



## **AGRI-RECOVERY FUNDING ANNOUNCED FOR BEEF SET ASIDE PROGRAM**

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An announcement from the Government of Alberta yesterday stated that they are committing to matching AgriRecovery funding for a set-aside program to support Alberta's beef industry. In AgriRecovery, the federal government supplies 60 percent and the province pitches in 40 percent which amounts to \$26 million federally and \$17 million provincially, distributed as per head payments to cover the costs of maintaining market-ready cattle until the backlog of inventory can be cleared.

A new fed cattle set-aside program will allow fed-cattle producers to hold on to slaughter-ready cattle on maintenance feed ration for several weeks, allowing the supply of animals to more evenly match demand and reduced processing capacity.

Cattle producers will be compensated for the extraordinary costs until the backed-up inventory is cleared. Currently, there are about 130,000 cattle backed up in feedlots as a result of reduced operating capacity at major beef processing plants in Alberta. This comes at a substantial cost to cattle producers.

"This will help address the immediate need for feedlots and we are grateful for this. Nobody wants to take money from the government, especially when we know how limited provincial funds are right now, but the fact is that it is needed." says WSGA president Callum Sears.

"We still have concerns about the set-aside program building a rolling back log that will affect fall run – possibly also fall run 2021. Getting the plants running as soon as possible while protecting worker health and safety is still going to be the determining factor in how big an impact this market interruption delivers to the beef industry. At this point future appropriate support and changes to business risk management programs will be needed to get the cow-calf producers through this as well," says Sears.

In addition to supports to the beef industry, the Government of Alberta will immediately increase the interim payment under AgriStability from 50 per cent to 75 per cent for the hog sector. This will put up to \$25 million in the hands of pork producers immediately. Increasing the advance payment under AgriStability will result in the equivalent of \$20 per head for pork producers enrolled in AgriStability.

The closure of most food service outlets across North America has cut the volume for french fries being consumed. In response, the Alberta government will also immediately increase the advance payment under AgriStability from 50 per cent to 75 per cent for the potato industry, to get cash in hands of potato producers immediately.

Established in 1896, Western Stock Growers' Association is a beef producer organization driven by province-wide voluntary membership. WSGA's main priority is protection of the livestock producer and the rangelands they operate on through advocacy. WSGA encourages interaction within industry leaders that promotes education and helps define philosophical issues in agriculture.

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