

Livestock Marketers of Saskatchewan 2014 Annual Report

ANNUAL GENERAL MEETING
January 22, 2015
Queensbury Convention Centre
Regina, SK



Livestock Marketers
of Saskatchewan





On behalf of the Government of Saskatchewan, I would like to welcome you to the Livestock Marketers of Saskatchewan's annual general meeting.

Livestock marketers are an important part of the province's livestock sector. Your role in the production chain helps ensure Saskatchewan remains home to a strong and vibrant livestock sector.

This past year has been a particularly good one for livestock. Producers have seen record-high pricing, and increased efforts have been made to raise awareness and promote the sector.

The Government of Saskatchewan is dedicated to maintaining the livestock sector's strength and vibrancy, and has developed the Saskatchewan Livestock Strategy as part of the Saskatchewan Plan for Growth.

The strategy was developed to help guide livestock development in the province, as well as increase the contribution the livestock sector makes to the province's

economy. The strategy's target is to increase our annual livestock farm cash receipts to more than \$2 billion by 2020.

We also saw the successful rollout of the Western Livestock Price Insurance Program this spring, which allows cattle and hog producers to manage unexpected price declines. Livestock marketers, who supply pricing information, are vital to the success of this program.

Because of the work of livestock producers, organizations like the Livestock Marketers of Saskatchewan and others involved in the livestock sector, Saskatchewan's livestock industry continues to be strong.

I wish you a successful annual general meeting and I look forward to working with you in the future.

Lyle Stewart
Minister of Agriculture

Message from the LMS President

~ *Bob Blacklock*

2014 was a busy year for LMS, particularly as hosts of the Livestock Markets Association of Canada (LMAC) Convention and Canadian Livestock Auctioneer Championships in Regina in May.

With over 120 registrants from Western Canada, Quebec and Ontario and more than 70 sponsors, the 35th Annual Livestock Markets Association of Canada Convention exceeded expectations of both the participants and the organizing committee. Hosting the LMAC convention provided an opportunity to showcase our province and Saskatchewan auction markets to participants from other parts of Canada. We're proud that we were able to demonstrate LMS' strong industry presence to those in attendance.

We put on a terrific event for our registrants. Our efforts generated significant funds for LMAC and LMS. Thank you to everyone, whether as a member of the organizing committee, a sponsor or a participant, who helped make the 2014 LMAC convention a resounding success. Give yourself a pat on the back for a job well done!

As the organization that represents livestock auction markets, assembly yards and order buyer/dealer stations in Saskatchewan, we continue to work with government and other partners to address issues that affect our industry. Our work and collaboration with the Saskatchewan Ministry of Agriculture and others related to the Price Insurance Program and Premises Identification were reflected in the producer information seminars for beef producers and auction market staff that we organized in February and March.

Since 1972 when LMS first came into existence, our goal of serving our members proves that we are still as viable an organization as we ever were. Our method of selling is quick, efficient, effective, safe and fair. We need to be more active in telling the good story that we live every day.

We look forward to another successful year in 2015. Thank you to all our directors who volunteer their time on our board to ensure that LMS represents members as effectively as possible.

This wraps up my last year as President of LMS and my tenure on the LMS Board. I have been proud to serve the industry and work with each and every one of you in advancing livestock marketing in Saskatchewan. ■

Message from the Executive Director

~ Adele Buettner

A number of events and activities were organized for LMS members over the past year to support and ensure sustainability of the livestock industry.

In February and March 2014, the LMS Traceability and Herd Health Information Series hosted 450 livestock producers and over 70 auction market employees at 10 locations around the province. Topics included improving the profitability of cattle operations, Livestock Price Insurance and Saskatchewan's Premises Identification Program. The educational sessions were intended to assist those involved in the cattle industry to improve their operations as a way of saying thank you to customers and provide them, along with staff, with practical and useful information.

Thank you to our host auction markets: Cowtown Livestock Exchange, Maple Creek; Edwards Livestock Centre, Tisdale; Heartland Livestock Marketing Centres in Lloydminster, Moose Jaw, Prince Albert and Swift Current; Saskatoon Livestock Sales; Mankota Stockmen's Weigh Co.; Weyburn Livestock Exchange; and Whitewood Livestock Sales.

Funding for the seminars was provided by: Agriculture and Agri-Food Canada and the Saskatchewan Ministry of Agriculture through the Saskatchewan Livestock Traceback Initiative (Growing Forward 2); Bio Agri Mix; and Merck Animal Health.

In 2014 LMS was also proud to host the Livestock Markets Association of Canada (LMAC) Convention and Canadian Livestock Auctioneer Championships May 22-24, 2014 in Regina and Moose Jaw. Heartland Livestock Services in Moose Jaw, the oldest continually operating auction market

in Canada, served as host for Friday's auctioneer competitions. The Annual General Meeting took place Saturday morning. A tour of the RCMP Heritage Centre and Training Depot and the Awards Banquet completed the agenda for the day.

Members of the provincial organizing committee for the convention included Bob Blacklock, Stockmens Assistance Corp.; Mike Fleury, Saskatoon Livestock Sales; Joe Jackson, JGL Livestock, Moose Jaw; Rhett Parks, Whitewood Livestock Sales; Roy Rutledge, Weyburn Livestock Exchange; Stewart Stone, Heartland Livestock Services; and John Williamson, Mankota Stockmen's Weigh Co. Thank you, gentlemen, for all your efforts in making the 2014 LMAC Convention a memorable and successful event.

To promote careers in livestock marketing, LMS has been working with Professor Robert Roy from the College of Agriculture and Bioresources at the University of Saskatchewan to become involved in the Grain and Livestock Marketing course. Joe Jackson and Stewart Stone will be guest lecturers and each present in three classes in January and February 2015.

LMS continues to look for opportunities for member education and enhancement of the industry. Whether organizing producer information sessions, or developing initiatives involving the development of young people in becoming our future members, the board strives to do their best to enhance livestock marketing in the province. Speaking with a common voice on issues that affect us all lends strength and credibility to our industry. ■

LMS Aims & Purpose

- To promote, foster and advance the auction method of competitive marketing in the livestock industry.
- To otherwise promote, foster and advance open and fair competition in the marketing of livestock.
- To secure uniformity in customs and grade practices in the marketing of livestock.
- To safeguard and improve the operations of persons engaged in the marketing of livestock in the best interests of producers, buyers and sellers of livestock.
- To prepare and distribute educational, statistical and economical information pertaining to the livestock industry and livestock marketing.
- To formulate and recommend plans and measures to protect and promote the welfare of the livestock industry.
- To advocate the enactment of appropriate laws, whether statute or regulation, affecting the marketing of livestock and the livestock industry, and to make representation therefore to any federal, provincial, municipal or other regulatory authority.
- To aid in improving measures to assure financial protection for producers, brokers, dealers, buyers and sellers of livestock.
- To develop safe handling practices that ensure both animals and market staff are treated under the best possible safety standards.

Livestock Markets Association of Canada (LMAC) Report

~ Ken Perlich, LMAC President

The past year has provided a healthy dose of optimism for the cattle business. Record high cattle prices, affordable feed grains, beneficial currency moves and the promise of continued beef demand are all painting a rosy picture for the future of our industry.

Even during the best of times we have to remain aware of the potential challenges that may hinder our ability to operate as cattle marketers in Canada. These challenges include keeping staff and animals safe, tight labour markets and increased regulatory burden.

The Livestock Markets Association of Canada (LMAC) and its members are committed to animal welfare. There are no excuses for treating animals badly; plus it's bad for business and it hurts the bottom line. For years LMAC members have strived to move cattle with the respect they deserve and in the most efficient and effective manner. We will continue to do so. Remember, good husbandry is good business.

The cattle and beef sector is facing a labour shortage. Changes to the Temporary Foreign Worker Program have intensified the problem. This may not affect you directly, but if a packer or feedlot is forced to close its doors, we may all feel the consequences. Please let your political representatives know that we need a permanent solution to this problem.

As cattle marketers, we need the right people and we need to place them in an environment where they can strive, thrive and survive. Establishing and enhancing plans and

processes to ensure workers are safe will pay huge dividends into the future.

On the regulatory front, the past year has been filled with traceability consultations and tagging site declarations. In 2016, barring election interruptions, a new piece of livestock traceability legislation will be put into effect. LMAC representatives on Canadian Cattle Identification Agency (CCIA) and the Industry-Government Advisory Committee (IGAC) on Traceability have been working tirelessly to ensure that grouped animal movement is endorsed as an acceptable form of movement tracking at intermediate sites such as auction markets and buying stations.

In an effort to tighten tag inventory controls, CCIA is now selling tags through a central clearing house. They have also changed their policies for tag dealers and are requiring cattle tagging sites to self-identify. These are small, often irritating, changes that are more bureaucratic than need be. That aside, most of those who needed to make adjustments in order to comply have done so. This type of cooperation on the part of our membership shows our commitment to traceability. LMAC will continue to work to ensure that this commitment does not go unnoticed when the new regulatory framework for traceability is enacted.

Finally, tell everyone you know that open markets are the surest way to get the right product to the right place, at the right time and in a form that is demanded. We've known this for years – we just have to promote the idea. ■



Committee Updates

~ Stewart Stone, LMS Vice President

Livestock Services of Saskatchewan Inc.

An industry review of the brand inspection services resulted in the transfer of administration of brand inspection to an industry-led organization, effective January 1, 2014. The programs transferred to Livestock Services of Saskatchewan Corporation (LSSC) were the brand inspection/permit services, brand registry, and dealer/agent licencing.

The industry's evaluation of brand services determined that retention of brand inspection was important in the integrity of cattle movement and identification. There are many stakeholders that rely on the brand inspection system including financial institutions, Saskatchewan SPCA, government agencies, markets/dealers, truckers, etc.

The eight-member board of the new Livestock Services of Saskatchewan Inc. is comprised of representatives of Saskatchewan Stock Growers Association, Saskatchewan Cattlemen's Association, Saskatchewan Cattle Feeders Association, Livestock Marketers of Saskatchewan and the Saskatchewan Horse Federation. LSSC and Ministry staff also play an active role in board discussions. The board functions in a collaborative manner. Harold Martens is the board chair and Mark Elford is Vice-Chair. Stewart Stone has been the LMS representative on the board and also serves on

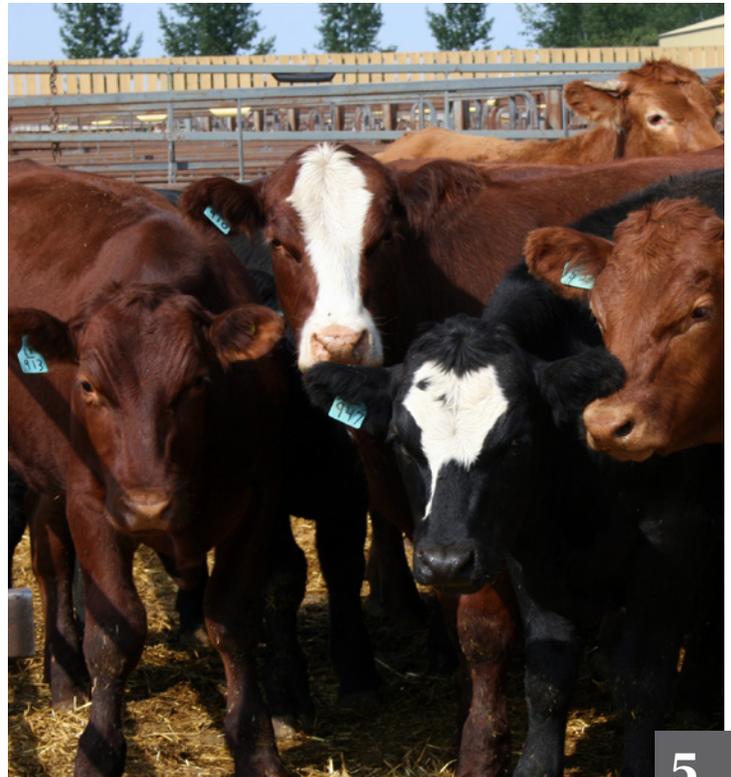
the LSSC executive. The board met in person ten times during the year and held an additional six conference calls.

The past year has been very busy for the board and staff. Much of 2014 has been spent in the transition from government to the new structure. Cam Wilk was appointed Chief Executive Officer in February. Operating policies and procedures have been established for the new organization. A five year strategic plan has been developed. Various initiatives and options have been identified and will be investigated over the next couple of years.

A considerable amount of effort has also gone into data management and future plans as the government LIMS data management system is inadequate and obsolete. Replacement of the system will be a priority for LSSC.

Minister Stewart also announced an inspection fee increase to \$2.75 per head, effective January 1, 2015. LSSC recommended that the fee be increased as brand inspection services move towards self-sufficiency.

As LSSC moves into its second full year of operation, emphasis will focus on fulfillment of the strategic initiatives identified in the strategic plan. Any input from LMS members is welcome. ■



Committee Updates *continued*

Saskatchewan Ministry of Agriculture – Livestock Strategy Consultation

In an effort to develop strategy consensus, the Ministry invited stakeholders (including LMS) to two meetings (August and December) to seek consultation on initiatives. The August meeting focussed on three areas for industry:

1. Input on position regarding security declarations on manifests. We reiterated the LMS position that we are in support of including a security declaration on the manifest.
2. Input on the importance/future of the Horned Cattle Purchases Act. We responded that while noting the market will discount horns if appropriate, the LMS position is that this is a producer issue and will defer to the producer organizations for a decision.
3. Input on positions regarding the Assurance Funds for producers and dealers. We responded that, while we have concern that a producer assurance fund could mask other problems in the marketing process, LMS would defer to producers if there is widespread support for such a fund. With respect to a dealer assurance fund, LMS is opposed as solvent dealers would be subsidizing dealers without sufficient financial backing.

The December meeting concentrated on broader concepts such as growth opportunities for the Saskatchewan livestock industry and sought input on how the Ministry can assist in moving forward to capture potential growth opportunities.

LMS appreciates the Ministry's proactive initiative to include industry (and in particular LMS) in setting the direction for the industry and hopes similar consultation continues into the future. ■

Premises Identification (PID) Communications Meeting

As part of the national traceability initiative, the provincial Ministries of Agriculture have the responsibility of developing and populating their respective provincial premises identification data. While some provinces have implemented a mandatory registry, Saskatchewan has opted for a voluntary registry. The Saskatchewan Ministry of Agriculture has experienced some delays in developing the database. However, this past summer the Ministry employed staff to contact the registrants of the CCIA database and have them re-register in the provincial database.

LMS, along with producer organizations, have been asked to participate in the communications effort as the Ministry works to register all Saskatchewan livestock producers. There were a couple of information meetings held in 2014 and it is anticipated that a comprehensive communications program will emerge sometime in 2015. ■



Livestock Marketers
of Saskatchewan

President:

Bob Blacklock
Stockmens Assistance Corp.
stockmens@sasktel.net

Vice President:

Stewart Stone
Heartland Livestock Services
Corporate Office
stewart.stone@hls.ca

Past President:

Rhett Parks
Whitewood Livestock Sales
rhettparks@hotmail.com

Joe Jackson
JGL Livestock
joejackson@jgllcattle.com

Roy Rutledge
Weyburn Livestock Exchange
wle@weyburnlivestock.com

John Williamson
Mankota Stockmen's Weigh Co. Ltd.
mankotastockmens@sasktel.net

Executive Director:

Adele Buettner
AgriBiz Communications Corp.
office@agribiz.ca

Bay 6A - 3602 Taylor Street East
Saskatoon SK S7H 5H9
Telephone: 306-933-4404
Fax: 306-244-4497
Email: office@agribiz.ca
Website: livestockmarketers.ca