Western Stock Growers' Association



FOR IMMEDIATE RELEASE

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Calling for investigation into meat pricing

Saskatchewan Stock Growers' Association (SSGA) has called for an investigation into meat pricing – and it could not be more warranted. The price correlation between boxed beef and live cattle prices used to be 90%. Now it is close to 10%. Why and how has this happened over the last several years? "Producers are operating at a loss while packers and retailers are reporting strong profits. This is simply not sustainable. Consumers are paying high prices without knowing the breakdown of where their dollars are going. This is a disservice to both the consumer and the beef producer," says WSGA president Callum Sears.

This issue gets more complex beyond the apparent exploitation of the beef producer. Ranchers are being forced to make hard decisions to reduce their herds and, in some cases, resort to complete dispersals in the face of record costs. The cow herd is what protects the grasslands from conversion. "As the cow herd shrinks, there is increased conversion and a loss of all the services grasslands provide – biodiversity, habitat for wildlife including species at risk, water cycle regulation (storage and purification), and carbon sequestration. These are just the tip of the iceberg," says Sears.

A beef competitiveness study was initiated last year by Alberta Beef Producers, Alberta Cattle Feeders Association and the Canadian Cattle Association and is expected to help address the confidentiality concerns through price transparency in Canadian boxed beef prices. The study, which was started at the request of the Alberta Ministry of Agriculture Forestry and Rural Development, should be available later this year. "The competitiveness study could help inform the discussion but we would like to see action starting before then," says Sears, "Like yesterday. We are looking forward to seeing the results of an investigation and would like other provinces to ask for the same."

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- SSGA News Release: Stock Growers Call for Investigation into Meat Pricing
- Toronto Star: Ranchers call for meat pricing investigation, accuse meat packers of intentionally driving up prices
- Western Producer: <u>Meat-cattle price tensions</u>
- Western Producer: <u>Producer frustration likely reason for investigation call</u>
- Alberta Beef Producers: <u>Alberta beef competitiveness study seeks to build resiliency in beef supply chain</u>

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