

Questions and Answers

TOPICS: THE ALBERTA LIVESTOCK AND MEAT STRATEGY, THE ALBERTA LIVESTOCK AND MEAT AGENCY, LIVESTOCK INFORMATION SYSTEM OF ALBERTA, AFRP II, TRACEABILITY, PREMISES IDENTIFICATION, AGE VERIFICATION, ANIMAL HEALTH ACT.

THE ALBERTA LIVESTOCK AND MEAT STRATEGY

- 1. How will the Government of Alberta work with beef producers to create an ‘open environment that allows businesses to reach their full potential in a fair and competitive market’?**

The Alberta Livestock and Meat Strategy is a framework that enables industry to create and extract **maximum value** from the competitive environment – it leaves production, processing and marketing in the hands of industry.

Alberta faces intense competition in the domestic and international marketplace for livestock products. Canadian products are still restricted in many export markets. Our competitors are well organized, and we must be too. The necessary infrastructure for industry to compete worldwide can be expensive. The government can assist in providing the resources to develop systems like the Livestock Information System of Alberta (LISA). This infrastructure will allow for information sharing throughout the value chain and contribute to a robust traceability system.

- 2. Under the Strategy, will industry governance remain democratic and respect the rights of individual producers?**

Industry governance will remain representative of the industry and in accordance with the rights of individual producers.

- 3. Will any of the programs or funding under the Strategy distort market forces or influence business decisions?**

No. As a framework, the Strategy leaves production, processing and marketing in the hands of industry. The intention of the Strategy is to move away from ad-hoc and emergency payments to industry and to create an environment where industry can be competitive and successful.

- 4. Was industry consulted before creating the Strategy?**

Yes. The livestock industry, primarily beef and pork producers, met numerous times with the Minister and ARD officials. In addition, a number of industry roundtable meetings were held between October, 2007 and February, 2008 and written submissions were received from many organizations and producer groups.

Ongoing consultation continues in the form of workshops and meetings throughout the province. Producers and organizations are encouraged to attend these events, as many future decisions will be based on the feedback received.

5. Why is industry being forced into these new requirements?

In order to reinvigorate the Alberta livestock industry, change is required. For the most part, the new requirements form the basis of a sound animal health and food safety system. Other requirements will provide the catalyst for change that is necessary in order to improve Alberta's international marketability. These requirements have been offset with a payment from taxpayer's dollars in order to help the industry out of crisis and back into competitiveness.

6. What is the benefit of the On-Farm Food Safety System?

Participation by our livestock sector in the industry-owned national On-Farm Food Safety programs is essential to prove our food safety system is world class. These programs are practical and designed by industry, to require minimal change of those producers who follow the current requirements of pesticide use and drug withdrawal.

7. How will the Government of Alberta ensure that there is national support for and full industry cooperation with the Strategy?

The Government of Alberta will continue to work with its counterparts in Saskatchewan and British Columbia to make it as easy as possible for their producers to sell and move animals in and out of the province. Government will also continue to meet with federal officials to deal with issues of regulatory burden and approaches to food safety and animal health systems.

As well, we will continue to engage with industry to provide clear information about the Strategy, ALMA and to dispel any misconceptions.

The Government of Alberta has made a significant investment in its livestock industry. We are committed to helping the industry become competitive and develop an environment to allow for opportunity and international competitiveness.

8. How does the verified beef program fit with the new plan?

The Canadian Cattlemen's Association's (CCA) National Verified Beef on farm food safety program will become mandatory for feedlots July 2010 and for cow/calf operations July 2013. The program is developed and owned by the CCA.

THE ALBERTA LIVESTOCK AND MEAT AGENCY

9. Will the Alberta Livestock and Meat Agency (ALMA) become a major policy setting body for industry?

It is the role of the Minister of Agriculture and Rural Development and the Government of Alberta to develop relevant policy. It is, and remains, the role of industry to drive the business of producing cattle and processing meat.

The international leaders who comprise ALMA's Board of Directors, will provide strategic advice to the Minister to help Alberta compete globally and transition to a sustainable industry. ALMA was created to act as a catalyst to help revitalize the livestock industry. In this regard, the Agency will direct funds and resources to programs and initiatives that benefit Alberta's livestock industry.

10. Who will appoint the Agency's Board Members?

Board appointees display skills and competencies that make them international leaders and can provide strategic foresight and experience to help industry take on the fundamental changes needed to become competitive.

Currently, as the Agency is wholly owned and operated by the Government of Alberta, the Minister of Agriculture and Rural Development appoints individual board members. This process will be reviewed as a shared ownership model between government and industry is developed.

11. As ALMA moves toward increasing industry ownership, how will industry contribute to its funding?

The details of this ownership model are still being worked out with industry leaders. In the meantime, industry is encouraged to contact ALMA regarding any strategies and initiatives they would like to see funded.

12. How will producers and their organizations participate in ALMA?

Board governance will be flexible and practical and changes will be made as needed as it moves forward. So far, a LISA Steering Committee, Cattle Producer Advisory Committee, Processor Advisory Committee, Pork Value Chain Advisory Committee, Diversified Livestock Advisory Committee, and Innovation & Value Added Advisory Committee. Additional ad-hoc committees, with specific deliverables, will be formed as needed with industry and government representation to develop and design the components of the Strategy.

Ongoing producer participation in workshops and consultations will be essential as we continue to develop and implement ALMS. The Alberta Livestock and Meat Agency (ALMA) will be holding workshops across Alberta to give producers an overview of ALMS and to gather feedback. As ALMA initiates development of such initiatives as the Livestock Information System of Alberta (LISA), it plans to actively engage industry players and work

jointly with them to build what works best for them. Details of workshops will be posted www.alma.alberta.ca. You are also encouraged to check with local industry associations, as ALMA representatives may be guest speakers at various industry meetings.

13. Is ALMA democratic?

The Agency was formed by the democratically elected Minister of Agriculture and Rural Development. As the Agency is currently owned and operated by the Government of Alberta, the Minister appoints individual board members. Individuals and groups can bring their concerns and suggestions regarding the Strategy or ALMA forward by:

- Contacting the Minister's office,
- Phoning the ARD Alberta Agriculture Information Centre (310-FARM),
- Through their representative organization, and/or;
- Through the ALMA advisory committees.

14. How will the government ensure that ALMA will be transparent and represent industry interests?

In 2009, ALMA will become an independent company owned by the Government of Alberta and, therefore, subject to its rules of business and open for the Office of the Auditor General to audit. Currently, the Agency is developing codes of practice and rules around conflict of interest based on industry best-practices that will govern board members' conduct.

15. How will the government ensure that the ALMA does not duplicate or hinder the efforts of existing national trade and marketing organizations?

Many of the initiatives contained within the Strategy are built upon those already proposed by national organizations. ALMA will continue to engage with industry as its programs evolve and grow. Organizations that have something to provide to move the industry forward will continue to influence the details of the program.

16. Will the government be using check-off funds to support ALMA?

No. Check-off funds are spent at the discretion of the boards and commission formed under the *Marketing of Agricultural Products Act*.

Industry organizations that would like to direct funds to specific initiatives or programs under the Strategy are welcome to do so.

LIVESTOCK INFORMATION SYSTEM OF ALBERTA

17. Why do you want so much information? What benefit will this be to me as a producer?

LISA will help position Alberta as a global leader in livestock and meat information management, and as a provider of unique and differentiated products that meet distinct customer needs LISA will provide the infrastructure so that a large number of participants in

the value chain can choose to share information. The idea is that the industry players can be stronger if they have more information about the performance of their product and how it rates in meeting customer needs.

18. Who is the custodian of the data in LISA and who has access to it? What controls will producers have on who may access their data?

The Government of Alberta will have access to the data that is necessary for animal disease and human health threat response and control. A LISA Steering committee has been formed, and will work closely with industry, to determine how the rest of the information will be shared and to develop information sharing agreements between all stakeholders.

AFRP II SECOND BENEFIT

19. Who will receive a second AFRP II benefit?

All livestock producers that have already received an initial benefit or who are still eligible for the first benefit will receive a second benefit if they comply with new Premises Identification requirements.

In addition, in order to be eligible for the second payment **cow-calf producers** must also enter birthdates for all 2008, Alberta-born calves in the CCIA database in order to meet age verification requirements. This includes out-of-province producers who maintain a farming operation in Alberta.

Feedlots must record all animals as they arrive and report cattle move-in information to the CCIA within seven days. The tag number of each animal leaving (not going to slaughter) must also be reported to the CCIA within seven days.

20. The benefit is based on my farming operation in 2006. Am I still eligible if my operation has changed since then?

Cow-calf producers who qualified for the first AFRP II benefit and have sold their cattle in 2007-08 but are still farming or transferred all or part of their operation to a family member or incorporated, are eligible.

Feedlots and share-pens (who feed more than 5,000 animals a year) who were operating in 2006-07 and qualified for the first benefit, but are no longer operating as a feedlot or share-pen in 2008-09, are still eligible provided they are still farming.

21. When will I get my second AFRP II benefit?

Once all the requirements are met, benefits will be given in early 2009.

22. How will compliance be verified so I can receive my second benefit?

Once your information has been verified with land titles information, we will either confirm your current CCIA number or issue you a unique PID number. All information verified by ARD will be sent to AFSC to ensure that a benefit is issued.

AFSC requires producers to submit a compliance form before January 31, 2009 to verify that they have completed all requirements and meet the eligibility for the second ARFP II benefit. These forms were mailed to producers and are available on the AFSC website at www.afsc.ca

23. How much will my second installment be?

AFRP II was based on information from the AgriStability program. There have been additional eligible producers come forward and register for AFRP II, who were not part of AgriStability.

To date, we have paid out almost \$190 million; therefore \$110 million remains available for the second instalment. It is impossible to determine the amount these producers will receive as their second instalment, or the number of eligible producers who will meet the requirements.

24. How is the second benefit determined?

As with the first benefit, the second benefit is based on the average number of opening and closing 2006 inventory, multiplied by a feed proxy for the specific animal type.

25. What animals are covered under this program?

AFRP II is available for all Alberta livestock producers. *While all livestock qualifies, supply managed livestock, among others, have zero feed proxies (eg. bees, chickens, dairy, ducks, emu, geese, ostrich, rhea, turkeys) and will not receive any funding under AFRP II.*

26. I am not in the CAIS program and/or didn't receive my first AFRP II benefit. What do I need to do?

All Alberta livestock producers are eligible to participate in AFRP II. Producers need to complete an application form for funding if they did not apply for AFRP I and are not part of AgriStability. The application is available on the AFSC website and the deadline is December 31, 2008.

You are entitled to a payment if you actively farmed in the 2006 and 2007 years. The second payment early in 2009 will be made to producers who have complied with age verification and premises identification requirements. An AFRP II Statement of Compliance will be issued to the producer late in 2008 which will allow Agriculture Financial Services Corporation (AFSC) access to information verifying that compliance has occurred.

27. Are cow/calf producers receiving their proportional fair share of the AFRP II funding?

Funding is based on feed consumed and the cow/calf producers are receiving their proportional share.

AFRP II benefits use a feed proxy that utilizes animal type, weight gain, and barley feed cost. Cattle and hog breeding animals (such as bred cows, bulls, boars, sows, gilts), and all other livestock commodities are paid on a per animal basis. It is the average of opening and closing 2006 inventory, multiplied by a feed proxy for specific animal type.

28. Who do I contact if I need more information about my benefit?

Inquiries about the funding should be directed to AFSC Business Risk Management (BRM) Call Centre, toll-free at 1-877-744-7900, or to your local BRM Field Analyst.

TRACEABILITY

29. What is traceability?

Traceability is the ability to follow or track an animal, group of animals, or animal products from one point in the supply chain to another, either backwards or forwards. Effective traceability is based on three basic elements: premises identification, animal/product identification, and animal/product movement.

Traceability is not new to agriculture. Tags, tattoos, brands and paper-based logbooks and manifests are all elements of traceability that have been used for years by both industry and government.

30. Why is traceability information important?

Premises identification and livestock identification information will allow the Government of Alberta to respond quickly and appropriately to animal emergencies and allow industry to benefit from additional market opportunities. Many key markets are already requiring this information and it appears that traceability requirements will likely become the norm over time for international trade.

31. Why does the government want to track animal movement?

The Government of Alberta has no intention of recording pasture movement of your cattle on your farm.

However, Alberta must have the ability to track where animals have been and what animals have mixed. This is necessary to be able to adequately prepare for a foreign animal disease outbreak, and/or to investigate emerging diseases including those that can affect humans.

Mixing and interaction with other animals off your premises involves the concerns for animal health that a proper traceability system must be able to identify. As technology improves and becomes more practical, movement of animals will be more easily tracked and be expected to be reported.

32. Will I have to report to the government every time I move my animals?

No. In some circumstances there will be a requirement to report certain movements of animals, however, the details surrounding movement tracking are still being worked out in close consultation with industry representatives. Final requirements for movement tracking will be based on national standards, while keeping in mind what is practical, doable and makes sense from the producer's perspective.

33. Will the new traceability system duplicate systems and cause more work/cost for producers?

Every effort is being made to ensure all new systems are developed efficiently and are as producer-friendly as possible. **Industry/producer further participation at upcoming workshops and other consultations will be essential to the development and implementation of the *Alberta Livestock and Meat Strategy*.**

34. Does the government have supportive data to show that the benefits created by traceability actually exceed the cost of implementing it?

Internationally, industry and all levels of government acknowledge the need for an internationally-recognized traceability system. Food production already requires traceability, and its benefits to human health and reducing liability have been proven. The cost of animal disease outbreaks have been greatly reduced in countries such as the United Kingdom, after implementing improved traceability systems.

There are a number of benefits, including providing access for Alberta products into more markets. Another benefit is preparation to deal with foreign animal diseases and emerging diseases and food safety scares. A robust traceability system is the cornerstone for us to build a competitive industry upon.

35. Isn't the government just adding to the regulatory burden already being felt by the livestock industry?

The goal of the Alberta Livestock and Meat Strategy is to reduce the unnecessary regulatory burden currently on the livestock industry. While there may be initial, minor costs associated with some of these requirements, the government has provided the livestock industry with \$300 million in emergency funding that will help offset the new requirements.

36. There is concern that much of the cost associated with the traceability system will be borne by the cow-calf producer, what benefits will they see?

The costs associated with the new requirements are being born by the **entire food supply chain, and the government and the public of Alberta** through the AFRP II– not just producers.

With the new traceability systems, industry will see markets open or grow – increasing the demand for our livestock products. As well, industry will be able to respond and recover faster from what otherwise would have been considered devastating foreign animal disease incursion.

Industry will also have the ability to take advantage of information available to them regarding the performance of their product and how it rates in meeting customer needs.

37. How will the new age verification and premise identification requirements affect the movement of cattle between provinces? Will I still be able to buy cattle from other provinces?

Agriculture and Rural Development is working with provincial counterparts to ensure cattle, regardless of birth place, are age-verified and linked to a valid premise in case of a animal and/or public health emergency.

PREMISES IDENTIFICATION

38. What will I be required to do for premises identification? When will I have to comply?

In order to create an up-to-date and useful database, *All Alberta livestock premises must update or apply for new Premises ID (PID) numbers by **January 1, 2009*** – even if one has already been assigned.

New forms will be sent out to producers enrolled in the CAIS/Agristability program, as well as made available at all AFSC and Agriculture and Rural Development (ARD) offices throughout Alberta and on Ropin' the Web at www.agric.gov.ab.ca.

39. What information must be provided?

Animal owners and owners of commingling sites must provide the following information:

- Applicant name and contact information;
- Emergency 24/7 contact information for the premises;
- Any previously obtained CCIA or Alberta Pork Producers' premises ID number for the premises;
- Location of the premises, i.e. legal land description or geo-referenced coordinates;
- Type of premises, e.g., farm, abattoir, etc;
- Types of animals raised, kept, displayed, assembled, and disposed of on the premises;

- Maximum capacity of the premises for each species of animals raised, kept, displayed, assembled and disposed of on the premises.

40. How will this information be used?

Information will be used for emergency management purposes to prevent, prepare, respond or recover from a disaster or foreign animal disease outbreak.

41. Why is premises identification information important?

Premises identification information is an essential component of traceability and is important for several reasons:

- To assist in tracing animals to effectively manage an animal disease outbreak.
- To respond to non-disease emergencies (eg. tornadoes, floods)
- To facilitate disease control measures for animal health issues affecting more than one livestock species.
- To rapidly inform targeted producers of disease threats or control measures.
- To rapidly determine sites for carcass disposal in the event of an animal emergency.
- To dispatch emergency resources to appropriate targeted locations.

42. Will I have more than one PID number based on the variety of livestock I own or have on my operation?

No. You will receive only one PID for each premises. But you will need to identify all species and numbers of animals present.

43. What if my legal land location is listed incorrectly in the CCIA database? Will Government be validating this information?

Yes, we will assist in ensuring data integrity and accuracy.

AGE VERIFICATION

44. Why is age verification important?

Knowing the age of an animal is important many reasons:

- Most Asian countries we are targeting require it to satisfy they food safety concerns of their citizens
- Identifying animals at risk of being affected by a disease outbreak or animal health concern, as some diseases are more likely to occur in certain age groups
- Determining the cause of a new or emerging disease
- It may help reduce the size of the cull necessary to control a disease
- Better target animals and provide more accurate disease surveillance results
- Many countries will only import cattle younger than a certain age. After age five, documentation is the reliable way to verify an animal's age

- Increased market access and share, both international and domestic
- It is important to determine the proper treatment when removing and transporting carcasses off of farms, due to SRM (specified risk material) regulations

45. What will I be required to do for age verification? When will I have to comply?

In order to qualify for a second AFRP II benefit, age verification will be required of *all* calves born from January 1, 2008 onward.

By **January 2009**, beef producers will be required to have age verified with the CCIA , starting with the 2008 calves, their entire calf crop.

Producers will need to forward birth data to the Canadian Cattle Identification Agency (CCIA). Birth dates need to be tied to a Radio Frequency Identification tag (RFID), attached to each animal. Producers should ensure that tag numbers are linked with production records for ease of age verification and for audit purposes.

Under upcoming changes to the *Animal Health Act*, producers must continue to age-verify their calves from January 1, 2009 onward.

46. Who can I contact to get assistance in age verifying my cattle?

All 2008 calves need to be age verified, utilizing the CCIA database. Assistance may be obtained from the CCIA office, ARD Alberta Agriculture Information Centre (toll free at 310-FARM), or CCIA Mobile Field Representatives.

Local Field representatives with CCIA are available to answer questions and to assist you in the following areas. Please contact the AgInfo Centre (310-FARM) for more information.

47. Do I need to age verify calves born before 2008?

Producers are encouraged to age verify all possible cattle born before 2008, but it is not mandatory.

48. Do animals other than cattle need to be age verified?

No. Only calves born in 2008 must be age verified in order to qualify for AFRP II funding.

49. Does my entire calf crop need to be age verified?

Yes.

50. What birth information is acceptable?

You can age verify your cattle one of two ways:

- 1) Record and report, to the CCIA database, the actual birth date of your 2008 cattle.
- 2) Record and report the date of your first calf born and apply that date to all calves born during that calving season.

51. What happens if I lose my tags after the animal is age verified?

There will be instances when an animal loses its tag and we will work with industry to find an appropriate means to assist. Having dependable on-farm, producer records and cross referencing management tags will help producers in this situation.

52. What happens if I already bought cow/calf pairs this spring and they are not age verified?

Age verification for 2008 cattle is to be done by the original owner. Producers are encouraged to obtain birth records from the original owner to assist in ensuring all 2008 Alberta cattle can be age verified. This year's compliance will be based on calves born on premise.

53. What about selling/buying cattle from other provinces/countries?

Age verification is not required for 2008 cattle imported from out of province or out of country.

54. I age verified my cattle last year and didn't receive a premium. Why should I continue to age verify?

The purpose of traceability and age verification systems is not to create immediate premiums for individual producers. These systems are being established to expand our markets and increase the demand for Alberta products. We are failing to get our products into international markets because we cannot provide a consistent supply of age-verified beef. We need to produce meat that can be traced, tracked, and quality-assured to access these markets

Premium markets for beef, pork, and other meat products exist as verified by research. Businesses have built their success on these products. We agree that consumers are generally not willing to pay a premium for verified and traceable meat products. As we have seen with concerns over BSE, listeria, and other food-borne diseases, consumers expect safe meat as an absolute requirement. Retailers and consumers are asking for further assurances beyond government agreements.

ANIMAL HEALTH ACT

55. Why is the Livestock Diseases Act being replaced?

The existing Livestock Diseases Act is outdated and does not reflect the current reality of today's intensive livestock operations and our reliance on international markets. There is a need for timely animal disease control measures and animal disease surveillance. The new Animal Health Act will ensure our ability to respond rapidly and effectively to an animal disease outbreak.

56. When will the Animal Health Act and its regulations come into force?

It is anticipated that the Animal Health Act will be proclaimed on January 1, 2009. Three regulations will come into force at that time, including the Reportable and Notifiable Diseases regulation, the Traceability Livestock Identification regulation (including age verification for cattle) and the Traceability Premises Identification regulation. Additional regulations, many of which already exist and are being revised, will come into effect in spring 2009.

57. What will I be required to do for age verification under the Animal Health Act? When will I have to comply?

Age verification will be required of *all* calves born from January 1, 2009 onward.

Producers will need to forward birth data to the Canadian Cattle Identification Agency (CCIA). Birth dates need to be tied to a Radio Frequency Identification tag (RFID), attached to each animal. Producers should ensure that tag numbers are linked with production records for ease of age verification and for audit purposes.

58. Under the *Animal Health Act* do I have to age verify my 2009 calves?

Yes, age verification will be required on January 1, 2009.

59. Will I be compensated to age verify my 2009 calves?

No. Age verification will be required under the Animal Health Act.

60. What happens if I don't verify my 2009 calves?

The details of the compliance principles are still being finalized and will be available soon. ARD will work with producers to help them meet the requirements and age verify their animals.

61. What will I be required to do for premise identification? When will I have to comply?

All owners of animals (excluding dogs and cats) and owners of commingling sites must have a premises identification account and a different premises identification number for each premises where their animals are located.