

MINUTES

CANADIAN LIVESTOCK RECORDS CORPORATION (CLRC)

2007 ANNUAL GENERAL MEETING

The one hundred and second Annual Meeting of Canadian Livestock Records Corporation (formerly Canadian National Live Stock Records) was held at the Westin Bristol Place Toronto Airport Hotel, Toronto, Ontario, on April 14, 2007.

CALL TO ORDER

Chairman Sheryl Blackburn called the meeting to order at 1:30 p.m. following the annual luncheon, and welcomed those in attendance.

IDENTIFICATION OF REPRESENTATIVES AND GUESTS

After introducing herself and Ron Black, CLRC General Manager, Mrs. Blackburn asked those present to introduce themselves. 24 voting representatives were present from 16 member associations as follows:

American Saddlebred Horse Association of Canada: David Brent
Canadian Brown Swiss and Braunvieh Association: Ernst Gubelmann
Canadian Dexter Cattle Association: Ed Post
Canadian Galloway Association: Bob Airth (CLRC Director)
Canadian Highland Cattle Society: Crispin Colvin, Tony Onufer
Canadian Katahdin Sheep Association: Donna Aziz
Canadian Morgan Horse Association: Nancy Kavanagh, Jack Reeves
Peruvian Horse Association of Canada: Betty Bassett
Canadian Pony Society: Lionel Purcell
Canadian Sheep Breeders Association: Mike Rieberger (CLRC Director), Mary Lamont, Keith Lamont
Canadian Shorthorn Ass'n: Dan Stephenson (CLRC Director), Sheryl Blackburn (CLRC Director)
Canadian Sport Horse Association: Susan Johnson, Marika van Hoogenhuize
Canadian Swine Breeders Association: Don Dietrich (CLRC Director)
Canadian Trakehner Horse Society: Ingrid von Hausen
Canadian Warmblood Horse Breeders Association: Chris Gould, Barbara Daley
Welsh Pony & Cob Society of Canada: Mary Cork (CLRC Director), David Williams

Also present: Ron Black (CLRC General Manager), David Trus (Agriculture & Agri-Food Canada), Robert Darling (Paso Fino Horse breeder), Floyd Blackburn

APPROVAL OF AGENDA

MOTION: Bob Airth/Lionel Purcell – That the agenda be approved as presented. Carried.

At this time there was a **MOMENT OF SILENCE** for those breeders who had passed away during the past year.

CHAIRMAN'S ADDRESS

In her remarks, Chairman Blackburn thanked the breed representatives for attending. She trusted that they had found the workshop sessions in the morning to be informative and interesting. She spoke of the retirement of Dianne Lance from the staff of CLRC on December 31st, after 45 years of service. She expressed her thanks to the members of the Board of Directors for their support, indicating that the Board had worked well together throughout the past year. Regarding the staff, she said that she could not thank the staff enough for their dedication and their support to the Board and to the member associations. Finally she expressed thanks to Brian Sullivan, Dr. Carl Lessard and Vel Evans, who had been the speakers during the workshop.

MINUTES OF LAST ANNUAL MEETING

MOTION: Jack Reeves/Dan Stephenson – That the minutes of the Canadian Livestock Records Corporation Annual Meeting held April 1, 2006 in Calgary, Alberta, be approved as circulated. Carried.

BUSINESS ARISING FROM MINUTES

There was no business arising from the minutes to be acted upon.

GENERAL MANAGER'S REPORT

General Manager Ron Black expressed his welcome to those present and presented his report. He noted that 2006 had been a good year, starting out with a high volume of work in the first quarter, attributable in good measure to the incentives that associations offered using funding received from Agriculture and Agri-Food Canada under the Sustaining the Genetic Quality of Ruminants Program. The last quarter saw strong export activity in the swine sector. All of this had helped to create a positive bottom line.

An encouraging trend was the increase of 1200 transfers recorded compared to 2005.

A contract was signed to provide registry services to the American Galloway Breeders Association, and the Canadian Connemara Pony Society was incorporated and became a member association. Its registry is currently under development. The Canadian Maine-Anjou Association terminated its membership at the end of 2006.

CLRC also continued to provide other services related to the core registry services, including sale of microchips and identification products, the CLRC Marketplace, and secretarial and translation services.

Mr. Black extended his appreciation to the staff for their loyalty and commitment, to Sheryl Blackburn and the Board of Directors for their leadership, vision and support, and to the member associations for their confidence in CLRC. Everyone working together is what makes leading the organization a pleasure.

AUDITOR'S REPORT AND FINANCIAL STATEMENT

Ron Black presented the Auditor's Report and the Financial Statement for 2006. He explained that this year's audit had been a bit more complex than in the past due to new standards and procedures adopted by the accounting industry. He explained the major variations from the previous year in certain line items.

The Financial Statement showed a surplus for the year of \$38,514; which improved the net asset position by that amount. Mr. Black responded to a few questions from the floor.

MOTION: Mike Rieberger/Ed Post – That the Financial Statement for 2006 be accepted as presented. Carried.

APPOINTMENT OF AUDITORS

MOTION: Dan Stephenson/David Williams – That Newton and Co. be appointed as auditors for 2007. Carried.

ELECTION OF BOARD OF DIRECTORS

Chairman Blackburn stated that there were three directors to be elected for a two-year term. The directors whose terms were expiring were Sheryl Blackburn, Mary Cork and Don Dietrich. All were willing to stand for re-election.

Chris Gould nominated Sheryl Blackburn.
David Brent nominated Mary Cork.
Mike Rieberger nominated Don Dietrich.

Chairman Blackburn called three times for further nominations.

MOTION: Dan Stephenson/Susan Johnson – That nominations cease. Carried.

The three nominees were declared elected by acclamation. Sheryl Blackburn thanked the representatives for their confidence in the three directors who had been re-elected.

NEW BUSINESS

Chairman Blackburn asked if there was any new business to be brought forward.

MOTION: Chris Gould/Donna Aziz - To express appreciation to Mary Cork for having organized the program for the Workshop. Carried.

Tony Onufer stated that there was a time a few years ago when there was an ice storm on the day of the workshop that prevented some representatives from attending. He was suggesting that, due to the unpredictability of early April weather, that consideration be given to moving the date of the meeting nearer to the end of April.

MOTION: Tony Onufer/Lionel Purcell – That the Board of Directors consider holding the Annual Meeting closer to the end of April to take advantage of better weather for travel. Carried.

Mary Cork indicated that, as the result of some discussions regarding administration of the Animal Pedigree Act, the following motion was being presented:

MOTION: Whereas, the Animal Pedigree Act, assented to in 1988, defines the conditions under which animals will be registered in Canada, and impacts the business model for livestock production, and
Whereas, the Animal Pedigree Act, since its inception, has no had regulations attached to define and clarify the intentions and policy guidelines of the Act, and

Whereas, inconsistent interpretations of the Act have been implemented that impact the professional livestock breeding sector in Canada, and

Whereas, under Section 36 of the Act, the Canadian Livestock Records Corporation is tasked with performing services for and on behalf of members of the Corporation, and breeders and owners of animals of any breed in respect of which there is no association,

Be it resolved that the Board of Directors of Canadian Livestock Records Corporation, on behalf of the Canadian livestock breeding industry:

- 1) Initiate a comprehensive review of the Animal Pedigree Act, and its implementation and policy guidelines, to determine the effectiveness of the Act in the current market environment for pedigree livestock, and
- 2) Develop a mechanism and forum for the livestock industry to provide input into policy development and administration of the Animal Pedigree Act on issues impacting the professional livestock breeding sector in Canada.

The motion was moved by Mary Cork, and seconded by David Williams.

In answer to a question from the floor, David Trus indicated that the Animal Pedigree Act is the framework under which breeds are recognized, and breed associations are organized and have authority to register animals. The Act establishes legal parameters around what defines a breed which are narrower than in other countries. The primary purpose of the Act is to promote breed improvement.

Sheryl Blackburn said that, as she understood the motion, it was asking that the CLRC Board take the lead in consulting with breed associations and then present one comprehensive position to Agriculture and Agri-Food Canada rather than individual associations doing so. She indicated that the concern of some associations is that interpretation of the Act has changed when the Animal Registration Officer has changed, and, without regulations, could change again in the future. These associations would like to see regulations put in place that would explain and clarify some of the provisions of the Act.

Mary Cork explained that some new breeds have recently encountered considerable difficulty in presenting an acceptable breed definition and description even though those breeds have existed for hundreds of years in other countries. There is concern even among existing recognized breeds that they may be asked to redefine their breeds.

Tony Onufer indicated that it has been his experience with two cattle associations that the Act serves the industry very well. In response, Mary Cork indicated that the request is not for a rewrite of the Animal Pedigree Act, but for the development of regulations to accompany the Act.

Dan Stephenson added that he senses that there is concern that if there are changes to the status of breeds, this will seriously affect people's breeding programs and livelihood.

David Trus indicated that when the Animal Pedigree Act replaced the Livestock Pedigree Act, much more was known about genetics than had previously been the case. For the purposes of the Animal Pedigree Act, a breed must show common genetic background, common physical appearance, and genetic stability to be considered a breed. It must also be shown that a breed is sufficiently different from all other breeds. He indicated that for any act of Parliament, there is a mandatory three-year review. When this was done for the Animal Pedigree Act, much input came from the horse industry, which said that it did not particularly apply to the horse industry. As a result of the review, criteria for assessing how the Act is administered were developed. Some of the terminology in the Act was clarified at that time in a Manual was produced for breed secretaries that explained some of the terms and the workings of the Act.

Mr. Trus indicated that it has been indicated that there should be regulations for the Animal Pedigree Act in place, but these have never been developed, and would basically involve a lengthy process

similar to amending the Act. He noted that a few years back Lionel Purcell stated that the Animal Pedigree Act serves a very valuable purpose in ensuring the purity of breeds with the definition of purebred contained in it.

Chairman Blackburn called for the vote on the motion and stated that the voting would be by secret ballot. She appointed Robert Darling and Floyd Blackburn as scrutineers.

Robert Darling announced the results: 10 in favour, 11 opposed, 3 ballots spoiled.

MOTION: Lionel Purcell/Mary Cork – That the ballots be destroyed. Carried.

Ingrid von Hausen asked a question regarding whose responsibility it is to transfer registration of animals. David Trus indicated that it is the intent of the Act that the responsibility to transfer the registration lies with the seller, but many associations allow the buyer to submit the transfer. There has, however, never been a court case that has provided a judgment in this matter. Tony Onufer asked that if cattle are consigned to a sale barn, with indication that papers are available, and the signed transfers are then given to the buyer, is that acceptable. David Trus indicated that such a procedure is not within the intent of the Act, but would not be considered an offence under the Act. Donna Aziz asked why transferred certificates are returned by CLRC to the sellers, Ron Black explained that this is CLRC policy for cost reasons and because many sellers want the certificates returned to them to forward to their buyers.

PRESENTATIONS

Sheryl Blackburn presented Dan Stephenson with a scroll in appreciation of his service to CLRC as Chairman of the Board in 2004 and 2005. Applause.

Bob Airth, President of the Canadian Beef Breeds Council, provided a brief update on the status of the border being reopened for breeding cattle to enter the United States. According to information that the Canadian Beef Breeds Council and Canadian Cattlemen's Association have received, the United States Department of Agriculture and the Secretary of Agriculture are committed to the border being reopened for the import of animals born since March 1, 1999. The comment period on Rule 2 to open the border to such animals has closed. Many fewer comments were received than for the previous ruling, and many of those will likely be considered as one comment since they were by means of a form letter circulated by R-CALF. The expectation is that the border will reopen for these animals in late summer or early fall 2007. The meat from older animals will also be accepted into the United States when this rule comes into effect.

Robert Darling explained that he represents the breeders of Paso Fino horses hoping to establish a Canadian registry, and that he had appreciated being able to attend today's meeting and the information that had been presented.

It was announced that the 2008 Workshop and Annual Meeting will take place in Calgary on Saturday, April 5, 2008.

ADJOURNMENT

The meeting was adjourned on a motion by Tony Onufer.