



Canadian Cattlemen's Association

News Release

Canadian Beef Industry Makes Strides in Regaining and Growing Export Markets

(March 10, 2005) The Canadian Cattlemen's Association (CCA) today welcomed Federal Minister of Agriculture Andy Mitchell's announcement of a Federal contribution of \$50 million to the Legacy Fund, a beef industry initiative to ensure long term funding for further market development for Canadian beef. The Federal contribution is in addition to a \$37 million contribution to the Legacy Fund announced by the Alberta Government on Monday.

Minister Mitchell made the announcement at a meeting of the Beef Industry Value Chain Round Table in Calgary, Alberta. The Round Table is an industry-government steering group that brings together government with all aspects of the beef industry for discussion of issues and strategy development. At the meeting the Minister stated the government will continue to stand by beef cattle producers.

Over the next two weeks the CCA will be developing recommendations to enhance and adjust the repositioning strategy announced last September. Market expansion and development are key components of the strategy. The strategy is designed to be effective whether or not there is a prolonged border disruption with the U.S. An additional key component of the strategy is expanding slaughter capacity in Canada. Canadian slaughter increased 24 percent in 2004 and capacity is expected to increase a further 19 percent by the end of 2007. Market expansion combined with the increased slaughter capacity already achieved and continuing to come on line is repositioning Canada globally as a major competitor with other beef producing nations.

In the coming weeks the beef industry will determine the markets toward which Legacy Fund resources can be most effectively targeted. CCA is also developing contingency plan recommendations in the event under 30 month boxed beef exports to the U.S. are disrupted. "The Canadian beef industry is prepared to do whatever needs to be done to regain and ensure our profitability long term," says Hugh Lynch-Staunton, CCA Vice President. "While we prefer to work to move the world toward more rational science-based trade rules, we're prepared to take whatever steps are necessary. We're also positioning ourselves to be one of the few countries in the world able to provide age-verified beef."

For further information:

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CCA is the National Voice for the Beef Cattle Industry, representing over 90,000 Cattle Producers