

Helping Canadians Help Animals

ANNUAL REPORT
2006



Photo courtesy of Ontario SPCA



Photo courtesy of Ontario SPCA

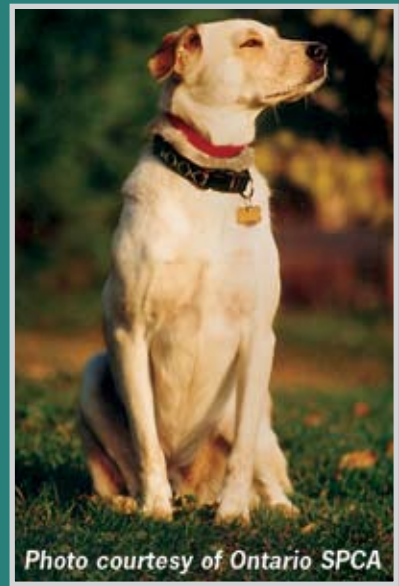


Photo courtesy of Ontario SPCA



The Canadian Federation
of Humane Societies
La Fédération des sociétés
canadiennes d'assistance aux animaux

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The Canadian Federation
of Humane Societies
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A Message from the President

Robin Jackson

The year 2006 has focused on laying the foundation for a revitalized Canadian Federation of Humane Societies (CFHS). This work started in the previous year with the hiring of a new Chief Executive Officer, Steve Carroll. The Board of Directors began the year in review by establishing several priorities for 2006-2007. They included:

1. Oversight of the reduction of the deficit.
2. Development of a Strategic Plan which addresses such matters as recruiting lapsed members and attracting new members; ensuring that the Federation is the national voice of humane societies and SPCAs speaking on national matters; establishing and enhancing our communications with our members and the public and building the profile of the Federation.
3. Regularizing procedures which includes overseeing the implementation of the recommendations from the operational review done in 2006 and revising and strengthening the nominations procedures to ensure the Federation has a diverse mix of necessary skill sets among its board members.

On the financial front, the deficit has been reduced significantly and the Federation is on its way to being on solid financial footing. Over the past year, the Board's Finance Committee worked with the CEO to find a new bookkeeper, institute a new system of account numbers, devise an investment policy, create financial management guidelines and a financial strategy and prepare a planned giving and a major gifts policy.

The Finance Committee initiated research into the CFHS's risk management situation in relation to the Canada Revenue Agency (CRA) in terms of our charitable status and the political action we undertake. This review was done in an effort to ensure the organization is operating correctly within the CRA's parameters.

I would like to thank Ruth Saunders, our Treasurer, and Bob Osterhout, member of the Finance Committee, for the enormous amount of work they undertook. Without their help, the Federation would certainly not have moved down the financial road of recovery as quickly as it has.

Work began in 2006-2007 on a long term strategic plan for the Federation. This plan identifies key issues such as:

- Stakeholder and Member Service: Who do we define as our members or stakeholders? How do we create value for our members?
- Internal Systems: How can we satisfy members and stakeholders while meeting budgetary constraints?
- Capacity Building: How do we enable the CFHS to grow and change while meeting ongoing demands? How to create a highly energized work environment in which people want to grow and develop?
- Financial: How do we establish the threshold for financial sustainability and ensure funding availability for new programs?

A Message from the President *(continued)*

The first change admits a category of membership for individuals/donors that is called Associate Members. This allows us to have individuals as non-voting members. The second change allows us to offer trial memberships to animal welfare organizations that are not currently members. Estimates indicate there are over 100 animal welfare agencies across Canada, which are not currently Federation members and which meet the Federation's criteria. As a way of giving them a taste of what full membership could provide them, interested organizations can avail themselves of a free three month trial membership.

The Bills and Legislation Committee worked with the staff on Bills S-213 and C-373 relating to the Criminal Code and animal cruelty. While there is no resolution to these Bills at the time of writing this report, the process has pointed out more than ever, the need for a national voice such as the CFHS to advocate and educate Parliamentarians on animal welfare matters. Marguerite Vogel, Chair of this committee, deserves our thanks for leading the committee.

The Farm Animal Committee spent much of its time this year working with the staff on CFHS' participation on the National Farm Animal Care Council and the CFHS' submission to the government regarding transportation regulations. Thank you to committee Chair Cindy Smith for her efforts in this area.

The Companion Animal Committee, under the able leadership of Pat LeGrow, has been hard at work preparing position statements on such important topics as spay/neuter; the adoption of companion animals; responsible breeding and puppy mills. Pat will be leaving the Board in May. On behalf of the CFHS, I would like to thank Pat for her work and commitment over the years as Secretary to the Board, her efforts to review and revise the by-laws, draft the rules and regulations and the Board Governance Manual.

The Board prepared an evaluation process and timeframe for preparing the annual performance appraisal of the CEO. In undertaking the annual review of the CEO, the Board requested input from its members and partners to receive feedback on how our shareholders feel the CEO and in turn, the organization, are serving their needs. It is through such a process that we, along with our stakeholders, are working together to find ways to ensure the organization responds to members' needs and grows stronger.

I would like to thank the CFHS Board, Steve Carroll, our tireless CEO, and the staff for their dedication and work over the past year. It also is important that I acknowledge and thank our members, partners and stakeholders who have had the belief and patience to support the CFHS over the last few years when times were hard. Their belief in the necessity of the Federation as the voice of animal welfare in this country has allowed us to refocus our efforts and surge ahead. While there remains much to be done, we are now ready and able to meet the challenges that lie before us.

Sincerely,





A Message from the CEO

Steve Carroll

This was a year of positive and progressive change at the CFHS. Since joining the CFHS in January 2006, I've anticipated writing this report. What, after one year on the job, would I be able to tell to you? Would the national office have made progress in addressing some serious and long-standing operational deficiencies? Would we have become more effective and efficient in responding to the needs and expectations of our valued membership? Would the Federation be stronger, weaker or unchanged? And what major challenges and opportunities would we prepare to embrace as we move forward?

The first day I started at the CFHS I promised you complete transparency and accountability in everything we undertake. We shared our work plans, our quarterly progress reports and our financial recovery information. We implemented a rapid response policy for any member queries. We made every effort to ensure the national office is increasingly accessible and that areas of responsibility are clearly defined. We sought out and welcomed member input and guidance and this continues to be a major influence in reshaping the national office as we strive to provide our valued members with the leadership they expect and deserve.

While much work lies ahead, we have accomplished a lot in 2006. Both our successes and the areas in which planned outcomes were not achieved have been detailed and shared in our quarterly reports, bi-weekly e-bulletin updates and in a number of special communications on particular issues. Over this period, we addressed key issues in financial management, operations, communications, policies and procedures, human resources and member services. We made solid progress in reducing our deficit. Internally, we shifted the national office culture to one that each day must answer the questions, 'What have we done today to improve value for our members?' and 'What have we done today to improve animal welfare in Canada?'

We have achieved a 97% compliance rate, completely or substantially implementing 149 of 154 CFHS Operational Review Recommendations. In pursuit of Criminal Code amendments, we met and established relationships with more Ministers, Senators and MPs than ever before during these important campaigns. Our media profile is rising: we reached more than 24 million Canadians through print and electronic media across Canada between April and December. We reached out to past and future members with an innovative, practical and new CFHS Member Benefits Bundle as part of the CFHS Member Retention and Recruitment Program. We strengthened our collaborative connections with important external stakeholders including the National Companion Animal Coalition, Canadian Veterinary Medical Association, Canadian Council on Animal Care, National Farm Animal Care Council, Canadian Veterinary Reserve and others. We completely overhauled our communications tools and protocols, introduced new and practical communication platforms and developed an entirely new, dynamic web site featuring a members only area chock full of useful, up-to-date and practical tools and resources.

I will close by acknowledging and thanking the dedicated and hard-working staff and volunteers of the national office, the Executive Directors and CEOs of our member agencies and, of course the CFHS Board of Directors. All have been tremendously supportive and have provided much appreciated guidance and assistance throughout the year. Thank you!



Our Mission

“ “ As the national voice of humane societies and SPCAs, the Canadian Federation of Humane Societies supports its member animal welfare organizations across Canada in promoting respect and humane treatment toward all animals. ” ”

Board of Directors

Robin Jackson Ottawa Humane Society
Kim Millan Director-at-Large
Sue Schaepsmeyer Calgary Humane Society
Ruth Saunders Director-at-Large
Pat LeGrow Prince Edward Island Humane Society
Z. E. Red Lawrence BC SPCA
N.A. Aedes Scheer Director-at-Large
Cindy Smith Saskatchewan SPCA
Evelina Smith SPA de l'Estrie
Marguerite Vogel BC SPCA
Dr. Lynn Webster Director-at-Large

Board Support and Nominating Committee

Robin Jackson Chair
Sue Schaepsmeyer Chair
Craig Daniell
Z. E. Red Lawrence
Kim Millan
Bruce Roney
Jim Sykes
Steve Carroll

Executive Committee

Robin Jackson President
Ruth Saunders Treasurer
Kim Millan First Vice President
Pat LeGrow Secretary
Sue Schaepsmeyer Second Vice President
Steve Carroll (ex-officio)

Finance Committee

Ruth Saunders Chair
Robin Jackson
Bob Osterhout
Steve Carroll

Member Services Committee

Robin Jackson Chair
Heather Irving
Z. E. Red Lawrence
Pat LeGrow
Sue Schaepsmeyer
Cathy Thomas
Dr. Lynn Webster
Steve Carroll

Companion Animal Committee

Pat LeGrow Chair
Sue Schaepmeyer
Heather Irving
Cathy Thomas
Robin Jackson
Steve Carroll
Kim Millan

Bills and Legislation Committee

Marguerite Vogel Chair
Bob Gardiner
David Buffett
Robin Jackson
Craig Daniell
Marcie Moriarty
Mike Draper
Steve Carroll

Ad Hoc Policy Review Committee

Kim Millan Chair
Pat LeGrow
Z. E. Red Lawrence Chair
N.A. Aedes Scheer
Heather Irving
Steve Carroll
Robin Jackson

Farm Animal Committee

Cindy Smith Chair
Robin Jackson
Joy Ripley
Evelina Smith
Jim Bandow
Geoff Urton
Alyssa Bell Stoneman
Helen van der Loop
Craig Daniell
Marguerite Vogel
Mike Draper
Steve Carroll

Member Societies

Animatch Inc. • British Columbia SPCA • Burin Peninsula SPCA • Calgary Humane Society • Canadian Association for Humane Trapping • Charlotte County SPCA Inc. • Cochrane Humane Society • Etobicoke Humane Society • Exploits Valley SPCA • Fredericton SPCA • Gander & Area SPCA • Guelph Humane Society • Hamilton/Burlington SPCA • Humane Society Dawson • Humane Society Yukon • Kindness Club • Lakeland Humane Society • Meadow Lake & District Humane Society • Medicine Hat SPCA • Moncton SPCA Inc. • New Brunswick SPCA • Newfoundland & Labrador SPCA • Northwest Territories SPCA • Nova Scotia Humane Society • Ontario SPCA • Ottawa Humane Society • Prince Edward Island Humane Society • Red Deer and District SPCA • Regina Humane Society • Royal City Humane Society • Saskatchewan SPCA • SPA de l'Estrie • Victoria County SPCA

CFHS Staff



Steve Carroll
Chief Executive
Officer



Shelagh MacDonald
Program Director



Tanya O'Callaghan
Communications
Coordinator



Dorothy Bender
Administrative
Assistant



Pat Sample
Program Assistant

CFHS Volunteers



Jocelyn Lachance



Lori Snyder



Margaret Campagna



Jennifer Palmer
Writer/Researcher



Jessica Lynk
Researcher

Animals and the Law

The CFHS' efforts in support of effective animal cruelty legislation continued in 2006. Hampering our efforts was the introduction of Bill S-213, a private senator's bill tabled by Senator John Bryden in April. This bill is identical to his previous bill, S-24. It takes the increased sentencing provisions from the previous Bill C-50, but leaves the exact wording of the current offences, which were originally enacted in 1892.

The CFHS and other animal protection groups are opposing S-213 because just increasing penalties is not enough. It makes no sense to enact legislation in 2007 that maintains the archaic and flawed offences of the 19th century. The current law makes it very difficult to prosecute even the worst cases of animal neglect; it applies differently to different types of animals; it offers less protection for wildlife and strays than for owned animals, and it considers animal cruelty as a property offence.

In October, MP Mark Holland tabled C-373, a private member's bill that is identical to the previous Bill C-50. Throughout 2006, the CFHS worked hard to educate Senators and Members of Parliament about the inadequacies of Bill S-213 and to strongly urge them to reject S-213 and support C-373.

There have been some strong lobbying efforts from certain animal use industry groups in support of S-213. The Conservative government has also indicated its support for S-213. The NDP and the Bloc Québécois are supporting C-373, but the Bloc is also unfortunately supporting S-213.

In December, the CFHS and the Canadian Veterinary Medical Association appeared before the Senate Legal and Constitutional Affairs Committee as they deliberated Bill S-213. Despite requesting further information from the CFHS, the Committee passed the bill and two days later it was passed by the Senate and referred to the House of Commons.

In November, the CFHS co-sponsored a public opinion poll, conducted by SES Research. The poll showed that more than 85% of Canadians believe wild or stray animals should be protected from cruelty. It also found that more than 76% of Canadians feel that animal cruelty crimes should no longer be treated as property crimes. Interestingly, the response to this question was even higher from people living in rural areas, people who hunt or fish and people who traditionally vote Conservative.

The CFHS will continue to make modernized, effective amendments to Canada's animal cruelty law a priority for 2007.



Animals on the Farm

The National Farm Animal Care Council (NFACC) is the industry-led council struck in 2005 to establish a new process for the development and revision of Codes of Practice for the care and handling of farmed animals. A draft process was completed and the dairy code will be reviewed as the first test of the new process, beginning in 2007.

The proposed new code process includes a Scientists' Committee to provide input and develop a report on the major animal welfare issues for each commodity. We are pleased about this addition and pushed hard for the Scientists' Committee report to be publicly released when the draft code is released for a 60-day comment period – a suggestion that was approved after much initial resistance from industry groups on the Council. We have long questioned the value of voluntary codes without a system of verifying whether or not producers are meeting the standard of care outlined in them. We believe that the new NFACC code process should have a verification component attached to it. Resistance to this idea at the NFACC table has been substantial, although a subcommittee was formed to explore whether or not NFACC should have a role in verification programs.

We believe it is important to be at the NFACC table representing animal welfare. However, we remain concerned about the lack of balance around the table, with the Council being so heavily weighted with industry representatives and only one animal welfare organization. Our goal is to ensure that progress is made in farm animal welfare.

The Canadian Food Inspection Agency (CFIA) announced in 2005 that it would be launching a consultation process regarding possible amendments to the transportation regulations of the Health of Animals Act. The CFHS partnered with the BC SPCA on the development of a science-based report detailing our recommendations for changes. We are extremely grateful to the BC SPCA for carrying out the research and developing the report on this very important issue. The Ontario SPCA joined with the CFHS and the BC SPCA in submitting the report to the CFIA.

Canada currently allows some of the longest transport times in the world, permitting cattle and sheep to be transported as much as 52 hours without food, water or rest. We are recommending a maximum of 24 hours for cattle and sheep and 16 hours for pigs and horses. Other issues we believe need to be addressed include loading density, transporting sick and injured animals, humane handling, temperature and humidity, ventilation and training for truckers.

This is the first time the government has reviewed the animal transportation regulations in 30 years. Knowing that there will be substantial resistance from industry to changes, it is crucial for the CFHS and its member societies and other animal protection groups to make their views known. We have encouraged our member societies to write letters to the CFIA in support of the CFHS/BC SPCA/Ontario SPCA submission, and to include articles in their newsletters and websites to raise awareness of this issue.





Animals in the Home

The NCAC was formed in 1996 and its members include the CFHS, the Canadian Kennel Club, the Canadian Veterinary Medical Association and the Pet Industry Joint Advisory Council of Canada, with Agriculture and Agri-Food Canada as an observer member.

The NCAC continues to focus on managing the Canadian standard for microchip technology, including reviewing microchips and scanners to determine whether or not they meet the criteria to be recognized under the standard. 2006 was the first full year of the International Standards Organization (ISO) technology as the standard in Canada.

There have been concerns about some microchip manufacturers continuing to market the old technology, but the NCAC is addressing these situations. The CFHS continues to remind shelters that they should implant only ISO microchips and that they must have dual scanners to read both ISO and the old technology, in order to ensure sound pet recovery.

The CFHS Companion Animal Committee has proposed revisions to the CFHS position statements on spay/neuter, declawing cats, cosmetic surgery and companion animal identification, as well as a new statement on acquiring a pet. These statements should be finalized in 2007.

Working with Others

The CFHS has enjoyed a long and positive working relationship with the Canadian Veterinary Medical Association (CVMA), most extensively as a member of their Animal Welfare Committee. This is a very active committee made up of veterinarians and a few ex-officio members from other organizations such as the CFHS.

One of the main tasks of the committee is the development and review of position statements. Other significant projects include the review of the CVMA Code of Practice for Kennel Operations (to be released in 2007) and the development of a Cattery Code (to be released in late 2007/early 2008); the launch of a website on animal abuse; the development of a poster on pain control in small animals, with a large animal poster to be completed in 2007; and work in support of effective animal cruelty legislation. The animal abuse website provides information for veterinarians and the public on how to recognize animal abuse, who to call and the specific role of veterinarians in reporting abuse. The CVMA has been very supportive of the CFHS' position on animal cruelty amendments. They have testified before various House and Senate Committees over the past few years and have written letters to Justice Ministers and MPs, as well as keeping veterinarians informed on the issue.



Photo courtesy of Ottawa Humane Society



Photo courtesy of Ottawa Humane Society

Working with Others *(continued)*

In 2006, the CVMA invited the CFHS to participate on the Advisory Board of the Canadian Veterinary Reserve (CVR) it is establishing in partnership with the Canadian Food Inspection Agency (CFIA). The CVR will consist of a pool of private sector veterinarians to assist governments in responding to animal health emergencies such as disease outbreaks and natural disasters. The Advisory Board is made up of representatives from the animal and public health sectors.

A Civil Emergencies Subcommittee has been established to focus on emergency situations not related to reportable diseases. This would include both man-made and natural disasters involving large numbers of animals. Our role will be to liaise with humane societies, SPCAs and rescue groups to coordinate the kind of help they could provide in an emergency situation, such as sheltering, supplies, local volunteers, transporting animals etc. The plan is to hold training sessions once or twice a year, as well as to conduct mock disaster response sessions. Additional funding is still needed for this initiative.

In 2006, the CFHS once again had three representatives on the Canadian Council on Animal Care (CCAC) and each also sits on one of the management committees. In addition, we have representation on committees that develop guidelines for the use of various types of animals. The guidelines on the use of farm animals in research, testing and teaching should be completed in 2007. Although the CFHS would like to see a mandated system of compliance, we believe the CCAC system of oversight is among the best in the world.

The CFHS also nominates individuals to serve as community representatives on assessment panels that visit and assess research facilities that use animals for research, teaching and testing. In 2006, the CCAC carried out assessments of 46 institutions involving 24 CFHS-nominated community representatives. A Manual for Community Representatives, jointly produced by the CFHS and the CCAC, was completed in 2006. This document serves as a comprehensive, user-friendly resource to inform and support community representatives in their important work on behalf of animals.



Communications

In 2006, the CFHS made a commitment to communicate better and more effectively – particularly with our donors. Our goal is to help Canadians better understand what we do, and what they can do to make Canada a more humane place.

This year, the CFHS developed and launched a brand new website, still located at our longtime home on the web at www.cfhs.ca. We have developed great new and original content for the new site: in total, information was uploaded on some 75 new subjects that relate to the CFHS' work! With its new look, improved navigability and all the new content, the CFHS website is busier than ever, logging on average about 20,000 unique visitors (and about 25,000 hits) per week – an increase of more than 25% over the previous year. The CFHS also began offering some of our website content in French, and we plan to eventually make our entire site completely bilingual.



Communications *(continued)*

Animal Welfare in Focus – the CFHS’ newsletter and one of our main means of communications with donors, stakeholders and others who work in the animal welfare movement – also underwent some major changes in 2006. With a whole new look and some great new content, the newsletter now better reflects the CFHS’ unique role as the only voice for humane societies and SPCAs in Canada. More exciting changes are planned in 2007, including bigger and more frequent publications!

The CFHS also developed a number of corporate communications materials, including a brochure and kit folders. A special thank you to the marketing department at Pet Plan Insurance for donating their graphic design services.

In 2006, the CFHS continued to be a valuable resource to the Canadian media on a wide array of topics, including: the animal cruelty amendments, dangerous dogs, responsible pet ownership, farm animal welfare issues and sheltering issues, like promoting adoptions and temperament testing. Whenever possible, we worked closely with member societies to respond to issues that may have been of national and local/provincial interest – a tactic that boosted our presence in the media and fostered collaboration within the Federation.

As the only true national voice of humane societies and SPCAs, the CFHS has also promised to improve communications with our member societies. We have been working at keeping our members better informed of our activities and engaging them in THEIR federation. These efforts have proven critical in strengthening relationships with and among member agencies.

One of the biggest steps forward in 2006 has been the launch of a members-only website that includes a ‘Clearinghouse’ of information, a discussion board to encourage member humane societies and SPCAs from across Canada to share materials and ideas and discuss their common challenges and successes, a CFHS library research service and more. The CFHS also launched bi-weekly e-news bulletins to consolidate communications to member societies and keep them better informed of ongoing activities. But communication goes both ways, and the CFHS is committed to better engaging members; listening to them; and more importantly, better meeting their needs – a commitment we will continue in 2007.

New in 2006:



Animal Welfare in Focus



CFHS Brochure



CFHS Website



Treasurer's Report

Ruth Saunders

The Finance committee provides oversight to ensure the Federation and Foundation's financial affairs are conducted, monitored and reported in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.

The assistance of a qualified contract bookkeeper ensured reliable and accurate financial information was available on a timely basis throughout the year.

The Finance committee served as Audit committee, liaising with the new auditors, and reviewing the audited financial statements and other supporting documentation.

While the Federation again finished with a deficit for the year, this amount is less than half of the prior year's deficit, despite the fact that major strides forward were made in a number of sectors, including member services and head office administration.

Thanks again to the dedicated members of the Finance Committee - Robin Jackson, Steve Carroll and Bob Osterhout, for all their hours of hard work.

Corporate Partners

The Canadian Federation of Humane Societies would also like to thank the following Corporate Partners for their support in 2006:

Avocado Press/Smarter than Jack

PetLynx

P&G Pet Care

Petplan Insurance

Car Heaven/Clean Air Foundation

Bell Canada employees

PetSmart Charities of Canada

Pets Quarterly Magazine

Johnson Insurance

Gowling Lafleur Henderson LLP



Financial Statements

As of December 31 2006

	Operating	McGrand	Foundation	2006	2005
Current Assets					
Cash		1,966	4,522	6,488	19,930
Accounts receivable	9,596		1,791	11,387	26,021
Inventory and prepaids	5,753		263	6,016	7,218
	15,349	1,966	6,576	23,891	53,169
Investments		233,037	752,429	985,466	992,802
Capital Assets	167,558			167,558	174,488
Total assets	182,907	235,003	759,005	1,176,915	1,220,459

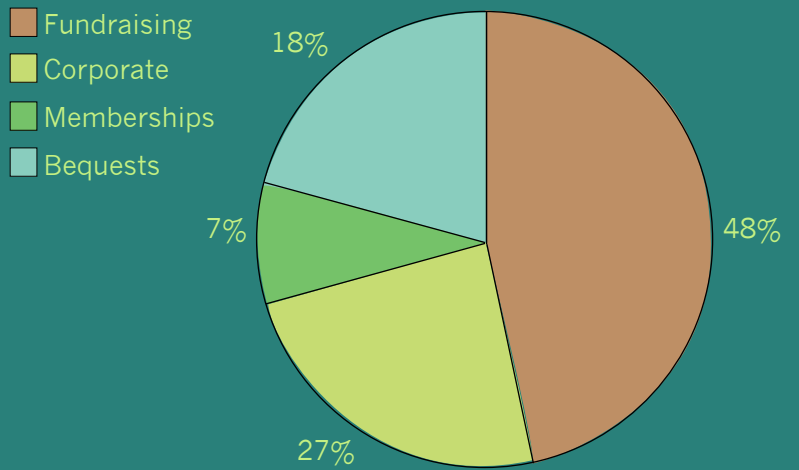
Liabilities					
Bank overdraft	15,776			15,776	31,957
Accounts payable	27,496	500	1,500	29,496	27,643
Inter-fund receivable/ obligation	242,734	355	(243,089)		
Deferred revenue	6,020			6,020	
Total liabilities	292,026	855	(241,589)	51,292	59,600

Net Assets (Deficit)					
Invested in capital assets	167,558			167,558	174,488
Restricted	13,508	234,148		247,656	238,159
Unrestricted	(290,185)		1,000,594	710,409	748,212
	(109,119)	234,148	1,000,594	1,125,623	1,160,859
Total liabilities and net assets	182,907	235,003	759,005	1,176,915	1,220,459

Financial Statements *(continued)*



Revenue by Source



Expenditures by Type

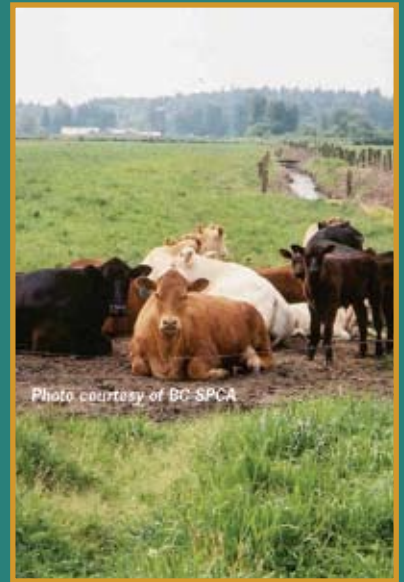
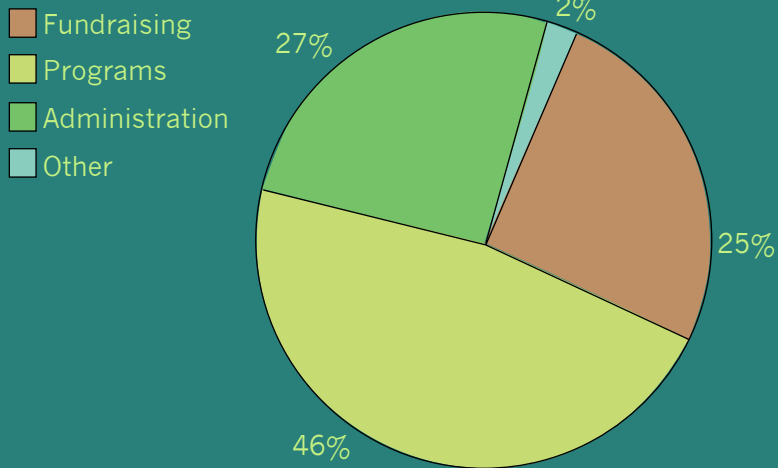




Photo courtesy of Ottawa Humane Society



Photo courtesy of BC SPCA



Photo courtesy



The Canadian Federation
of Humane Societies
La Fédération des sociétés
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