



CATTLE NEWS

THE MCPA BI-WEEKLY NEWSLETTER

July 1, 2008



YOUNG FARMER REBATE PROGRAM

Increases to the province's Young Farmer Rebate program resulted in approximately \$1.6 million in total benefits provided to over 1,250 producers for the 2007-08 fiscal year and program activity is expected to remain strong in 2008-09, Agriculture, Food and Rural Initiatives Minister Rosann Wowchuk announced today.

The minister noted the rebate recently increased by \$5,000 to a lifetime maximum of \$15,000 per person. In 2006-07, the original rebate program paid \$1.2 million to 1,078 clients. The recent changes were made retroactive to April 2007, making more people eligible for the rebate in 2007-08.

"Farming is big business and, when you factor in land, machinery and input costs, it is a huge financial undertaking for any young producer," said Wowchuk.

"This program helps young, beginning farmers with these challenges by reducing the cost of borrowing during the capital-intensive or expansion stages of their farming operations."

The rebate is available to Mani-

toba farmers between the ages of 18 to 39. It is now calculated on two per cent of the first \$150,000 of principal of a loan for each of the first five years of the loan.

years of age, who currently are not receiving a rebate because they were subject to previous limits, are eligible for the expanded benefit.

The rebate is available to Manitoba farmers between the ages of 18 to 39. The maximum rebate available to each borrower is \$3,000 per year.

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The enhanced Young Farmer Rebate applies to new and existing loans. Existing clients under 40

"Since 1992, farm input prices have risen almost 40 per cent, while the price of land has risen almost 60 per cent," said the minister. "The increase to the Young Farmer Rebate strengthens the financial supports available to help producers cope with ever-increasing costs."

New long-term lending options are also available to clients under 40 years of age through the Bridging Generations Initiative which promotes family farm transfers between generations. Clients can choose either a 90 per cent financing option, which reduces their down payment or five years of interest-only payments which reduces cash flow

pressure as developing enterprises are being established.

Government of Manitoba Release

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Send comments, questions or submissions to
mcpa.com@mts.net

What's the *mcpa* been up to?

- **June 16** - MCPA director R. Armbruster attended the Saskatchewan Stockgrowers Association AGM in Saskatoon, SK..
- **June 16** - MCPA director G. Johnson attended The KAP Executive Meeting in Winnipeg, MB.
- **June 19** - MCPA director A. Jonasson attended the BIC meeting in Calgary, AB.
- **June 19** - MCPA Executives met with Ministers Stan Struthers and Rosann Wowchuk to discuss the pressing issues facing the cattle industry in Winnipeg, MB.
- **June 19** - MCPA Executives met with ADM Barry Todd on issues facing the cattle industry in Winnipeg, MB.
- June 20 - MCPA director M. MacRae attended the BCRC meeting in Saskatoon, SK.
- **June 20** - MCPA president M. Unray attended the CCA Executive meeting in Calgary, AB.
- **June 24** - MCPA Executives hosted a meeting at the MCPA office with Dave Graftrom, the State of Minnesota TB coordinator to share ideas and strategies between the two jurisdictions.

U p c o m i n g E v e n t s

- **July 8-11**, Federal/Provincial Ministers Agriculture meeting in Quebec City, PQ.
- **July 17**, Manitoba Agricultural Hall of Fame Inductions, William Glesby Centre, 1:30 p.m. Portage La Prairie, MB.
- **July 24**, Dugald Agricultural Fair, Dugald, MB.
- **Aug 11-15**, Canadian Cattlemen's Association Convention and Semi-Annual Meeting, Hilton Suites, Winnipeg, MB.
- **August 12**, Canadian Cattlemen's Golf Tournament, St. Andrews Golf Course, St. Andrews, MB.

BILL C-33 RECEIVES ROYAL ASSENT

The Canadian Senate voted in favour of Bill C-33, the Biofuels Bill, on June 26.

The government now has the authority to mandate a 5 per cent renewable content in gasoline by 2010 and 2 per cent renewable content in diesel fuel and heating oil by 2012.

Many were hoping for more research on the viability of crop production for biofuels as a means of reducing greenhouse gases.

Beef Supply at a Glance - CANADA

Year To Date for the Week Ending June 28, 2008

	West			East			Canada		
	2008	2007	% chg	2008	2007	% chg	2008	2007	% chg
Federally Inspected Slaughter (head)									
Steers	535,553	524,261	2.2	173,721	207,177	-16.1	709,274	731,438	-3.0
Heifers	416,265	420,197	-0.9	102,876	119,257	-13.7	519,141	539,454	-3.8
Cows	276,281	244,025	13.2	90,335	107,055	-15.6	366,616	351,080	4.4
Bulls	7,410	16,801	-55.9	2,861	5,630	-49.2	10,271	22,431	-54.2
Total	1,235,509	1,205,284	2.5	369,793	439,119	-15.8	1,605,302	1,644,403	-2.4
Carcass Weights (lbs)									
Steers	810	818	-1.0	889	863	3.0	840	830	1.2
Heifers	757	775	-2.3	795	767	3.7	788	774	1.8
Cows	709	703	0.9	622	612	1.6	684	678	0.9
Bulls	1074	1026	4.7	1018	1050	-3.0	1027	1032	-0.5

SOURCE: Canadian Beef Grading Agency

Beef Output (tonnes)									
	2008	2007	% chg	2008	2007	% chg	2008	2007	% chg
fed	340,414	342,954	-0.7	107,375	122,847	-12.6	456,761	465,741	-1.9
non-fed	92,655	85,812	8.0	26,864	32,468	-17.3	118,779	118,719	0.1
TOTAL	433,069	428,766	1.0	134,239	155,315	(13.6)	575,540	584,460	(1.5)

EXPORTS				IMPORTS			
For the Period January 1 - June 28				For the Period January 1 to April 30			
	2008	2007	% chg		2008	2007	% chg
Live Cattle				(# of head)			
- slaughter steers & heifers	362,422	398,407	-9.0	Live Cattle - pure-bred	310	4,862	-93.6
- feeder steers & heifers	360,016	214,951	67.5	- non pure bred	15,414	10,400	48.2
- cows & bulls	96,202	-	-				
- other	-	-	-				
- Total	818,640	613,358	33.5	- Total	15,724	15,262	3.0

Source: USDA - APHIS

Source: Stats Canada

Beef & Veal Exports (Tonnes)	US		Mexico	
	Jan. 1 - June 28	Jan. 1 - May 24	Jan. 1 - June 28	Jan. 1 - May 24
Bone-In	3,694	n/a		
Boneless Cuts	41,084	n/a		
Trimming	65,240	-		
Offal	5,189	n/a		
Miscellaneous	14,544	n/a		
Veal	6,143	-		
TOTAL	135,894	n/a		

Source: FSIS-USDA, CFIA

Exports (Stats Canada)	2008	2007	% chg
United States (Jan. 1 - April 30)	98,017	106,689	-8.1
Mexico (Jan. 1 - April 30)	13,784	13,857	-0.5
Total Beef Exports (Jan.1-Apr.30)	125,529	130,958	-4.1

Imports (Tonnes) Preliminary			For the Period Jan. 1 - June 21, 2008				
	2008	2007	% chg		2008	2007	% chg
Beef - United States	55,621	42,858	29.8				
- New Zealand	9,711	14,115	-31.2				
- Argentina	295	434	-32.0				
- Uruguay	3,504	12,660	-72.3				
- Australia	2,272	1,946	16.8				
- Other	1,015	1,655	-38.7				
- Total	72,418	73,668	-1.7				
Non-NAFTA Beef Total	16,065	29,289	-45.2				
Fresh, chilled & frozen (H.S. 0201, 0202)							

GRADING	West		East		Canada '08		Canada '07	
		%		%		%		%
(cumulative totals to date)								
A	23,237	2.4	6,226	2.3	29,463	2.4	44,802	3.7
AA	412,841	43.4	106,239	38.6	519,080	42.3	540,439	44.4
AAA	486,815	51.2	157,193	57.1	644,008	52.5	590,889	48.6
A - Prime	14,775	1.6	2,056	0.7	16,831	1.4	12,737	1.0
B	13,700	1.4	3,525	1.3	17,225	1.4	27,157	2.2

SOURCE: Canadian Beef Grading Agency

2008 Beef and Veal Tariff Rate Quota Summary				Beef and Veal Import Permits, by Type of Meat					
Week ending June 30, 2008									
	2008	2007	% chg	2008	Argentina	Australia	New Zealand	Uruguay	Total
Global Quota (Tonnes)	76,409	76,409							
Supp. Quota authorized	-	-							
Total Quota	76,409	76,409	0.0%						
Permits Issued									
New Zealand (29600 mt)	13,096	17,929	-27.0%	Grinding Beef	-	956	5,602	6,110	12,668
Australia (35000mt)	3,502	4,850	-27.8%	Cuts	-	2,546	7,494	5,696	15,736
Uruguay	11,806	11,808	0.0%	Total	-	3,502	13,096	11,806	28,404
Argentina	-	-		Total (%)	0.0%	12.3%	46.1%	41.6%	100.0%
TOTAL	28,404	34,587	-17.9%	Percentage of total Imports					
				Grinding		Cuts			
				2008	2007	2008	2007		
				Australia	3.4%	3.0%	9.0%	11.1%	
				New Zealand	19.7%	30.2%	26.4%	21.6%	
				Argentina					
				Uruguay	21.5%	13.7%	20.1%	20.4%	
				Total	44.6%	46.9%	55.4%	53.1%	

2008 over quota tariff rate = 26.5%

Beef Supply at a Glance UNITED STATES

Year To Date for the Week Ending June 21, 2008

	Slaughter '000 head				Carcass Weights			
	Weekly	2008	2007	% chg	Weekly	2008	2007	% chg
Steers	370.8	8,287.5	8,251.7	0.4	828	824	811	1.6
Heifers	197.8	4,885.8	4,820.3	1.4	754	760	749	1.5
Cows	112.5	2,857.2	2,707.7	5.5	601	620	626	(0.9)
Bulls	12.8	275.8	255.0	8.2	915	893	910	(1.9)
Total	693.9	16,306.3	16,034.7	1.7				

	Beef Output			National Summary of Beef Graded		
	2008	2007	% chg	2007	2006	April 2008
Fed	4,791,403	4,682,970	2.3	Prime	2.7%	2.9%
Non-Fed	917,420	875,941	4.7	Choice	57.6%	56.0%
TOTAL	5,708,824	5,558,911	2.7	Select	39.5%	41.0%

2008 - 2007 U.S. Beef and Veal Tariff Rate Quota Summary							
YTD Week Ending June 30	2008			2007			2008 vs 2007
	Quota Level	Tonnes Entered	% Filled	Tonnes Entered	% Filled		
Australia	378,214	91,765	24.3%	119,730	31.7%	-23.4	
New Zealand	213,402	98,591	46.2%	95,572	44.8%	3.2	
Argentina	20,000	0	0.0%	0	0.0%		
Uruguay	20,000	4,773	23.9%	8,469	42.3%	-43.6	
Japan	200	65	32.5%	57	28.5%	14.0	
Other	64,805	21,207	32.7%	17,188	26.5%	23.4	
Total TRQ	696,621	216,401	31.1%	241,016	34.6%	-10.2	
TRQ (Australia, New Zealand)	591,616	190,356	32.2%	215,302	36.4%	-11.6	
Canada	no limit	130,813	n/a	135,035	n/a	-3.1	
Mexico	no limit	8,318	n/a	7,839	n/a	6.1	

U.S. Fresh and Processed Beef Imports			
YTD April	2008	2007	% chg
- Canada	101,932	107,248	-5.0
- New Zealand	70,374	66,439	5.9
- Argentina	4,469	4,441	0.6
- Mexico	6,218	5,570	11.6
- Uruguay	7,815	51,454	-84.8
- Brazil	17,509	22,221	-21.2
- Australia	66,883	82,325	-18.8
- Other	14,116	13,609	3.7
- Total	289,316	353,307	-18.1

Cattle Slaughter for the week ending:			
	6/21/2008		% chg
	2008	2007	
Canada	68,029	66,835	1.8
U.S.	693,900	699,600	-0.8
Total Canada and U.S.	761,929	766,435	-0.6

Cattle Slaughter Year to Date			
Canada	1,537,669	1,580,889	-2.8
U.S.	16,306,300	16,034,700	1.7
Total Canada and U.S.	17,843,969	17,615,589	1.3

U.S. Live Cattle Imports			
	2008	2007	% chg
Mexico (feeder cattle)	355,370	523,681	(32.1) YTD week ending June 28
Canada	818,640	613,358	33.5 YTD week ending June 28

BRAZILIAN BEEF EXPORTS

For the period January 1 - April 30

	2008	2007	% chg
		tonnes	
Russia	115,708	164,608	-30%
Hong Kong	63,338	25,550	148%
Netherlands	15,595	21,253	-27%
USA	17,202	22,408	-23%
Venezuela	25,814	8,616	200%
Egypt	33,710	68,166	-51%
UK	21,567	32,297	-33%
Italy	10,992	23,587	-53%
Others	159,231	199,474	-20%
Total	463,156	565,959	-18%

NEW ZEALAND

For the period of October to January

Slaughter	2007/2008	2006/2007	% chg
Steers	218,975	196,974	11.2
Heifers	130,282	119,842	8.7
Cows	100,212	131,286	-23.7
Bulls	245,326	237,775	3.2
Bobby Veal	132,444	133,342	-0.7
Total Slaughter	827,239	819,219	1.0

Note: New Zealand season runs from Oct 1 - Sept 30.