

**ALBERTA BEEF PRODUCERS
MINUTES FOR THE COW CALF COUNCIL MEETING
THURSDAY JANUARY 22, 2015
AT THE ABP BOARD ROOM, CALGARY, AB**

Present: Tim Smith - *Chair, Zone 4*
Rick Friesen - *Zone 1*
Brodie Haugan - *Zone 1 @ large*
Jake Meyer - *Zone 2*
John Bland - *Zone 3*
Walt Suntjens - *Zone 4 @ large*
Rose Wymenga - *Zone 5*
Kelly Fraser - *Zone 5 @ large*
Assar Grinde - *Zone 6*
Ted Ford - *Zone 7*
Brian Chomlak - *Zone 8*

Carried

Staff: Fred Hays - *Policy Analyst*

Guests: Lyndon Mansell - *AFIN (via phone)*
Shannon Argent - *VBP*
Dale Engstrom - *FAA (via phone)*
Chris Dyck - *AFSC*
Stuart McKie - *AFSC*
Ken Handford - *AFSC*
Dan Smith - *ESRD*
Amanda Miller - *ESRD*
Rod Simpson - *ESRD/MNP*
Kathy Larson - *WBDC (via phone)*
Darren Dorge - *ACA*
Todd Zimmerling - *ACA*

Absent: Norm Hennigar - *Zone 9*

The Chair called the meeting to order at 8:17 a.m.

1. Adoption of Agenda

(a) Adoption of agenda:

Motion by Suntjens/Wymenga:

“That the agenda be approved as presented.”

Carried

2. Minutes of Previous Meeting

(a) Minutes of the June 11, 2014 meeting:

Motion by Bland/Meyer:

“That the minutes from the June 11, 2014 meeting be approved with changes discussed”

Carried

(b) Minutes of the December 1, 2014 meeting:

Motion by Suntjens/Wymenga:

“That the minutes from the December 1, 2014 meeting be approved with corrections.”

3. Financial Report

(a) Financial Statement ending December 31, 2014:

Motion by Suntjens/Ford:

“That the financial statement be accepted for information purposes.”

Carried

4. Decision Items

(a) 2015/2016 Priorities/Budget:

A discussion was held in light of the Plan review to determine potential special projects and any issues dealing with the cow calf sector. Generally, the Council needs to be front and centre dealing with risk insurance including coverage potential for swath and bale grazing coverage. There is a drought in the north that will affect some producers in the region. Continued concern needs to be focused on these environmental issues. The Cow Calfenomics program was considered to be successful; financial support of a maximum \$3,000 to student registration was valued by the industry. If the program were to continue in the upcoming year this financial support should be continued at the same level.

Motion by Chomlak/Bland:

“That the Cow Calf Council budget for the upcoming year be maintained at \$18,000.”

Carried

(b) Safety-net Subcommittee appointments:

This group has done a considerable amount of work in the pasture, forage and livestock insurance area. A discussion was held about the continued role and focus for this, and the potential members who could be part of the Committee.

Motion by Ford/Fraser:

“That Tim Smith and Rick Friesen be joined by John Bland and Assar Grinde to form the Safety-net Subcommittee.”

Carried

(c) Wildlife Working Group appointments:

Prior to 2012 the Wildlife Working Group (WWG) had been a subcommittee of the Cow Calf Council. Because of the issues coming forward, and the manner they were being handled by the Council, the ABP Board changed the

reporting to the Board with appointment of two members from the Council to the redefined Working Group. At present the Board is reviewing the structure and role of Committees and Working Groups; as such the wildlife work is being continued by the 2014-2015 WWG. A lengthy discussion ensued about the continuing wildlife issues, such as the Suffield elk and swath grazing problems and ABP's representation on government committees. There was some issue about the former structure of three ABP's committees dealing with wildlife issues (Wildlife Working Group, the Animal Health and Welfare Committee and the Cow Calf Council). At the same time meetings with the Alberta Game Management Advisory Group (AGMAG) that deals with Alberta's Wildlife Regulation changes continues with no continuing representation from ABP except from last year's WWG. There was discussion about having two producer candidates in place for continuing wildlife work for any new ABP committee structure that may follow. Three names were put forth for two candidates. An election by ballot was held.

Motion by Chomlak/ Wymenga:

“That the elected candidates Walt Suntjens and Ted Ford be the Council's representatives on the Wildlife Committee if required by the new committee structure.”

Carried

Motion by Smith/Bland:

“That the ballots be destroyed.”

Carried

(d) Endangered Species Conservation Committee (ESCC) appointments:

This is a Government of Alberta committee that deals with endangered plant and animal species in the province. ABP provides a member and an alternate. A discussion followed about the work and possible representation, in the past ABP has had good participation at these meetings.

Walt Suntjens and Jake Meyer volunteered to each take a role as co-members.

Hays would provide contact information, the recent minutes and contact the Committee administrator about this change. The ABP office will continue to receive Committee reports and minutes from the administrator.

(e) Drought and Excess Moisture Advisory Group (DEMAG) appointments:

DEMAG is a Government of Alberta committee that deals with drought and flooding issues. ABP provides a representative and an alternate. ABP attendance in the past at meetings has been spotty, primarily because of communication and member interest.

Kelly Fraser volunteered to be ABP's representative to DEMAG; Ted Ford would serve as alternate.

Hays would provide contact information, the recent minutes and contact the Committee administrator about this change. The ABP office will receive Committee reports and minutes from the administrator.

(f) Wildlife Predator and Shot Livestock Compensation Committee appointments:

This committee has been known by various names. It is a Government of Alberta committee that deals with wildlife predator and damage compensation, presently known as “*Wildlife Compensation Working Group*”. The appointment came through the Council when it looked after wildlife issues prior to 2012. After the Wildlife Working Group was formed that reported to the Board a transfer of this responsibility was not made from the Council. Last year there was some discussion about this at the Council; they elected to retain appointments to the committee. There was some discussion about appointments. Most of the past meetings took place in Edmonton.

Brian Chomlak volunteered to be the representative to the Committee; Walt Suntjens would be the alternate.

Hays would provide contact information, the recent minutes and contact the Committee administrator about this change. The ABP office will receive Committee reports and minutes from the administrator.

(g) Fall meeting resolution:

“From 2014-02-27, 4(a): to lobby CCIA about temporary identification. Information was available from Howard Bekkering about the CCIA's pilot project dealing with inexpensive bar-coded short-term identifier for animals going to terminal processing.

(h) AGM resolutions:

These were to be addressed at the next meeting.

(i) AFAC Conference Attendance:

This Alberta Farm Animal Care (AFAC) conference will be in Red Deer on March 26, 2015.

Motion by Bland/ Suntjens:

“That the Cow Calf Council sponsor Rose Wymenga to the Alberta Farm Animal Care Conference.”

Carried

5. In Camera

6. Discussion Items

(a) Verified Beef Program update:

Shannon Argent from VBP presented an update about the quality assurance program for producers that included record keeping, drug residues and other parts for the industry. One of the issues at the packers was having buckshot in some mature animals creating foreign objects in meat concerns. It was thought some producers were using shotguns to get bulls out of the bush. Presently 37 percent of Alberta's producers are considered to be trained in the program and 4 percent as audited.

(b) FAA Livestock Indemnity Program and the Alberta Breeder Finance Program:

Dale Engstrom, FAA, discussed these programs. The Indemnity Trust Program is set up to provide death loss protection for local feeder association purchased cattle. Two plans have been set up: one for calves and one for other cattle. Deductibles are based on the claim history of with 95% payout for a risk ratio less than 1, and 90% payout for a risk ratio greater than 1. During 2013-2014 29 Associations were on the program that covered 143,000 head.

The Breeder Finance Program is delivered by the local Feeder Association, with 100% financing available for breeding stock. Terms are for 5 years or more with a 10% security deposit needed. Normal loan limits are \$250,000. All FAA financed cattle are to be sold in the name of the Feeders Association.

(c) Risk Management Review:

Chris Dyke, Ken Handford and Stuart McKie, Alberta Financial Services Corp. (AFSC), discussed AFSC's pasture and forage insurance program development process. They work from research ideas in the area to review existing programs and develop new products. There was some discussion about swath grazing coverage. In Saskatchewan the swath grazing coverage works well. Some of these programs are funded on a 60/40 basis through the Governments of Canada and Alberta, respectively. Other programs discussed included that for coyote and blackbird damage losses.

The AFSC group was suggesting having a meeting with the cow calf sector and feedlot sector in the near future to have industry input to their BRM programs. They requested assistance from ABP for 10 to 15 possible attendees. Hays would work with them on this. Some issues included coverage for standing corn and bale grazing. These are wildlife issues for producers trying to use improved farming methods. Elk damage was also discussed: these problems seem to be increasing. Some level of coverage need to be accepted by producers. What could possible trigger points be suggested, for example 30 percent loss before any coverage. There are also problems with AgriStability enrolment affecting cash advances and any account reviews. Some improvements for present programs included an increase number of weather stations in sensitive areas. Last year another 40 stations were installed making this a total of 248 for the province. The

process to initiate any changes for these insurance programs would be to provide a letter to AFSC for Chris Dyck, or Wayne McDonald, VP.

(d) Grazing Lease Review:

Dan Smith and Amanda Miller from ESRD, and Rod Simpson, MNP, provided an update of Alberta's Grazing Lease Royalty program to be initiated in the near future. There are two programs for the province being suggested doing away with the previous three. Both are based on geographical cost differences in the province; both are revenue neutral over the long term. Work was done through the Alberta Graze Lease Holders Association. The programs would work on a formula to have royalty payments higher in good financial times, and be reduced during tougher times. Program development included concerns for any potential countervail issues. Revenues would be used by the government to provide funding to producer education and research programs. The new fees would be initiated in the 2017 grazing season. Modification had to go to the Alberta Cabinet during 2015, and then move to the Provincial Legislature.

(e) Western Canadian Cow Calf Production Survey update:

Kathy Larson, Western Canadian Beef Centre, provided a background and update on this program. Producer surveys were to be provided to determine operational, management and marketing practices related to the 2014 calf crop year as a way to identify management practices and benchmark production for the cow-calf industry. To date for the four western provinces about 250 surveys were obtained, with 200 being usable. Approximately 500 are needed for a good cross section of the industry to be collected by February 28, 2015. For 95% confidence with +/-5% confidence interval they would need about 400 surveys completed. If there is less than this, the information would still be valuable, but just not a representative sample.

(f) Alberta Conservation Association Land Purchase Program for Conservation:

Darren Dorge and Todd Zimmerling from the Alberta Conservation Association (ACA) presented a report on their habitat purchase program. ACA collects approximately \$10 to 11 million per year from hunting and fishing licences. This direction comes under Alberta's Wildlife Act with an MOU through ESRD. Their programs include Multisar, working with ranchers in Southern Alberta to set up conservation areas, determining movement of wildlife on habitat, the pheasant release program, the enhanced ungulate habitat movement monitoring program and riparian management. There was concern by some producers that ACA was competing with producers for grazing land: some producers are running out of grazing land because of an increase in protected habitat. ACA have different methods for acquiring habitat including donations from producers and land purchases. ACA indicated they never pay more than market value.

Most times they end up leasing the land back to producers for grassland management. All land has liability insurance coverage. Also, if another landowner seems to have an interest in a property they will not compete for the purchase. They believe there are pros and cons for easements; they prefer to have conservation leases. ACA is not involved in wetland development. ACA presently has about 90 sites in the province with about 32,000 acres under habitat management. They do have a policy for Ecological Goods and Services (EGS) recognition, but not for paid hunting. There was some discussion about having ABP being part of their Board. It was suggested that a letter to their Board would be considered.

(g) Auction Mart Insurance:

This was an added item. Because of time constraints it would be addressed at the next meeting.

(h) Board, Committee and Association Reports:

- i. *Board Report – Friesen:* Report of last board meeting. He dealt with sage grouse issue in SE Alberta, elk problems as Suffield, Grazing Lease proposal, price reporting information problems for Canfax, surface disturbance for leased land with rates set by the Surface Rights Board, the Cory van Ray scholarship for courses in risk management at the University of Lethbridge and the Cattle Implementation Plan review of traceability models reviewed by the University of Guelph.
- ii. *Safety-net Report – Smith:* Work was continuing in risk management review for pasture and forage insurance programs.
- iii. *Wildlife Working Group Report:* The Group was reviewing the Miistakis report about the economics of the cost of wildlife to producers.
- iv. *Endangered Species Conservation Committee Report:* Gordon Graves had been attending meetings which recently assessed the Alberta Wildlife Status Report Series- the Status of Bison in Alberta, 2014.
- v. *Drought and Excess Moisture Advisory Report:* No report.
- vi. *Wildlife Predator and Shot Livestock Committee Report:* No report.
- vii. *Alberta Forages Industry Network Report:* Lyndon Mansell discussed forage sustainability dealing with forage export between Canada, the US and Mexico. There is a virtual research program with the provincial and federal governments with work provided through Lacombe, Lethbridge and Swift Current. Karen Schmidt, ABP, has been working on this. There is possibly an alfalfa seed shortage for the coming year; 35% of the US seed are GMO varieties.

There could be some problems with export GMO alfalfa to China because of non-acceptance. Export hay from Legal is presently in a tight position: a considerable amount of lower quality hay land was broken up for canola and grains. Two, 2 year vacancies are available with AFIN: John Bland, as ABP CCC member, was encouraged to apply.

7. General Reading Material

- (a) CCC 2014 Resolution and Action Items:

8. Next Meeting and Upcoming Events

- (a) No future CCC meeting was planned.
(b) The AFAC Conference in Red Deer, March 26, 2015.
(c) An ESCC meeting planned for March.

9. Adjournment

The meeting was adjourned on a motion by Chomlak at 4:35 p.m.