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MISSION STATEMENT

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



CORPORATE GOVERNANCE

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



DISTRICT 1

Ryan Beierbach
Whitewood

DISTRICT 2

Philip Lynn
Marquis

DISTRICT 3A

Laurie Disney
Rockglen

DISTRICT 3B

Larry Grant
Val Marie

DISTRICT 4

Rick Toney
Gull Lake

DISTRICT 5

Levi Hull
Willowbrook

DISTRICT 6

Garret Hill
Duval

DISTRICT 7

Paula Larson
D'Arcy

DISTRICT 8

Michael Spratt
Melfort

DISTRICT 9A

Arnold Balicki
Shellbrook

DISTRICT 9B

Dean Moore
Paradise Hill

SCFA

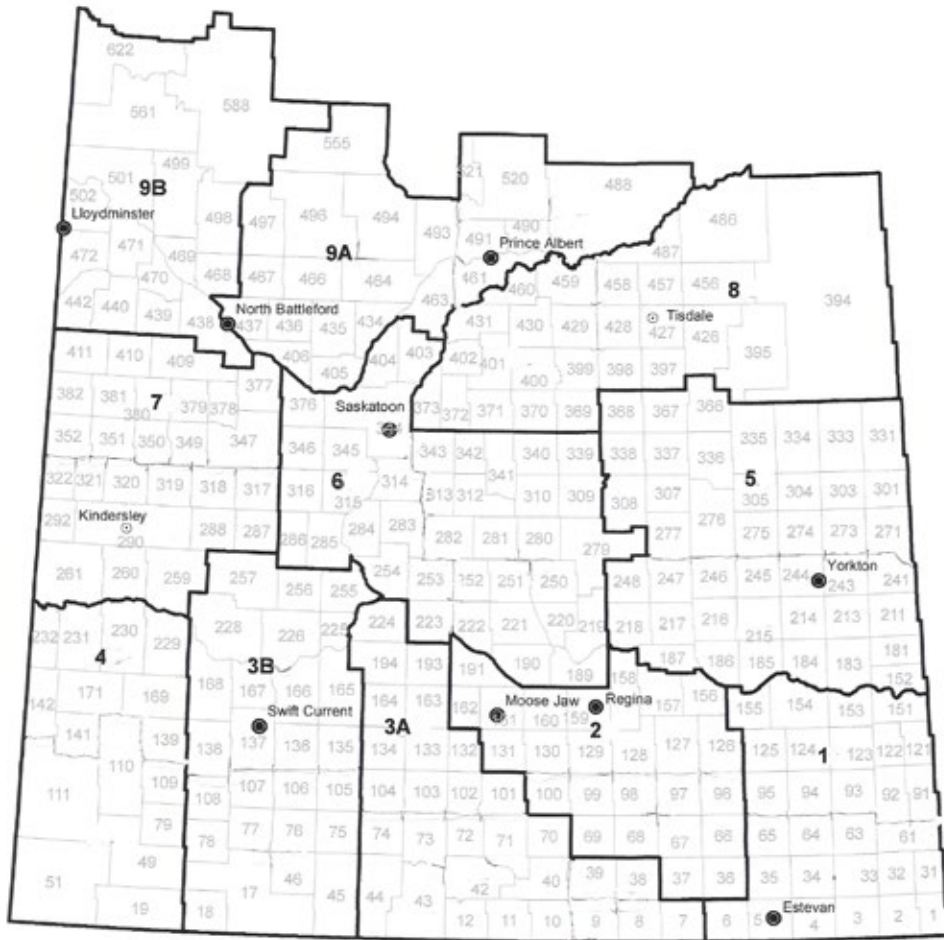
Brad Welter
Viscount

Bill Jameson
Moose Jaw

SSGA

Harold Martens
Swift Current

Lloyd Thompson
Camduff



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

COMMITTEE MEMBERS, REPRESENTATIVES AND STAFF

SCA COMMITTEE MEMBERS

EXECUTIVE

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

ANIMAL HEALTH

Dean Moore - Chair
 Arnold Balicki
 Garret Hill
 Brad Welter

AUDIT AND FINANCE

Rick Toney - Chair
 Laurie Disney
 Philip Lynn
 Brad Welter

COMMUNICATIONS

Levi Hull - Chair
 Larry Grant

Arnold Balicki
 Michael Spratt

ENVIRONMENT

Harold Martens - Chair
 Dean Moore
 Ryan Beierbach
 Lloyd Thompson
 Philip Lynn

FORAGE INSURANCE WORKING GROUP

Larry Grant - Chair
 Michael Spratt
 Harold Martens
 Arnold Balicki

GOVERNANCE

Lloyd Thompson - Chair
 Paula Larson
 Arnold Balicki
 Bill Jameson

SBIDF

Brad Welter - Chair
 Lloyd Thompson
 Laurie Disney
 Philip Lynn
 Paula Larson

PFRA WORKING GROUP

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

TRACEABILITY WORKING GROUP

Rick Toney - Chair
 Harold Martens
 Bill Jameson
 Garret Hill

SASKATCHEWAN CCA REPRESENTATIVES

PAT HAYES

Val Marie

REG SCHELLENBERG

Beechy

BRENT GRIFFIN

Elbow

PERRY RASMUSON

Moosomin

SCA STAFF

RYDER LEE

CEO

CHRISTINA PATTERSON

Policy Analyst

SCOTT SAKATCH

Communications Specialist

LEANN CLIFFORD

Executive Administrator

EXTERNAL COMMITTEE REPRESENTATIVES

FARM ANIMAL COUNCIL

Larry Grant

NATINAL CATTLE FEEDERS ASSOCIATION

Ryan Thompson

BEEF CATTLE RESEARCH COUNCIL

Ryan Beierbach
 Tim Oleksyn
 Michael Spratt

WESTERN BEEF DEVELOPMENT CENTRE ADVISORY COMMITTEE

Levi Hull

PRAIRIE DIAGNOSTIC SERVICES - DIRECTOR

Michael Spratt

FARM & FOOD CARE SK

Harold Martens

SASKATCHEWAN FORAGE COUNCIL

Michael Spratt

AG IN THE CLASSROOM

Arnold Balicki

CANADA BEEF

Jack Hextall

VERIFIED BEEF PRODUCTION

Arnold Balicki

CANADIAN ROUNDTABLE FOR SUSTAINABLE BEEF

Ryan Beierbach

SCA CHAIR'S REPORT

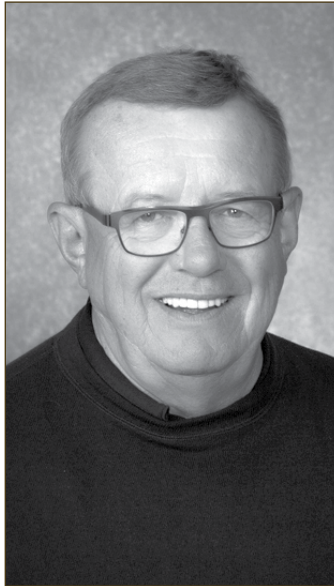
There is no doubt 2015 has been a year to remember. Throughout this year, we have seen both feeder and market-ready cattle at historic highs. We have also experienced unprecedented market swings.

On April 10, the December live cattle contract hit 164.00 and by Dec. 17 it had deteriorated to 117.00. Then, incredibly, in less than two weeks it rebounded to close at 135.80. In addition, the Canadian dollar declined from 87 cents USD to 72 cents USD throughout the year.

Are these wild market gyrations the new norm? I would say yes, they are. This just goes to prove how fragile markets can become, and how a short-term oversupply, as well as a temporary shortage, can have a dramatic effect. There is no question that market sentiment on behalf of large institutional speculators appears to be a fact of life for our business going forward.

Perhaps the biggest beef news story of the year was the end of Mandatory Country of Origin Labelling in the United States after an eight-year World Trade Organization court battle with the U.S. that came right on the heels of the BSE crisis. I want to thank the former federal government and former Agriculture Minister Gerry Ritz, as well as our new administration, for their tenacity and diligence on this matter. Also, I believe that, without industry support and our own check-off dollars, we would not have been successful.

On the provincial front, our gov-



BILL JAMESON
Chair

ernment's co-operation in bringing the Livestock Insurance Program to Saskatchewan deserves recognition. There were several occasions this fall when significant payments were triggered to those who chose to participate. I would also like to point out that, thanks to the province, Ag Minister Lyle Stewart, the federal government, and you, the producer, we are moving closer to seeing construction begin on the new Livestock Research Centre of Excellence at the University of Saskatchewan. This will be a huge benefit to the Canadian cattle industry as well as a significant attraction for the university.

The SCA itself experienced major changes in 2015. The Board of Directors made the decision to move the office from Saskatoon to Regina, which precipitated a wholesale staff

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

change. I am proud to say that this process went relatively smoothly and culminated in the acquisition of Ryder Lee as CEO. As we all know, Ryder is well known in North American cattle politics, and we are delighted to have him.

Finally, I would like to acknowledge two of our own: Grant Devine, for his induction into the Canadian Agriculture Hall of Fame, and Murray McGillivray for his induction into the Saskatchewan Agriculture Hall of Fame. Both have made significant contributions to our industry.

I will be stepping down as chair of the SCA effective Jan. 21. For the most part, it has been an enjoyable experience, and I would like to thank the members of the Board, as well as our new staff, for their co-operation and a job well done.

SCA CEO'S REPORT

It is exciting for me to write my first annual report as CEO of the Saskatchewan Cattlemen's Association. With the family ranch where I was raised still operating south of Fir Mountain, beef cattle production is important to me on a personal level. I am proud to bring a dedication that comes from this personal attachment to this position to work on behalf of all beef cattle producers across Saskatchewan.

Looking back on the year, it has been one of transition for the SCA and one of important events for the whole industry.

SCA has moved its office from Saskatoon's industrial area to downtown Regina. Moving to "Capital City" is an important strategic move for SCA as an advocacy organization. The issues SCA works on often involve work with government staff or elected MLAs. Relationships with these people are built over time and through direct interaction not only on files of current importance but in chance encounters and repeated discussions at non-scheduled events. Being in Regina allows our staff to be at functions or to set up short notice meetings that would not happen if a five-hour round trip drive were involved.

This type of move is not easy to do, especially when staff are involved. Staff have family and other considerations to take into account. The staff that were with SCA in Saskatoon did not make the move to Regina. This has meant starting from scratch to build the current SCA team. I am proud of the team we have. The enthusiasm and dedication they have shown in their short tenures with SCA have been noted by outsiders and producers alike.

SCA's profile has been building steadily on social and in traditional media. The voice of cattle producers needs to be heard in Saskatchewan not only by politicians and decision makers but by the



RYDER LEE
CEO

public as well. A vital economic contribution can be stifled or fostered by the decisions of lawmakers or the public so ensuring they understand producer points of view is a vital part of SCA activities.

Producers can follow SCA's communications through Twitter and Facebook, by ensuring SCA has their email address, through the Saskatchewan Cattlemen's Connection magazine and via our website, www.saskbeef.com. We continue to strive to provide useful content for traditional media outlets. New ideas for

reaching more producers are always welcome.

SCA transitioned its staff and offices but some things remained similar to 2014. One of these similarities was our fall district meetings. At these meetings, SCA reported back to producers on resolutions from last year's AGM, reported on the activities of other organizations that SCA funds, provided an update on the Saskatchewan Beef Industry Development Fund, and rolled out the latest updates on the National Beef Strategy, including the budget that calls for an increase in the National Check Off to \$2.50 per head.

Discussions around the Strategy were supportive in all the meetings I was at. There was concern raised at two different meetings that it was not enough. As a five-year budgeted strategy the idea is to not take so long between reviewing the National Check Off going forward. There are metrics in the Strategy to be reviewed to see if industry investment is getting the returns expected. When that review is done there will be a new business plan developed and discussion of funding that will take place. It has been roughly 20 years since the \$1 was brought forward as a National Check Off. That length of time is much too long to leave investment in our industry without examination or renewal.

In looking back on 2015, the repeal of the mandatory Country Of Origin Labeling law by the United States is what I see as

**The voice of cattle producers needs to be heard
in Saskatchewan, not only by politicians and
decision makers but by the public.**

the biggest industry event. It happened in late December and the effects will take some time to become evident in our markets. This law was in place in a couple of different forms since 2008. It will take time for market players to decide how they will operate without this distorting policy. As it unravels, I expect there will be more U.S. processors bidding for Canadian fat cattle and cull cattle. I also expect U.S. feeders and backgrounders to be able to bid more regularly on Canadian stockers and calves as they will be able to sell those cattle in with their U.S. born stock. More buyers are always a good thing. Repealing COOL should deliver exactly that for all cattle producers in Canada.



Getting to repeal was a long road. It was a talking point for most of my nine years in Ottawa with the Canadian Cattlemen's Association. It will be interesting to see what the next challenge is for successful Canadian beef and cattle exports. Wherever our products are successful enough to be noticed by our competitors, you can be sure some of them are looking at how they can get governments, processors or retailers to enact policies or practices that give them the upper hand. The long and sustained battle to get rid of these practices is a prime example of why associations like SCA and the Canadian Cattlemen's Association exist.

Looking ahead, there are a couple of big items on SCA's agenda. An important and long-standing item is the Saskatchewan Beef Industry Development Fund and its projects. This fund is how SCA supports research and other industry development projects. As funds allow, and projects fit, this fund will continue to allocate producer dollars to research and development of the industry in Saskatchewan.

A more stand alone item taking a lot of focus is the Livestock and Forage Centre of Excellence at the University of Saskatchewan. This project began as a relocation of the feedlot from the bank

of the river in the middle of Saskatoon to land near Clavet. The project has grown to include not only feedlot but also cow-calf and forage research. The vision for the Centre includes work by the Western College of Veterinary Medicine, College of Agriculture and BioResources and Western Beef Development Centre. That means not only basic research but also applied research such as forage utilization and herd management, all located close to, but not right in, Saskatoon, in facilities that provide for leading research in beef cattle and forage.

SCA has committed \$1 million to the feedlot project and thus the Livestock and Forage Centre of Excellence. Last June the provincial government committed \$10 million of Federal/Provincial Growing Forward 2 funding to the project. Along with the University's commitment, the project is over half way to the estimated \$25 million needed for completion. As I write this, there is still work to be done on finding further funding. An application to the federal Canadian Agricultural Adaptation Program is awaiting a decision from Ottawa, and other sources of funds are being pursued.

SCA continues to work with the government and other associations on

improving insurance and other safety net programs. Saskatchewan Crop Insurance Corporation participated in all of our fall meetings and will likely be a partner in future producer outreach. The way the market moved last summer and fall has likely got more producers wondering about price insurance. As consultations on Growing Forward 3 begin later this year, SCA will be discussing making Western Livestock Price Insurance a permanent program, along with discussing other ways the suite of business risk management programs can be improved. We look forward to hearing from producers on this and on all issues.

Other issues continue to come up and SCA will continue to work with whoever is needed to address them. Predators, land use and access, drainage, cattle theft, animal health and care, environment and the whole sustainability file, social licence, traceability, productivity, and the list goes on. Please reach out to SCA through your director or to me or our other excellent staff if you have any questions (or, even better, solutions) regarding the issues I mentioned here, issues I missed, or anything about the industry or association.

Finally, please remember to keep yourself and those you work around safe.

ANIMAL HEALTH COMMITTEE REPORT

We started off the year with a new case of BSE to give the cattle producers a bit of a scare. The animal did not reach the food chain which is a benefit of our surveillance program.

The CFIA final report on case #19 found that the most likely cause was the presence of a very small level of residual contaminated feed at the farm. That conclusion is consistent with investigations conducted by other countries which have had BSE cases born after enhanced feed bans were implemented. This just proves that as producers we need to be vigilant in our testing to meet our requirements for surveillance in Canada.

Also in the Beef Code of Practice that was released in 2013, we are now required as of the first of January to provide pain relief when dehorning and castrating animals that are older than

nine months of age. They dehorn cattle after horn bud attachment, which is usually at two to three months of age. Pain control must be provided during castration if the bull is older than nine months, but that will change to six months in 2018. Three NSAIDs are licensed for use in cattle: ketaprofen, flunixin and meloxicam. All are injectable products. One sedative, xylazine, is also approved for use to dull pain as well as sedate. Ketaprofen and flunixin are short acting at 12 to 24 hours. Meloxicam lasts about 48 hours but has a longer withdrawal time.

Producers brought to our attention this year the need for a higher compensation for newborn and young calves that are victims of predation. That has been increased early in the year and we are working with the government to make the program more reflective of the market and the cost to keep the cow without having her offspring to sell. The gov-



DEAN MOORE
Chair

ernment also announced the pilot wolf hunt that was put in to address the large number of predation kills that the industry has been seeing in recent years.

ENVIRONMENT COMMITTEE REPORT



HAROLD MARTENS
Chair

The Environment Committee was asked to attend a meeting with the Minister of Environment where he outlined what the new drainage regulations would be and asked us to comment. We outlined our concerns and the overall need for changes. The changes put into regulations and policy will take some time to work out. It is an ambitious undertaking and hopefully it will meet the demands that are there.

I have been involved in the Canada Roundtable for Sustainable Beef. We have worked with players in the cattle sector and retailers in setting the indicators for the sustainable production of cattle to meet the consumer demand of knowing where the beef they eat has come from. We as producers can demonstrate how well we

look after our livestock, food safety, the environment and the general well being of the cattle that we raise. It is an opportunity to tell the consumer who generally has no idea about what happens in the raising of cattle. We can tell them just how well they are cared for.

I have represented the SCA on the board for Farm and Food Care. Their role in placing the agriculture community together with the consumer has been well done considering they have only been at it for one year. They, together with Federated Co-op, have placed 350,000 magazines called The Real Dirt On Farming into grocery bags in retail Co-op stores in Saskatchewan. If you have seen these and have them in your home pass them on to some urban friends.

COMMUNICATIONS COMMITTEE REPORT

The SCA made major strides forward in communications in 2015, particularly in its online presence. The SCA website, still named www.saskbeef.ca, was completely redesigned to be easily updated with information for both producers and the public, and a new Facebook account (facebook.com/saskbeef) was created to compliment the existing Twitter account @SaskBeef and help keep our target audiences up to date on important information.

The Facebook page has almost 400 followers after only a few months, and the number of Twitter followers has almost doubled (1,100 and counting) in the same period of time. A number of well-known Tweeters in the agriculture community have recommended the SCA account as one to follow.

With smartphones and their high presence level, we face a great oppor-

tunity to communicate with producers in quick bites (Twitter) and bigger bites (Facebook) that show up without navigating to our webpage. Our webpage will still hold static information and new items such as press releases, but our ongoing communications will come faster and more often in these formats. We also plan to introduce more video to the website and to connect online users with educational opportunities such as webinars.

As we continue to move forward online, we are also planning more personal outreach opportunities in the coming year, including face-to-face “marketing schools” in which industry experts will help producers learn more about getting their cattle to market and answer questions on a variety of topics. There are also plans to launch a campaign to better promote beef and the Saskatchewan beef industry among consumers across the province, both online and in



LEVI HULL
Chair

a number of other ways, including the Cattlemen’s Connection magazine and other traditional media.

GOVERNANCE COMMITTEE REPORT



LLOYD THOMPSON
Chair

The goal of the Governance Committee is to develop and make recommendations to the SCA regarding matters of governance. Governance is the framework of rules and practices by which a board of directors ensures accountability, fairness and transparency in the organizations relationship with all stakeholders. Governance principles include trust, integrity, openness, mutual respect and commitment to the organization.

The authority and responsibility of the Governance committee includes work assigned to the Committee by the SCA to investigate, make recommendations and reports on specific matters. The committee reviews the SCA’s regulations and policies and , when appropriate, makes recommendations to the SCA Board for changes to those regulations or policies.

The SCA Code of Conduct and Conflict of

Interest Policy, applies to all Directors, or non-Directors that are asked to serve on any SCA committee. The Policy reflects a commitment to the SCA’s values and provides a framework to guide ethical conduct in a way that upholds the integrity and reputation of the SCA.

The Governance Committee also acts as the Resolutions Committee, to review and prepare resolutions passed at the SCA District meetings for debate at the SCA Annual General Meeting. Resolutions were reviewed and prepared for the SCA’s 2016 Annual General Meeting.

I would like to thank my Committee for the work this past year and the Board for their support. I would also like the thank the new SCA staff for all the background work and the Agri-Food Council for the assistance and encouragement.

RESEARCH COMMITTEE REPORT

Funding research is one of the SCA's top priorities, and 2015 was an excellent year in regards to projects that will directly benefit Saskatchewan's beef cattle industry.

Probably the most exciting development in research in 2015 was the announcement of \$25 million for the Livestock and Forage Centre of Excellence to be developed by the University of Saskatchewan. The Centre will serve as a hub for co-ordinating livestock and forage research, training and outreach, and will facilitate research that will help our industry become more competitive, profitable and resilient. The federal government announced \$10 million in funding under Growing Forward 2, with another \$7 million plus land from the U of S and \$1 million in funding over five years from the SCA. Our representatives in the steering committee are also working to ensure there is a direct and measurable return on that investment in the form of benefits to the

beef cattle industry in Saskatchewan.

The SCA worked jointly with other members in the Saskatchewan Forage Network to provide awards in support of graduate students pursuing Masters and PhD degrees with research focused on the priorities of the province's forage and livestock industry. A total of three projects have been funded over 2014-15 covering a variety of subjects which focus on better forage for producers.

SCA is also an advocate for research with representatives active on a number of various committees, including the Livestock and Forage steering committee, the Sask Forage Network, the Sask Forage Council, the Beef Cattle Research Council and the Western Beef Development Centre. The research committee also held an annual review of our research priorities in order to stay aligned with other funders and avoid duplication.



MICHAEL SPRATT
Chair

A number of other projects are directly funded by the Saskatchewan Beef Industry Development Fund, and are listed below.

SBIDF FUNDING REPORT

The Saskatchewan Beef Industry Development fund provides money from the provincial levy to support various research, promotion, education and advocacy projects that benefit the Saskatchewan beef industry. The following is a list of projects approved by the SBIDF committee in 2015:

APPLICATIONS APPROVED FOR FUNDING SPRING 2015

SSGA
Travel Fund,
\$20,000.00

SCFA
Western Canada Feedlot
Management School,
\$20,000.00

Farm and Food Care SK.
\$25,000.00

Ag in the Classroom
\$25,000.00

Prairie Diagnostic Services
Preparing for emerging
Viral Diseases
\$40,000.00

WBDC
Evaluation of New Triticale Varieties
\$30,000.00

WBDC
Evaluating Core Body Temp as
an indicator of feed efficiency
\$10,000.00

APPLICATIONS APPROVED FOR FUNDING FALL 2015

Livestock Marketers of Sask.
Promoting Careers in
Sask. Cattle Sector
\$43,850.00

WBDC
Performance and Characterization
of New Forage Legume Varieties
\$15,000.00 over three years

Farm and Food Care Sask.
\$25,000.00

Sask Forage Council
\$135,000.00 (over 3 years)

SSGA
103rd Convention and AGM
\$2,500.00

SSGA
Agri Ed Showcase
\$36,300.00

Sask Conservation Action Plan
\$20,000.00

REGULATORY COMMITTEE REPORT

The current bond requirements for dealers in Saskatchewan have been deemed inadequate. The SCA has initiated a review of the existing bond requirements; during the course of review the SCA was informed that the Saskatchewan Ministry of Agriculture also had a review of the regulation on their agenda. The SCA and other industry partners have been asked to participate in re-aligning the bonds with current market values. At this point we are content to see what the ministry brings forward.

The current bond requirements are:

- 500 head or less - \$25,000 security
- 501 to 20,000 head - \$40,000
- 20,001 to 30,000 head - \$50,000
- 30,001 to 40,000 head - \$60,000
- 40,001 to 50,000 head - \$70,000
- 50,001 to 60,000 head - \$80,000
- 60,001 to 70,000 head - \$90,000
- 70,001 to 80,000 head - \$100,000
- 80,001 to 90,000 head - \$110,000.

- 90,001 to 100,000 head - \$120,000
- 100,001 to 125,000 head - \$150,000
- 125,001 to 150,000 head - \$175,000
- 150,001 to 200,000 head - \$200,000
- over 200,000 head - \$250,000.

This is a direct quote from the ministry.

The Saskatchewan Ministry of Agriculture is reviewing The Livestock Dealer Regulations, 1995 to ensure the provisions of the regulations are relevant to the livestock sector in the province. The Saskatchewan Cattlemen's Association (SCA) has provided a written response to the Ministry on the initial questions asked during the first phase of the consultation.

Key considerations include level of security based on cattle purchases, increased scrutiny for new and existing dealers, and the declaration of security interest at the time of sale. It is anticipated that proposed amendments to the current regulations will be available for review in 2016.



PHILIP LYNN
Chair

The Ministry has indicated that a second round of consultations will occur and the SCA will be part of that process.



2015 AUDITED FINANCIAL STATEMENT

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Board of Directors of
Saskatchewan Cattlemen's Association

Management has responsibility for preparing the accompanying financial statements and ensuring that all information on any related reports is consistent with the financial statements. This responsibility includes selecting appropriate accounting policies and making objective judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors.

Marcia Herback Chartered Accountant Professional Corporation, an independent firm, has been appointed by the members to audit the financial statements and report to them; their report follows. The independent auditor has full and free access to the Board and management to discuss their audit findings as to the integrity of the organization's financial reporting and the adequacy of the system of internal controls.



Director



Director

Regina, SK
January 8, 2016

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Saskatchewan Cattlemen's Association

Report on the Financial Statements

I have audited the accompanying financial statements of Saskatchewan Cattlemen's Association, which comprise the statements of financial position as at July 31, 2015, and the statements of operation and change in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

In common with many agricultural marketing agencies, the Association derives income from the collection of a levy that is charged to producers. The structure of the collections system and the nature of these fees prevent verification that all fees due to the Association were reported. My verification of the check-off revenue was limited to accounting for amounts reported by the cattle dealers and recorded in the accounts of the Association.

Qualified Opinion

In my opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Cattlemen's Association as at July 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

January 8, 2016
Regina, SK

Marcia Herback
CPA, CA

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT JULY 31, 2015
(with comparative figures for the year ended July 31, 2014)

	2015	2014
ASSETS		
Current assets		
Cash	\$ 932,450	\$ 2,188,467
Accounts receivable	48,129	105,093
Investments (Note 4)	3,643,309	2,548,532
Prepaid expenses	<u>41,253</u>	<u>26,944</u>
	4,665,141	4,869,036
Capital assets (Note 3)	4,827	4,592
Investments (Note 4)	<u>2,056,309</u>	<u>1,655,256</u>
	<u>\$ 6,726,277</u>	<u>\$ 6,528,884</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 21,299	\$ 118,383
Accrued check-off payments and provincial refunds	12,697	28,549
Accrued SBIDF commitments	<u>80,165</u>	<u>84,380</u>
	114,161	231,312
NET ASSETS		
Unrestricted	<u>6,612,116</u>	<u>6,297,572</u>
	<u>\$ 6,726,277</u>	<u>\$ 6,528,884</u>

See accompanying notes

Approved on Behalf of the Board


 _____ Director


 _____ Director

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JULY 31, 2015
 (with comparative figures for the year ended July 31, 2014)

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Check-off revenue (Note 5)	\$ 2,854,700	\$ 3,684,213	\$ 3,980,021
Interest and investment income	106,500	150,776	141,824
Unrealized gains/losses on investments	-	(87,318)	263,432
Communications revenue	<u>5,000</u>	<u>5,000</u>	<u>3,021</u>
	<u>2,966,200</u>	<u>3,752,671</u>	<u>4,388,298</u>
Expenses			
Administration (Schedule 1)	92,300	221,809	195,732
Board per diems, meetings and travel (Schedule 1)	196,500	239,498	192,785
CEO expenses (Schedule 1)	19,900	22,969	18,317
Committee expenses	10,000	128	3,216
Communications (Schedule 1)	81,000	72,697	76,299
Policy expenses (Schedule 1)	8,500	3,994	10,866
Salaries and benefits	441,900	474,141	438,073
Industry Development fund (Schedule 1)	465,000	444,315	513,882
National Policy and Trade Advocacy Programs (Schedule 1)	<u>1,687,877</u>	<u>1,958,576</u>	<u>1,929,847</u>
	<u>3,002,977</u>	<u>3,438,127</u>	<u>3,379,017</u>
Excess of revenue over expenses	(36,777)	314,544	1,009,281
Net assets, beginning of year	<u>-</u>	<u>6,297,572</u>	<u>5,288,291</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ 6,612,116</u>	<u>\$ 6,297,572</u>

See accompanying notes



**SASKATCHEWAN CATTLEMEN'S ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JULY 31, 2015
(with comparative figures for the year ended July 31, 2014)**

	2015	2014
Operating activities		
Excess of revenue over expenses	\$ 314,544	\$ 1,009,281
Items not involving an outlay (receipt) of cash		
Amortization	<u>1,655</u>	<u>2,813</u>
	316,199	1,012,094
Net change in non-cash operating working capital balances (Note 9)	<u>(1,169,273)</u>	<u>225,704</u>
Cash provided by (used in) operating activities	<u>(853,074)</u>	<u>1,237,798</u>
Investing activities		
Decrease (increase) in investments	(401,053)	(341,346)
Additions to capital assets	<u>(1,890)</u>	<u>(1,791)</u>
Cash used in investing activities	<u>(402,943)</u>	<u>(343,137)</u>
Increase (decrease) in cash	(1,256,017)	894,661
Cash position, beginning of year	<u>2,188,467</u>	<u>1,293,806</u>
Cash position, end of year	<u>\$ 932,450</u>	<u>\$ 2,188,467</u>

See accompanying notes



SASKATCHEWAN CATTLEMEN'S ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
JULY 31, 2015

1. Status and nature of activities

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

2. Summary of significant accounting policies

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

Revenue recognition

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

Capital assets

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

Office furniture and equipment	5 years
Computer equipment	3 years

Financial instruments

The Saskatchewan Cattlemen's Association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

Financial assets subsequently measured at amortized cost include cash, investments, except for investments in equity instruments that are quoted in an active market, which are measured at fair value, and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Management estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2015 Net Book Value</u>	<u>2014 Net Book Value</u>
Office furniture and equipment	\$ 11,077	7,899	\$ 3,178	\$ 3,398
Computer equipment	10,190	8,541	1,649	1,194
	<u>\$ 21,267</u>	<u>16,440</u>	<u>\$ 4,827</u>	<u>\$ 4,592</u>

4. Investments

	<u>2015</u>	<u>2014</u>
Measured at amortized cost		
Fixed income investments	\$ 1,360,988	\$ 1,573,336
Measured at fair value		
Fixed income securities	3,488,225	1,703,239
Equities and equity funds	<u>850,405</u>	<u>927,213</u>
	<u>4,338,630</u>	<u>2,630,452</u>
Total investment	5,699,618	4,203,788
Less current	<u>(3,643,309)</u>	<u>(2,548,532)</u>
Long term	<u>\$ 2,056,309</u>	<u>\$ 1,655,256</u>

Investments consist of fixed income investments that mature between May 2016 and June 2019 and accrue interest between 2.45% and 2.75% (2014 - 2.35% to 2.75%). Fixed income securities bear yield rates ranging from 2.944% to 5.8% (2014 - 2.25% to 5.8%) due between May 2016 and June 2022. Fixed income investments maturing within 12 months from the year end date are classified as current.

5. Check-off revenue

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

6. Financial instruments

The Saskatchewan Cattlemen's Association is exposed to various risks through its financial instruments. The Association holds financial instruments, such as investments, which are measured at fair value and are inherently subject to risk. The Association manages these risks through a specific Investment Policy that details the asset quality and proportion of fixed income and equity securities in which investments are made. The following analysis provides a measure of the Association's exposure and concentrations at July 31, 2015:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the organization could incur a financial loss. The Association is exposed to credit risk with respect to cash, investments and accounts receivable. The Association manages its credit risk by placing cash and investments with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable. There has been no change from credit risk exposure from 2014.

Liquidity risk

Liquidity risk is the risk that the Association may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Association is exposed to liquidity risk with respect to its investments and accounts payable but manages its liquidity risk by holding assets that can be readily converted into cash. There has been no change from liquidity risk exposure from 2014.

6. Financial instruments (continued)Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Association is exposed to interest rate risk with respect to its cash and investments and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash and investments due to the fact that interest income is not a major percentage of total revenue. There has been no change from interest risk exposure from 2014.

7. CommitmentsOffice lease

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

2016	\$	41,916
2017		41,916
2018		42,914
2019		42,914
2020		43,912
	\$	<u>213,572</u>

Project

The Saskatchewan Cattlemen's Association has committed \$200,000 per year for five years, April 2013 to April 2017, to the University of Saskatchewan Beef Cattle Research and Teaching Unit building project. This project is conditional on all of the following criteria being met to the satisfaction of the SCA board of directors. 1) The investment shall be used to build the Pavilion within the five year period the funds are advanced 2) Both parties agree to meet twice per year to discuss SCA research priorities, direction of research and industry needs 3) If circumstances result in non-completion or closure the U of S shall repay to SCA the funds provided within a reasonable time period 4) Naming rights will be given to SCA for the Research/Teaching and Metabolism pavilion. 5) The investment is contingent on the financial commitment from the Government of Saskatchewan, the Government of Canada, and the University of Saskatchewan to meet the total project cost.

8. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

9. Net change in non-cash working capital balances

	<u>2015</u>	<u>2014</u>
Decrease (increase) in current assets:		
Accounts receivable	\$ 56,964	\$ (45,507)
Accrued check-off fees receivable	-	76,028
Prepaid expenses	(14,309)	7
Investments	<u>(1,094,777)</u>	<u>179,207</u>
	<u>(1,052,122)</u>	<u>209,735</u>
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	(97,084)	35,618
Accrued check-off payments and provincial refunds	(15,852)	-
Accrued SBIDF commitments	(4,215)	(48,198)
Government remittances payable	<u>-</u>	<u>28,549</u>
	<u>(117,151)</u>	<u>15,969</u>
	<u>\$ (1,169,273)</u>	<u>\$ 225,704</u>

SASKATCHEWAN CATTLEMEN'S ASSOCIATION
SCHEDULE 1 - EXPENSES
FOR THE YEAR ENDED JULY 31, 2015
(with comparative figures for the year ended July 31, 2014)

	2015	2014
Administration		
Advertising	\$ 611	\$ 2,250
Amortization	1,655	2,813
Bank charges and interest	829	595
Contract work	15,622	9,462
Fees, memberships and subscriptions	54,833	50,000
Insurance	1,796	1,707
Investment advisory fees	37,531	33,607
IT support	5,059	11,911
Office supplies	6,156	9,435
Photocopying, postage and courier	6,741	3,141
Professional development	2,282	1,676
Professional fees	41,932	31,978
Rent and relocation	38,828	28,221
Telephone	7,934	8,936
	<u>\$ 221,809</u>	<u>\$ 195,732</u>
Board per diems, meetings and travel		
Accommodations	\$ 28,733	\$ 25,993
Conference calls	1,162	2,038
Facility rental	8,959	5,715
Meals	12,861	9,587
Other	1,288	1,221
Per diems	104,500	87,425
Registration fees	1,945	2,783
Travel	80,050	58,023
	<u>\$ 239,498</u>	<u>\$ 192,785</u>
CEO expenses		
Accommodations	\$ 5,674	\$ 3,719
Meals	2,591	1,217
Other	1,778	1,102
Travel	12,926	12,279
	<u>\$ 22,969</u>	<u>\$ 18,317</u>
Communications		
Accommodations	\$ 2,021	\$ 1,098
Advertising	5,974	-
AG in the classroom	96	-
AGM Facilities	4,393	4,331
District meetings	14,191	15,833
Fees, memberships and subscriptions	2,982	4,601
Meals	998	644
MLA "beef on a bun"	4,743	5,328
Postage and design	-	184
Promotion and education	11,580	10,541
Publication	-	71
Sponsorship, advertising and promotions	3,030	4,730
Trade show	20,207	26,774
Travel	2,482	2,164
	<u>\$ 72,697</u>	<u>\$ 76,299</u>

	2015	2014
Policy expenses		
Accommodations	\$ 1,352	\$ 2,719
Travel	<u>2,642</u>	<u>8,147</u>
	<u>\$ 3,994</u>	<u>\$ 10,866</u>
Industry Development fund		
IDF Funding expense	\$ 358,700	\$ 429,502
Levy Refund expense	<u>85,615</u>	<u>84,380</u>
	<u>\$ 444,315</u>	<u>\$ 513,882</u>
National Policy and Trade Advocacy Programs		
Canadian Cattlemen's Association	\$ 733,079	\$ 645,406
National Check-off Agency	<u>1,225,497</u>	<u>1,284,441</u>
	<u>\$ 1,958,576</u>	<u>\$ 1,929,847</u>



AUGUST 1, 2014 - JULY 31, 2015 - CASH BASIS

Personal Services

NAME	PER DIEMS	EXPENSE REIMBURSEMENTS	TOTAL
Arnold Balicki	\$2,150.00	\$4,328.40	\$6,478.40
Bill Jameson	\$5,400.00	\$3,816.47	\$9,216.47
Brad Welter	\$3,250.00	\$6,320.86	\$9,570.86
Brent Griffin	\$2,050.00	\$1,725.98	\$3,775.98
Dean Moore	\$3,300	\$6,060.37	\$9,360
Dennis Fuglerud	\$450.00	\$216.00	\$666.00
Garrett Hill	\$1,450.00	\$2,538.91	\$3,988.91
Greg Thompson	\$1,000.00	\$1,866.50	\$2,866.50
Harold Martens	\$5,350.00	\$7,171.21	\$12,521.21
Ken Demyen	\$2,700.00	\$4,425.58	\$7,125.58
Larry Grant	\$7,750.00	\$11,734.29	\$19,484.29
Laurie Disney	\$3,700.00	\$6,791.86	\$10,491.86
Lloyd Thompson	\$4,350.00	\$7,264.78	\$11,614.78
Lynn Grant	\$2,700.00	\$0.00	\$2,700.00
Mark Elford	\$1,950.00	\$3,736.15	\$5,686.15
Michael Spratt	\$6,925.00	\$6,711.87	\$13,636.87
Pat Hayes	\$900.00	\$0.00	\$900.00
Paula Larson	\$21,250.00	\$22,998.38	\$44,248.38
Perry Rasmuson	\$2,025.00	\$0.00	\$2,025.00
Phillip Lynn	\$450.00	\$457.64	\$907.64
Reg Schellenberg	\$3,800.00	\$575.68	\$4,375.68
Rick Toney	\$7,375.00	\$11,846.41	\$19,221.41
Ryan Beierbach	\$7,975.00	\$10,688.65	\$18,663.65
Ryan Sommerfeld	\$2,450.00	\$3,603.22	\$6,053.22
Tim Oleksyn	\$3,800.00	\$2,515.36	\$6,315.36
Total:	\$104,500.00	\$127,394.57	\$231,894.57

Market Development (Threshold: \$10,000)

Cnd Beef Cattle Research, Market Development (National Check Off)	\$1,225,497.03
Canadian Cattlemen's Association	\$733,079.48
National Cattle Feeders	\$50,000.00
Total:	\$2,008,576.51

Research and Development (Threshold: \$10,000)

Canadian Western Agribition	\$50,000.00
Prairie Conservation Action Plan	\$17,500.00
Saskatchewan Forage Council	\$80,000.00
Saskatchewan Stock Growers Association	\$37,023.75
University of Saskatchewan	\$232,200.00
Agriculture in the Classroom	\$40,000.00
CanFax Research	\$15,000.00
Ranchers Stewardship Alliance	\$16,000.00
Western Beef development	\$10,000.00
S.O.D.Conservation Action Plan Action Plan	\$30,000.00
Saskatchewan Cattle Feeders	\$20,000.00
Total:	\$547,723.75

Supplier Payments (Threshold: \$10,000)

James Stinn CGA Prof Corp	\$32,124.71
Investment Advisory fees	\$37,531.25
Northstar Innovative developments	\$35,837.33
Farm & Food Care Membership	\$20,000.00
Contract Work	\$15,621.65
Total:	\$141,114.94

TOTAL: \$2,929,309.77

SCA BUDGET APPROVED JULY 21, 2015

	2015-16 Budget	2014-15 Actual	2014-15 Budget
INCOME			
Check off Revenue	3,700,000	3,740,082	2,900,000
Communications Revenue	5,000	5,000	5,000
Gain/Loss - Sale of Investments	0	-95,709	0
Interest Revenue - Restricted	15,000	29,782	15,000
Interest Revenue - Chequing	1,800	1,908	1,500
National Bank Investment Distributions	140,000	127,476	90,000
TOTAL	3,861,800	3,752,671	3,011,500

EXPENSE

Administration Expenses

Dealer Rebate	52,500	52,987	45,300
Advertising	2,000	611	2,000
Amortization	3,000	1,655	
Audit & CA Services	35,000	32,124	20,000
Bank Charges & Interest	1,000	829	1,000
Contract Work	10,000	15,621	10,000
Fees & Memberships (F&FC, NCFCA)	75,000	54,833	
Insurance	2,000	1,796	2,000
Investment Advisory Fees	40,000	37,531	25,000
IT Support	5,000	5,058	10,000
Legal	8,000	9,807	10,000
Office Rent	60,000	35,837	29,000
Office Supplies	10,000	6,155	9,000
Photocopying	2,000	4,463	1,400
Postage & Courier	3,000	2,277	1,200
Professional Development	2,500	2,282	5,000
Telephone	8,000	7,934	12,000
Relocation Expenses	40,000	2,991	
Office Equipment	30,000		
TOTAL	389,000	221,809	137,600

Board Expenses

Accommodations	35,000	28,733	30,000
Conference Calls	2,000	1,162	3,000
Facility Rental	6,500	8,958	3,500
Meals	13,000	12,861	10,000
Other	1,500	1,288	2,000
Registration Fees	3,000	1,945	3,000
Travel	75,000	80,049	70,000
Per Diems	95,000	4,000	75,000
TOTAL	231,000	138,998	196,500

CEO Expenses

Accommodations	7,000	5,674	4,400
Meals	3,000	2,591	2,500
Other	1,000	1,778	1,000
Travel	15,000	12,926	12,000
TOTAL	26,000	22,968	19,900

Committee Expenses

Assurance Fund	100	0	500
Executive	3,000	0	2,000
Animal Health	250	0	125
Environment	500	0	500

	2015-16 Budget	2014-15 Actual	2014-15 Budget
Traceability	250	0	125
SBIDF	500	0	1,000
Audit & Finance	250	0	250
Research	750	0	1,500
Communications	500	0	500
PFRA	250	128	500
Governance	2,500	0	3,000
TOTAL	8,850	128	10,000

Communications Expenses

Accommodations	2,000	2,021	1,000
AGM Facilities	4,500	4,393	4,500
District Meetings	16,000	14,191	20,000
Memberships & Subscriptions	3,000	2,982	2,000
Meals	750	998	500
Postage & Design	250	0	1,000
Promotion	7,000	4,525	4,000
Education and Publication	5,000	4,550	4,000
Sponsorship	6,000	3,030	5,000
MLA "Beef on a Bun"	5,000	4,743	6,000
Advertising	6,000	5,974	5,000
Trade Show	25,000	20,207	25,000
Travel	2,500	2,482	2,500
TOTAL	83,000	72,696	81,000

Industry Development Fund

Levy Refund Expense	90,000	85,615	90,000
SBIDF Funding Expense	500,000	358,700	375,000
TOTAL	590,000	444,315	465,000

Nat'l Policy & Trade Advocacy Programming

Canadian Cattlemen's Association	692,926	733,079	644,132
National Check-off Agency	1,329,727	1,225,497	1,043,745
CCA Legal Assessment	50,000		
TOTAL	2,072,653	1,958,576	1,687,877

Policy Expenses

Accommodations	3,000	1,352	2,000
Meals	1,000	334	1,000
Other	750	0	500
Travel	7,500	2,308	5,000
TOTAL	12,250	3,994	8,500

Salaries & Benefit Expenses

Moving Expenses		3,280	
Group Benefits	7,140	6,653	6,000
Payroll Expense	420,000	449,958	420,000
Per Diems		100,500	
RRSP Employer	15,000	13,133	15,000
WCB	1,000	1,018	900
Other		98	
TOTAL	443,140	574,64641	441,900

Total Expense	3,855,893	3,438,127	3,048,277
Surplus carried forward	798,184	314,544	
Net Ordinary Income		314,544	

NATIONAL CATTLE FEEDERS REPORT

The National Cattle Feeders' Association (NCFA) was created in 2007 to represent Canadian cattle feeders on national policy and regulatory issues, and to collaborate with other cattle organizations to strengthen Canada's beef industry. Through NCFA, the country's cattle feeders speak with one voice on the opportunities and challenges facing the fed cattle production chain.

NCFA membership is comprised of provincial beef organizations from the major cattle feeding regions of Canada, each of which contributes funding based on provincial fed cattle populations. NCFA membership includes the British Columbia Association of Cattle Feeders, the Alberta Cattle Feeders' Association, Saskatchewan Cattlemen's Association, Manitoba Beef Producers, and la Fédération des producteurs de bovins du Québec.

I am pleased to report on a very active and exciting year in 2015. During the recent federal election, NCFA engaged candidates across Canada and all political parties on our policy priorities. We also continued the implementation of key parts of our new strategic plan. A number of important developments also rolled across the industry in 2015, including the successful conclusion of the Trans-Pacific Partnership (TPP) trade negotiations and the repeal of mandatory "country-of-origin" labelling (COOL) legislation in the U.S. Through all of these developments, NCFA was there playing an active role — funding advocacy efforts, advising and informing governments, supporting producers, and working with industry stakeholders to effectively manage the issues and capture benefits for our members.

NCFA's ongoing suite of activities is guided by our strategic plan, which is



RYAN THOMPSON
Vice-Chair, SCA Rep

built upon three pillars — growth and sustainability, competitiveness, and industry leadership.

REPORT ON STRATEGIC PILLAR #1: GROWTH AND SUSTAINABILITY

Throughout 2015, NCFA partnered with key industry stakeholders and advocated with government policy-makers and regulators to create a business environment more conducive to long-term growth of the cattle feeding sector by expanding export opportunities through new trade agreements and investing in important research and development projects.

Trans-Pacific Partnership: NCFA membership in the Canadian Agri-Food Trade Alliance (CFTA) and our engagement with the Market Access Secretariat (MAS), the Beef Cattle Trade Advisory Group (BCTAG), the Beef Cattle Policy Advisory Committee (BCPAC), the Beef Value Chain Roundtable (BVCRT) and officials at Agriculture and Agri-

Food Canada and International Trade proved highly valuable in 2015 with the successful conclusion of the Trans-Pacific Partnership. Capturing 40% of the global economy, the TPP will create the world's largest international free trade zone and provide market access to some of the fastest growing economies. NCFA will continue these partnerships and advocate vigorously for final parliamentary approval of the TPP through activities like the opinion editorial penned by NCFA trade consultant John Weekes that appeared in the October 1, 2015 edition of the *Globe and Mail*.

Canada-EU Comprehensive Economic and Trade Agreement: Final implementation of the new CETA is still pending as technical details continue to be worked out. In 2015, NCFA urged federal policy makers to ensure that the CETA's system of important licenses does not impede real access. We also encouraged the federal government to be more aggressive in securing signed side letters affirming EU approval of Canadian food safety practices in our processing facilities.

Country-of-Origin Labelling: In 2015, the World Trade Organization (WTO) issued its fourth and final ruling on mandatory COOL in the U.S., deciding once again in favour of Canada. NCFA consistently urged the federal government to remain firm on retaliation and to reject any compromise — voluntary or otherwise — that would require segregation of Canadian cattle in U.S. plants. This strategy proved successful in December 2015 when the U.S. issued a full repeal of all COOL provisions for beef and pork.

Research and Development Projects: Strategic investments to improve the profitability, efficiency, and sustainability of beef production are critical to long-

term growth of Canada's beef industry. In 2015, NCFA continued work on its Feedlot Animal Care Assessment Tool (FLAT) by refining and then piloting the program at feedlots in every province across Canada.

The program, funded by a \$35,000 contribution from NCFA that levered an additional \$290,000 in government and industry funding, has received PAACO certification and will serve as a single animal care protocol for all Canadian feedlots, beef processors, and retailers. In 2015, a new Feedlot Emergency Preparedness Plan was also developed for our sector in Alberta. NCFA hosted a webinar on the plan and has offered it as a template for cattle feedlots in other provinces.

Other projects and initiatives supported and funded by NCFA include a \$20,000 contribution to a regulatory modernization initiative at the Canadian Beef Grading Agency and \$7,000 contributed to the new Barley Council of Canada.

REPORT ON STRATEGIC PILLAR #2: COMPETITIVENESS

A key goal of NCFA is to enhance the competitiveness of the cattle feeding sector by ensuring that federal decision-makers and regulators understand the business realities and key priorities of cattle feeders, and that Canada's policy and regulatory regime "works" for cattle feeders.

Regulatory Reform Initiative: In 2015, NCFA began work on a new \$120,000 project to identify the most problematic regulations facing cattle feeders, measure the costs to industry of those regulations, and build the business case for reform. Focus groups were convened in every province to prioritize the regulations needing reform, and work continues on measuring the economic impact. The project is expected to wrap up in 2016, and with the costs in hand, NCFA

will be well positioned to make the case for change with federal regulators.

NCFA Submissions: Throughout 2015, NCFA staff and consultants made numerous submissions to federal authorities and agencies on a wide range of regulatory issues and concerns. Examples include submissions on the new federal proposals for enhanced traceability, CFIA's feed regulatory modernization initiative and proposals for alternative service delivery, and a proposal by the Canadian Grain Commission requiring all feed mills to be licensed and bonded. Given the recent rise in cattle prices, NCFA also requested and secured an increase in the CFIA's compensation maximums for fed cattle under federal regulation. NCFA also responded to the 2015 report of the Auditor General on antimicrobial resistance by highlighting our commitment to the prudent use of antibiotics and our support for the CFIA's proposed framework for the use of antimicrobials in agriculture.

REPORT ON STRATEGIC PILLAR #3: INDUSTRY LEADERSHIP

NCFA meets regularly with government officials to build bridges, strengthen relationships, and build champions for the cattle feeding sector. We also work with other industry associations to develop strategies to advance the industry such as the new National Beef Strategy.

Building Relationships: In 2015, NCFA continued to build a positive working relationship with our most important government regulators. NCFA board, staff, and consultants held meetings in Ottawa with officials at the CFIA on issues of mutual interest, such as the recent BSE case in Alberta and proposed changes in maximum transportation times for cattle. NCFA also continues to support the efforts of the Regulatory Cooperation Council (RCC) to better align Canadian and U.S. regulations and speed the pace of commerce.

2015 Federal Election: During the recent federal election, NCFA developed a series of policy statements on international trade, labour, regulation, and COOL that were posted on our website and communicated throughout the campaign. NCFA also wrote to the leaders of each political party asking for their positions on various issues, and advised the Minister and all Agriculture Critics on our priority concerns in advance of the special agricultural debate held in Ottawa during the election. With a new government now in place, NCFA is focusing on refreshing our government relations program and working to cultivate new champions for our sector.

Labour: A shortage of labour in Canada's agriculture and agri-food industries is a key policy priority of NCFA. As such, we are working closely with the Canadian Agricultural Human Resources Council (CAHRC) to secure federal and provincial support for the recommendations contained in the Agriculture and Agri-Food Workforce Action Plan.

National Beef Strategy: NCFA was actively involved in the development of the new National Beef Strategy, serving on both the National Beef Strategic Planning Group (NBSOG) and the new Council of Beef Advisors (CBA). NCFA is well positioned to take the lead on several aspects of this plan, particularly those that align with our won strategic priorities. Examples include regulatory reform, effective outreach and communications, and building inter-industry cooperation.

I am proud of the work that the NCFA Board and Staff have accomplished in 2015 to deliver value and promote the interests of our members. As the results show, NCFA continues to serve as a strong voice at the national policy table for cattle feeders and as a highly focused and respected representative for our sector.

SASKATCHEWAN CCA REPRESENTATIVES



REG SCHELLENBERG
SCA Rep



PAT HAYES
SCA Rep

ANIMAL HEALTH AND CARE COMMITTEE

BSE surveillance sample testing information from 2015 to date shows the program conducted 25,500 negative test and one positive in 2015. The issue is one of maintaining a credible level of BSE surveillance to demonstrate that our control measures are effective, and that we are working towards eradicating the disease. Canada applied for Negligible Risk status in 2015, and could receive that status in 2016, the first year we would be eligible. We remain confident that, despite a shortfall in 2012 and 2014, the overall level of surveillance and the control measures in place should enable a change in risk status.

TRACEABILITY

The CCA submitted its comments on the most recent traceability regulatory consultations conducted in June. We and other industry partners are steadfast in promoting the Cattle Implementation Plan (CIP) as our roadmap to achieve full traceability for the beef cattle sector in Canada.

FEED REGULATION MODERNIZATION

The CCA continued as a participant on a steering committee looking at modernizing the feed regulations to align the issues associated with ingredient approvals, manufacturing processes, efficacy of commercial feed, labelling of complete feeds (and supplements) and inspection and compliance.

VBP & BIOSECURITY AND THE ANIMAL CARE CODE

Work continues on developing and adding the training and audit modules to the Verified Beef Production (VBP) program. The modules include biosecurity (National Standard), animal care (Codes of Practice) and environmental stewardship. This is supported by Growing For-

ward 2 funding under the Agri-Marketing Program: Assurance Systems.

The process to date has included a risk assessment of the national standard for biosecurity and animal care (Code) to determine the most relevant practices that contribute to reducing the risk of a health or welfare incident occurring on a beef cattle operation. The risk assessment will then determine how an audit of an operation may be conducted to verify that the most appropriate production practices are being implemented. This will then be pilot tested to determine if it is practical and meaningful.

When consolidated with the original VBP program for on-farm food safety and a new module for environmental stewardship, the VBP Plus program will be the industry's program for demonstrating sustainability.

FARMED ANIMAL HEALTH AND WELFARE COUNCIL

The CCA is a charter member of the National Farmed Animal Health and Welfare Council. The Council is a not-for-profit corporate body with members from industry and both federal and provincial government representatives. While these representatives change from time to time, relationships at the Council table continue to be enhanced. There is a growing appreciation for the interrelated impacts and benefits in a "One Health" approach.

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

BEEF CATTLE RESEARCH COUNCIL REPORT

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

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

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

CANADA'S BEEF CATTLE INDUSTRY SCIENCE CLUSTERS

The first Beef Cattle Industry Science Cluster directed \$10.5 million to 32 research projects between April 1, 2009 and March 31, 2013. It proved to be a very successful step towards improving coordination of beef research funding in Canada while generating meaningful, applicable results.

Joint industry and government commitments to the second Cluster (2013 – March 31, 2018) total \$20 million, including \$14 million in funding from AAFC, \$1 million in provincial gov-



TIM OLEKSYN
BCRC Chair

ernment investments, and \$5 million in funding from the research allocation of the National Check-off and provincial beef industry groups. Funding was directed to 26 research projects. A summary of each project can be found by navigating under the Research tab on BeefResearch.ca.

ADDRESSING CRITICAL CAPACITY NEEDS

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

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

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

RESEARCHER MENTORSHIP

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

Four researchers were selected for the 2015-16 term and include university and AAFC employees with specialties in genomics, food safety or animal disease vectors. The knowledge, connections and experiences gained through the program better enable these scientists to develop effective, industry-focused research and extension programs. The Canadian Beef Industry Award for Outstanding Research and Innovation The Canadian Beef Industry Award for Outstanding Research and Innovation was established by the BCRC in 2015. It will be presented annually to recognize a researcher or scientist whose work has contributed to advancements in the competitiveness and sustainability of the Canadian beef industry. The inaugural award will be presented in early 2016, following an industry nomination and committee selection process.

CONTINUED ON PAGE 31

CCA PRESIDENT'S REPORT

This has been a remarkable year for Canada's beef industry. Many events throughout 2015 have transformed the industry but the most significant of these occurred in December with the repeal of U.S. Country of Origin Labeling (COOL) for beef and pork. The Dec. 18 repeal marked the historic and successful conclusion of a legal battle initiated by the Canadian Cattlemen's Association (CCA) more than seven years ago. Then, on the last day of the year, South Korea lifted the temporary restrictions it imposed following the February 2015 case of bovine spongiform encephalopathy (BSE). With the implementation of the Canada-Korea Free Trade Agreement in late 2014, the CCA believes Canadian beef exports to Korea have the potential to exceed \$50 million per year.

The repeal of COOL for beef and pork, which officially became law when U.S. President Barack Obama signed the omnibus appropriations bill, is a huge achievement and represents the culmination of years of hard work by CCA executive vice-president Dennis Laycraft and John Masswohl, and many other industry and government allies along the way.

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

Indeed the repeal of COOL is an accomplishment driven by collaboration and persistence. I'd like to thank all the producers who supported us with their check-off dollars to make this historic event possible. Fighting COOL has been a long and arduous battle, and a costly one with legal fees nearing \$4 million. However, that amount – paid by beef producers through their provincial check-off



DAVE SOLVERSON
CCA President

-- is eclipsed by the cost of COOL discrimination inflicted on Canadian and Mexican producers. COOL repeal is an excellent example of provincial check-off dollars at work and I thank producers for directing their dollars towards the file.

The CCA thanks Minister of International Trade Chrystia Freeland and the Minister of Agriculture and Agri-Food, Lawrence MacAulay, for standing firm on retaliation if COOL was not repealed. The omnibus bill repealing COOL was passed into law on the same day that Canada received authority from the World Trade Organization (WTO) to impose retaliatory tariffs of more than \$1 billion on U.S. products if COOL was not repealed. We also thank Prime Minister Justin Trudeau for personally weighing in on the issue with President Obama at just the right time, as the effort clearly helped the CCA achieve its top priority of resolving the WTO dispute with the U.S. over COOL.

I'd also like to acknowledge former Ag-

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

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

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

The relationships CCA established and in many cases strengthened throughout this

The repeal of COOL marked the historic and successful conclusion of a legal battle initiated by the CCA more than seven years ago.

process reflect the integrated nature of the North American beef industry and will serve the industry well going forward.

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

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

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

The CFIA final report on case #19 found that the most likely cause was the presence of a very small level of residual contaminated feed at the farm – a conclusion consistent with investigations

conducted by other countries who have had BSE cases born after enhanced feed bans were implemented.

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

Indeed 2015 was another year of new highs for the Canadian cattle market. In spite of a significant market correction at the end of the fourth quarter, average cattle prices in 2015 were at record highs.

The CCA will continue its work to address the factors that may be preventing some producers from expanding their herds to take advantage of current market opportunities. Issues here include fully funding programs that help producers manage risk, investing in infrastructure, secure access to high value and growing markets, policies that ensure the competitiveness of Canadian producers, investment in research and sustainable practices and access to sufficient labour.

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

Positioning Canadian beef as the best in the world is part of the collaborative effort of the National Beef Strategy. I've been using the Trans-Pacific Partnership (TPP) negotiations to help demonstrate the power of large-scale collaboration. The outcome of the TPP is good for beef producing nations, including Canada, precisely because each country at the TPP negotiating table received a consistent message from the beef industry, represented by the International Beef Alliance, about what was required.

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

As a result, maintaining and increasing Canada's market share in these key markets will require a major step up in Canadian branding, marketing and differentiation efforts in order to compete effectively with the U.S. and Australia. The National Beef Strategy intends to complement existing work through achieving the industry goals identified in the Strategic Plan, which are estimated to require a projected National Check-off investment of approximately \$19 million, or around \$2.50 per head (a \$1.50 increase from the current \$1 national check-off). Most provincial associations have endorsed the idea of a \$1.50 increase in support of these goals.

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

Finally, I am confident that the industry is in fine shape and that 2016 will be another year of achievement for the CCA.

CANADA BEEF PRESIDENT'S REPORT

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

We have continued to rationalize our operations through focusing on global markets and selecting brand partnerships that align with our Canadian values. We have managed to save over \$3 million by finding efficiencies, which has translated into an increased investment in programs and services. We have challenged our staff and industry to think differently – pushing the status quo, while still believing in the power and excellence of our industry players.

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

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



ROB MEIJER
Canada Beef President

aspects of beef, which are beneficial for all producers.

Communicating the Canada Beef brand story is one of our most important responsibilities. Our brand story is the cornerstone on which brand awareness, brand loyalty and buying decisions are built. Our global marketing efforts continue to adapt to the evolving demands for protein around the world. We are committed to further solidifying our positive brand opinion here at home while growing foreign markets and emerging geographies.

North America is not only our largest and most important market – it is home. We continue to invest domestically to ensure Canadian beef remains a staple of Canadian diets and we are adapting to evolve with the ever-changing needs of the United States market.

Our alignment with the CFL is the ideal platform to highlight Canadian beef as the optimum source of protein for professional athletes and athletic Canadians.

**We have
challenged our
staff and our
industry to think
differently.**

This message has been effective enough to be recognized by both the trade and wellness communities. We extended the power of beef as a protein message to consumers by partnering with Loblaw's Health and Wellness Division to provide in-store consumer engagement programs across Canada.

Our initiatives to target emerging demographics have focused on the Hispanic market in the United States. Through market development programs to increase sales volumes through major distributors to the U.S. Hispanic demographic, we are able to strategically create brand presence with key clients.

Our ongoing partnership with Air Canada Vacations and Karisma Resorts continue to drive value and raise the status of Canadian beef through the five-star resort segment in the Mayan Riviera. Through this partnership, we engaged influential food personalities as brand ambassadors to raise public brand awareness, including high-profile chefs. The Series was then leveraged through our partners' social media platforms to engage with consumers in Mexico, North America and even Europe.

No market holds greater potential for growth than Asia, and Canada Beef con-

tinues to build on the momentum we have earned there in previous years. Our consumer-facing marketing efforts have been expanded and we have developed a new, innovative market outreach approach to relay our brand message to key influencers and officials. While our focus has been on the major markets of Japan, China, Korea, Hong Kong and Macau, we are expanding efforts to capture consumer attention in the emerging markets of Southeast Asia.

The Asian Hub pioneered the Canadian Beef Branding Series, an important initiative that is expandable and scalable to other global markets. The Series brought together key trade contacts, media, government and food enthusiasts alike to learn about the Canadian beef industry, our brand and the Canadian Beef Ad-

vantage on both emotional and technical levels.

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

Engagement is more than simply broadcasting our message; we must create

conversation points and spur creative thought, and we must do this with an international audience. Our loyal brand advocates want two-way, reciprocal communication, so we will find ways to engage consumers through building communities that bring our brand to life.

We look at our producer families and beef industry as investors. Rather than simply reporting what we have done, we are making it a priority to inform our investors on what is about to happen. This allows them to see and feel what success looks like and encourages them to actively participate.

This is our Canada Beef brand and it is one that we all have a stake in. We look forward to having everyone join us on our journey.

BCRC REPORT CONTINUED

ENHANCED COLLABORATION TO MAXIMIZE RESEARCH INVESTMENTS

The BCRC continues to place significant focus on enhancing collaboration between itself, provincial check-off groups, and other funders (AAFC, ALMA, SADF, OMAFRA, and others) to ensure critical research priorities are addressed, reduce duplication, and reduce administrative burden for researchers and funding agencies.

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

THE NATIONAL BEEF STRATEGY

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

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

TECHNOLOGY TRANSFER & KNOWLEDGE DISSEMINATION

The BCRC continues to advance the implementation of its Knowledge Dissemination and Technology Transfer Strategy, which is focused on converting applied

research into effective tools that drive industry competitiveness.

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

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

Annual General Meeting, Thursday, Jan. 22, 2015

1.0 - CALL TO ORDER

The meeting was called to order at 1:42 p.m. by Paula Larson.

Resolutions and Nominations chairs were introduced.
Lynn Grant – Resolutions chair
Reg Schellenberg – Nominations chair
Murray McGillvray – Chief Returning Officer
Rich Smith – Scrutineer
Ryder Lee - Scrutineer

2.0 – Approval of Agenda

Items added to agenda include:
NCFA nomination and elections – following

MOTION - AGM15 - 1: Tim Oleksyn/Duane Thompson

“To approve the agenda with the addition noted”.
Motion carried

Lynn Grant made the second call for resolutions.
Reg Schellenberg made the first call for CCA nominations from the floor.

3.0 - NATIONAL BEEF STRATEGY UPDATE

Trevor Atchison gave a presentation on the National Beef Strategy.

4.0 - REVIEW OF 2014 AGM MINUTES

No errors or omissions were brought forward.
There was no business arising from the minutes.

MOTION - AGM15 - 2: Michael Spratt/Bill Jameson **“That the 2014 AGM minutes be approved as circulated.”**

Motion carried

5.0 - CHAIR REPORT

Paula Larson, SCA chair, presented her report.
Larson introduced the new directors - Philip Lynn, District 2 and Arnold Balicki, District 9A.

Larson thanked outgoing members Ken Demyen, Ryan Sommerfeld and Greg Thompson.
Silver buckles were presented as a sign of appreciation.

6.0 – FINANCE REPORT

Harold Martens, SCA Finance Chair, presented the

financial report.

MOTION - AGM15 - 3: Harold Martens/Garret Hill **“To accept the 2014 finance report as presented.”**

Motion carried

7.0 – APPOINTMENT OF AUDITOR

MOTION - AGM15 - 4: Laurie Disney/Bill Huber **“To appoint Davies and Drury as auditor for the upcoming year.”**

Motion carried

Lynn Grant made the third and final call for resolutions

8.0 - SASKATCHEWAN CCA REPRESENTATIVES

One position is open for a two year term.

Reg Schellenberg made the second call for CCA representative nominations.

Lynn Grant – nominated by Kelly Williamson
Perry Rasmuson – nominated by Brent Griffin

Reg Schellenberg made the third and final call for CCA rep nominations.

MOTION – AGM15 - 5: Pat Hayes/Larry Grant **“That nominations cease”**

Motion carried

Lynn Grant and Perry Rasmuson made presentations to the crowd.

The chair asked the CCA delegates to come forward to answer any questions from the crowd.

Ballots were handed out and a vote taken.

9.0 - NCFA REPRESENTATIVE

Ryan Thompson - nominated by Levi Hull

MOTION – AGM15 – 6: Rick Toney/Brad Welter **“That nominations cease”**

Motion carried

Ryan Thompson was acclaimed as SCA's NCFA representative for the next two years.

10.0 – RESOLUTION SESSION

Be it resolved that the SCA encourage the provincial government to make premises ID mandatory.

MOTION - AGM15 - 9: Chair/Levi Hull

“To move Resolution 2015 #4.”

Motion carried

2015 SCA AGM – Resolution 5

SCA District 5 – Resolution 2

Moved by: Lillian Skoretz Seconded by: Terry Hull
Hull Carried

Whereas much pasture, hay land and crop land has experienced excessive flooding because of drainage; therefore

Be it resolved that SCA lobby the provincial government to come up with a strategic plan regarding land drainage in consultation with producer associations so that unnecessary flooding of hay, pasture and crop land does not occur.

MOTION - AGM15 - 10: Chair/Levi Hull

“To move Resolution 2015 #5.”

Motion to Amend: Ken Demyen/Dave Spooner To include “conservation associations” in the motion

Amendment carried

Amended motion now reads:

Whereas much pasture, hay land and crop land has experienced excessive flooding because of drainage; therefore

Be it resolved that SCA lobby the provincial government to come up with a strategic plan regarding land drainage in consultation with producer and conservation associations so that unnecessary flooding of hay, pasture and crop land does not occur.

Motion carried

2015 SCA AGM – Resolution 6

From the floor – (Original source - SCA District 6)

Whereas cattle have increased in value; and

Whereas cattle theft has increased because of the value of the cattle; therefore

Be it resolved that the SCA should work with the RCMP and the Ministry of Justice to establish cattle theft reporting protocols and expectations of actions and follow-ups when cattle thefts have been reported.

MOTION - AGM15 - 11: Chair/Shea Jameson

“To move Resolution 2015 #6.”

Motion carried

2015 SCA AGM – Resolution 7

From the floor – (Original source - SCA District 9A)

Whereas trespassing on agricultural lands for hunting has been an issue for cattle producers; and

Whereas within the trespassing laws in Saskatchewan there is an exclusion for hunting; therefore

Be it resolved that the SCA lobby the provincial government to eliminate the “exclusion for hunting” from the current trespassing laws.

MOTION - AGM15 - 12: Chair/Enoch Aarrestad

“To move Resolution 2015 #7.”

Motion to Amend: Reg Schellenberg/Rick Toney Add in “That SCA investigate the provincial trespass laws”.

Amendment carried

Amended motion now reads:

Whereas trespassing on agricultural lands for hunting has been an issue for cattle producers; and

Whereas within the trespassing laws in Saskatchewan there is an exclusion for hunting; therefore

Be it resolved that the SCA investigate the provincial trespass laws, and then lobby the provincial government to eliminate the “exclusion for hunting” from the current trespassing laws.

Motion carried

2015 SCA AGM – Resolution 8

From the floor (Original source - SCA District 9A)

Whereas the SCIC payment for predation on an under 300 pound calf is \$400; and

Whereas the current cost of raising a cow without income from her calf is more than \$600 based on WBDC research; therefore

Be it resolved that the minimum payment for an under 300 pound calf lost to predation start at \$650.

MOTION - AGM15 - 13: Chair/Arnold Balicki

“To move Resolution 2015 #8.”

Motion carried

2015 SCA AGM – Resolution 9

From the floor:

Whereas the United States has imposed country of ori-

gin labelling requirements that adversely affect Canadian livestock and that have been deemed unacceptable by World Trade Organization Panels; and

Whereas if the US does not comply with the Panel rulings, Canada may be granted the right under the WTO to introduce retaliatory tariffs on unrelated products, when appeals are over; and

Whereas Canada's livestock industry has suffered immense damage from the US measures and any retaliatory tariff is designed to put pressure on the US to change its practices and not provide a direct benefit to the adversely affected livestock sector; therefore

Be it resolved that if Canada introduces tariffs, that funding equivalent to the amount raised by the tariffs be made incrementally available to the livestock sector for research and market development initiatives.

MOTION - AGM15 - 14: Chair/Ken Demyen
"To move Resolution 2015 #9."

Motion carried

2015 SCA AGM – Resolution 10

From the floor:

Whereas there are currently limited incentives to become a VBP audited producer; and

Whereas there are significant funding inequities between Saskatchewan and other VBP programs in western Canada; therefore

Be it resolved that the SCA lobby the government of Saskatchewan to create a second level of food safety funding for VBP audited producers.

MOTION - AGM15 - 15: Chair/Brian Weedon
"To move Resolution 2015 #10."

Motion carried

2015 SCA AGM – Resolution 11

From the floor:

Whereas the SCA has passed a motion to support the concept of the National Beef Strategic Plan; therefore

Be it resolved that the SCA participate in the discussion regarding the costs of funding the National Beef Strategic Plan.

MOTION - AGM15 - 16: Chair/Ryan Sommerfeld
"To move Resolution 2015 #11."

Motion carried

2015 SCA AGM – Resolution 12

From the floor:

Whereas the Livestock and Forage Steering committee (LFSC) that was struck by the Saskatchewan Minister of Agriculture has recommended a collaborative and innovative approach to forage and livestock research, technology transfer and teaching; and

Whereas this would entail concentrating research activities at the University of Saskatchewan Goodale Farm and the proposed Clavet Beef Cattle Research and Teaching Unit; therefore

Be it resolved that the SCA endorse and support the new structure and format of the Livestock and Forage Centre of Excellence.

MOTION - AGM15 -17: Chair/Ken Demyen
"To move Resolution 2015 #12."

Motion carried

2015 SCA AGM – Resolution 13

From the floor:

Whereas the University of Saskatchewan is currently selling or generating revenue from agricultural assets; therefore

Be it resolved that the SCA ask that any current or future revenue generated from these assets be directed back to agricultural research.

MOTION - AGM15 - 18: Chair/Philip Lynn
"To move Resolution 2015 #13."

Motion carried

2015 SCA AGM – Resolution 14

From the floor:

Whereas the Horned Cattle Trust fund is no longer effective; therefore

Be it resolved that the SCA support discontinuing this fund.

MOTION - AGM15 - 19: Chair/Ryan Thompson
"To move Resolution 2015 #14."

Motion defeated

2015 SCA AGM – Resolution 15

From the floor:

Whereas wolf numbers are increasing in eastern Saskatchewan and moving into livestock producing areas; and

Whereas wolf harvest is necessary; and

Whereas wolves belong in our parks and provincial

forest, not on agricultural land; therefore

Be it resolved that wolf hunting be allowed on agricultural land in Saskatchewan starting in the fall of 2015 for licensed big game hunters.

MOTION - AGM15 - 20: Chair/John Donaldson

“To move Resolution 2015 #15.”

Motion carried

2015 SCA AGM – Resolution 16

From the floor:

Whereas forages supply 80 percent of cattle diets in Canada; and

Whereas the Canadian Forage and Grassland Association (CFGFA) is crucial to supporting growth in forage research and development; therefore

Be it resolved that the SCA lobby CCA to continue their funding of the CFGA.

MOTION - AGM15 - 21: Chair/Ross MacDonald

“To move Resolution 2015 #16.”

Motion carried

CCA Representative vote result:

Perry Rasmuson was elected for a two year term.

Motion – AGM15 - 22: Toney/Hull

“To destroy the ballots”.

Motion carried

A question came from the floor as to what SCA intends to do in regards to the SPCA refusing to enforce animal protection legislation in rural areas.

Representatives from the provincial government assured the crowd that there would be no immediate changes.

11 – ADJOURNMENT

MOTION - AGM15 – 23: Michael Spratt/Levi Hull

“To adjourn the meeting.”

Motion carried

Meeting adjourned at 4:27 p.m.



Resolutions from 2015 District Meetings

The following resolutions were passed at the SCA district meetings the last week of October and on November 4. These 11 local meetings provide a chance for producers to hear from SCA and provide input. The resolutions below will be reviewed by the Governance Committee and brought to the floor at the Annual General Meeting on January 21 at the Saskatoon Inn in Saskatoon. As was stated at the district meetings motion supporters are encouraged to be at the annual meeting to speak to their resolutions. At that meeting, resolutions can also come from the floor and from the Board for the consideration of the attendees.

It is important to note the multiple resolutions below pertaining to supporting an increase in the National Check-off levy from \$1 to \$2.50. There will be a "Beef Pit" session the morning of January 21 to discuss the National Beef Strategy. There will also be people in attendance from Canada Beef, Beef Cattle Research Council and the Canadian Cattlemen's Association to answer any questions about the strategy before the resolutions session.

DISTRICT 1

Resolution 1

"That SCA Investigate the feasibility of product liability to protect producers from liability suits brought against their product."

Moved by: Thomas Mould
Seconded by: Barry Schorr

Resolution 2

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

Moved by: Barry Schorr
Seconded by: Perry Rasmuson

Resolution 3

"That SCA continue to engage the Saskatchewan Crop Insurance Corporation to work towards more equality in insurance programming by allowing livestock producers to defer payments tied to the expiration of their policy."

Moved by: Garth Woods
Seconded by: Perry Rasmuson

DISTRICT 2

Resolution 1

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

Moved by: Bill Jameson
Seconded by: Ken Demyen

Resolution 2

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

Moved by: Dave Spooner
Seconded by: Phillip Lynn

Resolution 3

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

Moved by: Rick Swenson
Seconded by: Dave Spooner

Resolution 4

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

Moved by: Phillip Lynn
Seconded by: Deb Spooner

DISTRICT 3B

Resolution 1

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

Moved by: Doug Gillespie
Seconded by: Gerald Schultz

Resolution 2

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

Moved by: Doug Gillespie
Seconded by: Troy Laforge

Resolutions from 2015 District Meetings

Resolution 3

"Whereas we cattle producers believe in our industry and are committed to ensuring our continued profitability, therefore be it resolved that we support the increase in National Check-Off to implement the National Beef Strategy."

Moved by: Doug Gillespie

Seconded by: Lynn Grant

DISTRICT 4

Resolution 1

"Be it resolved that SCA District 4 support an increase of \$1.50 to the National Check-off to fund the National Beef Strategy."

Moved by: Gord Kozroski

Seconded by: Tim Anderson

Resolution 2

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

Moved by: Tim Anderson

Seconded by: Rick Toney

Resolution 3

"That SCA investigate the feasibility of paying \$350/head for BSE tested cattle."

Moved by: Leif Brost

Seconded by: Chad Weiss

DISTRICT 5

Resolution 1

"Whereas the cattle industry is currently underfunding marketing and research efforts and, whereas the industry now has the ability to fund, be it resolved that SCA support the National Beef Strategy including the \$1.50 per head increase in the National Check-off."

Moved by: Bob Ivey

Seconded by: William Tyson

Resolution 2

"That SCA explore a means to increase the salvage amount on BSE test cows via directing a portion of checkoff to funding a salvage price of \$500 per head."

Moved by: Todd Britton

Seconded by: Rory MacDonald

DISTRICT 6

Resolution 1

"Whereas some producers receive checkoff refunds on the advice of their accountants, whereas accountants can use a blank refund form to give to producers, be it resolved that the SCA begin only allowing check-off requests on forms issued from SCA's office and accomplish this by numbering request forms."

Moved by: Brent Johnson

Seconded by: Garrett Johnson

DISTRICT 9A

Resolution 1

"That SCA support the increase to the National check-off to \$2.50 to support the National Beef Strategy."

Moved by: Ryan Sommerfeld

Seconded by: Brandon Armstrong

Resolution 2

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

Moved by: Brandon Armstrong

Seconded by: Ryan Sommerfeld.

DISTRICT 9B

Resolution 1

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

Moved by: Dave Kerr

Seconded by: Tom Hougham

Resolution 2

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

Moved by: Dave Kerr

Seconded by: Terry Adamson

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

7TH ANNUAL GENERAL MEETING

THURSDAY, JAN. 21, 2016 - 1:30 P.M.

SASKATOON INN, SASKATOON

1:30 p.m. - Call to order

- Appointment of Officials
 - Resolutions Chair
 - Nominations Chair
 - Returning Officer
 - Scrutineers (2)

- Agenda review and adoption
- Minutes of 2015 Annual General Meeting
- Year in review: Bill Jameson
- Financial statements review: Rick Toney
- Appointment of auditor for current year
- Year ahead: Ryder Lee

2:30 p.m.

- Reports from check-off receiving bodies:
 - Canadian Cattlemen's Association: Dennis Laycraft
 - Beef Cattle Research Council: Andrea Brocklebank
 - Canada Beef

15-minute break

3:45 p.m.

- Predators and access to land: Mike Gallop, Ministry of Environment
- Canadian Cattlemen's Association Representative Elections
- Resolutions session

5:30 p.m. - Adjourn

Following the meeting there will be a social hour followed by the SBIC Awards Dinner at 6:30 p.m.

A silhouette of a cowboy wearing a hat, riding a horse. The scene is set against a dramatic sunset sky with orange and blue tones. The cowboy is positioned on the right side of the frame, facing right. The horse is also silhouetted and appears to be in motion. The overall mood is serene and evokes a sense of traditional ranch life.

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