May XX, 2020

MLA (See link below for your MLA)

Address

**RE: Request for expanded assistance for Alberta’s cattle and beef industry**

Dear Mr/Ms XXX,

While we welcome the increasing activity in our beef processing sector and appreciate the announcements of federal and provincial funding support for the AgriRecovery fed cattle set-aside program, we continue to face a critical time in Alberta’s beef industry. It is heartening to see workers returning to their jobs and increasing processing capacity in Alberta and across North America. I am thankful for the workers who keep these plants operating and express my sincere condolences to the families of those workers who have tragically lost their lives to COVID-19. The continued operation at these facilities is essential in ensuring that Canadians have access to safe and healthy Canadian beef and that our cattle and beef producers remain sustainable.

Despite the increases in processing capacity, there is still a significant backlog of cattle ready process in our supply chain. This backlog was estimated at 130,000 head of cattle on May 12 and grows at a rate of several thousand head per day. The fed cattle set-aside program will help address the most urgent need facing our industry by reducing the flow of cattle to the plants. However, the backlog of cattle will not be cleared when the fall run of calves and grass cattle begin to hit markets.

Cow calf and backgrounding producers are extremely worried about the markets they will face this fall and the current depressed market for backgrounded cattle ready to go to a finishing feedlot. It is critical that these producers be supported now and that is why Alberta Beef Producers (ABP) has requested the Alberta government expand its support for the cattle and beef industry in this province by providing immediate financial support to cow calf and backgrounding producers. Producers selling calves or feeder cattle in the fall have the ability to protect the price of those cattle through the Western Livestock Price Insurance Program (WLPIP), but the market volatility and instability caused by the COVID-19 pandemic has created huge increases in WLPIP premiums. Many cow calf and backgrounding producers are finding these premiums unaffordable.

ABP has requested the Government of Alberta commit a comparable amount of funding to support the cow calf and backgrounding sectors as it has provided to the fed cattle set-aside program. The Alberta government announced $17.3 million in funding for the set-aside program and ABP has asked for an investment of around $20-22 million to reduce the premiums producers will pay for WLPIP coverage on calves and feeder cattle. These producers will still need to pay a large share of the premiums, but the insurance will be much more affordable and government support for insurance premiums now will be more effective and potentially less costly than providing financial support for these producers in the fall.

In addition to the support that has been provided by the Alberta government and the specific support ABP is currently requesting, we also are asking that you support improvements to the AgriStability program to provide producers with better risk management tools to make their operations more resilient. The Alberta government could quickly increase the interim advance on AgriStability payments from 50% to 75% for those producers who will make AgriStability claims due to drastic drops in market prices. ABP is also joining the Canadian Cattlemen’s Association in requesting the removal of Reference Margin Limits, elimination of the $3 million payment cap and increasing the payment trigger to 85% in the AgriStability program, but we recognize that these are longer term solutions likely requiring federal and provincial agreement.

As we producers continue working to supply high quality, nutritious beef for Canadians, I want to thank you for your leadership and economic support for our industry during the COVID-19 pandemic. I also hope you will encourage your government colleagues to consider expanding the financial support to include all sectors of the cattle industry. Together, we can ensure that Canadians will have a secure and stable food supply through COVID-19 and in the years of recovery following the pandemic.

Sincerely,

Rancher, Town/region

**Alberta MLA Directory:**

<http://www.assembly.ab.ca/net/index.aspx?p=mla_report&memPhoto=True&alphaboth=True&alphaindex=True&build=y&caucus=All&conoffice=True&legoffice=True&mememail=True>