



SCA

SASKATCHEWAN  
CATTLEMEN'S ASSOCIATION



# Annual Report 2021



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# Mission Statement

To develop and promote the success 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 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.

## Core Values

Accountable. Committed. Effective.

## Core Strategies

We will fund research initiatives and use their results to improve our competitiveness and resilience of Saskatchewan cattle production.

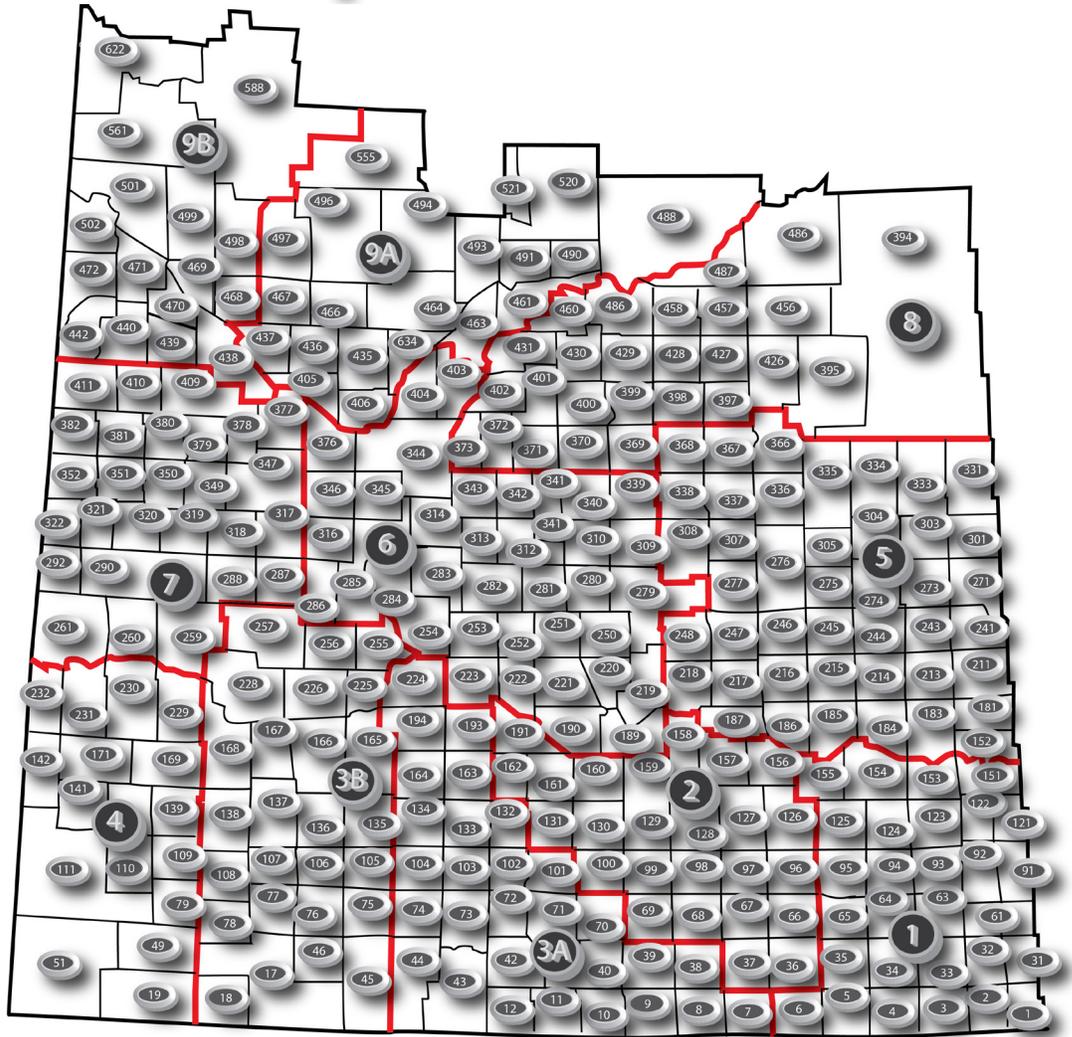
We will advocate and develop policies and programs that improve producer resilience, profitability, skills, and other needs as they arise.

We will target communications to producers that will enhance their operations or the industry and target consumers and the public with messages that support beef consumption and production.

We will develop plans and programs that improve industry resilience.

We will run a professional and transparent organization.

# Map of Districts



**District 1:**

Kyle Hebert  
Wawota

**District 2:**

Leigh Rosengren  
Midale

**District 3A:**

Roger Meyers  
Minton

**District 3B:**

Keith Day  
Kyle

**District 4:**

Randy Stokke  
Consul

**District 5:**

Levi Hull  
Willowbrook

**District 6:**

Brent Griffin  
Elbow

**District 7:**

Paula Larson  
D'Arcy

**District 8:**

Brian Cole  
St Brieux

**District 9A:**

Arnold Balicki  
Shellbrook

**District 9B:**

Dean Moore  
Paradise Hill

**Past Chair**

Rick Toney

**SCFA:**

Brad Welter  
Garret Poletz

**SSGA:**

Harold Martens  
Kelcy Elford



# Committee Members & Representatives

## Executive

Rick Toney - Past Chair  
Arnold Balicki - Chair  
Keith Day - Vice Chair  
Dean Moore - Finance Chair  
Brad Welter - Member at Large

## Research

Brad Welter & Roger Meyers - Co-Chairs  
Leigh Rosengren  
Levi Hull  
Brian Cole

## Animal Health & Care

Leigh Rosengren - Chair  
Roger Meyers  
Harold Martens  
Brian Cole

## Governance

Keith Day - Chair  
Kyle Hebert  
Brent Griffin  
Randy Stokke

## Audit & Finance

Dean Moore - Chair  
Paula Larson  
Keley Elford  
Garret Poletz

## Communications & Education

Rick Toney - Chair  
Levi Hull  
Brent Griffin  
Holly Thompson  
Garret Poletz  
Paula Larson

## Government Policy & Programs

Kyle Hebert - Chair  
Harold Martens  
Keith Day  
Randy Stokke

## CCA Representatives

Reg Schellenberg - VP - Beechy  
Pat Hayes - Val Marie  
Duane Thompson - Kelliher  
Ryan Beierbach - Whitewood  
Lynn Grant - Val Marie

## Beef Cattle Research Council

Ryan Beierbach  
Steve Pylot  
Michael Spratt

## SODCAP

Keith Day

## Saskatchewan Wildlife Advisory

Keith Day

## Young Cattlemen's Council

Holly Thompson

## National Cattle Feeders Association

Will Lowe

## Canadian Beef Check-Off Agency

Chad Ross

## Verified Beef Production +

Arnold Balicki

## Prairie Conservation Action Plan

Brent Griffin

## Agriculture in the Classroom

Arnold Balicki

## Farm & Food Care Saskatchewan

Brian Cole

## Livestock Services of Saskatchewan

Brad Welter

## Saskatchewan Forage Council

Brent Griffin

## SCA Staff

### CEO

Ryder Lee

### Executive Administrator

Leann Clifford

### Policy Manager

Christina Patterson-Betker

### Beef Production Specialist

Marianne Possberg

### Communications & Marketing Lead

Glenn LaPointe

## SCA Chair Report

### Arnold Balicki

This is my first year as chair of the SCA. For those of you that don't know me, I ranch with my wife Peggy, my son Leonard along with his wife Vanessa and their two children, Emma and Jaxon. As a family, we run a Black Angus commercial and purebred herd north of Shellbrook.

SCA's fiscal year starts the first of August each year. I can honestly say that for the most part, August 1st, 2019 started out pretty normal. We had our usual meetings with government and industry partners culminating with our cherished Canadian Western Agribition.

2020 also started out pretty normal as well with good participation at the Saskatchewan Beef Industry Symposium. And then the unexpected COVID-19 pandemic changed the world as we know it.

2019 fall run calf prices were pretty decent but as COVID-19 tightened its grip on Canada, that all changed with the slowdown in production in one of our major beef processing plants along with the complete shutdown for two weeks of the other major Western Canada processing plant.

As the saying goes, the rest is history. Feed lots were backing up with harvest ready cattle. Pen space was limited for incoming feeders and so for those producers back grounding feeders, we took a financial hit along with our major feed-lots.

With the Western Livestock Price Insurance premiums skyrocketing, the SCA Board of Directors felt the need to pass a motion to allocate

up to a million dollars to help producers with the COVID driven increases. Our provincial government, through the efforts of Minister Marit, stepped up with \$5 million and an additional \$5 million for a set aside program. A big thank you to Minister Marit and his colleagues.

With all our meetings being virtual this past year, 2020 has been a lacklustre year in regards to thoroughly addressing industry needs and relationship building, the SCA staff and board are doing our best.

An upcoming issue that is going to need the attention of all of us is the proposed increase in carbon taxes to \$170.00/tonne as well as the Clean Fuels Standard Regulations which will potentially add another \$128.00/tonne carbon tax on top of the first level of carbon taxes. The concern to our industry has to be the added cost of our production but of even greater concern has to be the competitive disadvantage our industry is going to experience versus non carbon tax beef producing jurisdictions.

That is looking at it through a narrow lens. The wide angle lens sees a huge amount of financial pain invoked on our lower and middle class, single parents, seniors, and society's less fortunate. When we see estimates that these proposed layered carbon taxes are going to cost our country as a whole somewhere between \$14.1 billion and a GDP reduction of \$6.4



**Arnold Balicki, SCA Chair**

(Continued on next page)

**Chair Report (Continued)**

billion. That alone and in itself should be a huge societal concern. We are NOT against GHG reduction but firmly believe a balanced approach needs to prevail. The beef industry has already decreased our GHG emissions footprint and CRSB has a vision and a plan to reduce that even further. Let's get the recognition for our efforts that we so rightly deserve.

In closing, I want to thank our SCA staff and board for making my tenure as SCA Chair so enjoyable. Here's to hoping that 2021 turns out to be a great year!

## CEO's Look Ahead Ryder Lee

How about planning ahead in 2020-2021? It is a challenge.

This really has been a challenge over the last year and is looking forward as well. The Saskatchewan Cattlemen's Association has a mandate to promote and develop the cattle industry and a strategic plan to deliver on that. The whole point of having a plan is that in challenging times you can check in on your goals, your areas of focus and work toward those goals. Over the years I have come to appreciate how this applies to an organization but to personal life and businesses like farms and ranches. Some of the tactics change with the times but the aims are more solid.



SCA CEO Ryder Lee

The first part of our strategic plan is funding research initiatives and their results to improve competitiveness and resilience of Saskatchewan cattle production. The research world was slowed down by COVID-19 as facilities faced different restrictions. Slow downs, but not stoppages. Things are rolling with adaptations but continuing. The board continues to fund research and is now through two years of working along with the Ministry of Agriculture's Agriculture Development Fund process. SCA still maintains control over what their funds are used for but there are benefits to aligning processes.

An ongoing success has been the Research Forum which is in its fourth year. What started as a little gathering upstairs in the Vet Med building in Saskatoon has become a large gathering of researchers and funders. This will be virtual this year but will continue. You see the theme of the need to connect researchers with industry in many conversations. This is one aspect of this strategy. Marianne Possberg has been fostering this event along with the help of several others. Marianne's main time dedication is to research. She makes sure the research committee is seeing good research proposals and helps them chew through all the information to make solid recommendations to the board. Leann Clifford's administrative hands are involved in all the many contracts and reports and stick handling of research funding and reporting.

For this coming year the committee will continue to work with SCA's research priorities. We continue to work with the U of S, BCRC and the Ministry around SCA's goal of increasing forage research capacity in

(Continued on next page)

Saskatchewan. The grass and forage crop acres cattle depend on need to continually improve competitiveness to drive forward beef cattle competitiveness. A dedicated researcher looking into forage management and utilization is seen as critical to this competitiveness. The sustainability of our grasslands and cattle business depends on profitability. Those lands cannot be left to secondary status and residual use.

We will continue to seek ways to get research results and good practices out to producers. Events SCA sponsors or partners with like Feedlot School, the Grazing Tour, Ranch Management Forum, and so many more are going online. I think we are learning the value of the social aspect of these events by not having them. I worry about the value of losing the learning aspect of networking at these events. We will continue to update our website, social media and other initiatives as they are discovered to help on this learning front but the sooner we can get together the better.

Our advocacy activities are effected by COVID of course. But the goals are not much impacted. In the coming year we will continue to push to ensure food production is kept as essential and that the machinery of our business is allowed to continue. There is a responsive aspect to the last year that has seen some success as Arnold has laid out in his report. We continue to push for improvements to programs, to legislation and regulation. We continue to advocate for more Saskatchewan production in Saskatchewan science classes.

Advocacy this year is a lot about turning announcements into action. Irrigation and internet and business risk management improvement all saw some positive announcements or proposals in the last year. The aim for the coming year is to see those turned into action. There are also areas of frustration that we will work on. Finalizing the trespass act implementation, improving approval processes for feedlot development and WLPIP modernization are all in the crosshairs. Christina Betker will be returning from maternity leave and taking the reins back on many of these files.

Communication is the third area of SCA's strategic plan. It is taking up a bigger piece of the budget given the "stay put, don't meet" rules of COVID. And we will continue to roll out communication aimed at consumers that talks about the goodness of beef on the plate and cattle on the land. This moved to television this past year. And broadened our radio presence.

That cattle on the land point is more important than ever. Our industry continues to have misinformation spread about it. Most of it I attribute to financial motives. Processed protein advocates know they benefit by pushing beef down. There is momentum building around supporting the goodness of grasslands and the role cattle play in keeping them healthy. We will continue working on policies and programs that recognize the value cattle on the land brings along with communicating this to consumers and decision makers.

Glenn LaPointe has been with SCA for over a year now and the energy he brings to our communications and content is terrific. We are also looking past COVID days and developing content that is immersive for the public and students. I look forward to the days we can show you some of this.

The fourth area of SCA's strategic plan is developing plans and programs that improve industry resilience. We are looking to fund research into grasslands programs to see if there is any elsewhere that

## CEO's Look Ahead(Continued)

should be rolled into Saskatchewan or expanded from within Saskatchewan. The economic pressures of development and annual crops are ongoing and real. Are there good programs that can counteract some of these pressures? Value for ecosystem services provided by cattle on the land would help but that value is hard to turn into dollars in a sustainable way that maintains producer control of their land.

SCA is also continuing to work with others on animal health emergency management programming. This is work that will not ever be done. And is the kind of work that always should already be done. But new information always will be coming to light. We have to continuously examine our readiness, tools and plans. Look for more from SCA in the coming year around what you as a producer should be aware of and how you can plan for events on your operation.

The last pillar of SCA's strategic plan is operations and running a professional and transparent organization. Of course the AGM and fall meetings are a big part of this goal. They looked a lot different this year. So have countless other AGMs in the world. But these events are not the end. I am proud that anyone can call our office and talk to me about whatever their concerns are. I take calls weekly from new people to discuss questions, concerns, complaints and the odd compliment. I hope everyone who has taken the time to join us today knows that the old fashioned phone call is still the best way to get questions answered. Don't let things fester. Reach out.

Part of an organization is renewal. We are also seeing some turnover on the board with three new board members. Each of them needs to be brought on board. It is a bit of a fire hose treatment when we talk using many acronyms and jargon. It is more complicated when we are now doing so much in a faceless way. I know the voices but new people have to learn who is speaking, about what exactly (CCIA vs CCA vs CFIA for example). The renewal of the board is a healthy thing and bringing those new board members up to speed will be important.

Through all aspects of the strategic plan SCA's model includes many partnerships. Advocacy sees us partnering with many groups. The Pacific Northwest Economic Region conference and organization has been a good partnership to increase SCA's influence. Communications is a huge area for agriculture that Farm and Food Care and Agriculture in the Classroom help us. Where we can find partnerships the SCA has a long history of encouraging and fostering that. The Saskatchewan Forage Council, Prairie Conservation Action Plan, South of the Divide Conservation Action Program and of course Saskatchewan Cattle Feeders and Saskatchewan Stock Growers along with APAS and SARM and of course our national partners at the Canadian Cattlemen's Association and National Cattle Feeders are some of the important groups SCA funds and or works with.

I am very fortunate to work for a board of dedicated cattle producers and with a professional staff team. Together we will continue to promote and develop the Saskatchewan cattle industry. While we work on what we can I wish all readers a safe, healthy and prosperous 2021. And please listen to your inner voice when it says "geez, maybe this isn't safe." Find another way or get some help. We have too many farm accidents and deaths and I know some of them probably ignored this voice in the name of getting the job done "now."

# 2020 Financial Report

## INDEPENDENT AUDITOR'S REPORT

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To the Members of Saskatchewan Cattlemen's Association

### *Opinion*

We have audited the financial statements of Saskatchewan Cattlemen's Association (the Association), which comprise the statement of financial position as at July 31, 2020, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at July 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

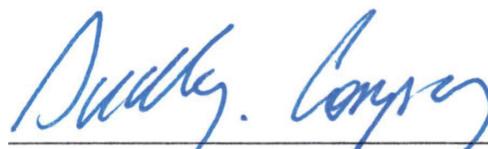
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan



Dudley & Company LLP  
Chartered Professional Accountants

July 31, 2020

	2020	2019
<b>ASSETS</b>		
CURRENT		
Cash and cash equivalents (Note 3)	\$ 1,542,622	\$ 2,418,492
Current investments (Note 4)	5,638,936	4,423,890
Accounts receivable	81,416	605,991
Prepaid expenses	53,333	61,704
	<u>7,316,307</u>	<u>7,510,077</u>
TANGIBLE CAPITAL ASSETS (Note 6)	56,554	3,001
LONG TERM INVESTMENTS (Note 4)	<u>160,117</u>	<u>717,411</u>
	<u>\$ 7,532,978</u>	<u>\$ 8,230,489</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT		
Accounts payable and accrued liabilities	\$ 170,434	\$ 505,830
Goods and services tax payable	4,560	27,143
Payroll deductions payable	12,077	14,176
Refunds payable (Note 8)	172,403	46,411
	<u>359,474</u>	<u>593,560</u>
NET ASSETS	<u>7,173,503</u>	<u>7,636,928</u>
	<u>\$ 7,532,978</u>	<u>\$ 8,230,489</u>

## ON BEHALF OF THE BOARD

\_\_\_\_\_ Chair

\_\_\_\_\_ Director

See notes to financial statements

**Statement of Revenues and Expenses**  
Year Ended July 31, 2020

	2020	2019
<b>REVENUES</b>		
Check-off revenue	\$ 5,312,760	\$ 5,736,206
Communications revenue	16,150	12,204
Interest and investment income	58,056	239,713
Gains/losses on investments	152,427	31,828
	<u>5,539,393</u>	<u>6,019,951</u>
<b>EXPENSES</b>		
Administration (Schedule 1)	132,416	146,760
Board (Schedule 1)	190,290	206,958
CEO expenses (Schedule 1)	11,889	18,069
Committee expenses (Schedule 1)	171	3,024
Communications (Schedule 1)	176,269	160,466
Industry Development fund (Schedule 1)	1,250,940	795,528
National Policy & Trade Advocacy (Schedule 2)	3,715,822	3,788,932
Staff expenses (Schedule 2)	30,995	32,189
Salaries and benefits	494,026	489,257
	<u>6,002,818</u>	<u>5,641,183</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ (463,425)</u>	<u>\$ 378,768</u>

**Statement of Changes in Net Assets**  
Year Ended July 31, 2020

	2020	2019
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 7,636,928</b>	<b>\$ 7,258,160</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>(463,425)</u>	<u>378,768</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 7,173,503</u></b>	<b><u>\$ 7,636,928</u></b>

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**

**Statement of Cash Flows**

**Year Ended July 31, 2020**

	2020	2019
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	\$ 5,853,485	\$ 5,766,832
Cash paid to suppliers and employees	(6,203,174)	(5,552,361)
Interest and investment income	58,056	239,713
Goods and services tax	(22,583)	22,894
Cash flow from (used by) operating activities	<u>(314,216)</u>	477,078
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	(56,328)	(1,554)
Change in investment cash equivalents	(523,075)	(252,682)
Purchase of investments	(608,203)	(1,227,391)
Proceeds from sales of investments	625,952	1,086,350
Cash flow used by investing activities	<u>(561,654)</u>	(395,277)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(875,870)</b>	81,801
Cash - beginning of year	<u>2,418,492</u>	2,336,691
<b>CASH - END OF YEAR (Note 3)</b>	<b><u>\$ 1,542,622</u></b>	<b><u>\$ 2,418,492</u></b>

See notes to financial statements

## Notes to Financial Statements

### Year Ended July 31, 2020

#### 1. NATURE OF OPERATIONS

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

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Basis of presentation

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

##### Revenue recognition

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

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

##### Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Office furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	term of the lease

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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

##### Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include those used when accounting for amortization and the impairment of financial assets, as well as the estimate of accounts receivable. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION****Notes to Financial Statements****Year Ended July 31, 2020****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial instruments

- a) Measurement of financial instruments - The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred. Financial assets measured at amortized cost include cash, accounts receivable and fixed income investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. Financial assets measured at fair value include investments in equity and other securities. The fair values of investments in equity and other securities are determined by reference to the latest closing transactional net asset value of each respective security.
- b) Impairment - At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the organization, including but not limited to the following events: significant financial difficulty of the issuer; delinquency in payments; or bankruptcy. When there is an indication of impairment, the organization determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. If identified, the organization reduces the carrying amount of the asset to the present value of cash flows expected to be received. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as a bad debt in the statement of operations. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statement of operations in the period the reversal occurs.
- c) Transaction costs - Investment management fees are expensed as incurred.

Cash equivalents

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

Check-off revenue

On August 4, 2010 the Saskatchewan Cattlemen's Association became responsible for the administration of the cattle levy of Saskatchewan. As of April 1, 2018, a \$4.50 levy on all cattle marketed in Saskatchewan is collected and consists of a \$2 refundable provincial levy and a \$2.50 non-refundable national levy.

## SASKATCHEWAN CATTLEMEN'S ASSOCIATION

## Notes to Financial Statements

Year Ended July 31, 2020

## CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
Chequing - Scotiabank	\$ (100,167)	\$ 62,891
Chequing - Affinity	207,030	49,975
Restricted - Affinity	5,000	691,352
Projects account	-	16
Restricted - Scotiabank	1,417,275	1,072,704
Investment cash account	13,479	18,474
Investment cash equivalents	-	523,075
Credit union membership share	5	5
	<u>\$ 1,542,622</u>	<u>\$ 2,418,492</u>

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

## INVESTMENTS

	<u>2020</u>	<u>2019</u>
<u>Current Investments</u>		
Fixed income securities	\$ 2,022,872	\$ 1,433,415
Equities	249,325	1,774,871
Other assets	1,860,128	1,718,519
Equity funds	1,666,728	214,496
Long term investments	<u>(160,117)</u>	<u>(717,411)</u>
	<u>\$ 5,638,936</u>	<u>\$ 4,423,890</u>
 <u>Long term investments</u>		
Long term investments	<u>\$ 160,117</u>	<u>\$ 717,411</u>

Investments maturing within 6 months from year end, as well as equities and other investments held for trade are classified as current.

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Notes to Financial Statements**  
**Year Ended July 31, 2020**

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5. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of July 31, 2020.

Credit risk

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

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in its accounts payable and accrued liabilities. The organization mitigates its risk by monitoring cash flows from operations and holding assets that can be readily converted into cash.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The association is mainly exposed to this risk through its investments and is able to mitigate the risk through a diversified investment portfolio.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the association manages exposure through its normal operating and financing activities. The association is exposed to interest rate risk primarily through its investments. The organization manages the interest rate risk exposure of its fixed income investments by using a laddered portfolio with varying terms to maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

Unless otherwise noted, it is management's opinion that the association is not exposed to significant other price risks arising from these financial instruments.

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Notes to Financial Statements**  
**Year Ended July 31, 2020**

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	\$ 22,468	\$ 17,697	\$ 4,771	\$ 2,626
Office furniture and equipment	47,083	12,330	34,753	375
Leasehold improvements	17,030	-	17,030	-
	<u>\$ 86,581</u>	<u>\$ 30,027</u>	<u>\$ 56,554</u>	<u>\$ 3,001</u>

7. BOARD LEVIES

	2020	2019
Check-off revenue	\$ 5,312,760	\$ 5,736,206
National check-off agency	(2,969,549)	(3,091,336)
Levy refund	(52,384)	(44,540)
	<u>\$ 2,290,827</u>	<u>\$ 2,600,330</u>

A \$4.50 levy on all cattle marketed in Saskatchewan is collected and consists of a \$2 refundable provincial levy and a \$2.50 non-refundable national levy.

8. REFUNDS PAYABLE

	2020	2019
SBIDF levy refunds	\$ 50,823	\$ 46,411
SCIC refunds	121,580	-
	<u>\$ 172,403</u>	<u>\$ 46,411</u>

The SBIDF levy refunds are made up of the \$2/head refundable portion of provincial levy.

The SCIC refund was a motion made in conjunction with SCIC. SCIC paid a refund of 40% of each farmers insurance premium increase due to COVID-19 as a form of economic benefit to help during the COVID-19 pandemic. The association contributed an additional 20% of this rebate (8% of original premium) to the farmers.

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Notes to Financial Statements**  
**Year Ended July 31, 2020**

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9. LEASE COMMITMENTS

The association has a long term lease with respect to its premises. The association is required to pay a portion of common area cost which is adjusted each year for actual operating costs and property taxes. Future minimum lease payments as at July 31, 2020, are as follows:

2021	\$	29,744
2022		29,744
2023		29,744
2024		30,742
2025		<u>30,742</u>
	<u>\$</u>	<u>150,716</u>

10. SIGNIFICANT EVENT

In March 2020, the World Health Organization declared a global pandemic due to the coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies. To this point, there has been minimal impact on the association.

## SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Expenses by Fund  
(Schedule 1)

Year Ended July 31, 2020

	2020	2019
<b>Administration</b>		
Accounting services	\$ 9,434	\$ 12,402
Amortization	2,775	2,452
Bank charges and interest	523	1,981
Contract work	-	1,905
IT support	4,982	6,771
Insurance	1,999	1,660
Investment advisory fees	44,965	43,103
Office rent	50,064	50,273
Office supplies	3,416	2,976
Photocopying	4,086	4,121
Postage and courier	2,590	10,457
Professional development	-	756
Telephone	7,582	7,903
<b>Administration total</b>	<b>\$ 132,416</b>	<b>\$ 146,760</b>
<b>Board</b>		
Accommodations	\$ 24,180	\$ 34,883
Board Expenses	354	-
Business cards	1,463	118
Conference calls	-	324
Facility rental	926	1,768
Meals	7,303	10,058
Per diems	108,775	87,811
Registration fees	5,221	7,908
Travel	42,068	64,088
<b>Board total</b>	<b>\$ 190,290</b>	<b>\$ 206,958</b>
<b>CEO Expenses</b>		
Accommodations	\$ 4,410	\$ 4,568
Industry meeting meals	265	1,276
Meals	757	1,151
Registrations	1,153	1,670
Travel	5,304	9,404
<b>CEO Expenses total</b>	<b>\$ 11,889</b>	<b>\$ 18,069</b>
<b>Committee</b>		
Research	\$ 171	\$ 2,882
Communications	-	142
<b>Committee total</b>	<b>\$ 171</b>	<b>\$ 3,024</b>

See notes to financial statements

## SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Expenses by Fund (continued)  
(Schedule 1)

Year Ended July 31, 2020

**Communications**

AGM facilities	\$ 11,419	\$ 5,395
Advertising	74,079	44,746
Fees, memberships, and subscriptions	753	1,400
Producer meetings	32,071	34,941
Promotion and marketing	19,728	21,034
Promotional events	22,523	23,930
Publication	12,693	25,189
Trade show	3,003	3,831

<b>Communications total</b>	<b>\$ 176,269</b>	<b>\$ 160,466</b>
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**Industry Development Fund**

Board initiatives	\$ -	\$ 26,260
External memberships	128,121	122,989
Federal projects	83,887	-
Levy refund	52,384	44,540
SCAIDF funding	678,514	552,088
Projects	17,460	31,648
SCIC rebates	121,580	-
Sponsorships	18,994	18,003
Verified beef production funding	150,000	-

<b>Industry Development Fund total</b>	<b>\$ 1,250,940</b>	<b>\$ 795,528</b>
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See notes to financial statements

## SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Expenses by Fund (Continued)  
(Schedule 2)

Year Ended July 31, 2020

	2020	2019
<b>National Policy and Trade Advocacy Programs</b>		
Canadian cattlemen's association - assessment	\$ 702,082	\$ 630,254
Legal assessments	44,191	67,342
National check-off agency	<u>2,969,549</u>	<u>3,091,336</u>
<b>National Policy and Trade Advocacy Programs total</b>	<b><u>\$ 3,715,822</u></b>	<b><u>\$ 3,788,932</u></b>
<b>Staff expenses</b>		
Accommodations	\$ 9,572	\$ 7,987
Meals	1,481	3,177
Registrations	8,815	6,037
Travel	<u>11,127</u>	<u>14,988</u>
<b>Staff expenses total</b>	<b><u>\$ 30,995</u></b>	<b><u>\$ 32,189</u></b>

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Schedule of Industry Development Fund (SCAIDF)**  
**(Schedule 3)**  
**Year Ended July 31, 2020**

	2020
<b>EXPENSES</b>	
Agriculture & Agri-Food Canada	
Development of best management practices for residue and fertility management of annual polycultures	\$ 15,000
Barley forage coop at Melfort	8,625
Improving lipid content in vegetative tissue to increase the nutritive value of herbaceous legume forages	24,990
	48,615
Irrigation Crop Diversification	
Double cropping irrigation winter cereal for silage	1,858
Irrigated and dryland fababean/corn intercrop silage	1,396
Effect of nitrogen fertilizer applications on double cropped fall rye and spring barley	1,911
	5,165
Prairie Conservation Action Plan	
Sponsorship 2019	22,000
Sponsorship 2020	22,000
	44,000
Saskatchewan Forage Council	
Sponsorship	55,000
Saskatchewan forage variety demonstration trials	2,500
	57,500
University of Saskatchewan	
Selection of clonal propagated alfalfa and sainfoin plants under grass or legume competition	13,800
Pen surface soil performance of various soils during the first two cycles of cattle at a feedlot in Saskatchewan	14,374
Evaluating long term benefits of genomic selection programs in beef cattle breeding programs	8,000
Evaluating steam-flaking of barley to improve feed efficiency for finishing beef cattle	55,000
Fungal Suppression as a means to increase range health following leafy spurge invasion	8,855
Evaluation of forage Galega as a new forage legume in pure and grass-legume mixed stands in Saskatchewan	23,000
Enhanced vaccine adjuvant platform for nasal administration in livestock	35,000
Butyrate as a novel functional ingredient for feedlot cattle	34,500
Enhancing seed and biomass production and drought tolerance of plains fescue using novel seed treatments	11,500
An interactive tool to inform Johne's disease in beef herds	4,888
	5,400
Plant-soil interactions and stand decline alfalfa: Mechanisms and potential mitigation strategies	18,676
The use of sensory additives to boost feed intake and immune function of newly arrived feedlot cattle	49,777
	49,777

(continues)

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Schedule of Industry Development Fund (SCAIDF) (continued)**  
**(Schedule 3)**  
**Year Ended July 31, 2020**

	2020
Evaluating premiums for weaned calves marketed with value-added management characteristics	10,000
Beef & forage award	1,500
	<u>294,270</u>
Other organizations	
Canadian Western Agribition - Sponsorship	55,000
Diabetes Canada - Sponsorship	5,000
Farm & Food Care - Sponsorship	32,500
Government of Alberta - Simple strategies to reduce impacts of ergot alkaloids on beef cattle	10,823
Livestock Marketers of Saskatchewan - Sponsorship	30,000
Saskatchewan 4-H Council - Sponsorship	10,000
Saskatchewan Stock Growers Association - Saskatchewan beef education	42,641
Saskatchewan Vet Medical Association - Sponsorship	18,000
SOD Conservation Action Program - Sponsorship	25,000
	<u>\$ 678,514</u>

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Industry Development Activities Committed for Future Years**  
**Year Ended July 31, 2020**

(Schedule 4)

	2021	2022	2023	2024	Total
<b>University of Saskatchewan</b>					
Alternative trace mineral supplementation strategies for improved cow performance	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 30,000
The forage-efficient beef cow: Investigation into the underlying physiology	15,000	15,000	-	-	30,000
Use of high-moisture corn products for finishing cattle and the corn stover for extensive grazing	51,750	51,750	-	-	103,500
Proof of concept study for the delivery of a respiratory probiotic to feedlot cattle via the feed	36,783	-	-	-	36,783
Enhancing seed and biomass production and drought tolerance of plains fescue using novel seed treatments	11,500	-	-	-	11,500
Comparison of immune respiratory disease sparing effect of homologous and heterologous vaccine programs in neonatal calves	8,797	-	-	-	8,797
Effects of annual and perennial forage systems on plant, soil and water parameters, grazing animal performance and system economics	5,400	5,400	5,400	5,400	21,600
Plant-soil interactions and stand decline alfalfa: Mechanisms and potential mitigation strategies	5,158	-	-	-	5,158
Performance, environmental and economic benefits of BioChar supplementation in beef cattle	24,000	24,000	24,000	-	72,000
A screen for drugs that reveal Mycoplasma bovis to the bovine immune system	8,200	8,000	8,000	-	24,200
Stocking density and feed bunk space as a risk factor for liver abscesses	10,000	5,000	5,000	-	20,000

(continues)

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Industry Development Activities Committed for Future Years** *(continued)*  
**Year Ended July 31, 2020**

(Schedule 4)

	2021	2022	2023	2024	Total
<b>University of Saskatchewan</b> <i>(continued)</i>					
Evaluating premiums for weaned calves marketed with value-added management characteristics	5,000	5,000	-	-	10,000
Optimization of a novel catalytic seed treatment inducing higher germination rates and nodulation in Cicer milkvetch cultivars	25,000	12,500	12,500	-	50,000
Developing hybrid bromegrass with improved neutral detergent fibre digestibility	10,000	7,500	7,500	-	25,000
Strategies to address mineral nutrition in the face of poor water quality	20,000	10,000	10,000	-	40,000
Development of meadow brome and cicer milkvetch varieties for stockpiles grazing in western Canada	25,000	12,500	12,500	-	50,000
Development of forage wheat lines with high biomass yield and high quality	15,000	7,500	7,500	-	30,000
Barley Lodging - getting to the root of the problem	10,000	7,500	7,500	-	25,000
Level of canola source fat in pregnant cow diets - effects on cow and calf performance	25,000	12,500	12,500	-	50,000
<b>University of Saskatchewan total</b>	<b>321,588</b>	<b>194,150</b>	<b>122,400</b>	<b>5,400</b>	<b>643,538</b>

*(continues)*

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Industry Development Activities Committed for Future Years** *(continued)*  
**Year Ended July 31, 2020**

(Schedule 4)

	2021	2022	2023	2024	Total
<b>Saskatchewan Forage Council</b>					
Saskatchewan forage variety demonstration trials	2,500	-	-	-	2,500
Assessing the viability of winter feeding chopped corn swaths compared to standing corn in terms of utilization, quality and economics.	4,000	-	-	-	4,000
<b>Saskatchewan Forage Council total</b>	<b>6,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,500</b>
<b>Saskatchewan Stock Growers Association</b>					
Youth & Consumer education	37,455	-	-	-	37,455
Using record keeping software as a production and economic indicator for decision making	5,500	-	-	-	5,500
<b>Saskatchewan Stock Growers Association total</b>	<b>42,955</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,955</b>

*(continues)*

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Industry Development Activities Committed for Future Years** *(continued)*  
**Year Ended July 31, 2020**

(Schedule 4)

	2021	2022	2023	2024	Total
<b>Other Organizations</b>					
Beef Cattle Research Council - Increasing the yield threshold and enhancing the ideotype and nutritive value of barley cultivars for feed and forage in Western Canada	15,000	15,000	15,000	-	<b>45,000</b>
VIDO - Development of a novel vaccine for protection against Mycoplasma bovis infections in feedlot cattle	49,968	49,968	-	-	<b>99,936</b>
Agriculture & Agri-food - Development of best management practices for residue and fertility management of annual polycultures	15,000	-	-	-	<b>15,000</b>
Saskatchewan Cattle Feeders Association - Western Canada Feedlot Management School	20,000	-	-	-	<b>20,000</b>
Field Crop Development Centre - Barley Forage Coop at Melfort	8,625	-	-	-	<b>8,625</b>
Alberta Agriculture and Forestry - Simple strategies to reduce impacts of ergot alkaloids on beef cattle	10,823	2,000	-	-	<b>12,823</b>
University of Regina - Genomic epidemiology and rapid detection of mycobacterium infections (Johnes disease) in Saskatchewan Cattle	30,000	20,000	-	-	<b>50,000</b>
Saskatchewan Verified Beef Production & Delivery	24,000	24,000	24,000	-	<b>72,000</b>
South of Divide Conservation Action Plan	25,000	25,000	25,000	25,000	<b>100,000</b>
University of Alberta - Accelerated and targeted discovery of cellulases using high resolution meta-omes of multiple ruminant species	15,000	10,000	10,000	-	<b>35,000</b>
					<i>(continues)</i>

See notes to financial statements

**SASKATCHEWAN CATTLEMEN'S ASSOCIATION**  
**Industry Development Activities Committed for Future Years** *(continued)*  
**Year Ended July 31, 2020**

(Schedule 4)

	2021	2022	2023	2024	Total
<b>Other Organizations</b> <i>(continued)</i>					
Irrigation Crop Diversification - Developing target yield nitrogen fertilizer recommendations for irrigated silage and grain corn	15,000	10,000	10,000	-	<b>35,000</b>
	-	-	-	-	-
<b>Other Organizations total</b>	<b>228,416</b>	<b>155,968</b>	<b>84,000</b>	<b>25,000</b>	<b>493,384</b>
<b>Grand Total</b>	<b>\$ 599,459</b>	<b>\$ 350,118</b>	<b>\$ 206,400</b>	<b>\$ 30,400</b>	<b>\$ 1,186,377</b>

Many of the research projects funded by the SCAIDF fund take more than one year to complete. Funds for the subsequent years of a multi-period project are not advanced unless satisfactory progress is demonstrated in the prior year. If there is satisfactory progress in all of the projects currently in progress, the SCAIDF is committed to the above future expenditures.

See notes to financial statements

# Payee Report

Personal Service	Per Diem	Expenses	Total
Arnold Balicki	18,840	1,158.21	29,998.21
Brad Welter	2,645	4,216.05	6,861.05
Brent Griffin	3,680	2,196.01	5,876.01
Chad Ross	2,300	4,340.24	6,640.24
Brian Cole	2,910	4,179.40	7,089.40
Dean Moore	2,530	4,040.00	6,570.00
Kelcy Elford	460	874.00	1,334.00
Harold Martens	6,440	4,682.00	11,122.00
Kyle Hebert	1,955	4,357.79	6,312.79
Keith Day	4,600	4,317.00	8,917.00
Leigh Rosengren	2,530	3,086.19	5,616.19
Levi Hull	920	2,732.40	3,652.40
Lloyd Thompson	460	904.63	1,364.63
Lynn Grant	1,840	0	1,840.00
Roger Meyers	5,520	7,030.38	12,550.38
Michael Spratt	2,990	884.00	3,874.00
Pat Hayes	2,300	0	2,300.00
Paula Larson	4,715	3,106.08	7,821.08
Reg Schellenberg	9,200	0	9,200.00
Rick Toney	15,380	11,166.22	26,546.22
Ryan Beierbach	13,110	4,458.00	17,568.00
Randy Stokke	1,380	3,097.40	4,477.40
Duane Thompson	2,070	0	2,070.00
<b>Total</b>	<b>108,775</b>	<b>80,826</b>	<b>189,601.00</b>

## External Memberships (Threshold \$10,000)

Ag in the Classroom	50,000
Farm & Food Care	20,000
National Cattle Feeders	50,000
<b>Total</b>	<b>120,000</b>

## National Activities (Threshold \$10,000)

CCA - Legal	44,191.47
CCA - Operations	702,081.67
<u>National Check Off</u>	<u>2,844,028.98</u>
<b>Total</b>	<b>3,590,302.12</b>

## Vendor Payments (Threshold \$10,000)

102092655 Saskatchewan - Office rent	50,064.43
National Bank Investment Fees -	41,188.22
Park Avenue Builders - Office reno -	17,029.75

## Payee Report (continued)

## Industry Development (Threshold \$10,000)

PCAP 19/20	22,000.00
PCAP 20/21	22,000.00
Canadian Western Agribition	50,000.00
Farm & Food Care	32,500.00
Livestock Marketing Assoc.	30,000.00
Saskatchewan 4-H	10,000.00
Saskatchewan Veterinary Assoc.	18,000.00
SODCAP	25,000.00
Agriculture & AgriFood Canada (18-133)	24,990.00
Agriculture % AgriFood (17-144)	15,000.00
Government of Alberta (18-134)	10,823.00
U of Saskatchewan (17-143)	11,500.00
U of Saskatchewan (19-005)	40,497.00
U of Saskatchewan (18-099)	22,162.00
U of Saskatchewan (17-146)	15,000.00
U of Saskatchewan (19-003)	18,676.00
U of Saskatchewan (16-206)	14,374.00
U of Saskatchewan (18-105)	11,500.00
U of Saskatchewan (19-118)	10,000.00
U of Saskatchewan (17-143)	11,500.00
U of Saskatchewan (17-141)	55,000.00
U of Saskatchewan (18-099)	12,338.00
U of Saskatchewan (19-131)	46,098.80
U of Saskatchewan (19-002)	55,000.00
U of saskatchewan (17-146)	20,000.00

## 2020-2021 Budget

### Budget for 2020-21 vs 2019-20 budget and actuals

<b>Income</b>	<b>19-20 Budget</b>	<b>19-20 Actual</b>	<b>20-21 Budget</b>
<b>Total Income</b>	\$5,662,000	\$5,539,393	\$5,607,000
<b>Expense</b>			
<b>Administration Expenses</b>	\$164,900	\$132,416	\$145,100
<b>Board Expenses</b>	\$209,900	\$190,290	\$199,800
<b>CEO Expenses</b>	\$18,500	\$11,889	\$15,400
<b>Committee expenses</b>	\$4,400	\$171	\$2,800
<b>Communication Expenses</b>	\$283,500	\$176,269	\$246,900
<b>Industry Development Fund</b>	\$802,500	\$1,250,940	\$795,000
<b>Natl Policy &amp; Trade Advoc. Prog</b>	\$3,824,899	\$3,715,822	\$3,691,129
<b>Staff Expenses</b>	\$31,000	\$30,995	\$31,000
<b>Salaries &amp; Benefit Expenses</b>	\$483,500	\$494,026	\$479,000
<b>Total Expense</b>	\$5,823,099	\$6,002,818	\$5,606,129
<b>Net Income</b>	-\$161,099	-\$463,425	\$871

## Annual Research Committee Report 2020

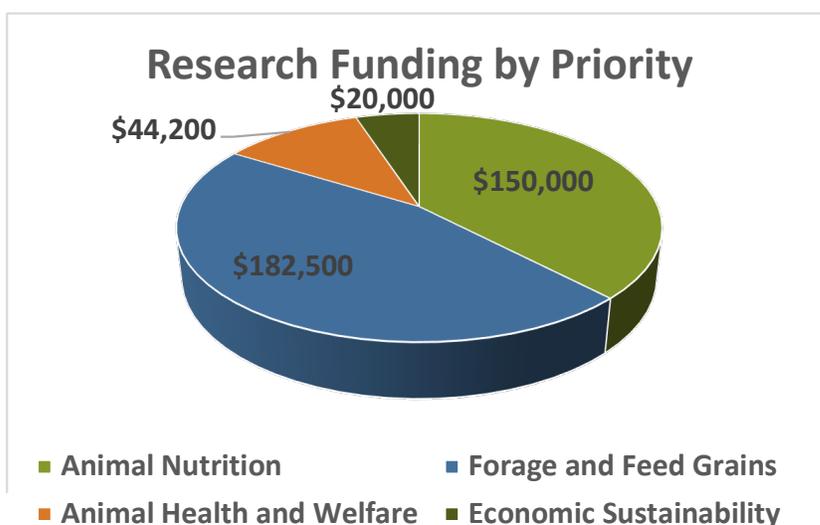
One of SCA's key strategies in promoting and developing the beef industry has been funding research. As there are many research projects for beef and forage, each project needs close evaluation to ensure levy funds are spent on projects that will benefit producers. The SCA Research Committee meets numerous times throughout the year to closely review SCA's research priorities, to listen to research "pitches," to examine research peer reviews, to discuss changes they would like to see in proposals, and finally to determine the amount they want to contribute to each research project. After these many hours of reading and discussion, the Research Committee recommended the Board fund \$396,700 worth of research funding, which was approved during the 2019-2020 fiscal year.

The projects funded in 2019-2020 are submitted to the Government of Saskatchewan's Agriculture Development Fund (ADF). This program allows commodity groups to review research projects together, relaying the thoughts from their respective Research Committees. It also allows groups to co-fund projects where necessary, spreading the risk and reward of projects over multiple groups. One of the largest funders in this group is the Government of Saskatchewan, which considers the involvement of other research funders as they make their funding decisions.

There were over ninety research proposals submitted through ADF which involved either livestock or forage production. Deliberations by the Research Committee about each project noted whether the project would address a concern in the industry, whether the methodology of the project would mirror common practices by producers, whether producers or others in the industry would be able to utilize information from completed projects, whether it would lower costs or improve profitability, and more.

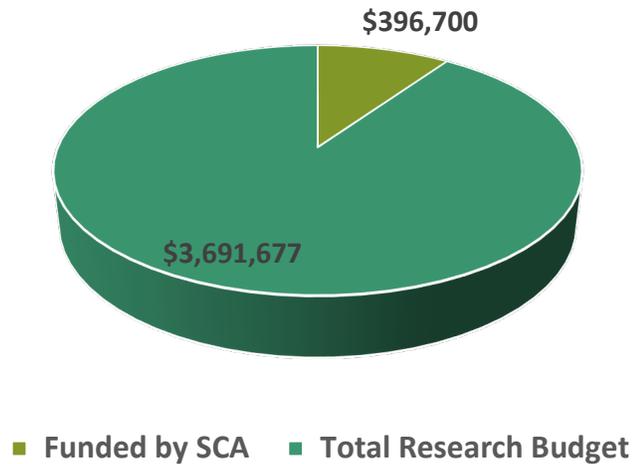
As noted in the graph "Research Funding by Priority," the majority of the funding was directed towards forage and animal nutrition projects. As feeding is the highest cost on farms and ranches, innovations which would help cattle digest feed more efficiently, or to grow crops with higher yields and better nutrition often rank high. To read more about the priorities set to offer researchers direction, please see

<https://www.saskbeef.com/research>



**Research Committee Report (Continued)**

Most of the projects financed are not done solely by the SCA. Instead, the funds provided often signal the importance of projects to other funding agencies, including the Government of Saskatchewan's ADF, the Natural Sciences and Engineering Council of Canada, and other commodity groups including Sask Canola, the Saskatchewan Forage Seed Development Commission, and Sask Barley. To that end, for each approximate dollar that the SCA contributed to funding a project, another \$9 were spent by another organization.

**Leveraging SCA Levy Funds**

The Covid-19 pandemic has affected researchers in various research institutions. During the spring and summer, many were restricted from entering their research facilities due to safety concerns. Some projects that allowed for social distancing were able to take place, while lab work for many remained out-of-reach. Other projects which directly dealt with cattle continued as the animals needed ongoing care. In those cases, samples were collected, though further lab work was delayed. As a result, the Research Committee agreed to allow any requested project delays. As the pandemic subsides due to vaccine availability, planned and ongoing research projects will need to be scheduled carefully in research institutions. The SCA staff will work to communicate with researchers so that their projects can be completed, and communicated to producers.

**Projects funded in 2019-20:**

The funding for the following projects were announced in January 2020. For the projects announced this month for the 2020-21 fiscal year, as well as all previous research projects, please see <https://www.saskbeef.com/sca-industry-development-fund>

**A screen for drugs that reveal *Mycoplasma bovis* to the bovine immune system**

Antonio Ruzzini

\$24,200

Seeking a successful treatment for *Mycoplasma Bovis*, which causes respiratory disease, mastitis, and has evaded us for some time. This novel research, led by Dr. Tony Ruzzini, is studying proteins released from the bacterial membrane of this bacterium, and use available drugs to determine if they can disrupt them, essentially removing the "cloak" that makes its treatment so difficult.

**Research Committee Report (Continued)****Accelerated and targeted discovery of cellulases using high resolution meta-omes of multiple ruminant species**

Leluo Guan

\$35,000

Bison are able to survive on more low-quality forages than cattle. Some evidence suggests the enzymes within the bison rumen allows this to occur. Dr. Leluo Guan will test this hypothesis, and whether these enzymes can then be added as a feed ingredient for beef cattle. If this is possible, it could lower feed costs and continue to decrease the amount of greenhouse gas emissions from beef cattle.

**Stocking density and feed bunk space as a risk factor for liver abscesses**

Diego Moya

\$20,000

Liver abscesses continue to be an issue for beef producers. According to the National Beef Quality Audit in 2016, liver discounts were estimated at \$20.98/head, with a total loss of \$61.2 million to the industry. Dr. Diego Moya from the University of Saskatchewan will note how cattle behavior towards practices such as slick bunks affect how the cattle eat, and the effects on their livers.

**Developing Target Yield Nitrogen Fertilizer Recommendations for Irrigated Silage and Grain Corn**

Garry Hnatowich

\$35,000

Corn silage and corn grazing has increasingly become a greater feed choice for Saskatchewan producers. However, the fertilizer recommendations in Saskatchewan are based on regions outside this province. As this type of information is very region specific, Garry Hnatowich of the Irrigation Crop Diversification Corporation will establish corn on irrigated and dryland sites, and provide nitrogen fertilizer at various rates. They plan to assess spring soil nutrients, plant biomass, emergence, days to tassel, and other measurements to provide more guidance for producers as they consider their crop in the future.

**Evaluating Premiums for Weaned Calves Marketed with Value-Added Management Characteristics**

Kathy Larson

\$20,000

Auction marts report the average prices for the cattle they sell. But what are the characteristics of the cattle that have the highest bids at the auction? This team of researchers will use information collected through CanFax for detailed lot listings and market reports. They will then cross-reference this information with attributes for each sale - including vet work, location, implant status, breed, age verification, etc. over the course of seven years. They hope to understand sales trends over this period, and to understand if some attributes like preconditioning have changed. If a trend is shown, it will provide producers with more information for their marketing and production decisions.

**Research Committee Report (Continued)****Field evaluation of one catalytic seed treatment inducing multiple agronomic responses in forage crops/ Optimization of a novel catalytic seed treatment inducing higher germination rates and nodulation in Cicer milkvetch cultivars.**

Karen Tanino

\$30,000

Cicer milkvetch is difficult to establish in Saskatchewan. The seed is also comparatively expensive. However, once this crop has established, this non-bloat legume has demonstrated long term stand health. Previous research has indicated that soaking the seeds in a catalytic solution allows for much greater germination and root growth, with nodulation. This research will concentrate on cicer milkvetch to determine the best dose for these seeds, and then conduct field trails.

**Developing hybrid bromegrass with improved neutral detergent fibre digestibility**

Greg Penner

\$40,000

Neutral Detergent Fiber (NDF) is a part of a plant's structural components, specifically the cell walls. Generally, high NDF denotes lower digestibility. Drs. Greg Penner and Bill Biligetu have been investigating hybrid bromegrass populations which have a higher NDF digestibility, which resulted in a 4.6% increase in digestibility. This research project hopes to expand this to 10%, while retaining or improving other agronomic traits.

**Strategies to address mineral nutrition in the face of poor water quality**

Greg Penner

\$40,000

Sulfate toxicity is one of the most common forms of water toxicity in Western Canada. Ideally, sulfate levels should be kept below 1,000 parts per million, though recent research from the Livestock and Forage Centre of Excellence have noted that the affects of sulfates in water are not clearly understood. In order to manage beef cattle health with sulfates in water, Dr. Penner and his team from across Saskatchewan and North America will evaluate an appropriate level of bismuth subsalicylate in a ration with various levels of sulfates in water in addition to other hydroxy trace minerals and injectable minerals. The costs and associated economic data will also be collected to help producers determine best practices moving forward.

**Development of meadow brome and cicer milkvetch varieties for stockpiled grazing in western Canada**

Bill Biligetu

\$50,000

Meadow brome has been a very suitable fast-growing grass for late season stockpiling, high forage yield in mid-June, and a higher early spring growth than smooth bromegrass. Cicer milkvetch is a non-bloat legume that maintains its forage quality throughout the growing season. This study will select germplasms that perform greater in late season in terms of forage yield and forage quality for stockpiling purposes. As feeding costs account for 60% of total cost production for beef cattle, lengthening the grazing season can reduce costs for farmers and ranchers in Saskatchewan

**Research Committee Report (Continued)****Development of forage wheat lines with high biomass yield and high quality**

Bill Biligetu

\$30,000

Until recently, annual forage wheat was subject to a different regulatory procedure than barley, oats, and triticale. Now that this has changed, there is greater interest in forage wheat varieties as it is more drought resistant than barley and could be more applicable in drier areas of Saskatchewan. This research will evaluate advanced breeding lines based on work recently funded by the Alberta Beef Producers. Dr. Biligetu and his team will compare the new crosses to forage oats and barley, and then note its silage production potential.

**Barley Lodging – Getting to the Root of the Problem**

Aaron Beattie and Allan Feurtado

\$25,000

An average of 6.6 million acres have been seeded into barley each year since 2010. However, lodging is still a significant problem with this crop. While seeding rate, seeding date, and nitrogen application has tempered this issue, genetic resistance has not been a great focus. Stem strength is important, though the value of the root system architecture is as well. Developing upon international research showing the value of root system architecture in other plants, this project will assess malt and feed barley varieties to associate root structure difference to lodging observed in the field.

**Investigating the role of copper fertility in ergot infestation of forage crops**

Jillian Bainard

\$12,500

Mitigating ergot in wet years would significantly improve the value of grain, and ensure a reliable source of feed. This study hypothesizes that addressing a copper deficiency in soils might lead to a shorter period of floret opening on plants, which would then decrease ergot contamination. Dr. Jillian Bainard will collect soils with different levels of known copper deficiency and then contaminate the previously sterile soils with ergot. After measuring the impact of ergot on these plants, the research hopes it might provide another tool for producers throughout this part of the country.

**Level of canola source fat in pregnant beef cow diets - effects on cow and calf performance**

Bart Lardner

\$50,000

Previous research has shown that canola fat was highly beneficial when in beef cattle rations. This research will note the effects of canola fat on beef cows through the gestation period, and the effects on their calves throughout their lives, including slaughter.

# AGM Agenda

## SCA Agenda 1:00 pm February 1st, 2021

- Call to order
- Approve agenda & officials
- Minutes of last meeting
- Board introductions
- 1st call for nominations & resolutions. (3 CCA representatives and 1 NCFA representative)
- Finance report and appointment of an auditor
- Chair's report on year past
- CEO's look ahead
- 2nd call for nominations and resolutions
- Policy session
- Elections
- Other discussions
- Adjourn

**In an effort to promote a respectful, healthy, and helpful discussion, the meeting will be fairly informal. If at anytime the discussion becomes unprofessional or at the discretion of the moderator or parliamentarian the meeting will refer to more formal procedures. Resolutions will be discussed and voted on, Resolutions from the floor will also be accepted. Producers who have not requested a refund on their check-off are eligible to vote, run for election and make resolutions.**



# Rules of Debate

## General Rules of Debate - Adapted from Roberts Rules of Order

- To move a resolution or speak to a motion, use the “raise hand” function; state your name and district when recognized.
- Debate will be limited to two minutes per speaker.
- The mover of a resolution has the right to speak first and may speak again to close the debate.
- Amendments or substitute motions must be moved and seconded before being spoken to.
- Some resolutions are combined into one main resolution. In that case the main resolution will be read, moved and seconded. If the movers of the combined resolutions feel strongly that their specific need will not be debated by the main motion, they may ask to deal with it separately before debate on the main motion begins, or they may amend specifics into the main motion.

### The vote will be called when:

1. All who wish to speak have done so.
2. When the ‘previous question’ to close debate has been moved, seconded and passed by a majority.
3. When several speakers have spoken on the same side of an issue and no one is wanting to speak in opposition.
4. Voting will be limited to registrants with voting privileges.
5. Independent scrutineers have been arranged for the meeting. They will count the votes and report the result.
6. Anyone in attendance may speak to a resolution, but only official voters may move or second resolutions, amendments etc.

### Resolutions & Nominations

- Main motion - Must be moved and seconded.
- Amendments - Cannot change the subject but can add to, delete from, or reword.
- Motion to table - Mover, seconder, non-debatable, majority vote.
- Motion to refer or defer - Mover, seconder, debatable only to where referred or how long deferred; majority but where deferral is changing the agenda, then needs a two-thirds majority.
- Previous question to close debate - Mover, seconder, non-debatable, majority; if passed, then vote on amendment or main motion (not necessarily both) is taken immediately without further debate. If lost, debate continues.

### Other Considerations

- A motion to reconsider a resolution may be made by one who voted on the prevailing side. Needs majority vote to reconsider. If passed, opens the main question for additional debate.
- A motion to suspend or change the rules of debate that have been accepted by the assembly, needs a majority vote.

# 2020 AGM Minutes

- Call to order at 1:42.
- Chair Rick Toney introduced guests and dignitaries.
- Agenda
- Approval moved by Chad Ross and Levi Hull - CARRIED
- Officials – Motion to approve by Brad Welter and Paula Larson – CARRIED.
- 1<sup>st</sup> call for nominations and resolutions was made.
- Minutes from 2019 –
- Ryder Lee reviewed.
- Motion to accept by Kyle Hebert and Mike Spratt. – CARRIED.
- Financial report
- Ryder Lee presented the financials.
- Auditor appointment motion: That Dudley and Company be appointed auditor for the current year. – Mike Spratt and Keith Day - CARRIED
- Chair report
- Rick Toney gave his report then recognized outgoing directors. Mike Spratt, Ryan Beierbach and Chad Ross.
- CEO Look Ahead.
- Ryder Lee gave a lookahead.
- 2<sup>nd</sup> call for nominations and resolutions was made.
- Break.
- Final call for nominations and resolutions was made.
- Screened the movie Guardians of the Grasslands.
- Young Producers Forum. Rick introduced Holly Thompson, YCC rep and Cassandra DeMars, CYL Mentee.
- Challenges brought up included:
  1. When on association boards, people who have grown sons or daughters at home can get away. A bunch of producers at that stage of business have different priorities such as how to transition, managing family. This is different from younger producers, if they are looking to expand or trying to look at things so lenders find them worth lending, how to operate or grow a business. Example was price insurance. Can buy an extra quarter of land to spread risk or save from good years. But when you were at the start being able to tell your banker you have a hedge was a big help. Another example is buying a bunch of cows, a market drop can be debilitating in early years vs having equity to draw on. Price insurance was a big benefit. Having younger producers on boards and bringing that to the table is very important. Having that mix makes the policies talked about to government help speak for the whole industry. Keep that in mind in helping young producers.

2. Cassandra Demars spoke of the great opportunity for networking both with people from other places but with other people at that age. Manitoba is having a Youth Retreat for producers. That would be a good idea to incorporate. She would help with that. Thanks for bringing in to the conversation.
  3. A mentor spoke of valuing mentorship programs. SCA supporting those is very valuable. Brings young people out to established operations.
  4. Transitions out of the industry. Don't think you cannot work with someone down the road or other people that are not family. It is tough getting working capital to make cash flow work. Would like to see tax incentives for exiting producers to help with the transition. There may be creative ways to get that turnover happening. Hired people cannot start on their own but talking to them to see how they can get into the industry with some cattle and involved in the operation.
- Sharing the future with employees to keep them involved.
  - Policy Session – Duane Thompson chaired the session.

Motion by Chad Ross and Kyle Hebert

- That SCA lobby the government to add additional WLPIP calf premium tables for 650 weight calves that is available to purchase in fall for spring settlement. – CARRIED

Motion by Lynn Grant and Keith Day

- That SCA petition the government of Saskatchewan and relevant Crown corporations to acknowledge and credit Class 1A driving trainees (in time and cost) for skills and competencies existing prior to entering the training process. – CARRIED

Motion by Sherri Grant and Roger Meyers

- That SCA lobby to increase the Canadian Agricultural Loans Act loan limit from \$500,000 to \$2 million. – DEFEATED

Motion by Levi Hull and Chad Ross

- That SCA lobby the provincial government to allow producers the first right of refusal for the sale of Crown lease land. –

Motion by Lynn and Chad

- To amend the motion by adding “subject to clarification by the SCA board.” – CARRIED
- That SCA lobby the provincial government to allow producers the first right of refusal for the sale of Crown lease land, subject to clarification by the SCA board. – CARRIED

- To amend the motion by adding “subject to clarification by the SCA board.” – CARRIED
- That SCA lobby the provincial government to allow producers the first right of refusal for the sale of Crown lease land, subject to clarification by the SCA board. – CARRIED

Motion by Randy Stokke and Pat Hayes

- That SCA lobby government and conservation groups to develop policies and programs using current and future funding that would recognize the environmental value of grasslands to Canadians and assist the ranching industry to aid in the succession and expansion of grasslands.  
–
- Motion by Randy Stokke and Pat Hayes – Withdraw the motion. - CARRIED

Break

Motion by Randy Stokke and Rick Toney

- That SCA petition the Alberta and Canadian governments to reduce the number of elk from the Suffield block. – CARRIED

Motion by Lynn Grant and Harold Martens

That nominations cease. - CARRIED

- Election – 2 CCA positions. Reg Schellenberg and Pat Hayes were nominated and acclaimed.
- Other discussion. Rick Toney expressed his pleasure and honour for the confidence put in him as chair.
- Adjourned on a motion by Mike Spratt.

# Canada Beef Annual Report

## Executive Summary

As the marketing division of the Canadian Beef Cattle Research, Market Development and Promotion Agency, Canada Beef is the cattle producer-funded and run organization responsible for domestic and international beef and veal market development. It has 24 staff in offices in Canada, Japan, China, Taiwan and Mexico.

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

Canada Beef works to build a dynamic, profitable and competitive Canadian beef and veal industry where Canadian high-quality beef and veal products are recognized as the most outstanding by domestic and international customers. These efforts ultimately increase demand for Canadian beef and the value producers receive for their cattle.

## COVID-19 Impact and Response

The COVID-19 pandemic had an enormous worldwide impact on agriculture and agri-food businesses. The rapid emergence of the pandemic impacted global supply chains and the normal daily routines of much of the world's population. Packing plant closures and slowdowns challenged North American delivery systems to keep domestic shelves stocked and meet export market demand. Canadian consumers experienced a sense of uncertainty, which resulted in stockpiling meat and other essential supplies. The pandemic significantly affected Canada Beef programs as virtually

all domestic and international activities were impacted by social distancing protocols on cattle processing, retail and foodservice operations and the ability to export products to markets.

## COVID-19 Trade Outreach

Canada Beef worked collaboratively with the national associations representing beef, veal and pork. Resources were developed for Canadian consumers and for meat professionals in domestic and international markets. The focus was to provide reassurance around the safety of the meat and our ability to maintain a stable supply by safeguarding the health of Canadians working in the sector. In addition, Canada Beef's marketing team has developed programs to help increase consumers' comfort and skills in preparing Canadian beef at home.

A fact sheet outlining the measures taken by the Canadian meat industry to protect against COVID-19 was produced in eight languages. It was distributed, along with a cover letter signed by seven association leaders, to meat professionals in Canada, Mexico, China, Hong Kong, Macau, Philippines, Singapore, Vietnam, Indonesia, South Korea, and Japan.

A double page fact sheet was created for consumers with clear, easy-to-understand information on COVID-19—what it is, how to prevent it, the assurance that domestic livestock and meat are not affected, as well as food safety tips. The factsheet is available at [canadabeef.ca](http://canadabeef.ca) (both English and French).

**Canada Beef Report continued on next page**

## **Canada Beef Report (Continued)**

### **COVID-19 Consumer Outreach**

Canadians cooked at home like never before and one of the most popular items they cooked was Canadian beef. Interest in buying, preparing and serving Canadian beef was at a record high as well as the questions coming from consumers. The Canadabeef.ca website saw a 66% increase in total users (93 K) and 73% increase in new users of the website in March compared to the same time last year. The ThinkBeef.ca website saw a 450% lift in monthly visits – up by 13,000 visits comparing traffic in February to March (to March 23).

Two scheduled consumer marketing campaigns scheduled for March 2020 have shifted focus to meet consumer needs. Restaurant options are limited. We know consumers have stocked up on beef from the grocery store and while they're in their kitchens ready to cook, many aren't sure where to start—they need help in the way of recipes, serving suggestions and cooking instructions. Content shifted to focus on culinary topics—with recipe inspiration to shake up mundane meal routines, and how-to information to enable consumers to brush up on their beef-centric food skills.

### **Domestic Market Development**

Total beef consumption in 2020 is projected to be up 3% with 78% of beef consumed in Canada sourced from domestic production, down from 81% in 2019. Wholesale demand has been relatively steady since 2016 ranging narrowly between 85.2 and 87.6. In 2020, wholesale beef demand is projected to be up 12% with several demand and supply shocks resulting in volatile prices and strong retail demand - as the market was shaken by COVID.

### **Expand Programs with Retail and Foodservice Partners**

By focusing on brand partners with large volumes and influence (such as Sobeys, Costco, Loblaw, Walmart, Federated Co-op, Tim Hortons, Swiss Chalet, Montana's, Subway, Sysco), Canada Beef

can ensure that these partners are well-versed in Canadian beef, and can leverage the value of the Canadian Beef Brand.

This year, Canada Beef introduced a new domestic trade-marketing program called the Domestic Market Development Program. The program provides cost-shared funding support for eligible Canadian Beef representative company initiated projects and activities in five broad based categories essential for facilitating export market growth. It is a 50/50% cost-shared funding for eligible stakeholder initiated for generic, branded and co-branded projects in Canada.

### **Consumer Marketing and Public Trust**

Canada Beef's social and digital spaces engage and connect with consumers and producers to build brand loyalty. With over 68,000 followers and 25 million impressions, Canada Beef continues to successfully build relationships and drive demand. At Canadabeef.ca website consumers and producers can source information regarding recipes, beef know-how, beef campaigns, fact sheets and events in both English and French. The Make it Beef (MIB) monthly e-newsletter is deployed to almost 40,000 subscribers covering topics that are both culinary and brand focused. The Roundup App is a mobile beef buying and cooking app, designed to help consumers have better success with beef when they cook at home. Closely related to consumer marketing are efforts to build the beef industry's social license with the public. Canada Beef continues to partner with the CCA and other beef industry groups to address public and consumer concerns about beef production, while also building/reinforcing the Canadian beef brand.

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

The Import Levy (collected on beef imports at the equivalent rate of \$1 per head) continues to provide funding for positive beef messaging across Canada.

**Canada Beef Report continued on next page**

**Canada Beef Report (Continued)**

With consumers' diminishing food skills, concerns over healthy diets and public trust issues, Canada Beef developed targeted initiatives to positively influence consumer preference for beef over other proteins. Visit [www.thinkbeef.ca](http://www.thinkbeef.ca) for access to marketing resources generated from import levy funding.

**Canadian Beef Centre of Excellence**

The Canadian Beef Centre of Excellence (CBCE) is a teaching/training demo theatre featuring: fabrication room, commercial and home kitchen, boardroom and dining room, world-class equipment and HACCP standards. The CBCE team embraced the need for digital training resources and increased distance learning opportunities. The team created educational video resources for Canada Beef's new trade website, [www.cdnbeefperforms.ca](http://www.cdnbeefperforms.ca). Quick, engaging and entertaining, the videos meet the needs of four distinct Canadian beef-user audiences from aspiring home chefs and butchers to seasoned veterans in culinary and meat cutting industries.

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

Canada Beef's work in export markets is creating opportunities for the Canadian beef industry to realize greater value for the carcass than could be realized in the domestic market alone. As well as offering competitive bids on middle

meats, the export markets can deliver better returns for end meats, credit/thin meats and offal than here at home. These export markets have been affected by the COVID-19 pandemic similar ways to the domestic market.

Canada Beef introduced a new export program this year called the Canada Beef Export Market Development Program that provides cost-shared funding support for eligible Canadian Beef representative company initiated projects and activities in five broad based categories essential for facilitating export market growth.

The program features 50/50% cost-shared funding for eligible stakeholder initiated projects outside of Canada with a potential for 75/25% cost-shared when stacked on provincial government grants. There are five eligible categories:

Canadian beef exports from January to November 2020 were down 4.6% in volume and up 0.2% in value. These are down from the 2019 record high values and near record high volumes. Overall, Canadian beef export demand is projected to be up 3.4% from 2019.

**Stay in touch with Canada Beef**

Canada Beef launched a monthly e-newsletter to keep beef producers and stakeholders informed about the work the CB team is doing in Canada and the export marketplace. Anyone interested can sign-up at <https://canadabeef.ca/sign-up-canada-beef-performs/>

## National Cattle Feeders Association 2020 Report

The National Cattle Feeders' Association (NCFA) serves as a unified voice for Canada's fed cattle producers. Our membership is comprised of provincial beef organizations from Canada's major cattle feeding regions, each of which contributes funding to NCFA based on their province's proportionate share of total fed cattle production.

## NCFA Report (Continued)

NCFA is governed by an eight member Board that includes seven directors appointed by our provincial member organizations, plus another director representing the Canadian Cattlemen's Association (CCA). Each province also appoints a staff representative to work with the board and execute on our collective decisions and priorities. NCFA maintains an effective and ongoing presence in Ottawa through a highly dedicated team of consultants who lend their expertise and advice on our various political, regulatory, and trade issues.

### COVID-19

Without doubt, the year 2020 will go down as one of the most difficult and challenging years on record for the Canadian beef industry. The COVID-19 pandemic saw slow-downs and shut-downs in beef processing, which then caused 130,000 head of harvest-ready cattle to back-up on our feedlots and costing feeders \$500,000 each and every day. This, coupled with a collapse in fed cattle prices that have yet to recover, has generated a staggering \$500 million loss for the nation's beef producers.



**Michel Daigle NCFA Chair**

I am extremely proud of how quickly the NCFA team—in collaboration with our beef industry stakeholders—sprang into action. This collaborative effort resulted in a policy response to help address the crisis, mitigate its effects, and get in place federal and provincial financial backstops to ensure industry liquidity:

- Serving on the COVID-19 Emergency Lead Team, Policy Response Team, and Communications Team
- Agriculture and agri-food is deemed “essential” to keep cattle moving through the supply chain
- Foreign workers under TFWP and CUSMA can enter Canada despite border closures
- Up to \$85 million in federal-provincial Agri-Recovery secured for feed cost and set-aside programs
- Up to \$50 million in federal support for costs of mandatory isolation under the TFWP
- Up to \$78 million in assistance to ensure health and safety of food processing workers
- Developing and distributing “Best Management Practices” to prevent on-farm COVID-19 infection
- Agri-Stability interim payments from 50% to 75% and extending the enrolment deadline
- Additional \$5 billion in loans available through Farm Credit Canada

### BUSINESS RISK MANAGEMENT

The COVID-19 pandemic underscores yet again the many insufficiencies of Canada's suite of agriculture Business Risk Management (BRM) programs. NCFA research and engagement with other national agriculture organizations resulted in a set of reforms to current programs that has industry-wide support and was placed on the table at the November 2020 Federal-Provincial-Territorial (FPT) Ministers' Meeting:

- Removing the \$3 million cap on Agri-Stability Payments;
- Ending the practice of “reference margin limiting” in calculating Agri-Stability Payments; and
- Increasing the Agri-Stability payout rate from 70% to 85%.

## **NCFA 2021 Report continued**

While the FPT meetings did not result in agreement on moving forward, the federal government is supportive of the measures, the provinces are still considering, and NCFA will keep pressing. While agriculture and agri-food is well-positioned to help fuel Canada's post-COVID economic recovery, the right policies and programs need to be in place to help manage agriculture's inherent risks and oil the critical investments.

### **STRATEGIC PLAN**

In 2020, NCFA's five-year Strategic Plan was set to expire. A comprehensive review of the plan showed completion of many of its goals, objectives, and initiatives. The NCFA Board of Directors, staff representatives, and consultants engaged a process to draft a new five-year plan. The existing strategic pillars were adjusted slightly and a new set of goals and initiatives were developed. NCFA will continue to maintain its core focus on sustainable growth and prosperity, improved competitiveness, and industry leadership and collaboration.

### **GOVERNMENT RELATIONS**

After the COVID crisis landed in early 2020, NCFA moved to re-set our annual Ottawa Engagement Strategy and ensure continued outreach and connection with our key MP champions and Ministers, as well as various Parliamentary Secretaries, political aides and advisors, public servants, and government regulators:

- Dozens of virtual meetings via Zoom with MPs and other officials throughout 2020
- Annual Lobby week in October with over 30 MPs and officials
- Several MP feedlot tours with MPs held in BC, Alberta, and Quebec
- Two appearances before the House Standing Committee on Agriculture
- Appearance before the House Standing Committee on Trade
- Written submission to the House Standing Committee on Finance for Budget 2021
- Numerous submissions to Agriculture and Agri-Food Canada, ESDC, Global Affairs, and CFIA
- Design and deliver new pilot projects with CFIA on E-certification and cattle export convoys

### **INDUSTRY DEVELOPMENT AND COLLABORATION**

NCFA has always believed that industry collaboration—multiple voices speaking with consistent, coherent, and complimentary messaging—strengthens Canada's beef industry by increasing leverage with government and encouraging action on our critical concerns and priorities. Throughout 2020, NCFA worked with our industry partners on numerous working groups across a wide range of issues:

- Government-Industry Working Group on Animal Health Canada
- Government-Industry Working Group on Animal Transport Regulations
- Government-Industry Working Group on BSE Negligible Risk Status (application to OIE)
- Government-Industry Working Group on SRM
- Government-Industry Working Group on FMD Preparedness

## NCFA 2021 Report continued

The COVID crisis has set a new pace and a new standard for industry-wide collaboration, and this is an incredibly positive and highly beneficial development for the future of Canada's beef industry. NCFA's partnerships cut a wide swath and includes national beef organizations and agencies (e.g., Canadian Cattlemens' Association, Canada Beef Inc., Livestock Market Association of Canada), other livestock and meat organizations (e.g., Canadian Pork Council, Canadian Meat Council), and a multitude of government agencies (e.g., Canadian Food Inspection Agency, Animal Industry Division at Agriculture and Agri-Food Canada). Thank-you to all of our many industry partners.

As NCFA Chair, I would like to extend my sincere appreciation to each and every one of our dedicated directors, to our talented staff complement, and to our committed team of consultants for your considerable efforts throughout this difficult and tumultuous year. Together, our collective efforts have resulted in tangible accomplishments that has positioned our industry for better days ahead in 2021.

## Canadian Beef Check-Off Agency Fiscal year 2019-2020

This past year as the Chair of the Agency, I have witnessed our organization hit it's full stride and take hold of the matters important to producers. It is our job to oversee the check-off administration and investments on behalf of Canadian beef producers and I can confidently say that I am proud of what these investments continue to accomplish.

In 2019/20 the Canadian Beef Cattle Check-Off invested into national programs was \$17,906,566 from cattle marketed across Canada.

Of the total check-off funds collected, net administration, 49 per cent was allocated to market development and promotion, 34 per cent to research, 12 per cent was retained by the provincial cattle organizations for regional marketing and research programs and 5 per cent was allocated to Public and Stakeholder Engagement.

The Import Levy on beef cattle, beef and beef products imported into Canada was also collected at a rate of \$1 per head equivalent, for a total of \$1,100,342. These funds, net administration, are allocated to unbranded, generic beef marketing such as nutrition marketing, recipe development and culinary skills education.

With a record amount of check-off being collected this year, I know that we have an important job to do. The check-off investments made to research, marketing and public and stakeholder engagement need to make a measurable difference to the industry, and help our beef and veal producers see valuable returns. The Agency's operations and administration expenses totaled \$718,870, which included both our Agency Board of Directors and the Marketing Committee. It is up to our Agency Board to ensure that the dollars are invested into programs and strategies that will make a difference today, tomorrow, and down the road. This includes our own administration and programming expenses too.

We spent time on some of our regulatory framework this year, reviewing the Proclamation under which we operate. We worked with our provincial partners to ensure that the framework continued to allow us

**Check-off Agency Annual Report (continued)**

the freedom to provide the best possible value for Canadian beef and veal producers.

The Agency was pleased to enter into agreements with the Veal Farmers of Ontario. The agreements strengthen Canadian veal marketing as a part of the larger Canadian veal marketing initiative, while adding an additional levy collector to the provincial cattle associations across the country.

We also targeted compliance on check-off and import levy collections this year. The federal levy on interprovincial marketings was targeted for inspections on auction markets and dealers with the focus on education and understanding levy remittances. Another component of that was working with all of our provincial association partners on check-off collection and remittance training, to help us all work together to increase compliance, reduce slippage and have a consistent level of base knowledge across the country.

The Agency took a more strategic approach to import levy collections, and has been able to hold the amount of uncollectable levies to approximately 5 per cent of total import levy receivables. This has been a monumental task for the Agency, reviewing over 200 invoices per month, and dedicating special attention to hundreds of companies to ensure timely payments and help them understand the ins and outs of the levy.

The Agency's website traffic grew through the year, with a total of 5,333 unique users visiting the site. The site, along with the Agency's social media channels increased reach to producers to new audiences, focusing on young producers. Our following grew on all channels, and we continue to try and communicate effectively with you – our most important stakeholders – in as many ways as we can.

The Agency's Board was committed to transparent governance and to developing strong

policies to govern the Agency. The strengthened policy manual and the work done on succession planning and business continuity this year will help guide the Agency now, and as the industry grows and transforms. By working with the board members who have the interest and skills to grow their leadership roles at the Agency, the board is able to plan for the future and ensure a sustainable leadership model.

We were able to have our Marketing Committee fully functional for its second year. The group is incredibly dedicated and producers can rest assured that this committee has their best interests at heart. The Committee operated at arms length from the Agency, while guiding the strategic direction of Canada Beef, the organization investing check-off dollars into market development and promotion. The Committee ensured continued separation from the Agency administration, and clear lines of governance and communication.

The year of 2020 brought some incredibly difficult times for our industry, and I know that there have been many sleepless nights and difficult conversations by producers and industry partners alike about the future of our industry. In light of that, I want to assure you that our Agency, and all those who invest check-off dollars on your behalf, have been working incredibly hard to do what's right for the Canadian beef industry.

And while things might look different for the foreseeable future in so many ways, rest assured that we continue to focus on the best interests of our Canadian beef and veal producers every single day.

To all of you who represent our industry: thank you. Thank you for continuing to provide food to Canadians and the world, and for being dedicated to what you do. It is your dedication and passion for our industry that makes this job so rewarding.

Regards,



Chad Ross  
Chair, Canadian Beef Check-Off Agency



# Annual Report to SCA January 2021

## Beef Producer National Check-Off Investments in Research

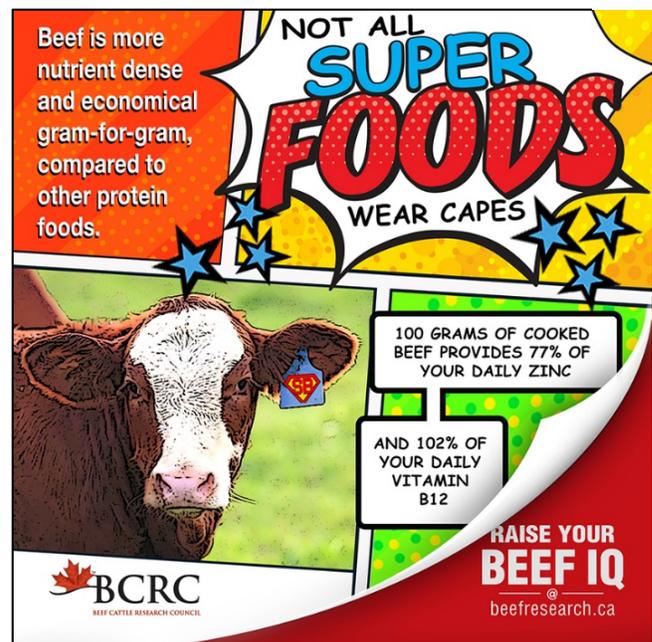
The Beef Cattle Research Council (BCRC) is Canada's industry-led funding agency for beef, cattle, and forage research. Its mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer the Canadian Beef Cattle Check-Off funds allocated to research.

The BCRC is led by a 14-member Council comprised of 13 producers, including Saskatchewan's Michael Spratt, Steve Pylot and Ryan Beierbach, and one member at large.

In 2019/20, \$3.6 million of producer Check-Off funding allocated to research leveraged an additional \$5.1 million in industry funding from other government and industry partners and initiatives, including the Agriculture and Agri-Food Canada (AAFC) Beef Science Cluster program. Investing the national Check-Off, as well as government and industry funding in key research priorities identified by stakeholders, the BCRC currently funds 69 projects led by researchers nationwide.

## Impacts of COVID-19 on BCRC Activities

Since March 2020, the BCRC has worked closely with industry and government to assess the impacts of the COVID-19 pandemic on research at facilities across the country. The impacts vary greatly across the provinces and depend on factors including project requirements, as well as personal and local pandemic situations. Most of the ongoing research projects continued with minimal interruption. Some of the new projects which were scheduled to start as early as April 2020 were delayed, however all projects are scheduled to continue. The second wave of the pandemic during the fall could result in further delays although the overall impact is undetermined at time of writing. BCRC continues to work with its funding partners, including AAFC to evaluate if there will be any program and/or budget implications for 2020/21 or 2021/22 but to date, the impact has been minimal on the research program.



Dr. Ben Bohrer (University of Guelph) recently completed a project that summarized the nutrient density and nutritional value of beef, pork, lamb, poultry, seafood and plant foods. It shows how cost-effectively beef can provide the nutrients that Health Canada reports are lacking in many Canadians' diets (protein, vitamin B12, iron and zinc), often with fewer calories. [Learn more.](#)

## BCRC Report (Continued)

Specific to the pandemic, BCRC funded COVID-19 related research initiatives including developing technology to support the remote delivery of inspection services at processing facilities, research to determine the risk of COVID-19 infection due to changing airflows in processing facilities as COVID-19 physical barriers are put in place, and economic analysis to support the development of eastern cattle price insurance indices. These projects are well underway. BCRC extension programming has continued to operate without interruption since the pandemic hit.



*New Video: How To (and Not To)  
Resuscitate a Newborn Calf*

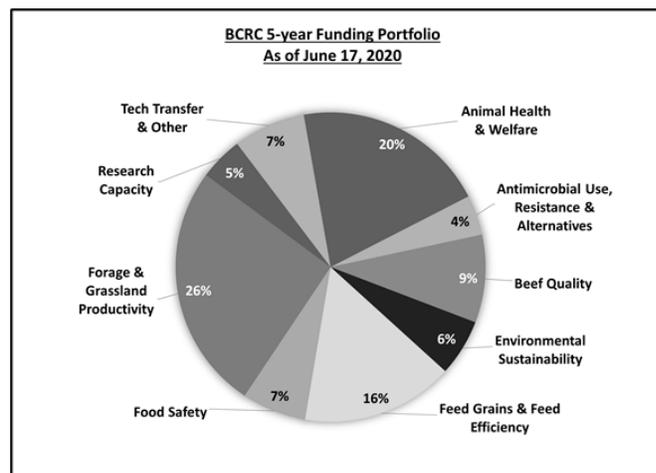
Find it at [beefresearch.ca](http://beefresearch.ca) >  
**Resources > Videos**

Overall, the impact of COVID-19 on the BCRC budget and operations has been manageable, given the flexibility in allocating industry funding across years, the existing on-line platforms for resource and program management and the ability of BCRC staff to work remotely as required. Larger than expected funding deferrals will occur in 2020/21 due to delayed project start-ups. All budget and program implications will be closely monitored as we head into 2021.

## Beef Science Cluster III in year three of five

Projects funded under the current Beef Science Cluster III under the Canadian Agricultural Partnership (CAP) run from April 1, 2018 to March 31, 2023. The third Cluster is a \$21.7 million program, with AAFC contributing \$14.1 million and BCRC and industry partners contributing a total of \$7.6 million over the five years. There are 27 Cluster projects, including Science Coordination, managed by the BCRC.

The multi-year research projects are all underway but not yet complete, however there are some preliminary findings. Relating to food safety, analyses of 750 STEC isolates collected from cattle and processing plants indicate that E. coli are not becoming more resistant to heat-based food safety interventions. Specific to animal health, preliminary data indicates that aside from body energy status, a rest stop did not benefit the welfare, health or performance of weaned, conditioned calves transported for 12 or 36 hours. Related to feed efficiency, findings have helped researchers better understand how bacteria use substrates such as pre and probiotics. A summary of each project is available on BeefResearch.ca.



## BCRC Report (Continued)

### Priority Research Projects Underway

In addition to the projects within the third Science Cluster, BCRC funds research projects aimed at achieving specific goals of high priority to the beef industry. During 2020, 17 research projects funded by BCRC were initiated, and are scheduled to be complete in two to four years. The research will focus on various practices, including: antimicrobial use and resistance in cow-calf herds, and whether anything will change after the switch to prescription only sales of medically important antimicrobials; characterization and optimization of visual pen checking criteria to improve BRD treatment outcomes in feedlot cattle; and forage potential of Hybrid Fall Rye (HR) in Alberta and Saskatchewan, to list a few. A summary of each project is available on [BeefResearch.ca](http://BeefResearch.ca).



*Dr. Kim Ominksi (University of Manitoba) is co-leading a research project with Dr. Tim McAllister (AAFC Lethbridge) to examine the impacts on productivity, environmental sustainability, and economic viability associated with the removal of productivity-enhancing implants, beta-agonists and ionophores. The in-depth analyses to understand whether market premiums associated with domestic and international beef market opportunities for beef raised without, and the environmental and economic drawbacks of removing these performance enhancing technologies, is expected to be complete in 2023.*

### Proof of Concept Informs Research Investment

BCRC continues to allocate funding to short-term (six months to one year) proof of concept based (POC) research to help inform whether a concept is worth pursuing as a larger, more defined research investment in that area. Three POC projects are now complete. One explored whether using “good” bacteria could be used to prevent spoilage in meat, while another studied whether prebiotics and probiotics can help avoid respiratory disease and antimicrobial treatment. The third tested whether seeding high legume forages between the rows of corn plants would reduce the need for fertilizer and supplementation for cows grazing corn. Researchers were faced with a drought and yields fell short but it was shown that intercropping legumes and corn is possible. The BCRC has committed funding to a second project to test different agronomic practices (e.g. wider row spacing) and evaluate animal performance when grazing corn/legume pastures. In 2020, four additional POC projects were initiated.

### Producer Resources and Industry Engagement

BCRC continues to develop and distribute numerous producer and stakeholder resources including fact sheets, interactive decision-making tools, videos, articles for industry magazines, webinars, blog posts, infographics and radio clips.

One of the extension initiatives currently underway is collaborating with practicing veterinarians across Canada to build and modify trusted tools they can use or share with their beef clients to improve herd health and profitability. With input and feedback from vets, the BCRC will develop quick and easy-to-use resources that are effective for their practice and the farmers and ranchers they serve. The first tool is expected to be released late 2021.



*One of many resources for beef producers on the BCRC's website, the Value of Calving Distribution Tool is an interactive calculator that allows producers to see what their current calving distribution is, and what the impact on revenue would be if they move to the industry target of 60-25-10-5, or a condensed breeding season of three cycles.*

Find it at [beefresearch.ca](http://beefresearch.ca) >  
**Resources > Decision Making Tools**

## BCRC Report (Continued)

### Researcher Mentorship

The Beef Researcher Mentorship Program, an initiative to facilitate greater engagement of upcoming and new applied researchers with Canada's beef industry, is in its seventh year. The opportunity deepens researchers understanding of the needs of the beef industry in practical and meaningful ways.

One of the six 2020/21 mentees is based in Saskatchewan. **Dr. Jonathan Bennett** is an assistant professor of plant ecology at the University of Saskatchewan. He has worked on a broad range of topics, ranging from plant-insect interactions to plant-fungal interactions at scales ranging from controlled greenhouse studies to continental-scale field surveys. His mentors are **Lynn and Sherri Grant** from Val Marie and **Ryan Beierbach** from Whitewood.



### For More Information

To learn more about BCRC initiatives and to access our many resources and decision-making tools for beef producers, visit our website at [www.beefresearch.ca](http://www.beefresearch.ca).

Respectfully submitted,

Matt Bowman, Chair

# CCA Annual Report

As I look back on 2020, it seems fitting to reflect on the challenges and opportunities coming out of the Canadian beef industry's experience navigating the uncertainty created by the COVID-19 pandemic. The Canadian Cattlemen's Association (CCA) took a collaborative approach to our response efforts and our industry quickly mobilized. We immediately initiated several cross-organizational teams, which included industry leaders, provincial cattle organizations, policy professionals, industry stakeholders, the scientific community, and media. Our focus was on maintaining business continuity – keeping our borders open to trade, ensuring inspection services remained available, ensuring clear and timely communication, and sharing best practices based on public health recommendations to support important industry activities.

CCA also developed and submitted to the Government of Canada recommendations to support beef producers during the pandemic. Following the Government's announcement of an initial investment in the agriculture sector in May, CCA continued to meet with Parliamentarians regarding the impacts of COVID-19. Our recommendations and discussions focused on changes to business risk management programs (BRM) programs, set-aside programs for the backlog of fed cattle, investment in resiliency within the packing industry, as well as economic, specifically related to international trade. Many of the recently announced recommended BRM enhancements by the Hon. Marie-Claude Bibeau are directly aligned to the requests made by CCA.

In 2020 we welcomed the Canadian Beef Breeds Council as a new operating division. The inclusion

of the seedstock sector will strengthen our collective efforts and create opportunities that will benefit the entire beef industry for years to come.

In addition to pandemic related efforts, 2020 was an active year for CCA. Significant progress was accomplished on key files. Here are a few highlights:

#### Trade

Our trade priorities continue to focus on maintaining and growing our beef exports. Implementation of new trade agreements over the last number of years have allowed Canadian beef producers access to new markets and opportunities. This year was anticipated to be positive thanks to the recently negotiated access through various trade agreements and regained technical access that resulted in 2019 Canadian beef exports increasing by just under 20 per cent in value over 2018. However, COVID-19 brought forward unforeseen challenges that tested the capacity of Canadian beef processors and inevitably impacted our ability to supply our export markets.

Here at home our processing plants especially were faced with unprecedented challenges and adapted as quickly as possible to implement new practices and innovations to mitigate the spread of the virus while maintaining worker health and safety. The numerous measures taken helped to maintain this essential service and to provide a stable supply of food to Canadians and customers around the world. Despite these extraordinary efforts, trade did suffer in the first half of the year with beef exports falling 8.3 per cent in value from 2019 (as of May 2020) however have largely recovered by the end of October when we were only one per cent below 2019 export values.

CCA continues to strongly encourage the continued expansion of free trade, removal of technical trade barriers, and the optimization of current agreements. CCA is pleased that our

access into world markets has improved in recent years thanks to new trade agreements such as the Canada-United States (U.S.)-Mexico Agreement (CUSMA), the Comprehensive Economic and Trade Agreement (CETA), and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Of particular importance this year is advancing reciprocal access through a Canada-United Kingdom (U.K.) trade relationship. In December 2020, the Government of Canada announced the continuity agreement to transition between CETA and a future Canada-U.K. free trade agreement (FTA). CCA recognized the Government of Canada's efforts to maintain uninterrupted market access into the United Kingdom (U.K.) by pursuing an interim agreement however, CCA's highest priority is on achieving a long-term FTA with the U.K. that resolves trade barriers that continue to exist within the current CETA agreement. CCA was pleased to see a commitment by both Governments to return to negotiating a full FTA within a year and encourages both Governments to do so as soon as possible.

Humane Transportation Regulations for Livestock Changes to livestock transportation regulations brought in by the Government of Canada remains a key issue for Canadian beef cattle producers. The proposed changes saw feed, water and rest intervals for cattle drop from 48 hours to 36 hours and rest stop durations increase from five to eight hours. Additionally, there are a number of new recordkeeping components and definition updates for unfit and compromised cattle. The new regulations for the humane transport of livestock came into force on February 20, 2020, with a two-year transition period on the enforcement of feed, water and rest interval provisions for the cattle sector, which will allow time for education, awareness building, and the development of rest stop infrastructure.

CCA continues to work with government to develop solutions to outstanding challenges with the

regulations and ensure changes made will contribute to demonstrable improvements in cattle welfare and not negatively impact the beef cattle transportation success rate of over 99 per cent. The CFIA has informed industry that they will exercise flexibility in cases where industry is unable to meet the record-keeping and transfer of care documents requirements under Part XII of the regulations during the COVID-19 pandemic.

#### OIE BSE Negligible Risk Status

In partnership with CFIA, CCA is co-chairing a working group for the development of Canada's submission for BSE Negligible Risk Status to the World Organisation for Animal Health (OIE). All target milestones were achieved, and a strong application was submitted in July 2020 for consideration by OIE in the spring of 2021. Achieving BSE Negligible Risk Status in Canada will have a positive impact on market access and sets the stage for a review of Canada's specific risk material (SRM) removal protocols and the opportunity to become more competitive with our key trading partners, a similar working group for this effort is already underway in cooperation with CFIA.

#### FMD Vaccine Bank

CFIA modelling has shown that a Foot and Mouth Disease (FMD) outbreak in highly populated livestock regions would represent one of the worst-case scenarios for Canada and would require between 1.9 million and 2.7 million doses of FMD vaccine. We currently have a significant shortfall in available emergency vaccine, and the 14-week timeframe to produce a vaccine represents a significant risk to the livestock industry and to the Canadian economy.

Given known catastrophic devastation risk of an FMD outbreak in Canada (estimated at over \$50 billion to the GDP), CCA has lobbied the Government of Canada to establish a Canadian FMD Bank. Formal discussions between CCA, CFIA, AAFC and other affected species groups were launched in the fall of 2020 and work continues into 2021. CCA is recommending the FMD Bank have 30 million doses, consisting of 2.5 million

doses each of 12 different FMD vaccine concentrates deemed highest risk to Canada. The projected annual cost for a fully sustained FMD Vaccine Bank is \$3.0M CAD.

#### Food Policy

In recent years, we have seen greater global and national attention on food policy. The consumer, and therefore the policy maker, is increasingly interested in where their food comes from and CCA has participated in these important discussions. We have been involved in the Government's "Healthy Eating Strategy", the "National Food Policy" and most recently, the "Simulated Meat Labelling Guidelines". Recognizing that the focus on food, health and the environment will continue, CCA created the new Food Policy Committee in 2019. This Committee will lead on policies like alternative proteins, front-of-pack labeling, food waste, and more.

#### Environment

The challenges of COVID-19 have had its impact on environmental policy issues. Our target remains firm, to enhance opportunities to partner on policy, especially environmental policy solutions we can crystalize with the federal government. We are also focused on communicating the positive environmental impact beef production plays on soil health, carbon sequestration, and the maintaining of biodiversity to our grasslands across Canada. We have a wonderful story to tell, and we are making significant headway on this with consumers and policy makers.

CCA continues to engage with government concerning the Fisheries Act. The Act received Royal Assent in June 2019 prior to the regulations being developed. The Department of Fisheries (DFO) pledged to consult with stakeholders on the development of standards, codes of practice, and prescribed works regulations. DFO has developed six interim codes of practice, and we have provided initial feedback on these codes before they are to be finalized.

CCA is also engaging with DFO for clarity on the development of recovery strategies for specific aquatic species including Bull Trout, Chinook and

Coho Salmon, and others, as it is unclear how critical habitat is determined. Also, CCA encourages the development of a national framework for Ecological Goods and Services.

In 2021, the CCA will continue its dedicated work on behalf of Canada's 55,000 beef farms and ranches to realize the vision of a profitable Canadian beef industry with high-quality beef products recognized as the most outstanding by customers at home and around the world.

Sincerely,

Bob Lowe  
 President, Canadian Cattlemen's Association

## Public and Stakeholder Engagement (PSE) Program

Submitted by Amie Peck

In 2020, the Public and Stakeholder Engagement (PSE) program solidified its unique position within the industry through national issue management strategies, collaborative partnerships and proactive content. The program welcomed its first Chair, David Haywood-Farmer, who will serve a two-year term and assist with strategic direction for the Stakeholder Manager.

Due to COVID-19, the CCA crisis communications plan was enacted in March, bringing PSE into the media relations response team. Stakeholder communication initiatives included virtual town hall events and video updates from industry leaders. A media town hall event was developed, enabling engagement from several different outlets at the same time and maximizing spokesperson time for efficient updates.

### Issues Management

During COVID-19, the team monitored online narratives attempting to link intensive feeding operations with zoonotic disease outbreaks. PSE collaborated with veterinarians at WCVM and

UCVM to develop a response and create media statements for future use. An investment in the media tracking platform Meltwater early in the year allowed for refined media tracking, calculating reach of negative articles and following emerging trends.

In early 2020, responses were developed for publications advocating diet changes together with Canada Beef. Meetings were held with members of Maple Leaf's senior management following advertising for blended burger products that implied being better for the environment than beef burgers. All attendees agreed to work closer on future campaigns and to focus on the benefits of both plant and animal proteins in blended products.

In July, Burger King launched a campaign announcing an open source solution to methane emissions from cows. Unfortunately, the video focused on bovine flatulence instead of belching and the solution proposed was based on trials demonstrating mixed results. PSE developed key messages that were utilized by the Global Round-

## PSE Report (Continued)

table for Sustainable Beef (GRSB) in discussions with Burger King marketing executives. The result was an apology letter from Burger King and edits to the original campaign video. PSE also worked with the GRSB on a letter to the United Nations following a tweet advising a reduction in meat consumption. In response, the tweet was deleted and meetings between the two organizations are being planned.

### Strategic Partnerships

As a member of the GRSB Communications Council, Amie Peck was actively involved in the selection process for a new marketing firm partner to advance global beef sustainability messages and increase the impact of the upcoming Global Conference in 2021. In September, Amie accepted the position of Chair of the council and looks forward to coordinating global issue response and proactive content that is complimentary to Canadian initiatives.

PSE connected Steve Lee from the Foundation for Environmental Stewardship with staff at ABP, CCA and the Young Cattlemen's Council (YCC) to learn more about carbon credit opportunities, grasslands conservation and impacts to young producers to inform his advocacy efforts. The Simpson Centre at the University of Calgary, supported by funding from the PSE program, hosted a series of webinars featuring many beef industry experts speaking on reducing carbon footprint and advancing sustainability initiatives.

### Public Outreach

Online screening requests for the Guardians of the Grasslands documentary hit an all-time high early in the year with over 40 percent being held by non-agriculture organizations

or groups. An Earth Day presentation was held in partnership with Ducks Unlimited Canada (DUC) and the Nature Conservancy of Canada (NCC), which saw over 300 registrations and great engagement between the audience and panelists.

Screening events in Saskatchewan included a very well attended session at the University of Saskatchewan (U of S) to celebrate Canada's Agriculture Day and at the Association of Watersheds. Screening requests came in throughout the year and included Nature Regina, the Ministry of Agriculture and various 4-H and U of S clubs. For the second year, the film was offered as an education resource for teachers and educators through the Canadian Western Agribition, held online this year.

The film was an official selection at the Elements Environmental Film Festival in Vancouver, included in the "Caring for the Climate" compilation at the Oakville Film Festival in Ontario and was also selected for the Wildlife Conservation Film Festival out of Los Angeles and New York. The film garnered awards for best editing, directing, cinematography and won for best research at the Yorkton Film Festival in Saskatchewan. Although initially disappointing that film festivals were required to be held online this year, it did allow for the film participants and videographers to participate in several Q+A audience sessions across the country and internationally.

PSE launched a COVID-19 campaign, Feeding the Future, to raise awareness of the impacts of the pandemic on the beef industry. The media town hall format was adapted for two special presentations. The first featured personal accounts from young producers, including YCC, on the impacts of COVID-19 to their operations. The second featured partner organizations like

## PSE Report (Continued)

DUC, NCC and Birds Canada who spoke on the potential threat to native grasslands if beef producers could not stay economically viable. A series of videos were created to support the campaign and feature multi-generational operations discussing how to ensure the success of the next generation of beef producers. We are excited to share that this campaign was chosen as the Canadian Agri Marketing Awards winner in the Issues Management/Crisis Communications category.

Additional details on the activities of the PSE program, including our first annual consumer research and further public outreach initiatives, can be found in the Canadian Beef Cattle Check Off Annual Report.

For the 2020 - 2021 fiscal year, PSE will be operating with a \$907,000 budget, of which \$226,750 is allocated to Canadian Beef and the remaining \$680,750 being administered through CCA, as overseen by the PSE Manager. The PSE team looks forward to delivering important tools and resources in collaboration with partner organizations to advance public trust in Canadian beef production practices.



# Year in Review

