

BEEF BUSINESS

SASKATCHEWAN'S LARGEST CIRCULATED CATTLE INDUSTRY MAGAZINE

JANUARY 2010

IN THIS ISSUE:

YEAR-END INTERVIEW WITH MINISTER BOB BJORNERUD

SK PRODUCER LANDS RUSSIAN DEAL

AGRIBITION SPEAKER PREDICTS ONGOING VOLATILITY FOR 2010



A Saskatchewan Stock Growers Association Publication

Publication Mail Agreement #40011906

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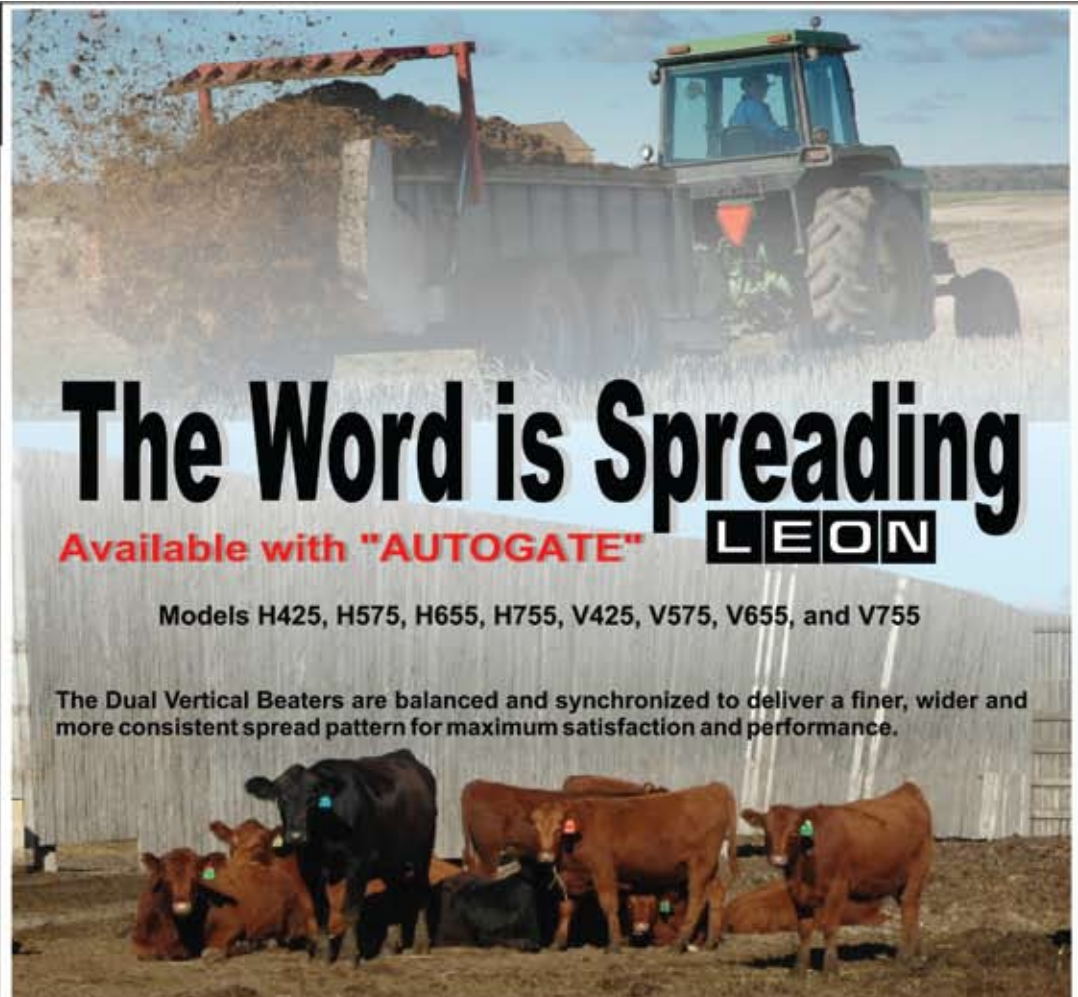
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Let's talk about beef

Fluctuating economies and exchange rates are impacting Canada's beef sector. What's on the horizon for your cattle operation? Join us as we discuss important issues like the feed grain situation, the rate of contraction and the outlook for the beef industry.

Alberta

Stettler	February 8	2 – 4 p.m.	Stettler Legion Hall
Ponoka	February 9	10 a.m. – noon	Royal Canadian Legion
Wainwright	February 9	7 – 9 p.m.	Wainwright & District Communiplex
Veteran	February 10	1 – 3 p.m.	Dryland Cattle Trading Corp.
Brooks	February 11	10 a.m. – noon	Heritage Inn

Saskatchewan

Carnduff	February 8	7 – 9 p.m.	St. Andrews United Church
Weyburn	February 9	1 – 3 p.m.	Ramada Inn & Suites
Assiniboia	February 10	10 a.m. – noon	Prince of Wales Cultural & Recreation Centre
Swift Current	February 10	7 – 9 p.m.	I-plex

This free event is open to all producers but seating is limited, so register early. For more information or to sign up, visit www.fcc.ca/learning or call 1-800-387-3232 to reach the FCC office near you.



Cover photo courtesy of Cathy Piller - Grenfell, SK

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SSGA

Meeting Notice



SSGA SEMI-ANNUAL MEETING

January 22, 2009 10:00 AM
Saskatoon Inn, Saskatoon, SK

1st Call

For Nominations

Please submit nominations to:
Lloyd Thompson, Box 910
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Crown Land Sale Program Extended

The Saskatchewan Stock Growers Association (SSGA) welcomed the Nov. 16 announcement of an extension to the Agricultural Crown Land Sale Program. The 10% discount available to lessees purchasing the Crown land they currently rent has been extended one year, to Dec. 31, 2010.

SSGA President Calvin Knoss, indicated, "The SSGA has supported the Crown Land Sale program since its inception and we are pleased the government has recognized the financial challenges facing the livestock industry and is giving producers an additional year to get the full advantage of participating in the program."


The 110,000 acres of Crown land sold to lessees as of Nov. 2009 represents less than 10% uptake of the land

originally eligible for sale. When the program was announced on November 4, 2008, 1.6 million acres of the approximately 7.2 million acres of agricultural Crown land in the province was made eligible for purchase by current lessees.

The two main issues which the SSGA believes played a role in the low uptake are the ongoing income problems in the industry along with the fact that much of the land producers were interested in was frequently unavailable due to a variety of restrictions. For example, if municipal, regional or provincial planners had labeled a region as having recreation potential it could be unavailable – regardless of what the level of recreational potential might be.

Producers wondered, if for example, it's recreational potential is for sight seeing by boaters on a lake, how that would be in conflict with ranching?

Similarly, there appeared to be a lack of rational consistency in the processes involved in classifying certain lands as protected natural habitat over previous decades. Producers have argued, much of this land has been ranched continuously for over 100 years, demonstrating that ranching is not inconsistent with habitat preservation.

In response to these sorts of producer concerns, provincial regulators have taken steps to rationalize some of the complexity and inconsistency in the status of certain Crown agricultural lands, which may modestly increase the amount of land eligible for purchase under the program. 

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US Cattle Industry Challenged by Drop in Demand

According to recent US cattle industry reports, the domestic demand for beef is at its lowest point in the past 30 years.

An official from Cattle-Fax was reported by Meat International on Nov. 27, 2009 as indicating year to year demand in the wholesale beef sector is down 10 to 15 percent for the July through September period.

The decline in US demand/consumption has been attributed to the recession, and is seen in a sharp drop in business for both high-end restaurants and casual dining establishments.

Conditions reported in the US are in sync with observations by Canadian industry officials such as the CCA's Brad Wildeman who told **Beef Business** a year ago that problems were emerging in relation to the ability to sell middle cuts at traditional premium levels over trim. As we reported the situation at that time, the reduced demand for primal cuts could result in high end meat being turned into burger – roughly analogous to melting down BMWs to make Volkswagen Beetles.

The US industry is also frustrated by the fact that export sales are not doing much to pick up the slack in their domestic sales. Prior to the appearance of BSE in a US born animal in 2003, the Americans were exporting 2.5 billion lbs. of beef annually. For 2009, total US beef exports are expected to total around 1.8 to 1.9 billion lbs. 

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Piglet Green Test Tube Pork Created by Dutch Scientists

Researchers at Eindhoven University in the Netherlands, with backing from the Dutch government and a sausage company, have been credited with creating the first ever artificially engineered food in red meat form.

Hog producers need not worry just yet – the scientists involved have acknowledged that they still haven't broken the yuck barrier, so far all they have been able to produce is soggy pork that people wouldn't want to eat. That's good news for pork producers who have more than enough grief on their plates at the moment.

Besides producing unpalatable meat, the process appears to be something tough to do cost effectively. They do it by extracting cells from a live pig and putting them into a broth made from the blood of animal foetuses.

In a London's *Sunday Times* story from Nov. 29, the scientists involved said they were working on methods to improve the muscle tissue produced, "in the hope that people will one day want to eat it."

The success with pork in the lab follows on an earlier effort in New York that produced fish fillets from goldfish tissue.

It might be interesting to see how Dutch citizens will view their

government's support for this development. On the one hand, as the *Sunday Times* article pointed out, there are all kinds of anti-methane environmentalists in Holland and elsewhere in Europe who will love the idea of potentially fart free pork (yes you read that right). On the other hand, if the European reaction to GM canola and wheat is any indication, it is hard to imagine test tube pork not being considered a "Franken Food." PETA is grappling with whether in vitro (or cultured) meat is or isn't part of a dead animal.

It is odd to think that Netherlands, which is an EU member state sees no problem with growing engineered pork in vats full of foetus blood, but at the same time supports bans on certain Canadian imports because we've tinkered with plant genes.

Canadian author Gwynne Dyer's recent book *Climate Wars* included a May 2008 interview with Axel Meisen of the Alberta Research Council who said it wasn't that far fetched to speculate that the day could come when we could grow steaks or fish fillets from a few cells provided with the appropriate nutrient medium.

Well apparently that day is pretty much here. But as Dyer states, "Many people will simply be horrified by this proposal, and many others will

suspect ... [it] foreshadows a two-tier world food system: real beef for the rich, vat grown beef for the poor. Even if the taste and texture were exactly the same, considerations of prestige would produce that two-tiered market. Still it's a lot better than *Soylent Green*..."

Readers with real lives, who don't spend a lot of time watching late night tv, may not recall that *Soylent Green* was the major food source for people in the dystopian post-apocalyptic world portrayed in a 1970s movie of the same name. The main character, portrayed by Charlton Heston, has a mental breakdown when he discovers "*Soylent Green* is made from people!"

So far all they have on the shelf at the lab is *Piglet Green* and *Goldfish Green* – but who knows where the wonders of science might take us? One can reasonably anticipate that the appearance of "in vitro veal" is just around the corner. 🍖

Breeding For Profit - Bull Selection Workshop

The Saskatchewan Ministry of Agriculture invites you to attend a bull selection workshop on February 3, 2010 in Moose Jaw and February 5, 2010 in Saskatoon.

When: February 3, 2010, 12:30 p.m. to 5:30 p.m.
(steak supper to follow)

Where: **Johnstone Auction Mart**, seven kilometers west of Moose Jaw on Highway #1

Cost: \$40 per person



When: February 5, 2010, 12:30 p.m. to 5:30 p.m.
(steak supper to follow)

Where: **Saskatoon Livestock Sales**, ten kilometers west of Saskatoon on Highway #14

Cost: \$40 per person

Agenda:

Expected Progeny Difference (EPD's) and Other Genetic Mysteries
Sean McGrath, PAg, Creo Episteme Ltd.

Serving Your Sire - Bull Nutrition

Dr. John McKinnon, Professor and Beef Industry Research Chair, College of Agriculture and Bioresources, University of Saskatchewan.

What's Hiding Under the Hide - Live Animal Ultrasound Demonstration

Teresa Binetruy, Beef Unit Manager, University of Saskatchewan and Dr. John McKinnon, Professor and Beef Industry Research Chair, College of Agriculture and Bioresources, University of Saskatchewan.

The ABC's of What's Between His Knees - Breeding Soundness Evaluation

Dr. Robert Bellamy, Bellamy Harrison Animal Hospital (Moose Jaw), Dr. Harvey Domaslai, Corman Park Vet Services (Saskatoon).

Ribs, Nuts and Butts - Physical Characteristics of a Good Bull

Garner Deobald, 2009 Canadian Western Agribition Bull Pen Alley Judge


For more information go to www.agriculture.gov.sk.ca/Calendar or to pre-register, contact the Agriculture Knowledge Centre at 1-866-457-2377. Pre-registration is required, call early to reserve your ticket.



Saskatchewan
Ministry of
Agriculture

Ontario Pork Plant Gets \$2 Million

This past December the MP for Ontario's Kitchener-Conestoga riding announced that Conestoga Meat Packers, is receiving a \$2.3 million investment under the federal Slaughter Improvement Program. The company, which is owned by 150 Ontario hog producers, will use the cash to expand its value-added product processing capabilities.

Beef Business estimates that nearly half the funds available under the program have been allocated as of the end of 2009. 



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