

SGA ANNUAL REPORT 2019









Table of Contents



ANNUAL REPORT



Mission Statement and Corporate Governance	3
Map of Districts	4
SCA Committees, Directors, Reps and Staff	5
Chair Report	6
CEO Report	7
Research Committee Report	9
SCAIDF Funding Report	10
Audited Financial Statement	12
2018-19 Budget	26
Payee Report	28
Partnership Report	30
2019 AGM Agenda	32
2018 Annual General Meeting Minutes	34
Photos from 2018 Events	38
National Cattle Feeders Report	40
Beef Cattle Research Council Report	42
CCA President's Report	44
Canada Beef Report	46

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

Core	Accountable
Values:	Committed
	Effective
Core	We will fund research initiatives and use their results to improve competitiveness and resilience of Saskatchewan cattle production.
Strategies:	We will advocate and develop policies and programs that improve producer resilience, profitability, skills and other needs as they arise.
	We will target communication 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.

4 SCA ANNUAL REPORT 2019

DISTRICT 1

Kyle Hebert Wawota

DISTRICT 2

Scott Greiner Indian Head (incoming) Joe Jackson Moose Jaw (outgoing)

DISTRICT 3A

Roger Meyers Minton

DISTRICT 3B Keith Day

Kyle

DISTRICT 4

Rick Toney Gull Lake

DISTRICT 5 Levi Hull

Willowbrook

DISTRICT 6

Garret Hill Duval

DISTRICT 7

Paula Larson D'Arcy

DISTRICT 8

Michael Spratt Melfort

DISTRICT 9A Arnold Balicki

Shellbrook

DISTRICT 9B

Dean Moore Paradise Hill

SCFA

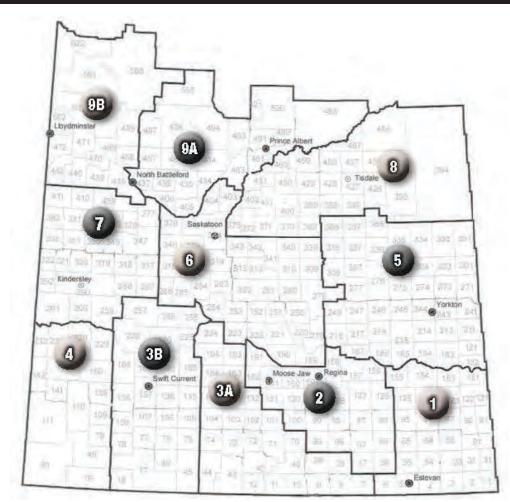
Brad Welter Viscount

Chad Ross Estevan SSGA

Harold Martens Swift Current

Kelcy Elford Caron

PAST CHAIR Ryan Beierbach Whitewood





THE SASKATCHEWAN CATTLEMEN'S ASSOCIATION BOARD OF DIRECTORS: Back row, left to right: Levi Hull, Ryder Lee (CEO), Keith Day, Brad Welter, Mike Spratt. Middle Row, Kyle Hebert, Chad Ross, Roger Meyers, Dean Moore, Paula Larson, Bill Huber. Front row: Garret Hill, Joe Jackson, Rick Toney, Arnold Balicki, Ryan Beierbach. Missing: Harold Martens, Kelcy Elford.

5

COMMITTEE MEMBERS AND REPRESENTATIVES

EXECUTIVE

Ryan Beierbach - Past - Chair Rick Toney - Chair Joe Jackson - Vice-Chair Garret Hill - Member At Large Arnold Balicki - Finance Chair

ANIMAL HEALTH

Joe Jackson - Chair Arnold Balicki Dean Moore Garret Hill Roger Meyers

REGULATORY WORKING GROUP

Levi Hull - Chair Harold Martens Chad Ross Brad Welter Paula Larson

COMMUNICATIONS

Arnold Balicki - Chair Levi Hull Roger Meyers Dean Sentes

ENVIRONMENT & SUSTAINABILITY

Garret Hill - Chair Kyle Hebert Harold Martens Chad Ross Keith Day Michael Spratt

FORAGE INSURANCE WORKING GROUP

Harold Martens - Chair Michael Spratt Ryan Beierbach Arnold Balicki

RESEARCH

Michael Spratt - Co-Chair Ryan Beierbach - Co-Chair Garret Hill Roger Meyers Levi Hull Ex Officio - Henry Soita (SaskAg)

TRACEABILITY WORKING GROUP

Rick Toney - Chair Harold Martens Garret Hill Chad Ross

AUDIT AND FINANCE

Arnold Balicki - Chair Kyle Hebert Paula Larson Brad Welter

SASKATCHEWAN CCA REPRESENTATIVES

PAT HAYES Val Marie REG SCHELLENBERG Beechy

DUANE THOMPSON Kelliher LYNN GRANT Val Marie

SCA STAFF

RYDER LEE - CEO

LEANN CLIFFORD - Executive Administrator

CHRISTINA PATTERSON-BETKER - Policy Manager

MARIANNE POSSBERG - Beef Production Specialist

TOM JORDENS - Communications Specialist

EXTERNAL COMMITTEE REPRESENTATIVES

NATIONAL CATTLE FEEDERS ASSOCIATION Ryan Thompson

SASKATCHEWAN FORAGE COUNCIL Garret Hill

CANADIAN ROUNDTABLE FOR SUSTAINABLE BEEF Ryan Beierbach

FARM & FOOD CARE SK Harold Martens VERIFIED BEEF PRODUCTION Arnold Balicki

CANADIAN BEEF CHECK OFF AGENCY Chad Ross

AG IN THE CLASSROOM Arnold Balicki

BEEF CATTLE RESEARCH COUNCIL Ryan Beierbach Michael Spratt

SCA CHAIR'S REPORT:

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

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

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

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

Advocacy

The SCA is successfully working with government to strengthen laws and improve policies and programs like the ones offered through Saskatchewan Crop Insurance. Through the hard work of this organization, there have been positive changes to the Western Livestock Price Insurance Program, by raising the amount paid for animals lost to predation, and to include fire coverage for forage crops.

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



Saskatchewan Premier Scott Moe and SCA Chair Rick Toney chat about the issues facing the cattle industry at the Legislature in Regina. Meeting and working with various politicians and representatives of the government at all levels is a priority for the SCA board.

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

Research

The highlight of the 2018 research year was the opening of the Livestock and Forage Centre of Excellence (LFCE) at the University of Sasatchewan. The SCA has contributed \$1 million towards the construction and will continue to fund cutting edge research at the facility. Each year the association invests more than \$500,000 in research projects.

The SCA meets with researchers throughout the year, including an event in the spring at the University of Saskatchewan, to discuss the needs and priorities of producers. When funding projects, the board looks for research that will solve producer problems, make the industry more environmentally sustainable and provide economic benefits to the industry and the province.

Communications

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

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

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

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

If you are interested in finding out more about the SCA or want to get involved please feel free to contact the office at 306-585-2333 or send us an email at info@saskbeef.com.

SCA CEO'S REPORT:

ooking back on 2018 there are a lot of things the board and staff of the Saskatchewan Cattlemen's Association got involved in on behalf of cattle producers. I look at this as many producers outsourcing their advocacy and consumer facing activities to the association and paying for this service via the check off.

This model works well and there is still room for people to get involved and help us be better. Whether it is advocating to MLAs or MPs, spending time with kids through Agriculture in the Classroom, hosting a farm tour with Farm and Food Care or taking time to volunteer at a trade show or other consumer facing activity it helps the industry.

Any time you can engage with people in your community, decision makers or other producers to move the industry forward is time well spent. Call the SCA office if you have an opportunity and want a little help in preparing. If you are interested in running for a board position in the future let us know and we will provide you with the information you need to get involved.

Getting to specifics of the past year the first thing I would shine a light on is our excellent team. Leann, Christina, Marianne and Tom are the same team we had at this meeting last year. This stability comes from the dedication, versatility and commitment to the Saskatchewan beef cattle industry. They are truly an asset for producers and I am lucky to work with such a team.

There is a long list of activities SCA has engaged in, spearheaded or sponsored this past year on page 30 or check out the photos from many of



CJME talk show host, John Gormley interviews SCA CEO Ryder Lee at Agribition. The SCA maintains contacts with all major media outlets in the province. The organization is regularly called upon for comments by reporters from across the country.

the events on page 38. Have a skim through and do stop one of us with any questions you may have.

New this year was "Beef Month in #YQR (Regina)". This event came about from a proposal from local chef and television personality CJ Katz. It grew into a month of beef features at 12 restaurants during June. More importantly it began relationships with the local chefs that continues to bring benefits. During Agribition the "Ya Gotta Beef With Me" cook off featured some of the same chefs showcasing their culinary skills with beef.

The goal of these types of events is to help show the consumer how easy it is to prepare beef with common ingredients and all the benefits beef has.

The Livestock and Forage Centre of Excellence has opened just south of Clavet. This University of Saskatchewan research centre includes feedlot, cow calf and individual metabolism sites along with pasture land for forage research. After many years, it is great to see this world class facility with cattle. The \$38 million centre came about from many funders committing to the project, including the SCA investing \$1 million of check off funds. It will be a competitive advantage for the University in attracting talented researchers and for the Saskatchewan industry as the results will not have to be "translated" to our local conditions.

During the past year, the National Check Off increased from \$1 to \$2.50 bringing the check off on Saskatchewan cattle to \$4.50 per head sold. These funds are allowing Canada Beef's promotions to extend further and the Beef Cattle Research Council is able to fund research projects and capacity to keep pace with inflation and the increasing demand for information on production and policy issues.

CONTINUED ON NEXT PAGE

SCA ANNUAL REPORT 2019

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An important part of this increased check off is the public engagement position that is funded by the increase. No part of our industry can ignore the public interest in the environment, nutrition and how animals are raised. If the industry does not engage with the public they eventually become decision makers. If all they have heard are anti cattle or anti beef messages it becomes almost impossible to dislodge. I think the addition of this focus of marketing check off dollars is forward looking, strategic and is needed above all.

Last summer SCA director, Joe Jackson went to Spokane to the Pacific North West Economic Region forum and Cross Border Livestock Health Conference. This has been a good meeting for the cattle industry to advance issues with border crossing and other regulatory challenges.

Thanks to Joe and others, the requirement to unload feeders at the border has been relaxed. Showing up with a goal in mind (and applying Joe's drive and persuasiveness) can change things for the industry. SCA continues to seek places where these kinds of goals can be advanced and realized. These meetings are in Saskatoon this July and SCA will have a significant presence.

There are so many other things from the past year I would like to spotlight but it is difficult to given the space available. The last one I will mention is the improvements to programming from Saskatchewan Crop Insurance Corporation.

This past year the Forage Rainfall Insurance Program paid out over \$10 million. That helped purchase a lot of feed to replace that crop that did not grow in many areas of the province. There were also several payouts on spot loss fire insurance which is now included with any FRIP policy.

SCA continues to work with SCIC to improve forage insurance, corn coverage and all aspects of their offerings. This included several improvements to Western Livestock Price Insurance. Producers will now be able to buy their coverage over the phone. This removes the need to get to a computer during busy times when the window on purchasing can close. They have also added a pay on account which allows cattle producers similar cash flow management to grain producers buying crop insurance.

These flexibility changes along with coverage improvements for predation losses and for forage insurance are things SCA and other producer groups have brought about through SCIC's openness to work with industry.



Chef Derris Warren puts the finishing touches on his entry in the final round of the "Ya Gotta Beef With Me Chef's Challenge". The event is one way SCA works with the food industry to showcase beef and help raise the profile to consumers.



SCA Board members meeting with federal Minister of Agriculture Lawerence MacAulay in Saskatoon. The board meets regularly with various politicians at the provincial and federal levels as part of the policy and advocacy work.

There were also some things that did not happen this year that deserve some mention. That is not to say they will not happen eventually. The new Canada's Food Guide, Transportation of Animals Regulations and Traceability Regulations were all expected last year. All are still being finalized. I see part of the reason these are taking the extra time is because SCA, the Canadian Cattlemen's Association, National Cattle Feeders and other industry groups engaged with the various ministers and Members of Parliament in Ottawa along with other regulators to ensure they know the effects of the proposals as presented. Having a loud and unified voice causes some reconsideration and hopefully there are edits to the outcomes that meet the needs of a strong regulatory regime while still allowing industry to be competitive in the worldwide marketplace.

If you've read this far, please come say hi at our AGM, or you can email me at **ceo@saskbeef.com**, reach out on Twitter: **@ryder_lee**, or send me a text at **1-306-380-4668**.

Here's hoping you get timely and abundant rains this coming year. Stay safe and remember to ask for help if you are feeling overwhelmed. It's fine to work on your own but we don't need to handle all our challenges alone.

RESEARCH REPORT: Growing through research



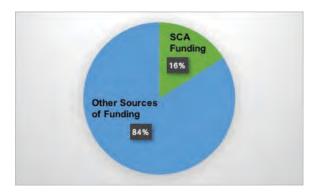
One of the highlights of 2018 was the opening of the Livestock and Forage Centre of Excellence (LFCE) at the University of Saskatchewan. The SCA has contributed \$1 million towards the construction and will continue to fund cutting edge research at the facility. Members of the SCA board toured the LFCE shortly after the facility opened last year. The facility will be a focal point for many future innovations. n 2018, SCA reviewed 51 research proposals and letters of intent. The board invested in 14 projects based on the principles of the potential to increase production, improve animal health, lower the cost of production, and based on sound science.

This year, members of the board also met with several researchers at the University of Saskatchewan to discuss the priorities of beef and forage producers in Saskatchewan, and to review potential research projects. These types of meetings are great opportunities to communicate how the proposals are evaluated and allows researchers to learn more about the SCA, the needs of the industry and is an excellent way for researchers to introduce new ideas and opportunities.

Projects Funded in 2018

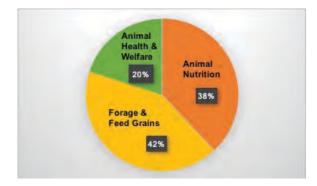
SCA's research priorities are developed based on common problems reported by beef and forage producers throughout the province. These priorities align with The Beef Cattle Research Council and the Alberta Beef Producers. The organizations coordinate the funding to ensure research is not duplicated and each project is scientifically sound. In 2018, seven Forage and Feed Grain projects were funded, along with three Animal Nutrition projects and four Animal Health and Welfare Projects.

Leveraging the Checkoff



When SCA approves funding for a research proposal it signals the importance of the project to other organizations, and other sources of funding may be added. As a result, for every dollar invested in research by SCA, an additional \$5.25 is leveraged from government and partner.

The SCA also works with the Alberta Beef to review and fund projects. In one joint project each group agreed to fund half of \$150,000 towards projects.



SCAIDF RESEARCH: Recent Projects

Use of high - moisture corn products for finishing cattle and the corn stover for extensive grazing

Greg Penner \$103,500

Practices that incorporate snaplage (corn silage that excludes the stalk and more of the leaf) has become common in other areas of North America, as it has a 10-25% greater yield than high moisture corn. The remnants of snaplage, the corn stover, could also be used for winter grazing. This research will compare snaplage to dryrolled barley and dry-rolled flint corn, by noting its cost of production and feeding performance.

Enhanced Vaccine Adjuvant Forage & grazing potential of hybrid fall rye

Vern Baron \$48,776

Planting fall rye earlier increases yield, grazing time, and carrying capacity. However, planting too early or late can reduce winter hardiness. No research to date has been conducted on planting date, spring/fall grazing effects on forage potential when harvested for silage or green feed. The ultimate goal of this project is to develop a dual purpose grazing/forage for silage winter cereal with a forage quality similar to barley at the dough stage.

Proof of concept study for the delivery of a respiratory probiotic to feedlot cattle via the feed

Murray Jelinski \$36,783

Methods to reduce the need for antibiotics are not only desired by consumers but are cost effective for producers. Probiotics have been useful in human health to reduce upper respiratory tract infections. This research will investigate if probiotics could also be top-dressed into feed so that cattle could inhale them nasally, to combat respiratory illnesses in feedlot calves.

Enhancing seed and biomass production and drought tolerance of plains rough fescue using novel seed treatments

Yuguang Bai \$34,500

Plains rough fescue is ideal for late season grazing, and it is a native species grass. However, the seed production of these plants are low, which makes planting them unaffordable. This research investigates methods to have better seed yield and biomass production.

Butyrate as a novel functional ingredient for feedlot cattle.

Greg Penner \$34,500

Butyrate has shown to better control microbes which create methane and improve growth performance. However, these improvements have only been shown in younger animals. Dr. Penner and his fellow researchers believe that as an animal gets larger, the stomach (or rumen) might eliminate the affects of butyrate. Therefore, Penner will conduct a trial to determine if a rumen-proof dose could reach the small intestine, which could then allow better nutrient uptake, among other possibilities.

Improving lipid content in vegetative tissue to increase the nutritive value of herbaceous legume forages

Surya Acharya \$24,990

While alfalfa is an important feed source for many producers throughout the province, it is not a good source for fat or lipids, and bloat is commonly a risk. This research will use a technique to alter the genes of the alfalfa and sainfoin plant to increase the oil content, and to increase protein digestibility. It might also reduce the cost of adding oils to a ration, which may decrease the amount of methane from cattle.

Effects of annual and perennial forage systems on plant, water, soil and economic parameters, grazing animal performance, health and preference dynamic

Bart Lardner \$24,000

New and novel grazing practices have different economic and agronomic benefits than some of the conventional methods used in the province. This study intends to study the tradeoffs between these practices, noting animal performance, grazing behavior, forage persistence, soil quality, greenhouse gas emissions, and carbon sequestration. Costs are also a concern, as perennial forages can have lower costs associated with them, but a healthy yield is still important.

Simple strategies to reduce impacts of ergot alkaloids on beef cattle

Kim Stanford \$23,646

Very little information is available regarding the impacts of cereal ergot alkaloids, and the different types of ergot throughout Saskatchewan and Alberta. There is also speculation that storage and pelleting at high temperatures might decrease their toxicity. Therefore, the cost of storing and pelleting, as well as their effects on cattle, will be studied.

Treatment guidance for Bovine respiratory disease: Optimizing

SCA ANNUAL REPORT 2019 11

prudent and economical antimicrobial decision making.

John Campbell \$23,000

Medicating cattle with effective antibiotics helps reduce treatment times and costs. However, producers do not often know precisely what pathogens are affecting cattle. This research will investigate if calves can be swabbed on arrival at feedlots, and the chances that they will later be ill from the same pathogens detected. It will also determine if the most common bacteria detected would affect the whole herd, and if a small sample could predict the illnesses for the entire pen.

Monitoring of forage recovery following the October 2017 Burstall fires

Eric Lamb \$21,505

The fires in south west Saskatchewan and south east Alberta were devastating to producers and their herds last year. Beyond the work completed by a number of organizations to immediately assist producers in this area, concern was also raised about appropriate compensation while herds needed feed. This research helps investigate accurate recovery periods and best management practices to regenerate the stand and lower the spread of invasive species.

Barley Forage Co-op at Melfort

Pat Juskiw \$17,250

Feeding cattle is the most costintensive part of raising cattle in Saskatchewan. Therefore, methods to reduce this cost are of great importance. This research will determine the barley carrying capacity, average daily gain for backgrounding calves, disease resistance, yield, and quality for the Western Canada Forage Barley Registration Trail. Forage barley researchers hope to reduce costs by \$0.18/day, increase carrying capacity by 432 cow-days per hectare, and increase ADG by 1 lb per calf per day, among other goals.

Alternative Trace Mineral Comparison of immune response & respiratory disease sparing effect of homologous & heterologous vaccine

Nathan Erickson \$17,250

Respiratory disease control research is a major priority for the SCA Board and Research Committee. This project will investigate the best vaccination protocol, based on the vaccines that are already commercially available. It will also note if different forms of vaccines (intranasal priming vaccines with injectable booster vaccines) would be more effective than either intranasal or injectable vaccine protocols alone.

Managing calves before arrival at the feedlot to reduce infectious disease, antimicrobial use and resistance: What is it worth & An Interactive Tool to Inform Johne's Disease Control in Beef Herds: What Test, When and How Often

Cheryl Waldner \$4,888

Dynamic computer models can assess a number of different management practices, and have been used to determine best practices to achieve water quality, medical practices, and oil and gas refineries. The purchase of the dynamic modelling computer allows researchers to assess different management practices on cow-calf farms, and their impacts on treatment rates for disease, antibiotic use, resistance, and costs of production for the feedlots. It will also be used to further investigate best practices surrounding Johne's disease.



Saskatchewan Ministry of Agriculture's Dwayne Summach presents a new cattle handling facility which included a "bud box" system. This demonstration part of the Saskatchewan Pasture Tour in August. In an effort to promote the results of the research and other promising practices for the industry SCA a funds a variety of field tours, feedlot demonstration and other extension programs. The goal of these events is to help producers learn and adopt new technology. The association works with groups like Ducks Unlimited Canada, Saskatchewan Forage Council, Saskatchewan Watershed Authorities, and the Ministry of Agriculture to host the Saskatchewan Pasture Tour. The next tour will be on August 8th, 2019.

AUDITORS' REPORT ON COMPLIANCE WITH REGULATIONS

To Saskatchewan Cattlemen's Association:

We have audited **SASKATCHEWAN CATTLEMEN'S ASSOCIATION'S** compliance as at July 31, 2017 with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding of public resources, spending, revenue-raising, borrowing, and investment activities:

- 1. The Cattle Development Plan Regulations
- 2. The Agri-Food Act, 2004
- 3. The Agri-Food Regulations, 2004

Compliance with the provision of the regulations is the responsibility of management of **SASKATCHEWAN CATTLEMEN'S ASSOCIATION**. Our responsibility is to express an opinion on this compliance based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether **SASKATCHEWAN CATTLEMEN'S ASSOCIATION** complied with the provisions of the regulations referred to above. Such an audit includes examining, on a test basis, evidence supporting compliance, evaluating the overall compliance with these regulations, and where applicable, assessing the accounting principles used and significant estimates made by management.

In our opinion, as at July 31, 2017, the **SASKATCHEWAN CATTLEMEN'S ASSOCIATION** is in compliance, in all significant respects, with the provisions of the aforementioned legislative and related authorities.

Dudley & Company LLP / Chartered Professional Accountants

Regina, Saskatchewan December 12, 2017

2018 AUDITED FINANCIAL STATEMENT

To the Members of Saskatchewan Cattlemen's Association

We have audited the accompanying financial statements of Saskatchewan Cattlemen's Association, which comprise the balance sheet as at July 31, 2018 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Cattlemen's Association as at July 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Dudley & Company LLP Chartered Professional Accountants

Regina, Saskatchewan December 13, 2018

Balance Sheet

July 31, 2018

		2018		2017
ASSETS				
CURRENT Cash and cash equivalents (Note 3) Current investments (Note 4) Accounts receivable Prepaid expenses	\$	2,336,691 4,092,999 624,413 65,314	\$	1,231,216 3,474,181 1,155,049 44,551
		7,119,417		5,904,997
TANGIBLE CAPITAL ASSETS (Note 6)		3,899		4,855
LONG TERM INVESTMENTS (Note 4)		622,752		795,617
	\$	7,746,068	s	6,705,469
LIABILITIES AND NET ASSETS				
CURRENT Accounts payable and accrued liabilities GST payable Payroll deductions payable Accrued SBIDF commitments	\$	407,906 4,250 14,596 61,156	S	10,966 38,976 18,997 68,944
		487,908		137,883
NET ASSETS	12	7,258,160		6,567,586
	\$	7,746,068	\$	6,705,469

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Statement of Operations

Year Ended July 31, 2018

		2018	_	2017
REVENUE				
Check-off revenue	\$	4,050,382	S	3,741,636
Interest and investment income		54,064		157,580
Communications revenue		61,359		25,067
Federal projects		4,018,134		1,430,470
Gains/losses on investments	-	386,515		57,302
	-	8,570,454		5,412,055
EXPENSES				
Administration (Schedule 1)		141,351		177,856
Board (Schedule 1)		221,854		228,690
CEO expenses (Schedule 1)		18,359		15,059
Committee expenses (Schedule 1)		2,109		1,795
Communications (Schedule 1)		183,888		108,477
Policy expenses (Schedule 1)		32,020		30,329
Salaries and benefits		458,281		376,154
Industry Development fund (Schedule 1)		4,860,618		2,323,674
National Policy & Trade Advocacy (Schedule 1)	-	1,961,400		1,654,167
	-	7,879,880	_	4,916,201
EXCESS OF REVENUE OVER EXPENSES	\$	690,574	s	495,854

SASKATCHEWAN CATTLEMEN'S ASSOCIATION Statement of Changes in Net Assets Year Ended July 31, 2018

	 2018	-	2017
NET ASSETS - BEGINNING OF YEAR	\$ 6,567,586	\$	6,071,732
Excess (Deficiency) of revenue over expenses	690,574	-	495,854
NET ASSETS - END OF YEAR	\$ 7,258,160	\$	6,567,586

SASKATCHEWAN CATTLEMEN'S ASSOCIATION

Statement of Cash Flows

Year Ended July 31, 2018

	2018	_	2017
c	8 660 510	4	4.087.632
	(7,548,407) 54,064	Ŷ	(4,839,335) 157,580
1	1,166,167		(594,123)
			(4,221) 681,723
			(1,871,637)
-	1,926,136	_	1,786,889
_	(60,692)		592,754
	1,105,475		(1,369)
_	1,231,216		1,232,585
\$	2,336,691	\$	1,231,216
	\$	\$ 8,660,510 (7,548,407) 54,064 1,166,167 (1,256) (66,980) (1,918,592) 1,926,136 (60,692) 1,105,475 1,231,216	\$ 8,660,510 \$ (7,548,407) 54,064 1,166,167 (1,256) (66,980) (1,918,592) 1,926,136 (60,692) 1,105,475 1,231,216

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 notfor-profit organizations (ASNFPO).

Revenue recognition

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

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

Financial instruments

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

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Capital assets

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

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

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

Office furniture and	5 years
equipment	
Computer equipment	3 years

Management estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Significant estimates include those used when accounting for amortization and the impairment of financial assets, as well as the estimate of accounts receivable. All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash equivalents

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

Check-off revenue

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

Comparative figures

Prior year's comparative figures have been restated to conform to the current year's presentation.

CASH AND CASH EQUIVALENTS 3

CASH AND CASH EQUIVALENTS	2018			2017
Chequing account Credit union membership share Restricted cash account Projects account Investment cash equivalents Investment cash account	\$	113,858 5 1,436,990 16 775,757 10,065	\$	(12,888) 5 384,173 15 842,737 17,174
	\$	2,336,691	\$	1,231,216

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

INVESTMENTS 4

investments	 2018		2017	
Current investments	\$ 4,092,999	\$	3,474,181	
Long term investments	\$ 622,752	\$	795,617	

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

The fixed income investments and securities have effective interest rates ranging from 2.94% to 4.1% (2017: 2.94% to 4.1%) with maturity dates ranging from eleven months to fifty-four months (2017: thirteen months to sixty-six months).

5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks on an annual basis. The following analysis provides information about the organization's risk exposure and concentration as of July 31, 2018:

Credit risk

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

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

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

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

Liquidity risk

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

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

Market risk

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

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

(continues)

FINANCIAL INSTRUMENTS (continued) Currency risk

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

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

Interest rate risk

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

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

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

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

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

Other price risk

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

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

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

6. TANGIBLE CAPITAL ASSETS

		Cost	 umulated ortization	Ne	2018 t book value
Computer equipment Office furniture and equipment	\$	16,372 12,327	\$ 13,098 11,702	\$	3,274 625
	\$	28,699	\$ 24,800	\$	3,899
	-	Cost	umulated ortization	Ne	2017 et book /alue
Computer equipment Office furniture and equipment	\$	15,116 12,327	\$ 11,136 11,452	\$	3,980 875
	\$	27,443	\$ 22,588	\$	4,855

7. COMMITMENTS

Office lease

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

2019	42,914	
2020	43,912	
	\$ 86,826	

Funding projects

The Saskatchewan Cattlemen's Association Investment Development Fund funds multiple research projects that take more than one year to complete. See schedule 2 of these financial statements for a breakdown of the funds committed for future years.

Expenses (continued) Year Ended July 31, 2018 (Schedule 1)

	 2018		2017
Communications AGM facilities Producer meetings Fees, memberships, and subscriptions Publication Promotion and marketing Sponsorship Promotional events Advertising Trade show	\$ 8,872 25,284 1,536 46,106 18,010 15,299 62,695 6,086	S	629 20,539 782 15,021 9,439 7,350 8,280 40,447 5,990
	\$ 183,888	\$	108,477
Staff Expenses Accommodations Meals Registrations Travel	\$ 10,708 2,900 4,242 14,170	\$	9,229 2,173 4,190 14,737
	\$ 32,020	\$	30,329
Industry Development Fund Levy refund SCAIDF funding External memberships Projects Federal projects Sponsorships Board initiatives	\$ 58,244 501,896 122,635 194,084 3,966,908 6,611 10,240	\$	66,564 629,493 128,119 69,044 1,430,454
	\$ 4,860,618	\$	2,323,674
National Policy and Trade Advocacy Programs Canadian Cattlemen's Association National check-off agency Legal assessments	\$ 552,680 1,357,940 50,780	\$	550,637 1,103,530
	\$ 1,961,400	\$	1,654,167
Committee Animal health SCAIDF Research Communications	\$ 470 1,621 18	\$	17 90 1,688 -
	\$ 2,109	\$	1,795

Industry Development Activities Committed for Future Years

Vear Ended July 31 2018

(Schedule 2)

17,250

23,000

48,750

.

670,395

	Year Ended July 31, 2018								
		2019		2020		2021	2022		Total
Jniversity of Saskatchewan									
A field comparison of intranasal versus injectable BRD vaccination on beef calf titres, ADG, mobidity and mortality Selection of clonal propogated alfalfa and	\$	5,000	\$	5,000	\$	8	\$ ~	\$	10,000
sainfoin plants under grass or legume competition		6,900		6,900		4	÷.		13,800
The economics of Forage - based backgrounding programs in conventional and		07.000							12111
no-conventional beef production systems Pen surface soil performance of various soils during the first two cycles of cattle at a feedlot		27,600				÷.	3		27,600
in Saskatchewan Improved manure utilization methods for feedlots		5,558		14,374		-	-		19,932
in Saskatchewan Solute and moisture fluxes below small		4,964		5,347		14,220	-		24,531
watersheds amended with feedlot manure Evaluating long term benefits of genomic selection programs in beef cattle breeding		3,833		4,025		4,408	<u> </u>		12,266
programs Evaluating steam-flaking of barley to improve		8,000		8,000			1		16,000
feed efficiency for finishing beef cattle Fungal Suppression as a means to increase		66,000		÷.		144	-		66,000
range health following leafy spurge invasion Evaluation of forage Galega as a new forage		27,708		8,855		-	τ.		36,563
legume in pure and grass-legume mixed stands in Saskatchewan Alternative trace mineral sipplementation		11,500		11,500		5	-		23,000
strategies for improved cow performance Enhanced vaccine adjuvant platform for nasal		10,000		10,000		10,000	-		30,000
administration in livestock		15,000		15,000		20,000	•		50,000
The forage-efficient beef cow: Investigation into		45 000		15 000					
the underlying physiology Monitoring of forage recovery following the		15,000		15,000		- 61	1		30,00
October 2017 Burstall fires Use of high-moisture corn products for finishing cattle and the corn stover for extensive		6,210		6,210		5			12,42
grazing Butyrate as a novel functional ingredient for		51,750		51,750		-			103,50
feedlot cattle Proof of concept study for the delivery of a		22,162		12,338		-	-		34,50
respiratory probiotic to feedlot cattle via the feed		36,783		4		-	-		36,78
Enhancing seed and biomass production and drought tolerance of plains fescue using novel seed treatments		11,500		11,500		11,500	1.0		34,50
Comparison of immune respiratory disease		1,000		11,000		11,000			54,50

5,750

10,350

48,750

-

400,318

11,500

10,350

-

-

207,649

-

2,300

-

62,428

÷

4

Comparison of immune respiratory disease sparing effect of homologous and heterologous vaccine programs in neonatal calves

Treatment guidance for bovine respiratory disease. Optimizing antimicrobial decision making

An interactive tool to inform Johne's disease in beef herds

University of Saskatchewan Total

Industry Development Activities Committed for Future Years (continued)

(Schedule 2)

	2019	2020	2021	2022	Total
	1.2.1				
Vestern Beef Development Centre					
Effect of stock density and time of grazing on control of leafy spurge	5,000	2		2	5,000
Performance and characterization of new forage	C () () ()	5 000			
legume varieties in Western Canada Absinth control demonstration	5,000 5,000	5,000	14 (2-1		10,000 5,000
Western Beef Development Centre Total	15,000	5,000	-	÷	20,000
griculture & Agri-food					
Development of best management practices for residue and fertility management of annual					
polycultures	15,000	15,000	-	-	30,000
Improving lipid content in vegetative tissue to increase the nutritive value of herbaceous					
legume forages	49,980		-	-	49,980
Forage potential of hybrid fall rye	48,776	-	•		48,776
Agriculture & Agri-food Total	113,756	15,000	~	-	128,756
Other Organizations Swift Current Research & Development Centre -					
Sainfoin for Western Canada	6,360		÷	13	6,360
4-H Saskatchewan - Saskatchewan Beef Symposium	10,000	10,000	1	4	20,000
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		45,000
South of the Divide Conservation Action Program Inc Developing section 11	(30.14 L	1941.2	14323		
agreements on greater sage grouse critical					
habitat VIDO - Development of a novel vaccine for	10,000	10,000		-	20,000
protection against Mycoplasma bovis	02316	12.252			105 ab.
infrections in feedlot cattle University of Regina - Dugout management for	49,968	49,968	21	1-1	99,936
improved water quality	22,441		1.000		22,441
Saskatchewan Cattle Feeders Association - 2019 Western Canada Feedlot Management					
School	15,000	8	-	-	15,000
Canadian Western Agribition Field Crop Development Centre - Barley Forage	50,000		-	1.00	50,000
Coop at Melfort	5,750	5,750	5,750	10	17,250
Farm & Food Care Saskatchewan - Building public trust through outreach activities in					
2019 Saskatchewan Stock Growers Association -	30,000	1	- 18 M	750	30,000
Sponsership	26,850	14	5	140	26,850
Saskatchewan Veterinary Medical Association - SVMA Vetrinary preceporship program	18,000	1.00			18,000
Alberta Agriculture and Forestry - Simple	10,000				18,000
strategies to reduce impacts of ergot					

Industry Development Activities Committed for Future Years (continued) Year Ended July 31, 2018

(Schedule 2)

		Endodod		,			 		
		2019		2020		2021	2022		Total
Other Organizations (continued) University of Calgary - Use of bacteriophage- derived lysins in combatting multi-drug (MDR) pathogens that cause bovine respiratory disease		45,774				2	×		45,774
Saskatchewan Forage Council - Saskatchewan forage variety demonstration trials	_	2,500		2,500	-	2,500			7,500
Other Organizations Total	-	310,643		95,718	_	65,042	5	_	471,403
Grand Total	\$	839,717	s	323,367	\$	127,470	\$	\$	1,290,554

Many of the research projects funded by the SCAIDF fund take more than one year to complete. Funds for the subsequent years of a multiperiod 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.

Our audit on the effectiveness of Saskatchewan Cattlemen's Association's control related to the above objectives does not constitute an audit of internal control over financial reporting performed in conjunction with an audit of financial statements in *CPA Canada Handbook* – *Assurance* Section 5925 An Audit of Internal Control over Financial Reporting that is Integrated with an Audit of Financial Statements.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities, and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance and not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

In our opinion, based on the limitations noted above, Saskatchewan Cattlemen's Association's internal controls were effective, in all material respects, to meet the objectives stated above as of July 31, 2018 based on the CPA Canada criteria of control framework.

Dudley & Company LLP Chartered Professional Accountants

Regina, Saskatchewan December 13, 2018

SCA BUDGET APPROVED JULY 2018

Aug '17 - Jul 18 Budget Aug '17 - Jul '18 Budget Aug'18 - Jul'19

Dealer Rebate	-53,475.02	-50,000	-50,000
Gain/Loss- sale of investments	386,515.84		50,000
41000- Check off Revenue	4,037,986.83	3,500,000	4,950,000
41500 - Federal Projects	3,250,949.76		
42000 - Communications Revenue	59,641.93	25,000	40,000
43000 - Interest Revenue - Restricted	19,512.13	10,000	20,000
44000 - Interest Revenue - Chequing	5,530.09	3,000	4,500
46000 - National Bank Inv distributions	29,021.57	130,000	100,000
The second	7,735,683.13	3,618,000	5,114,500
	7,735,683.13	3,618,000	5,114,500
51000 - Administration Expenses			
51100 - Audit & CA Services	7,420.00	10,000	7,500
51150 - Bank Charges & Interest	292.75	300	300
51200 - Contract Work	4,604.25	10,000	10,000
51300 - Insurance	1,908.17	1,900	2,000
51350 - Investment advisory fees	41,611.68	40,000	41,600
51400 - IT support	8,875.47	3,000	5,000
51450 - Legal		6,000	6,000
51500 - Office rent	55,578.11	52,000	52,000
51550 - Office Support	3,632.59	5,000	4,000
51600 - Photocopying	4,623.32	6,000	5,000
51650 - Postage & Courier	5,310.46	2,000	5,000
51750 - Telephone	6,706.24	9,000	7,000
Total - Admin Expenses	140,563.04	145,200	145,400
52000 - Board expenses			
52100 - Accomodations	26,122.05	32,000	30,000
52200 - Conference calls	1,884.72	2,000	2,000
52300 - Facility Rental	960.25	1,000	1,000
52400 - Meals	12,441.98	11,000	12,000
52500 - Other - Buckles/bus cards	244.71	2,000	1,000
52700 - Registration Fees	4,724.79	6,000	5,000
52900 - Travel	67,352.48	65,000	65,000
Total - Board Expenses	113,730.98	119,000	116,000
53000 - CEO Expenses			
53600 - Industry Meeting Meals	519.48		1,000
53200 - Accomodations	3,965.51	5,000	4,500
53300 - Meals	1,094.26	1,000	1,100
53400 - Other - Registrations	2,355.49	2,200	2,500
53500 - Travel	10,424.12	9,000	10,500
Total - CEO Expense	18,358.86	17,200	19,600

	Aug '17 - Jul 18	Budget Aug '17 - Jul '18	Budget Aug'18 - Jul'1
53700 - Committee Expenses			
Audit & Finance		1,000	700
Executive		1,000	700
53720 - Animal Health	469.75	200	700
	1,620.99	2,000	2000
53770 - Research 53780 - Communications	18.23		700
	2,108.97	1,000	4800
Total - Committee Expenses	2,108.97	5,200	4800
54000 - Communication Expense			
54100 - AGM Facilities	8,871.61	1,500	9,000
54150 - Produer Meetings	25,283,83	25,000	27,500
54200 - fees Mmeberships Subscription	1,436.38	800	1,500
54450 - Publication	46,106.22	30,000	50,000
54470 - Promotion & Marketing	18,010.29	13,000	20,000
54510 - promotional Events	15,298.56	10,000	14,000
54525 - Advertising	62,695.00	75,000	75,000
54550 - Trade Show	6,086.29	10,000	7,500
Total - Communication Expense	183,788.18	165,300	204,500
55000 - Industry Development Fund			
55300 - External Membership	127,525.00	140,000	140,000
55400 - Projects	159,254.94	80,000	50,000
55500 - Federal Projects	2,585,218.14		23.625
55100 - Levy Refund Expense	59,036.00	70,000	75,000
55200 - SCAIDF Funding Expense	501,899.52	500,000	500,000
55600 - Sponsorship	9,800.00	8,000	16,000
55700 - Board Initiative	21,500.00	- Here	20,000
Total - Industry Development Fund	3,464,233.60	798,000	801,000
56000 - Natl Policy & Trade Advoc. Prog		550 000 00	
56100 - CCA - Operations	552,680.00	556,000.00	599,540.00
56200 - Natl Check-off Agency	1,357,939.73	1,166,667	2,750,000
56300 - CCA - Legal	50,780.57	75,000	50,000
Total - Natl Policy & Trade Advoc. Policy	1,961,400.30	1,797,667.00	3,399,540.00
57000 - Staff Expense			
57100 - Accomodations	10,707.72	8,000	11,000
57200 - Meals	2,900.44	2,500	3,300
57300 - Other - Registrations	4,241.84	4,000	4,000
57400 - Travel	14,170.30	13,000	14,000
Total - Staff Expenses	32,020.30	27,500	32,300
59000 - Salaries & Benefit Expenses			
59100 - Group Benefits	7,551.10	13,000	10,000
59200 - Payroll Expense	437,247.07	415,000	430,000
59300 - Per Diems	108,123.00	100,000	100,000.00
59400 - RRSP Employer	12,103.50	20,000	21,000
59500 - WCB	1,495.89	500	1500
59000 - Salaries / Benefits - Other	11,814.10		5,000
Total - Salaries & Benefits	578,334.66	548,500	567,500
Total Expense	6,494,538.89	3,626,167.00	5,292,840
Net Ordinary Income	1,241,144.24	-8,167.00	-178,340

AUGUST 1, 2017 - JULY 31, 2018 - CASH BASIS

Personal Services			
Name	Per Diems	Expense Reimbersments	Total
Arnold Balicki	9,890.00	8,764.99	18,654.99
Bill Huber	690	1,518.97	2,208.97
Bill Jameson	1,035	0	1,035.00
Brad Welter	4,485.00	4,255.22	8,740.22
Chad Ross	2,875.00	4,269.31	7,144.31
Dean Moore	2,645.00	3,493.78	6,138.78
Duane Thompson	1,495.00	0.00	1,495.00
Garret Hill	10,810.00	7,192.46	18,002.46
Harold Martens	5,865.00	5,380.75	11,245.75
Joe Jackson	2,070.00	5,301.73	7,371.73
Keith Day	4,700.00	5,366.41	10,066.41
Kyle Hebert	1,955.00	3,405.96	5,360.96
Laurie Disney	1,380.00	2,659.36	4,039.36
Lloyd Thompson	2,070.00	3,004.73	5,074.73
Lynn Grant	1,840.00	0	1,840.00
Michael Spralt	6,615.00	3,166.46	9,781.46
Pat Hayes	5,750.00	0	5,750.00
Paula Larson	3,768.00	3,853.62	7,621,62
Reg Schellenberg	4,725.00	0	4,725,00
Rick Toney	11,260.00	9,966.04	21,226.04
Roger Meyers	2,070.00	2,449.13	4,519.13
Ryan Beierbach	14,820.00	16,878.21	31,698.21
Tim Oleksyn	5,310.00	0	5,310.00
Total	108,123.00	90,927.13	199,050.13

External Memberships (Threshold \$10,000)

Total	120,000.00
Farm & Food Care	20,000.00
National Cattle Feeders	50,000.00
Ag in the Classroom	50,000.00

National Activities(Threshold \$10,000)

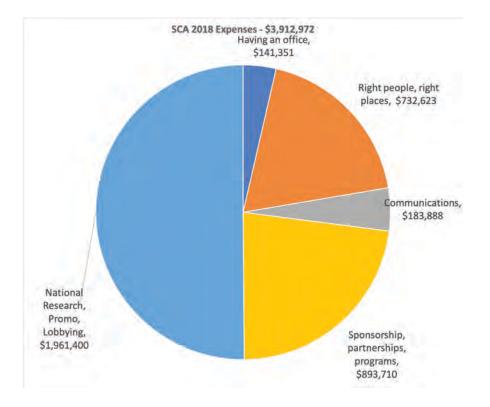
CCA- operations	552,680.00
CCA - Legal	50,780.57
National Check Off	1,357939.73
Total	1,961,400.30
Projects (Threshold \$10,000)	
LFCE Visioning Workshop	10,000.00
Saskatchewan Verified Beef	102,615.34
Talking Dog-360 Video	26,139.60
Total	138,754.94

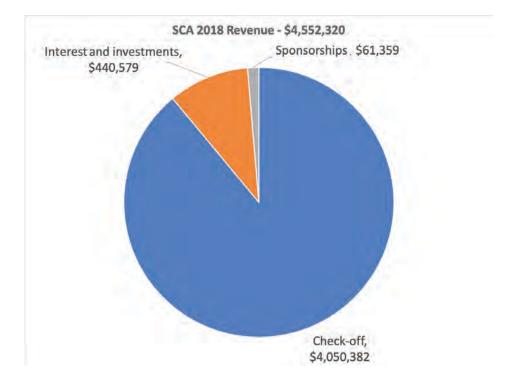
Vendor Payments (Threshold \$10,000)

Total	97,189.79
101061888 Saskatchewan - Office Rent	55,578.11
National Bank Investment Management fees	41,611.68

SCAIDF (Threshold \$10,000)

U of S - Mycoplasma Bovis	18,170.00
U of S - Fungal Supression	20,877.10
U of S - Policy Development	20,930.00
U of S - Effect of Ergot on Bull Fertility	14,490.00
U of S - Evaluation of Forage	11,500.00
U of S - Optimizing Ruminal Fermentation	31,007.00
U of S - New Forage Legumes	10,000.00
U of S - Dugout Management	22,602.10
VIDO - Cattle Breeding Program	49,853.00
Sask Cattle Feeders Western Feedlot School	15,000.00
WBDC - Forage Researcher Support	15,000.00
PAMI	10,000.00
PAMI - Defining Agronomic Practices	15,000.00
Prairie Conservation Action Plan	22,000.00
Prairie Diagnostic - Preparing for Emerging Disease	15,000.00
Sask Forage Council - Facilitating Forage Initiatives	45,000.00
Sask Stock Growers - Youth & Consumer Ed	33,066.50
SODCAP - Developing Section 11 Agreements	10,000.00
SODCAP	10,000.00
SVMA - Preceptorship Program	15,000.00
Agriculture & Agri-Food - Management Practices	20,000.00
Total	424,495.20





PARTNERSHIP REPORT: Good for the community, good for the industry

ach year SCA reviews dozens of partnership proposals and sponsorship requests. The applications are prioritized based on the potential benefits to Saskatchewan cattle producers. Research, partner programs and event sponsorship funding is a major part of the SCA's annual Budget.

Nearly \$750,000 was spent on significant projects and consumer awareness programs in the past year. This spending is overseen by the SCA board of directors, who ensure producer checkoff money is spent responsibly on effective projects that develop and promote the success of all production sectors of the industry. 4-H Beef Symposium SSGA AGM AgriEd Showcase Saskatchewan Pasture Tour Workhorse DoMoreAg. Plant Science Undergraduate awards Steaks and Stems Yorkton U of S Beef Club Cattlewomen's Golf SaskMan Cattlemen's Golf College of Pharmacy & Nutrition Young Ranchman's Swift Current Young Cattlemen's Council Saskatchewan Vet Med Preceptorship Program

Consumer Outreach:

Beef Month in YQR Homestyles in Saskatoon Canadian Ag Literacy Month classroom visits. Regina Home Show Regina Catholic Schools cooking



SCA is working to help promote beef to consumers in a variety of ways inlcuding presenting the "Ya Gotta Beef With Me? Chef's Challenge" at Agribition. Six chefs from across the province took part in the event. Each day the competitors had to choose a cut of beef, create a meal for the panel of judges.

Sponsorships

Vetavision Agribition - Platinum sponsor. Feedlot School Native Prairie Restoration Workshop Canadian Young Farmers and Saskatchewan Young Ag conference Beef Expo in Saskatoon competition Yorkton Harvest Throwdown Cooking competition Share the Warmth Regina Saskatchewan Home Ec Teachers Association Food Farms Student Leadership Conference Chef Series at Taste of Saskatchewan Food Influencer Tours Teachers Tour Ag Month in Saskatchewan Ya Gotta Beef With Me Challenge

Other Media & Public Outreach:

CJME Ads during Gormley show Wheatland Café with CJ Katz on CTV Global TV Farm Focus Earned Media (radio, print, TV) 360 Video at a feedlot, grazing videos

Notable Events:

Soil Health and Grazing conference. Canadian Beef Industry Conference Verified Beef Production Plus area meetinas Saskatchewan Beef Industry Conference Alberta Beef Industry Conference Manitoba and Alberta Beef Producers and Beef Farmers of Ontario AGMs International Beef Welfare Symposium and UCVM Beef Welfare conference **SVMA AGM** Action Canada Tour **Dairy Farmers AGM** Forage Crops Advisory Meeting Western Canadian Conference on Soil Health and Grazing College of Engineering research summit Saskatchewan Wildlife Federation AGM

Partnerships:

Livestock and Forage Centre of Excellence Farm and Food Care sponsorship and board member - Harold Martins Ag in the Classroom sponsorship and board member - Arnold Balicki Prairie Conservation Action Plan support and director - Garret Hill South of the Divide Conservation Action Program support and director - Keith

Day Canada Beef funding and director

- Chad Ross. And nominated two marketing board members Mike Guest and Hubert Lau.

Saskatchewan Forage Council support and board member - Garret Hill Beef Cattle Research Council 3 delegates now include Chair Ryan Beierbach

Canadian Roundtable for Sustainable Beef participation - Harold Martens and now director Ryan Beierbach Canadian Cattlemen's Association funding and four directors VBP+ Verified Beef Production Plus funding and working together AgWest Bio Joint Research Funding Call with Alberta Beef Producers National Cattle Feeders Saskatchewan Agricultural Development Fund Canadian Roundtable for Sustainable Beef – on committees Livestock Marketers of Saskatchewan Agriculture Development Fund Saskatchewan Forage Network

Consultations:

Food Policy Consult CAP development. Crop Insurance development. Saskatchewan Climate plan consultations. Front of Package labels Strychnine ban proposal Trespass laws in Saskatchewan Livestock Growth Forum (ILO) **TB** Case Agricultural Implements Act changes Statements of Provincial Interest consultations **CPTPP** advocacy Income Deferral changes CFIA transparency consult Federal Budget 2019 submission Temporary Foreign Workers Program Consult Animal Protection Act changes Landowner survey for wildlife federation

Advocacy Events and Industry Outreach:

MLA Beef on a Bun at the Legislature LFCE Visioning Western Canadian Association of Bovine Practitioners Saskatchewan Party BBQ and Annual Premier's dinner. Federal Minister of Agriculture hosting at Saskatoon Ottawa Fly In Days An Sci 301 - interacting with U of S students. Ag Month events. MLA/MP summer meetings Presentation to Economic Caucus Committee **Beef Business Inserts**



SCA understand the importance of working with teachers to help educate students about modern agriculture and the cattle industry. The orgaization is the main funder for the Agri-Ed program and also invests in the Ag In The Classroom and provides volunteers for the Ag Literacy Month program.

Industry Leadership:

Beef Value Chain Round Table Cattle Health Surveillance system Satellite for forage insurance project. NCBA - Cattle Industry Convention -Many state cattle association meetings Trade Minister Champagne meeting in Regina Indigenous Ag Summit SIEF Presentation Levy refund requester visits Canadian Cattlemen's Association meetings Rural internet advocacy Nebraska Cattlemen meetings Media Training for the board Livestock Development Committee Pacific Northwest Economic Region participation - Joe Jackson Saskatchewan Beef Industry Chair Advisory Committee U of S researchers coordination and liason meetings Agriculture Development Fund research projects Beef Cattle Research Council National Tech Transfer plan John Weekes trade advisory funding



Each year SCA Directors invite local MLAs and MPs to their operations for a tour and taste of ranch life. Saskatchewan Minister of Highways, Lori Carr has become a regular at the Ross Ranch helping at their spring roundup.

Turn to page 38 for more photos from SCA partnerships and promotions

11 TH ANNUAL GENERAL MEETING FRIDAY, JAN. 18, 2019 DELTA REGINA HOTEL - REGINA, SK

AGENDA

1:30 p.m. - Call to order

Approve Agenda and Officials	Finance Report & Appointment of Auditor
Board Introductions	Chair's Report on Year Past
1st call for nominations & resolutions	CEO's Look Ahead
	2nd call for nominations & resolutions
• 2 Canadian Cattlemen's Association Representatives	Policy Session
• National Cattle Feeders Representative	Final Call for nominations & resolutions
• Young Cattlemen's Council Representative	Discussion
	Elections
Minutes of 2018 AGM	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 parlimentarian the meeting will revert 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.

Resolutions from 2018 District Meetings

The following resolutions were passed at the SCA district meetings held October 2018. These local meetings provide a chance for producers to hear from SCA and provide input. The resolutions below have been reviewed by the Governance Committee and brought to the floor at the Annual General Meeting on Jan. 18th at the Delta Hotel Regina. As was stated at the district meetings motion supporters are encouraged to be at the annual meeting to speak to their resolutions. At that meeting, resolutions can also come from the floor and from the Board for the consideration of the attendees.

District 1 - Whitewood

Resolution 1

That SCA lobby SCIC to improve forage insurance to reflect current yields

Resolution 2

Be it resolved that SCA lobbies SCIC to provide compensation for the loss or injury of guard dogs sustained while killed/ injured doing their jobs.

General Rules of Debate - Adapted from Roberts Rules of Order

- To move a resolution or speak to a motion, go to a microphone; state your name and district.
- 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 cards will be used for all votes.
- 5. Independent scrutineers will be appointed and accepted by the meeting. They will count the votes on specific or close issues and also count the ballots.
- 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.



Annual General Meeting, Thursday, Jan. 25, 2018

1.0 – Call to Order

The meeting was called to order at 1:50 p.m. by Ryan Beierbach.

Introduction of Guests.

2.0 – Approval of Agenda

MOTION- AGM 18-01: Paula Larson/Michael Spratt "To approve the agenda."

Motion Carried

New Board Members: District 1 – Kyle Hebert – replacing outgoing Ryan Beierbach District 3Am – Roger Meyers – replacing outgoing Laurie Disney

Presentation of Buckles to the outgoing Directors: Past President Bill Jameson District 3A – Laurie Disney

Ryan Beierbach made 1st call for CCA nominations 1st call for Resolutions

Appointment of Officers: Ryder Lee as Resolution Chair Murray McGillivray as Election Chair Rich Smith as Scrutineer Kim McLean as Scrutineer Brad Wildeman as Parliamentarian

MOTION AGM 2018-02: Laurie Disney / Garret Hill "To accept the following people as stated: Ryder Lee as Policy Session Chair Murray McGillivray as Election Chair Rich Smith as Scrutineer Kim McLean as Scrutineer Brad Wildeman as Parliamentarian."

Motion Carried

3.0 - Review of 2017 AGM Minutes

Review of the 2017 AGM minutes. No errors or omissions were brought forward. There was no business arising from the minutes. MOTION – AGM 2018 – 03: Joe Jackson / Shane Jahnke "That the 2017 AGM minutes be approved as circulated."

Motion Carried

4.0 – Finance Report

Arnold Balicki, SCA Finance Chair and Logan Hutt from Dudley & Company presented the financial report.
Will table the vote on the financials until after the nominations to allow for arising questions.

5.0 – Appointment of Auditor

MOTION – AGM 2018-04: Laurie Disney / Dean Moore "To appoint Dudley & Company as auditor for the upcoming year."

Motion Carried

6.0 – Chair Report – A Year in Review

Ryan Beierbach, SCA Chair, presented his report.

MOTION – AGM 2018-05: Ryan Beierbach / Garret Hill "To accept the Chair report as presented."

Motion Carried

7.0 – CEO's Look Ahead

Ryder Lee , SCA CEO, presented his report.

2nd Call for CCA nominations 2nd Call for Resolutions

MOTION – AGM 2018-06: Joe Jackson / Levi Hull "To accept the 2017 Financial Report as presented."

Motion Carried

8.0 – CCIA E-Store

Mark Elford presented report.

9.0 - Livestock Services of Saskatchewan

Jason Pollock presented report.

10.0 - Canadian Roundtable for Sustainable Beef

Fawn Jackson presented report.

Final Call for Nominations. Final call for Resolutions.

11.0 – Saskatchewan CCA Nominations

Pat Hayes - nominated by Jay Fitzpatrick

Reg Schellenberg – nominated by Brent Griffin

MOTION – AGM 2018- 07: Ryan Thompson / Dean Moore

"That nominations cease."

Motion Carried

Two positions open for a two year term.

12.0 - Resolution Session

Ryder Lee, Policy Session chair, discussed the process that would be employed to deal with the resolutions. Seven resolutions from the 2017 Fall district Meetings listed in the 2017 Annual report, plus four resolutions from the floor, were debated and voted on.

2018 SCA AGM – Resolution 1

SCA District 2

"Whereas, in an effort to expand livestock production in Saskatchewan,

Be it resolved that SCA lobby government through the Canadian Agricultural Partnership to offer a cost sharing project that funds perimeter fencing for lands not currently utilized for livestock production."

MOTION AGM 2018 – 08: Joe Jackson / Scott Griffin "To move Resolution 01."

Motion Carried

2018 SCA AGM – Resolution 02

SCA District 4

"That SCA lobby for the investigation in to what the added costs are to rural municipalities and landholders caused by regulations and prohibitions under the Species at Risk Act. Further that these added costs be the regulations and prohibitions."

MOTION AGM 2018 – 09: Ryan Beierbach / Mike Spratt "To move Resolution 02."

Motion Carried

2018 SCA AGM – Resolution 03

SCA District 5

"Whereas producers need to have the option to purchase antibiotics from farm retail outlets. Be it resolved SCA work with SMVA to ensure that producers be allowed to buy antibiotics from farm retail outlets once they have a prescription from a veterinarian. This will hopefully keep competition in on pricing of antibiotics."

MOTION AGM 2018-10: Levi Hull / Ryan Beierbach "To move Resolution 03."

Motion Carried

2018 SCA AGM - Resolution 04

SCA District 6

"Whereas CFIA has mandated all antibiotics only be sold by prescription through veterinarians,

Whereas this new restriction could limit access to needed antibiotics,

Whereas, in order for humane and sustainable care for livestock, antimicrobials must be available and affordable, Whereas the Saskatchewan Veterinarian Association has a minimum price schedule for veterinary services.

Be it resolved that SCA lobby the provincial government and work with SVMA to insure antimicrobial drugs are not added to minimum schedule,

Be it further resolved that SCA lobby the Provincial and Federal Government to investigate the possibility of a pharmacy style retail for livestock drugs to foster competition.

MOTION AGM 2018-11: Brent Johnson / Garret Hill "To move Resolution 04."

Motion Carried

2018 SCA AGM – Resolution 05

SCA District 6

"That the governments of Saskatchewan and Canada investigate the possibilities of pharmacy style retail for livestock drugs."

36 SCA ANNUAL REPORT 2019

MOTION AGM 2018-12: Brent Johnson / Levi Hull "To move Resolution 05."

Motion Carried

2018 SCA AGM – Resolution 06

SCA District 3B

"That SCA represent the "client" and be involved in defining and regulating the "veterinary client patient relationship" in Saskatchewan."

MOTION AGM 2018-13: Lynn Grant / Ryan Beierbach "To move Resolution 06."

Motion Carried

2018 SCA AGM - Resolution 07

SCA District 3B

"That SCA investigate possible grass attractants that would encourage severe grazing to reduce and or eliminate the fuel load on grazing land where a fire break is desired."

MOTION AGM 2018-14: Lynn Grant / Brent Johnson "To move Resolution 07."

Motion Carried

2018 SCA AGM - Resolution 08

From the Floor:

"Whereas we have 83 wildlife management zones in Saskatchewan, of that 83, CWD has been identified in 32 zones.

Whereas, biosecurity is extremely important to livestock producers,

Whereas wildlife is believed to be the source of and spread of CWD to domestic animals.

Be it resolved that the SCA continue to lobby Ministry of Environment to be included in their CWD Wildlife Working Group to assist in the development of a CWD management plane that will be present to government."

MOTION AGM 2018-15: Rick Toney / Garret Hill "To move Resolution 08." Motion Carried

2018 SCA AGM - Resolution 09

From the Floor:

"That SCA lobby the Federal Government to accredit producers, with appropriate training and oversight, to administer some prescription antibiotics with the training and oversight expense being covered by a Canadian Agricultural Partnership program."

MOTION 2018–16: The motion as been WITHDRAWN

2018 SCA AGM – Resolution 010

From the Floor:

'That SCA lobby the Federal & Provincial Government to fund a yearly on farm veterinary consultation as a market development initiative."

MOTION 2018-17:

"To move Resolution 10." Motion DEFEATED

2018 SCA AGM - Resolution 011

From the Floor:

"That SCA investigate appropriate insurance instruments to fill the gaps exposed by the disaster events of 2017."

MOTION 2018-018: Shane Jahnke / Lynn Grant "To move Resolution 011."

Motion Carried

13.0 – Election Results from the Saskatchewan CCA Elections Two positions open for a two year term.

Acclamation

Pat Hayes – CCA Representative Reg Schellenberg – CCA Representative

14.0 – Adjournment

MOTION AGM 2018-019: Ryan Beierbach "To adjourn the meeting."

Motion Carried

Meeting adjourned at 4:30pm

Meeting Notes

38 SCA ANNUAL REPORT 2019

































NATIONAL CATTLE FEEDERS REPORT: Building on Partnerships

The National Cattle Feeders' Association (NCFA) represents Canadian cattle feeders on federal policy and regulatory issues, and partners with other national organizations to strengthen the beef industry. Established in 2007, NCFA serves as a unified voice for Canada's cattle feeders on the challenges and opportunities facing the fed cattle production chain.

NCFA membership is comprised of provincial beef organizations, each of which contributes funding based on provincial fed cattle production. Member organizations appoint a Director to the NCFA Board and a provincial staff representative. NCFA maintains a full-time presence in Ottawa through a dedicated team of consultants that provide advice and expertise on our various political, regulatory, and trade issues.

Actions And Accomplishments

Growth and Sustainability:

NCFA's key messages continued to hit their mark as evidenced by the report of Canada's Economic Strategy Table on Agri-Food. The recommendations mirror what NCFA has been saying for years—that reforming regulations, increasing rural infrastructure investment, expanding access to markets, resolving labour shortages, and creating a supportive tax and investment environment are all needed if agriculture is to reach its full potential. NCFA's messages are being heard in Ottawa and are helping guide government decision-making.

International Trade:

NCFA joined other stakeholders to advocate for a successful conclusion of the new Canada-US-Mexico Agreement (CUSMA) and final parliamentary approval of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP). As a result, Canada was one of the first six nations to ratify the



The 2018 NCFA Board of Directors. Back row from left to right are Jason Hagel (AB), Larry

Schweitzer (MB), John Schooten (AB), Joe Heemskerk (BC), and President and CEO Bryan Walton. Front row from left to right are Michel Daigle (QC), Ryan Thompson (SK), and James Bekkering (AB).

CPTPP and will enjoy back-to-back tariff reductions for both 2018 and 2019.

Labour:

In 2018, Service Canada initiated a review of the Temporary Foreign Worker Program (TFWP). As a result of NCFA advocacy, this review was not restricted to the seasonal component of the TFWP but also included primary agriculture. NCFA had a strong presence at the consultation venues in Ottawa and across western Canada.

Regulations:

At the request of NCFA, the Canadian Food Inspection Agency (CFIA) made several important regulatory changes to the Restricted Feeder Cattle Program that will smooth the trade of feeder cattle across the Canada-US border. NCFA also secured the support of CFIA in pressing for regulatory change at the USDA for Canadian fed cattle exported south.

Canadian Agriculture Partnership (CAP):

Funding has been secured from industry and the new multi-billion dollar CAP program for continued work on the Canadian Feedlot Animal Care Assessment Program, which is now part of the certification system for feedlots within the Canadian Roundtable for Sustainable Beef (CRSB). This fully auditable program demonstrates the cattle feeding sector's commitment to world-class standards of animal care.

Exports of "Bone-in" and "Fresh or Chilled" Beef:

Securing better access to the Chinese market has been a long-standing concern for NCFA. In 2017, the US won expanded beef access to China. In response, NCFA urged action by the government to press for better Canadian access as well. As a result, "bone-in" beef is now open for export to China and a new pilot program for "fresh and chilled" is in place as well.

Government Relations:

Nurturing national political champions

for the beef industry and advocating with government on behalf of cattle feeders comprises a large part of NCFA activities. At the beginning of each year, the NCFA Board and our provincial staff representatives build an Ottawa Engagement Strategy that sets out specific goals for our most important policy priorities. Along with our team of political, regulatory, and trade consultants in Ottawa, NCFA then executes on the strategy.

In 2018, NCFA rolled out a series of five week-long engagement events in Ottawa during the months of March, May and September, culminating in our annual November Lobby Week.

This engagement saw NCFA meet with five Cabinet Ministers, four Parliamentary Secretaries, seven Senators, 50 MPs, and more than 30 political aides, public servants, and government regulators. Sustaining these relationships is critical to maintaining forward movement on our trade, labour, infrastructure, taxation, and regulatory priorities.

Submissions:

NCFA made over a dozen formal policy and regulatory submissions to government. Examples include Transport Canada's proposal mandating the use of Electronic Logging Devices (ELDs) on trucks, the workplan of the Regulatory Cooperation Council (RCC), and Global Affairs Canada's request for our perspective on the starting of potential FTA negotiations with the ASEAN bloc.

Numerous submissions were also made to Health Canada on the new Food Guide, Front-of-Pack Labelling, and fees for veterinary drug registration.

Two substantial submissions were provided to Agriculture and Agri-Food Canada (AAFC) and the US Department of Agriculture (USDA). The first was in reply to a wholesale review of agriculture and aquaculture regulations. The second was in reply to USDA's request for ideas to smooth trade at the Canada-US border.

Parliamentary Committees

NCFA also made several submissions to various parliamentary committees, including a "2019 Pre-Budget Submission" to the Standing Committee on Finance and another on CPTPP to the Standing Senate Committee on Foreign Affairs and International Trade.

NCFA also developed a "2019 Election Priorities" document—sent to all federal parties—on what should be included in an agriculture platform for the national vote expected next year.

Collaborative Partnerships:

The entire beef value chain benefits when multiple organizations work together. To that end, NCFA maintains membership in the Canadian Agri-Food Trade Alliance (CAFTA) and the Canadian Agricultural Human Resource Council (CAHRC), and engages with the Market Access Secretariat (MAS), and the Beef Value Chain Roundtable (BVCRT).

In 2018, NCFA, the Canadian Cattlemen's Association (CCA), and the Canadian Meat Council (CMC) issued several joint communications on important matters such as the CPTPP and Canada-US tariffs.

Collaboration was instrumental in reversing a proposed alteration to the CFIA's Manual of Procedures (MOP) that would have made it very difficult for cattle feeders to serve the Chinese market. Our weekly "beef forum" calls between the staff of these organizations helps facilitate such cooperation.

NCFA had a banner year in 2018. This is a direct result of our dedicated Board of Directors, our committed provincial staff representatives, and the expertise of our consultants. I thank you all for working diligently to position our industry for success.



Parliamentary Secretary to the Minister of Labour Rodger Cuzner in conversation with NCFA

Directors John Schooten (AB) and Jason Hagel (AB) in the Government Lobby at Parliament.

BEEF CATTLE RESEARCH COUNCIL REPORT: Research & Innovations

018 has been a transition year for the Beef Cattle Research Council (BCRC) in terms of both funding and program administration. An increase in the Canadian Beef Cattle Check-Off from \$1 to \$2.50 per head in most provinces and revised allocations to research has grown the BCRC's research budget from approximately 15 cents to approximately 75 cents per head. In addition, the Beef Science Cluster II, under Agriculture and Agri-Food Canada's AgriInnovation Program, wrapped up March 31, 2018 and the Beef Science Cluster III program, under the Canadian Agricultural Partnership (CAP), is beginning.

The BCRC's research priorities focus on

improving competitiveness in the production of Canadian beef cattle, supporting science-based

supporting science based
policy, regulation and trade,
supporting science-based
public education and
advocacy,

supporting the Canadian Beef Advantage, and
accelerating the adoption of beneficial innovations by the Canadian beef industry.

Canada's Beef Cattle Industry Science Clusters

This research involves developing The Science Clusters, which are administrated by the BCRC, are a partnership with Agriculture and Agri-Food Canada (AAFC) to make investments in a variety of research programs. Over the past five years 20-million dollars of joint industry and government funding through the second Cluster was directed to 26 research projects.

This research involves developing solutions to the issues of concern to many in the beef industry, as well as governments and the public.

The results include:

- A factual understanding of the Canadian beef industry's environmental footprint. In 2011, producing each kg of Canadian beef required 29% less breeding stock, 27% fewer slaughter cattle and 24% less land, used 17% less water, and produced 15% less greenhouse gases than in 1981.

- Optimal combinations of annual forage crops, agronomic management and grazing practices that improve forage productivity while providing economical and nutritionally appropriate winter feed for the cow herd.

- Cost-effective, practical ways to manage the pain associated with castration in beef calves.

An understanding of the and severity of occurrence beef carcass defects to inform prevention strategies. Total losses due to carcass quality defects are approximately \$200 million/year. Some defects, like bruises and horns, are becoming less common while others, like excess weight, fat, tag, liver health and injection site lesions require further investigation of nutritional and health management strategies to reduce losses.

- New feed grain and forage varieties with superior yield and quality, including ten barley varieties approved for registration, and several lines of native plant materials, legumes, grasses and triticale with potential for commercialization.

- Dry chilling methods to costeffectively control microbiological growth on carcasses in small abattoirs.

- The establishment of a veterinary and producer surveillance network to gather information on the prevalence of production limiting diseases and evaluate the adoption of and producer attitudes towards various management practices such as



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

antimicrobial use, animal welfare practices and biosecurity practices.

- Detailed metagenomic analysis of microbiological samples collected throughout cattle environments, soils, wetlands, rivers, municipal water, retail beef, human patients and sewage samples found no link between the use of antimicrobials in beef cattle and antimicrobial resistance in humans.

Beef Science Cluster III in Progress

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

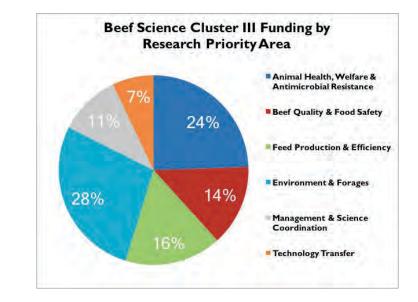
This Cluster will work to grow beef exports and supply growing global beef demand by supporting research and technology transfer that advances Canadian beef and forage production while enhancing industry competitiveness and the public's trust in responsible production.

Examples of Cluster III project objectives include:

• determine how camera-based computerized carcass grading systems can optimize fabrication and direct beef products to the most suitable market to support market growth and trade.

• expand production-limiting disease surveillance across Canada to anticipate, mitigate and respond to emerging disease threats.

• enhance environmental sustainability and address climate change by evaluating carbon sequestration and biodiversity in Canada's grasslands and identify strategies to increase the beef industry's contribution.



• reinforce public trust and support transport regulation development by determining optimal rest intervals and durations for cattle in transit.

• support consumer confidence and demand by improving understanding of bacteria and cattle interactions to improve food safety, reduce the risk of E. coli O157:H7, and reduce the need for antimicrobials to treat bovine respiratory disease and digestive upsets.

• strengthen awareness and adoption of research results via the BCRC's innovative knowledge translation and transfer team.

Investments with the Increased Canadian Beef Cattle Check-Off

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

Priority Research Projects: In addition to the projects within the third Science Cluster, research aimed at achieving specific goals of high priority to the beef industry will be sought. The council launched a targeted call for letters of intent in June 2018. Funding decisions will be made in February 2019. Summaries will be available on BeefResearch.ca.

Research Capacity: Research expertise in Canada has declined to critical levels in several areas, including those related to beef production and forage breeding, agronomy, and utilization. The council launched a call for proposals for Research Chairs in August 2018. An announcement will be made in 2019.

Knowledge and Technology Transfer: To support the regionally limited, underfunded, and fragmented nature of beef extension across Canada, the BCRC recently focused on developing and utilizing a Canadian Beef Technology Transfer Network. To develop collaborative extension projects, including economic-based decision-making tools for producers, the council launched a call for letters of intent in June 2018. Funding decisions will be made in February 2019. **For More Information**

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

CCA PRESIDENT'S REPORT: Partnerships & Regulations

events of 2018 have he created unprecedented global opportunities for producers in the coming year. Canadian Cattlemen's Association's (CCA) continued focus on trade and market access priorities again bore fruit in 2018 and set the stage for a sustainable future for Canadian beef production. The Comprehensive and Progressive Agreement for Trans-Pacific Trans-Pacific Partnership (CPTPP) came into effect on December 30, 2018. Canada signed the Canada-U.S.-Mexico Agreement (CUSMA) on November 30. Once ratified via the legislative processes of the three countries, CUSMA will update, modernize, and replace the North American Free Trade Agreement (NAFTA). Despite some hoops, Canadian beef exports to the EU continued to grow in volume and value as the reciprocal two-way trade envisioned under the Canada - EU Comprehensive and Economic Trade Agreement (CETA) began to take shape.

The CCA's advocacy efforts produced tangible results in these and other areas as well. The CCA was a leading voice for swift ratification of the CPTPP, working with partners to deliver that message to Parliament Hill. CCA returned to Japan in early December to promote Canadian beef. We know importers want a consistent supply of Canadian beef and expect that under the CPTPP, Canadian beef exports to Japan could double in 2019, up from the \$160 million of beef exported to Japan in 2017 under the old tariffs.

CUSMA importantly preserves duty-free trade in live cattle and beef, and leaves key dispute settlement provisions intact; the agreement excludes any reference to country of origin labelling for meat or livestock. There is ongoing commitment to address regulatory matters affecting cattle and beef trade and to continuously improve the competitiveness of the North American beef sector, all outcomes the CCA advocated for.

Many of the provisions in the 2018 Fall Economic Statement will be of benefit to Canada's beef and agriculture industry. The new \$1.1 billion Export Diversification Strategy will maximize opportunities for



David Haywood-Farmer was acclaimed as President of the Canadian Cattlemen's Association (CCA) on March 23, 2018 at the CCA AGM in Ottawa. Haywood-Farmer and his wife Bonnie operate a cow-calf operation in Savona, B.C. Haywood-Farmer says the CCA priorities going forward include a focus on trade and environment and ensuring a sustainable future for beef production.

exporters in new markets through improved infrastructure and export market support, and a commitment of \$25 million over the next five years to enhancing federal capacity to address non-tariff and other trade barriers specific to agri-food. This is excellent news as such barriers often prevent exporters from taking advantage of new export opportunities.

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

Canada's leadership in this area along with the nutritional benefits of beef to human health are main points the CCA makes with Minister of Health Ginette Petitpas Taylor when discussing the cattle industry perspectives about the Food Guide and Front of Package labelling. It is important to let her know that red meat is an important part of a healthy and balanced diet, and of the need for Canadian health and nutritional policy to be based on sound and consistent scientific evidence. The perils of including misguided information in the Food Guide or on warning labels on foods high in saturated fat, like ground beef, could push people away from an affordable nutrient dense protein staple of benefit to human health.

The CCA remains in close contact with the Canadian Food Inspection Agency (CFIA) as they investigate a case of bovine tuberculosis (bTB) in a cow from British Columbia. Although Canada enjoys bTB-free status, isolated cases do occur. The case, detected in late October, shows Canada's surveillance system is working.

The CFIA recognizes the serious impact of bTB on producers and the cattle industry and is working with the producers and provinces to take immediate action to control the disease and maintain Canada's bTBfree status. We are pleased to see CFIA incorporating lessons learned from the Alberta case in 2016 and subsequent investigation, and work with B.C. Cattlemen's Association. The CCA is communicating with CFIA on a regular basis and will update members of any developments impacting Canada's trade status.

Other Areas we are working on

- CCA expended considerable effort on several regulatory including asking the Senate to remove a last-minute addition of a greatly expanded definition of fish habitat in the Fisheries Act as part of suite of recommendations regarding Bill C-68.
- The CCA submitted comments to Health Canada's Pest Management Regulatory Agency (PMRA) regarding its decision to remove the registration of Liquid Strychnine use for the control of Richardson ground squirrels.
- The CCA is asking for continuation of the registered use of the pest management control product until an effective alternative is in place.
- The CCA remains committed to working closely with the government and other agriculture commodities to address workforce shortages in the sector.
- On traceability, the CFIA revised the anticipated date for the publication of draft regulations pertaining to livestock traceability in Part I of the Canada Gazette to spring 2019 from fall 2018.
- The CCA will continue to work with CFIA to clarify definitions that may appear in the regulatory text and ensure that movement reporting upholds industry traceability principles and reflects the Cattle Implementation Plan (CIP).
- CCA continues to urge livestock operators to ensure they have a valid Premises ID number and record it in the Canadian Livestock Tracking System (CLTS).
- CCA continues to explore the review and possible the changes to Business Risk Management programming (BRM) and continuing committed to is the improvements to forage AgriStability insurance. and the availability expanding of price insurance beyond Western Canada.

The proposed changes to

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

CCA's position is that any regulatory change needs to be based on scientific evidence conducted under Canadian conditions and wherever possible. use outcome-based guidelines that focus on the animal. Research conducted by Agriculture and Agri-Food Canada has found that 99.95% of cattle on long hauls over four hours and 99.98% of cattle on short hauls less than four hours reach their destination in good condition. We want to ensure that any amended regulations do not inadvertently move this number farther away from 100%.

According to recent dialogue with the Canadian Food Inspection Agency,

the regulations are expected to be published in the Canada Gazette Part 2 in spring 2019.

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

An updated National Strategy covering the period 2020-2024 will be released in 2019. As chair of the Canadian Beef Advisors, which provides oversight to the Strategy, I'm confident both the progress captured in the recent status update and direction of the strategy going forward will provide producers with reason for ongoing optimism in the industry.



CCA & Cattle Producers on Parliament Hill CCA President David Haywood-Farmer, Executive VP Dennis Laycraft and Minister of Health Ginette Petitpas Taylor discussed the nutritional benefits of Canadian beef and cattle producers' leadership on environmental sustainability. The CCA met with Minister of Health Ginette Petitpas Taylor in Ottawa on November 1. The main focus of the discussion was Canada's Healthy Eating Strategy, including Canada's Food Guide and proposed Front of Package (FOP) Labelling regulations.

CANADA BEEF REPORT:

Ganada Beef works together with farmers, ranchers and industry partners across the country to build and sustain loyalty to Canadian beef. At the same time, we are harnessing the Canadian beef brand story to build consumer and customer loyalty for Canadian beef globally. These efforts increase demand for Canadian beef and the value producers receive for their cattle.

Domestic Market Development

Canada Beef invests domestically tCanada Beef invests domestically to ensure Canadian beef remains a staple of Canadian diets. Canada Beef works with brand partners with large volumes and influence such as Costco, Loblaw, Federated Co-op, Tim Hortons, Swiss Chalet, Montana's. Subway and Sysco. Canada Beef ensures that these partners fully understand and appreciate the Canadian Beef brand to promote the value and leverage the marketing power of the Brand. Recently, two large national entities made the decision to advocate and promote 100% Canadian Beef: Walmart and Harvev's. Partnerships like these continued to be a priority, focusing on Canadian beef brand message and alignment. To further leverage its influence, Canada Beef has presence at industry trade shows such as the Restaurants Canada and Canadian Federation of Independent Grocers.

Canada Beef's social and digital spaces engage and connect with consumers and producers to build brand loyalty. With over 54,000 followers and 3.2 million impressions, Canada Beef continues to successfully build relationships and drive demand.

At **Canadabeef.ca** website consumers and producers can source information regarding recipes, beef know-how, media releases, beef campaigns and events in both English and French.

The Make it Beef (MIB) monthly



Whether its at home or overseas Canadian Beef is always on the menu when Chef Mathieu Pare is cooking. The team at Canada Beef and the Beef Centre of Excellence work to promote beef to consumers aroudn the world

e-newsletter is deployed to almost 40,000 subscribers covering topics that are both culinary and brand focused.

The Roundup App is a mobile beef buying and cooking app, designed to help consumers have better success with beef when they cook at home. This resource is offered in English, French and Spanish and was adapted for the Chinese market.

Canada Beef's social media space has grown to include a variety of social media platforms, each reaching target audiences in helpful, informative, and engaging ways. Join the conversation by following and liking us. **#LoveCDNBeef #CDNBeef**

Generic Beef Marketing

The Import Levy (collected on beef imports at the equivalent rate of \$1 per head) provides funding for positive generic (i.e. non-branded) beef messaging to Canadians. With price concerns, consumers' diminishing food skills, and health and wellness remaining an important social license issue for the beef industry; Canada Beef developed targeted initiatives to positively influence consumer preference for beef as a choice over other proteins.

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

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

Export Market Development

Canada Beef's work in export markets such as: Mexico/Caribbean/ Central America; Japan; China/ Hong Kong; South Korea; Taiwan; Vietnam; Philippines; Singapore; the Middle East and European

CANADA BEEF REPORT: Continued

Union is creating opportunities for the Canadian beef industry to realize greater value for the carcass than what could be realized in the domestic market alone. Besides offering competitive bids on middle meats, the export markets can deliver better returns for end meats, credit/ thin meats and offal than here at home, contributing well over \$600 per head in additional carcass value.

Latin America

The Latin America market hub supported various marketing and promotional programs as well as Social Media marketing in collaboration with leading export partners and retail and foodservice distributors in Mexico and Latin America. With successful programs such as the Canadian Beef Culinary Series, promotions featuring highprofile celebrity chefs, and business development outreach through trade shows and trade missions, and cooperative programs with Canadian Embassies, Consulates and Trade Commissioners. Canada Beef is creating brand awareness and positioning our high-end product in the minds of consumers and key influencers.

Asia

Asian market hubs successfully utilized the Canadian Beef Branding Series to drive education, understanding and loyalty to the Canadian Beef Brand. They also continued to position the Canadian beef brand through a series of educational cooking classes and professional chef seminars; integrated marketing programs linking online and live events; culinary seminars and competitions building a Canadian Beef community

in the social media platforms and brand media campaigns, and cooperative programs with Canadian Embassies, Consulates and Trade Commissioners. The marketing initiatives successfully brought the Canadian Beef Advantage to end users as a real life experience through



The Canadian Beef Centre of Excellence (CBCE) team of Chef Cameron Pappel and Rachel Peters were on the main food pavilion stage at the Canadian Western Agribition in Regina November 19-24, showcasing the hidden gems of Canadian beef.

The goal of the cooking demonstrations was to encourage consumers to think outside the box when picking up beef at the grocery store, and beyond the realm of the usual cuts they purchase. The team interacted daily with hundreds of guests through their demonstrations, and their on-site retail meat case.

While on site, the team also garnered a large amount of media attention, and both Global and CTV television approached the pair for live on-air segments to share with millions of Canadians across the country. The demonstrations and the TV appearances also encouraged a flurry of social media attention from food bloggers, media personalities and socially engaged consumers. The CBCE was also pleased with the amount of producer traffic at the event and engaged socially, which ensured that Saskatchewan producers were able to see their check-off investment in action through the CBCE.

cutting/cooking demonstrations and beef tasting - giving them an emotional connection to the brand and creating on going conversations between end users.

Canadian Beef Centre of Excellence

The Canadian Beef Centre of Excellence (CBCE) is a pivotal resource in Canada Beef's abilities to connect and collaborate with clients in a meaningful way. Top-notch chefs, butchers, home economists and industry professionals use the Centre to develop technical and training resources working directly with industry partners. In its first three years of operation, the Centre has hosted over 480 domestic and international companies in business development programming; hosted 142 domestic and international missions; featured 4 media/influencer events for Canada's 150 celebrations including TV broadcasts from the Centre with outreach estimated at 4.8 million consumers; and helped generate over \$480 million in new Canadian beef business.



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20/5