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**national farmers union**

***In Union Is Strength***

**FOR IMMEDIATE RELEASE**

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**CARGILL CONSOLIDATES CONTROL WITH TAKEOVER OF BETTER BEEF**

The takeover of Better Beef Limited of Guelph, Ontario, by US-owned agribusiness giant Cargill is a step in the wrong direction, says National Farmers Union (NFU) Ontario Coordinator Don Mills, Chair of the NFU Livestock Committee.

The takeover, announced late last week, will extend Cargill's domination of the Canadian beef packing industry at a time when farmers are calling for more independent, Canadian-owned plants, stated Mills.

"There is no evidence to suggest that the farm gate price for cattle will increase as a result of Cargill increasing its market power," Mills continued. "In fact, Cargill is simply taking advantage of depressed prices in Canada to bolster its own bottom line."

Better Beef Limited was a Canadian-owned company founded in 1972 which has a slaughter capacity of 1,800 head of cattle per day. The acquisition of Better Beef will now give Cargill a major share of the Ontario beef slaughter and processing market. The takeover comes at the same time as Cargill's is expanding its High River, Alberta packing plant to handle 5,000 head per day by the fall of 2005.

Jan Slomp, NFU Alberta Coordinator, said if the federal government approves the takeover of Better Beef by Cargill, it will set back farmers' efforts to regain more control in the marketplace. The closure of the US border to exports of live cattle in Canada has allowed the major packers to keep prices at the farm gate depressed. At the same time, however, these companies are shipping huge amounts of boxed beef south to take advantage of high retail prices in the lucrative US market.

"In spite of tremendous odds, there are many independent and cooperative packing plants in the works across the country," stated Slomp. "Farmers realize that it's not enough just to increase capacity. Ownership and control of Canadian packing facilities is equally important if those facilities are to survive in the long term."

The NFU is supportive of farmer-led and co-operative ventures such as the Peace Country Tender Beef Co-op Ltd. of Dawson Creek, BC, which aims to process 1,000 head of cattle per week, with 100 percent testing for BSE.

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