



CANADIAN
CATTLEMEN'S
ASSOCIATION

National Voice Of Cattle Producers

Positioning Industry for Unprecedented Global Opportunities



2018 ANNUAL REPORT



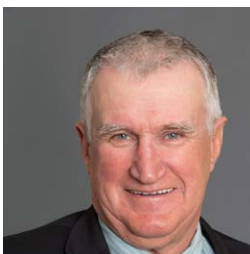
current market access



future market access opportunities

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2018 BOARD OF DIRECTORS



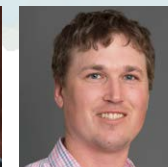
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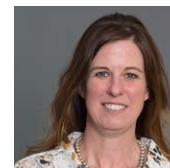


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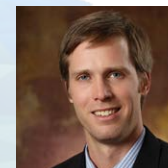
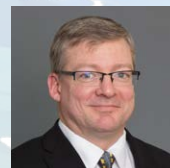
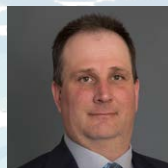
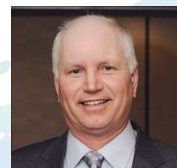
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John MacDonald
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David Haywood-Farmer, President



I am pleased to report to you as President of the Canadian Cattlemen's Association (CCA). The events of 2018 have created unprecedented global opportunities for producers as we head into 2019.

The CCA's continued focus on trade and market access priorities again bore fruit in 2018 and set the stage for a sustainable future for Canadian beef production.

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) came into effect on December 30, 2018. Canada signed the Canada-U.S.-Mexico Agreement (CUSMA) on November 30. Once ratified via the legislative processes of the three countries, CUSMA will update, modernize, and replace the North American Free Trade Agreement (NAFTA). Despite some hoops, Canadian beef exports to the EU continued to grow in volume and value as the reciprocal two-way trade envisioned under the Canada – EU Comprehensive and Economic Trade Agreement (CETA) began to take shape.

The CCA's advocacy efforts produced tangible results in these and other areas as well. The CCA was a leading voice for swift ratification of the CPTPP, working with partners to deliver that message to Parliament Hill. The CCA returned to Japan in early December to promote Canadian beef.

We know importers want a consistent supply of Canadian beef and expect that under the CPTPP, Canadian beef exports to Japan could double in 2019, up from the \$160 million of beef exported to Japan in 2017 under the old tariffs.

In February 2019, during a meeting with Ambassador of Canada to Japan, CCA noted that while currently 75 per cent of Canada's beef goes to the U.S., it's anticipated in five years' time, 50 per cent of Canadian product could be going to Asia due to the scheduled tariff reductions and improved market access.

CUSMA importantly preserves duty-free trade in live cattle and beef, and leaves key dispute settlement provisions intact; the agreement excludes any reference to country of origin labelling for meat or livestock.

There is ongoing commitment to address regulatory matters affecting cattle and beef trade and to continuously improve the competitiveness of the North American beef sector, all outcomes the CCA advocated for. Despite all the uncertainty in the U.S., the CUSMA is still anticipated to come into force eventually.

Many of the provisions in the 2018 Fall Economic Statement will be of benefit to Canada's beef and agriculture industry. The new \$1.1 billion Export Diversification Strategy will maximize opportunities for exporters in new markets through improved infrastructure and export market support, and a commitment of \$25 million over the next five years to enhancing federal capacity to address non-tariff and other trade barriers specific to agri-food. This is excellent news as such barriers often prevent exporters from taking advantage of new export opportunities.



CCA President David Haywood-Farmer and Executive VP Dennis Laycraft met with Minister of Health Ginette Petitpas Taylor to discuss the nutritional benefits of Canadian beef and cattle producers' leadership on environmental sustainability. Photo credit: CCA.



The beef industry is in a perpetual state of forward motion and the CCA is working hard to ensure conversations around sustainable beef production and the healthfulness of beef are top of mind with key officials. The CCA was in Poland for the 24th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP24). Our industry continually strives to partner in dually achieving Canada's economic and environmental targets. Attending, observing and sharing the Canadian perspective on sustainable agriculture for the future at COP 24 is a big piece of that.

Canada's leadership in this area along with the nutritional benefits of beef to human health were the main themes of a meeting I had with Minister of Health Ginette Petitpas Taylor in Ottawa.



CCA staff and I shared our perspective about the Food Guide and Front of Package labelling with the Minister, letting her know that red meat is an important part of a healthy and balanced diet, and of the need for Canadian health and nutritional policy to be based on sound and consistent scientific evidence. The perils of including misguided information in the Food Guide or on warning labels on foods high in saturated fat, like ground beef, could push people away from an affordable nutrient dense protein staple of benefit to human health. The CCA will continue to work closely with the federal government on messaging going forward to ensure Canadians understand the importance of a balanced diet including beef.

The CCA remains in close contact with the Canadian Food Inspection Agency (CFIA) as they investigate a case of bovine tuberculosis (bTB) in a cow from British Columbia. Although Canada enjoys bTB-free status, isolated cases do occur. The case, detected in late October, shows Canada's surveillance system is working. The CFIA recognizes the serious impact of bTB on producers and the cattle industry and is working with the producers and provinces to take immediate action to control the disease and maintain Canada's bTB-free status. We are pleased to see CFIA incorporating lessons learned from the Alberta case in 2016 and subsequent investigation, and working closely with B.C. Cattlemen's Association. The CCA is communicating with CFIA on a regular basis and will update members of any developments impacting Canada's trade status.



CCA President David Haywood-Farmer with Agriculture and Agri-Food Minister Lawrence MacAulay. CCA participated in several trade missions led by the Minister in 2018 to promote Canadian agricultural products including beef and to strengthen agricultural trade. Photo credit: CCA.

The CCA expended considerable effort on a number of regulatory matters which will be described in greater detail elsewhere in the annual report. Key among these efforts was asking the Senate to remove a last-minute addition of a greatly expanded definition of fish habitat in the Fisheries Act that will make it nearly impossible for beef and agricultural producers to be compliance with the Act, as part of suite of recommendations regarding Bill C-68.

The CCA ensured cattle producers' concerns and recommendations on Bill C-68 were

raised with lawmakers in Ottawa during the Fall Session, as we await notification from the Senate of a date for presentation.

The CCA submitted comments to Health Canada's Pest Management Regulatory Agency (PMRA) regarding its decision to remove the registration of Liquid Strychnine use for the control of Richardson ground squirrels. The CCA is asking for continuation of the registered use of the pest management control product until an effective alternative is in place. Liquid Strychnine is already highly regulated and there are no practical and effective alternative



controls for Richardson's ground squirrels. Until such a control is available, the CCA recommends the current pest control remain approved and available to bona fide farmers and ranchers and affected rural municipalities for the control of ground squirrels.

Work continues on some longer term files. The long-awaited revised Transportation of Animals regulations were published in Canada Gazette Part 2 in February 2019.

The 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 were part of the package.

The CCA anticipates the revisions will likely increase stress to cattle and opportunity for injury. This is mostly due to the changes in regulations requiring more loading and unloading for rest stops. They ignore the Government of Canada's own research and were released prior to the completion of ongoing research that would inform a decision on how to change the regulations to ensure the best outcomes for animal care. Further, the regulations have disregarded recommendations made by cattle producers drawing from years of practical hands-on expertise in handling and minimizing stress on their animals. These and other recommendations were included

in the CCA's extensive comments, questions and recommendations submitted during the Canadian Food Inspection Agency (CFIA) review process and to the Standing Committee on Agriculture and Agri-Food.

The 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.

The CCA believes the revised regulations are premature and incomplete. We will be analyzing the revised regulations document in full and will continue to engage the Government of Canada on our concerns about the animal welfare implications of these regulations before they come into effect in February 2020.

The CCA remains committed to working closely with the Government of Canada and other agriculture commodities to address workforce shortages in the sector.

On traceability, the CFIA revised the anticipated date for the publication of draft regulations pertaining to livestock traceability

in Part I of the Canada Gazette to spring 2019 from fall 2018.

The CCA will continue to work with CFIA to clarify definitions that may appear in the regulatory text and ensure that movement reporting upholds industry traceability principles and reflects the Cattle Implementation Plan (CIP).

CCA continues to urge livestock operators to ensure they have a valid Premises ID number and record it in the Canadian Livestock Tracking System (CLTS) well in advance of the final version of the proposed regulation, anticipated to be implemented in 2019.

The Canadian Agriculture Partnership (CAP) is a five-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 have undertaken a comprehensive review of BRM programming to investigate the types of risks producers face, and assess the effectiveness that BRM programming has on growth and innovation in the industry. CCA continues to explore these issues and has identified key areas it intends to advance while engaging in the BRM review in the upcoming year, such as improvements to forage insurance, AgriStability and expanding the availability of price insurance beyond Western Canada.

The CCA itself underwent many changes in 2018. The CCA welcomed Quebec Cattle Producers/Les Producteurs de bovins du Québec as a provincial member. We look forward to their working alongside all our provincial association members in our efforts to represent Canada's beef industry. On a related note, we continue to receive expressions of interest from industry partners and stakeholders about joining the CCA, and will explore this area going forward.

This interest, along with all of CCA's activities, dovetail nicely with the intended outcomes of the National Beef Strategy, namely, to position the Canadian beef industry for greater profitability, growth and continued production of a high quality beef product of choice in the world.

An updated National Strategy covering the period 2020-2024 will be released in 2019.

As chair of the Canadian Beef Advisors, which provides oversight to the Strategy, I'm confident both the progress captured in the recent status update and direction of the strategy going forward will provide producers with reason for ongoing optimism in the industry.

Sincerely,

CCA President David Haywood-Farmer



Dennis Laycraft, Executive Vice President



The theme for the CCA annual report, “positioning industry for unprecedented global opportunities.” Is a familiar one. I have been working on global opportunities for a number of decades. The first great wave of opportunity arrived about 30 years ago in the rapidly growing market based economies in Japan, South Korea, and Taiwan.

At the same time the Canada United States Trade Agreement (CUSTA) came into effect and initiated a period of growth and modernization in Canada's feeding and processing industries. Canada became the second largest exporter of high quality grain fed beef in the world during this era.

Today, the second and potentially largest wave of opportunity is upon us. China has allowed more market based growth and many other markets in the Asia Pacific region are rapidly growing, increasing the overall demand for high quality protein.

Grain fed beef is gaining in preference in these markets in the premium food service and retail trade space. South Korea and Viet Nam are moving to full market liberalization and Japan has dropped its tariffs to 27 per cent from 38.5 per cent, and will eventually phase down to nine per cent. As part of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) we will enjoy preferential access in Japan and Viet Nam for a period of time. Similar opportunity exists in Europe, where Canada negotiated preferential access ahead of all of our competitors in the Canada-EU Comprehensive and Economic Trade Agreement (CETA).

Canada's beef industry is much better prepared today for opportunity than 30 years ago, and we are far more involved in influencing the terms of access and competition. The CCA has been at every negotiating session at every round of every significant trade agreement that

will benefit our industry. The CCA travelled with Canada's International Trade and Agriculture Ministers and negotiators to ensure beef and cattle access remained a top priority and to pursue preferential and commercially meaningful access for Canadian beef products and cattle.

When necessary, we accompanied the Canadian government to the World Trade Organization (WTO) to defend our interests.

Four years ago, the National Beef Strategy was launched by the national beef industry groups and provincial members to strengthen our competitiveness, to secure improved and where possible preferential market access, and to strengthen beef demand and customer satisfaction.

We set out four goals – increase our animal/beef value by 15 per cent, increase production efficiency by 15 per cent, improve our regulatory environment, and strengthen the connectivity within our industry, with our customers, and with the public.

Funding collected through the National Check-Off was increased to \$2.50 per head from \$1 per head to pursue these ambitious goals at the direction of the producer groups.

In 2018, Canada's beef industry is recognized around the world as a leader in sustainable beef production, as well as for our Verified Beef Production Plus and Cattlemen's Young Leaders programming and industry led research and innovation.



CCA Executive Vice President Dennis Laycraft and Director, International and Government Relations John Masswohl participated in discussions at the Office of the U.S. Trade Representative (USTR) in Washington, DC. There, they met with key officials to discuss many trade issues including how Canada and the U.S. can work together to resolve ongoing trade issues with China and the European Union. Photo credit: submitted.



Recently, we implemented the Public and Stakeholder Engagement program to engage in a conversation about the questions people have about the beef industry and to discuss the many positive benefits cattle production brings to the environment and to the planet. The CCA is working with numerous conservation groups who recognize that the cattle industry is essential to preserving native grass lands and habitat for the biodiversity that is desired.

As an industry that is heavily dependent on exports – with around half of our production being sold outside Canada – the CCA has worked hard to secure preferential access to all of the high value markets in the world. Indeed, a Free Trade Agreement was established with South Korea, the CETA was approved and implemented with the EU, the CPTPP agreement was negotiated and approved, and incremental improvements for beef access to China was achieved.

The North American Free Trade Agreement (NAFTA) was renegotiated preserving the key provisions of the agreement and improving the provisions on good regulatory practices.

There is still work to be done on various aspect of these agreements but the reality is you get one opportunity on these trade agreements every 20 to 25 years to get the framework established or you are left on the outside. The CCA will continue to address the technical issues with the EU and to obtain full access for all our beef products to China.

CCA market analysis division, Canfax, estimates that exports generate more than \$600 per head in increased value to each animal produced by getting the right product to the right customers around the world.

Products not normally consumed in Canada and thus assigned little value in the domestic market are staples or delicacies in other parts of the world. Recently weekly shipments to Europe have taken place at some of the highest values in the world.

Here at home, there has been great work done on the consumer side by Canada Beef and



Former CCA Presidents Dave Solverson and Martin Unrau, along with their spouses Elizabeth and Roxie, respectively, joined CCA EVP Laycraft as the Honorable Gerry Ritz was inducted in to the Canadian Agricultural Hall of Fame (CAHF). Photo credit: CCA.



Late in January 2018, an agreement in principle on the CPTPP was reached in Tokyo. The CCA and its partners in the red meat sector, along with the Canadian Agri-Food Trade Alliance (CAFTA), ramped up awareness in Ottawa about the need to quickly ratify the CPTPP to ensure Canada is among the initial six members to implement and get a leg up on the competition. Photo credit: CCA.

we appreciate the continued great loyalty we have with Canadians as a result. Canada will always be our most important market. Many of our retail and food service customers have committed to 100 per cent Canadian beef programs and proudly display our Canada Beef brand. We work hard each day to earn that trust.

Canada certainly has the potential to grow the beef cattle herd to meet the global demand for high quality beef. With the process to update the National Beef Strategy for the next five years underway, close attention will be paid to the head winds industry is facing and the challenges that have impeded the growth of our herd. We need to ensure practical solutions

are developed to meet the changing demands from our customers. I encourage everyone to attend our provincial producer meetings this year as we discuss the future of our industry and the National Beef Strategy.

Finally, in this annual report we will outline the activities CCA undertakes to address the many issues we face each year and our efforts to positively position our industry for the future. We will need to continue to work together to show the many benefits our industry and our products brings to society.

Respectfully submitted,

Dennis Laycraft



Beef Cattle Research Council

The BCRC's research priorities focus on

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

2018 Highlights and Deliverables

The year 2018 has been one of transition for the Beef Cattle Research Council (BCRC) in terms of funding and program administration.

An increase in the Canadian Beef Cattle Check-Off to \$2.50 per head from \$1 in most provinces and revised allocations to research has grown the BCRC's research budget to approximately 75 cents per head from approximately 15 cents.

In addition, the Beef Science Cluster II, under Agriculture and Agri-Food Canada's (AAFC) AgriInnovation Program, wrapped up March 31, 2018 and the Beef Science Cluster III program, under the Canadian Agricultural Partnership (CAP), has begun.

Canada's Beef Cattle Industry Science Clusters

The Science Clusters are a partnership with AAFC that combines their strengths (including funding levels) and the BCRC's strengths (including understanding of industry's priorities) to make wise joint-investments in a variety of research programs with the greatest potential to advance the industry.

The first Cluster directed \$10.5 million to 32 research projects between 2009 and 2013. Joint industry and government commitments to the second Cluster (2013–2018) totaled \$20 million, directed to 26 research projects.

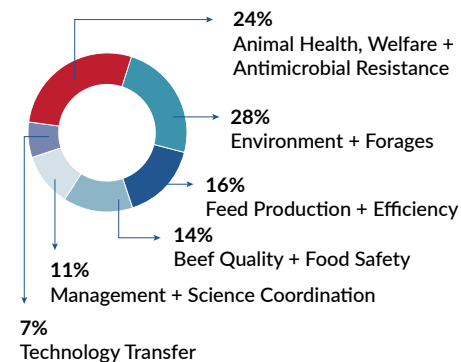
Beef Science Cluster II Outcomes

Research supported through the Cluster is developing solutions to issues of concern to Canada's beef industry, governments, regulators, consumers and the public.

Results include:

- A factual understanding of the Canadian beef industry's environmental footprint. In 2011, producing each kg of Canadian beef required 29 per cent less breeding stock, 27 per cent fewer slaughter cattle and 24 per cent less land, used 17 per cent less water, and produced 15 per cent less greenhouse gases than in 1981.
- Optimal combinations of annual forage crops, agronomic management and grazing practices that improve forage productivity while providing economical and nutritionally appropriate winter feed for the cow herd.
- Cost-effective, practical ways to manage the pain associated with castration in beef calves.
- An understanding of the occurrence and severity of beef carcass defects to inform prevention strategies. Total losses due to carcass quality defects are approximately \$200 million/year. Some defects, like bruises and horns, are becoming less common while others, like excess weight, fat, tag, liver health and injection site lesions require further investigation of nutritional and health management strategies to reduce losses.
- New feed grain and forage varieties with superior yield and quality, including 10 barley varieties approved for registration, and several lines of native plant materials, legumes, grasses and triticale with potential for commercialization.
- Dry chilling methods to cost-effectively control microbiological growth on carcasses in small abattoirs.
- The establishment of a veterinary and producer surveillance network to gather information on the prevalence of production limiting diseases and evaluate the adoption of and producer attitudes towards various management practices such as antimicrobial use, animal welfare practices and biosecurity practices.
- Detailed metagenomic analysis of microbiological samples collected throughout cattle environments, soils, wetlands, rivers, municipal water, retail beef, human patients and sewage samples found no link between the use of antimicrobials in beef cattle and antimicrobial resistance in humans.

Beef Science Cluster III Funding by Research Priority Area



Beef Science Cluster III in Progress

Funding for the third Cluster was announced by AAFC in July 2018. Covering the period to March 31, 2023, \$21 million will be directed to 26 research projects. The funding includes \$14 million from AAFC, \$5 million in funding from the research allocation of the Canadian Beef Cattle Check-Off and \$1.5 million in in-kind contributions from industry in the form of cattle, equipment, and materials.

This Cluster will work to grow beef exports and supply growing global beef demand by supporting research and technology transfer that advances Canadian beef and forage production while enhancing industry competitiveness and the public's trust in responsible production.



Examples of Cluster III project objectives include:

- Determine how camera-based computerized carcass grading systems can optimize fabrication and direct beef products to the most suitable market to support market growth and trade;
- Expand production-limiting disease surveillance across Canada to anticipate, mitigate and respond to emerging disease threats;
- Enhance environmental sustainability and address climate change by evaluating carbon sequestration and biodiversity in Canada's grasslands and identify strategies to increase the beef industry's contribution;
- Reinforce public trust and support transport regulation development by determining optimal rest intervals and durations for cattle in transit;
- Support consumer confidence and demand by improving understanding of bacteria and cattle interactions to improve food safety, reduce the risk of E. coli O157:H7, and reduce the need for antimicrobials to treat bovine respiratory disease and digestive upsets; and
- Strengthen awareness and adoption of research results via the BCRC's innovative knowledge translation and transfer team.

Details on all 26 Cluster III projects are available on BeefResearch.ca.

Leveraging the Increased Canadian Beef Cattle Check-Off

The increased Canadian Beef Cattle Check-Off enables the BCRC to continue to play an integral role in achieving several of the industry goals identified in the National Beef Strategy by maintaining existing programming and expanding in the following ways:

Priority Research Projects: Increased funding will be allocated to research aimed at achieving specific outcomes related to beef quality, food safety, feed grain production, forage production and utilization, improved feed efficiency at cow-calf and feedlot levels, and production-related priorities in the areas of animal health and welfare and antimicrobial resistance and use. The council launched a call for letters of intent in June 2018. Funding decisions on proposed projects were made in February 2019. Summaries will be available on BeefResearch.ca.



2018-19 participants in the BCRC's Beef Researcher Mentorship program observing and discussing everyday feedlot challenges and practicalities.



Research Capacity

Increased funding is enabling the reinvigoration of research programming in areas where research expertise has declined in Canada, such as beef production, and forage breeding, agronomy, and utilization.

The council launched a call for proposals for Research Chairs in August 2018. An announcement will be made in 2019.

Knowledge and Technology Transfer

The BCRC continues to advance the implementation of its Knowledge Dissemination and Technology Transfer Strategy to drive broad and timely uptake of research results. Focus has been placed on developing and utilizing a Canadian Beef Technology Transfer Network to support the regionally limited, underfunded, and fragmented nature of beef extension across Canada.

The BCRC is working to develop collaborative extension projects that bring together the expertise and resources of various groups in order to develop excellent extension resources together. Investments are also being made in economic-based decision-making tools and resources to help producers evaluate the relevance of adopting particular innovations on their operations.

Advancement of the Verified Beef Production Plus program: In addition to funding research, the BCRC is responsible for the delivery of the Verified Beef Production Plus (VBP+) program, which verifies on-farm practices related to food safety, animal care, biosecurity, and environment. Ongoing national industry investment will ensure the consistent delivery of the VBP+ program as it becomes a core pillar in verifying sustainable beef production in partnership with end-users.

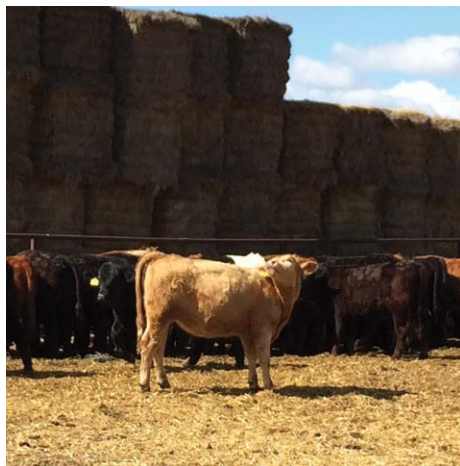
For more information, please visit the BCRC website at BeefResearch.ca.



CANFAX

The Canadian cattle market had been through some extreme market volatility (both positive and negative) through 2014-2017, but in 2018 market prices traded in a relatively stable range.

Calf prices traded in a very flat price range throughout the year and fed cattle price variations were below average. Prices being steady throughout the year, and mostly steady with a year ago were positive, as the North American market continues to face larger cattle supplies and beef production as a result of the herd expansion occurring in the U.S. over the past four years.



North American beef production is near record large in 2018 and is projected to have record large production in 2019. Despite seeing cattle supplies increase over the last three years, Alberta steer calf prices in 2018 averaged slightly higher than 2017 and 2016 and are the third highest on record.

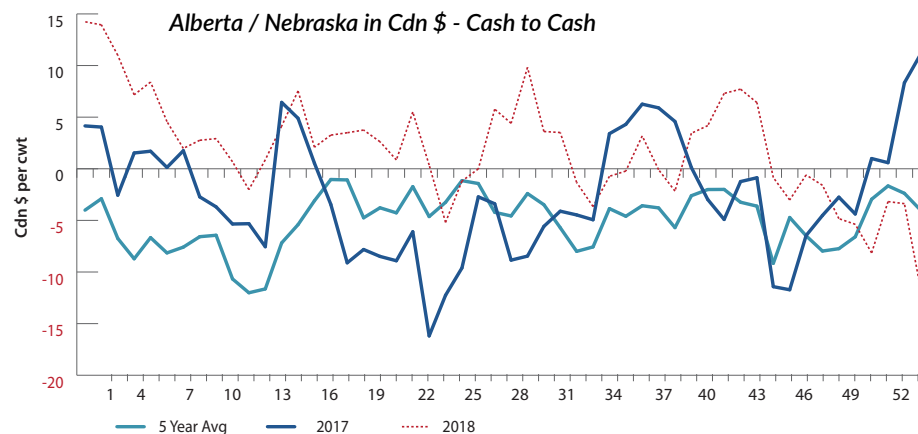
Alberta fed prices started the year at \$167.44/cwt, which also turned out to be the highest price of the year. Prices traded mostly sideways through the first quarter and had a disappointing second quarter with no real spring rally. Prices were mostly above the five-year average through the first quarter, but were below the five year average in the second quarter.

Despite prices being well below a year ago in the second quarter, fed prices held up quite well through the summer, with the summer low being \$142/cwt, more than \$10/cwt higher than the annual low set in 2017. By the end of the year, fed prices were again in line with last year and the five-year average.

Alberta fed prices are projected to average very close to 2017 near \$154/cwt, and just slightly higher than the five-year average.

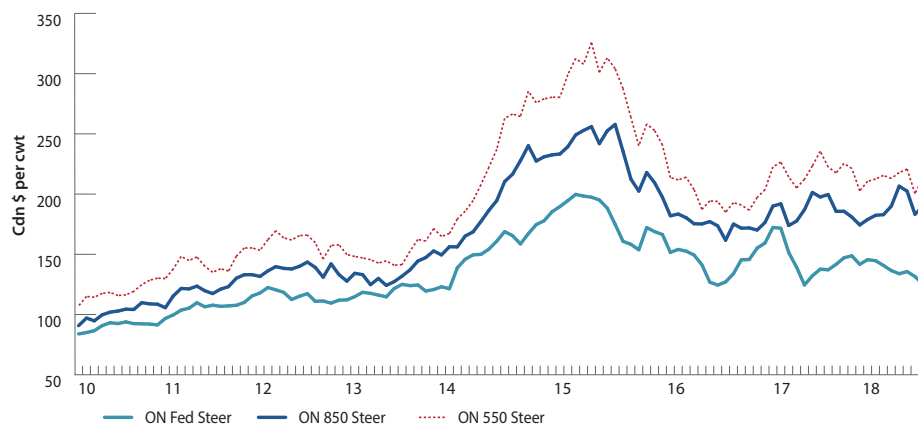
Ontario fed prices were weaker this year, as prices in the first quarter were mostly steady with 2017, and prices through the second quarter were well below a year ago. Similar to Alberta, the summer lows were not as low as 2017, and prices through the fourth quarter were mostly steady, but with a weaker tone.

Alberta Fed Steer Basis



Alberta steer calf prices in 2018 averaged slightly higher than 2017 and 2016 and are the third highest on record.

Ontario Cattle Prices



Similar to the last few years, Ontario fed prices were at a discount to Alberta for most of the year. Ontario prices were seasonally stronger than Alberta in late May and June, but it was for a shorter time period compared to the past couple of years.

Western Canadian basis levels were again a positive story for the Canadian cattle market in 2018. Alberta fed cattle prices were at a premium to the U.S. for most of the year, until mid-October.

In most of the fourth quarter fed prices moved to a discount to the U.S. market, but just back to a more historical relationship. In 2018, Alberta fed prices will average at a premium to the Nebraska market for the first time in recent history.

Alberta fed prices will average almost \$2/cwt higher than the Nebraska fed price (converted to Canadian dollars). Compared to the five year average, these strong basis levels added almost \$150/head to the Western Canadian cattle market.

Inventories and Production

Canadian cattle inventories had stabilized between 2015 and 2017 around 12.5 million head, with beef cow inventories near 3.7 million. It was generally expected 2018 would be another year of consolidation, but dry weather challenges in Western Canada resulted in feed shortages in some areas, and much higher feed costs. Spring storms

in Western Canada also led to higher cow slaughter earlier in the year. These two factors resulted in beef cow culling rates jumping almost two per cent higher than the year earlier at 13.7 per cent. Given the fact July 1 breeding heifer inventories were down 2.6 per cent from 2017, the 2019 calf crop is expected to decline, after the 2018 calf crop was estimated over one per cent below 2017.

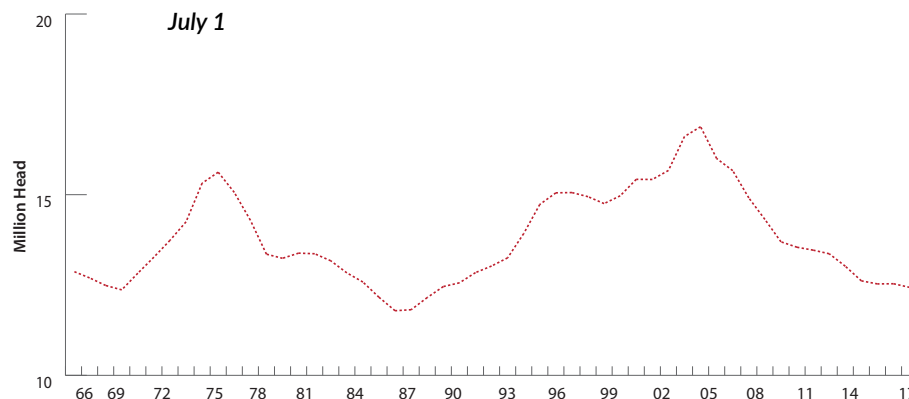
Although Canadian cattle inventories have been mostly flat the last few years, Canadian cattle slaughter and beef production have been on the rise. Canadian cattle slaughter is expected to hit three million head in 2018, the highest level since 2010.

Fed slaughter is projected to be near 2.5 million head, six per cent higher than 2017, while non fed slaughter is projected at just over 500,000 head, about 14 per cent higher than 2017.

Carcass weights in 2018 were generally flat with a year ago, therefore domestic beef production is projected to be up just over six per cent from last year. Live fed cattle exports were down about 30 per cent and Canadian cow exports were up slightly this year, therefore overall beef production including live cattle exports was up only three per cent.

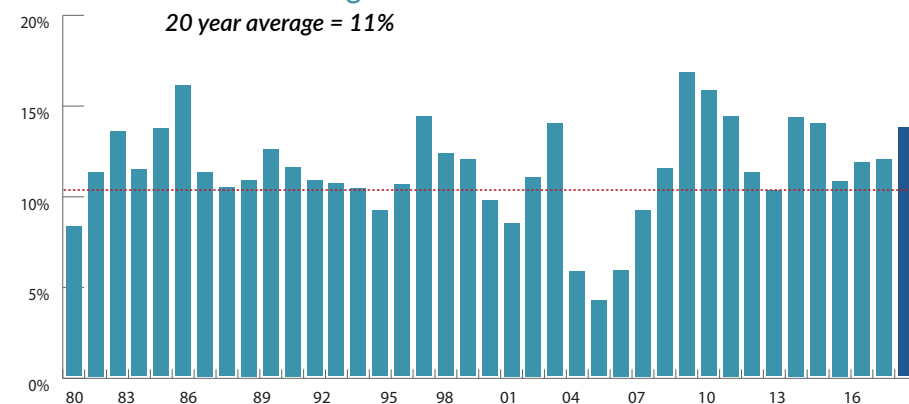
Despite a flat cattle herd, Canadian beef production has been supported by keeping a larger proportion of cattle in Canada. Total live cattle exports in 2018 may be under 600,000 head and be at the smallest level since the border re-opened in 2005. The recent peak

Canadian Total Cattle + Calves

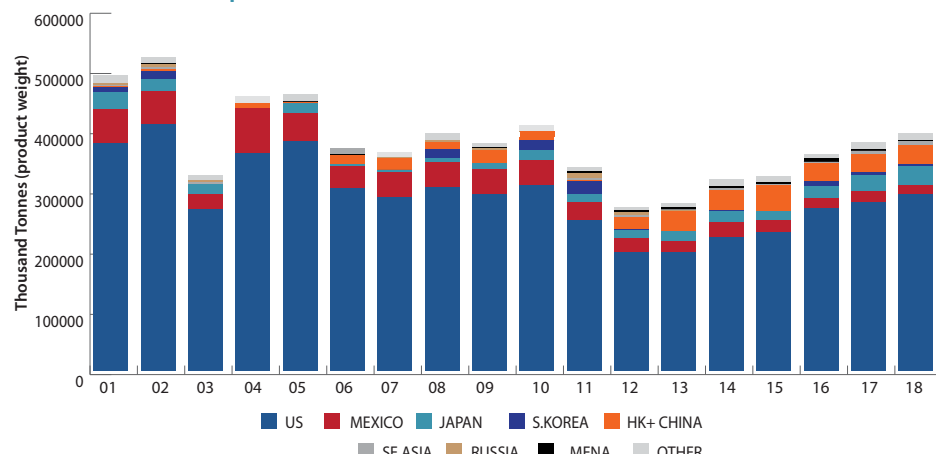


Canadian cattle slaughter is expected to hit three million head in 2018, the highest level since 2010.

Canadian Beef Cow Culling Rate

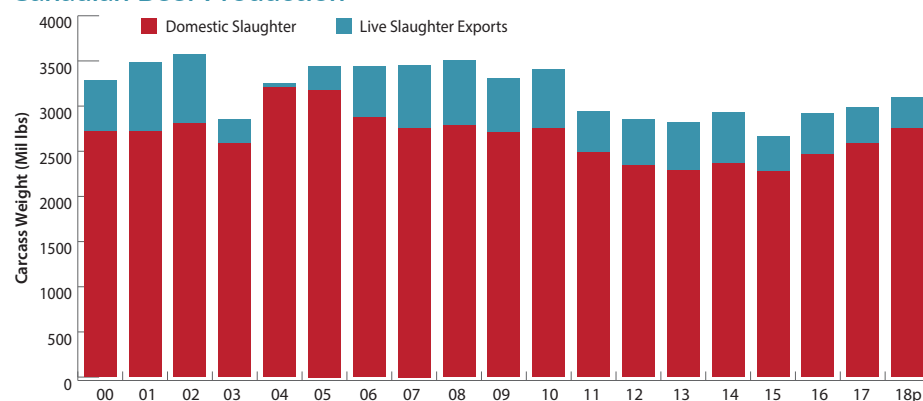


Canadian Beef Export Volume



Beef exports have been supported by larger beef production and are projected to be 4.5 per cent higher than 2017, and more than 10 per cent larger than 2016.

Canadian Beef Production



in live exports was 2014, when total cattle exports were over 1.2 million head. The interesting development in live cattle trade in 2018 is that both Canadian feeder cattle exports and imports increased. Feeder exports through October were a modest 172,000 head, up 41 per cent from 2017, while imports were up 130 per cent to 142,000 head.

Beef exports have been supported by larger beef production and are projected to be 4.5 per cent higher than 2017, and more than 10 per cent larger than 2016. Total exports are expected to be more than 396,000 tonnes, the largest export volume since 2010.

The U.S. remains the largest export market accounting for about 75 per cent of exports.

For the second year in a row, Japan was Canada's second largest export market accounting for about eight per cent of exports. Hong Kong and Macau were the third largest export market, Mexico was the fourth largest, and China rounds out the top five.

Although exports on a volume basis have been larger in the past, the value of exports were record high in 2018 at more than \$2.6 billion. This was the third consecutive year of record export values.

Canadian beef imports in 2018 saw the first year over year increase since 2012. Imports are projected to be about five per cent higher at around 181,000 tonnes. The U.S. remains the main source of imports accounting for 64

per cent of imports. The second major supplier was Australia at around 13 per cent of imports followed by New Zealand at just over 10 per cent of imports.

Key Factors

The basis was a highlight for the Canadian market in 2018, and it will be important to follow if Canada can maintain relatively stronger prices, or if the price relationship will move back to more historical levels. The basis levels will likely also impact cattle flows regarding both cattle exports and imports.

As North American meat supplies continue to grow in 2019, domestic and international demand will be critical. Market risk is elevated if trade disputes limit trade and/or policies/market factors impact the North American or global economy, and ultimately beef demand

Weather will continue to be a key factor as pasture conditions suffered in 2018, and hay supplies are limited. Alberta also has a feed grain cost disadvantage at the feedlot sector. It will be important to monitor weather conditions and relative feed costs, especially if basis levels are at more historical levels.

The Canadian dollar has had a weaker tone most of this year, and this has certainly supported Canadian cattle prices. The dollar has spent most of the year under 78 cents US, but a dollar over this level or 80 cents would have a negative impact on prices.



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. Beef Cattle Research Council (BCRC): The Economics of Water (TEC) Systems calculator and fact sheet were published in Spring 2018. Blog articles continue to be produced to support adoption and TEC communications. The Beef Production Economics reports were completed in April 2018, and fact sheets and communications were developed. A report on adoption rates of various recommended management practices is being developed. This will include a summary of the regional 2017 cow-calf surveys as well as research surveys, census data and provincial environmental surveys.
2. Canada Beef: CRS provides market outlooks, environment scans and ongoing data sets to assist Canada Beef in communication to industry and the public.
3. Canadian Roundtable for Sustainable Beef: 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). A survey of sustainability projects was completed from June to August 2018; providing a foundation for the development of the projects pillar.
4. CRS has been contracted to complete a Global Metrics report from existing literature for the Global Roundtable for Sustainable Beef (GRSB).
5. Dr. James Rude, University of Alberta, completed the "Evaluation of the Import Levy" for the Canadian Beef Cattle Check-Off Agency.
6. CRS provided secretariat services to the Beef Advisors, compiling a status update of the 2015-June 2018 National Strategy results in October 2018. An update of the National Strategy for 2020-2024 is underway.
7. The Canadian Beef Cost of Production Network application was submitted to Agri-Risk Initiatives, with industry matching funding approved by BCRC. This five-year funding application is to develop a pan-Canadian network with consistent methodology leveraging existing resources within the provinces currently working in this area.



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 training and 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 train producers and certify on-farm practices related to animal care, environmental stewardship and biosecurity, as well as food safety.

In August 2018 VBP+ was officially recognized by the Canadian Roundtable for Sustainable Beef (CRSB) as a Certification Body for the CRSB's Certified Sustainable Beef Framework. VBP+ had been working diligently with CRSB to achieve this recognition for a number of years. The milestone means that all VBP+ Certified Operations are also considered Certified Operations under the Certified Sustainable Beef Framework. We see this as a major positive step towards simplification of the sustainability initiative in the eyes of Canadian beef producers and accessibility for

beef producers to the benefits of sustainable beef production.

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 Certified Sustainable Beef Framework; and (ii) figure out the infrastructure necessary for sourcing beef tracked through a fully certified value chain.

The CBSA pilot launched for an initial one-year period in October 2017. It has since been extended indefinitely while Cargill develops a program for certified sustainable beef, meaning that the pilot was successful and there is sufficient end-user demand. The current bottleneck remains having adequate numbers of calves qualifying, therefore, VBP+ is continuing its push to get more producers audited and fully certified.

The CBSA pilot has been successful at identifying potential areas of improvement throughout the certified sustainable beef value chain. In 2019 work will continue, involving CRSB and the CBSA pilot partners (including VBP+), to make these improvements and ensure that all parts of the value chain are well positioned to make it as easy as possible for Canadian beef producers to access the benefits of beef sustainability initiatives.

VBP+ has chosen to move forward with the implementation of a two-stream approach to delivering the VBP+ program, auditing

and training. The auditing program will result in certified operations which qualify for the Certified Sustainable Beef Framework. VBP+ plans to build on its existing training program with support from Agriculture and Agri-Food Canada through the Canadian Agricultural Partnership. The training will be improved by adding an assessment element, renewal criteria and further learning modules, and development of materials to improve the ease of delivery to producers.

Work is starting right away to develop the training stream. Training will be delivered to individuals (as opposed to beef cattle operations) and will not be geared for value chain programs but rather for broad adoption by producers to improve production metrics industry-wide.

The VBP+ program is a core pillar in championing and verifying sustainable beef production. VBP+ will continually increase its ability to deliver knowledge and practices related to sustainable production to producers while concurrently, in concert with entities like the CRSB, Public and Stakeholder Engagement, and Canada Beef, help communicate the great job Canadian beef producers are doing on their farms and ranches to consumers and the public through various forms of verification and reporting.



2018 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.

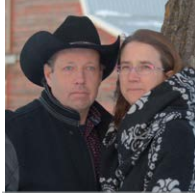
Each nominee exemplifies significant innovation and attention to a wide range of environmental stewardship aspects in their farm operation. Such innovations extend beneficially to areas far beyond their land, including water, wildlife and air.

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/>



Shoestring Ranch

Ian and Carman Murray *Acme, AB*
Alberta Beef Producers
Environmental Stewardship Award Recipient



Hjertaas Farm

Blain and Naomi Hjertaas *Redvers, SK.*
Saskatchewan Stock Growers Association
Environmental Stewardship Award Recipient



Circle H Farms

Brian and Sonja Harper *Brandon, MB.*
Manitoba Beef Producers
Environmental Stewardship Award Recipient



Sandra Vos Grass-fed Beef Operation

Paris, ON
Beef Farmers of Ontario
Environmental Stewardship Award Recipient



Willow Pond Farm

Larry and Pat Ward, *Higginsville, Halifax County, NS.*
**Nova Scotia Cattle Producers, on behalf of
the Maritime Beef Council 2017 recipient of Nova Scotia
Federation of Agriculture's Environmental Stewardship Award**



2018 National Recipient



Manitoba's Circle H Farms is the recipient of the 2018 The Environmental Stewardship Award (TESA). Circle H Farms is a purebred cow-calf operation owned and operated by Brian and Sonja Harper and family.

Located in the black soil zone of the Canadian Prairies on predominately sandy or sandy/clay loam lands, the 500-acre operation has undergone successive transformation of animal and land management practices since the Harpers purchased the conventional mixed farm in 1990. Managing depleted soils under pressure from wind and water erosion set the Harpers on a lifelong path of continual improvement of production practices to benefit their 80 head of cattle and rejuvenate the organic matter in the soils and improve the water and nutrient cycles. They switched to rotational grazing and perennial crops

and, as time and budgets allowed, installed off-site watering systems, including a solar powered winter water system, planted trees, and completed an Environmental Farm Plan. Over the years, these and other ongoing efforts earned the Harpers acknowledgements as Conservation Farm Family of the Year and Manitoba Grazer of the Year.

Always observant of the impacts of changing production practices on their land, the Harpers discovered increased productivity of their grass as soil health improved. In 2014, they adopted high stock density grazing practices, which mimics nature, given the Tall Grass Prairies developed under pressure from large herds of wild ruminants like buffalo. This practice has turned out to be one of the best and the fastest ways to improve soil health on their lands while benefitting beef production. In three years of

high stock density grazing, the Harpers saw beef production increase by 9,400 lbs, off the same 130 acres. Zero inputs were used, just animal density and time management.

Duane Thompson, chair of the CCA Environment Committee, and Scott Dickson, Director of Livestock Services with TESA sponsor MNP, presented the Harpers with the award in August during a special banquet at the Canadian Beef Industry Conference in London, ON.

Thompson said the TESA judges recognized all 2018 nominees as exceptional stewards of the lands they manage. Soil health and enhancing carbon sequestration was a strong theme across the board this year and the judges found that very positive. Care of riparian habitat, surface water quality and overall biodiversity were also key focal points of nominees.



“What set the Harpers apart in their focus on soil health and soil biology is the use of technologies, innovative management practices and keen observations to gain an intimate understanding of enhancements that most benefit their specific environment. That stood out with the judges,” Thompson said.

Their commitment to regenerating soils to improve livestock and ecosystem health demonstrates the commitment to sustainability that the TESA embodies, he added.

Brian, on behalf of his wife Sonja and children Thomas and Kristelle, expressed sincere gratitude as he accepted the award, a sterling silver TESA belt buckle and certificate.

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 producers ensure for their livestock. This is achieved through good production practices and adherence to provincial and federal regulations. These efforts have resulted in improved market access and consumer confidence in Canadian beef and beef products world wide.

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

There were many challenges and opportunities specific to animal health and care in 2018.

A selection of activity highlights is provided below.

Traceability continues to dominate discussions in CCA's Animal Health and Care Committee with a pledge by the Canadian Cattlemen's Association (CCA) and affiliated organizations to implement full traceability in a cost effective and efficient manner without inhibiting commerce. The Canadian Food Inspection Agency (CFIA) expects to publish the proposed regulations in Canada Gazette I in early 2019. The CCA is a member of the CFIA-led Regulatory Implementation Committee and has been actively working with CFIA to ensure regulations adhere to the industry supported Cattle Implementation Plan and to ensure definitions within the regulations accurately reflect industry expectations.

The CCA has board representation on the Canadian Cattle Identification Agency (CCIA) board and the technical advisory committee to CCIA, and continues to work closely with CCIA in the implementation of pending traceability regulations specifically to movement tracking and reporting.

Antimicrobial resistance and use (AMR/AMU) continue to impact Canada's beef cattle industry and the CCA continues to take a proactive approach to ensure industry moves in lock-step with global changes occurring in this area. Canada is a member of a global community addressing the issue of antimicrobial resistance in human and animal medicine. Everyone involved in human and

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

The CCA has 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 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 prudent on-farm biosecurity protocols; establishing a herd health program with a veterinarian; and ensuring proper nutrition and housing. Reducing the need to treat animals with antimicrobials will contribute to the reduction of antimicrobial resistance.

Enrolling in programs like Verified Beef Production Plus (VBP+) can demonstrate to consumers that producers do take AMR/AMU

seriously and are doing their part in preserving the effectiveness 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 to this organization. The Council is highly regarded in Canada's animal health and welfare community for providing a pragmatic and balanced perspective to animal agriculture. 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 coordinated an industry-driven Animal Health Canada initiative to proactively address the real threat of a Foreign Animal Disease (FAD) outbreak. The vision is to build a model that helps drive action across a comprehensive and dynamic animal health strategy including priority areas of; disease surveillance, biosecurity, traceability, real-time diagnostic capacity, emergency response, vaccine development, storage and deployment, recovery planning, financial risk mitigation, animal health research, and regulatory modernization.

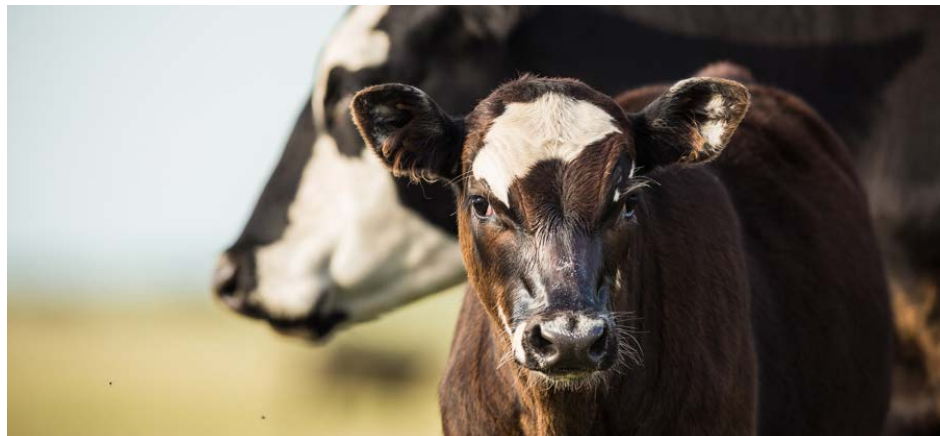
The proposed changes to Transportation of Animals regulations were published by the CFIA in Canada Gazette I in December 2016 and remains an important topic for the industry.



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.

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.

The CCA also stressed that a more sector specific analysis needs to be completed, as the outcomes, costs and benefits of the regulations are not representative of the cattle sector. Finally, 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.



The CFIA has indicated that the proposed regulations may be published in Canada Gazette Part II in early 2019. The National Farm Animal Care Council (NFACC) has also begun the process to update the Code of Practice for Animal Transportation, which will continue into 2019.

The Code of Practice for the Care and Handling of Beef Cattle was released in 2013. As part of NFACC's code maintenance process, the beef cattle code of practice underwent a five-year review process in 2018. The review, which was conducted by a code technical panel, focused on progress on research priorities identified through the code development process. Additionally, the review assessed the code's value and relevance from a number of stakeholder perspectives and also identified potential challenges that could be addressed in the next code update. Overall,

the technical panel recommended that the code be reaffirmed, and the review concluded that the code is a valuable and practical document that promotes beef cattle welfare in Canada.

Bovine Tuberculosis (bTB) in a cow from British Columbia. The CCA remains in close contact with the CFIA as they investigate a case of bTB. Although Canada enjoys bTB-free status, isolated cases do occur. The case, detected in late October, shows Canada's surveillance system is working. The CFIA recognizes the serious impact of bTB on producers and the cattle industry and is working with the producers and provinces to take immediate action to control the disease and maintain Canada's bTB-free status. We are pleased to see CFIA incorporating lessons learned from the Alberta case in 2016 and subsequent investigation, and working in

close collaboration with B.C. Cattlemen's Association. The CCA is communicating with CFIA on a regular basis and will update members of any developments impacting Canada's trade status.

Cross Border Livestock Health is another key area of focus and CCA continues to work collaboratively on this file through the Pacific North West Economic Region – Cross-border Livestock Health Working Group. Progress on electronic certification for livestock, establishing a 'preferred transporter' program for trusted exporters-importers, implementing regulatory changes on the restricted feeder cattle program, disease zoning, and emergency preparedness planning were among the priority action items for 2018.

OIE for Negligible BSE Risk Status CCA has been actively collecting, categorizing and transferring historical BSE surveillance communication materials in preparation for Canada's application to the World Organisation for Animal Health (OIE) for Negligible BSE Risk Status in 2020.

Committee Members: Pat Hayes, **Co-chair**, Reg Schellenberg, **Co-chair**; Grant Huffman, Miles Wowk, Gord Adams, Jason Reid, John MacDonald, Victor Oulton, Kirk Jackson, Dean Sentes, Brad Osadczuk, **YCC ex-officio**.
CCA staff: Brady Stadnicki, David Moss.



Domestic Agriculture Policy and Regulations Committee

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

The Canadian Agricultural Partnership (CAP) officially commenced in April 2018, with most of the details regarding changes to business risk management (BRM) already public due to an earlier information release about the five-year, \$3 billion investment to strengthen the agriculture and agri-food sector.

Federal, Provincial and Territorial (FPT) Governments' establishment of a BRM review was top of mind for CCA's Domestic Agriculture Policy and Regulations (DAPR) Committee in 2018. Consultations and a desire to improve the Canadian agri-food regulatory environment and the livestock tax deferral provision were some of the other main topics for the committee in another busy year for domestic agriculture policy development in Canada.

Canadian Agricultural Partnership

With the first program year of CAP underway, CCA devoted considerable time to analyzing the details required to provide context around the changes to BRM programming most relevant to producers. Particular 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. Seeing payment data from year one will be useful in determining if this change has increased uptake in the program and if it has responded better for cattle producers. Producers who have not included AgriStability as part of their risk management strategy in recent years, may wish to explore whether the program's parameter changes will be of added benefit to their farm or ranch.

A late participation mechanism has also been added to AgriStability, which is intended to allow producers to access the program after the enrollment deadline in times of large income decline. This measure will be under the decision-making authority of provinces and territories and has not been activated yet. Starting in the 2018 program year, the maximum allowable net sales eligible under AgriInvest will be reduced to \$1 million from \$1.5 million. The annual government matching contributions will be reduced to \$10,000 per AgriInvest account from \$15,000.

Since being agreed upon last July, FPT governments have initiated a BRM review to assess program effectiveness and influence on growth and innovation. An expert panel made up of producers, academics and global experts was established in late 2017 to evaluate



Saskatchewan Cattlemen's Association Fly-in Day in Ottawa. Photo credit: CCA.

BRM programming in Canada and made recommendations to FPT Agriculture Minister's in July.

Recommendations from the panel included investigating the feasibility of market-based tools to better manage the middle tier of "marketable risk," examining BRM program equity, further analysis on challenges with AgriStability and increased education on risk management. FPT Ministers directed officials

to move forward with additional work required on the panel's recommendations and to report back on progress in July 2019. Many of the recommendations put forward by the panel were aligned to input CCA provided during the initial phase of the BRM review.

In addition to the work areas identified by the panel, ongoing research and development intended to bring improvements to pasture and forage insurance as well as expanding



price insurance beyond Western Canada are key areas the CCA hopes to advance while engaging in the BRM review in the upcoming year.

Regulatory Review of Agri-Food Sector

In Budget 2018 the Government of Canada announced a targeted regulatory review process for key economic sectors, including agri-food, focused on identifying bottlenecks and other areas of regulation that can be improved. The CCA actively participated in these important consultations and provided advice in a number of areas. First, implementation of the Canadian Agriculture and Agri-Food Workforce Action Plan to improve current labour shortages in the sector is critical for the industry's competitiveness and ability to seize the potential of new market access opportunities.

Additionally, Canada must maintain a risk and science-based approach to regulatory decision-making to provide industry with a predictable, credible, consistent and transparent regulatory environment. One example of a current regulatory proposal that runs contrary to this lens is aspects of Health Canada's Front of Package (FOP) Labelling requirements, which targets saturated fats and could impact products such as ground beef. The science around saturated fat and health outcomes has evolved and new evidence suggests saturated fats may not be the cause of afflictions like cardiovascular disease. Moreover, a reduction in foods that contain saturated fats may be

more detrimental to ones' health than the risk of these diseases, especially if people are substituting saturated fats with foods high in sugars and carbohydrates.

When Canada has unique challenges such as plant breeding or particular animal health and disease issues, Canada's regulatory framework needs to be nimble and effective, rather than costly or onerous.

Canadian regulators should accelerate assessment timelines and encourage drug companies to make simultaneous submissions for product approvals in Canada and the United States (U.S.) (or international trading partners when applicable).

The government should support initiatives under the Regulatory Cooperation Council for regulators (Health Canada for veterinary drugs and pest control products, CFIA for biologics, new forage and grain varieties) to harmonize approval processes with the U.S. Emphasis should also be placed on harmonizing withdrawal periods and minimum residue levels for products between countries and establishing price equivalency of products between countries. If implemented, this will help ensure that Canada's scientific entrepreneurs remain here to benefit us rather than moving to a larger, more lucrative markets that are easier and more profitable to operate in.

Traceability, humane transportation, service standards and fee reviews were also raised as important areas of focus.

Overall, the government's focus on regulatory reform presents a great opportunity to enhance the competitiveness of the Canadian beef cattle sector and CCA will continue to engage in this area with the intention of implementing a number of key recommendations provided through this process.

Livestock Tax Deferral Provision

The initial list of prescribed regions for the 2018 livestock tax deferral provision was released by the Government of Canada in September 2018, with additional regions added in November. The provision allows producers forced to sell breeding stock in 2018 due to forage shortages caused by extreme weather conditions in designated regions in Canada. The provision enables eligible producers to defer a portion of sale proceeds of breeding stock to the following year.

The announcement of the provision was made earlier in the year than in past years, which is a welcomed improvement, but challenges remain with the provision. Specifically, the provision was not extended to many counties or municipalities where beef cattle producers faced extreme weather conditions that contributed to feed shortages.

Extreme weather challenges such as drought, flooding or fires can impact a producer's ability to maintain and sustain their herd. These events often force producers to sell animals such as calves, and breeding stock earlier than anticipated, resulting in more than one sale

in a fiscal year. Producers need timely tools necessary to ensure the resilience of their operation. Delays or regions deemed ineligible by Finance Canada in determining when income deferral can be applied to drought situations has made that mechanism not always useful for management decisions.

Beef producers are asking for modifications to the Livestock Tax Deferral Provision to allow for the individual driven election of partial income deferral when producer incomes are artificially inflated by forced sales due to extreme challenges. This would allow the provision to function as a better risk management tool.

Committee Members: Tom Teichroeb, **Chair**; Joe Hill, Vice Chair; Brian McKersie, Charlie Christie, Tim Smith, Lynn Grant, Ramona Blyth, Rob Lipsett, Craig McLaughlin, Nathan Phinney; John MacDonald, Philippe Alain, Stefan Bouw, **YCC ex-officio**. **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.

In 2018, Canadian Cattlemen's Association (CCA) environment and policy staff continued to actively engage with Senators, Members of Parliament (MPs) and various government department staff regarding Bill C-68, amendments to the Fisheries Act and other Acts in consequence. The proposed legislation was amended prior to third reading at the Standing Committee on Fisheries and Oceans level, followed by passage in the House of Commons in June 2018. Analysis of the amended Act, and in particular the addition of a subsection deeming virtually all bodies of water as fish habitat that are nearly impossible for beef producers to be in compliance with, led to a CCA submission to the Senate of Canada calling for the removal of the deeming habitat provision as well as exemptions for small low impact agricultural activities and artificial infrastructures.

The response from Senators to the CCA's concerns and recommendations regarding C-68 has been positive and receptive. The government is very aware of CCA's position as well as those of several natural resource representative organizations regarding the deeming habitat provision among other

concerns with the proposed legislation. Department of Fisheries and Oceans Canada staff is determining whether an effective amendment to the deeming habitat provision can be found or whether the provision is repealed. The Bill passed second reading in the Senate and was moved to Standing Committee on Fisheries and Oceans for study in February 2019. CCA staff will continue to engage Senators, MP's and government staff on this issue, as any Senate amendments to the proposed legislation would require subsequent passage by the House of Commons.

CCA environment staff is also researching potential impacts on Canada's beef producers with the proposed Canadian Navigable Waters Act, an amendment to the Navigation Protection Act, within the expansive Bill C-69. The new Act, in part, introduces new protections and enforcement powers and implements modern day safeguards for the public right of navigation across Canada.

Health Canada's Pesticide Regulatory Management Agency (PMRA) had sought comment on a re-evaluation decision on the use of liquid strychnine to control Richardson's ground squirrels. The CCA provided the PMRA with two submissions calling for the continued access for producers to this important rodent control tool. At time of writing the PMRA had not published its final re-evaluation.

The CCA continues to be engaged federally and internationally in the conversations surrounding greenhouse gas emissions (GHG) from livestock

and the recognition of the potential for carbon sequestration in lands managed by beef cattle producers. The CCA supports efforts to find scientifically sound, reliable and cost-effective methods to accurately measure and monitor soil organic carbon, which in turn could support the development of carbon offsets for sequestered carbon in native grasslands and rangelands managed, in large part, by Canadian beef cattle producers.

To that end, the CCA provided a letter of support for funding for the Food Water Wellness Foundation's Soil Carbon Quantification Project – a study to develop processes enabling landowners to accurately measure and monitor soil organic carbon. The CCA also provided a letter of support for an Agriculture and Agri-Food Canada project to improve the Holos model used to calculate GHG intensities of agricultural production systems. Data from this model has been used to support messaging on how efficient the



Canadian beef sector is related to reducing emissions in recent decades.

The future of the Pan Canadian Framework on Clean Growth and Climate Change remains unknown. Last October the Government of Canada announced it would impose a federal carbon pricing system in Ontario, New Brunswick, Manitoba and Saskatchewan effective in 2019. These provinces have developed their own approach to reducing carbon emissions. And while Alberta has a carbon pricing system, the future of the existing plan may hinge on the outcome of the upcoming provincial election.

The CCA has advocated for the exemption of agriculture from any carbon pricing scheme based on several factors including: negative impacts on competitiveness; agriculture is extremely trade dependent and implementing a carbon price on highly traded goods is complicated; and, there is limited ability and relatively minimal gains to further reduce the GHG footprint within the industry.

The CCA advocates for incentives for GHG emissions reductions and not penalties that add costs to food production. The CCA supports the development of payments for ecological goods and services, called PES programs, to incentivize GHG emissions reductions where possible. The CCA will continue to monitor the impacts on input costs and competitiveness for beef producers in regions where the government imposes the federal carbon pricing scheme.



Brian and Sonja Harper and family of Circle H Farms near Brandon, MB were the recipient of the 2018 The Environmental Stewardship Award (TESA). The Harper's strong emphasis on monitoring and improving soil biology and overall health of their lands at Circle H were noted by the judges in their selection from a very strong group of provincial stewardship award recipients. We look forward to evaluating a new slate of provincial candidates for the 2019 TESA.

The CCA Environment Committee and staff continue dialogue with conservation organizations on advancing new and novel options for beef producers to comfortably engage with these organizations to develop simple, flexible yet successful conservation agreements, which could encompass PES program components. This process is still in the early stages, but the dialogue and exchange of ideas has been very positive to date.

As directed by the Environment Committee, staff has begun the process of gaining insight regarding potential impacts programs like crop insurance and price supports have on the conversion of grassland to cropland. Initial communications have taken place with a specialized researcher and funds for a study are being sought.

CCA staff continue to monitor the relatively high-level discussion on the Convention for Biological Diversity (CBD) Post 2020 process keying on plans to establish Protected Area

(PA) networks and our position regarding mobilizing resources for PES programs and compensation when the establishment of a PA impacts landowners. In a separate, yet related, process we are involved in a project to create a certification process for Privately Protected Areas to tally conserved lands that would currently not be included in a country's total land area under conservation. This could lead to reduced need to protect areas to meet a target.

Without doubt, 2018 has been a very busy year for the CCA Environment Committee and staff, and 2019 is shaping up to be just as busy. We can fully expect public scrutiny to continue on the climate front, the identification and protection of key biodiversity areas, species at risk, water use and more.

CCA staff is working closely with the Public and Stakeholder Engagement arm helping them address environmental and climate issues in an informed manner. And as usual, as the conversation around climate change continues, it remains critical those discussions include how sustainable beef production can be an effective partner to achieving Canada's economic and environmental targets.

Committee Members: Duane Thompson, **Chair**; Gord Adams; Colin Campbell; Lynn Grant, Pat Hayes; Joe Hill; Grant Huffman; Victor Oulton; Doug Sawyer; Tim Smith; Miles Wowk; **YCC ex-officio** Ben Campbell; **CCA Staff:** Larry Thomas.



Following the launch of the Certified Sustainable Beef Framework in 2017, the Canadian Roundtable for Sustainable Beef (CRSB) launched a series of logos and sustainability claims guidelines that support public and consumer communication this year.

Development of these final key pieces of the framework included CRSB multi-stakeholder member feedback, key industry stakeholder input (including the CCA), which were supported by recommendations from CRSB's first beef consumer research study on sustainability conducted this year.

A new committee was established in 2018 to guide implementation of the framework. Three certification bodies were approved to conduct certification and assurance for the CRSB's Framework, including the establishment of full equivalency with Verified Beef Production Plus (VBP+).

McDonald's Canada, the first company to use the CRSB's Certification Mark, launched a national campaign featuring the new logo. CRSB continues to further develop its Sustainability Projects Pillar, to coordinate and collaborate on industry projects that support the goals of the National Beef Sustainability Strategy.

In addition, Monica Hadarits was appointed as the new CRSB Executive Director, as Fawn Jackson assumed a new role in government and international relations at the CCA.



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 final months of 2018 proved very positive on the foreign trade front with many of the CCA's top priorities crossing the finish line. The North American Free Trade Agreement (NAFTA) negotiations concluded with a new Canada-United States-Mexico-Agreement (CUSMA), preferential access to Japan through the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) has been achieved and we are seeing encouraging growth in Canadian beef exports to Europe under the Canada-EU Comprehensive and Economic Trade Agreement (CETA). Of course, much follow-up work remains as well as continuing to address a number of significant market access barriers.

United States/NAFTA

The NAFTA modernization negotiations reached a successful conclusion and new CUSMA was announced on October 1 following a final stretch of intensive negotiations. CCA's Dennis Laycraft and John Masswohl met the Prime Minister's trade advisors on the Friday September 28, in the midst of much public rhetoric suggesting that

"no deal is better than a bad deal," to explain that for Canadian beef producers, no deal would be the worst possible outcome. The CCA also explained the seasonality of the cattle business and the importance of having secure and predictable U.S. access during the fall calf market.

The final deal meets CCA's objectives in retaining unlimited duty-free trade in cattle and beef between Canada and the U.S. with unchanged rules of origin and no new origin labeling requirements. We were also pleased that the dispute settlement mechanisms were retained. The CCA had sought improvements on some regulatory measures affecting border requirements for cattle and beef trade and although these were not part of the final agreement, there is an institutional commitment to continue work to reduce regulatory burden which we will utilize going forward.

The next step is for the three national legislatures to ratify and implement the new agreement. In the U.S., the matter of when or if the U.S. Congress will do so has become uncertain as the Democrats have won control over the House of Representatives. It is expected that the Democrats may seek further labour provisions in the agreement and also that Speaker Nancy Pelosi will not want to give the President a victory by passing an USMCA bill. The relationship between the Speaker and the President has not improved in the midst of the acrimony over the recent partial U.S. government shutdown.



CCA's John Masswohl and NCBA's Craig Uden at the NCBA convention in Phoenix Jan. 31 – Feb. 2, 2018. NAFTA was a key topic of discussion. In a trilateral leaders meeting, NCBA, CCA, and Mexico's CNOG, pledged support for maintaining the current duty free trade in cattle and beef amongst Canada, Mexico, and the U.S. Photo credit: CCA.

A delay in implementing the new agreement is not a significant concern for the beef sector as long as the existing NAFTA remains in effect. However, President Trump has signaled that he will withdraw the U.S. from the existing agreement. This would be a tactic to put pressure on Congress to act more quickly on the new agreement. The President has already shown many times that he does not bluff even when his threats are reckless and endanger U.S. jobs. Speaker Pelosi however has already demonstrated during the shutdown that she will not bend to pressure from the White House and will make the President wear any pain inflicted on the U.S. economy.

An additional ongoing concern is that following the conclusion of negotiations, the U.S. did

not remove their tariffs imposed on Canadian steel and aluminum, which means that Canada will not remove its retaliatory tariffs on several products including some processed U.S. beef items such as jerky. Efforts are commencing by Senate Republicans to address the tariffs, but the extent of overriding the President's tactics remains uncertain.

As the new Democrat controlled House organizes and Colin Peterson regains the chairmanship of the Agriculture Committee, CCA will remain mindful that Rep. Peterson was one of the main proponents of U.S. Country of Origin Labeling (COOL) the previous time he chaired that Committee.

In summary, things are mostly in a positive state with the U.S. at the moment, but there are many uncertainties about which we must remain vigilant. CCA's approach has been to maintain close contact with the National Cattlemen's Beef Association as they explain to the U.S. Administration that the Canada-U.S. beef trading relationship works well and everything possible should be done to ensure it is maintained.

Access to Japan/CPTPP

It was a top priority for the CCA to achieve the implementation of the CPTPP prior to the end of 2018 with Canada as one of the first six signatories to ratify. The CCA worked intensely with the government and official opposition Members and Senators and our Canadian Agri-Food Trade Alliance (CAFTA) partners.



The CPTPP came into effect amongst Canada, Japan, Australia, New Zealand, Singapore and Mexico on December 30, 2018. Vietnam became the seventh to implement on January 14, 2019.

On January 19, 2019, International Trade Diversification Minister Jim Carr attended a meeting of the CPTPP ministers in Tokyo, Japan, to discuss next steps for the agreement, including the accession of additional countries. The ministers agreed that additional countries that intend to accept the terms of the CPTPP are encouraged to express their interest in joining.

As of January 2019, Japanese officials were in the advanced steps of recommending eliminating the requirement that imported beef be from cattle under 30 months of age. The CCA anticipates that this development could be approved by mid-2019 thus significantly expanding the ability to export beef to Japan.

European Union

The CETA has been in provisional effect for just over a year and Canadian beef exports are showing increasing promise and performance in the EU market. Trade data available through November 2018 shows year-to-date (YTD) volume of exports up 83 per cent (890 tonnes in 2018 compared to 486 tonnes a year earlier). YTD export value is up 73 per cent (\$13.3 million in 2018 compared with \$7.7 million the previous year). The value per kg is an impressive \$14.93 so far this year.



CCA and Canadian Pork Council (CPC) undertook a mission to Germany, Poland and Spain in November to continue to build cooperation and collaboration for commercially viable two-way trade of meat products between Canada and the EU as envisaged by CETA. Photo credit: submitted.

European beef and veal are also doing well in Canada. Through November 2018 YTD volume of imports up is 16 per cent (3,168 tonnes in 2018 compared with 2,729 tonnes a year earlier). YTD import value is up 36 per cent (\$19.7 million in 2018 compared with \$14.5 million a year earlier). EU beef and veal has been averaging \$6.23 per kg in Canada in 2018.

The CCA and the Canadian Pork Council undertook a mission to Germany, Poland and Spain in November. In all the markets we delivered the message to livestock producers, meat exporters and government officials that we are tracking the success of their meat in Canada and we welcome unrestricted two-way

trade. We expressed our expectation that they will be supportive of the resolution of the EU's remaining restrictions on Canadian meat exports.

However, from what we continue to see, even with the remaining unresolved issues, the most significant constraint on increasing Canadian beef in the EU right now is the limited supply of Canadian cattle produced to EU requirements. At least one of the major Canadian packers is shipping regularly to the EU. We understand that packer is buying all the EU-eligible cattle they can get at good returns for producers and they are selling all the beef they can at a good profit. Certainly, we would expect the returns to improve further once the

technical issues are resolved, but there is good profit to be made regardless in the meantime.

The CCA is working on a number of proposals with the Canadian Food Inspection Agency (CFIA) aimed at facilitating the eligibility of Canadian cattle for export to the EU. Firstly, as mature cattle culled out of producers' breeding herds will not have been exposed to hormone or beta agonist growth promotants, we are seeking a simplified certification option for these cattle. Secondly, with the advancement of the Verified Beef Production Plus (VBP+) program, we are seeking to develop an option whereby VBP+ auditors could certify the eligibility of cattle for the EU in lieu of a producer utilizing a veterinarian authorized by the CFIA. In the meantime, the CFIA has increased the number of authorized veterinarians to nearly 50 from less than 30. This is welcome, but the authorized veterinarians remain largely concentrated in Alberta and are about one-tenth of the number of veterinarians the CCA estimates are required.

With respect to our ongoing trade relationship with an independent United Kingdom (UK), it is probable that Canada and the UK will agree to replicate as much as possible the CETA in a new temporary agreement that would come into effect as soon as the UK leaves the EU. Once the UK is independent, Canada and the UK are expected to commence a negotiation to establish a replacement agreement that makes sense in a bilateral context.





CCA, CAFTA, the Canadian Meat Council and the Canadian Pork Council successfully advocated for Canada to be among the first six countries to ratify the landmark CPTPP with International Trade Minister Champagne.

The CCA is consulting with the Government of Canada with an initial focus on tariff rate quota issues (quantity and administration) for the initial temporary agreement as well as laying markers on other technical issues for the longer term agreement.

China

China is and will continue to be a very complicated, very promising and very volatile market.

Following the approval in April 2018 of some Canadian facilities to ship fresh-chilled boneless beef to China, monthly exports grew steadily for the remainder of the year (data only available to November at writing). The

next step in expansion will be approval of the remainder of the Canadian facilities audited by China in 2017 and then we hope to work on full recognition of the Canadian federal meat inspection system.

In November, CCA President David Haywood-Farmer and Executive Vice President Dennis Laycraft travelled with Agriculture and Agri-Food Minister Lawrence MacAulay to China to promote Canadian beef.

Following the announcement of the CUSMA, China began to make some public commentary that they too would like to negotiate a free trade agreement with Canada, giving new hope to the initiative that failed to launch

during Prime Minister Justin Trudeau's mission to Beijing in 2017. Unfortunately, Canada's relationship with China took a sharp turn off course in early December with the arrest of a Huawei executive in Vancouver. Although we have not heard of any issues with Canadian beef access since that incident, we are very aware of the potential of such an incident to put access to the Chinese market at risk.

Another complicating factor is the continued uncertainty over the China-U.S. trade relationship. Both countries have implemented tariffs on the other, including on U.S. beef, pork and other agricultural exports to China. We are hopeful that this episode will be concluded shortly and that markets can have an opportunity to stabilize.

Committee members:

Bob Lowe, **Chair**;

Doug Sawyer, **Vice Chair**;

Cathy Sharp, Colin Campbell, Brian McKersie, Duane Thompson, Charlie Christie, Rob Lipsett, Gord Adams, Philippe Alain,

Andrea Haywood-Farmer, **YCC ex-officio**;

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 CCA Value Creation and Competitiveness Committee is to seek out and provide producers with technologies, goods or services that create a more profitable business climate through creating higher returns and/or lowering the cost of production of cattle from birth through processing.

The Value Creation and Competitiveness (VCC) Committee identifies potential opportunities for value creation for the Canadian beef industry in order to improve its competitiveness.

The VCC coordinates closely with other CCA committees and agencies to ensure that the Canadian cattle industry is able to capitalize on these opportunities.

Duties and responsibilities

- Provide education to producers on opportunities to adopt new technologies or processes;
- Work with industry-based youth organizations to promote succession planning and the engagement of youth in the beef industry across Canada;
- Identify roadblocks and determine strategies to remove impediments to value creation opportunities;
- Identify opportunities for improved information transfer within the beef-value chain;

- Provide a forum for multi-stakeholder participation in evaluating new opportunities and overcoming challenges;
- To collaborate with other CCA committees on potential areas of interest;
- To advise the Beef Cattle Research Council and other research institutions of areas of research that could significantly benefit cattle producers through value creation and competitiveness.

Areas of involvement

- Beef quality and safety research at the meat and retail level, which seeks to enhance the beef eating experience for consumers;
- Oversight of the Cattlemen's Young Leaders (CYL) youth mentorship program, and the funding request for a comprehensive succession and business planning education program;
- Enhancing practical on-farm certification programming with Verified Beef Production Plus (VBP+) to meet Canadian Roundtable for Sustainable Beef Indicators and the new Canadian Sustainable Beef Framework;
- Assisting participation in the Canadian Beef Sustainability Acceleration Pilot to enable sourcing of eligible VBP+ audited cattle;
- Support for carcass grading improvements and beef cattle sector advisory on issues of concern or potential adjustments.

The VCC committee hosted a series of guest



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speakers at the Canadian Beef Industry Conference meetings in August with a broad range of topics including; connecting the beef value-chain through data, blockchain technology and its application in agriculture, and updates to Canada's Food Guide.

Board members and cattle industry representatives are encouraged to forward

issues for discussion and review to the VCC committee.

Committee Members: Cathy Sharp, **Chair**; Ramona Blyth, **Vice Chair**; Reg Schellenberg, Jason Reid, Nathan Phinney, Kirk Jackson, **YCC ex-officio**. Brett McRae; **CBBC:** Michael Latimer. **CCA staff:** David Moss, Mark Klassen.



Canada Beef

Canada Beef works together with Canadian farmers, ranchers, industry champions and brand partners to drive, enhance and sustain loyalty to Canadian beef. Canada Beef is harnessing the Canadian beef brand story to build consumer and customer loyalty for Canadian beef globally. These efforts increase demand for Canadian beef and the value producers receive for their cattle.

Domestic Market Development

Canada Beef invests domestically to ensure Canadian beef remains a staple of Canadian diets. Canada Beef works with brand partners with large volumes and influence such as Costco, Loblaw, Federated Co-op, Tim Hortons, Swiss Chalet, Montana's, Subway and Sysco.

Canada Beef ensures that these partners fully understand and appreciate the Canadian Beef brand in order to promote the value and leverage the marketing power of the Brand. Recently, two large national entities made the decision to advocate and promote 100 per cent Canadian Beef: Walmart and Harvey's. Partnerships like these continued to be a priority, focusing on Canadian beef brand message and alignment. To further leverage its influence, Canada Beef has presence at industry trade shows such as the Restaurants Canada and Canadian Federation of Independent Grocers.



CCA Executive Vice President Dennis Laycraft was in Tokyo, Japan with Chef Mathieu Paré of the Canadian Beef Centre of Excellence to promote and demonstrate the high quality goodness and versatility of Canadian Beef at the Canadian Embassy in Tokyo just ahead of the Dec. 30, 2018 implementation of the CPTPP. Photo credit: submitted.

Canada Beef's social and digital spaces engage and connect with consumers and producers to build brand loyalty. With more than 54,000 followers and 3.2 million impressions, Canada Beef continues to successfully build relationships and drive demand. At Canadabeef.ca website consumers and producers can source information regarding recipes, beef know-how, media releases, beef campaigns and events in both English and French.

The Make it Beef (MIB) monthly e-newsletter is deployed to almost 40,000 subscribers covering topics that are both culinary and brand focused. The Roundup App is a mobile beef buying and cooking app, designed to help

consumers have better success with beef when they cook at home. This resource is offered in English, French and Spanish and was adapted for the Chinese market. Canada Beef's social media space has grown to include a variety of social media platforms, each reaching target audiences in helpful, informative, and engaging ways. Join the conversation by following and liking us. #LoveCDNBeef #CDNBeef

Generic Beef Marketing

The Import Levy (collected on beef imports at the equivalent rate of \$1 per head) provides funding for positive generic (i.e. non-branded) beef messaging to Canadians.

With price concerns, consumers' diminishing food skills, and health and wellness remaining an important social license issue for the beef industry, Canada Beef developed targeted initiatives to positively influence consumer preference for beef as a choice over other proteins.

Activities in this area included: print and TV advertising; doctor office video distribution nationally; Cineplex Odeon movie theatre advertising; video ad placement at national fitness locations; responding to media inquiries and articles about beef and health including addressing concerns about the proposed changes to Canada's Food Guide; and resource/key message development on topics such as beef and cancer and red meat and health, beef and iron.

These initiatives resulted in over 52 million consumer impressions over the past 18 months. Visit ThinkBeef.ca for nutritional and culinary resources.

Canadian Beef Centre of Excellence

The Canadian Beef Centre of Excellence (CBCE) is a pivotal resource in Canada Beef's abilities to connect and collaborate with clients in a meaningful way. Top-notch chefs, butchers, home economists and industry professionals use the centre to develop technical and training resources working directly with industry partners.

In its first three years of operation, the Centre has hosted over 480 domestic and international companies in business development programming; hosted 142 domestic and international missions; featured



CCA Executive Vice President Dennis Laycraft was in Tokyo, Japan



four media/influencer events for Canada's 150 celebrations including TV broadcasts from the centre with outreach estimated at 4.8 million consumers; and helped generate more than \$480 million in new Canadian beef business.

Export Market Development

Canada Beef's work in export markets such as: Mexico/Caribbean/Central America; Japan; China/Hong Kong; South Korea; Taiwan; Vietnam; Philippines; Singapore; the Middle East and European Union is creating opportunities for the Canadian beef industry to realize greater value for the carcass than what could be realized in the domestic market alone. Besides 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, contributing well over \$600 per head in additional carcass value.

The Latin America market hub supported various marketing and promotional programs as well as social media marketing in collaboration with leading export partners and 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, and cooperative programs with Canadian Embassies, Consulates and Trade Commissioners, Canada Beef is

creating brand awareness and positioning our high-end product in the minds of consumers and key influencers.

Asian market hubs successfully utilized the Canadian Beef Branding Series to drive education, understanding and loyalty to the Canadian Beef Brand. They also 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 and competitions building a Canadian Beef community in the social media platforms and brand media campaigns, and cooperative programs with Canadian Embassies, Consulates and Trade Commissioners. The marketing initiatives successfully brought the Canadian Beef Advantage to end users as a real-life experience through cutting/cooking demonstrations and beef tasting - giving them an emotional connection to the brand and creating on going conversations between end users.

Impact of Check-off Investment and Import Levy Investment

A study evaluating the economic benefits from the Canadian Beef Cattle Check-Off was completed in 2016 indicating that every dollar of check-off investment into domestic and international promotion, market development and research brought back a benefit of \$14 per head to producers – a benefit cost ratio (BCR) of 14:1. In 2018, the study was updated



CCA had the opportunity to outline the beef industry's role in growing Canada's agri-food exports and discuss key industry issues and priorities with AAFIC Minister Lawrence MacAulay in Calgary, AB during his Growing Canadian Agriculture Tour. Photo credit: CCA.

and showed that the BCR had increased by 29 per cent to 18:1. The updated study also looked at the benefit to the industry of the Import Levy – a \$1 per head equivalent levy collected on beef imports into Canada used for domestic marketing. The updated study showed the combined BCR from the check-off and import levy is 25:1 or a \$25 benefit for the beef industry.

Respectfully submitted,

Ron Glaser
Vice President, Corporate Affairs, Canada Beef

For more information, please visit the Canada Beef website at www.canadabeef.ca



Canadian beef was among the Canadian agricultural products promoted by AAFIC Minister MacAulay, during numerous trade missions to China to discuss ways of strengthening agricultural trade between the two countries. CCA leadership participated in a number of the missions along with Canada Beef. Photo credit: submitted.



Canadian Beef Breeds Council

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

This year we hosted the second annual CBBC Technical Forum at the Canadian Beef Industry Conference in London, ON. The forum was designed to stimulate a scientific discussion on genetic improvement and feature a selection of industry leaders and academics. It is our intention to host the Technical Forum on an annual basis at CBIC as it moves to select locations across Canada. We are proud to be a founding partner in the CBIC and look forward to developing it into the most important industry event as we move back to Calgary in 2019.

A focus on growing our international markets

International markets are essential to long term profitability in the seedstock sector and the beef industry in general. As such CBBC and its members will continue to develop new opportunities and markets around the world. The development of a comprehensive international market development plan for the Canadian seedstock sector is ongoing and has been submitted to the Canadian Agricultural

Partnership- AgriMarketing program for funding. This plan includes activities of breed associations, service providers, livestock exhibitions, as well as livestock genetic exporters. These activities are designed to capitalize on new trade agreements, industry advocacy efforts and will target increasing exports. The importing and exporting of genetics are an important aspect of building a strong and sustainable beef industry as it allows Canadian producers to select better cattle and increase on-farm profits.

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 looks to the purebred sector to deliver results as any true genetic improvement

will start with its seedstock. A primary goal of CBBC in 2018 was the implementation of the Canadian Beef Improvement Network (CBIN). This is still underway with the support of industry organizations who have identified the value that genetics bring to our industry, but there is still a substantial amount of work ahead of us.

This network will include breed associations, academia, beef industry groups, service providers and government with the objective of improving our genetics in order to continue leading the world in high quality, sustainable beef production. The CBIN will link data networks and provide analysis tools for commercial and seedstock breeders. It will also provide an access point for key research projects that will have profound benefits for years to come.

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 seedstock and commercial cow-calf producers. The purebred industry needs to ensure that its pedigree and performance data is accurate, and that we incorporate new scientific processes into our evaluation systems. This is a significant part of our image or 'brand' and is why the majority of bulls used in commercial operations are registered with a Canadian breed association. The CBBC will work to ensure that we have a strong domestic market through collaborative efforts with government agencies, breed associations and other stakeholders in the beef cattle industry.

A focus on collaboration

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

Regards,

Michael Latimer
CBBC Executive Director



CBBC Board of Directors and Staff 2018-2019

(Left to Right): Rob Smith, Stephen Scott, Reed Rigney, Jay Cross, Bruce Holmquist, Myles Immerkar, Michael Latimer, Doris Rempel, Garner Deobald, Tessa Verbeek, Roger Peters (President), Mel Reekie, Dave Sibbald, (Missing: Rod Remin)



Canadian Beef Check-Off Agency



The Canadian Beef Check-Off Agency (the Agency) manages and administers the Canadian Beef Cattle Check-Off, which is collected on each head of cattle sold in Canada.

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

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. We are responsible for governance, communicating the value of the check-off investment, as well as training and education of producers and funding partners, regulatory management, collection and administration of check-off dollars.

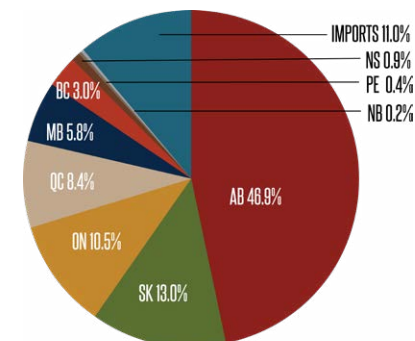
The Agency's last fiscal year ended March 31, 2018 with the Canadian Beef Cattle Check-Off revenue totalling \$7,701,203 on cattle marketed. This income was received at \$1 per marketed head in most provinces, except Nova Scotia, New Brunswick and Prince Edward Island, who collected \$2.50 per head for at least part of the 2017/18 fiscal year.

Since then, British Columbia, Alberta, Saskatchewan, Manitoba and Quebec have also come online with a national check-off increase to \$2.50, and the Agency continues to work closely with the provincial organizations to facilitate the increase from a grassroots level.

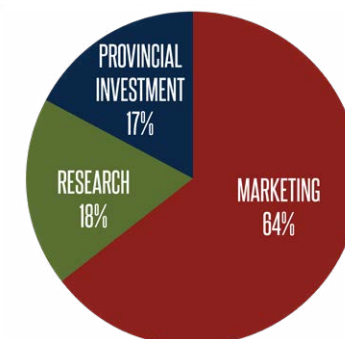
Of the total check-off funds collected on cattle marketings in the last fiscal year, 64 per cent was allocated to market development and promotion, 18 per cent to research and 17 per cent was retained by the provincial cattle organizations for regional marketing and research programs. Issues management, recently renamed Public and Stakeholder Engagement, continued as a pilot program last year under the Agency, for a total of \$95,239.

The Import Levy on beef and beef products imported into Canada was also collected at a rate of \$1 per head equivalent, for a total of \$947,730. These funds, net administration, are allocated to Canada Beef for the sole purpose of generic beef marketing such as nutrition marketing, recipe development and culinary skills education.

A 2018 report showed that on average from 2014/15 to 2016/17, every dollar invested from the import levy resulted in a benefit cost ratio (BCR) of 6.42:1 or a \$6 of benefit. In addition, domestic generic beef marketing activities funded by the import levy are currently providing a higher BCR than the average marketing and research activities. The average BCR for the import levy grew from



2017-18 TOTAL REVENUE



2017-18 CHECK-OFF ALLOCATIONS

2.34 in 2014/15 to 9.92 in 2016/17. This implies that despite positive benefits, under-investment continues for the industry.

Last year \$600,611 was retained for the administration of the check-off, the Agency and the Board of Directors. The Agency continued its focus on transparent administration of the check-off, communication and updating



the agreements with our provincial cattle association partners. Collection and service agreements were updated with all provinces, which modernized language of the agreements to better align with each organization's current structure.

A focus on maintaining transparent and separate finances from Canada Beef was also a strong priority, with the Agency beginning to move towards a completely independent finances and accounts to conduct all levy and administration transactions through.

We spent much of the year continuing to develop and refine a strengthened set of by-laws, which encourage a structure more aligned with the needs of the provincial cattle associations. The amendments have been

driven by a desire for a more transparent separation of governance of the Agency's administration and marketing programs.

With the amended by-laws enabling a more robust Marketing Committee to oversee the strategies, business plans and operations of Canada Beef, the Agency continues to move towards the distinct governance that the funders have been seeking.

It was through the provincial funders that we were able to reach out across the country to ensure each province was getting the support and dedication to check-off administration that was needed. The Agency had the privilege to be invited to four provincial annual meetings, six Check-Off Town Hall meetings and speak to more than 600 producers and industry

stakeholders regarding the investment of Canada's national check-off.

The Agency recently launched its first stand-alone check-off website at cdnbeefcheckoff.ca. The website facilitates communication between producers, provincial and national partners and the Agency, and aims to answer some of the most frequent check-off questions and ensure that stakeholders have a place to access frequently updated information regularly on how check-off is being invested. The latest news section is dedicated to sharing up to date information on strategies, programs and activities that are supported by check-off dollars.

Many producers will still have questions about the recent Canadian Beef Cattle

Check-Off increase that took place in most provinces, as well as 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 collects and remits the check-off, and how your province plans to allocate the check-off between research, market development and promotion, and public and stakeholder engagement.

We also encourage you to visit cdnbeefcheckoff.ca regularly for the latest check-off stories, and to sign up for our monthly newsletter, The Gatepost. Through these channels, our social media presence @cdnbeefcheckoff and through our provincial and national partners, the Agency will continue to provide measurement and report on progress so the return on investment for the Canadian Beef Cattle Check-Off will be clear to producers across Canada.

Respectfully submitted,

Heinz Reimer
Chair
Canadian Beef Check-Off Agency



Canadian Cattle Identification Agency

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

The Board of Directors welcomed several new directors in 2018. The leadership positions remained unchanged with Mark Elford (Saskatchewan Stock Growers) as Chair and Pat Hayes (Canadian Cattlemen's Association (CCA) as Vice-Chair, but the Executive Committee now includes Lyle Miller (Alberta Feeders' Association) and Howard Bekkering (Alberta Beef Producers) while Doug Sawyer (CCA) returned for a third year.

The Board welcomes new representation from:

- Canadian Veterinary Medical Association; Dr. Oliver Schunicht
- Canadian Meat Council; Kim O'Neil (also represented by returning director Dan Gillis)
- Livestock Markets Association of Canada; Ken Perlich
- Canadian Sheep Federation; Corlena Patterson
- Canadian Bison Association; Dean Andres
- Dairy Farmers of Canada; Gert Schrijver
- Beef Farmers of Ontario; Kim Sytsma
- British Columbia Cattlemen's Association; Duncan Barnett - Les Producteurs de bovins du Québec; Sylvain Bourque.

Returning directors include Reg Schellenberg (CCA), James MacLean (Canadian Livestock

Dealers Association), Larry Gerelus (Manitoba Beef Producers) and Ivan Johnson (Maritime Beef Council).

In September, the CCIA Board revamped the strategic plan created in 2015, to better reflect the current situation and prepare for the future of CCIA as one of three responsible administrators in Canada.

With Canadian Agri-Traceability Services (CATS) winding down, their assets were divided up between CCIA and Agri-Traçabilité Québec (ATQ), the responsible administrator in Quebec. Data centre hardware was received in August and installed to add to the already existing Canadian Livestock Tracking System (CLTS) equipment.

CCIA's Communications department was restructured mid-year for a greater outreach. Under Patt Evans' coordination, the team now includes a Business Content Writer; Tanner Holthe, and three field staff; Jenn Taplin, Jody Scheirlinck and Lisa Pawlick. The department continues to be supported by Zonita Salazar who has been in her administrative role since 2015. The Communications Team proudly launched the new restored CCIA website in September, alongside a much stronger social media presence and a new approach to print advertising.


Several Canadian livestock events included CCIA as speakers, workshop instructors or within tradeshow settings. We always embrace the opportunity to inform regulated parties

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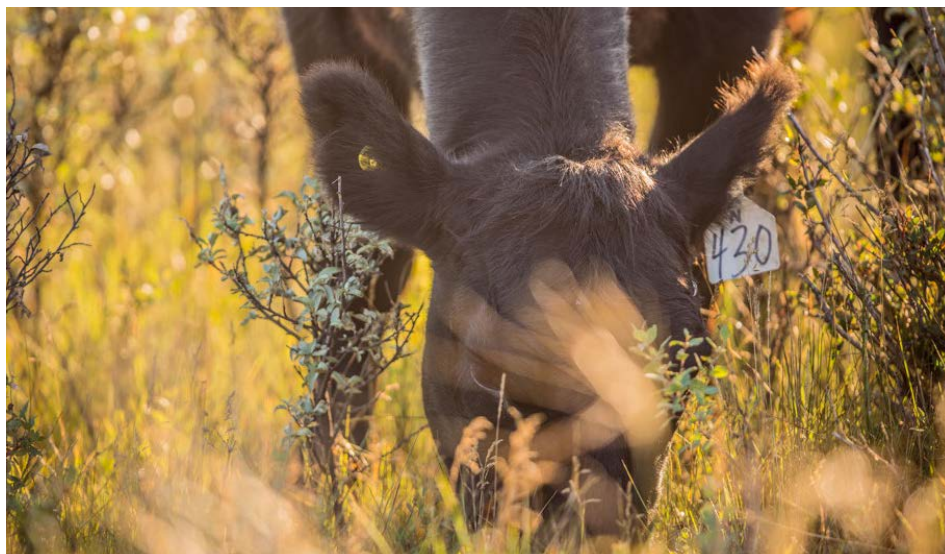
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on how to prepare for proposed regulatory amendments, how to use the CLTS and best traceability practices. Our American neighbours also turned to CCIA's experience to learn more about the implementation of an animal identification program and the mandate of a responsible administrator in Canada. Lastly,

our General Manager, Anne Brunet-Burgess was honored to speak at the Technical Beef Symposium in Beijing, China as well as the Cross-Border Livestock Health committee during the Pacific North West Economic Region Summit.





The Tag Retention II followed up on the successful national field trial that was concluded in 2016. While the trial results were generally good over all with regards to retention and readability of the devices, complaints continued to be received by CCIA about poor retention, particularly with regard to deterioration of the male stud portion of the tag.

Phase II investigated the premature failure of the plastic in the male back using accelerated aging of the plastic. Testing was conducted at a certified material testing laboratory. Samples from each brand were subjected to 2,500 hours of UV light in an environmental chamber. At prescribed intervals, samples were removed from the chamber and the strength of the tag

was tested using a tensile strength apparatus. At the conclusion of the testing, UV was ruled out as a factor in the premature aging and material failure of the male backs. Further testing is required, moving the project into Phase III.

CCIA's operations and supplementary activities such as Research and Development projects are funded through the sales of animal indicators (tags). Sales achieved directly from the webstores generate a more favorable margin, while allowing for retail price equality across the country, improved data integrity and the accessibility to all five brands. To date, direct to-producers tag sales represent five per cent of the total sales in spite of aggressive print advertising in most cattle publications

over the last two years. In the last quarter of 2018, CCIA took a different approach to promote the webstore by launching a digital campaign directing cyber traffic to the store landing page.

In July, the Canadian Food Inspection Agency (CFIA) announced that the anticipated date for the publication of draft regulations pertaining to livestock traceability in Part I of the Canada Gazette had been revised to spring 2019 from fall 2018. However, the preparation measures did not slow down at CCIA.

We continued urging regulated parties to obtain a Premises Identification (PID) from their respective provincial government and to follow with the additional step of updating their CLTS account to include their PID number. Aside from the many CLTS database enhancements and CLTS MOBO —the mobile phone application used to capture regulated data in a user-friendly, species specific fashion— CCIA's preparedness also comprised Client Support Services.

These services are currently delivered by six agents, half of them fluent in French. The department has been reviewed for service quality, staff performance, phone system and procedures. The audit report also suggested ways to efficiently expand the services when the need arises.

CCIA reinforced its long-standing relationships with the Canadian Bison Association and the Canadian Sheep Federation with the signing

of updated long-term agreements for both bison and sheep. CCIA has been selected as the Responsible Administrator for cervid and goats, and agreements have been signed with Canadian National Goat Federation and Canadian Cervid Alliance in anticipation of new regulations coming into effect. CCIA has also spent considerable time transforming its existing relationship with the Canadian dairy sector as the sector's proposal to have the Canadian Dairy Network become the responsible administrator and database service provider, was retained by CFIA.

Numerous discussions took place over 2018 to define a statement of work for dairy producers' regulatory and voluntary data to be transferred from CLTS to a new dairy database named DairyTrace, once complete. The on-going flow of both beef and dairy livestock data captured at intermediate or terminal sites is under review with the common goal of reporting in the least disruptive manner for regulated parties.

For more information, please visit the CCIA website at www.canadaid.com

Respectfully submitted,

Anne Brunet-Burgess
General Manager, CCIA



Public and Stakeholder Engagement

PUBLIC AND STAKEHOLDER ENGAGEMENT PROGRAM

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

This fall marks the first year of a fully funded Public and Stakeholder Engagement Program (PSE) through the increased Canadian Beef Cattle Check-Off. Collection began April 1, 2018 and today, most provinces have allocated between three and six per cent of their national check-off dollars to the PSE Program, which will provide an annual budget of approximately \$500,000 to \$600,000. In addition to this change, the team has developed a collaborative agreement with Canada Beef that formalizes our strong working relationship on addressing public and consumer questions or misperceptions.



While many of the public trust issues we work on are production related (i.e. consumers asking questions about how we raise cattle), product-centric issues such as food safety and nutrition also need to be addressed.

As part of this agreement, a 25 per cent portion of the PSE budget will be allocated to Canada Beef to help address public trust issues, in collaboration with the PSE Manager and team. The core of the program will continue to be administered through the Canadian Cattlemen's Association (CCA) and the PSE Manager will continue to report to both CCA Senior Management and the Canadian Beef Advisors.

Jill Harvie was selected as the new PSE Manager and assumed the role from Tom Lynch-Staunton as he transitioned to a full-time government relations role with Alberta Beef Producers (ABP), effective September 1, 2018. Stina Nagel continues to work for the PSE program as the Stakeholder Engagement Advisor and has transitioned from being a direct employee of CCA to being fully funded through the PSE program.

Three areas of focus as we move the PSE program from pilot mode to establishment have been building a proposed structure, 2019-2020 budgeting and connecting with stakeholder groups. A PSE program structure proposal was presented the Canadian Beef Advisors in draft form mid-December, for further discussion at the next face-to-face meeting January 2019. This proposal identified gaps observed in the pilot and recommended a path forward. The budgeting process for 2019-2020 is also well underway. One area of investment that is being evaluated is a tool that will aid trained Beef Advocacy Canada (BAC) spokespeople in sharing common messages on



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social media across the nation in a proficient and professional manner.

At the beginning of November, the national communications managers met for a call with updates on the Canadian Agricultural Adaptation Program (CAAP) project, current issues, and devise a plan to address the upcoming UN report on climate change. Lastly,

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we have been aiding Canada Beef and the Producteurs de Bovins du Québec (FPBQ) with several labelling concerns with positive progress.

During the late fall, the Canadian beef industry, led by PSE, became a member of the Canadian Centre for Food Integrity (CCFI). This membership will allow for greater access to public facing research, advocacy tools and training.

We have spent a considerable amount of time monitoring and responding to media on the following issues over the last two months: plant-based proteins and other meat alternatives, climate change, and Canada's Food Guide, including addressing concerns about beef nutrition and environmental impact.

A productive meeting took place with the Royal Ontario Museum (ROM) during Canadian Beef Industry Conference and follow up continues, including the proposal of a video next summer which will be included in the 2019-2020 budget.

Progress is underway on the Agriculture and Agri-Food Canada (AAFC) for our CAAP project with Canada Beef. The intention of the \$184,000 project is to provide our industry with customizable tools and information to address consumer questions as quickly and as cost effectively as possible. As part of this framework, social media training modules will be live on the Beef Advocacy Canada (BAC) website in December 2018.

A best practices social media communications plan and a consumer communications tool kit for provincial organizations is currently being shipped to 30 communications managers across the country. Lastly, a booklet called "Where Does Canadian Beef Come From?" has been developed with stakeholder input. The booklet is being co-branded for the various associations / groups and available for download on the Canada Beef Resources Library.

Beef Advocacy Canada

BAC is excited to add to our suite of advocacy resources with three new online training modules aimed at social media literacy. The three modules will be arranged in increasing difficulty, with information for both the new social media user and the social aficionado trying to expand their reach. Users will be expected to graduate from the first two BAC courses before moving on to the social media modules. Funded through contributions matched by the CAAP program, the modules (like the existing BAC courses) will be online based and free to use. The BAC Twitter (@beefadvocacy) and Facebook pages shared messages related to the launch, including a launch video on December 13. Please visit beefadvocacy.ca to check out our current course offering.

Activities

With the new industry membership in CCFI, Harvie co-hosted the Public Trust Summit

banquet with Farm Credit Canada's Marty Seymour on November 13th. The day prior to the Public Trust Summit, Harvie and Nagel attended the Public Trust Steering Committee, the multi-sector initiative developed to address public trust across agriculture, held in conjunction with the Public Trust Summit. The PSE program also presented at the Beef Value Chain Roundtable and the ABP Annual General Meeting. Heading into the new year, the Young Cattlemen's Council have been asked to present at the Saskatchewan Young Ag Entrepreneurs Conference on BAC.

Later in January, an intensive media training session with Cohn & Wolfe is set to take place. Moving into February, during Canada's Agriculture Day celebrations in Ottawa, Harvie will moderate a fireside chat, The future of proteins, with Sonya Roberts of Cargill on the company's investment in meat alternatives.

On behalf of the PSE team, we would like to thank the Canadian Beef Check-Off Agency for their support and guidance as we work towards building an effective PSE program. With the increase in funding to the program over the coming months, the team will be able to invest in more initiatives and projects that will help build public trust across Canada.

Respectfully submitted,

Jill Harvie
Public and Stakeholder Engagement Manager
Canadian Cattlemen's Association

Cattlemen's Young Leaders

Cattlemen's Young Leaders (CYL) is the flagship mentorship program of the Canadian Cattlemen's Association (CCA) designed to develop future leaders in Canada's beef industry. Each year, beef enthusiasts between the ages of 18 to 35 are given the opportunity to apply to the program which has graduated more than 100 young leaders since being established in 2010.

The year 2018 provided several opportunities for CYL's and CYL alumni alike. As always, participants took part in annual trips, including the National Western Stock Show in Denver, CO.; CYL Spring Forum in Saskatoon, SK; Canadian Beef Industry Conference in London, ON, International Beef Alliance (IBA) in Calgary, AB and more. CYL also sent one graduate of the program to the Global Roundtable for Sustainable Beef (GRSB) conference in Kilkenny, Ireland

On the trip to Denver, the group of five CYL's toured multiple stops, including JBS Greely, Leechman's Cattle of Colorado, the University of Colorado Test Farm and more. They had the opportunity to engage with National Cattlemen's Beef Association (NCBA) leadership, including now Past President, Craig Uden. The event also included a Canada/U.S. Barn Tour in the Denver Stock Yards at the National Western Stock Show.

A new trip offered to the group in 2018 was the World Braford and Brangus Congresses in Houston, TX. Two CYL's took in the event,

touring Brangus operations in Houston, San Antonio, and Fort Worth. CYL's gained a new perspective on global beef production, by engaging with producers from around the world attending the congress. They also caught a glimpse into the world of Bos Indicus cattle (draft breeds like Brahma, Cebu) used for beef production in arid regions in the U.S. and Australia, which differ from Canada's Bos Taurus beef.

The CYL Spring Forum also took a bit of a different form in 2018. In addition to the usual business training and industry tours, the spring forum also included live cattle handling and product use workshops. Stockmanship guru Curt Pate joined the group and shared his expertise on cattle handling, while CYL Foundation Sponsors, UFA and Zoetis, provided product training on antibiotics, vaccines and implants. The group learned a great deal about the industry from multiple perspectives, while having the opportunity to engage with program sponsors.

Carley Henniger was the CYL representative to the IBA for 2018. The IBA conference took place in Canada and Henniger was an excellent representative for the program, and for young producers across Canada. She was joined by the Young Cattlemen's Council (YCC) representative, Andrea Haywood Farmer.

CYL Ben Wilson represented young producers from Canada at the GRSB in Ireland in 2018. CCA Executive Vice President, Dennis Laycraft





had challenged the other countries to bring a young representative to the event and Canada was happy to oblige. The trip provided an opportunity for Wilson to learn more about global production practices, sustainability initiatives and the challenges the beef industry faces on a global scale.

In 2018, CYL submitted an application to the Canadian Agricultural Partnership. The application outlined a post secondary based succession planning school that will bring together industry stakeholders and partners. The program is intended to create succession planning success stories to empower young

producers to take succession planning into their own hands. As of December, 2018, the application is still in review.

Multiple CYL's were also in attendance at the CCA annual general meeting in Ottawa. Prior to the meeting, CYL's Henniger joined the YCC on its first official Lobbying Fly-In. She had the opportunity to meet with multiple MP's to discuss important issues facing Canadian cattle producers.

The youthful perspective was extremely well received by MP's from all parties, and the experience for the group was educational and inspiring.

In August, the CYL program announced its' 15 selected mentees and mentors for the 2018 program year.

The mentees and mentors are as follows:

- Melissa Downing (Kim McConnell),
- Raina Syrnyk (Farrah Williams),
- Allana Minchau (Cherie Copithorne-Barnes),
- Annessa Good (Dr. Jude Capper),
- Tyler Fewings (Scott Dickson),
- Megan Clifton (Rick Porter),
- Travis Page (Dr. Holt Tripp)
- Melissa Van Sickle (Dr. John Crowley),
- Bree Patterson (Sandy Russell),
- Amy Higgins (Kerry Wright),
- Dean Sentes (Doug and Judy Finseth),
- Leonard Retzlaff (George Graham),
- Jacqueline Toews (Aaron Grant),
- Jessica Giles (Dianne Finstad)
- Jordan Dahmer (Tom Teichroeb).

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

The CYL program looks forward to expanding the program and creating more young leaders for the Canadian beef industry. With a focus on youth development and engagement, CYL continues to work alongside industry partners and stakeholders to build a strong foundation of future beef producers.

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), aimed at youth leadership, governance training and industry advocacy. YCC provides young producers with the opportunity to engage with the leadership of CCA and learn the inner workings of the organization.

The year 2018 provided many successful ventures for the YCC. Lead by President, Shane Klepak (SK), and Vice President, Julien Collette (Maritimes), the board was made up of provincial representatives, Andrea Haywood-Farmer (BC), Kolton Kasur (AB), Dean Sentes (SK), Brett McRae (MB) Heather Hargrave (ON), and members at large Ben Campbell (AB), and Ryan Scorgie (BC).

YCC representative McRae joined a group from the Cattlemen's Young Leaders (CYL) program on its annual trip to the National Western Stock Show and the National Cattlemen's Beef Association (NCBA) Young Leader Roundtable in Denver CO. The event provided the representatives opportunity to network with young producers from the U.S. and NCBA leadership, all while touring the agriculture industry in Colorado. NCBA then President Craig Uden, was among the leadership and McRae welcomed the opportunity to engage with and learn from him.

YCC also undertook a large project this year of surveying their membership on what is truly important to young producers. A month-long

survey received 217 responses from young producers across the country. Compiled results are available in a report format upon request. The board intends to take these results and use the information to better voice the needs and concerns of young beef producers across Canada when representing them at the CCA table.

YCC delegates Hargrave and Haywood-Farmer, who were joined by CYL Carley Henniger, participated in YCC's first ever fly in to meet with Members of Parliament (MPs) in Ottawa. Hargrave and Haywood-Farmer did an outstanding job conveying the concerns of established producers and new entrants to MPs from all parties. Their perspectives were

well received by the MPs and their staff.

YCC's annual general meeting (AGM) again took place at the Canadian Beef Industry Conference, this time in London, ON. Elections for two member-at-large positions were held: Ricky Seelhof (BC) and Cody Krenz (MB) were elected to replace Shane Klepak (SK) and Ryan Scorgie (BC). New provincial representatives also stepped into their new roles during the AGM. Kayla Weston (AB), Stefan Bouw (MB) and Geoffrey Larkin (Maritimes) were all welcomed to the Council.

The AGM featured an excellent and timely presentation on the importance of succession planning from Darrel Wade. He shared his experience of going through the process with his family's farm and how he uses that experience today in his career as a succession and financial planner. This presentation was sponsored by the Beef Farmers of Ontario and received positive reviews from the meeting's attendees.

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.



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British Columbia Cattlemen's Association



British Columbia Cattlemen's Association (BCCA) continues to work on a number of issues such as forage supply, wildfires, water, and agriculture waste regulation to name a few of the ongoing topics. A couple of new items have arisen over the past year.

Bovine Tuberculosis

The most recent case of bovine tuberculosis (bTB) has been traced back to a ranch in B.C. In November, a mature cow tested positive for bTB following a routine inspection at a federal packing plant in Alberta, the carcass was condemned, and further testing was initiated. This is the first case in B.C. since 2011. Tracing activities are underway on the index herd to identify animal movements including animals that may have had direct contact with the index herd, and those that have entered or left

the farm. As many in the industry know too well, the investigation is slow but necessary nonetheless to ensure the health of all cattle in B.C. and Canada. We are doing everything within our abilities to support the producers affected.

Agricultural Land Commission

The Agricultural Land Commission (ALC) has been a key aspect of the agricultural landscape in B.C. since the 1970s. Under Honourable Lana Popham, B.C. Minister of Agriculture, the Province embarked on an initiative to revitalize the ALC and the Agricultural Land Reserve (ALR). This fall, the Province passed Bill 52, the Agricultural Land Commission Amendment Act, primarily focussed on restricting mega-mansions and land speculation, curbing the dumping of construction waste, and

returning to one zone for all B.C. ALR land. BCCA doesn't believe that these changes will have large impacts to B.C.'s ranching community; however, BCCA recently met with the Agricultural Land Commissioners to bring attention to Crown ALR lands and their importance for the long-term viability of the livestock sector. The meeting was positive, and the Commission was receptive to the ideas BCCA put forward. The next phase of changes will focus on the ALC's governance and decision-making and are expected in early 2019.

United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)

The Province made clear their intention to implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and released their 10 draft principles for doing so in May 2018. However, it remains unclear how this will be carried out, and what it will mean for ranchers as private landowners and Crown land tenure holders. BCCA wants to see the provincial government provide clear direction on using UNDRIP to ensure there is consistency of implementation across the province. BCCA is also seeking clarity on how government plans to use UNDRIP and what implications it will have for ranchers.

Court case: Douglas Lake v. Nicola Valley Fish and Game Club

BCCA has also been following the court case of Douglas Lake v. Nicola Valley Fish and

Game Club for several years. In December, the Supreme Court of British Columbia ruled in favour of the Fish and Game Club. Part of BCCA's concerns are a result of the evidence used in the case. As private landowners, many of whom have landlocked lakes, the replacement of the surveyed Crown Grant map is a serious concern to ranchers. In our view Hon. Justice Groves' decision to replace the map gravely impacts deeded landowners' property rights and has the potential to be used as precedents in future court decisions. BCCA is exploring the effects the case may have on private landowners. BCCA has until January 7, 2019 to file for intervenor status in the appeal case.

BC Beef Packing Plant

After receiving funding from the Province to continue exploring the opportunity to build a federally inspected beef packing plant in B.C., an advisory committee of industry stakeholders was formed to look at the pros and cons of the project. Over the last few months, the advisory committee has held producer engagement sessions across the province to gather feedback on moving the 500 head per week plant forward. Discussion at the sessions has included seasonality and cattle supply, labour force and location of the plant. Since producers have expressed interest in investing in the plant, but do not have the ability to be the final producer, options for creating partnerships are being explored. Overall, the meetings were positive and there is a great deal of



interest from producers in getting involved in this opportunity. Steering committee members heard what producers had to say and will be including that feedback in their ongoing consideration as the plant discussion continues. Regular updates can be found on the B.C. Packing Plant website:

www.bcbeefpackingplant.ca

Wildfires 2018

Parts of B.C. were hit with severe wildfires putting many producers on evacuation alerts and orders again this summer. While good progress was made the previous summer when access permits allowed ranchers back into evacuation areas to complete essential tasks like haying, this summer ranchers faced renewed frustrations when permits were not available. Another area of frustration was how evacuation alerts and orders were issued and how the rules around those trigger different responses. BCCA has requested government to look into solutions. As these wildfire events become a more regular occurrence producers are seeking more information like, do I have to leave my ranch under an evacuation order, what happens if I choose not to leave and what best practices can I implement on my ranch to reduce wildfire risk? BCCA is developing additional information and resource materials (ie. Q&A document) to be available to all ranchers next spring in advance of the wildfire season. Once again, AgriRecovery is available for ranchers impacted by fires. The 2018 Canada-British Columbia Wildfires

Recovery Initiative will provide \$5 million to assist ranchers and farmers to recover from the 2018 wildfires. The hard work put into the 2017 AgriRecovery package carried over resulting in similar program coverage for 2018 as in 2017. After the fires are out, issues such as rehabilitating fireguards, reseeding burned areas and taking a fulsome look at forest management need to be addressed.

Water

There are many moving parts to the B.C. Government's regulations supporting the Water Sustainability Act which came into force in 2016. First, groundwater licensing (a new requirement for B.C.) has been underway since 2016 and the deadline for existing groundwater users to apply is fast approaching (March 1, 2019). The application process has not been without challenges but BCCA has continued to carry the message to our members that licensing is mandatory and should help protect our use of water.

Second, the Livestock Water Regulation proposal is under review by the ministry's legal advisors. BCCA has asked for an exemption on licences for livestock watering, including dugouts, and to continue to allow direct access by livestock to a water source. Until recently, we were confident that the regulation would include both of these recommendations. Additionally, it is unlikely that the Livestock Water Regulation will pass before the March 1, 2019 deadline for groundwater applications leaving producers in a difficult, and confusing,

position of meeting the upcoming deadline while lacking clarity on livestock water use.

BCCA continues to meet with the Province to find solutions and seek clarity for producers moving forward.

Beef Code of Practice

Similar to the dairy cattle code of practice, B.C.'s Ministry of Agriculture plans to enshrine the Code of Practice for the Care and Handling of Beef Cattle, along with 11 other codes of practice developed through the National Farm Animal Care Council, in regulation. It is our understanding that enshrining means to preserve a right in a form that ensures it will be protected and respected. By enshrining the code, the practices outlined in the code would serve as reasonable and generally accepted

practices of animal management. Producers following the codes would be able to use them as a defence from prosecution of animal distress. Over the past six months, BCCA has met with ministry staff to provide input into the process and the Ministry continues to seek feedback from industry. The timeline for enshrining the regulation is this winter/spring.

This report highlights some of the on-going and new challenges that have been the focus of BCCA's work over the past year. In closing, BCCA appreciates the hard work of all the CCA Directors and staff. We would like to thank our B.C. CCA Directors Grant Huffman and Brian McKersie for their commitment to the industry.

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



Alberta Beef Producers



Fall is always an extremely busy time of year for people in the agriculture industry. Farmer and ranchers are harvesting grain, bringing cattle home from summer pastures, weaning calves, and placing cattle in feedlots. At Alberta Beef Producers (ABP), fall is the time when we hold our producer meetings around the province to elect delegates, let producers know about the work that ABP is doing on their behalf, and hear the concerns of grass roots producers. These meetings start the process of setting priorities and establishing the direction for the organization that culminates in our Annual General Meeting (AGM) at the beginning of December.

We hold our fall meetings at the end of October and beginning of November with the

idea of trying to catch the opportune time between the end of harvest and the onset of winter weather. For the past few years, we have not been successful in finding this “right” time and this year, our fall meetings started during a period of reasonable harvest weather that followed six weeks of horrible weather when almost no combine wheels in the province turned. This situation hurt the attendance at our meetings, but we certainly understand that producers will put their priority on finishing harvest or weaning calves when they see winter on the near horizon.

Despite the weather working against us, we actually had a small increase in the attendance at ABPs fall meetings. However, we were hoping for a much larger increase in attendance

because the meetings were an opportunity for producers to make a decision on the future of their industry and the future funding of their organization by voting in a plebiscite on the ABP service charge funding model. For the nine years since the Alberta government imposed a refundable service charge on ABP, we have heard producers asking for a return to a non-refundable service charge and directing ABP to pursue this change. After the current government made legislative amendments in 2017 and the Alberta Cattle Feeders' Association (ACFA) agreed this year to support a non-refundable service charge, ABP and ACFA were able to approach the government and request this plebiscite.

A very important part of our discussions with the ACFA about a non-refundable service charge was the proposed allocation of the \$2.2 to \$2.5 million per year that is currently being refunded. We had agreed to contribute \$0.40 per marketing, close to \$1.4 million per year, to the Alberta Beef Industry Development Fund (ABIDF) and to allocate \$0.25 per marketing to ACFA to cover operational costs and their commitment to the National Cattle Feeders' Association. We were excited about the potential to create the ABIDF which would make strategic investments in research and technology transfer, market development, education, consumer advocacy, and industry collaboration activities. We saw the agreement with ACFA and the creation of the ABIDF fostering a new era of collaboration and cooperation between ABP and ACFA as we

worked together to make the Alberta beef industry more competitive, profitable, and sustainable.

Alberta producers were able to vote in the plebiscite between October 13 and November 27 at the 27 ABP fall meetings, at 46 Agriculture Financial Services Corporation (AFSC) offices around the province, and by mail. Despite intense efforts by ABP, ACFA, and the Alberta Agricultural Products Marketing Council to inform producers about the plebiscite and encourage them to vote, we saw a disappointing lack of interest in the plebiscite process among producers. All of our delegates and directors heard from producers who supported the idea of a non-refundable service charge, but did not vote. There were 1,874 ballots counted after the voting period ended, a number significantly lower than we had hoped to achieve. In a close vote, 51.3 per cent of the producers voted for a refundable service charge, while 48.5 per cent voted for a non-refundable service charge.

The results of the plebiscite created a very disappointing start to ABPs AGM with our objective of returning to a non-refundable service charge being defeated by 54 votes. To the credit of our delegates and directors, they did not spend much time speculating about the plebiscite results, but quickly lifted their heads and looked forward to charting our future course of actions. We want to build on the momentum of the unprecedented agreement with the ACFA and the exciting concept of the ABIDF.





ABP making the rounds during fly-in day in Ottawa

Based on the plebiscite results, particularly the low voter participation, ABP has to acknowledge the lack of engagement among many producers in our organization and in our work. We will need to consider this lack of engagement in our future planning, but we do have engaged producers in our delegate body, on our board, and at our fall meetings. We need to continue the good work that we do under the direction of these engaged producers and accept that many producers who do not appreciate the work will still receive the benefits.

Despite our obvious focus on the plebiscite

and the potential to retain another \$2.2 to \$2.5 million per year in industry funding, it was far from the only issue on which ABP was working this year. While Bill 6, The Enhanced Protection for Farm and Ranch Workers Act, created the most uproar in rural Alberta, it is only one of a number of pieces of labour legislation that have been introduced by the current Alberta government. ABP was a founding member of the AgCoalition, an organization of 29 boards, commission, and associations that work on behalf of more than 97 per cent of the farmers and ranchers in Alberta. Through the AgCoalition and as an

individual organization, ABP has worked hard to ensure that the regulations and standards arising from Bill 6 and other labour legislation do not place too great a financial and physical burden on farmers and ranchers.

On January 1, 2016, waged, non-family farm and ranch workers came under the Occupational Health and Safety (OHS) Act in Alberta and on December 1, 2018, employers and workers needed to comply with the OHS Code in protecting these workers. This year, ABP worked with industry and government representatives to develop OHS guidelines for our industry and technical rules for the OHS code that will apply to farm and ranch workers. We believe that the guidelines and code requirements are reasonable and practical for farmers and ranchers to implement. ABP also joined our partners in the AgCoalition in creating AgSafe Alberta, an industry-led farm and ranch safety association that will coordinate awareness, education, and training programs that will make all farm and ranch workers safer.

This year, ABP also did extensive work trying to enhance producers' access to prescription only antimicrobials and we were pleased to see Calgary Co-op and Federated Co-op begin to feature Alberta Beef in their stores in Calgary and across Alberta. We are continuing our work to protect producers' interests on grazing leases, access to land and water, and wildlife issues. The theme of our 2018 Annual

Report was Charting the Future and the events of 2018 have left us with major decisions regarding our future direction. We know that our delegates, directors, and staff will be committed to finding the best course of travel to make our industry stronger and more profitable.

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

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Saskatchewan Cattlemen's Association

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

Being a strong advocate for the industry with all levels of government, the public and our industry partners is a core focus for our organization when planning our operations for the year.

We are committed to funding a variety of research projects and extension programs to help improve the industry, preserve the environment and help producers adopt the promising practices.

We work to use the as many communication tools as possible to help us connect with consumers and producers to raise awareness about the benefits of beef to a healthy lifestyle, the economy and the environment.



Saskatchewan Cattlemen's Association Fly-in Day in Ottawa.
Photo credit: CCA.

Advocacy

The SCA was successful in working with government to strengthen laws and make improvements to several programs offered through Saskatchewan Crop Insurance. This included making improvements to the Western Livestock Price Insurance Program, raise the amount paid for animals lost to predation, and include fire coverage for forage crops.



SCA advocated for changes to the rules governing livestock income tax deferrals in disaster areas and pushed for new trade agreements to be signed. These are just a few of the ways our "Boots on the Hill" visits to Ottawa help producers.

Working with politicians, industry stakeholders and the public to help develop the cattle industry is a top priority for the SCA.

Saskatchewan Premier Scott Moe and SCA Director Brad Welter discuss some of the issues facing the cattle industry at the SCA MLA reception at the provincial legislature in November. The event is a good way for the board to talk with all politicians to help them gain a better understanding of the beef industry.

Shortly after the meeting the government introduced new legislation to deal with trespassing. This is one of the areas SCA has been working with policy makers to develop a solution that works for producers and the public.

Along with the reception, SCA board members also host Members of Parliament, MLAs and other government officials on tours of their own operations. These meetings are very helpful in building relationships and ensuring the government is aware of SCA positions on the issues.



REPORTS





Members of the SCA board toured the LFCE shortly after the facility opened last year. The SCA continues to fund research projects designed to make vaccines more effective, improve yields for barley, corn and forage crops, the Western Canadian Cow-Calf Survey, dugout management, and feed efficiency for cattle.

Along with the research, the SCA also funds field tours and other extension programs to help producers learn and adopt new technology.

Research

The highlight of the 2018 research year was the opening of the Livestock and Forage Centre of Excellence (LFCE) at the University of Saskatoon. The SCA has contributed \$1 million towards the construction and will continue to fund cutting edge research at the facility. Each year the association invests more than \$500,000 in research projects. The SCA meets with researchers throughout the year, including an event in the spring at the University of Saskatchewan, to discuss the needs and priorities of producers. When funding projects, the board looks for research that will solve producer problems, make the industry more environmentally sustainable and provide economic benefits to the industry and the province.

Communications

At SCA, we like to let people know it's okay to "Make It Beef" and we are continually looking for new ways to reach consumers and producers to promote beef and the cattle industry. This past year we were active in sponsoring dozens of programs and partnerships like Farm and Food Care Saskatchewan, Ag In the Classroom and Agri-Ed.

We also organized several new events focusing on promoting beef to consumers. Our goal is to help consumers understand where to buy and how to use Canadian beef while answering their questions and concerns about beef.

Recently, we had a great turnout for the annual district meetings. During those meetings we provide valuable information as well as give producers a chance to see what we are doing and provide feedback on what is important to them. This year we focused on letting producers know the opportunities that exist under the new Canadian Agricultural Program.

We also sponsor programs like Verified Beef Production Plus, Saskatchewan Forage Council and work with the provincial livestock specialists to help producers know about the latest in the industry.

For more information, please visit the SCA website at www.saskbeef.com

Regina Chef Derris Warren puts the finishing touches on his entry in the finals of the "Ya Gotta Beef With Me Chef's Challenge" at Agribition this year. Six chefs faced off in the cooking competition. Each day they had to develop a menu using different cuts of beef.

Another highlight of the year was "Beef Month in #YQR". This was the first time for both events and both were successful. SCA is hoping to continue to promote and participate in these types of activities



Manitoba Beef Producers



A wide variety of issues and activities dominated the work of Manitoba Beef Producers' (MBP) directors and staff in 2018.

As always water-related matters figured high on the list. Drought conditions proved problematic, causing feed and water shortages. Concerns arose that some producers would be forced to downsize their operations, this at the same time that the Manitoba government has expressed its desire to see the province's beef herd grow to pre-BSE levels. MBP lobbied the federal and provincial governments for initiatives to help affected producers. The federal government identified 80 designated regions in Manitoba where producers could access the Livestock Tax Deferral Provision.

The Manitoba government announced two initiatives. First, in late August it allowed producers to temporarily cut hay and graze animals on Crown land not normally

designated for agricultural use, such as wildlife management areas. MBP believes that being able to graze and hay these lands can be an important strategy during times of feed shortages, as well as deliver conservation benefits. MBP is engaging with the province about how to best utilize these lands in the future for grazing and haying. Second, in mid-September the province announced 50:50 cost-shared beneficial management practices funding through the Ag Action Manitoba Program to assist with the development of wells and dugouts. While some producers expressed a desire for feed or freight assistance, the province has not chosen to go in that direction.

In June, the federal and provincial governments announced \$540 million in funding for flood protection initiatives. MBP has strongly pursued the construction of outlet channels to help draw down water levels on Lake Manitoba

and to allow for better management during flood events. Once complete the channels should help reduce the risk of flooding around Lake Manitoba, an area well utilized for beef production.

Changes to the administration of agricultural Crown land (ACL) continue. Through Bill 35 – The Crown Lands Amendment Act (Improved Management of Community Pastures and Agricultural Crown Lands) fees or rent for leases and permits for ACL can now be calculated in one of four ways: setting out or prescribing the amount of method/formula to determine rent in regulation; having a public tender; having a public auction, or, a combination of the aforementioned methods. This legislation also allows regulations to be made around reserve bids and other terms and conditions that may apply in a public tender or public auction.

MBP supports the auction approach in principle. The previous points-based allocation system was often frustrating for producers, creating confusion and leading to appeals. MBP has stated there should be no minimum prices for ACL as this could interfere with the market forces and artificially raise the price to producers. MBP is engaging with the province about how the auction process will work, as well as on other ACL matters, such as unit transfers, the rental formula for forage leases and permits, and, informed access by people wishing to enter ACL used by cattle producers. MBP's goals is to see the most effective

utilization of ACL to benefit the province's beef industry.

MBP continues to co-chair the Livestock Predation Protection Working Group. It includes representation from Sustainable Development, Manitoba Agriculture, Manitoba Agricultural Services Corporation, Agriculture and Agri-Food Canada, Manitoba Trappers Association and the Manitoba Sheep Association. The group submitted a report to provincial and federal ministers and officials with recommendations related to on-farm responses, building local capacity, improving support frameworks, and enhancing knowledge related to predation management. In October MBP received funding through the Ag Action Manitoba Program toward the design and development of a pilot project to reduce wildlife/livestock conflicts in Manitoba.

Manitoba amended its Wildlife Act to include a general prohibition on night hunting, except in specified situations with respect to aboriginal hunters. Past instances of dangerous hunting at night have placed people and livestock at risk, and damaged property. MBP has asked the province to engage all land users as regulations under these new legislative provisions are envisioned. MBP has sought clarification about when it will be legal to discharge a firearm at night, as from time to time it is necessary to humanely dispatch cattle due to illness, injury or a devastating predator attack.

Effective July 1, the United States Department of Agriculture (USDA) requirement that



breeding cattle and bison from Manitoba had to be tested pre-export for bovine tuberculosis (bTB) was lifted. For many years, producers in the Riding Mountain Eradication Area around Riding Mountain National Park bore a heavy cost in the yearly mustering and surveillance testing of their animals. This USDA decision recognizes the decades of hard work undertaken by MBP, producers, governments and other stakeholders on the bTB issue and is very good news for the cattle sector.

In addition to the producers, MBP has worked with many other stakeholders to address this issue, including: Parks Canada, Manitoba Sustainable Development, Agriculture and Agri-food Canada, Manitoba Agriculture, First Nations and the Manitoba Wildlife Federation. MBP – working with the Canadian Cattlemen's Association (CCA) – is seeking federal funding for ongoing initiatives at the farm level aimed at limiting livestock/wildlife interactions. Provincial government surveillance of hunter-killed wildlife samples to monitor for the presence of the disease will continue.

MBP thanks the CCA for helping to organize its May fly-in to Ottawa, and for its advocacy efforts on files affecting Manitoba such as bTB and funding for flood-related infrastructure, among others. MBP and CCA directors and staff met with Members of Parliament and Senators on topics such as changes to animal transportation rules, movement reporting, front

of package labeling, changes to Canada's Food Guide and trade, among others.

On the communications front, MBP undertook some familiar promotional activities, and pursued some new ones. MBP continued its

sponsorship of the Family of the Game at the Winnipeg Blue Bombers home games. As well, MBP took part in one pre-game tail gate event where passersby were encouraged to take part in a roping activity, as well as to enter the ever popular draw for a beef dinner with two

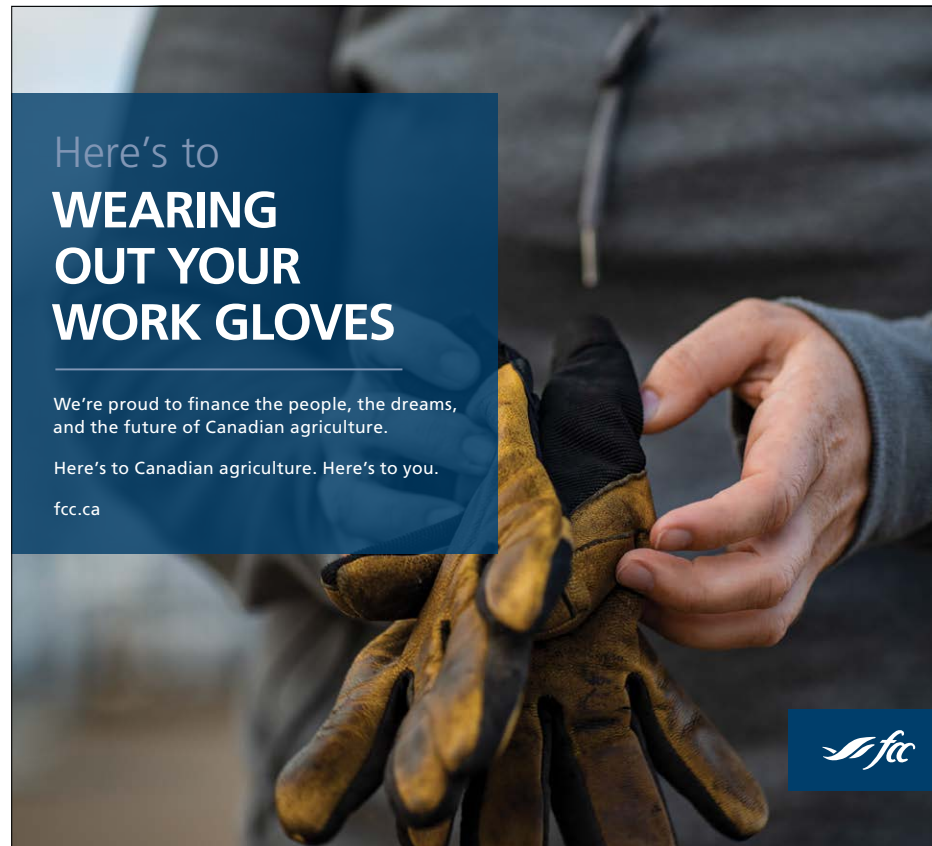
members of the Blue Bombers squad. New this year was a game day promotion held with the Winnipeg Goldeyes baseball team.

MBP continued its longstanding involvement with Great Tastes of Manitoba (GTOM), a local cooking show airing on CTV Winnipeg. MBP's two episodes showcased the quality and versatility of beef. GTOM is also expanding its associated social media presence to get short cooking videos out to an even broader audiences. MBP will be adding a third episode of GTOM for the show's upcoming 30th season.

MBP has sought to link beef with the healthy diets of athletes. To accomplish this, MBP has run a series of radio ads on a local sports talk radio show, under the campaign name "Eat Like an Athlete". These ads have run during Winnipeg Jets and Winnipeg Blue Bomber game broadcasts, as well as with Winnipeg Goldeyes radio broadcasts on another station.

This campaign also included radio ads in Brandon tied to the Brandon Wheat Kings Western Hockey League games, as well as jumbotron ads during intermissions at Wheat Kings games.

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




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Beef Farmers of Ontario

Throughout 2018, market price fluctuations and trade uncertainties coupled with drought conditions in many areas of the province created unrest in the Ontario beef sector.

After a dry summer followed by a wet fall, the agriculture sector in the province was faced with a new set of challenges with high levels of vomitoxin (DON) reported in the Ontario corn crop. On a positive note for our industry, the Ontario Corn Fed Beef program, led by the Ontario Cattle Feeders' Association, continues to see growth particularly in international markets like Japan. The Canadian ratification of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) announced in 2018 presents tremendous opportunity for Canadian and Ontario beef.

The Beef Farmers of Ontario (BFO) is continuing to develop a number of 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 2018:

- Feeder cattle prices in Ontario are below 2017 prices and below the five-year average. Most weight categories are steady to slightly higher than 2016 prices with the exception of cattle 600-800 lbs, which are below 2016.
- Feeder cattle volumes sold through Ontario

auction markets are at the lowest levels reported in the last 18-years (as of July 1, 2018) however, volumes increased considerably in the second half of the year.

- For the first half of the year, rail grade prices in Ontario traded within a \$10 cwt price range, while the second half of the year prices traded within a \$20 cwt price range. Prices remained below the breakeven from April to October and for the remainder of the year prices were at a breakeven.
- Carcass weights have remained steady to 2017, 2016 and 2015 weights.
- Federally inspected processing volumes in Ontario for fed steers are up 2.69%, heifers are up 0.3% and cows are up 15.4% from 2017.

Government Relations

Provincially, Leader of the Progressive Conservative Party, Doug Ford was elected as Ontario's 26th Premier following the 2018 Ontario general election held in June. Later that month, Premier Ford announced his new cabinet, including The Honourable Ernie Hardeman as Minister of Agriculture, Food and Rural Affairs. Since August, BFO directors and staff have met with Minister Hardeman on several occasions and continue to build relationships with all MPPs and cabinet ministers at Queen's Park.

Primarily, BFO requested that the Ontario government expedite the implementation

of their commitment to increase Ontario's investment in the Risk Management Program (RMP). Given trade uncertainties and rising input costs, RMP is more important to Ontario's farmers now than ever before.

Other priorities that BFO has addressed with MPPs are the need for the establishment of perimeter fencing and improved Crown land access to support industry growth in the beef sector, the request to improve Ontario's Wildlife Damage Compensation Program, the need to address changes to the Ontario Feeder Cattle Loan Guarantee Program, and the value of reducing the administrative burden of nutrient management requirements.

Federally, BFO's meetings with MPs have 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, humane transportation of cattle, and on investment in sufficient and equitable business risk management BRM programming.

Dry Conditions

Drought conditions gripped many parts of the province in the summer of 2018. In July and September, BFO requested that our farmers complete a survey to help BFO quantify the impact of the drought on beef operations across the province and to help guide BFO in its next steps to address the impacts of the dry conditions.

After some timely rains in the month of August in many parts of the province, the results of our September survey showed that conditions had improved across much of the province, with 69 per cent reporting improved forage conditions.

However, one-third of counties and districts reported that the majority of their region was still suffering from moderate to severe drought conditions. Representatives in these regions expressed serious concerns about the ability to meet fall and winter forage demands.

As a result, Ontario Minister of Agriculture, Food & Rural Affairs Hardeman, submitted a letter to the federal government to initiate a federal Livestock Tax Deferral for Ontario to reduce the tax burden for those forced to sell off their livestock, similar to what was announced for regions in B.C., Alberta, Saskatchewan, Manitoba, and Quebec.

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 a number of critical files. Current issues include, but are not limited to: traceability, livestock transportation, wildlife damage compensation, livestock emergencies, the Canadian Agriculture Partnership, antimicrobial resistance and use, feed regulations and phosphorus loading in the Great Lakes.



Elora Beef Research Centre

In 2017, the Ontario government announced a capital investment of \$12.4 million for the construction of a new beef cattle research centre in Elora, Ontario. 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. In addition to government support, BFO also contributed \$1.5 million to the new build.

Throughout 2018, construction remained relatively on schedule to modernize the new facilities, which includes two new cow-calf barns, a new handling area, renovations to the existing feedlot facilities, a new site office and researcher facilities.

New beef research equipment has also been purchased, including feed intake monitoring units, genomics lab equipment, greenhouse gas monitoring equipment, metabolism lab equipment, among others.

It is anticipated that the first wing of the facility will be ready for use in late spring/early summer of 2019 with the main herd of cows moving into the new barn after pasture.

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.



BFO in meetings during a fly-in day in Ottawa

Producer Engagement

bfoUP

In an effort to engage with the new generation of farmers in the beef sector, BFO initiated a new youth engagement program for farmers ages 18 to 40 in the spring of 2018. Throughout the year, the bfoUP program hosted a webinar series on relevant topics such as financing, starting a beef operation, family succession, community pastures and the Beef Breeder Co-operative program. In total, BFO hosted seven webinars with an average attendance of 40 people participating in each session. Plans to continue these efforts, as well as scheduled face-to-face meetings and networking opportunities are underway.

Grazing Cover Crop Field Days

For a second year in a row, BFO partnered with the Ontario Ministry of Agriculture and

Rural Affairs and the Grain Farmers of Ontario to host a series of field days to bring together cash crop and livestock farmers who are interested in the concept of grazing cattle on cover crops, which presents both economical and environmental benefits for both parties. A total of 60 farmers attended one of three events.

Market Development and Consumer Engagement

BFO's Marketing & Promotions Committee and staff were busy in 2018 executing a number of market development and consumer engagement initiatives.

Consumer Research

In 2018, BFO completed a significant consumer research project with Hill + Knowlton Strategies based in Toronto. The results from the consumer surveys and focus groups will play a major role in the development of consumer messaging to support Ontario beef, Ontario beef production, and Ontario beef farmers.

Collaborative Partnership Program

A number of applications have been approved under BFO's Collaborative Partnership Program (CPP), which was developed to stimulate industry alignment and encourage collaboration with industry partners and organizations to enhance the overall impact of BFO's market development initiative. As of December, 10 applications were approved through the CPP

totaling more than \$150,000 in committed funds. Marketing-related projects submitted by Enright Cattle Company, Flanagan Foodservice, Norwich Packers, Artisan Farms, Penokean Hills, Local Farm Food Co-op and Ryding Regency have all been approved.

Resource Development

BFO staff focused efforts in 2018 on digital resource development and have completed a number of projects that will be launched in 2019 with a refreshed consumer website. These efforts include a consumer video highlighting Ontario's 2018 The Environmental Stewardship Award Winner, Sandra Vos; recipe and video development with a focus on quick and culturally diverse meals; and three videos based on BFO's Wondering About series of resources – Wondering About Animal Care, Wondering About Beef Nutrition and Wondering About What Beef Cattle Eat.

Consumer Engagement

BFO participated in a number of consumer engagement events in 2018 alongside Farm & Food Care Ontario, Canada Beef and a number of commodity organizations in the province. From farm tours for registered dietitians, a Breakfast on the Farm event at a beef feedlot, to a pop-up event at Union Station in Toronto, BFO had the opportunity to engage with thousands of consumers and influencers from Ottawa and Toronto.

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



Les Producteurs de bovins du Québec



We were particularly active in building our relationships with the Quebec government in 2018. With the provincial election on October 1, 2018, in mind, we held extra meetings with provincial ministers and MNAs from all parties to discuss the major issues affecting us and to share solutions that have been proposed. This initiative garnered good media coverage. It resulted in some concrete outcomes being realized, with other measures still in development.

An ambitious multi-point development plan

For over a year now, we have been working to develop an ambitious development plan with a view to increasing our production by 50 per cent by the year 2025. Several actions will be required if we are to hit this target, some of which will involve government support for production.

- After several years of working with the Quebec Minister of Agriculture, Fisheries and Food, we ensured that the farm income

support policy would apply evenly across the board to all agricultural businesses, regardless of size. Previously, the support was cut by 50 per cent beyond a certain threshold. This measure will be a crucial factor in ensuring that feeder calf and fed cattle production return to a state of growth.

- To support R&D and market development, an increase in research contributions was implemented in the feeder calf sector. The fed cattle sector also saw its contributions reinstated after them having been suspended for some years. Furthermore, both sectors implemented contributions to pay for advertising.
- The entire cattle sector agreed to undertake a strategic planning process, which will complement our regular operations. This strategic plan should be completed by spring 2019 and will guide our development actions until 2025.

Responding to market expectations

The PBQ has had a keen interest in foreign markets for several years and has been working to implement tools and mechanisms to supply slaughter plants wishing to sell to these markets. The markets in question include China (beta agonist free) and the European Union (implant free).

Quebec has also been one of the Verified Beef Production Plus (VBP+) program's longstanding major supporters. Nearly 60 per cent of Quebec's fed cattle production is certified VBP+. The implementation of VBP+ continues to pose a challenge in Quebec's feeder calf sector, as is the case elsewhere in Canada.

At the end of 2018, both the feeder calf and fed cattle sectors are currently focusing on promoting VBP+ and on creating incentives for participating in the program. In the fed cattle sector, we could approach 80 per cent participation by mid-2019. In the feeder calf sector, it is no exaggeration to think that we will have 40 to 50 producers certified by the end of 2019.

Quebec producers' sense of belonging

In 2018, the PBQ board of directors adopted a detailed plan with a view to bolstering Quebec cattle producers' sense of belonging to the organization. The plan involves various actions:

- We will develop short videos featuring information that is relevant to producers. These videos will provide information on market trends, environmental rules, the

VBP+ program, rules governing animal transportation, and more. The idea is to reach a maximum of producers through a variety of methods simultaneously. The video initiative complements our ongoing communications through our Facebook page, our newsletter, and the Bovins du Québec monthly magazine.

- To attract more involvement from young producers in the organization, we have created a position dedicated to focusing on the next generation in almost all our decision-making bodies.
- We provide our directors with all kinds of training sessions to help them communicate more effectively with producers.

Membership in the Canadian Cattlemen's Association

In closing, we would be remiss not to mention the board's unanimous decision to become a member of the Canadian Cattlemen's Association, after an absence of over 20 years. The decision was very positively received by Quebec producers. We would sincerely like to thank the board for its warm welcome and express our pride in contributing to the development of the Canadian cattle industry. Special thanks to Dan Darling, David Haywood-Farmer, and Dennis Laycraft, who helped finalize the discussions on Quebec's membership.

For more information, please visit the PBQ website at www.bovin.qc.ca



New Brunswick Cattle Producers

The 2018 calendar year was marked by progress for the New Brunswick Cattle Producers (NBCP) as the board and staff work to generate opportunities for industry development and growth.

A positive decision was rendered by the New Brunswick Court of Appeals in favour of the NBCP in January 2018, clearing the way for a move towards an increased provincial check-off to match the increase in the Canadian Beef Cattle Check-Off rate. Both increases had been well communicated to industry and policy had been set by the Board or Directors, allowing the increased check off rate to take effect on February 1, 2018.

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

1. Increase the regional cow herd by 20,000 by 2027
2. Increase beef production profitability through training and education
3. Develop an industry-leading regional feed efficient beef herd

4. Maximize pasture and forage stand productivity
5. Advance the profitability of the industry through value chain co-ordination

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

Piloted in 2017, the integration of training workshops into the NBCP fall regional meetings was continued in 2018. Member feedback suggests that the delivery of professional development opportunities along with updates from the board of directors on association activities increased the value proposition for attending regional meetings around the province.

Presentations for 2018 included Jane Morrigan from Integrity Livestock Services who delivered a humane animal handling workshop and Dr. Robert Berthiaume, formerly of Agriculture and Agri-Food Canada (AAFC) and Valacta, delivered a high performance forage management workshop.

Bruce Andrews from Atlantic Beef Products, the region's only federally inspected beef processing plant, provided an update on the Certified Island Beef (CIB) brand which offers

price incentives to feedlots who choose to enroll in the program. Humane animal handling training is a requirement for enrollment in the CIB program.

Two significant regional events were hosted with support from NBCP during 2018. The now annual AAFC-Maritime Beef Council Forage Field Day hosted more than 120 growers from across the Maritimes in August, and more than 400 attendees to the Maritime Beef Conference enjoyed presentations from Dr. Temple Grandin in March.

The lack of a Price Risk Insurance program in the region continues to limit sector growth in New Brunswick. The Maritime Beef Council Agri-Risk project to explore participation in the Western Livestock Price Insurance Program was completed in March and identified the challenges and opportunities for developing a price index for the Maritime region. Work continues to explore the next steps for implementing a price risk vehicle for Maritime cattle producers.

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

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



NBCP, CCA at meetings in Ottawa during a fly-in day



Nova Scotia Cattle Producers

The Nova Scotia Cattle Producers (NSCP) continued to work with provincial, regional and national partners on several research, training and industry promotion projects in 2018.

NSCP partnered with the Maritime Beef Council (MBC) and held the third annual Maritime Beef Conference. This was by far the biggest and best conference to date. With keynote speaker, Dr. Temple Grandin, the event drew more than 450 people the first day and more than 220 on the second day. This conference continues to be a great event for producers to gather information, network with peers and participate in conversations about the future of our industry.

This year, NSCP organized the fourth annual Nova Elite Beef Expo held at the Nova Scotia Provincial Exhibition. This year's Expo featured 92 animals from 16 different exhibitors with more than \$6,800 awarded in prize money. We would like to thank the many volunteers who helped organize the show as well as those who helped during the show. We would also like to thank our many sponsors who provided prize money for the show, particularly Presenting Sponsor- Atlantic Beef Products from Prince Edward Island.

In October we sponsored the Pinty's Grand Slam of Curling in Truro, with our national partner, Canada Beef. As title sponsor of major sporting events, Canada Beef worked with the MBC to promote beef to the thousands of consumers who attend the events. Part of the event, included a beef information booth as well as a community beef picnic on October

25th from 4pm to 6pm at the Rath Eastlink Community Centre. The picnic included talks from sponsored curlers on why they choose beef as their preferred protein.

In November, we held a 'Bob Calves- What to do with Them and How to Maximize Price' workshop in partnership with Boehringer Ingelheim Animal Health. Guest speakers were Dr. Dave Kelton, DVM, and Dr. Frank Schenkels, DVM, from Fundy Veterinarians Ltd. The workshop was well received and was used to update veterinarians, producers and livestock dealers on the importance of calf health and potential market gains.

NSCP continues to be committed to young farmers and new entrants.

In 2018 we continued our partnership with the Nova Scotia Young Farmers Forum to sponsor a delegate to the national young farmers' conference as well as the annual provincial summer meeting and social. We also continue to support youth in the beef industry by supporting the Nova Scotia Royal Beef Team.

Throughout the year NSCP has worked on several animal health related files. In April we completed our industry emergency preparedness plan with our partners at the Canadian Animal Health Coalition, Pork Nova Scotia and the Sheep Producers Association of Nova Scotia. We have also received funding to conduct a vaccination screening project of



feeder cattle in partnership with Perennia Food and Agriculture Inc., Atlantic Stockyards Ltd. (ASL) and the Atlantic Veterinary College.

ASL is the site of the largest feeder sales in Atlantic Canada. Feeder sales take place throughout the year where cattle are sold to feedlots within and outside the Maritimes. Since 2010, ASL has paid a \$5 per head premium for vaccinated feeder cattle.

However, there have been reports from purchasing feedlots claiming instances of illnesses in vaccinated feeder cattle. This study will examine antibody titers in randomly sampled cattle sold through ASL feeder sales. This analysis will verify that vaccinations were administered to the cattle which received the vaccinated animal premium. The goal of this project is to verify the administration of vaccination protocols in feeder cattle sold through ASL, and to improve the quality of feeder cattle sold through ASL.

At NSCPs zone meetings earlier in January, we once again hosted Dr. Claire Windeyer from the University of Calgary who focuses her research and veterinarian practice on early calf health.

We have received funding for the Maritime Beef School which is a program for producers to help professionalize the industry and educate producers on initiatives. There are eight topics of content that the school is looking to propose: Herd Procurement and Replenishment, Feeding and Nutrition Management, Pasture Feeding Systems, Breeding Strategies, Breeding for the Target Market, Calving Seasons, Bull Management, Cattle Handling Systems and Housing, Herd Health Management, Marketing Strategies, Value Chain Management, Dairy Beef and Farm Business Management.

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



Prince Edward Island Cattle Producers

The Prince Edward Island Cattle Producers (PEICP) held their Annual Meeting on April 4, 2018. Board members include Brian Morrison, Jeremy Stead, Peter Dixon, Holland Cahill, Kenneth MacEachern and Derrick Annema. Ex-Officio Director, Randal MacFarlane represents Dairy Farmers of PEI.

In April of 2018 the PEICP launched its eighth annual PEI Burger Love campaign. This campaign was established to raise the awareness of the importance of the PEI beef industry to agriculture and to PEI in general. This social media campaign featured 82 restaurants who sold more than 184,000 hamburgers made from Island beef. Held each April and lasting the entire month, the estimated minimum overall economic impact to the Island's economy since the inception of the campaign is more than \$10 million. The winner this year was the Pilot House, a restaurant that has supported the campaign since its inception in 2011.

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+ workshop 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. This is very important to the feedlot sector in PEI who generally feed animals to an older age. This practice results in a high number of animals determined to be over-thirty-months of age or OTM. A birth certificate can help to avoid a penalty of \$.20/lb if an animal is deemed to be OTM at the Atlantic Beef plant. As a result, we have seen an increase in the number of producers age verifying their animals. An important benefit from providing this service is that more producers are getting their 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 II and offers qualifying producers money for programs such as premium sires, genetic heifer renewal, seedstock testing, RFID readers, scales and handling facilities. The program was funded to the tune of \$97,000 this year, up slightly from the previous year.

The PEICP coordinates the Prince Edward Island Certified Beef (CIB) 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 CIB brand based on these attributes and values. Feeders from any of the Atlantic provinces are now eligible for the brand

enabling producers from these provinces to participate. Much of the criteria for CIB is based on current practices and so it does not take a lot of adjustment for producers to join. Two key factors include; documenting treatments and tracing all animals produced under the brand.

Today's consumers are knowledgeable and demand certain attributes for the food they eat. They want to know that the beef they consume has been raised responsibly, that the animals were treated humanely and that the beef is safe to eat. Each year new CIB members are required to attend a Humane Handling Workshop delivered by Jane Morrigan of Integrity Livestock Services. This practical overview is a great reminder of why we need to keep animal welfare top of mind. The CIB brand continues to grow steadily. 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 is a member of the Maritime Beef Council (MBC). The MBC hosted a Maritime Beef Conference in March 2018 in Moncton, NB. The conference featured Temple Grandin and was very well attended. The conference has

gained a lot of attention from the beef industry over the years and has grown steadily each year.

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

ABP 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; CCA 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, 2018 with comparative figures for 2017		2018	2017
	Revenue:		
	Assessments		
	British Columbia	132,756	126,722
	Alberta	1,558,019	1,490,492
	Saskatchewan	537,060	555,163
	Manitoba	238,502	266,949
	Ontario	375,281	402,292
	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	206,230	142,212
	Interest	8,551	4,811
	Other	328,045	753,767
		3,416,340	3,774,304
	Expenses:		
	CCA Division Services	358,261	359,450
	Canadian Cattlemen's Foundation	56	97
	Calgary Office	1,301,840	1,201,658
	Ottawa Office	354,484	320,572
	Legal Reserve	206,229	142,212
	Communications	44,885	43,123
	Conventions	17,972	15,552
	Town Halls	8,802	8,360
	Executive & Finance	172,005	159,954
	Advocate Services	313,282	435,406
	Annual Meeting	109,299	94,856
	Semi Annual Meeting	58,620	52,743
	Animal Health & Meat Inspection	83,565	93,206
	Animal Care Committee	21,888	18,700
	Value Creation & Competitiveness	3,807	856
	Foreign Trade Committee	111,393	65,899
	Domestic Agriculture Policy	11,221	8,389
	Young Cattlemen's Council	37,814	28,480
	CYL Second Step	-	114,640
	International Beef Alliance	38,984	51,848
	Young Leaders Development Program	88,443	4,528
	Environment	32,274	29,595
	National Beef Strategy	6,099	557,458
	Public & Stakeholder Engagement	139,241	-
		3,520,464	3,807,582
	Excess (deficiency) of revenue over expenses	(104,124)	(33,278)
	Net assets, beginning of year	792,375	825,653
	Net assets, end of year	688,251	792,375



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The CCA Partners Program is a corporate membership program for organizations wishing to affiliate themselves with the CCA and the Canadian beef industry.

In addition to showing support for Canadian cattle producers, the program provides the opportunity to participate on issues affecting the industry. As a non-voting member, the partnership provides a unique method to foster valuable relationships with those involved in the cattle industry.

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

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

Prime Partners



Farm Credit Canada

About Farm Credit Canada

FCC is Canada's leading agriculture lender, with a healthy loan portfolio of more than \$36 billion. Our employees are dedicated to the future of Canadian agriculture and its role in feeding an ever-growing world.

We provide flexible, competitively priced financing, management software, information and knowledge specifically designed for the agriculture and agri-food industry.

As a self-sustaining Crown corporation, our profits are reinvested back into the agriculture and food industry we serve and the communities where our customers and employees live and work while providing an appropriate return to our shareholder.

Visit fcc.ca or follow us on Facebook, LinkedIn, and on Twitter @FCCagriculture.

Au sujet de Financement agricole Canada

FAC est le plus important prêteur à l'industrie agricole canadienne et possède un portefeuille de prêts de première qualité de plus de 36 milliards de dollars.

Nos employés ont à cœur l'avenir de l'agriculture au Canada et le rôle de cette industrie qui devra subvenir aux besoins alimentaires d'une population mondiale toujours croissante.

Nous offrons des solutions de financement souples et concurrentielles ainsi que des logiciels de gestion, de l'information et des connaissances spécialement conçus pour l'industrie agricole et agroalimentaire.

À titre de société d'État financièrement autonome, nos profits sont réinvestis dans l'industrie agricole et agroalimentaire que nous servons ainsi que dans les collectivités où vivent et travaillent nos clients et nos employés et servent à verser des dividendes à notre actionnaire.

Visitez fac.ca ou suivez-nous sur Facebook, LinkedIn et sur Twitter à @FACagriculture.



GrowSafe Systems

The GrowSafe Systems® decision management platform provides novel insight and foresight to livestock producers, industry partners and stakeholders to individually validate the most feed efficient animals, identify individual animal behavioral changes and patterns to improve well-being and market animals in the most efficient, verifiable, profitable and environmentally sustainable way. The GrowSafe team includes industry-leading engineers, computer and animal scientists, all with the common goal of advancing animal agriculture utilizing less feed, forage and land. Our clients are part of the expanding GrowSafe Network active on 12 countries. For more information, visit www.growsafe.com.



AAA Partners



Merial

Merial is the world's leading animal health company. We're a "young" and forward-looking company with a proven track record, producing pharmaceutical products and vaccines for livestock, pets and wildlife. We're at the cutting edge of product development and innovation, providing millions of doses world-wide annually to keep livestock and pets healthy. Merial is now part of Boehringer Ingelheim.

For more information visit: merial.ca

Scotiabank

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

RBC Royal Bank

RBC Royal Bank® has been a critical partner in supporting Canadian agriculture for over 135 years. Our goal is to help our clients grow and make our communities flourish, whether they are looking at expanding or growing their operations, managing their risks or transitioning their businesses. We do this by delivering excellent client value with tailored financial advice and industry expertise.

For more information and resources, visit www.rbcroyalbank.com/agriculture

Platinum TESA sponsor



MNP

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



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