

TRANSITIONAL INDUSTRY SUPPORT PROGRAM (TISP)  
 DIRECT PAYMENT TO PRODUCERS OF CATTLE AND OTHER RUMINANTS  
 SUMMARY

This summary in no way takes precedence over the provisions of the program.

The Transitional Industry Support Program (TISP), announced on March 22, 2004 by the Government of Canada, is designed to provide assistance to the Canadian agricultural sector. It provides for direct payments to producers of cattle and other ruminants and for general payments to facilitate the sector's transition toward new business risk management tools.

Direct payments made to producers of cattle and other ruminants are designed to alleviate the loss of income resulting from the market impacts of Bovine Spongiform Encephalopathy (BSE). The program targets younger animals since they are more prevalent in the marketplace.

This program is under the responsibility of the federal government in all provinces, except in Québec where it is administered by La Financière agricole du Québec.

**PARTICIPATION CONDITIONS**

**ELIGIBLE PARTICIPANTS**

To be eligible for a direct payment, a producer must:

- have been the owner of the animals on December 23, 2003;
- have reported farming income (or loss) earned in Canada for 2003 to the Canada Revenue Agency as an individual, corporation, cooperative, trust or communal organization. Registered Indians who own an agricultural operation on a reserve are also eligible for payments.

In order to receive assistance, each operation must complete and submit a Direct Payment Application indicating the livestock it owned on December 23, 2003. Direct payments received under the Transitional Industry Support Program are considered to be farming income for tax purposes.

**ELIGIBLE ANIMALS**

For the Direct Payment component of TISP, ruminants are livestock animals of the following species: cattle, bison, sheep, goats, elk and deer. They must have been raised and fed in Québec or elsewhere in Canada.

Eligible animals, owned by a participant on December 23, 2003, include calves, heifers, cow-heifers and steers raised for any purpose, including for the replacement of cull animals. For ruminants other than cattle, animals equivalent to these cattle categories are eligible.

Given the different nature of farming operations for elk and deer, eligibility for these animals will be determined as a percentage of a producer's inventory. For elk, payments will be made on 87.5% of the total number of elk, and for deer it will be on 81% of the total number of deer on inventory on December 23, 2003.

**INELIGIBLE ANIMALS**

Cows, bulls, rams, ewes and corresponding mature animals of other ruminant species are not eligible. For registration, **ineligible** animals are those meeting the following criteria:

Type of animal	Males	Females
Cattle	Intact older than 12 months	Having had offspring (calved)
Sheep	Older than 12 months	Having had offspring (lambled)
Goats	Older than 12 months	Having had offspring
Bison	Older than 36 months	Having had offspring



## PAYMENT RATE FOR RUMINANTS

In the framework of Direct Payment, the producer will receive a fixed assistance amount per eligible animal owned on December 23, 2003. Payments per animal could reach up to the following amounts:

Type of animal	Price per head
Cattle	\$80
Bison	\$80
Elk	\$40
Deer	\$20
Goats	\$16
Sheep	\$16

Payment rates per animal for species other than bovine animals were determined using an "Animal Unit Equivalent" approach.

## CALCULATION OF PAYMENT

The direct payment of a farming operation will be calculated by multiplying the number of eligible animals owned on December 23, 2003 by the amount of funding granted for each type of livestock.

The number of eligible animals for each type of livestock, except for elk and deer, will be calculated as follows:

TOTAL NUMBER OF ANIMALS OWNED ON DECEMBER 23, 2003
(-) NUMBER OF INTACT MALES (OVER 1 YEAR OLD) OWNED ON DECEMBER 23, 2003*
(-) NUMBER OF FEMALES HAVING BIRTHED OWNED ON DECEMBER 23, 2003**
= TOTAL NUMBER OF ELIGIBLE ANIMALS

\* The expression "intact males" means male animals with reproductive capacity.

\*\* "Females having birthed" means female animals that have given birth in their lifetime.

**Note:** The direct payment will be paid out of a fixed funding allocation. As such, payments will be issued at increment levels to ensure the amounts paid do not exceed the amounts allocated. Initial payments will be issued at 70% of the calculated total. Once all eligible producers have received their first payment, any remaining funds will be distributed.

## IMPORTANT INFORMATION

To produce your statement of livestock on inventory on December 23, 2003, please see the instructions on the *Claim and Inventory Form*. It can be obtained at the service centres and on the web site of La Financière agricole du Québec.

### **Operations Participating in the ASRA Product of Lambs**

For **farming operations participating in the ASRA product of Lambs**, the claim and inventory statement for the Direct Payment component of the Transitional Industry Support Program (TISP) will be made at the same time and using the same procedure as for the insurable volume declaration under stabilization insurance for the 2004 year. For more details, please see the instructions on the *Claim and Inventory Form*.

### **Other Operations**

For other operations not participating in the ASRA product of Lambs, you must complete and send the *Claim and Inventory Form* to the service centre of La Financière agricole du Québec in your region **no later than July 31, 2004**, to participate in the program. You can also make your inventory by telephone at 1 800 749-3646 or over the Internet as described on the form.

**For your information:**  
1 800 749-3646  
[www.financiereagricole.qc.ca](http://www.financiereagricole.qc.ca)