NEWS RELEASE

Ministry of Agriculture, Food and Fisheries

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$6 MILLION CALF PROGRAM EASES BSE PRESSURE ON MARKETS

VICTORIA – Up to $6 million for a feeder cattle set-aside program should ease the pressure on markets and slaughter capacity due to BSE, Minister of Agriculture, Food and Fisheries John van Dongen announced today.

Grants will allow eligible producers to set aside a portion of the 2004 calf production, allowing time for slaughter capacity to expand to match fed-cattle production. The B.C. program, part of the National Repositioning Strategy for the cattle industry, will leverage an additional $9 million in federal funding for a total of $15 million for B.C. ranchers.

“The set-aside program will help industry adapt to the new market realities created by the continued closure of the United States border to Canadian live ruminant animals,” said van Dongen. “Our aim is a B.C. cattle industry contributing to the economic wellbeing of rural communities with or without the United States border being open to live cattle.”

The program will pay farmers to keep their calves from market. A target of up to 70,000 calves held back from slaughter will bolster calf prices this fall.

As a result of the closure of the U.S. border to live ruminant animals since May 2003, the cattle herd in British Columbia continues to grow and add pressure to already strained market conditions. The sector generates in excess of $200 million annually in farm cash receipts from the sale of cattle.

“With programs like the calf set-aside, British Columbia producers can stay competitive,” said Mark Nairn, president of the B.C. Cattlemen’s Association. “This is part of a solution that ranchers support, and I am confident that the set-aside program will help reduce our reliance on export markets.”

Details will be finalized shortly, and applications, guidelines and FAQs will be available on the government portal at www.agf.gov.bc.ca/ online. Click on BSE.
A number of short-term programs have provided almost $33 million so far to B.C. cattle and other ruminant producers. Farmers and ranchers who have not applied for the national disaster programs of the Canadian Agricultural Income Stabilization Program (CAIS) can still sign up until Nov. 30, 2004.

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1 backgrounder(s) attached.

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