

Alberta Agricultural Products Marketing Council



Annual Report 2012/2013

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CHAIR'S MESSAGE



Highlights of Doris Ludlage's years with Council

- *Good Governance*
- *Engaging Youth*
- *Building Relationships*

On behalf of the Alberta Agriculture Marketing Council, (Council), it is my pleasure to present our Annual Report for the 2012/13 fiscal year.

Council's vision is that Alberta's 21 marketing boards and commissions strategically lead a prosperous agriculture industry in Alberta. In achieving this vision, Council recognizes the excellent progress that has been made in seizing the numerous opportunities that can exist when producers, processors and governments work together. There will be setbacks and failures, but that is to be expected and should not discourage our efforts. Through understanding and effective communication, we will be successful. With healthy relationships, dedication and the willingness to learn together, we can bring our industry to the next level. Working in silos is no longer an option.

Looking back over the past year, it is exciting to realize the increased amount of collaboration within Alberta's agricultural industry. One example of industry collaboration was the formation of the Alberta Wheat Commission which saw the amalgamation of two existing commissions (soft wheat and winter wheat) into one wheat commission that includes all types of wheat grown in Alberta. Similarly, the formation of the Alberta Oat Growers Commission enables increased collaboration among oat growers in Alberta, Saskatchewan and Manitoba under their Western Canadian umbrella group – the Prairie Oat Growers Association.

As I come to the end of my term with Council and reflect back on the past seven years, I recognize the importance of three things:

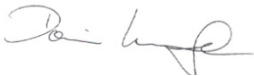
1. Good governance – it is the foundation upon which effective organizations are built;
2. Engaging the next generation – they are our future; and
3. Relationships must be built with trust and communication – and sometimes that takes time.

I have also seen that the 21 agricultural marketing boards and commissions have done an excellent job in recognizing the importance of good governance, engaging our youth, and building relationships with key industry stakeholders. With a continued focus on these three things, I am confident that Alberta's agricultural industry will continue to grow and succeed.

I am sincerely thankful to have had the opportunity to work with the 21 marketing boards and commissions and the Council Board and staff; you have taught me much. I encourage each of you to continue the great work you are doing and to remember that your efforts do make a difference.

In closing, I would like to thank Minister Verlyn Olson for his leadership and support of Alberta's agricultural industry. I would also like to acknowledge the past and current Council Board and staff for all their contributions in making a difference in Alberta's agricultural industry. The appointment of new Council members to replace Kenton Ziegler and myself will bring new skills and perspectives to the Council table. With the appointment last fall of Freda Molenkamp-Oudman as our permanent General Manager leading her excellent team of staff and the anticipated appointment of new Council members, I know that the leadership of Council is in good hands.

Wishing you success and all the best in the future,



Doris Ludlage

GENERAL MANAGER'S MESSAGE



Characteristics of healthy relationships:

- Trust
- Engage in Healthy Debate
- Commitment to decisions and actions
- Hold each other accountable
- Focus on collective achievements and results

2012/2013 was a positive year for the Alberta Agricultural Products Marketing Council (Council). All 78 regulations that support the 21 agricultural marketing boards and commissions were maintained (mandatory regulatory reviews were completed) and Alberta's 21 marketing boards and commissions continue to operate effectively within their respective regulations and policies. Marketing Council also dedicated significant resources this past year to supporting industry collaboration, relationship building, and effective board governance.

Industry Collaboration

In relation to industry collaboration, the most significant accomplishments included the formation of two new refundable commissions: the Alberta Wheat Commission and the Alberta Oat Growers Commission. It is exciting to see how these two commissions are leading their industries and how this leadership is extending past Alberta's boundaries.

Marketing Council also hosted the All Boards and Commissions Meeting on February 6, 2013. The theme of this year's event was 'collaboration' and the feedback received was very positive.

Relationship Building

This past year, Marketing Council responded to several requests to provide resources and tools for building and maintaining industry relationships. The foundation of an effective industry is positive relationships between the stakeholders (all the players in the supply chain). Marketing Council recognizes that parties in effective relationships are led by the following practices and principles:

- They trust one another
- They engage in healthy debate
- They commit to decisions and action plans
- They hold one another accountable for follow through
- They focus on collective achievements and results

Building relationships is challenging work but the alternative is not sustainable. There will be setbacks along the way but the opportunity lies in continuing to build and move forward.

Marketing Council has seen several positive results whereby industry stakeholders have committed to develop a new way of working together which ultimately leads to new culture in which the stakeholders agree to operate.

Effective Board Governance

Marketing Council continues to champion the importance of effective board governance. Over the past year, many of the 21 agricultural marketing boards and commissions have participated in learning opportunities relating to board governance. Several of these learning opportunities have been supported or led by Marketing Council but we are also seeing an increased number of industry-led initiatives in the area of board governance which is very positive. The adoption rate of good governance practices has been excellent and the impact is evident in the leadership that the marketing boards and commissions are providing.

I look forward to continuing to work with Marketing Council Board and staff members as we support the 21 agricultural boards and commissions to strategically lead a prosperous agricultural industry in Alberta.

Here's to another impactful year.



Freda Molenkamp-Oudman

SECTION I: COUNCIL OVERVIEW

Roles and Responsibilities

Our Vision

Empowered marketing boards and commissions that strategically lead a prosperous agricultural industry in Alberta.

Our Mission

We empower marketing boards and commissions by advancing governance excellence, providing integrated policy advice, and administering effective legislation for the benefit of the agricultural industry and government.

Council is an agency established under the authority of the *Marketing of Agricultural Products Act* (MAPA). Council advises the Minister of Agriculture and Rural Development on matters related to the establishment, operation, and management of the agricultural marketing boards and commissions established under MAPA.

Alberta has 7 agricultural marketing boards:

- Alberta Chicken Producers
- Alberta Hatching Egg Producers
- Alberta Milk
- Alberta Sugar Beet Growers
- Alberta Turkey Producers
- Alberta Vegetable (Processing) Growers
- Egg Farmers of Alberta

Marketing boards control the production and/or marketing of the regulated product and operate with a non-refundable service charge.

There are currently 14 agricultural commissions operating in Alberta:

- Alberta Barley Commission
- Alberta Beef Producers
- Alberta Canola Producers Commission
- Alberta Elk Commission
- Alberta Peace Region Forage Seed Growers
- Alberta Lamb Producers
- Alberta Oat Growers Commission
- Alberta Pork
- Alberta Pulse Growers Commission
- Alberta Wheat Commission
- Alfalfa Seed Commission
- Beekeepers Commission of Alberta
- Bison Producers of Alberta
- Potato Growers of Alberta

The commissions have a refundable service charge (all producers pay a service charge but can request a full or partial refund).

MAPA enables marketing boards and commissions to assess and collect service charges which are directed toward building a strong agricultural industry through funding research and development, market development, and advocacy for agriculture-related policy issues.

Council provides assistance and advice to the 21 agricultural marketing boards and commissions on issues relating to board governance, leadership development, strategic and business planning, and regulatory matters.

Council staff also provide administrative support to the Appeal Tribunal, formed under MAPA, to hear appeals under a number of statutes and regulations governing the agricultural boards and commissions.

Strategic Framework

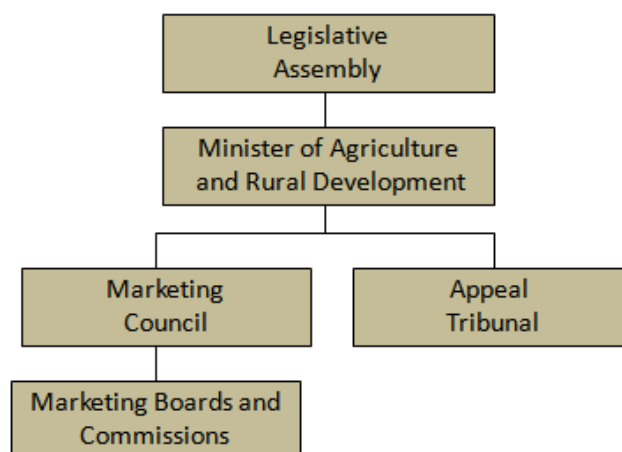
Council has three strategic goals that guided Council's work in 2012/2013:

1. Enhanced industry governance;
2. Outcome-focused policy and legislative frameworks for an evolving industry; and
3. Recognized provider of value to the Minister of Agriculture and Rural Development (owner) and the 21 agricultural marketing boards and commissions (customers).

Organizational Structure

Council and the Appeal Tribunal report directly to the Minister of Agriculture and Rural Development (ARD).

Reporting Structure



Council administers the *Marketing of Agricultural Products Act* (MAPA) and 78 supporting regulations

Marketing Council and the Appeal Tribunal are two independent bodies formed under MAPA.

Council works closely with the Farm Products Council of Canada (FPCC). FPCC is a national body that oversees the operations of Canadian agricultural agencies with national marketing plans (primarily supply management) and Canada Beef Inc.

Council is also member of the National Association of Agricultural Supervisory Agencies (NAASA) which is comprised of the provincial “Marketing Councils” and FPCC. The purpose of NAASA is to work together to understand common issues and build solutions to support the agricultural marketing boards and commissions in Canada.

Composition of Council

Council Board

The Council Board is currently comprised of five producers representing public and industry interests, and one ARD Ministry representative. Council Board members are appointed by the Lieutenant Governor in Council. The Council Board members are:

- Doris Ludlage (Chair)
- Kenton Ziegler (Vice-Chair to May 2012)
- Jurgen Preugschas (Vice-Chair from June 2012 to present)
- Bruce Beattie
- Jamie Curran (Ministry representative)
- Teri McKinnon



Back (L to R): Jamie Curran, Bruce Beattie, Kenton Ziegler, Jurgen Preugschas
Front (L to R): Teri McKinnon, Doris Ludlage

Council Staff

The Council staff members are:

- Freda Molenkamp-Oudman (General Manager)
- Mike Pearson
- Maryann Urbanowski
- Rachid El Hafid
- Rita Hicks (to June 2012)
- Tunde Vari (to November 2012)

Financial Performance

Council operates as part of the budget of Ministry of Agriculture and Rural Development (ARD). Council complies with ARD's financial processes for budget planning and financial reporting. Council's resource requirements are incorporated into the ARD Ministry's Business Plan.

In addition to operating funds received from ARD, Council secured funding through *Growing Forward*, a Federal-Provincial-Territorial Agreement. These funds were utilized to support various industry leadership and board governance initiatives including the All Boards and Commissions Meeting and numerous board governance workshops.

In 2012/2013, Council received over \$350,000 in Growing Forward funding for board governance initiatives including workshops, resource materials, and cross-industry meetings including the All Boards and Commissions Meeting.

“Thank you for a VERY constructive and informative event where we could develop new contacts and gain some insightful knowledge on the diversity AND similarities we have among all the marketing boards and commissions in Alberta.”

**Alberta Wheat
Commission
Board**

SECTION II: RESULTS ANALYSIS

Strategic Goal 1

Enhanced Industry Governance

This goal recognizes the continued need to support effective governance and leadership practices in building a sustainable and competitive agriculture industry.

This goal includes the initiatives delivered and/or supported by Council with the aim of enhancing the knowledge and use of sound governance practices by agriculture-related organizations, Agriculture and Rural Development (ARD) staff, and Council. Activities under this goal included providing and supporting learning opportunities in the area of board governance and leadership.

Highlights of Accomplishments

- Council continued to provide workshops on effective governance practices. Six workshops were conducted with over 100 participants representing nearly 40 different organizations. Fourteen of the 21 marketing boards and commissions participated in these workshops.
- Council worked with 16 organizations to complete a board governance assessment which resulted in the organizations making some significant changes to their governance practices and processes.
- Council provided numerous governance resources to the marketing boards and commissions, ARD staff, and other agricultural organizations upon request.
- Council provided a one-day training session on board governance and facilitation skills for ARD staff.
- Council hosted the All Boards and Commissions Meeting (February 6, 2013) which focused on industry collaboration and the incorporation of social media. There was opportunity for networking and interaction between the marketing boards and commissions, Minister Olson, members of ARD’s Executive Team, and Council board and staff members.

Internally, Council’s Governance Committee continued its work and led Council through its governance-related initiatives including:

- Conducting the annual performance reviews (individual Council members, Council as a whole, Chair, and the General Manager).
- Implementation of processes for recruiting Council members.
- Development of an orientation package.
- Development of new governing policies as required.
- Development of a risk-analysis assessment.
- Review and refinement of Council’s Strategic Plan (2012 – 2014).

Strategic Goal 2

Outcome-focused policy and legislative frameworks for an evolving industry

This goal recognizes the need and importance of effective policies, legislation and regulations in enabling the growth of a competitive and sustainable agriculture and food industry.

This goal includes initiatives to develop and/or review and update regulations policies, and legislation to ensure continuous effectiveness and relevance in response to current and future market, environment, and social conditions. Developing and/or administering regulations, policies, and legislation that enable industry growth and competitiveness remain a core business for Council.

Highlights of Accomplishments

- All required regulatory reviews were completed and all expiring regulations were renewed.
- Several industry-led regulatory amendments were completed. These amendments included increasing the per hive service charge (from \$0.65 to \$0.75) for the Beekeepers Commission of Alberta, increasing the national Milk Promotion and Nutrition service charge (from \$1.29 to \$1.40), governance structure changes for Alberta Pork, and extending the non-refundable status of the national beef levy (\$1.00) to June 30, 2015 with support from Alberta's beef industry.
- The Alberta Wheat Commission (AWC) was formed on August 1, 2012. The AWC represents all wheat classes including soft wheat and winter wheat which were formerly represented through the Alberta Soft Wheat Producers Commission and the Alberta Winter Wheat Producers Commission. Both of these commissions have now been dissolved.
- The Alberta Oat Growers Commission (AOGC) was formed on August 1, 2012. The AOGC provides the mechanism for Alberta to be part of the Prairie Oat Growers Association which represents Western Canadian oat growers.

“Producers recognize the need to have organizations that will serve as a strong voice on their behalf and help ensure the grain industry remains competitive, profitable and on the leading edge of innovation.”

Honourable Verlyn Olson – Minister of Agriculture and Rural Development speaking about the formation of the Alberta Wheat Commission and the Alberta Oat Growers Commisison

Strategic Goal 3

Recognized provider of value to the Minister of Agriculture and Rural Development (our owner) and the Marketing Boards and Commissions (our customers)

This goal recognizes the importance of understanding the expectations of our Minister and the challenges and opportunities of the 21 agricultural marketing boards and commissions.

This goal includes initiatives aimed at increased understanding of Council's role as well as our owner's and customers' needs. Ultimately, the goal is to better serve our owner and our customers for the benefit of the agriculture industry as a whole.

Highlights of Accomplishments

- Council met several times with the Minister, Deputy Minister, and members of the ARD Executive Team in an effort to enhance dialogue between Council and the Ministry. Council kept the Minister informed about activities and achievements of Council through regular correspondence following each Council meeting.
- The Mandate and Roles document, which outlines respective roles, mandates, and responsibilities of Council and the Minister of ARD, was reviewed and updated. The document helps ensure mutual understanding of the Minister's and Council's roles.
- Council met with Alberta Pulse Growers Commission and Alberta Beef Producers, as part of Council's on-going initiative to meet with the marketing boards and commissions to discuss pertinent issues in the industry and to enhance on-going dialogue around strategic initiatives.
- As noted in Goal 1, Council hosted the All Boards and Commissions Meeting on February 6, 2013 which provided numerous opportunities for dialogue, networking and knowledge-sharing.
- Council was involved in several regional and national issue discussions including national allocation for chicken, Alberta's re-entry into the Federal Provincial Agreement for Broiler Hatching Eggs, continuation of the national beef levy, Alberta Barley Commission administration of the national wheat and barley check-off, and potential establishment of research and promotion agencies.
- Council members and staff attended numerous industry meetings throughout the year including regional and annual meetings. Attending industry meetings provided Council with the opportunity to learn more about the industry's challenges and opportunities and ensure that MAPA and the supporting regulations continue to enable industry to appropriately and effectively respond.

"Council has taken on an important role in facilitating the process to build new and effective relationships with members all along the value chain."

Poultry Industry Leadership Group participant

SECTION III: MARKETING BOARDS AND COMMISSIONS INFORMATION

The 21 marketing boards and commissions, created under the *Marketing of Agricultural Products Act* (MAPA), serve as the voice of the industry they represent. More information can be obtained by contacting the boards and commissions directly or by visiting their website.

	<p>Alberta Barley Commission #200, 3601A-21 Street NE Calgary, AB T2E 6T5 Telephone: 403-291-9111 Fax: 403-291-0190 Email: barleyinfo@albertabarley.com Website: www.albertabarley.com</p>
	<p>Alberta Beef Producers #320, 6715-8 Street NE Calgary, AB T2E 7H7 Telephone: 403-275-4400 Fax: 403-274-0007 Email: abpfeedback@albertabeef.org Website: www.albertabeef.org</p>
	<p>Alberta Canola Producers Commission #170, 14315-118 Avenue Edmonton, AB T5L 4S6 Telephone: 780-454-0844 Fax: 780-451-6933 Email: web@canola.ab.ca Website: www.canola.ab.ca</p>
	<p>Alberta Chicken Producers 2518 Ellwood Drive SW Edmonton, AB T6X 0A9 Telephone: 780-488-2125 Fax: 780-488-3570 Email: abcp@chicken.ab.ca Website: www.chicken.ab.ca</p>
	<p>Alberta Elk Commission 48 Campbell Road Leduc, AB T9E 8C8 Telephone: 780-980-7582 Fax: 780-980-7591 Email: info@albertaelk.com Website: www.albertaelk.com</p>

	<p>Alberta Hatching Egg Producers #301, 8925-51 Avenue Edmonton, AB T6E 5J3 Telephone: 780-434-8414 Fax: 780-434-9552 Email: ahemb@telusplanet.net Website: www.albertahatchingeggs.ca</p>
	<p>Alberta Lamb Producers Agriculture Centre 97 East Lake Ramp NE Airdrie, AB T4A 0C3 Telephone: 403-948-8533 Fax: 403-912-1455 Email: info@ablamb.ca Website: www.ablamb.ca</p>
	<p>Alberta Milk 1303-91 Street SW Edmonton, AB T6X 1H1 Telephone: 780-453-5942 Fax: 780-455-2196 Email: msouthwood@albertamilk.com Website: www.albertamilk.com</p>
	<p>Alberta Oat Growers Commission PO Box 20106 Regina, SK S4P 4J7 Telephone: 306-530-8545 Fax: 306 546-2999 Email: Smathieson@poga.ca Website: www.poga.ca</p>
<p>Alberta Peace Region Forage Seed Growers</p>	<p>Alberta Peace Region Forage Seed Growers Box 6135 Fort St. John, BC V1J 4H6 Telephone: 877-630-2198 Fax: 250-789-6884 Email: sburton@xplornet.com Website: www.peaceforageseed.ca</p>
	<p>Alberta Pork 4828-89 Street Edmonton, AB T6E 5K1 Telephone: 780-474-8288 Fax: 780-479-5128 Email: info@albertapork.com Website: www.albertapork.com</p>

	<p>Alberta Pulse Growers Commission 5007B – 49 Avenue Leduc, AB T9E 6M6 Telephone: 780-986-9398 Fax: 780-980-2570 Email: office@pulse.ab.ca Website: www.pulse.ab.ca</p>
	<p>Alberta Sugar Beet Growers 4900-50 Street Taber, AB T1G 1T3 Telephone: 403-223-1110 Fax: 403-223-1022 Email: office@asbg.ca Website: www.absugar.ab.ca</p>
	<p>Alberta Turkey Producers 4828-89 Street Edmonton, AB T6E 5K1 Telephone: 780-465-5755 Fax: 780-465-5528 Email: info@albertaturkey.com Website: www.albertaturkey.com</p>
	<p>Alberta Vegetable Growers (Processing) 5317-50 Avenue Taber, AB T1G 1V3 Telephone: 403-223-4242 Fax: 403-223-3130 Email: avgp@telusplanet.net Website: none</p>
	<p>Alberta Wheat Commission 300, 160 Quarry Park Blvd. SE Calgary, AB T2G 3G3 Telephone: 403-279-1602 Fax: 403-724-0091 Email: info@albertawheat.com Website: www.albertawheat.com</p>
	<p>Alfalfa Seed Commission Box 2158, Brooks, AB T1R 1C8 Telephone: 403-362-4449 Fax: 403-362-4495 Email: manager@alfalfaseed.com Website: www.alfalfaseedab.com</p>

	<p>Beekeepers Commission of Alberta #102, 11434-168 Street Edmonton, AB T5M 3T9 Telephone: 780-489-6949 Fax: 780-487-8640 Email: gertie.adair@albertabeekeepers.org Website: www.albertabeekeepers.org</p>
	<p>Bison Producers of Alberta #114, 501 – 11 Avenue Nisku, AB T9E 7N5 Telephone: 780-955-1995 Fax: 780-955-1990 Email: info@bisoncentre.com Website: www.bisoncentre.com</p>
	<p>Egg Farmers of Alberta #101, 90 Freeport Blvd NE Calgary, AB T3J 5J9 Telephone: 403-250-1197 Fax: 403-291-9216 Email: info@eggs.ab.ca Website: www.eggs.ab.ca</p>
	<p>Potato Growers of Alberta 6008-46 Avenue Taber, AB T1G 2B1 Telephone: 403-223-2262 Fax: 403-223-2268 Email: pga@albertapotatoes.ca Website: www.albertapotatoes.ca</p>

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