



ABP REGULATORY REVIEW

PRODUCER RESPONSE TO THE CONSULTATION PAPER

The following is a compilation of the 26 responses Alberta Beef Producers received to the Producer Consultation Paper that was mailed out with the Annual Report and distributed at the fall producer meetings. These comments will be discussed by the Working Group and used to develop a second consultation paper for the Plan Review Regional Meetings.

Topic 1 - MANDATE OF THE COMMISSION

The first topic for discussion was the mandate of the commission as set out in section 7(1) of the Plan Regulation. Subsection (1) confirms that the primary mandate of the commission is to stimulate, increase or improve the production or marketing, or both of cattle and cattle products with subsection (2) listing eight areas in which the commission may initiate and carry out project or programs.

What is Working?

- Promoting Alberta beef to overseas markets and research and development of cattle products
- Maintaining status quo. Meeting attendees appear to be getting their per diems – in many cases much more than their total check-off contribution amount.
- Assisting production.
- Advertising and lobby government.
- No change required.
- Trying to please everybody.

What is Not Working?

- Lack of broad awareness and engagement of Alberta producers in the ABP activities – low district meeting turnout. The electoral process does not result in representation that reflects the regional or sectoral balance of financial check-off contribution. Issues dealt with do not appear to be prioritized with the degree of overall impact they have on the industry. Positions of cattle industry groups outside of ABP are not well coordinated with ABP – hence confusion amongst outsiders (i.e. govt.) remains due to multiplicity of representation of the industry. Poor prioritization of industry research agenda – it appears to be ad hoc. This results in poor focus by funding agencies. Lack of industry support of advanced education in Alberta schools & universities resulting in inadequate knowledge and future leader turnout. Need “Vision” to be translated into measurable results that Management will focus on. Too much elected delegate/director intrusion into ABP operations – they should only focus on results desired/achieved and refer process decisions to qualified Management. As less responsibility/accountability sits with management team, ABP organization becomes less capable of adaptation to changing industry needs.
- Promotion and expanding market awareness.
- The cost of age verification for cow/calf operation and backgrounder, there is no benefit.
- Too broad - our mandate should be to create the best environmental to market cattle.
- Mandate is too broad. Makes it difficult to be effective on any issue. Nobody is happy.

Suggestions for Improvement

- To provide a unified voice to government, consumers, and trading partners about us and our product. To provide information to producers and others in the supply chain about issues affecting the industry, and to receive feedback from all of us. To have a role in setting policy and regulations. To increase trade. To aid in the development of new and better products and practices. I think the ABP should have a role in helping producers know where to go for information/help on environmental/marketing/animal health/landowner rights/economics etc.
- Restructure ABP leadership – Adopt “Corporate Concept” structure. Producers elect board proportionately representative on industry contributions (cow-calf, feeders, packers) and reflective of regional cattle production demographics. Board identifies Vision, Mission, Mandate and develops measures of industry performance desired from Management - who develops the industry Business Plan and implements it. Organization should be led by a strong, professional Senior Management Team – not elected producers; President/CEO, with Vice Presidents for each sector (Cow calf, Feedlot, Value Added Processing, Policy, Research, Government Relations, etc.) A well paid, trained, competent and incented Management Team that is rewarded for delivering high value results. A big business like the Alberta cattle industry needs a specialized, high calibre and high performing Management Team dealing with the issues – not producer led committees. Each VP can have an “Advisory Committee” of producers to develop departmental Business Plan which fits into overall ABP Business Plan. Check-off should be a “once in lifetime” event – at slaughter or export, and adjusted to \$12 per head.
- Leave the promotion to CBEF & BIC.
- The Mandate should be shortened to only include Section 7 (1) which states “The purpose of the Plan is to enable the Commission to initiate and carry out projects or programs to stimulate, increase or improve the production or marketing, or both, of cattle and cattle products.” And “The Commission must be financially accountable to its members”.
- Get all systems in order before we are mandated to change our tagging system. Are we there this time?
- Focus the mandate and work collaboratively with sectors on common issues. Be willing to share the workload and resources if necessary with other groups on sector specific issues.
- The role of the A.B.P. should be to represent the whole beef industry in Alberta, seeking the health and sustainability of every sector. It should also be proactive with government to protect us from being over burdened with regulation.
- The description of the projects and programs are a bit broad. Target key areas and address them. Periodically assess programs and project for results.

Comments

- Overall the description of the projects and programs meets the needs of the cattle industry. The one weak spot may be in communicating the work that ABP has performed on behalf of producers and others involved in the industry. I have no real solution to this problem but I think some recent changes in this area may address this concern.
- 1. The role of ABP is to carry out activities to increase the market and profit opportunities for cattle and cattle products with the intention that the result will benefit those funding the organization (check-off, primary producer). 2. *(Does the description of the projects and programs outlined in section 7 of ABP’s Plan Regulation need to be changed to better meet the needs of the cattle industry?)* Perhaps. 3. *(If so, what changes could be made?)* The description doesn’t refer to the intent of the benefit for carrying out the mandate. Perhaps it is expected that the benefits will trickle down to the individuals paying the check-off but I would like it to be more explicit. I wonder if there needs to be an addition to cover lobbying. I am thinking specifically of the efforts and expenditure put into fighting the BSE battle. Perhaps it is covered under 7(2)(d). Does it cover communicating and lobbying with the American meat and cattle organizations which are not government? Does ABP do 7(2)(h)? Is it done through communicating and lobbying? Should it be part of the mandate to ensure that rules and regulations are consistent and balanced and trade friendly and don’t add un-competitive costs to the system? (CFIA is not our friend).

- It is our opinion that ABP has spread itself too thin and is not able to effectively represent all of the areas it has engaged in. Therefore, the present role or mandate must be changed. These questions must be posed: 1) Are live cattle and beef two different things? (products); 2) What is primary agriculture and what is agri-business, and where do you separate the two?; 3) Can ABP effectively represent non-margin producers versus margin players?; and 4) Are non-margin producers agri-business?
- 1. (*What is the role or mandate of Alberta Beef Producers?*) ABP's role has changed from primarily representing cow/calf producers to being an "umbrella" type organization and thus focus is diluted and/or compromised. 2. (*Does the description of the projects and programs outlined in section 7 of ABP's Plan Regulation need to be changed to better meet the needs of the cattle industry?*) Yes. 3. (*If so, what changes could be made?*) Replace the words "Cattle Industry" (which includes primary producers, backgrounders, feeders, auctions, packers) with "Alberta primary producers".
- The mandate is too broad and general. Further, the mandate has evolved over time to include lobbying as a significant part of the mandate and thus budget. However, this evolution of mandate has not been based on any formal review of policy by the membership at large. Rather, the resolution process used allows for policy determination by the delegate body and in the face of forced membership results in certain producers in certain situations financially supporting both sides of an issue. Because of the universal enrolment in ABP, arguing the other side of a policy that ABP endorses weakens the lobby group's position. In those instances, government response is "your organization supports this". This forced representation affects both provincial and federal lobby efforts. A case in point would be SARA. When CCA acquiesced the bill was done.

Solutions vary:

- a) Limit the mandate to research and promotion and exclude lobby efforts
- b) Allow lobbying as part of the mandate but make membership in the organization and levy voluntary
- c) Establish broad policy principles by means of membership consultation (e.g. referendum) Policy principles would be required be on such things as free market approach c.f. level playing field approach c.f. government supported c.f. supply managed. The problem here is that unanimous support for a particular principle would never be achieved, and even substantial majority may be difficult. Once the principle is established Board decisions on a particular issue would need to comply with the principle, but there would inevitably be interpretive challenges. Principles would need review from time to time, but too frequent review would negate the original intent. This option would be slow and potentially unwieldy.

One must question whether ABP is meeting their current mandate which includes "advise the government" given their reluctance / petulance to participate in the Minister's roundtable discussions on the strategy for the future of the industry. I don't believe the mandate gives ABP *exclusivity* regarding advising government.

- ABP has focused on section 7(2)(d) of the mandate instead of all sections.
- The main concern is the lack of knowledge of what Alberta Beef Producers is accomplishing and we feel this is a direct result of poor communication. Some of the suggestions for correcting this is to have a vocal spokesperson, letting the producer know what you are accomplishing on their behalf. Another suggestion is to do your radio updates in the early morning, as a high percentage of producers have secondary jobs and are not able to listen at 12:00. We feel that there needs to be more done in exploring the markets in China and Japan. There needs to be a focus on having a strong voice in government. Maybe look at what Quebec has done to achieve their connection to government, where legislation is presented to their board and they review and report back as to how it will affect the producer. Ultimately we are wanting government to look to ABP for direction when it comes to creating programs or legislation regarding the cattle industry. The producer feedback is that Alberta Beef Producers are simply there to work for the packing plants, as they are the biggest contributor. You need to change that attitude.

Topic 2A - REGULATION MAKING POWERS

Topic 2A addressed the regulation making powers listed in section 26 of the Marketing of Agricultural Products Act that have been and could be granted to Alberta Beef Producers by Marketing Council.

What is Working?

- I strongly believe that the check off must be non-refundable. ABP undertakes many issues that affect or benefit the entire industry, many of which producers do not realize. Without this revenue ABP would not be involved in all the areas of concern that affect the beef industry. I have reservations about amending the Cattle Marketing Regulations to have producers register their names and addresses. I would have to hear more discussions on this subject before supporting this idea.
- Current method creates lots of politics!
- Never run out of money
- Collection of service charge is effective. ABP is well funded.
- There doesn't need to be more regulation making powers.

What is Not Working?

- When BSE came in we were asked to increase the check-off to \$3.00 to help with the cattle industry crisis. Now we are in a wreck with our cattle prices. Please lower the check off to \$1.50 or make it a choice of refundable. Who does the farmer turn to? His own pocket. We can't down load costs.
- System could be simplified – too much administrative overhead with transaction based check-off.
- Never run out of money. No accurate database of members. ABP is very slow or unable to respond to potentially contentious issues.
- Does the current industry really need an organization with regulatory power? We are not supply managed and are not a marketing board. Mandatory levy has outlived its usefulness. The power to collect a levy has resulted in a sense of entitlement amongst delegates and board members and also has put them out of touch with the people paying the levy. Why does the cattle industry need this power when practically no others do (except marketing boards and supply managed commodities). Collection of levy on a transactional basis is inefficient.

Suggestions for Improvement

- Check-off should be a “once in lifetime” event – at slaughter or export, and adjusted to \$12 per head (refund-ability then becomes a non-issue – too many owners in the lifetime of an animal to effectively deal with check-off refund).
- ABP does not need to have any additional regulation making powers. ABP should not be collecting any information beyond names and addresses for the purposes of a mailing list and should not be involved in registering or licensing producers. All information collected should be on a voluntary basis including names and addresses.
- All producers should be registered with the ABP.
- It would be good to registered the names and addresses with ABP. No licensing.
- It seems that ABP would like to add more levels of government and also is using food safety as a reason for more control of a free-market economy. It would be in everyone's best interests to keep simple, accurate records at the producer level which in turn could be shared with interested parties (CFIA, BIC, Packers, CBEF, etc) if compensated for at that time of exchange. This would promote record-keeping to keep the industry one with “built-in” incentives for traceability. People tend to volunteer and comply with regulation if there is financial compensation. Financial compensation can come in many different avenues such as increased domestic – foreign markets, increase or “availability” of premiums for the producers good management skills.

- Producers should be required to submit their name and address. This information should be used only for the purpose of a producer mailing and voter list.
- The beef industry is well known for its open nature. This has allowed new capital to move into the industry. Once regulations are imposed that curtail this flow of capital the industry will suffer. The decision to develop a licence to produce beef may open the way for a marketing board. It will also create one more layer of bureaucracy producers must contend with. This bureaucracy will have the effect of creating inefficiency and discouraging future investment in the industry. The imposition of licences also creates another problem that needs to be resolved. That problem is what standards or criteria must a producer meet before he/she is granted a licence. Creating an accurate mailing list is fundamental to the efficient operation of the ABP. However, such a list should only have the name of the producer, his/her current address, and current phone number- the e-mail address could also be included if it is applicable. This mailing list should be confined to in house use only and should not be made available to a third party. For security the list should not be kept on a computer or server. Instead it should be kept on a CD-ROM disk separate from a computer or server. The reason for this is to prevent the data base from being compromised by hackers. As I have stated before the strengths of the beef industry is the comparative freedom enjoyed by the producers to make decisions as they see fit. With each new regulation this freedom becomes increasingly curtailed. This in turn could result in an industry that is unable to react to market forces or may be hindered by the lack of new capital.
- Should at the very least give the industry a meaningful chance to vote on whether or not to keep the mandatory check-off. Should consider giving up all regulation powers and focus on being a member driven organization accountable to those members. Should consider collection of a one-time levy. (ie at slaughter or export). Need to see if there are other sources of revenue out there than just the check-off.
- Contract out the mailing list and collection. They have been trying to correct the mailing list thing for years without success. Let's move on.

Comments

- I don't think that we should be required to be licensed to raise cattle. I do think that current methods to ensure food safety are pretty good. Surely the need to CCIA tag everything should be sufficient registration?
- ABP has no right to any information from producer's records. No way, anyone has to register their name and addresses with the board or commission or to be licensed. What is this organization coming to? Who does ABP think they are – prohibiting persons from engaging in production, marketing, etc. The cattle industry does not need any more regulations or mandate for the organization. We have now far too many laws and powers. Please no.
- 1. The cattle industry does not need ABP to have any additional regulation making powers to carry out the future mandate of the organization. 2. Those who pay the check-off should be on the producer mailing list. Cattle are sold in my name in our operation because the brand is in my name but my wife and I are partners and she should be listed as a producer as well. Maybe registration is the only way to make sure she can vote. We are going to start selling cattle in both names even if it causes some problems with LIS so that my wife is legitimately listed as a producer paying the check-off. There have been many years that my name did not appear on the voting list for the Zone Meeting even though I sold cattle and paid a check-off. I am reluctant to approve of a registration system but maybe that is the only effective way. Would you have to register every year? Would you have to register and actually pay a check-off to be able to vote? What are the parameters? 3. I don't know what additional information producers should be asked to voluntarily submit to ABP along with their names and addresses. Perhaps size of cattle operation and type (cow-calf, backgrounding, finishing, combination). 4. Any producer list should only be used for the mailing list if it is decided to require registration. Not to be disclosed or shared. 5. I am opposed to registering and licensing. It is a slippery slope. More and more regulation and control will be forced on the primary producer and more and more paperwork and administration will accompany it. Pretty soon you will have to fill out a five page form in triplicate if a calf coughs.

- As ABP stands today with its role and mandate they have too many regulation making powers. Unless they (ABP) plan to move into a marketing board with a quota many of these powers are too invasive and political in nature. Are we becoming another bureaucratic nightmare?
- 1. The cattle industry does not need ABP to have any additional regulation making powers to carry out the future mandate of the organization. 2. *In order to improve the producer mailing lists and voter lists ABP will be looking to amend the Cattle Marketing Regulation to require producers to register their names and addresses with the Commission. Comments? Should this regulatory power be amended to include producers engaged in the production of beef cattle and not just those engaged in marketing?* No. 3. *What additional information should producers be asked to voluntarily submit to ABP along with their names and addresses?* None. 4. No specific producer information should be made “public”. Producer confidentiality is important. There is too much government in agriculture focused at the primary producer. Government should be focused on international marketing, trade issues, etc. 5. *Should the cattle industry have ABP seek to exercise the power to register and licence persons engaged in the production, marketing and processing of beef cattle to assume more ownership of traceability, animal health, food safety etc. These are currently the subject of substantial government discussion and the success of these initiatives rest upon an accurate database of producers. Is this the means by which the cattle industry can lead and be more proactive in these discussions?* No. Since most costs associated with traceability, food safety, etc. are now down loaded onto the cow/calf producer these issues should be viewed as public health issues and costs picked up by the government.
- Forced participation/membership combined with the producer representation aspect of the organization have in many instances resulted in ABP being the industry follower rather than the industry leader. This is understandable in that our structure and governance model require us to represent everyone. However, given the rate at which challenges to the industry develop and take form, waiting for broad industry acceptance (formal or inferred) of a plan of action hinders the timeliness of the response. Alberta Beef Council Initiative coined the term “responsive check-off”. Indeed ABP needs to be more responsive. Solution: Fully refundable service charge. Service charge is directly linked to mandate. If ABP limits its activities to marketing – as the incorporation under MAPA would infer –then a non-refundable levy is more acceptable. As soon as the organization ventures into policy development and lobbying then it runs the risk of utilizing a particular producer’s levy to fund a position in direct conflict with that producer’s position. A review of the resolutions proposed and or carried at the AGM will identify how frequently ABP ventures into the policy / lobby arena. A case in point would be the resolution proposed that ABP cease lobbying against supply managed dairy and feather industries. The resolution was defeated. The only scenario under which I could support a non-refundable levy if the organization is to be involved in policy would be one in which the levy is directable to an association of the producer’s choice and those associations receiving such funding are participating in a “federation of associations” governance model. Even then my support would be contingent on the qualification that there be sufficient organizations participating in the federation to offer the producer considerable range of choice in determining where to direct his levy. I am not opposed to splitting off the promotion/research functions and portion of the levy and on that portion my argument against non-refundable would be less vociferous.

Topic 2B - SERVICE CHARGE

This topic addressed the fact that the ABP Service Charge is currently non-fundable.

What is Working?

- I strongly believe that the check off must be non-refundable. ABP undertakes many issues that affect or benefit the entire industry, many of which producers do not realize. Without this revenue ABP would not be involved in all the areas of concern that affect the beef industry. I have reservations about amending the Cattle Marketing Regulations to have producers register their names and addresses. I would have to hear more discussions on this subject before supporting this idea.
- I do not support a refundable check off. I think the industry needs this money. I think it needs to be collected by one body. To do otherwise would lessen the effectiveness of the dollars collected and fragment the industry and its efforts. If the check off was refundable I think the casual members of

the beef producing community would certainly ask for the refund, and possibly many others, especially in cash strapped times.

- Current method creates lots of politics!
- Mostly OK. Leave check-off non-refundable.
- The service charge should be refundable. With a refundable check-off the organization will be much more responsive and accountable to producers. Also, just as with the Canadian Wheat Board where I believe producers should have marketing choice, I believe producers should have a choice as to whether or not to support the commission and its activities on at least a yearly basis.
- The service charge or check off should not be refundable. ABP must be able to budget!!!
- Any charge paid by the producer should be non-refundable. Too much expense and time wise, put money to good use wherever.
- ABP service charge must remain non-refundable. All producers manifesting cattle for export out of the Province of Alberta shall be committee to pay ABP check off because all of these cattle will be slaughtered outside of Alberta and escaping the responsibility they have to our organization.
- Non-refundable service charge should apply (The cost of administering a refundable check-off should be explored).
- No licences.
- Check off must remain non-refundable to allow for budgeting and stability.

What is Not Working?

No responsive fit under this category.

Suggestions for Improvement

- It would be nice to have a more complete producers list but it need not be shared with government. They already have their own lists. Non-refundable allows for stable funding and planning for the lobbying and marketing arms.
- We are of the opinion that the service charge be refundable at the request of the producer at this time.
- A producer does not need a licence to produce beef. We do not want a marketing board. This would hurt our trade with the US.
- It would be good to register names and addresses.
- To improve quality of beef and production, free flow of information from calf through feeders to slaughter and back could be very useful.
- The check off should be refundable. True as it is now, it makes budgeting and planning easier. The cattle industry has been very strong in opposing marketing boards which allows for guaranteed income. Why would the industry want the organization to work in a different framework that they do? The industry has trouble getting producers to engage (not all delegate positions are filled and few elections) if a producer has to apply for a refund, he becomes engaged and may also send a message.
- What percentage of producers/livestock dealers are being audited? Is everyone paying as they should? In order to be held accountable, maybe there needs to be an option of rebating fees paid in if the producer is not happy with the yearly report of what is accomplished by ABP.
- I am in favour of a refundable check-off and would ask for it back if I could.

Comments

- This is a farmers' organization. You cannot take legal action to enforce service charges.

- ABP's service charge should continue to be non-refundable. It concerns me that if some those who pay considerable check-off could find it worthwhile to seek reimbursement.
- Those who pay small amounts probably wouldn't go to the trouble and if they did it wouldn't make much difference, financially, to ABP. Those paying large amounts, though, especially if they requested a refund en masse could severely affect the ability of ABP to operate. It could also be used as a lever or blackmail by a powerful sector. Funding for ABP operations would be uncertain and budgeting for programs would require downsizing until after deadlines for refunding was past. Too much uncertainty. I suspect funding for ABP operations will need to increase to remain effective rather than become more uncertain.
- 1. More accountability on to the Board of ABP if there was a refundable check-off. Also, there is in a democracy a fundamental pillar called "right of choice". 2. Advantages and disadvantages of a refundable service charge - There may be four to five large feedlots withdraw, which is a substantial amount of money. However, I don't believe they should be part of ABP anyways. 3. ABP's service charge should not continue to be non-refundable.
- Most producers want accountability and if ABP wants to continue on as a needed voice the service charge should be a combination of non-refundable and refundable. To ensure enough funding for ABP and an avenue of accountability, the service charge may be divided by 2/3 non-refundable and 1/3 refundable with a cap of \$500.00 per producer per year.
- With a non-refundable service charge ABP is able to fund lobby/legal etc. to best interest of industry in time of crisis. Refundable leaves organization in limbo as to budgetary items. ABP's service charge should continue to be non-refundable.
- The creation of a refundable check off will have a negative impact on the operations of the ABP. This impact will come as a result in significant changes to the budgets each committee will be able to create. This in turn will see the curtailment of some programs and some programs dropped altogether. However, the fact that his item is being discussed suggests various factions within the ABP are dissatisfied with the present structure or operations of the ABP. The best solution to this issue would be to provide a referendum to decide this issue. The question being "do you want a refundable check off - yes or no". It would give the dissenters an opportunity to voice their objections. This in turn would give the Board of Directors and delegates a basis from which effective change can be achieved.
- Are export cattle charged the \$3.00 check off?
- Not in favour of refundable check-off but there is definitely some discontent amongst some neighbours who said they didn't "think that ABP was doing them much good." I admire a lot of the work that ABP has done in the past but feel there is a disconnect, or lack of communication now.
- My feeling from our Producer Meeting in Fort Macleod on November 5th is that the refundable check-off issue is more an accountability issue than an issue of money. Producers want us to know that they have some recourse if they don't feel we are accountable for the levy.

Topic 3A - PRODUCERS and ELIGIBLE PRODUCERS

Alberta Beef Producers was established as a marketing commission at the request of producers. Every member of the commission is a producer or a representative of a producer if the producer is a corporation. The third topic dealt with the definition of producer and eligible producer in the Plan Regulation and the manner in which producers are represented, namely geographically and by industry sector.

What is Working?

- Good the way it is defined now.
- Anyone can belong to ABP and vote irrespective of their stake in the business and hereby non-entities can effectively "offset" credible producers.
- Okay. Feeder Council & Industry Council are both good ideas and should be able to address the differences.

- We don't need foreign owned companies controlling our cattle business. This is "Alberta" Beef Producers so keep it that way.
- Definition ensures that everyone who "sells at least one animal" pays. Very democratic.
- Definition of producer is adequate.

What is Not Working?

- Organization needs to be led by people who make the majority or significant proportion of their income in agriculture – preferably beef production – not "hobby producers".
- Why do we bother to try and identify and engage people who do not generate a meaningful amount of their incomes from the cattle industry.

Suggestions for Improvement

- Only individuals who pay the check off should be eligible to be elected to the Commission.
- No, only cattle producers should be eligible to be elected to the Board of Directors.
- Adopt "Corporate Concept" model – vote by "shares" (# cattle produced/marketed) 1 animal = 1 vote; (if this is not so, all producers should pay the same check-off!). Check-off should be a "once in lifetime" event – at slaughter or export, and adjusted to \$12 per head (refund-ability then becomes a non-issue – too many owners in the lifetime of an animal to effectively deal with check-off refund).
- The definitions of Producers and Eligible Producers are alright but there should be a forum to allow non-producers to be elected to the board. This could be as a director at large. This would allow expertise to be on the board that is not currently there. For example, it may be advantageous to have a marketing, financial expert or consumer representative on the board who is a non-producer.
- Only persons who sell cattle and pay check off shall be eligible to be a delegate and be elected to the Board of Directors. Associate industry groups should not be elected to the Board of Directors.
- Delegates should be eligible producers (pay check-off) only and only delegates should be elected to represent ABP at any organization.
- ABP needs to become a member driven organization rather than a producer one. This will make communication with its members a much more manageable and effective task.

Comments

- 1. Persons other than those who sell cattle and pay a check-off to ABP should not become members of the Commission and be elected to the Board of Directors 6. ABP should not seek to represent sectors other than cattle producers (i.e. purebred, cow/calf, backgrounders and cattle feeders). Are there other more effective ways that ABP can work and interact with the non-producer sectors that form part of the beef cattle value or production chain? Find other ways to work and interact with non-producer sectors like CBEF, etc. Make sure the other sectors are contributing financially to whatever initiatives are being jointly carried out. 7. ABP is the voice of cattle producers. While activities carried out on behalf of producers do benefit other sectors of the marketing chain they need to be primarily focused on benefiting the producer. Remain the voice of cattle producers. 1. The definition of eligible producer is adequate? Need to have paid a check-off to ABP and reside in Alberta.
- Section 1(o) of ABP's Plan Regulations definition of a producer relates back to what is primary agriculture and what is agri-business. Those involved in agri-business are not primary producers. This section needs to be changed if ABP continues as it is. Even with ABP's further restriction it could still include agri-business which shouldn't be. So, firstly, the definition of a producer must be clearly defined and agreed upon as the definition as it stands is too broad as is eligible producer. Secondly, on the points to ponder: 1) The definition of eligible producer is adequate. Points 2, 3, 4 & 5 are redundant. 6) (Should ABP seek to represent sectors other than cattle producers (i.e. purebred, cow/calf, backgrounders and cattle feeders)? Are there other more effective ways that ABP can work and interact with the non-producer sectors that form part of the beef cattle value or production chain?) ABP needs a focal point firstly and work toward that end. You can't be everything to everybody –

nobody can; and 7) (Does the industry wish ABP to represent all sectors or be a forum for discussion of industry wide issues but remain the voice of cattle producers?) ABP should be the voice of primary cattle producers not bee producers, we are after all ultimately the only ones who cannot pass costs up or down and pay all the check-off dollars directly or indirectly.

- 1. You should allow other outside Directors, have non-voting privilege, good to have outside expertise. 2. This will provide outside industry and/or specialized expertise. 3. No other types of persons should be eligible to be elected as an ABP delegate or Director. 5. Outside directors may improve the mandate and in particular ABP objectives. Example: a trade specialist on the Board may have significant positive impact. 6. If ABP's mandate is narrow it would not be necessary for ABP to represent sectors other than cattle producers. 7. ABP should primarily represent cattle producers. 1. The definition of eligible producer is adequate, must reside in Alberta. No to anyone who sells cattle ie: feeder and others.
- There is enough potential producers to be an asset to the ABP membership than to have to recruit outside people. The problem may be apathy and the aging population of producers. Remember, we do have two government departments.
- You as a board have a better handle on this, know more of what is needed. Use your discretion.
- 1. No persons other than those who sell cattle and pay a check-off to ABP should become members of the Commission and be elected to the Board of Directors. 6. ABP represents purebred, cow/calf, backgrounders and cattle feeders. 7. ABP should to represent all sectors and be a forum for discussion of industry wide issues but remain the voice of cattle producers. 1. The definition of eligible producer is adequate.
- The plan and regulation specify cattle and cattle products as the regulated product but the organization represents only those who market cattle. In the transactional production chain that is the Canadian beef industry, different links in the chain are at times inevitably in conflict with others in the chain. Indeed this is the reason ABP uses when questioned about packer representation in the organization. However, following this logic ABP should not be attempting to represent seed stock producers, cow / calf producers, and feedlot producers all in one organization. If the purpose of this Plan is to enable the Commission to initiate and carry out projects or programs to commence, stimulate, increase or improve the production or marketing, or both, of cattle and cattle products, then the representation on the commission and the levy collection should be inclusive across the industry (including consumers). One could argue that all of the levy is ultimately contributed by either the first (cow / calf) owner of the regulated product or the last (consumer) owner of the regulated product. Attempting to represent the live animal segment of the production chain only in regards to lobbying; and yet the entire production chain in terms of promotion; and something in the middle in terms of research; has been at best questionably successful.
- Recommendation: ABP needs to either attempt to represent the entire chain, or choose one link of the chain to represent. Inevitably each link of the chain will want some form of representation unique to their interests and ultimately there needs to be some forum for sharing of information and ideas between the various links. This is the concept of a federation of associations. Given the purpose stated in the current plan and the development / existence of several other organizations representing individual links in the chain, my recommendation would be for ABP to move towards a federation of associations model. Various adjacent links in the beef production facilitation chain could form subset federations of associations. Given this possibility, ABP could choose to offer the subset federation service representing live cattle (similar to current representation) or could subdivide further to represent extensive (grazier) cattle for example. My preference would be for ABP to expand the facilitation sectors they represent from the current situation to include at least packers and brokers/wholesalers – again under a federation model so ABP would be offering a collaborative framework for existing and new organizations representing the individual sectors.
- The only true beef producers are the cattle themselves. All of the human initiative in the production of beef relates strictly to the facilitation of beef production. Beef production without processing and marketing is of little value to society. Therefore marketers and processors of beef should be viewed as facilitators of beef production as well. This definition (facilitators) puts all of us in the same box – perhaps a poor but appropriate description given the current state of the industry and the fact that we are discussing processors.

Topic 3B - GEOGRAPHICAL REPRESENTATION

Topic 3B addressed the geographical representation of 9 zones.

What is Working?

- Everyone has representation.
- There is a need for some zone representation.
- Entire province is represented geographically.

What is Not Working?

- Zone 9 does not need sub-zones. They should be a zone like all the others.
- Representation is not balanced to the regional distribution of the industry sectors. Too complicated. Too many delegates, directors, etc.
- There are too many delegates and too many zones.
- Too much focus on geographical representation. In fact since some zones have by far less cattle and producers than others representation is not proportionate. This type of representation does not ensure that we will elect the right people for the positions or that we have the depth of knowledge and skills required to ensure that we get effective board members or delegates.

Suggestions for Improvement

- Let each sector (Calf, Fdrs, Packers, etc.) determine how many zones they need for their elections – don't have to be the same for all (e.g. Ccalf may want 9, Fdrs 4, Packers 1, etc.). ABP to set # of seats for each sector on the Board of Directors reflective of sectoral contributions (e.g. 7 for Ccalf, 7 for Feeders, 2 for Packers, 1 for Breed Assns, ...), paying members only. Producers can only vote for 1 category during elections. Have advisors attend board meetings for support industries; i.e. Marketers, Feed Industry, Health, Government, Adopt "Corporate Concept" model see Q#1.
- Get rid of the Sub-Zones, cut the number of zones by 3 and reduce the number of delegates by 40%.
- There should only be four geographical zones. This would allow the board to be reduced to 11 or 12. Currently there are nine zones electing 86 delegates and up to 19 directors on the Board of Directors. This is too many to have an effective organization. Studies have shown that an effective board should have 9 to 12 Directors. In order to accomplish this the geographical representation would have to be adjusted. With today's communication being done mainly by email, geographical representation is not as important as it may have been in the past. A suggested structure for a Board of Directors is to have 4 Directors from Geographical zones, 3 directors at large, 2 Cattle Feeder Directors, 1 Cattle Industry Council Director and the Past President for a total of 11 directors. You may want to include a 12th director from the Public at Large (ie a non-producer).
- Zones are fine but perhaps the delegate representation should be based on the amount of producing cows within a zone.
- Make it 10 zones because some are very large, lots of travel time for directors.
- The structure and number of delegates is not excessive considering the responsibilities assumed by the delegates and board member. Neither is the cost of maintaining the present structure. Fewer delegates mean heavier workloads for each delegate. Zone 9 will discontinue the sub-zone structure.
- Nine zones are required, borders are adequate. Zone 9 should not have sub zones.
- Design a structure that ensures that all segments of the cattle industry are represented. Certainly some respect should be given to geography but the issues vital to the industry are the same from one end of the province to the other.

- Not sure if 9 zones are needed. Maybe zones 1 and 4 could be combined, 2 and 3 could be combined, 5 and 6 could be combined, 7 split between 8 and 9.

Comments

- I don't feel I can answer this question. The zones seem large to me but have a number of delegates. How is it working? Do board members feel they can represent their zones as it is?
- Response to questions 1-4: Generally the zones are okay, however the sub-zones may require more. Delegates have to travel too far to adequately reach each boundary of a zone. The Alberta Pool example of Districts and sub-districts worked well back in the 1970s-80s.
- 1. 9 zones are needed. 2. There should be at least nine. Zones are large enough now. 4. Zone 9 does not need to continue with 5 sub-zones.
- There is very little justification for geographical representation given the nature of communications and commerce in the twenty first century. Shifting market returns for grains compared to livestock mean that to be effective, geographic representation would require timely review of the boundaries. This has not happened. In fact, the geographic requirement is very likely limiting the recruitment and development of some high calibre representatives. Indeed this argument was used to support the resolution to drop the requirement for sub-zones in zone nine. The only justification for geographic representation, to me, is the perception of having "your area" represented. I believe a compromise position would be to have either two or maximum three zones from which at most 50% of the representatives were chosen.

Topic 3C - INDUSTRY SECTOR REPRESENTATION

Topic 3C looked at how the various sectors in the beef cattle industry are represented on Alberta Beef Producers through the producer associations, the Cattle Feeder Council and the Cattle Industry Council.

What is Working?

- Polarization of industry.
- CIC is working. CFC is also a good committee.
- Democracy - the social means whereby people collectively and consciously control the conditions of their lives; a reaction against concentrations of power that arose in early agricultural states. -everyone has a chance to participate in the decision making process.

What is Not Working?

- Too much "Us" vs "Them" attitude on the board.
- Eliminate the producer association delegates and bundle them under the CIC umbrella.
- The current structure of ABP represents too many sectors that are on different playing fields, are often in conflict with each other, each with varying degrees of power monetarily and politically by the very nature of the business. Again you can't be everything for everybody – you need that focal point, nor can ABP effectively represent non-margin producers and margin players both. Never mind adding in non-producer sectors. A cow/calf council would not be needed if ABP represented only primary producers but as it stands now, with a separate cattle feeder council and cattle industry council, ABP drew lines that clearly divide the differences in the industry. This clearly is a problem of ABP's making because of the way it is currently structured and by the wish to represent all of industry.
- Process is not engaging people from the industry. There are hardly any elections, most delegates are acclaimed. We have way too many delegates and the board is too large to be effective. This is reflected in the number of committees as well. Need to have more balanced representation from various segments. Has improved but needs to be better. Entire process is expensive, unproductive, ineffective, exhausting.

- One organization cannot represent both the feedlot industry and the cow/calf sector. We are at the opposite ends of the table and that the only way to make money is to buy our calves as cheap as we could.

Suggestions for Improvement

- Cow-Calf council should be created.
- ABP to set # of seats for each sector on the Board of Directors (e.g. 7 for Ccalf, 7 for Feeders, 2 for Packers, 1 for Breed Assns), paying members only. Producers can only vote for 1 category during elections. Let each sector determine which groups to be represented and how they will be elected. Remind directors that they are to set Vision, Mission, Mandate as well as approve Targets for measureable results – leave the rest up to professional management.
- Industry representation is necessary to bring the industry together and make informed decisions. With the formation of Feeder Council and Cattle Industry Council many issues are being dealt with as a whole industry instead of a sectorial approach. Cattle Industry Council should elect its own director just as Feeder Council currently does. Producer Associations should continue to have representation.
- The cow/calf producer does not seem to have a voice at all. Maybe we do need a cow/calf council.
- The Alberta Cattle Feeders Association should dissolve and direct all of their initiatives through the ABP Feeder Council.
- In our opinion, there is a need for a cow/calf council because they can't pass on their input costs as the buyers, feedlots (yardage), etc. The margins are getting smaller and the industry isn't attracting younger producers. So the bottom line is to keep the calves coming to the market at a reasonable price. The majority of cow/calf producers feel that the non-producer sector are parasitic.
- Purebred, cow/calf producers can run as a delegate and can then bring forward any issues regarding their industry. ABP should work toward unification of our organization, not the segregation of it. Other industry sectors should be approached for input on issues that pertain to them.
- Reduce the number of zones. Reduce the number of delegates. Reduce the size of the board. Focus on involving competent, knowledgeable people with a broad understanding of the cattle/beef industry with the ability to build and work towards a long term vision for the industry and that can develop a plan to get it there.
- The current structure represents all sectors, except it would be nice to have some feedback from the packer sector, so we could be more aware of their issues.
- CIC delegates could be elected like CFC.

Comments

- The current structure is very fair to all sectors of the industry. I believe that including Cattle Feeder Council and Cattle Industry Council has made this a stronger organization. When ABP speaks with government they are speaking as one united industry and this gives ABP a stronger voice at the table.
- I do not see a need for a cow/calf council. The only need for a cow/calf council is the visual optics that it would have. ABP does not need the expenses of another council and all the issues are currently being dealt with in other committees, mainly Government Affairs. The cow/calf sector currently has strong representation in the organization and I feel that by segregating this sector to a visible entity the cow/calf sector could have its representation eroded over the long term.
- 1. The current structure more than adequately represents all producers sectors. It over represents some. Participants in all of those sectors listed and who pay the check-off are eligible to vote and be elected as delegates. I believe the current structure is actually divisive. Some sectors can have delegates elected and appointed. We should all be in this for the betterment of the beef industry and forget about partisanism. We do not need a cow-calf council. We need to reduce those other council members and have beef producers elected by beef producers all of whom are eligible producers. However, if all other councils are kept then I think there should be a cow-calf council. The problem is who would appoint delegates since there is no organization other than ABP. Best method is for all who sit as ABP delegates to be elected at zone meetings. 2. Many in the non-producer sector also

pay check-off and it looks to me like they need to be an eligible producer to be a delegate and represent their sector. It is good to have industry participation but does having non-elected delegates who could also be elected at Zone meetings have a dilution and divisive effect.

- 1. There is too much representation by other sectors. If there is not going to be a narrowing of outside influence then there should be a cow/calf council. 2. More than is good for the cow/calf producer. 3. ABP has turned into the “Uniform” of the livestock sector. The ability to focus is deleted and as a result so is its effectiveness in keeping cow/calf producers viable and more importantly – creating an economic environment to encourage young, new producers to get in the business!
- Use your discretion. You are in a better position to decide. I haven’t got the time or knowledge to know the answers.
- 1. The current structure adequately represents all producer sectors, namely, purebred breeders, cow-calf producers, backgrounders and feedlot operators. Cow/calf issues should be dealt with on an as needed basis ie: Task force. 2. The current structure provides adequate representation to non-producer sectors.
- CIC has been a positive change at ABP. However, my recommendations on producers/eligible producers take precedence. I view CIC as the first step towards an inclusive industry organization, and even then the “plan” requires their representatives to be eligible producers to hold certain positions. In an attempt to move forward, and at the very least, CIC and CFC delegates should be involved in other committees. What could be better than to have the AVMA member on CIC also sit on the tech committee? I believe the challenges facing the organization and the industry are going to require significant changes to the governance model, and tinkering type changes such as allowing delegates to participate in more than one committee will be insufficient to satisfy either the membership or the industry. I would view even significant change in the committee structure as still tinkering. It is concerning that the board/executive are considering substantially reducing the number of standing committees and yet the delegate body approved creation of an additional committee. Equally concerning is the fact that the treasurer mused aloud about the impact of this new committee on the budget. If we are spending that much money on committees then surely the organization is missing its mandate.

Topic 4A - RIGHTS OF ELIGIBLE PRODUCERS

What is Working?

- The structure should remain as it is currently.
- Everyone has chance to be involved through the democratic process.

What is Not Working?

- Too much time and cost is spent on ensuring that a multitude of delegates and directors are sitting on various committees/boards/etc. ABP needs to focus on having trained, competent professionals dealing with the issues – and less on facilitating opinion-based input.
- Broaden the talent pool, too many delegates do not deserve to represent the industry.
- Why does the feeder council have so many delegates? There is no need for more delegates because a viewpoint can be understood by any majority.
- Only a handful of those eligible producers chose to exercise their rights. Again most people are elected by acclamation. The majority of producers are not even aware of ABP or able to see what value it provides. Need to engage younger industry participants especially.

Suggestions for Improvement

- Producer role should be to set Vision, Mission, Mandate and to develop performance measures/targets as well as review results. Strategy and execution should be up to trained experts

that are paid commensurate with results delivered. Hire the best people to do the best job. Hire professional management to deal with the issues.

- Have the zones target selected producers with broad a understanding of the industry and strong business backgrounds.
- I believe that if a producer gets a resolution passed at a zone meeting that the producer should be invited to present and defend the resolution at the Annual meeting. The producer would do this at his or her own cost. Eligible producers should be able to be elected from the floor as directors at large to ABP, CCA and BIC without being elected as delegates. Eligible producers should be able to elect the zone directors.
- Again, an eligible producer must be more clearly defined before much of this can be answered. Clearly, primary producers feel they have lost a certain amount of control within the ABP's current structure. A starting point to consider would be their right to vote on any major changes (ie: structural changes) at fall producer meetings.
- Producers for the most part are not informed well enough to take part in annual general meetings or semi-annual. This is what the zone meeting is for, to voice the opinion of the general public. ABP would get nothing done.
- Need to move away from the idea of grass roots producer organization to one of being a member driven on in which people chose to participate because it is aware of their needs, is responsive, effective, accountable. Abp has lost sight of this long ago despite their mantra of being democratic, one man one vote, blah, blah, blah.

Comments

- Eligible producers should continue to be the people elected. This is a producer organization and that is what it should remain. I do not want to belong to an ABP that does not respond to me and my neighbours, or is directed by those out-side the industry. When the cattle feeder council was first established I wondered if this was good. As I saw it, cattle feeders could be elected as delegates just as easily as primary producer could be. Now I still hold this view to some degree, but I think there is value in a separate cattle feeder council as has been established. I think the cattle industry council is a good idea too. Auction markets, packers, vets, etc. need to hear and be heard within the framework of the ABP, it only makes us stronger as an organization. More effective communication is always a good thing. However, the ABP must remain a beef producer organization. I don't see the need for a separate cow calf council. We are at the root of the organization and are represented fairly well on committees etc. as long as we take the opportunity to use our voice. I think directors etc. should be elected from delegates. If the industry felt the need to have a given individual in one of these positions, then let them run in a zone meeting. That is fair.
- 3a. Eligible producers should not have a role at annual general meetings and semi-annual meetings.
3b. Eligible producers should not be able to be elected as ABP directors, CCA directors or BIC members without having to have been elected as a delegate.
- 1. ABP's Plan Regulation adequately reflects the role eligible producers should have in the organization
3. Eligible producers should not have a role at annual general meetings and semi-annual meetings. Eligible producers should not be able to be elected as ABP directors, CCA directors or BIC members without having been elected as a delegate.
4. I believe you should be elected as a delegate to have a role in the organization.
- This should be your decision.
- 1. ABP's Plan Regulation adequately reflects the role eligible producers should have in the organization. Producers have the opportunity to nominate or run for election, elect their representative and put forward resolutions to direct the organization and hold their representative to account. Eligible producers should not be able to be elected as ABP directors, CCA directors or BIC members without having been elected as a delegate.
4. Eligible producers do not need an expanded role in the organization. Engaging producers becomes partially their own responsibility. We need to make information easier to access.
- Overall the current plan allows for adequate rights for eligible producers. My concern is how to fairly represent producers within a zone when the same resolution is passed at 2 meetings and defeated at

2. I understand that you elect the delegate that best reflects your views to vote on resolutions but many producers are expressing frustration that they are not being fairly represented.

- The rights of eligible producers will obviously depend on the definition of eligible producers and the governance model chosen, as well as the mandate. The fact that this question is asked presupposes that potential changes will be minimal. That said, the current involvement of eligible producers is very poor and only once per year do we offer them the opportunity for face to face dialogue. Similarly, feedback loops to the few producers who do participate need to be strengthened

Topic 4B - NUMBER AND RIGHTS OF DELEGATES

Alberta Beef Producers currently has 86 delegates: a) 58 zone delegates and 5 sub-zone delegates are elected at the fall producer meetings; b) 4 producer association delegates; c) 13 cattle feeder council delegates; and d) 6 cattle industry council delegates.

What is Working?

- I am not sure about number of delegates or zones. I suppose 86 is enough delegates. I'm not in favour of more unless the work load becomes too great. 9 zones is probably good. I'm not sure why there needs to be subzones when the end result in terms of delegates is the same. A lot of the organization seems good the way it is. I think the tweaking that has been done lately has been good and will probably go on to some degree as the situation warrants.
- Lots of per diems getting paid. Lots of opinions being offered.
- Rights are okay.
- Per diems and perks keep the average delegate from seeing that they are not really part of the process. Keep the peasants happy.

What is Not Working?

- Not enough results. Sounds like a lot of delegates – too many to be effective? Awfully complicated... Too much time and \$ spent on having to convince everyone that some new idea is worthwhile before we act – if we aren't experiencing some degree of risk and failure, we probably aren't pushing hard enough!!
- There are too many delegates, roll the producer association delegates into the CIC.
- Feeder council and Industry Council do not belong in ABP as separate entities. Furthermore, we don't believe ABP can effectively represent all factions of both cattle and beef sectors. You would be able to downsize those delegates out.
- There are too many delegates to get a lot accomplished. Would it be possible to decrease the numbers? Delegates are also expensive to maintain.
- Not enough. Need at least 100. That way if some can't attend some meetings you still have a good representation.
- Could decrease number of delegates in each zone to 5 or 6. 13 cattle feeder delegates seems to be somewhat excessive. Require zone delegates so that every part of the province can equally have input into ABP.
- Far too many delegates, too costly and unproductive.

Suggestions for Improvement

- As we go through this plan review the industry appears to be undergoing a consolidation phase. It would only seem logical that ABP go through a consolidation. I was concerned that only 2 zones had elections this fall. What is happening is that ABP ends up taking whoever shows up and not necessarily the best representatives. I think 5 zone delegates and 1 CFC delegate from each zone

may work better (Zone 1 & 3 could still have 2 CFC delegates). The one problem in reducing the number of delegates is that that number of issues remains that same and the delegates may burn out from having to deal with so many issues. However to be financially responsible to producers we must reflect the current situation and consolidate the organization.

- 86 delegates – possibly too many.
- Cattle Feeder Council should have one cattle feeder council delegate per zone
- 3 (Is the current breakdown between zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates appropriate for the industry?) See Topic 3C: *The current structure more than adequately represents all producers sectors. It over represents some. Participants in all of those sectors listed and who pay the check-off are eligible to vote and be elected as delegates. I believe the current structure is actually divisive. Some sectors can have delegates elected and appointed. We should all be in this for the betterment of the beef industry and forget about partisanism. We do not need a cow-calf council. We need to reduce those other council members and have beef producers elected by beef producers all of whom are eligible producers. However, if all other councils are kept then I think there should be a cow-calf council. The problem is who would appoint delegates since there is no organization other than ABP. Best method is for all who sit as ABP delegates to be elected at zone meetings. Many in the non-producer sector also pay check-off and it looks to me like they need to be an eligible producer to be a delegate and represent their sector. It is good to have industry participation but does having non-elected delegates who could also be elected at Zone meetings have a dilution and divisive effect.*
- 5. The organization continues to need zone delegates. It does not continue to need producer association delegates, cattle feeder council delegates or cattle industry council delegates. Non-voting representation from non-producer organizations could be beneficial where participants felt their views and opinions were heard and appreciated during discussions.
- 1. ABP's Plan Regulation adequately reflects the role delegates should have in the organization. It is well laid out, as far as I know, working well. 3. The difference in the rights of zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates should continue is those councils continue. 4. There could continue to be the Cattle Feeder Council and the Cattle Industry Council where elected delegates can be appointed or elected to. Perhaps only those feeding cattle beyond the cow-calf stage can be on the feeder committee, etc. It is good to have a representation from all sectors on the other various committees. 5. There is no need to organize all delegates in councils by industry sector unless the other councils remain then cow-calf needs the same kind of representation. 6. If there were individual councils for each sector of the production chain the delegates from the various sectors would interact at the ABP table. I think the organization is going in the wrong direction with having special interest groups dictate structure. We need to get back to a fully elected organization.
- Need to simplify it – adopt “Corporate Concept” model – more responsibility/authority to professional Management to develop & implement Business Plan – keep producers out of operational decisions – keep board focused on “Desired Results” & let Management manage! 2 producer meetings per year – Annual & Semi-Annual mtg. Board meetings to develop Vision, Mission, Mandate & Measures – and then review Management's Business Plan and results delivered.
- Fewer zone delegates and better balance between CFC, CIC and a new cow-calf council. Find a way for this group to sound out issues and attempt to resolve them or offer solutions that are mutually beneficial.
- 86 delegates is too many. See 3B) Geographical Representation above and 6) Committees below for further comments on how to reduce the number of delegates. All delegates should have the same rights. (3(B): *There should only be four geographical zones. This would allow the board to be reduced to 11 or 12. Currently there are nine zones electing 86 delegates and up to 19 directors on the Board of Directors. This is too many to have an effective organization. Studies have shown that an effective board should have 9 to 12 Directors. In order to accomplish this, the geographical representation would have to be adjusted. With today's communication being done mainly by email, geographical representation is not as important as it may have been in the past. A suggested structure for a Board of Directors is to have 4 Directors from Geographical zones, 3 directors at large, 2 CFC Directors, 1 CIC Director and the Past President for a total of 11 directors. You may want to*

include a 12th director from the Public at Large (ie a non-producer). 6: The only committees that should be part of the plan are an audit committee and a nominations committee. The rest of the committees should be designated as adhoc committees and be at the discretion of the Board. The adhoc committees should be filled more on a skills base rather than just to give all the delegates a committee to sit on. This would mean that if a committee required a specific skill then someone other than a delegate could sit on that committee. This would be at the discretion of the Board. An example of which adhoc committees may be needed would be Policy Development, Research, and Promotion. Policy Development would include what is currently being done in Government Affairs. Research would include what is done in Technical Committee and Promotion would include what is done in Promotion, Producer Liaison and Public Affairs. By doing this the number of delegates could be reduced to 5 from each of the 4 geographical zones plus the Industry Representation delegates for a total of approximately 30.)

- Producer Associations are no longer necessary. Cattle Feeder Council delegates should continue to meet and direct their initiatives through the Board of Directors. All committees should continue to function in the manner they do now.
- The organization (ABP) has become too large, ie: too many delegates and too big of a Board of Directors. This many delegates (86) and Board members (19) make for cumbersome decision making. Also, with that many delegates a lot of committees must justify their existence with large budgets ???

Comments

- 86 delegates are too many. Delegates cost money. 60-70 delegates elected at Zone meetings. (Is the current breakdown between zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates appropriate for the industry?)
- 1. 86 delegates are too many. 2. There should be 65-70. 86 becomes unwieldy. 3. The current breakdown between zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates is not appropriate for the industry. Way too many cattle feeder council delegates. Two would be more appropriate or less – 0. Same as for producer association – 0 – and cattle industry council – 2 or less. 5. The organization continues to need zone delegates. IT does not need producer association delegates or cattle feeder council delegates and only possibly two cattle industry council delegates. 6. The way it is creates lack of focus by ABP.
- 1. The ABP's Plan Regulation does not adequately reflect the role delegates should have in the organization. 2. Should communicate more, once in fall is not enough. 3. The difference in the rights of zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates should not continue. 4. I don't believe cattle feeder council delegates should be in ABP. 5.
- (Is there a need to organize all delegates in councils by industry sector with the result that a cow-calf council be added to the structure?) Would be better than what we have now. 6. (If there were individual councils for each sector of the production chain, where and how would the delegates from the various sectors interact?) At a "General Council Meeting".
- The current breakdown between zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates is appropriate for the industry. 5. The organization continues to need zone delegates, does not really need producer association delegates, needs cattle feeder council delegates and needs cattle industry council delegates.
- 1. ABP's Plan Regulation adequately reflects the role delegates should have in the organization 3. The difference in the rights of zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates should continue. 4. The cattle feeder delegates and the cattle industry council delegates are busy enough with one committee. 5. Cow/calf producers should address critical issues through task force rather than another committee. They make up the majority of delegates. 6. There should not be individual councils for each sector of the production chain. Other Related Comments:
- Producer association delegates have producers that can run for election and shouldn't need designated seats.

- Delegates' roles are appropriate. No need for individual councils other than CFC and IC. If an industry specific problem arises a working group could be formed. United not segregated is more productive.
- Again governance model will determine number and rights of delegates – or indeed whether ABP even has delegates.

Topic 5A - THE BOARD OF DIRECTORS

The Board of Directors and the executive was the subject of the fifth topic under review. There are 9 zone directors, 5 directors at large, 3 cattle feeder council and 2 cattle industry council directors.

What is Working?

- I support the present structure.
- Number of directors is just enough. Appropriate representation for all sectors. Current election of directors is effective. Directors should be elected on an annual basis.

What is Not Working?

- Too much time spent of ensuring broad, regional representation – not enough on managing structure to ensure effective ABP leadership (directors and management).
- Board is too large.
- Much of 4B answers this topic (Feeder council and Industry Council do not belong in ABP as separate entities. Furthermore, we don't believe ABP can effectively represent all factions of both cattle and beef sectors. You would be able to downsize those delegates out.) Points to ponder: 9) Individuals absolutely have to be delegates in order to be elected to the Board of Directors. 10) A one year term on the Board is fine.
- 19 is likely a good number. We don't really know. A zone director should be elected for at least three years. The first year is a learning experience.
- You need 25 directors so if some can't attend some meetings you still have enough people to make decisions.
- Far too many directors to achieve any kind of consensus. Polarized on many issues. Too much focus put on democratic process and regional representation, need more effort put towards strategic thinking and vision.
- The board is a little too big to be effective.

Suggestions for Improvement

- Change system so that the most qualified directors are identified and elected. Get rid of current "representation by region" and replace with "representation by sector". Create a "Director Development Program" that identifies key director skills/traits required, identifies suitable director candidates and solicits them, develops new director skills and capabilities through training. Board spends less time on process, more time setting targets and reviewing results from empowered management.
- Decrease the # of zones and the size of the board.
- 19 directors are too many. See 3B) Geographical Representation above for further comments on how to reduce the number of directors. *(3B: Currently there are nine zones electing 86 delegates and up to 19 directors on the Board of Directors. This is too many to have an effective organization. Studies have shown that an effective board should have 9 to 12 Directors. In order to accomplish this*

the geographical representation would have to be adjusted. With today's communication being done mainly by email, geographical representation is not as important as it may have been in the past. A suggested structure for a Board of Directors is to have 4 Directors from Geographical zones, 3 directors at large, 2 Cattle Feeder Directors, 1 Cattle Industry Council Director and the Past President for a total of 11 directors. You may want to include a 12th director from the Public at Large (ie a non-producer).) Zone directors should be elected by the producers at the zone (fall) meetings and not by the delegates.

- Create a system that ensures bringing the best qualified people to the board. Broad and deep understanding of industry, ability to build and hold a vision and direct staff/management team to put plans, strategies in place to achieve vision. Need to be capable of measuring results, assessing progress etc.
- 19 directors maybe too many. If zones were cut to 5,+3 from the floor ,+1 from feeder council and 1 from cattle industry council.
- Let's get the whole industry on the Board of Directors for the ABP. This is long overdue! My thoughts would be ie: 4 cow/calf, 4 ACFA, 2WSG, 2 AFA, 1 ALDAOB, 1 AAMA, 2 ALIC, 2 Packers?, 2 Independents plus a lot of staff.

Comments

- 1. 19 directors are about right. 3. I would like to see only those elected at Zone Meetings be eligible for the Board of Directors as indicated previously. 5. Only those elected at Zone Meetings should be directors.. 7. The organization continues to need zone directors. It does not need cattle feeder council directors or cattle industry council directors. 9. Individuals should have to be delegates in order to be elected to the Board of Directors. 10. The one year term could be longer but no more than 2 years subject to being eligible as a delegate.
- 1. 19 directors are too many. 2. 9 to11 would be better. Fewer directors mean things can usually get done. 3. I don't believe CFC and CIC should sit as Directors on ABP – but if our structure stays then there should be a very large cow/calf council. 5. The manner in which the directors are elected is appropriate. 7. The organization continues to need zone directors but not cattle feeder council directors or cattle industry council directors. 9. Individuals should have to be delegates in order to be elected to the Board of Directors. 10. Directors should have a longer term – maximum of three years.
- 1. 19 directors are enough. 3. The Board of Directors has adequate industry sector and geographical representation. 5. The manner in which the directors are elected continues to be appropriate. 7. The organization continues to need zone directors, cattle feeder council directors and cattle industry council directors. 9. Individuals should have to be delegates in order to be elected to the Board of Directors. 10. A one year term is long enough.
- Again governance model will determine number and role of the board – and the manner in which they are recruited and elected. The current board is large and as a result it appears that the executive exercises quite a lot of power.

Topic 5B - THE EXECUTIVE

What is Working?

- Present structure is adequate.

What is Not Working?

- Need to recognize Management on the Exec Committee. Need longer term for effective directors/executive – i.e. no wipe-out.
- You need five executive member to a two year term.
- No need for an executive committee as is in place today. All decisions should be made by board. Chairman only chairs meeting, acts as spokesman and works with management to ensure board

policies etc are implemented.

Suggestions for Improvement

- Adopt “Corporate Concept” model. ABP needs a Corporate Business Plan with a longer term vision that has “Short, Medium & Long Term” action plans – developed by management, approved by Board, then implemented by management. More delegation of responsibility/authority to management – which dictates more management capability required – and hence more accountability and compensation for delivering results.
- The executive should include the Cattle Feeder Council Chair and the Cattle Industry Council Chair. The rest of the executive is alright as is.
- 1. If the executive is only getting a minimal compensation then three are not enough. The work load would need to be spread out. 2, The manner in which the chair, vice-chair and finance chair are elected is appropriate. 3. ABP’s Plan Regulation adequately reflects the role of the Executive in the organization. 4. A one year term is good.
- Three executive members is okay. One year term is good if they have already been a director for two or three years. We believe that ABP needs to hire a CEO or Manager to promote the whole industry, not necessarily a producer but must answer to the board.
- The Chair of the Feeder Council should be a part of a 4-delegate executive. One year term is preferable.
- Chairman should become a full-time position elected by the producers. He wouldn’t have to be a producer. This would allow the Lee Iacoca type to provide leadership. It also removes the internal politics.

Comments

- 1. I don’t know if three executive members just enough, too few or too many. If it is working go with it. 2. There should only be directors elected from elected delegates. 4. The term could be longer.
- 1. Three executive members are enough. 2. The manner in which the chair, vice-chair and finance chair are elected is appropriate. The executive should not be elected by the delegates. 3. Not sure whether ABP’s Plan Regulation adequately reflects the role of the Executive in the organization or what the role should be. 4. The term could be longer.
- Again governance model will determine role of the executive. The executive currently carries an inordinate amount of the burden – especially given that they are “volunteering” their time.

Topic 6 – COMMITTEES

What is Working?

- Keeps the delegate body feeling important and generating per diems.

What is Not Working?

- Are there “too many committees” and not enough “decisions made”? Do committees burden the effective decision making process? Do we have the trained management resources available and applied to issues in a committee structure? Are the basic principles (Vision, Mission, Mandate) lost when a committee addresses an issue? Could the issue be better handled by a qualified manager that has the basic principles as a guideline?
- Too many committees, some of which are very ineffective.
- Too many standing committees.

Suggestions for Improvement

- Committees should be re-aligned or combined.
- Government Affairs & Public Affairs, Promotion, Communications.
- Adopt the “Corporate Concept”. Committees to be set up as “Advisory Committees” to Management. Empower management with Vision, Mission, Mandate for decision making and have committees act in advisory capacity. Is there ability to develop “ad hoc” committees as needed? Committees need to be empowered to attract participants – i.e. requirement for Board to approve a Committee decision detracts in participation.
- Eliminate a large portion of the committee structure; use the AGM and zone committees to guide policy and capable staff to implement it. Staff time could be more effectively spent doing the job rather than taking notes at committee meetings and providing advice. Some of the delegates that are elected have little or no understanding of the issues and the whole exercise turns out to be an education process most of the time. While learning is a noble endeavour for producers, it should happen before they get to the committee or board level.
- The only committees that should be part of the plan are an audit committee and a nominations committee. The rest of the committees should be designated as adhoc committees and be at the discretion of the Board. The adhoc committees should be filled more on a skills base rather than just to give all the delegates a committee to sit on. This would mean that if a committee required a specific skill then someone other than a delegate could sit on that committee. This would be at the discretion of the Board. An example of which adhoc committees may be needed would be Policy Development, Research, and Promotion. Policy Development would include what is currently being done in Government Affairs. Research would include what is done in Technical Committee and Promotion would include what is done in Promotion, Producer Liaison and Public Affairs. By doing this the number of delegates could be reduced to 5 from each of the 4 geographical zones plus the Industry Representation delegates for a total of approximately 30.
- A CEO would be responsible for most of these committees.
- A committee be established to address cow-calf issues specifically with one delegate from each zone on the committee. Committees should continue to meet independently and report to the Board of Directors.
- Committees should be set up so there is no overlap – Promotion would be responsible for any type of promotion. Public Affairs and Producer Liaison could be combined to address producers. Does ABP require a committee for environmental concerns? Technical should be a national committee under the CCA.
- Currently too many committees – exist to give the too many delegates a job? Governance model and mandate should drive the discussion on committees and need to be decided before committee structure and role.
- Most committees do not need to be active at all times. Only called into use for special projects etc. Much committee work could be carried out by well trained, well directed staff members. Much more efficient process
- I think Promotion, Producer Liaison and possibly Public Affairs committees could be combined. Maybe Government Affairs and Technical committees could also be combined. Cow/Calf committee separate.

Comments

- I am not sure ABP requires all the committees that it currently has. I think that the money that is allocated to the Technical committee could go to BCRC. I feel that BCRC could better leverage research dollars and they also have a better “Big Picture” view of research. It would be important that ABP have proper representation on BCRC but I feel this would be the best use of the money spent. The Promotion Committee should be scaled back. Once ABP gave up the “Alberta Beef” promotion label in the food services trade they now need to support BIC in their marketing activities. There still needs to be a Promotion committee but I think they could be scaled back. You could even combine them with Public Liaison for they have overlapping areas, however I’m not sure how this would be

perceived. This would however accommodate the decreased size of the delegate body that I discussed earlier. It would also respond to the decreased budget that ABP will face in the future with the decreased marketing's that appears to be a long term trend.

- Members of Committees should be elected delegates. If the current structure is maintained then the non-zone elected delegates should also be on the various standing committees, contribute fully and provide cross-sector dialogue.
- Topic 3C addresses our feelings regarding the Cattle Feeder Council and Cattle Industry Council. ABP's Plan Regulation should dissolve these two. Industry dialogue with other sectors of the industry could be initiated with invitations to meet and opinions expressed. In reference to standing committees they seem sound.
- 1. The current committee structure is not working that well. 2. It is too cumbersome, diluted, conflict of interests. 5. Not sure if ABP's Plan Regulation adequately set out the duties of the standing committees, Cattle Feeder Council, and Cattle Industry Council. 6. The cattle feeder council delegates and the cattle industry council delegates should continue to meet solely as the Cattle Feeder Council and the Cattle Industry Council. 7. Zone delegates, producer association delegates, cattle feeder council delegates and cattle industry council delegates should only be assigned to committees together if they are discussing a given resolution that requires industry wide action.
- Use your discretion to know what you need. I haven't the time to study it that close.
- The technical committee should be done on a National level through CCA.
- Committee structure isn't working too well, partly due to the narrow focus of the mandate and the overlap of the committees (public affairs, producer liaison, etc.)

Topic 7 - PRODUCER AND DELEGATE MEETINGS

What is Working?

- I think one zone meeting per year is adequate. Most people would not make it to more. I think the current structure allows for any producer to bring anything to the table and that is good. The greatest difficulty is remembering what things have been issues for a person over the course of a year. Hopefully all the important stuff shows up at the table by the time 9 zones have met. In zone 2 where the meeting was only conducted in one location this fall, the attendance was great but the down side I saw was a larger crowd gets bogged down more easily. I think more resolution can come to the front at a smaller meeting, and the discussion does not get hijacked by one issue or group as easily. Just a thought.
- The current meeting structure is effective for producers, eligible producers, delegates and directors.
- Current meeting structure seems to be working. Any changes should come from within.
- Helps to keep delegates thinking they are in the loop
- I think current meeting structure is fine, if zones were combined then maybe have fewer but larger meetings. eg. Ft Macleod.

What is Not Working?

- Sub-Zones are not necessary.
- Fall meetings are a waste of time and resources under the current format.

Suggestions for Improvement

- Adopt "Corporate Concept" model – communicate enough to let producers know what ABP is doing and what results are being generated. Keep communication lines to producers open, but focus on delivering results as per the Vision, Mission & Mandate as set by the Board.

- Other than the Annual and Semi Annual meetings, all meetings should be at the discretion of the board and committees.
- A suggestion box might be nice at the meeting. The one meeting in our zone was a good idea, and it cuts down on costs. The turnout was great.
- Could ABP hold producer meetings twice a year (not more meetings but staggered) to more effectively provide information to producers and receive direction back from them? Resolutions could be brought forward at the AGM as well as the semi-annual. The challenge with this change would be the election process.
- Number of meetings drastically reduced. Idea would be to get larger groups of people together at fewer locations resulting in better debate of issues and passing of more definitive resolutions. Would be much more cost effective for ABP as well.
- I think that the wipe-out should be waived for a Chairman elected in his sixth year of being a delegate. It would be for the good of the organization and still subject to the election criteria of any Chair – still would need to be elected to the board and elected by the board to be Chair. That may be something that ABP is up against in the next year or two and I think it would be a positive change.

Comments

- One last thing, those who are upset about how many copies arrive at the same house could do like me and call you and tell you to send just one to that address. That`s what I did I think.
- 1. The current meeting structure is not, at present, effective for producers, eligible producers, delegates and directors. It could be if the flow of information was passed down to producers from the Board of Directors and zone meetings are a more timely fashion. 2. Zone meeting dates should be made available to those producers who put their name on a list should they wish to attend or an update on zone meetings more often. An update on Board of Directors meeting via a flyer (one page) through the mail more often.
- 1. The current meeting structure is not effective for producers, eligible producers, delegates and directors. 2. There should be an increase on how to hold/conduct a meeting. Ie: listening to producers and not trying to influence the debate at local meetings. This happens all the time. Members are discouraged from entering resolutions and asking questions since delegates often enter debate.
- AGM continues to be frustrating to watch – I can only imagine how frustrating it must be to participate in. Meeting with the members (zone meetings) once a year with follow up a full year later is inadequate.

OTHER COMMENTS AND FEEDBACK

What is Working?

- The industry is changing – in spite of us.

What is Not Working?

- We must learn to “run ahead of the pack”. The “Community” approach (or Co-op design) of our organization (ABP) does not facilitate the development of a business approach to decision making.

Suggestions for Improvement

- We are a \$12 Billion industry. Every 1% improvement in profitability represents \$120 Million increased value. We need to focus on what needs to be done to ensure our success in the future – not protect the past. As producers we can describe desired results, but we require capable, empowered, professional Management to deal with the complex, strategic needs of the industry. Look at any equivalent sized/value industry and one will see that they do not “manage by committee” – they use professional management so as to deliver results! Hire professional, qualified management. As an

industry, we cannot afford to deal with significant, complex and full-time issues by assigning them to a part-time person with a home-grown sense of business.

- Have the Board stay focused on setting the Vision, Mission, Mandate for ABP and determining measureable results for Management to focus on. ABP should run like a business – producers are the shareholders as well as the customers. Qualified and empowered Management can deliver the desired results – if we provide direction to them in terms of results, and allow them to develop and implement strategies and actions. Then pay Management well if they deliver the desired results.
- After listening to the speakers at Warwick, they were excellent. Fees should be raised to \$5.00 per head. Look how much more we could do. John Masswohl was great.

Comments

- To start with I would like to say that I think the ABP has done a pretty good job. I'm sure there is room for improvement but I have tried to understand what ABP does and have attended the fall meetings every year. I see the efforts of CEBF, BIC etc. as being very helpful to the industry over the past 13 years. I hear producers complain about the check off and the general usefulness of the ABP, but most (if not all) of these individuals rarely go to the fall meeting and seem unaware of how much money and effort is expended in trying to forward trade, beef consumption, consumer perception, government programs etc. Maybe the ABP needs to detail some of what has been accomplished and lay it down next to the likely scenario if the ABP's efforts had not been made.
- A staff member should act as ABP's representative on any government issue.
- ABP is trying to be everything to everyone. ABP should encourage the Alberta Government to more effectively assist producers with their management practices. ABP has attempted to fill the void created when the District Agriculturist program ended. ABP should concentrate on providing the best environment to market Alberta cattle.
- Over the past several years more of the delegates are elected by acclamation. This year is perhaps the most severe case in which all of the delegates were elected by acclamation. This suggests that the ABP is suffering from a large degree of apathy.
- While this regulation review may provide the membership an opportunity to voice their opinion, the board has a duty to find ways it increase producer participation. This is where the Producer Liaison Committee should begin picking up the slack. In other words someone should be out there finding potential delegates.
- It appears to me that we are going to need to develop a decision tree to work our way through the plan review. My suggestion would be to decide on mandate first – marketing organization? Research organization? Policy/lobby organization? Once mandate decision is reached then proceed to decision on governance model and then finally to decision on funding mechanism. There has been no category for accountability. While I consider the following suggestion to be detail, I believe accountability as a principle is paramount and will require detail. The 2007 AGM booklet included more details on director/delegate remuneration and expense compensation than I have seen previously. However, this booklet is not very widely distributed. Other organizations report the exact amount of honoraria and expenses paid to each individual director/delegate and include that information in their annual report available for all members. Regardless of the governance model chosen, ABP should initiate this detail type reporting.
- If ABP continues to refuse recognize the changes that are occurring in the industry it will self destruct. Though an interesting thought, it is not the best way of working through the current situation. We desperately need to build an organization that is capable of helping to guide the industry through the various challenges that are upon and in front of us and one that can help position us to capitalize on the opportunities as they arise. It is a forum for debate, discussion and political posturing at best and is incapable of responding effectively when time is of the essence. Hopefully we can move the ABP to a position of providing true value to its shareholders.
- My apologies for not following the structure suggested by the plan review committee but would never the less like to try to convey some thoughts about the "Plan Review" for ABP. I would like this note to be presented by email to all of the long list of "Plan Review" committee members, and will forward this

email to each and every one myself if that is the wish of the person who reads this first.

It seems like a duplication of time when ABP asks for input on how things are run just after the Zone meetings where producers are also asked to bring forward changes that they would like to see made via resolutions. Will the process be any different? Just because there is a list of participating

individuals on the plan review as long as my shirtsleeve, will the final decision be up to the board of directors in the same way that resolutions are dealt with?

The democratic process that ABP seems to think they run under is questionable from the get go when very few of the thousands of eligible producers in this province show up to vote on resolutions at their once a year chance to instigate change. We can argue voter apathy but even a high school prom queen can garner more votes than the average person running for ABP. In fact this year saw only two extra nominees in the entire province and some begging done to even fill the seats available by acclamation. I would personally argue that simple apathy is not the underlying factor as much as simple disgust. A large number of the producers that attended the fall meetings that I attended did not vote in our election and even more sat on their hands during resolution voting. Many were simply there to convey disgust.

I have not been around the politics of this industry to know if ABP, or its predecessor ACC, was once a strong democratic voice for the producers of this province but see little evidence of that in the last few years.

I would therefore like to suggest that ABP get off its high horse concerning the round table discussions called by the Minister of Agriculture of this province. Running down the other groups at this table as less representative of producers is no way for this industry to move ahead and solve some of the problems we are facing. The preceding arguments would certainly prove interesting on the representative front should a true democratic process be initiated through a producer plebiscite which ABP avoids like the plague.

If this sounds like criticism, so be it, change does not happen with agreement. I was prompted to write this note by criticism of BIG C at a recent zone meeting by more than one sitting delegate. My role as a new delegate in ABP is to substantiate the need for change, and not destruction as some folks may have led you to believe.

Four of the five groups invited by the Minister of Agriculture to attend these round table meetings are in general agreement on the issue of marketing beef and reigning in the CFIA when it comes to their self appointed position of making rules regarding beef trade.

Marketing of beef is a hell of a lot different than promoting beef which I will say BIC and CBEF do very well for the processors and beef traders in this country. The suggestion of the four groups including Beef Initiative Group Canada, Western Stock Growers, Alberta Cattle Feeders and the Feeder Associations of Alberta to create a marketing arm/ producer owned company to deal with sales of beef and government regulations concerning export marketing needs to be supported by the current ABP/CCA leadership. We cannot continue to pretend to know how to market beef especially when all we have done in the past is promote and hand the purchase order over to a processor or a trader. We need to form a real marketing organization and hire some professionals to make this happen.

ABP continues to ask producers to work together for change and a positive future. It may be time for ABP to reach out and offer to work toward this future themselves, by taking these round table discussions seriously and in fact agree with the majority and back the four groups already working ahead with these creative and constructive ideas.