

National Office  
2717 Wentz Ave.  
Saskatoon, Sask., S7K 4B6  
Tel (306) 652-9465  
Fax (306) 664-6226



**NEWS RELEASE**

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**CONVENTIONAL WISDOM DOES NOT EXPLAIN LIVESTOCK CRISIS:  
NFU CONDUCTING FARMER MEETINGS IN MANITOBA**

**Winnipeg, Man**—“Everybody knows that a rising Canadian dollar and high grain prices are the primary causes of the current downturn in cattle and hog prices. The problem is, what everybody knows is, to a very significant extent, wrong,” said National Farmers Union (NFU) Director of Research Darrin Qualman today at a news conference.

The NFU kicked off a week of rural meetings with a news conference today in Winnipeg. NFU Director of Research Darrin Qualman and Manitoba Coordinator Fred Tait told reporters that a close look at long-term data on cattle prices in Manitoba and across the country quickly makes plain that there’s a lot more going on than just recent increases in the dollar and grain prices.

“When we look at cattle prices between the end of the Depression and 1989, we see that they stayed in a consistent range—for that nearly 50-year period, prices trended neither up nor down. The average price during that time for Manitoba slaughter cattle was \$1.70 per pound, liveweight—double the price farmers are getting now,” said Tait.

He continued: “A portion of the price declines farmers are now struggling with, perhaps 25% to 30% of that decline, can be directly attributed to recent currency and grain price changes, but the biggest factors underlying the price collapse have gone unexamined, even unremarked. Many have been afraid to look too closely at what is really pushing down prices to family farm cow-calf producers and independent feeders.”

With its meetings with farmers and policymakers, the NFU hopes to dramatically expand the discussion surrounding the plight of cattle and hog producers. “Until we discuss the power of packers, captive supply, the effects of increased export dependence, and the amount that retailers and packers are taking from the meat-counter dollar, the cattle and hog price crisis will remain shrouded in mystery, and effective solutions will remain out of reach. The NFU is doing what cattle and hog commodity groups have been too timid to do: we’re going out into the country, bringing up new ideas and analyses, and asking hard questions about power and profit in the meat sector,” said Tait.

The NFU has been working for several months on a fresh analysis of the cattle and hog sectors in Canada. Its major report is due out later this year.

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For more information, please contact:

Fred Tait, NFU Manitoba Coordinator: (204) 252-2773 or 252-2153  
Darrin Qualman, Director of Research: (306) 652-9465