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FOR IMMEDIATE RELEASE

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Cattle Feeders' Concerned With Federal Support for Beef Industry

In a recent announcement, the Government of Canada (GoC) highlighted support for Canada's agricultural sector in the amount of \$252M. The portion allocated to the beef sector is in the amount of \$50 Million for a set aside program to be delivered through AgriRecovery. While this is a 60:40 Federal - Provincial cost share program, the Federal government has indicated they will guarantee the 60 percent portion for all provinces. Provincial governments each have the option to cover the additional 40 percent.

The National Cattle Feeders' Association (NCFA) is encouraged to see the Government of Canada recognize the agriculture industry as essential. In the face of this crisis, our industry continues to work hard to ensure Canadians have a safe and reliable food supply.

Due to the impact COVID-19 has had on our processing sector, the beef industry supply chain is backed up to the farm gate approximately 100 000 animals. These animals are costing producers approximately \$400 000 per day to maintain while their value fell from \$250 million pre-COVID to approximately \$165 million currently, based on the fed cash price. Collectively, our beef industry has been requesting a set-aside program to assist beef producers in maintaining animals at the farm that cannot be processed for the food industry.

"The \$50 million announced this morning for the Federal portion of the set-aside program is not enough to have an impact on this backlog or the additional costs to producers," says Michel Daigle, NCFA Chair.

The NCFA also requested changes to the Agri-Stability program such as:

- Eliminate the \$3 million payment cap;
- Increase the trigger from 70% to 85% for 2019-20 and remainder of the CAP Partnership Agreement;
- Invoke the "late participation clause" to help producers access needed support;
- Remove "reference margin limiting" for meaningful and longer-term support; and
- Process claims more quickly and allow for interim payments.

The announcement today did not cover any of these requests, instead provided an interim payment increase from 50 per cent to 75 per cent and an extension of the deadline to July 3, 2020.

“The beef industry is concerned with this level of support for the vital agriculture and food industry,” Daigle states. “We have been working closely with government during this pandemic and we had hoped for more resources.”

The National Cattle Feeders' Association is the voice of Canadian cattle feeders. NCFA represents its on federal issues while working to advance the fed cattle value chain. NCFA membership is comprised of provincial beef organizations from the major cattle feeding regions of Canada.

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