

March 31, 2017

## Annual Report 2016-17

Report by Chair, Linda Allison

I am pleased to present this report on behalf of the producer members of the Cattle Industry Development Council.

### Increasing Check-off

The cattle industry in BC has supported the move to increase the national and provincial check-off and with the Order In Council signed, CIDC will be implementing the \$5 per head check-off on September 1 of this year. \$2.50 is the non-refundable, national check-off which supports national efforts of promotion and research, the other \$2.50 is the refundable provincial portion which goes toward development of the BC industry through support of provincial association projects. CIDC was encouraged by the overwhelming support by producers to continue to support the check-off. The first increase in 20 years for the national check-off was long overdue, and was essential to enable Canada Beef and the Beef Cattle Research Council to continue their work to achieve goals of the National Beef Strategy.

### CIDC Income

Collections for this year are about five per cent less than last year: CIDC received check-off on 235,721 head of cattle for total check-off of just slightly behind head of the previous year; collection on 249,264 head for total check-off collected of \$707,163. This is a concern to us since the producer association projects are funded through the check-off dollars. Producer refunds remain low at less than one percent (1,002 head of cattle). Dealer refunds on 11,730 head were about the same as last year. In this past year, \$58,262 was received from BC cattle sold in Alberta and Saskatchewan (inter-provincial check-off). Council appreciates the efforts of the many agents, dealers, sales yards and slaughterhouses, and Ownership Identification Inc., who all assist in the collection of check-off at time of sale or slaughter.

Earnings of the Beef Cattle Industry Development Trust was available for Association project funding to trigger a match for the check-off dollars. These matching dollars have enabled the CIDC to continue to support the associations' applications for project funding. In the 2016-17 funding window we were able to support the four provincial cattle association applications with \$594,000. In addition, \$121,621 from the check-off funds was provided to assist with BC's assessment for participation in national organizations (Canadian Cattlemen's Association and National Cattle Feeders' Association).

### National Check-Off

Currently \$1 per head of the check-off in BC is the non-refundable national check-off. On behalf of BC producers, \$235,721 was remitted to support the national and international efforts of promotion, marketing development and research. Linda Allison (CIDC Chair) serves as BC's representative to the National Check-off Agency that she also chairs. "Canada Beef" was formed to combine the work of the national collection agency, BIC and CBEF. At a 2015 meeting of the provincial funders, including CIDC, several suggestions came forward to the Canadian Beef Cattle Market Development, Promotion and Research Agency relating to management of the checkoff dollars. During the last fiscal year many changes have been made in the management of national check-off. Melinda German was hired as the Manager of the checkoff. Melinda deals exclusively with the checkoff dollars, ensuring they are spent according to provincial allocations and within the terms set out by Farm Products Canada. Melinda has increased communication with the Provinces and is currently helping them redo their service agreements. Rob Meijer moved to a new position with JBS last September and Canada Beef will have a new Executive Vice-President in place in May. The elected Board of Directors remains the same, however separate meetings are held to discuss Canada Beef business and Agency (check-off)

business. This separation of the business is working very well. Representatives from BC also participated in Canada Beef Inc.'s annual forum in August, and in provincial association meetings that discussed implementation of an increase to the national check-off.

### **Beef Cattle Industry Development Fund Trust**

Since 1995, the Beef Cattle Industry Development Fund has contributed over \$12.5 million to projects that benefit the beef cattle industry. The Trust has an expiry date of 2075, so with thoughtful planning the income from the Trust should sustain our industry for many years to come. Having this security Council can make longer term decisions. CIDC undertook a review of our investments again last year and regularly looks at ways to improve the portfolio. While earnings were off after 2009, and the fund had to be closed to general projects; in 2015 improved earnings allowed us to set up a three-year strategy to accept general project applications. 2016-17 is the third year and we will be reviewing our Fund in anticipation of accepting further general applications..

This three-year window provided \$586 thousand to 23 projects enabling \$3.2 million in project activity (in addition to the funds for the provincial associations). Our investment returns are still very low in the BCID Trust..This continues to be a concern that the CIDC is watching closely but we are hopeful that we can continue funding general applications. September 30 is the next deadline for general applications.

The BCID Fund continues to operate with a schedule of priorities developed under these headings:

- Build Industry Association Capacity
- Build the BC Beef Advantage
- Build Industry for Sustainable Growth
- Build Opportunities through Research

### **Young Ranchers Research Forum**

CIDC, with funding from the Beef Cattle Industry Development Fund, initiated a one-day Young Ranchers Research Forum. It was encouraging to see the young producers at the forum and to hear their ideas. This was a facilitated discussion and we are still receiving feedback from those in attendance. The idea was to provide a venue to facilitate discussion amongst young producers and what a success it was. We hope to see many of those young producers at the BCCA AGM this year.

### **Presidents' Meeting**

Last year the association presidents joined with CIDC at the CIDC annual meeting, with guest Melinda German updating on the National Beef Strategy and her then-recent appointment as manager of the National Check-off Agency. Council and the presidents met again on May 2 of this year. The sharing of information between the associations at these informal meetings is invaluable.

### **Horn Levy**

The Horn Levy of \$10 per head of cattle sold with horns is collected in BC and managed by a Committee that meets independently of CIDC. The funds collected are available for associations that have cattle-producing members for projects to benefit the cattle industry. In 2016-17, five projects were approved, which leveraged \$10,622 of the Horn Levy Funds.

Our thanks to the representatives on the Horn Levy committee: August Bremer (BCACF) is the committee chair and Bill Bentley (BCCA) is vice-chair. They served together with Leroy Peters (BCCA), and Marvin Tonn (BCBFA). Bob Miller of OII and Geneve Jasper (BC Ministry of Agriculture, Livestock Lead) also participates in the meetings.

### **Communications**

Council's website [www.cattlefund.net](http://www.cattlefund.net) is regularly updated and maintained for producer information. We provide written updates and advertise in *Beef In BC* and *Country Life in BC*. A newsletter was produced and distributed last fall. Council members are always available to provide updates to local/regional meetings. The annual meeting was held in Kamloops last year, at the time of the special association presidents' meeting. If your region is interested in hosting Council or would like a presentation, please contact us.

## Representation

This year Council accepted the resignation of Grant Huffman who had represented BC Cattlemen's Association for the last ten years, also Bill Freding passed away just after being re-appointed as representative of the BC Association of Cattle Feeders. New members to Council, Martin Rossmann (BC Cattlemen) and Haley Rutherford (BC Association of Cattle Feeders) have joined with those continuing to serve: Thomas Wynkers and Gary Baars representing the BC Dairy Association. The BC BC Breeders and Feeders Association representative is Connie Patterson, and from BC Cattlemen's Association are John Anderson, Bill Bentley and Linda Allison. British Columbia is unique in that we are the only province that administers the checkoff through a Council consisting of members of our four producer associations. The members of the Cattle Industry Development Council continue to work co-operatively for the best use of funds paid by producers.

I would like to thank the Council members for their commitment this year as they worked to ensure that the BCID Fund and check-off dollars are spent for the benefit of the beef industry in BC.

Respectfully submitted,

*Linda Allison*, Chair  
Cattle Industry Development Council

## Council Members:

BC Association of Cattle Feeders: Haley Rutherford (Merritt)

BC Breeders and Feeders Association: Connie Patterson (Dawson Creek)

BC Cattlemen's Association: Linda Allison, Chair (Princeton), John Anderson (Merritt),  
Bill Bentley (Progress), Martin Rossmann (Quesnel)

BC Dairy Association: Thomas Wynker, Vice-Chair (Hixon), Gary Baars (Rosedale)

