

# THE CANADIAN BEEF CATTLE CHECK-OFF INCREASE

## Investing in the National Beef Strategy

FROM THE CANADIAN BEEF ADVISORS

The [National Beef Strategy](#) positions the Canadian beef industry for greater profitability, growth and continued production of a high-quality beef product of choice in the world. In order to deliver on the strategy, it was recognized by the Canadian beef industry that greater investment is needed.

There is firm support across Canada's beef cattle industry for a \$1.50 per head increase in the Canadian Beef Cattle Check-Off to advance the goals of the National Beef Strategy. To date, provincial cattle associations in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick and Prince Edward Island have passed resolutions to support an increase to \$2.50. It is encouraging to see the momentum building for a \$2.50 Canadian Beef Cattle Check-Off as provincial associations undergo their unique processes with members and governments to enable the funds to flow in support of the objectives of the National Beef Strategy.

It is recognized that each province has the responsibility to set the allocations of the Canadian Beef Cattle Check-Off. Variations among the provinces, reflecting provincial priorities. In order for each organization to successfully deliver on applicable objectives in the National Beef Strategy, the table below provides the **recommended allocations** that would provide each organization their budgeted amount once all provinces are collecting \$2.50 per head.

### RECOMMENDED CANADIAN BEEF CATTLE CHECK-OFF INTERIM ALLOCATIONS

(pending import levy)

Province	Canada Beef	BCRC	CCA/Issues Management	Provincial Allocation	Total
BC/AB/SK	65%	30%	5%	0%	100%
MB	62%	30%	5%	3%	100%
ON	45%	30%	5%	20%	100%
QC	0%	0%	0%	100%	100%
NB/NS/PEI	25%	30%	5%	40%	100%
Import Levy	100%	0%	0%	0%	100%

*Projected revenue based on 2015/16 collections, reduced by 10% and multiplied by \$2.50 (except imports)*

*Provincial allocations show reduced percentages, however the total dollar amount received remains steady*

Each province has a different timetable for implementing the increase, and all the provinces must be at \$2.50 per head before the import levy can be increased. Therefore, it is anticipated that there will be a shortfall in the initial years of the Strategy, as the import levy will remain at \$1 per head. This will primarily impact Canada Beef's budget, as currently 100 per cent of the import levy is allocated to domestic marketing and promotion programming.

The table provides proposed interim allocations until the import levy can be increased to \$2.50 per head. These interim allocations are projected to be below the National Beef Strategy budget; with marketing and research prioritized to be as close to the budgeted amounts as possible so that they can leverage government matching dollars (e.g. Agri-Marketing and Science Cluster). Changes to the allocations may be recommended once the import levy increase is fully implemented.

It will remain in the best interest of each of the national partners to have the Import Levy increased to \$2.50 per head; as the national organizations remain short of the budget for the National Beef Strategy. This will be particularly true with any further declines in cattle marketings.

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