



# GENERAL MANAGER'S REPORT

## MOVING FORWARD

Despite some challenges, there are also opportunities in our future.

As incomes rise and urbanization continues, the developing world is expanding its diet to include more meats, eggs and dairy products. The combined consumption of these products in developing countries grew by about 50 percent from the early 1970's to the early 1990's. This trend remains strong and is likely to continue for some time. Specific to meat products demand, per capita consumption in the developing countries has virtually doubled since 1980.

In our case, the Canadian hog/pork industry has capitalized on this trend. Canada has moved from being a net importer of pork in the mid-1970's to a level of exports that sees about two thirds of our hog production consumed in foreign markets. In three of the last four years, we have been the world's top pork meat exporter.

The trend toward diversified eating habits has led to controversy about the risks and opportunities involved. The public press is full of apprehension most of the time.

Some observers fear that increased demand for feed grains will raise the price of cereals to the poor. Others are concerned that livestock production adds to pollution. Still others worry about the public health effects of increased consumption of animal fats and the possibility of disease passing from animals to humans. Well organized industry opposition attempts to capitalize on these concerns.

On the positive side, many analysts point to the nutritional benefits of increased consumption of high quality animal

proteins and micronutrients. As well, livestock production is an important source of value-added employment and income, and offers to be an important self-sustainable production system. In an industrial world of global non-renewable energy and developing materials shortages, the livestock industry provides a positive self-sustainable outcome. In particular, fertilizer from livestock operations is a highly desirable renewable resource – especially when rising petroleum prices make chemical fertilizers less affordable.

One of the nutrition impacts that impressed me on visiting the Orient in the late 1970's was how a shift to an animal protein-based diet had increased the growth of teenagers. For example, from 1945 to 1975 the average height of a 15-year-old in Japan had increased eight inches! (I observed the eventual impact this had on both doorway and counter top heights. On my first trip to

Japan, I often bumped my head going through a doorway. This is no longer a concern. This nutritional impact, with adjusting building standards, has been happily dealt with by the Japanese construction industry).

As the demand for animal protein becomes satisfied, new concerns arise in the areas of food safety, animal care and the environment. Today, food production is as much about how we produce food as what we produce. Our strength in Canada is our talent and dedication to satisfy and meet the evolving market needs. An example is the phase-in of the animal care component to our Canadian pork quality assurance program.

Canadian governments and industry must prepare for the continuing transformation of the developing livestock production and distribution systems. Long-run policies and



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required investments must be made to satisfy consumer demand and the growth opportunities that result. Most of the expansion problems faced by a growing intensive livestock industry can be met with technological progress.

Alberta Pork, and the industry affiliate groups we are associated with, must help stimulate the policy action required to allow for the sustainable development and growth of our very important industry.

## FACING CHANGE

The pages of this annual report are filled with the actions and activities being initiated by Alberta Pork to help our industry grow. As you read this annual report, bear in mind certain linkages exist between various programs that are not always stated or obvious to all. Some examples:

- The Alberta Pork launch of the new 'Pork Sports' marketing partnership is more than a method to promise added domestic pork consumption. One of the Alberta Pork foreign animal disease protection strategies is to develop a loyal domestic market that can be called upon for support in a crisis.
- There will be a focus on synergies and linkages with the CQA® delivery system in the development of the National traceability infrastructure. As well, we are working towards a geographic zoning strategy to protect our herds and our vital export markets.
- To harmonize with the National Hog Identification and Traceability System, a new producer registration system that will require all persons who produce hogs – or wish to produce hogs – to be registered with Alberta Pork, is under development.
- Alberta Pork (and through it, the Canadian Pork Council) has expanded its industry representation, from more than just slaughter hogs, to include weanling and feeder pig exports. In future trade actions, the interests of all production and marketing sectors will be more rapidly addressed.
- The Natural Resources Conservation Board's (NRCB) approach to confined feeding operations approvals continues to create an adversarial environment (excuse this word) between producers and local communities. The net result is that an administrative moratorium exists on livestock production. The original intent of the Agricultural Operation Practises Act (AOPA) legislation is not being achieved. Consequently, the long standing provincial economic growth objectives for the value-added livestock feeding sector are simply unattainable. Government review of the NRCB administrative process could change this (results anticipated as this report went to print).



Kim Williams,  
Industry Services Coordinator

If, after reading or scanning this annual report, you have observations you wish to share – please contact us.

Your comments are always welcome.

## NEW STAFF MEMBER

During the year we bid farewell to Deanne Dechaine, who moved on to new challenges, and welcomed Kim Williams to the new post of Industry Services Coordinator.

Kim is a 2003 graduate of the University of Alberta, majoring in animal science. She came to our attention while conducting tours of the Pig Science Centre for Alberta Pork in addition to her job as Animal Technician at the University of Alberta Swine Research and Technology Centre. During February, she became a welcome member of our Industry Services Team with an initial focus on the Pig Science Centre, the Pig Rig and the website development. She continues to take on new responsibilities in the environment area.

## TWO 'M's RETIRE

Chairman Jack Moerman and Vice Chairman Dennis McKerracher are retiring after solid performances on our Board of Directors. I fully agree with comments from our other Board Members that their shoes will be hard to fill. Both are very strong leaders and we were lucky to have had them serve on our Board of Directors.

As Chairman, Jack was involved in all aspects of our organization, both internally and externally. His solid support and wisdom will be missed both with our Board and with the Canadian Pork Council where he was a key Executive Committee Member. Dennis continues to play a key role as Chairman of the Canadian Pork Council National Identification and Traceability Technical Committee. Among other things, he is doing an outstanding job of leading the Canadian industry toward achieving our swine traceability system. Both of these high impact individuals will be missed and remembered by the Canadian industry.

I thank, as well, our dedicated employees for their continued hard work. In particular, we should recognize the time and energy put into the Special Events Cruiser, the Pig Rig and the Interpretive Centre that Alberta Pork manages at the University of Alberta. Many, many hours of travel and hard work, often involving nights and weekends, have gone into these projects. Additionally, the ongoing staff commitment to all our activities should not go unrecognized. We have a solid team working to meet producer industry needs. I thank them.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ed Schultz', with a long horizontal flourish extending to the right.

Ed Schultz, P. Ag.  
General Manager