently processing 525 hd/week. This includes fats as well as culls cows. ABP continues to sell Island View Farms branded beef through Sobeys stores across PEI. In addition to this brand, ABP has been selling Certified Island Beef, Blue Dot and True Beef brands.

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

For more information, please visit the PEICP website at www.peicattleproducers.com

Schedule of Operations and Net Assets

Year ended June 30, 2017 with comparative figures for 2016

	2017	2016
Revenue:		
Assessments		
British Columbia	126,722	121,837
Alberta	1,490,492	1,457,733
Saskatchewan	555,163	603,438
Manitoba	266,949	237,640
Ontario	402,292	420,970
Quebec	-	-
New Brunswick	10,057	10,057
Nova Scotia	12,069	12,069
Prince Edward Island	9,770	9,770
Total Assessments	2,873,514	2,873,514
Legal Assessment	142,212	630,112
Interest	4,811	4,924
Other	1,351,728	749,558
	4,372,265	4,258,108
Expenses:		
CCA Division Services	359,450	339,894
Canadian Cattlemen's Foundation	97	304
Calgary Office	1,201,658	1,237,676
Ottawa Office	320,572	330,310
Legal Reserve	142,212	630,112
Communications	43,123	50,532
Conventions	15,552	10,753
Town Halls	8,360	7,110
Executive & Finance	159,954	146,676
Advocate Services	435,406	318,194
Annual Meeting	94,856	93,260
Semi Annual Meeting	52,743	61,451
Animal Health & Meat Inspection	93,206	90,584
Animal Care Committee	18,700	16,782
Value Creation & Competitiveness	856	872
Foreign Trade Committee	65,899	72,421
Domestic Agriculture Policy	8,389	4,904
Young Cattlemen's Council	28,480	11,467
CYL Second Step	114,640	73,131
International Beef Alliance	51,848	35,038
Young Leaders Development Program	4,528	52,339
Environment	29,595	41,080
National Beef Strategy	557,458	82,880
Sustainable Beef	597,961	461,852
	4,405,543	4,169,622
Excess (deficiency) of revenue over expenses	(33,278)	88,486
Net assets, beginning of year	825,653	737,167
Net assets, end of year	792,375	825,653

2017 Partners Program

Prime Partners



Farm Credit Canada

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Finding Opportunity amid Uncertainty CANADIAN CATTLEMEN'S ASSOCIATION 2017 ANNUAL REPORT

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