

PROGRAM IN SUPPORT OF THE CATTLE INDUSTRY FOLLOWING BSE

SUMMARY

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

The Program in support of the cattle industry following BSE, implemented by the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (MAPAQ), offers financial assistance to feeder cattle and slaughter cattle producers and to semi-finished cattle producers to compensate for the drop in prices on the market. La Financière agricole du Québec has been mandated to administer this program.

Eligibility

Eligible enterprises

To be eligible for the program, a farming enterprise must be duly registered with MAPAQ, in conformance with the *Regulation respecting the registration of agricultural operations and the reimbursement of real estate taxes and compensations* (with an up-to-date CP12).

In the case of semi-finished cattle, the enterprise must have been registered for the stabilization insurance product Feeder cattle and slaughter cattle before May 20, 2003.

Eligible animals

To be eligible, the feeder cattle and slaughter cattle and the semi-finished cattle must:

- have been in your possession prior to May 20, 2003;
- have been raised and fed in Québec;
- have been sold directly in Québec or elsewhere in Canada between **July 6 and December 31, 2003, in the case of feeder cattle and slaughter cattle, and between May 20 and December 31, 2003, in the case of semi-finished cattle.**

Feeder cattle and slaughter cattle

Male or female animal of the bovine species of less than thirty months of age, fed and sold for slaughter purposes and slaughtered in a certified processing establishment.

Semi-finished cattle

Male or female beef-type animal of the bovine species sold for feeding at a weight of **750 pounds or over.**

Registration and Claims

Feeder cattle and slaughter cattle and semi-finished cattle covered by stabilization insurance

For enterprises with animals covered by stabilization insurance, there is no need to register for the program. Files will automatically be processed on the basis of information already held by La Financière agricole and recorded in your insurance file.

Feeder cattle and slaughter cattle not covered by stabilization insurance

For enterprises with feeder cattle and slaughter cattle that are not covered by stabilization insurance, registration in the program is mandatory and the claim form provided for this purpose must be completed.

You must provide, for each eligible animal, proof of slaughter with the following information: the animal's identification number, sales and slaughter dates and weight at slaughter. Where there is no proof of slaughter, you can provide a proof of sale. In this case, La Financière agricole reserves the right to verify the animal's destination on the basis of data held through the permanent identification system.

The claim form is available from the service centres and from the web site of La Financière agricole du Québec at <http://www.financiereagricole.qc.ca>.

Semi-finished cattle sold between May 20 and December 31, 2003

Period from May 20 to July 5

The financial assistance offered to enterprises for semi-finished cattle marketed during this period corresponds to 55% of the compensation rate used for the category Steers fed in the framework of the *Program for the industry's recovery in the wake of bovine spongiform encephalopathy (BSE)*, that ended on August 31, 2003 (hereinafter called BSE 1):

- **55% BSE 1.**

Period from July 6 to August 31

The financial assistance offered to enterprises for semi-finished cattle marketed during this period corresponds to the sum of 55% of the BSE 1 rate and 55% of the compensation rate used under the present program for feeder cattle and slaughter cattle:

- **55% BSE 1 + 55% [(target price of \$1.50/lb carcass – (selling price + BSE 1)].**

Period from September 1 to December 31, 2003

The financial assistance offered to enterprises for semi-finished cattle marketed during this period corresponds to 55% of the compensation rate established for feeder cattle and slaughter cattle under the present program:

- **55 % (target price of \$1.50/lb carcass – selling price).**

Feeder cattle and slaughter cattle sold and slaughtered between July 6 and December 31, 2003

Period from July 6 to August 31

The financial assistance offered to enterprises for feeder cattle and slaughter cattle sold during this period corresponds to the difference between a target price of \$1.50/lb (carcass basis) and the sum of the average selling price and the compensation rate (carcass basis) used for the BSE 1 program:

- **Target price of \$1.50/lb carcass – (selling price + BSE 1).**

Period from September 1 to December 31

The financial assistance offered to enterprises for feeder cattle and slaughter cattle sold during this period corresponds to the difference between a target price of \$1.50/lb (carcass basis) and the sum of the average selling price:

- **Target price of \$1.50/lb carcass – selling price.**

For semi-finished cattle and feeder cattle and slaughter cattle, the compensation rates are established on a weekly basis and the indemnity is calculated on the basis of the animal's actual sales weight. The selling price used corresponds to the average of the weekly selling prices adjusted for category A1 and A2 cattle, as compiled by the Fédération des producteurs de bovins du Québec.

The maximum appropriation granted for this program is \$10 million. The indemnities, for the period from July 6 to December 31, 2003, will be paid at 80% of the rates provided for and will be regularized, if need be, up to 100% or in proportion to the sums available on the basis of the maximum package granted, after the deadline for receiving claims. The program will end on December 31, 2003.

For the feeder cattle and slaughter cattle that are not covered by stabilization insurance, claims forms must be sent to La Financière agricole du Québec before February 27, 2004. For all eligible animal to the program, the data needed for processing files should be regularized by March 31, 2004.

For your information:
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