

May 17, 2010

Investment in age-verification will support Alberta's beef industry

Cattle producers to benefit from incentive program

Edmonton... Alberta's cow-calf producers will benefit from a new \$15 million *Age-Verification Incentive Program*. This three-year program will provide cow-calf producers with an incentive for providing information to support marketing and food safety efforts. The incentive will be available in the form of a discount towards subsequent purchases of radio frequency identification tags.

"Our government is committed to working with industry to build a stronger beef sector and age-verification is a crucial piece of that," said Jack Hayden, Minister of Alberta Agriculture and Rural Development. "Age-verification supports foreign market import requirements and a growing domestic consumer and industry expectation."

The program applies incentive-discounts to radio frequency identification tag purchases made between January 1, 2009 and December 31, 2012. Incentive-discounts, of up to three dollars for each age-verified animal, represent critical information that producers contribute to support marketing and food safety efforts. Eligibility will be based on the number of animals a producer has, or intends to have, age-verified from the previous year's calf crop.

Encouraging cattle producers to provide vital information will help to assure greater industry participation in adopting tagging and age-verification best practices. Alberta's livestock traceability system is dependent on tagging an animal and entering this information into the Canadian Livestock Tracking System. This process is critical to identify when an animal enters the food production system.

"Alberta Beef Producers believes that the cattle producers of Alberta will appreciate the program being announced by Minister Hayden today," said Chuck McLean, Board Chair, Alberta Beef Producers. "The payment acknowledges that age verification information has value. In these tough economic times, producers welcome the support of government."

In accordance with the *Animal Health Act*, age-verification improves Alberta's ability to prevent, prepare, respond to and recover from an emergency situation such as a foreign animal disease outbreak or a natural disaster that may affect public or animal health. Age-verification also assists industry in accessing existing and new markets.

The *Age-Verification Incentive Program* is an investment in industry's long-term success and the economic health of Alberta's rural communities and is part of The Way Forward and the Government of Alberta's clear plan for a strong economic recovery.

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Backgrounder: Details on the *Age-Verification Incentive Program*

Media inquiries may be directed to:

Brent McEwan, Executive Director, Traceability
Alberta Agriculture and Rural Development
780-643-1572

Ag Media Line
Alberta Agriculture and Rural Development
780-422-1005

To call toll-free within Alberta dial 310-0000.

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Details on the Age-Verification Incentive Program

What is the purpose of the program?

Age-verification is an important attribute of Alberta's globally-recognized livestock industry. The Alberta government recognizes that a critical mass of age-verified cattle is needed to meet growing domestic consumer and foreign market import expectations. This information supports preventing and responding to animal disease incidents, assuring food safety and maintaining and recapturing market and export opportunities.

To assist cow-calf producers with age-verification, we have created a program that offers an incentive, based on demonstrated age-verification best practices, including applying radio frequency identification (RFID) ear tags and entering birthdates in the CCIA Canadian Livestock Tracking System (CLTS).

Who is eligible for the Age-Verification Incentive Program?

All Alberta cow-calf producers age-verifying their animals, excluding dairy producers, are eligible for the program.

What animals are eligible for the program?

The program is intended to increase industry's participation in age-verification. At this time, the only livestock species required to be age-verified is cattle. As the cost of age-verification in the dairy industry is already factored into milk pricing calculations, only calves born to beef operations are eligible.

RFID ear tags purchased from January 1, 2009, onward are eligible, with the incentive based on the 2009 number of calves that are age-verified or will be age-verified. Each calf must be tagged with a CCIA-approved RFID ear tag prior to its birth date information being uploaded into the CCIA database.

How does the Age-Verification Incentive Program work?

The Age-Verification Incentive Program is a three-year program (2010-2012), and is based on two approaches:

An incentive will be provided in the form of a convenient discount at an authorized retailer point-of-sale. Eligibility will be based on the number of animals a producer has, or intends to have, age-verified from the previous year's calf crop. For example, if the producer reports 300 calves from the 2009 calving season will be age-verified, then that producer is eligible for a total incentive-discount of \$900 (300x\$3.00 = \$900) to apply at the point of purchase on their RFID tag purchases in 2010. Alberta Agriculture and Rural Development is currently working with retailers to finalize specific details.

In the first year of the program (2010), producers who have already purchased RFID tags prior to the program's implementation date (July 1) will be able to apply directly to Alberta Agriculture and Rural Development for reimbursement of the value of any incentive-discount they would have been eligible for at the time of purchase, based on the program criteria. Producer incentive-discount reimbursement forms are available online at www.agriculture.alberta.ca or at Alberta Agriculture and Rural Development field offices.

Where can producers purchase RFID ear tags that are eligible for an incentive-discount?

The incentive-discount will be available at any Canadian Cattle Identification Agency (CCIA) authorized Alberta RFID tag retailer who chooses to participate in the Age-Verification Incentive Program. Alberta Agriculture and Rural Development is in the process of confirming a list of participating retailers. This information will be made available closer to July 1.

Why are only RFID tags acceptable under this program?

RFID tags have been the only CCIA-approved tags available for cattle since September 1, 2006. Industry supports the transition to RFID tags as the technology allows for traceability requirements to be satisfied without impeding the speed of commerce.

Unlike other types of animal tags, RFID tags have the unique ability to capture vital information and carry it throughout Alberta's livestock value-chain at all intersecting points.

Why is age-verification important?

In accordance with the *Animal Health Act*, age-verification improves Alberta's ability to prevent, prepare, respond to, and recover from an emergency situation such as a foreign animal disease outbreak or a natural disaster that may affect public or animal health. Age-verification also assists industry in accessing existing and new markets.

Alberta Agriculture and Rural Development, CCIA and third-party service providers have staff available across the province to assist producers with the age-verification process.

How long do producers have to age-verify their cattle?

Cattle producers are required to attach a CCIA-approved ear tag to each calf and submit its corresponding calving start date to CCIA's Canadian Livestock Tracking System by 10 months of age, or prior to the animal leaving its farm of origin, whichever comes first.

If using the actual birth date, cow-calf producers are also required to attach a unique identifier to each calf within 90 days of birth to coincide with their on-farm calving records. Examples of unique identifiers include management ear tags, tattoos, or CCIA-approved RFID ear tags.

Is Alberta the only province to incent age-verification?

No. Ontario and British Columbia have had incentive programs in the past.

How will individual business information used to administer the program be protected?

Alberta Agriculture and Rural Development is bound by privacy legislation and government-to-government agreements, and this is taken very seriously. Information will only be shared with appropriate government agencies and third-party partners who are directly involved with managing the program. Confidential information about producers or their businesses will not be shared outside the scope of these agreements and producer program consent forms.

Where can producers find more information on this program?

Producers who wish to know more about the program can call toll-free 310-FARM (3276). They can also access online information on the Alberta Agriculture and Rural Development website at www.agriculture.alberta.ca.

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