

**Canadian Sheep Federation
Annual General Meeting
November 24, 2005
Extended Stay Deluxe Hotel
Ottawa, Ontario**

Present: Juan Salas (Mexico), Graham Reid (SPANS), Dan Ferguson (SPANS), Randy Eros (MSA), Rob Smith (MSA), Jamie Heffer (OSMA), Vince Stutzki (OSMA), Richard Davies (PEI), Rod Hennecker (BCSF), John Hemsted (OSMA), Dwane Morvik (SSDB), Randy Jordan (SSDB), Mundon Reid (SPANL), Penny Stapleton (BCSF), Laurence Read (ASWC), Florence Henning (ASWC), Grant Massie (ASWC), Nelson Bowley (MAFRI), Jonathan Wort (OSMA), Chara Coulter (OSMA), Andre Trepanier (FPAMQ), Ndeye Marie Diallo (FPAMQ), Brian Trenholm (NB), Ron Walsh (SPANL), Dorothy Sloan (CCWG), Eric Bjergso (CCWG), John Balderson (CCWG), Don Acres (CSBA), Jennifer Fleming (CSF), France Lanthier (CSF)

Absent: Brian Greaves (with regrets), Brian Atkinson, Margaret MacDonald (PEI)

Meeting called to order at 8:35 a.m.

Voting procedure

Alberta and Saskatchewan have two votes, Ontario and Quebec have 3, B.C., Manitoba, Newfoundland, Nova Scotia and P.E.I. have one vote.

Motion: To accept the agenda as circulated. Moved by John Hemsted. Seconded by Randy Eros. Carried (unanimous)

Motion: To accept the minutes from the 2004 AGM as circulated. Moved by Randy Eros. Seconded by John Hemsted Carried (unanimous).

On-Farm Food Safety (OFFS)

France Lanthier provided the group with an update of the On-Farm Food Safety Program and the Canadian On-Farm Food Safety Working Group activities.

Producers expressed concern about who was going to pay for the audits.

There was discussion surrounding the OFFS programs becoming mandatory, with mention of the Haines Report from Ontario in which OFFS programs are mentioned in the recommendations. There has also been restructuring at Ontario Ministry of Agriculture, Food and Rural Affairs and Manitoba Agriculture Food and Rural Initiatives and the creation of Food Safety divisions.

There seems to be a lack of interest at the producer level.

There was discussion around having one farm per province, on the program, documenting the costs of implementation.

Jamie Sefton and Warren Smandych from the Canadian Food Inspection Agency presented the CSF with their letter of technical completion.

1 hour presentation & discussion

John Masswohl Director of International Relations with the Canadian Cattlemen's Association

Mr. Masswohl provided an update on the current situation with the US border. The USDA rule regarding breeding stock, older animals and older meat is anticipated to be released in approximately six months. It is believed that there is a desire to have the rule circulate and commented on before the 2006 Congressional Elections.

Sheep along with goats, however, have been taken out of the rule. It is believed that they have been separated from cattle because of scrapie and because there is the possibility that there could be BSE in sheep (and BSE was diagnosed in goat).

The fact that we do not have active surveillance for scrapie in Canada and we cannot clearly demonstrate that we do not have BSE in sheep is a stumbling block in terms of ensuring trade is resumed with the U.S.

A risk assessment for sheep and goats will be conducted and rule written. This however, is not anticipated to be a quick process.

Mr. Masswohl encouraged the CSF to spend time meeting with our counterparts in the U.S. and increase the sheep profile.

There was discussion around the need for the government assistance in establishing an active surveillance program.

Dr. Penny Greenwood, Canadian Food Inspection Agency

Dr. Greenwood provided an update on the proposed feed ban regulations.

It was reiterated that Specified Risk Materials (SRMs) are specific to cattle. The issue is how rendering plants are going to handle SRMs as they are not allowed to go into any food for any animal.

If a plant was dedicated to handling SRMs, then the possibility exists that they could also be able to handle deadstock for the sheep and goat industries.

Scrapie

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Dr. Greenwood reviewed the major changes to the CFIA scrapie program that were implemented on December 1, 2004.

Producers who have a diagnosed case of scrapie in their flocks now have the choice of either total depopulation or to do triage genetic testing. There have been two diagnosed cases in Quebec where the producers have opted for total depopulation.

Dr. Greenwood expressed concern by the lack of interest in the genetic testing option, especially since it would allow producers to attain a scrapie free flock status within two years. Not to mention the number of years that the industry has been requesting the CFIA to implement a genotyping option.

Producers can also call the CFIA to test suspect animals (e.g., poor doers, moribund, locomotor problems with an appetite).

Given the fact that the last three flocks in Quebec where scrapie has been diagnosed have opted for total depopulation, Dr Greenwood indicated that she would like to see the CSF pull the option of total flock depopulation. As a caveat, the CFIA would cover the cost of genotyping all replacement ewe lambs, for any infect premises, purebred or commercial.

There was a suggestion made that a discussion group for producers who have had scrapie on their farms be developed for the Scrapie Canada website.

Scrapie surveillance

A scrapie surveillance summer project was conducted in Ontario this past summer. Seven provincial abattoirs participated in the project with 200 samples being taken. Of those 200 samples, there were no positive tests for scrapie.

Dr. Greenwood has also managed to have some salesbarns agree to have deads tested. To-date 8 samples have been taken for the Ontario Stockyards with one positive test result.

Dr. Ed Empringham – Canadian Animal Health Coalition

Dr. Empringham gave a presentation on the projects that are currently being implemented by the Canadian Animal Health Coalition (CAHC). The sheep industry currently has representation on the Zoning project, for which Phase I will be completed in January 2006.

Juan Salas Mexican Sheep Federation

Mr. Salas gave a presentation on the Mexican sheep industry; indicating that sheep industry is growing in Mexico and currently there are over 6,417,060 sheep in the country. Other interesting facts:

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- 35% of their sheep are hair sheep
- 95% of consumption is surrounding Mexico City
- In 1997 Mexico imported 750,000 sheep from Australia – majority of which was breeding stock
- Mexico produced 45,000 tonnes of lamb and that is increasing
- They imported 33,278 tonnes
- 85,949 live sheep were imported for slaughter from the U.S. but that dropped 31.9% from the year 2002 to 2004 due to the increase in Mexican production
- Breeding stock has not been imported since 2003 – some embryos and semen
- Production rate increased 35% in last 5 years
- Imported lamb still represents 44% of consumption, despite drop of 30.5% in rate of importation
- Prices increased 10% last year
- sheep ID is mandatory, sheep must have an identification tag if they are going to slaughter or moving pastures (electronic tags ~\$4.50/tag)
- They are using the Allflex tags

There was some discussion with regard to the MOU that the ASI circulated for the North American Sheep Coalition.

Motion To accept in principle the MOU. Moved by John Hemsted. Seconded by Randy Jordan. Carried (unanimous)

Jonathan Wort Presentation – Scrapie Projects Update Fall 2005

Jonathan reviewed both the National Genotyping Program and the Voluntary Scrapie Flock Certification Program.

There was some discussion around producer response to the program as participation is not as high as it was expected.

30 minutes

Blue Tongue & Anaplasmosis

East of Manitoba border, producers can bring in breeding stock from a low risk states without any problems.

Research has been conducted in Lethbridge on *Culicoides sonerensis* midges to see if there is vector competence for Blue Tongue {BT} in Western Canada. In feedlots with good water management systems, there were low levels of midges. However, out on the rangelands there were higher levels.

Research has also been conducted in California which indicates that for a cow to contract Blue Tongue, they need 50 infected midge bits. Given that information, cattle in Alberta

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feedlots had less than 10% of the required number of bites. However, in cattle in the rangeland site it was possible that they could receive 50 bites per cow.

The point being made is that the midges responsible for the spread of Blue Tongue are here in Canada, in rangelands more than in feedlots. The question becomes the difference between vector competence and vector capacity (ability to carry disease vs. ability to create the disease in the animal).

In addition, it is not known how many midge bites it takes to infect sheep and if sheep are more susceptible to Blue Tongue than cattle.

The disease spread is also temperature dependent, with a maximum temperature needing to be met consistently over a certain period of time in order for the disease to develop. If the disease does not manifest itself in 60 days, then the infectivity is eliminated.

The ASI is looking for the Canadian sheep industry to support changes the regulation with regard BT and the importation of feeder lambs and goats (not breeding stock).

The CFIA currently conducting a risk analysis for sheep and wildlife, which is scheduled to be released on December 19th.

Anaplasmosis {AN}

Not a real problem with sheep. Issue really for sheep is Blue Tongue.

If the CIFA takes BT and AN off the reportable disease list then we won't eligible to receive compensation from CFIA in the event of an out break. these diseases would most likely be removed from the reportable disease list if regulations we significantly relaxed.

The CSF would not make a decision in regards to Blue Tongue/Anaplasmosis until after the CFIA risk assessment has been reviewed.

Friday November 25

Present: Randy Jordan, Dwane Morvik, Mundon Reid, Fred Baker, Vince Stutzki, Andy Dagenais, Rod Hennecker, Florence Henning, Graham Reid, Laurence Read, Jamie Heffer, Don Acres, Randy Eros, John Hemsted, Andre Trepanier

Absent: Dorothy Sloan

Meeting called to order at 8:56 a.m.

Andre presented the Chairman's report, reiterating what had been circulated in the Chairmen's report and also adding that this year had its share of challenges with the language, faxes, the amount of paperwork. He also indicated that having the Board

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meeting face-to-face only once per year adds to the difficulties. However, it was interesting.

He acknowledged that Randy Eros and Laurence Read are both leaving the CSF Board of Directors.

Quebec has accepted a new check off increase which will improve the financial health of the provincial organization.

He expressed his willingness to be Chair another year at CSF

There was some discussion surrounding the struggle to inform producers on the value of the CSF. With Quebec there are added challenges with the language barrier, different producer programs.

Jennifer gave the Executive Director's report outlining the accomplishments of the year and the priorities that she believes will dominate the CSF's resources for the next year. Those being the Market Development Strategy, the Canadian Sheep Identification Program Strategic Plan, continued lobbying, zoning and the OFFS program.

The Board also indicated that the North American Sheep Coalition and our relations with the Mexican and American sheep industries is also a priority.

Call for nominations

Rod Hennecker nominated Andre Trepanier for Chair

Provincial motions and updates were moved to later in the day.

Eric Aubin and Richard Robinson from the CFIA joined the meeting.

Jennifer presented the Board with the Canadian Sheep Identification Program's Five Year Strategic Plan.

Andy Dagenais, Agriculture and Agri-Food Canada

Mr. Dagenais expressed the Federal government's interest in having the sheep industry move forward with our national identification program.

The animal identification and traceability file has become one of the more important files for the Provincial Agriculture Ministers as they want to take an active role in traceability and animal identification.

Agriculture and Agri-Food Canada is hoping to hear an announcement out of the Federal/Provincial/Territorial meeting that there will be an agreement throughout Canada to move the file forward and to put into place a more comprehensive animal

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identification/traceability program. In so doing, there will be some consultations with the individual animal industry sectors to develop a partnership; working towards ensuring that the process of moving the file forward is fair and equitable for all sectors.

How can the government help us get over it costing us more money?

It was reiterated that the sheep industry is committed to moving ahead with RFID and traceability; but it has to be affordable.

The question was posed as to whether or not the industry would be moving in direction of voluntary premises ID?

Would the industry be willing to speed up the timeline in our Strategic Plan?

There has been discussion that the goal is to have a more comprehensive system in place by December 2007.

There was some discussion around whether or not there is a benefit to the Canadian sheep producers to have a full-scale traceability in place when sheep are not going to be included in the USDA rule. There are increased costs and labour requirements associated with tagging animals, and producers are not feeling that they are getting a financial return for it.

The industry needs to focus on the win/win situations of animal identification such as:

- Enhanced scrapie program
- Better preparedness for foreign animal disease
- Farm management.

Richard Robinson provided an enforcement update from the Canadian Food Inspection Agency. Between November 2004 and October 2005, 985 site visits have been conducted (primarily auction barns), with approximately 140,000 animals, of which 137,000 were tagged. That is a compliance rate of just over 98%.

Thirty-seven penalty processes have begun.

Andy Dagenais concluded by indicating that the sheep industry will be receiving an offer of \$779,880 for the Market Development Strategy; \$10,000 of which will be for program audits.

The Canadian Sheep Breeders Association will be receiving \$301,350 for a genetic marketing program and \$411,760 for a sustaining genetic quality program.

Motion: To move forward with Strategic Plan as presented. Moved by Florence Henning. Seconded by John Hemsted. Carried (unanimous)

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Fred nominated John Hemsted for the Vice-Chair's position

Budget

There was an indication that usually in the notes of the audit there is detail about the accounts receivable.

There was a general discussion around the office equipment.

Motion: To accept financials as presented. Moved by Laurence Read. Seconded by John Hemsted. Carried (unanimous)

The Canadian Sheep Federation Board is satisfied that the books are completely in order.

A commitment that was made in 2002/03 to build/establish a reserve fund has been completed.

Motion: To acknowledge that the CSF has attained the goal for a \$50,000 surplus. Moved by Randy Eros. Seconded Fred Baker. Carried (unanimous).

CSIP Administration Fee Discussion

The CSF was \$8,459 over budget for the fiscal year.

There was discussion around whether or not the administration fee for the tag be increased due to the deficit. It was felt, however, that there is a need to have more information regarding when tag sales are occurring and what the inventory at the Wool Growers' is, before that decision is made.

Motion: To maintain administration fee at \$0.10/tag. Moved by Randy Eros. Seconded by Fred Baker. Carried, one abstention.

Motion: To appoint Baristow Smart and Smith as accountants next year. Moved by John Hemsted. Seconded by Florence Henning. Carried (unanimous)

Proposed Budget

Associate members dues

The CCWG sent a letter to the CSF regarding the proposed fee increase from \$1000 to \$1200. They indicated that they would not support the increase as the producers who are members of the CCWG are also members of their provincial organizations and therefore, they in effect, would be paying twice. In addition, the CCWG expressed concern that the CSF was not in support of the wool industry.

The CSBA also indicated that they were not comfortable with a fee increase.

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It was suggested that there could be more discussions between the CSBA, CCWG, CSF, more specifically talking about what each organization can offer for the next year, priorities, areas where they can join forces *et cetera*.

Motion: To accept the Budget as presented and that the salaries be negotiated based on the performance evaluation. Moved by Randy Eros. Seconded by Graham Reid. Carried (unanimous).

It was expressed that the Jennifer was giving the latitude by the Board to explore opportunities to get assistance in the office.

Priorities for the coming year

Market Development Strategy
Genotyping Program
Traceability Program/CSIP Strategic Plan
Relations with associate members
Lobbying – the USDA rule
North American Sheep Coalition

Fred nominated Florence Henning as Chair of the CSF

Florence Henning was voted as Chair of the CSF.

Motion: Disposal of the ballots. Moved by Laurence Read. Seconded by Graham Reid. Carried (unanimous)

Laurence Read nominated Andre Trepanier as Vice-Chair.

Andre Trepanier was voted in as Vice Chair

Motion: Disposal of the ballots. Moved by Graham Reid. Seconded by Randy Eros. Carried (unanimous).

John Hemsted nominated to sit on the Executive
Randy Jordan nominated to sit on the Executive

The Executive Committee

Florence Henning – Chair
Andre Trepanier – Vice-Chair
John Hemsted – Executive
Randy Jordan – Executive

Motion: That the CSIP committee be formed by the Executive Committee, Fred Baker, and the CSBA representative. Moved by Randy Eros. Seconded by Mundon Reid. Carried (unanimous)

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Mundon expressed that the Sheep Producers of Newfoundland would like to host next year's AGM.

To Do: Estimate costs and flights to Newfoundland.

There was discussion regarding changing the dates of the AGM so as not to conflict with Agribition and the U.S. Thanksgiving Holiday. Therefore the AGM will be held the week of November 16, 2006.

Motion: To send a congratulatory note to Howard Morry on his entry into the Atlantic Canada Agricultural Hall of Fame. Moved by Randy Eros. Seconded by Laurence Read. Carried (unanimous).

Randy Eros and Laurence Read were thanked for their commitment to the CSF.

Motion: To adjourn the meeting. Moved by Laurence Read. Seconded by Randy Eros. Carried (unanimous).

Meeting adjourned 4:45.