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PRESS RELEASE

2010 – Another Year of Excess Moisture for Manitoba Beef Producers and What It Means Moving Forward

January 4, 2011 (WINNIPEG, MB) – The Manitoba Beef Producers issued a press release subsequent to the announcement of aid for beef producers in Manitoba, by both levels of government on Friday, December 17, 2010. “MBP is both pleased and relieved that Manitoba’s excess moisture-triggered crisis has been acknowledged as such and has, as a result of this announcement, at least partially ebbed,” said Trevor Atchison, 2nd Vice President of the Manitoba Beef Producers. According to Atchison however, the word ‘partially’ must be emphasized because the question needs to be asked – is the program adequate? That is, who does and does not benefit from the program? “While grateful that this aid certainly will reduce some of the pressure on those beef producers most heavily affected, the reality is that there are still those whom will either not qualify or who have been excluded for eligibility,” he said. “A review of the ‘asks’ as outlined and lobbied for by MBP, should be measured against the specific pros and cons of the program in its current form.”

Manitoba Beef Producers lobbied for:

- 1) A program to be available on a case by case basis, not municipality or region driven.
- 2) The ability to administer the program and funds in an expedient manner in order to manage effectively in the interim and with a view to moving forward.
- 3) Per head payment for Breeder and Feeder Stock to help offset the challenges of loss of pasture and hay land.
- 4) Freight Assistance to help offset the cost of hauling feed from distances in order to obtain enough feed inventory.
- 5) Tax Deferral Option for producers who have to sell all or part of their livestock due to adverse weather conditions.
- 6) Hay and pasture re-establishment for the reseeded of lost and damaged forage stands.
- 7) Long term commitments to ensure both municipal and provincial drains are cleaned out and maintained.

Of the aforementioned ‘asks’, the following has been received:

- 1) The delivery of a program on a case by case basis.
- 2) A Tax Deferral program, as put in place in early November, 2010.
- 3) With this recent announcement, we now have a Feed and Transportation Assistance program which will deliver the following initiatives:

- a. Transportation assistance of up to \$0.22 per tonne per loaded mile for producers who must transport feed to livestock or up to \$0.10 per head per loaded mile for producers who need to transport breeding animals to feed at distances greater than normally expected due to excess moisture;
- b. Feed assistance of up to \$30.00 (with 10% deductible) per ton based on an identified forage shortage to help producers who normally grow their own forage to purchase enough feed to sustain breeding stock.

“The most positive outcome in receiving this aid program in its current form is that it is indeed those hardest hit whom will benefit,” said Major Jay Fox, President of MBP. “That said, there are significant holes and key exclusions, and as a result, we owe it to those producers to exercise due diligence and underscore the number of negatives here as well.” According to Fox, first and foremost – the issue of timing. The passage of this aid program required the better part of the past 6 months in lobbying for the aforementioned to include these specific elements in order to create a program that was meaningful to producers. “The delay in receiving this aid in a timely manner has resulted in some producers having to either sell a portion of or their entire herd. This was a key and consistent point of emphasis from MBP in our consultations with government and something we were working hard to avoid. We wanted to work with both levels of government to get the best possible package in the hands of our producers, but the not knowing and the waiting in the end, proved disheartening and ultimately devastating for some.”

Secondly, according to Atchison, the exclusion of the feedlot sector is extremely significant. “Though the tax deferral announcement in and of itself is a positive, there is an enormous gap in that the program does not address the needs of the feedlot sector. MBP lobbied to see this addressed. This sector of the industry has also been heavily impacted by the high costs to repair infrastructure to their feedlots due to damages caused by excess moisture and the loss of gain because of muddy feeding pens.” Atchison also states that the tax deferral program for cow/calf was not issued province wide and ultimately came too late for feedlots.

Additionally, Atchison states that MBP strongly emphasized the need to work toward a forage restoration program. “This is absolutely critical in moving forward, especially in areas hit several years in a row.” Furthermore, MBP wanted to see a long term commitment of ensuring both municipal and provincial drains are cleaned out and maintained.

“Lastly, with regard to this program as it has been put in place, the incorporation of Premise ID was not something MBP was aware of, nor was it discussed, nor something that MBP sees as relevant to the flooding issue. Its inclusion in the program is viewed as an integration of other agendas and it should not have found its place in this program,” said Atchison. “The MBP does not support this.”

According to MBP, the work surrounding the excess moisture crisis of 2010 – for government and for the Manitoba Beef Producers - has not ended. “In many ways, our work has just begun in that there is ultimately a significant shortcoming with regard to existing programs that work for beef producers,” said Atchison. “Though government tends to promote other programs in place and will indicate that they are available to fall back on, MBP has consistently brought forward in our lobbying efforts to date, that there simply is not a workable insurance program currently in place for the cattle industry. We have lobbied for years for better hay and pasture insurance programs – ones that actually work for our industry.” MBP says that the long term program solutions that have been brought forward are inspired by a vision that goes beyond the immediate and urgent response of this aid program. “Launching a number of these key initiatives to address the immediacy of the need with respect to the losses and damage caused by excess moisture has been priority number one, but what is ultimately needed moving forward is the implementation of longer term sustainable programming, such as the Cattle Insurance and Hay & Pasture Insurance programs,” said Atchison.

“It is important that we take this ‘year in review’ approach when gauging and measuring our efforts to date and when strategically assessing next steps,” said Fox. “Let’s not forget the hard-fought victory of the desperately needed aid that

has been announced for our producers, and be thankful for that. But there is work that lies ahead for us in the implementation of programs that work for the beef producers of Manitoba.”

For a full year in review of other issues the Manitoba Beef Producers has and continues to work on for the hard working producers of our province, please visit this link: www.mbbeef.ca and click on ‘Year in Review’.

Manitoba Beef Producers is the exclusive voice of the beef industry in Manitoba. Our role and mission is to represent our beef producers through communication, research, advocacy and education. We provide this representation within industry, to government, to the beef consumer and general public. These efforts take place to strengthen our industry viability, improve prosperity and ensure a sustainable future for the beef industry in Manitoba for the benefit of all our producers. The Manitoba Beef Producers represents 10,000 beef producers across the province.

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