

# CDC's 13<sup>th</sup> Annual Public Meeting

Welcome and Opening Remarks  
Jennifer Hayes, Acting Chair

# Agenda

1. *Welcome and Opening Remarks*
2. *Chair's Report*
3. *CEO's Report*
4. *Audit Committee Chair's Report*
5. *Special Guest: The Honourable Marie-Claude Bibeau, Minister of Agriculture and Agri-Food*
6. *Closing Remarks*

# Chair's Report

Who are we?

Board of Directors

- ▶ *Jennifer Hayes, Acting Chair and Chair of the Audit Committee*
- ▶ *Serge Riendeau, CEO*



# Senior Management Team and staff

*Chantal Laframboise, Director, Finance  
and Administration*

*Danie Cousineau, Corporate Secretary*

*Christine Boutin, Senior Director,  
Commercial Operations and Marketing*

*Hossein Behzadi, Director, Audit and  
Program Evaluation*

*Benoit Basillais, Director, Policy and  
Economics*

*Chantal Paul, Director, Corporate  
Services*

*Richard Rancourt, Chief, IT, IM and  
Security (not in picture)*

+ 64 devoted employees



# What's our mandate?

*“to provide efficient producers of milk and cream with the opportunity to obtain a fair return for their labour and investment, and to provide consumers of dairy products with a continuous and adequate supply of dairy products of high quality”*



# CEO's Report

## 2019 Highlights

*Dairy Direct  
Payment Program*

*Second round of  
the Workforce  
Development  
Initiative*

*First year of the  
Research Affiliate  
Program*

*CDC participation  
in the Public  
Service Employee  
Survey*

*Strategy on  
Mental Health in  
the Workplace*

*Meeting  
Facilitation*

# Performance Objectives for 2018-2019

## How did we do?

- ▶ Investment and innovation have led to continuous market growth.
- ▶ The CDC is valued as an effective facilitator and key contributor in the dairy industry.
- ▶ A well-administered, responsive and well-understood supply management system.
- ▶ The CDC is organized and resourced to support the dairy industry into the future.



## 2019-2020: What are we striving for?

- ▶ Investments and innovation
- ▶ Leadership and support
- ▶ A well-administered supply management system
- ▶ A well-run CDC



# FINANCIAL REVIEW AND OVERSIGHT

- ▶ Jennifer Hayes, Chair of the Audit Committee

# INVENTORY

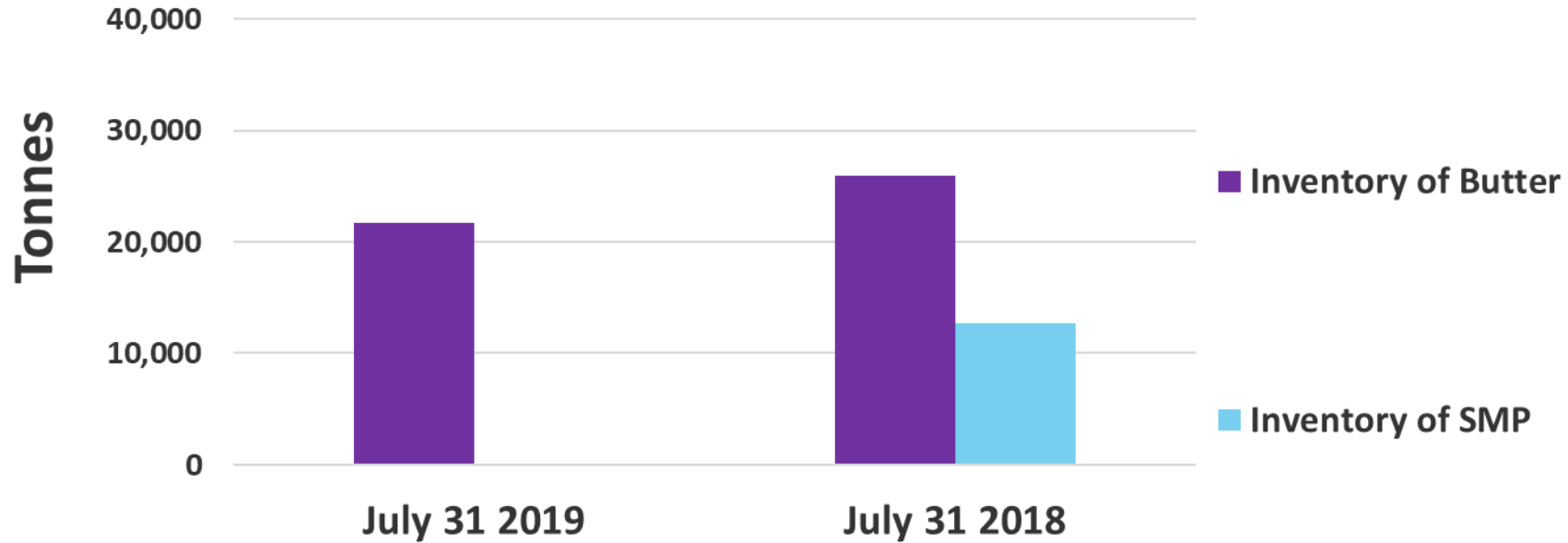
Butter under:

- Domestic Seasonality program
- Imported butter as part of Canada's obligations under the WTO

Skim milk powder (SMP) under:

- Surplus Removal Program

# INVENTORY



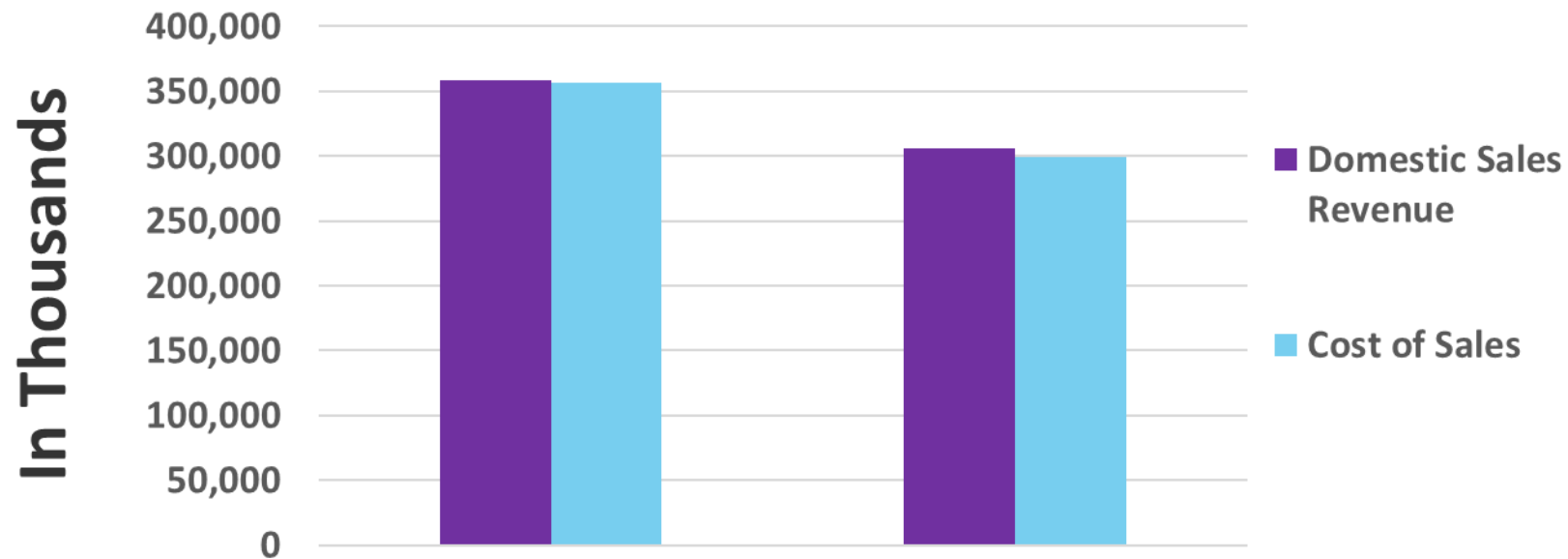
**Total Value:**  
(in thousands)

\$178,157

\$221,970

**Lower inventory of butter**  
**Inventory of SMP depleted**

# DOMESTIC ACTIVITIES



**Gross Profit:**  
(in thousands)

2018-2019  
\$ 2,513

2017-2018  
\$ 6,932

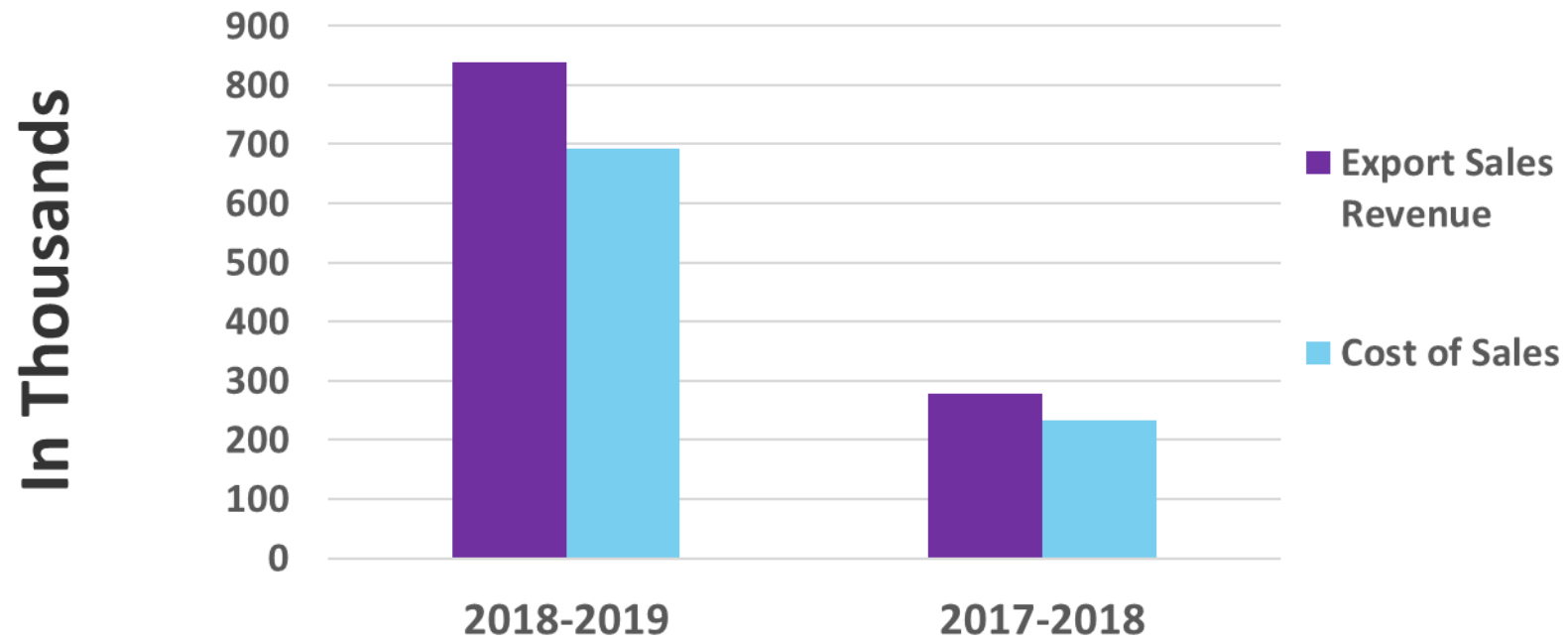


Higher sales of Domestic butter



Lower sales of skim milk powder

# EXPORT ACTIVITIES



**Gross Profit :**  
(in thousands)

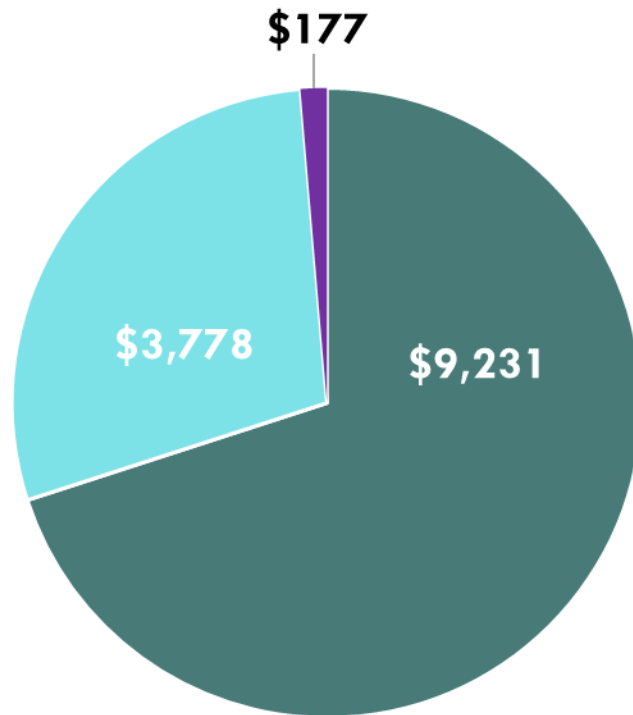
**2018-2019**  
**\$ 147**

**2017-2018**  
**\$ 46**

**Small quantity of butter exported**

# OTHER INCOME

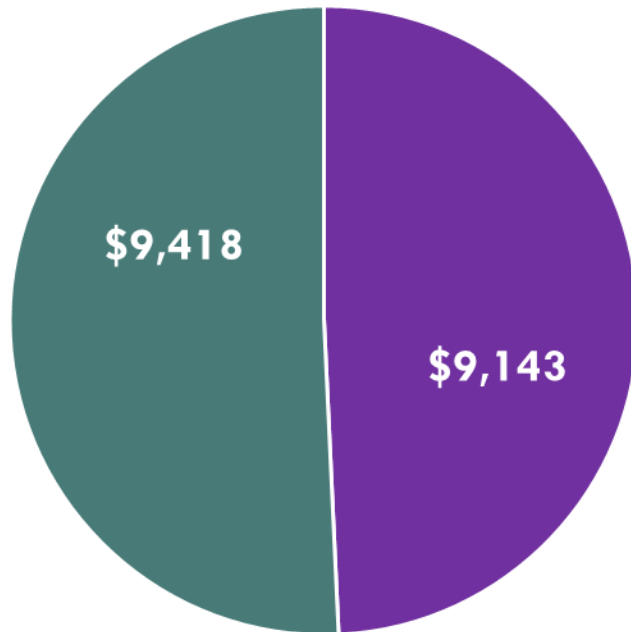
In thousands



- Funding from milk pools
- Funding from the Government of Canada
- Audit services

# OPERATING AND ADMINISTRATIVE EXPENSES

In thousands



- Operating Expenses
  - Industry initiatives
  - Cost of Production study
  - Other charges
- Administrative Expenses
  - Salaries and employee benefits
  - Other administrative expenses (rent, travel, administrative support)

# OVERALL RESULTS

- 2018-2019 operational surplus: **\$5.8M**
  - Reimbursed to provincial agencies and boards following a decision of the CMSMC
- Total comprehensive loss: **\$8.5M**
- 2018-2019 retained earning: **\$26.1M**





The Honourable  
Marie-Claude  
Bibeau, Minister  
of Agriculture  
and Agri-Food



# Chair's Closing remarks