

## CHAIRMAN'S REPORT

The year 2002 for Alberta pork producers was one of uncertainty and surprises. Hog prices began the year at a profitable level. However, by early March, prices began a rather dramatic downward spiral. They started to recover by summer, only to take another very serious tumble in August. Mixed price predictions for the fall and winter of 2002-2003 made producers nervous and reconsider thoughts of expansion. On top of that, the severest drought our province has experienced in recent memory made feed and fibre supplies very tight and expensive. In fact, many producers have changed their herd's main feed ingredient from grain to imported corn. However, many producers believe better prices and better growing conditions are coming in 2003.

Alberta Pork continues to focus on its mission of helping producers deliver quality, wholesome, safe food in a prosperous, sustainable environment. To help fill that mandate, Alberta Pork is producing useful materials and embarking on new initiatives to keep producers up-to-date on constantly changing needs and requirements.

Alberta Pork was instrumental in the development of province-wide, standardised rules for establishing and/or expanding confined feeding operations (CFOs), through input and consultation with the government committee that drafted the Agricultural Operations Practices Act (AOPA). This Act became effective January 1, 2002 and made the Natural Resources Conservation Board (NRCB) responsible for processing all CFO applications within the

province. Since that time, Alberta Pork has met with the NRCB and other essential government officials, including the drafters of AOPA, to improve both the regulations and the amount of time it takes to process applications.

This past summer, we launched the Ambassador Program. The Ambassador Program is a key, strategic program of social sustainability that will build strong

relationships between Alberta pork producers and communities today and in the future. It will also respond to issues in a timely and proactive manner. The program, including the Special Events Cruiser with its accompanying barbecue and the new "Pig Rig" trailer display was unveiled, on July 17, for an appreciative crowd of invited guests and media.

In February, three of our directors were part of a Canadian Pork Council trade mission to Brazil co-sponsored by Canadian Pork International (CPI). Brazil is becoming one of our major competitors in the international trade market. The principal purpose of this visit was to familiarise

ourselves with its strengths and challenges, and its expectations for the future. We also explored potential opportunities for greater interaction and cooperation between the two countries in the future.

The audited Financial Statements for the year ending August 31, 2002, show a significant deficit comparing revenues to expenses. This deficit was a planned deficit by the Board of Directors and management. This was a response to producer



**Bill Wildeboer, Chairman**

concerns over Alberta Pork's large cash reserves following the split from the Western Hog Exchange. The Board decided to enhance its operations and initiatives over the course of the next two years. The Board of Directors is actively monitoring the financial situation of the organization very closely with a view to balancing the expenses and revenues in the future.

At the Board table we lost some familiar faces and gained some new ones. We thank outgoing directors Glenn Engelhardt, Fred Olthuis (the last two years as Chairman), Darryl Vandenberg, and Peter van Everdink for their years of service. We welcome new members Jim Haggins, Curtis Hooimeyer, and Bruce Konynenbelt to the board. Due to restructuring, we now have eight board members instead of nine. The Board is active on many fronts including, but not only, the following:

- Canadian Pork Council,
- Canada Pork International,
- Federal initiatives (providing input for the new, proposed agricultural policy framework),

- Assessing the U.S. Farm Bill and its possible consequences for the Alberta and Canadian pork industries,
- Working with the Intensive Livestock Working Group on matters of common interest, including environmental legislation, taxation, etc.

As well, Alberta Pork is ready to help producers with advice and other matters that come up suddenly, such as lobbying for drought impact assistance.

In conclusion, I would like to thank our dedicated and hard working staff in both Edmonton and Calgary for their hard work, often after hours. They truly make Alberta Pork a service organization to our pork producers around the province.



Chairman,

Bill Wildeboer