

**DRAFT**  
**ALBERTA BEEF PRODUCERS**  
**MINUTES OF THE BOARD OF DIRECTORS MEETING**  
**THURSDAY MAY 17, 2007**  
**AT THE ABP BOARD ROOM, CALGARY, ALBERTA**

---

**PRESENT:** Erik Butters - *Chair*  
Rick Burton - *Vice-Chair*  
Kelly Olson - *Finance Chair*  
Darcy Davis - *Past Chair*  
Gerald Maser - *Zone 1*  
Brent Carey - *Zone 2*  
Ernie Israelson - *Zone 3*  
Judy Fenton - *Zone 4*  
Millie Boake - *Zone 5*  
Doug Sawyer - *Zone 5*  
Diane Panrucker - *Zone 6*  
Rick McKnight - *Zone 7*  
Darcy Eddleston - *Zone 8*  
Shelley Morrison - *Zone 9*  
Donna Noullett - *Zone 9*  
Chuck MacLean - *CFC*  
Steve Primrose - *CIC Chair*

**STAFF:** Rich Smith - *G.M.*  
Rosanne Allen - *Recorder*  
Laura Procnurier - *Controller*  
Mike Spear - *Comm & Mrk Mgr*  
Trent Jackson - *Marketing Officer*

**GUESTS:** Mike Cook - *BIC*

**ABSENT:** Dave Solverson - *CFC*  
Stuart Thiessen - *CFC Chair*  
Tony Saretsky - *CIC*

Chairman Butters called the meeting to order at 8:30 a.m.

**1. Approval of the Agenda**

---

Motion by McKnight/Morrison

**“That the Agenda be adopted with additions marked above, plus any other additions or deletions that are deemed necessary throughout the course of the meeting.”**

Carried.

**2. Minutes of Previous Meetings**

---

Changes: 6(b) Beef Grading System: “there is no value” to “they are not using the grading system”.

(a) Minutes of April 19, 2007 Meeting:

Motion by Maser/Boake:

**“That the Minutes of the April 19, 2007 Board of Directors meeting be adopted with changes.”**

Carried.

**3. Finance Report**

---

Olson presented the Statement of Financial Position as at April 30, 2007

(a) Financial Statement:

Motion by Olson/Sawyer:

**“That the Financial Report be accepted as presented for information purposes.”**

Carried

(b) Audit Process:

(c) Committee Funding Commitments:

Procnurier reported that the Auditor approves of our process for identifying committee funding commitments.

**4. Items for Decision**

---

(a) Appointment of additional CCA Director:

As a result of our increased assessment, CCA is allowing ABP to add another Director to the CCA Board. As Butters sees it we have two options: the Board could appoint an interim Director or an interim Director could be elected at the semi-annual in June.

Motion by Burton/Boake:

**“To elect a person at the semi-annual in June to sit as an interim Director on the Canadian Cattleman’s Association Board.”**

Carried

(b) Traceability strategy:

Albert Beef Producers are cooperating in looking at technology but are against the government “leading the market”. Primrose says the changes in the Animal Health Act could effect what happens with traceability. Ontario is also beginning to start a traceability program. ABP agrees with the CCA definition of premise id. The message we keep sending is that traceability should not impede commerce and must be market driven.

(c) CFC Feed Grain Research proposal:

“That Alberta Beef Producers make a five year commitment to enhance cattle feed grain research in the amount of \$250,00 per year of which one half

would come from Cattle Feeder Council Committee.”

Smith presented this on behalf of the Cattle Feeder Council. Smith stressed that this is a concept and CFC is not looking for an answer today but simply wanted feedback from the Board. For quite some time our organization has been trying to enhance feed grain research. In spite of this we have not seen the research proposals we hoped and on top of this the government has moved its focus from feed grain research to bio-fuel research. CFC is proposing long term funding for feed grain research. This would show the government our commitment to feed grain research. The amount of \$250 thousand is the same amount that the Alberta Barley Commission commits every year to research at Lacombe. It was brought forward to Board for their consideration and presented to the Technical Committee at their meeting on May 16<sup>th</sup>. Smith proposes a small working group to put more detail on to the proposal. One of the reasons it has come to the Board is because of the Committee Funding Commitments. Panrucker says the Technical Committee supports the idea of feed grain research but asks what guarantees would they have that they will get research proposals that fit their criteria. Smith believes a long term commitment to funding would bring valid proposals.

McKnight asked what chances we would see the research grains out in the field if something was developed. Smith agrees that there could be difficulties because of KVD and the restrictions it places on some of the grains developed.

Motion by Fenton/Carey:

**“That the Alberta Beef Producers create a Task Force to look at the Feed Grain Research proposal.”**

Carried

(d) Cows and fish funding:

Butters, Chair of Cows and Fish, gave a brief background on Cows and Fish. He stated ABP is a founding member of Cows and Fish and when he last met with SRD he stressed that we are addressing riparian areas with our ESA award. SRD has now signed a MOU with Cows and Fish.

(e) SRM update and strategy:

Butters, Smith and Bergen attended a meeting with government and industry representatives about the Enhanced Feed Ban to assess the degree to which our industry is prepared for implementation of the program. The large packers do not seem to be panicking about the approaching deadline. The outcome is to make sure SRM is out of the food, feed and fertilizer process. West Coast Renderers are in a position to deal with rendering and have a deal with Coronation Landfill, Coronation has not been approved by CFIA yet but should be done this week. CFIA has said that our getting “controlled risk” is a result of our Enhanced Feed Ban. CFIA, states that they are developing protocols and hope to have everything in place

by mid-June. Dennis Laycroft, of CCA, has stressed that even if we are not at 100% compliance by July 12<sup>th</sup>, our industry will still be providing a greater level of safety than before. The smaller abattoirs have additional time to become compliant but all of their waste material likely will be considered SRMs and this could cause serious financial problems.

On-farm mortality disposal will follow current laws. CCA and the Canadian Meat Council have gone to the government and asked for a two year transition fund to assist with rendering and disposal, particularly for smaller processors and more remote areas.

In the long term landfill is not the best option. One better option is the use of cement kilns that has been proven to kill prions and is a CFIA approved option.

(f) Animal Health Act:

The Act is making its way through legislature. ABP has expressed its concern about the Act. The Intensive Livestock Working Group is also becoming concerned about the Act and some of the other organizations are beginning to look at the Act closer. On June 12<sup>th</sup> the first meeting will take place to look at the regulations. Waller and Bergen will be attending this meeting. We may not be able to stop the Act itself, but we need to voice our concerns during the development of the regulations. Smith believes that the Act will be passed during this sitting.

Smith spoke on Thiessen’s behalf regarding the position of the Cattle Feeders Council regarding the Animal Health Act.

“Be it resolved that the Alberta Beef Producers position on the Animal Health Act be based on the following principles:

- a) That the Act is focused on animal health and food safety concerns recognizing costs and benefits.
- b) That the Act and regulations must not interfere with market mechanisms.
- c) That the Act and Regulations must accommodate commerce and must not create inter-provincial trade barriers.
- d) The Act not duplicate or contradict the powers held by other jurisdictions.

(g) CBC Stampede Breakfast:

Spear explained the CBC offer for the Stampede Breakfast. ABP would have provincial exposure through television, radio and newspaper. Board members will have an opportunity to speak with MLAs and other dignitaries who will also be helping with the breakfast, as well as meeting with the general public. We are being asked to sponsor the breakfast in the amount of \$10,000.

Motion by Primrose/Boake:

**“That the Alberta Beef Producers Board of Directors support the CBC Stampede Breakfast in the amount of \$10,000.00 with a first refusal option for next year.”**

Carried

The Board consensus was that they should be able to attend the Stampede Breakfast and travel for the Board of Directors meeting the next Thursday as well. Board members will let Rosanne know as soon as possible whether they will be able to attend the Breakfast.

## **5. In Camera Session**

## **6. Items for Discussion**

(a) Semi-annual agenda:

Smith brought the agenda forward for the Boards information.

(b) Age Verification Working Group:

Burton reported on the Age Verification Working Group and discussed a payment for producers to adopt age verification. The Executive met with Minister Groeneveld and his ADMs and they seemed to be on board with this idea and suggested a possible \$5.00 payment for the first year, \$3.00 payment for the second year and mandatory age verification after that. ABP would not oppose the government paying the producer money for age verification, but would absolutely oppose mandatory age verification. The message ABP Executive gave the government was that we would have nothing to do with a program that demands mandatory age verification. Primrose stated that if we do not age verify our cattle we will not be able to market them outside North America. McKnight suggests that the producer be reimbursed in some way when someone accesses the age verification information. Davis believes that McKnight has a point but when producers insisted upon anonymity they made getting that information difficult. Morrison does not see any tangible benefit for the producer to age verify their cattle at this time though that may change in the future. Burton says if we do not do whatever we can to export our cattle, our industry will begin to have problems and age verification is just another tool we can use to move beef. Burton believes that it will take about two years for age verification to become self sustaining. If after two years there is no difference from current levels than it should be allowed to fade out of existence because it obviously is not working.

The Board supported the Executive decision regarding payment for age verification but will not support such a program if it included mandatory age verification.

Sawyer noted that we should promote having a “world class producer owned and driven identification system”.

Motion by Burton/Sawyer:

**“That Alberta Beef Producers will enhance our effort to communicate and promote the benefits of age verification to producers.”**

Carried

(c) Beef Promotion for Soldiers:

The BIC barbecue for returning soldiers has occurred, but the Afghanistan barbecue will not be happening.

(d) LICA Update:

Waller explained that the proposed amendments to LICA will be sent to the fall session but that has not yet been confirmed. Now that they have the wording down for the Act, they will go back and fix the regulations.

(e) CCIA Bylaws:

CCIA is mending their bylaws and once they have been reviewed they will be circulated to the members. Primrose says that every province in Canada will have a voting member on the Board of Directors except for the Atlantic Provinces who will have one member. CCA wants two members on the Board. A Special members meeting will need to be held to approve the bylaws. CFIA will also need to approve any changes.

(f) Land Use Framework:

Land Use Framework meetings will be held the last two weeks of May. There is a website where producers can get a booklet and questionnaire that can be filled out and sent in if they are unable to attend the meeting. ABP has applied for reviewer status on the working groups. Smith believes that there will be more opportunities for input.

(g) Resolution and action items:

Smith explained the idea behind the Resolution and action items table and reviewed that status of the items.

(h) Committee Reports:

(i) Technical:

The TC met May 16<sup>th</sup> to look at seventeen proposals that had been submitted to the Committee, of which three were chosen as top priorities for funding with three second tier proposals as back up. The researchers of the top three will be asked to give a presentation of their proposals at the semi-annual. Elgar Grinde will represent the Board at the Barley Development meeting.

(ii) Government Affairs:

There has not been a meeting of GA since the last Board meeting. Eddleston did receive an invitation from the Western Stock Growers to attend a Surface Rights Act meeting on May 31<sup>st</sup>.

(iii) Cattle Feeder Council:

Council met May 10<sup>th</sup>. The theme of the meeting was competitiveness. The Council explored a wide variety of competitiveness issues such as feed grain

research. There was some discussion on the regulatory approval process and the changes that need to be made. The Cattle Price Insurance program covers three basic areas: basis risk, currency risk, market risk. They are also looking at a specific basis risk program as well. These programs are designed to cover normal fluctuations in business only. The Code of Practice for the care and handling of cattle is under review.

(iv) Cattle Industry Council:

Primrose talked about reduced restrictions on imported cattle from the US. There are currently three charges on U.S. cattle. The Animal Transport research project pilot has been launched at Perlich's for a two week period, then will be expanded to other locations. Morrison will be meeting with Gordon Doonan tomorrow regarding transportation regulations.

(v) Promotion:

Fenton presented a complete Promotion Committee report. The Promo committee is sponsoring the Calgary Marathon and we may have one or two corporate teams running in the event. The Tune-In program now has drafted scripts.

(vi) Public Affairs:

Environmental Stewardship Award requests for nominations have been sent. PA is hosting a Chinese Delegation on June 19<sup>th</sup>. Sawyer attended a Watershed meeting. AFAC met with Groeneveld yesterday for a get to know type of meeting. The first Train The Trucker Program began at Olds College today and the response was impressive. Sawyer said they have been asked to take the program nationally. For general information purposes Sawyer explained that AFAC will be putting some profile on animal emergency response programs and have committed to funding some of the training. AFAC would like to see five or six of these across the province. PA has completed Terms of Reference and found some confusion as to how they fit with other committees. They have suggested a change in name to Environmental and Animal Welfare Committee.

(vii) Producer Liaison:

Maser voiced his appreciation of having a staff person to assist him. Maser said that if ABP has to put out a special information bulletin in the newspaper regarding age verification they are prepared to do that. The jingle that was once used on Cattle Country has been cancelled because we discovered it was copyrighted. They have a new jingle that Maser says they will copyright as their own.

(viii) Quality Starts Here:

Boake supplied a written report that has been added to the Board package.

(ix) CCA:

It looks like Rule 2 is still going to go ahead. It looks like everything will be hinging on our OIE status of "controlled risk" which should be announced next week. We can expect a change of birth year date for older cattle entering the U. S. Country of Origin labelling looks like it will be happening though the regulations may change to make it less onerous. Most of our beef is still going into food service. BIC is working on strategies to work around it in the States. Some policy makers are trying to link Rule 2 and Country of Origin. Creek Stone won their case to be allowed to test for market access. Japan is expected to open to under 30 month cattle. Davis believes we need to be pushing just as hard as the States especially if we get "controlled risk" status. Korea is making noise that they will open when OIE gives us "controlled risk" status. Taiwan is still cycling around our BSE reports. It looks like there could be some movement around WTO.

(x) Ernie Israelson:

Exports to Mexico are up a little bit. We have been running almost 20 thousand head cattle a week south of the border as well as feeder cattle.

(xi) Chuck MacLean:

MacLean provided an update on a producer in Saskatchewan with cattle that consumed banned feed and are under quarantine. CFIA came in and told him that the only thing he can do with the cattle is feed them out and sell them to XL packers in Moose Jaw. It is not the feed company that is at fault in this case, but the renderers. One of the producers does not want to settle with the insurance company and wants to go to court. The ranchers would like someone to approach CFIA about their options.

---

**7. General Information**

---

- (a) Beef Supply at a Glance;

**8. Next Meeting Dates**

---

- (a) Semi-Annual Meeting - June 11 – 13, 2007, Fantasyland Hotel, Edmonton
- (b) Board Meeting – Thursday, July 12, 2007 – Calgary
- (c) Board Meeting – Thursday, September 20, 2007 – Calgary
- (d) Board Meeting – Thursday, October 18, 2007 – Calgary

- (e) Board Meeting – Thursday, Possible November 22<sup>nd</sup> or 29<sup>th</sup> depending on fall meetings schedule – Calgary (to be selected)
- (f) Annual General Meeting – December 9 – 12, 2007 – Calgary, Sheraton Cavalier Hotel

**9. Adjournment**

---

The meeting was adjourned on a motion by Morrison at 2:20 p.m.

---

CHAIRMAN

---

GENERAL MANAGER