



**CULL CATTLE**  
*and bob calf*



**GRAIN-FED**  
*veal*



**MILK-FED**  
*veal*



**FEEDER**  
*calf*



**FED**  
*cattle*

**2020**  
**ANNUAL REPORT**  
**ON ACTIVITIES**

Les Producteurs  
de bovins du  
Québec

[bovin.qc.ca](http://bovin.qc.ca)



# LETTER FROM THE CHAIR

My Fellow Farmers,

It's not news to you that 2020 was a particularly unusual year. The pandemic has brought into relief how essential groups like ours are—it illustrates the importance of a strong, stable organization. Not only did marketing operations continue, but we were able to keep our work moving uninterrupted and undertake some foundational projects. I would like to take this opportunity to go over certain key issues with you.

At the start of the year, the PBQ responded to allegations (often unfounded) about beef and veal farming by sending all producers a booklet entitled *Facts versus fiction: Understanding the main criticisms regarding beef and veal production in order to better address them*. This resource is intended to set the record straight with respect to the allegations about cattle farming and the methods used in it.

The newly imposed animal transportation regulation—a framework that your organization, in collaboration with the Canadian Cattlemen's Association, has worked extensively with government on, and one that raises many questions—is a very active file. We continue to work with the federal government to have the regulation adapted as they still contain several gaps, particularly when it comes to transporting dairy calves.

A few days before our annual general meeting, the government declared a state of emergency. Our employees quickly ensure services to our members would continue uninterrupted. Since that time, we have remained in close contact with the teams of Minister André Lamontagne in Quebec City and Minister Marie-Claude Bibeau in Ottawa. We called on the MAPAQ for special assistance on behalf of the milk-fed veal sector, which has been greatly affected by closures in the HRI sector. At the time of writing (January 2021), no special assistance has been announced. We continue to emphasize that it is critical to keeping farms in production. In parallel, the PBQ has increased communication and promotion efforts to encourage consumers to buy more milk-fed veal, which they typically tend to order more often in restaurants.

We continue to see worrisome trends of decline in the fed cattle sector, which we have discussed with the MAPAQ. On top of this, the pandemic forced certain slaughter and processing facilities to suspend operations. The PBQ took the appropriate measures to reduce the negative impacts on farmers, especially for those wishing to cull certain animals.

Rest assured that we continue to work closely with both levels of government and with our partners to raise on-farm incomes and get back on track to growth. We see this as fundamental if we are to capitalize on future opportunities in Quebec and elsewhere in the world.

Inspired by the momentum of consumers' enthusiasm for local food, the PBQ launched an advertisement themed "De la viande bovine au Québec? | C'est simple." The ad aired widely on television networks, complementing the promotional efforts of producers who sell their products on their farms and in grocery stores. This support is of benefit to all production sectors.

Meanwhile, we developed a process allowing our membership to convene for the annual general meeting (AGM) while complying with government directives; the AGM took place in September. This development has been a success and has served as a template for other producers' associations.

In closing, I would like to remind you that I began my duties only last September, having taken over for Mr. Claude Viel. This successes in this annual report on activities are in large part thanks to Claude's work. On behalf of everyone, I sincerely thank him for all the years he dedicated to our organization. I can assure you that he is still available to discuss with us, and we do not hesitate to call on him when needed. A big thank you, Claude!

**Jean-Thomas Maltais,**  
Chair



## PBQ Board of Directors



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Cull cattle and dairy calf marketing committee  
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Farm located in Saint-Anaclet-de-Lessard (Bas-Saint-Laurent)



Feeder calf marketing committee  
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(interim) Farm located in Saint-Frédéric (Chaudière-Appalaches-Sud)



Grain-fed veal marketing committee  
**Mr. Louis-Joseph Beaudoin**  
Farm located in Proulxville (Mauricie)



Milk-fed veal marketing committee  
**Mr. Pierre-Luc Nadeau**  
Farm located in Saint-Isidore (Chaudière-Appalaches-Sud)

Executive Director and Secretary-Treasurer  
**Mr. André Roy**

# GENERAL ACTIVITIES IN 2020

## INCOME SECURITY

Income security programs are intended to stabilize business incomes and help farmers cope with the vagaries of the market. The more stable and predictable the business environment, the more businesses are able to develop and create economic spinoffs for Quebec as a whole.

### PROGRESS IN 2019–2020

- The five-year production cost study for feeder calf and fed cattle sectors began.
- The Producteurs de bovins du Québec (PBQ) partnered with the Canadian Cow-calf Cost of Production Network.
- La Financière agricole du Québec (FADQ) approved the application of production cost mutualization for all grain-fed veal production businesses (replacing the mechanism whereby premium sharing for large business was determined by means of a franchise applied to them) starting in the next production cost study.

### PRIORITIES IN 2021

- Improving the method used to calculate remuneration for producers' labour (specialized labourer salary)
- Returning the payment trigger threshold for the AgriStability program to 85 percent and removing the reference margin cap
- Analyzing existing income security and financing programs with a view to better adapting them to cattle production

## GOVERNMENT RELATIONS

### FEDERAL

The PBQ was joined by the Canadian Cattlemen's Association (CCA) in making representations to the Canadian government in 2020, primarily on the following topics:

- Changing the AgriStability program trigger to 85 percent rather than 70 percent
- Working with the federal government to ensure that Canada receives negligible risk status regarding bovine spongiform encephalopathy (BSE)
- Voicing the PBQ's requests regarding the animal transportation regulations

Of course, the CCA's activities in the last year largely centred on the pandemic. The national organization continuously transmitted information to industry partners about the situation in abattoirs and other disturbances in the sector.

Throughout 2021, the CCA expressed a desire to approach the federal government to follow up on the consultation with the Canadian Food Inspection Agency regarding the labelling guidelines for meat imitation products, with a view to potentially amending the regulations to ensure consumers receive clear information. Canadian cattle producers want to ensure that the word "meat" is not used for non-animal products.

### PROVINCIAL

The year 2020 was a special one for government relations. Only one in-person meeting was able to be held (in September 2020); a few more were held virtually. The PBQ was able to make government officials aware of problems within the cattle industry. Among other things, the organization addressed the major problem of COVID-19-related restaurant closures for the milk-fed veal sector, as well as collaborations that would help support production development. The critical situation facing the fed cattle sector was also discussed.

## COMMUNICATION AND COMMUNITY LIFE

- The "De la viande bovine du Québec? | C'est simple. | Il y a du bœuf. Il y a du veau." advertisement aired on multiple television channels over the course of summer 2020.
- Educational material is now available online for teachers to use ([CLICK HERE to view the material](#)).
- PBQ nowadays have the ability to send out sector-specific newsletters.

## STRATEGIC PLANNING

The *Plan de développement 2018-2025: Pour une production dynamique et durable* (2018–2025 Development plan: for dynamic and sustainable production) is taking shape, especially when it comes to completing the strategic planning processes for the beef and veal sectors. The activities included in the strategic plans are to be spread out over five years, i.e., the 2019–2024 period. Recall that representatives from other organizations such as abattoirs, buyers' groups, and auctions are also involved in the process, which should benefit Quebec's industry as a whole.

## ANIMAL HEALTH AND WELFARE

### BIOSECURITY

The PBQ is working on various projects to improve biosecurity. Among other things, two projects in the veal sector have been pursued: one on transportation and the other on which items should be adopted to improve biosecurity on milk-fed veal farms.

### HEALTH

The PBQ was called on to participate in an initiative by the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec (MAPAQ) to implement an antibiotic resistance monitoring program in Quebec. A second collaboration took place in 2020, in which the PBQ participated and issued recommendations.

### TRANSPORTATION

The PBQ now sits on the federal committee on dairy calf transportation, which deals with specific issues pertaining to calf transportation in Canada. We also remain in regular contact with the CFIA to help develop solutions for adapting to the new regulations.

## QUALITY PROGRAMS

The Verified Beef Production Plus (VBP+) program has been recognized by the Canadian Roundtable on Sustainable Beef since the summer of 2018. This makes all VBP+ certified producers automatically eligible for the Sustainable Beef program. For a number of months, the PBQ has been working to establish a Quebec beef cattle value chain. Results from these activities are expected in 2021.

## RESEARCH

The PBQ is investing in research by using each sector's research fund to contribute to continuous improvement. Producer investments for the current year and for the next three years total \$203,420. With these funds, it will be possible to complete projects valued at \$5,092,605, for a multiplier effect of 1 to 22. Projects that were completed or continued in 2020 include:

- Strategic guidance for milk-fed veal calf producers along with consulting services to help them compete with veal imported from Europe
- Biosecurity and welfare during dairy-calf and heavy-calf transportation
- Use of beef sire semen to produce dairy calves
- Literature review on feeder calf feed
- Projects involving cattle transportation, new forage varieties, the multi-species forage system, and the Canadian Cow-Calf Surveillance Network within the beef research cluster (2018–2023)

# SECTOR HIGHLIGHTS

## FEEDER CALF SECTOR

### MAIN ACCOMPLISHMENTS IN 2020

#### Quebec Specialized Feeder Calf Auctions Circuit

Under the new transportation regulations, farmers selling feeder calves are required to provide the following three pieces of information in their vaccination declaration:

- Which auction the animals were transported to
- The estimated average weight of the animals to be sold
- The date and time of the animals' most recent opportunity for feed, clean water, and rest

The 2020–2021 version of the withdrawal period form for feeder calves to be sold is now available to all feeder calf producers for use in declaring animals still affected by withdrawal periods. This measure is intended to increase the supply of high-quality, healthy feeder calves within the Quebec Specialized Feeder Calf Auctions Circuit (the Circuit).

#### Feeder calf marketing agreement renewal

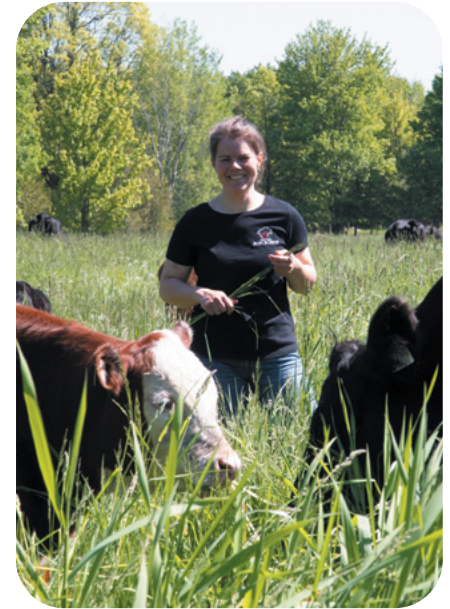
Under the agreement, the auction is required to refuse the entire batch of calves in cases where a majority of animals exhibit the appearance of dairy characteristics or lack signs of permanent identification. In addition, producers who are paid via bank transfer are eligible to receive their payment slips by email if they have so agreed with the auction.

#### Change to the regulation amending the regulation respecting the marketing of Quebec fed cattle

Due to COVID-19, the feeder calf marketing committee decided to postpone until August 1, 2023, the instatement of the requirement whereby breeding herds must be vaccinated for fetal protection, which will apply to all animals sold in the Circuit.

#### Priorities for 2021

- Computerizing vaccination declarations
- Engaging in continuous improvement for the Circuit
- Suspending collection of the special contribution for the promotion and advertising fund for 2021



## FED CATTLE SECTOR

### PROGRESS IN 2020

#### Action plan and boosting production

The year 2019 saw production volume fall to a level that threatens the sector's very existence, and the situation did not improve in 2020. The fed cattle marketing committee therefore undertook efforts to boost production.

A few short- and medium-term priorities include identifying areas in which government assistance could represent the best path to boosting production, and supporting promising marketing projects that stand to increase both volume and remuneration for farmers.

#### Promotion and advertising fund

Two projects were financed by the fund, namely the programme partenaire Bœuf Québec and a second project with Bœuf Gaspésie.

#### Priorities for 2021

- Developing the action plan and boosting production
- Continuing to roll out the VBP+ certification program
- Starting the five-year production cost study for the fed cattle sector
- Diversifying buyers



## CULL CATTLE AND DAIRY CALF SECTOR

### PROGRESS IN 2020

#### Evaluating the potential of using beef sire semen in dairy herds

Thanks to the PBQ project on this topic, a guide and an information video are available ([CLICK HERE for the guide](#)) and on the PBQ YouTube channel ([CLICK HERE to watch the video](#)).

#### Drug residues in carcasses

In collaboration with the Association des médecins vétérinaires praticiens du Québec, the PBQ produced a document for industry stakeholders and producers on the issue of drug residues in carcasses. Recall that food safety requirements differ between the United States and Canada.

#### Webinar on salmonellosis

A webinar produced by the PBQ allowing you to better understand salmonellosis outbreaks in dairy, beef, and heavy calf operations is available on the PBQ YouTube channel ([CLICK here to watch the webinar](#)).

#### Priorities for 2021

- Engaging in continuous improvement on the health and welfare of cull cattle and dairy calves
- Carrying out projects to adapt to the new transportation regulations
- Developing new outlets for dairy calves
- Researching biosecurity and welfare during calf transportation activities
- Consulting with cull cattle and dairy calf producers about increasing the research and development contribution



## MILK-FED VEAL SECTOR

### PROGRESS IN 2020

#### Milk-fed veal sector lobbying activities

The PBQ increased its efforts to persuade both levels of government to allow a major adjustment to income security programs and to create an ad hoc program to help businesses stay in production, both during and after the pandemic.

#### Follow up on FADQ transition program projects

The FADQ transition projects continue and are taking shape. These involve gaining knowledge, the RegiVeau mobile app, and developing tools to reduce the spread of infectious diseases and improve business profitability.

#### Priorities for 2021

- Continuing to roll out Verified Veal certification
- Providing strategic guidance for producers along with consulting services to help them compete with veal imported from Europe
- Improving dairy calf health, notably through participation in the Forum Veau, which was created by PBQ's veal sector
- Continuing promotional activities in collaboration with the grain-fed veal sector



## GRAIN-FED VEAL SECTOR

### PROGRESS IN 2020

#### Marketing overhaul

The current *Convention aux fins de la vente des bovins de réforme et des veaux laitiers* (cull cattle and dairy calf sales agreement) ended in July 2020; it will remain effective until the new agreement with producers is signed.

#### Expertise network

A webinar series was made available to farmers all throughout the year. Topics included cleaning and disinfecting, buildings, water quality, early detection of bronchopneumonia, feeding programs, and on-farm marketing. Most of the webinars are available on the PBQ YouTube channel ([CLICK HERE to view the webinars](#)).

#### Production cost study

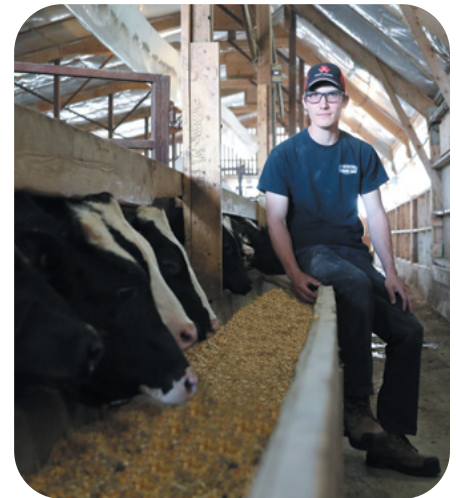
The FADQ approved the application of production cost mutualization for all grain-fed veal production businesses (replacing the mechanism whereby premium sharing for large business was determined by means of a franchise applied to them) starting in the next production cost study.

#### Production histories

Three supplementary history allocation initiatives made it possible for 5,000 grain-fed veal calves to be produced by businesses already in operation, new farmers, and next-generation farmers.

#### Priorities for 2021



- Carrying out the marketing overhaul
- Allocating production histories according to market needs
- Improving dairy calf health (Forum Veau)



## PROMOTION AND MARKET DEVELOPMENT

The year 2020 was marked by repositioning the Quebec Milk-Fed Veal and Quebec Grain-Fed Veal brands with the launch of a new logo for both products as well as a new generic brand, namely Quebec Veal. In addition to creating a new joint website, the promotion team coordinated various advertisements primarily in the following outlets: Québecor, Verizon, *La Presse+*, Ricardo Cuisine, Facebook, and the platforms of Aliments du Québec.

### TO KEEP YOU POSTED!

- Join our Facebook group 
- Subscribe to YouTube 
- Subscribe to *La Minute bovine*  
[CLICK HERE](#)
- Extranet: Contact the Marketing agency



# MARKETS

Feeder calves	2018	2019	2020
Number of beef cattle	136,600	134,200	134,500
Average sales weight – specialized auctions	657 lb	664 lb	667 lb
Price of bull calves 600–700 lb	\$2.14	\$2.06	\$2.13
Price difference – Quebec vs. Alberta-Manitoba	\$0.07	\$0.00	\$0.09

Cull cattle	2018	2019	2020
Cull cattle production in Quebec	99,300	97,550	98,150
Cull cattle price	\$0.54	\$0.58	\$0.65
Price difference – Quebec vs. Ontario	-\$0.07	-\$0.06	-\$0.02

Grain-fed veal	2018	2019	2020
Grain-fed veal calf production in Quebec	69,700	72,600	76,400
Average carcass weight	371 lb	373 lb	375 lb
Grain-fed veal calf price	\$2.47\$	\$2.12	\$2.35
Price difference – Quebec vs. Ontario	\$0.25	\$0.26	\$0.14

Fed cattle	2018	2019	2020
Fed cattle production in Quebec	90,900	88,200	72,500
Average carcass weight	889 lb	891 lb	890 lb
Fed cattle price (per lb)	\$2.44	\$2.43	\$2.42
Price difference – Quebec vs. Western Canada	-\$0.11	-\$0.06	\$0.13

Dairy calves	2018	2019	2020
Dairy calf production in Quebec	143,400	130,100	157,900
Price of male dairy calves	\$1.36	\$1.32	\$1.33
Price difference – Quebec vs. Ontario	\$0.16	\$0.13	\$0.16

Milk-fed veal	2018	2019	2020
Milk-fed veal calf production in Quebec	99,800	80,300	73,900
Milk-fed veal calf production in the United States	191,200	192,400	178,273
Milk-fed veal calf price in the United States (\$ Canadian)	\$4.02	\$4.06	\$4.02
Milk-fed veal calf price in the United States (\$ Canadian)	Since January 1, 2018, USA NPO has been the reference for milk-fed veal calf pricing in Quebec		

# FINANCIAL SUMMARY

## GENERAL FUNDS

Unaudited financial statements - Year ended October 31, 2020

	2020											2019**	
	GENERAL ADMIN. (\$)	SALES AGENCIES					PROMOTION				RESEARCH (\$)	CUMULATIVE RESULTS* (\$)	CUMULATIVE RESULTS* (\$)
		CULL CATTLE (\$)	GRAIN-FED VEAL (\$)	FED CATTLE (\$)	FEEDER CALVES (\$)	MILK-FED VEAL (\$)	GRAIN-FED VEAL (\$)	FED CATTLE (\$)	FEEDER CALVES (\$)	MILK-FED VEAL (\$)			
<b>Income</b>	2,836,963	223,866	631,834	586,355	490,606	330,761	379,930	76,000	59,088	9,154	217,804	5,842,361	5,396,061
<b>Expenses</b>	3,095,604	513,925	597,560	585,760	405,144	455,628	352,047	34,637	7,909	142,360	104,808	6,295,382	5,003,039
<b>Excess (shortfall) of income over expenses</b>	<b>(258,641)</b>	<b>(290,059)</b>	<b>34,274</b>	<b>595</b>	<b>85,462</b>	<b>(124,867)</b>	<b>27,883</b>	<b>41,363</b>	<b>51,179</b>	<b>(133,206)</b>	<b>112,996</b>	<b>(453,021)</b>	<b>393,022</b>
<b>Net assets, end of year</b>	<b>2,628,421</b>	<b>376,950</b>	<b>533,837</b>	<b>707,909</b>	<b>569,316</b>	<b>236,080</b>	<b>66,638</b>	<b>100,056</b>	<b>115,653</b>	<b>(12,424)</b>	<b>595,731</b>	<b>5,918,167</b>	<b>6,320,864</b>

\* Cumulative results account for the elimination of operations between the different sections.

\*\* Financial statements based on a 10-month period

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## PBQ Management

Left to right, second row: Annie Lo, Guy Laquerre, Chantal Bruneau, Clément Lalancette, Eve Martin, Louis Blouin

Left to right, first row: Marie-Claude Dubuc, André Roy, Nathalie Côté