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national farmers union
In Union Is Strength

For Immediate Release

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**BEEF PRODUCERS CALL FOR AN INQUIRY INTO PROCESSOR/
RETAILER PROFITEERING.**

Rimbey, Alberta. Rancher Iain Aitken recently had a cull cow custom-processed to highlight the inequity of profit distribution in the beef production chain. The cow that would only have brought \$340 at auction yielded \$1233 of hamburger and stew meat when valued at local store prices. Although cull cows are older animals being removed from the breeding herd, they provide a crucial source of income for producers, and used to regularly bring \$700 or more at auction.

“Producers are selling cull cows at record low prices yet retail stores claim they use the beef as a loss leader and the beef packers claim they lose money processing cows – we need an inquiry to discover the truth” stated Aitken. “The Canadian retail price of hamburger today is around \$2.75/lb, up from the \$1.75/lb it was ten years ago. In that ten years, however, the price of cull cows at auction has halved – clearly something is wrong” he continued.

Many producers believe the problem is corporate concentration and the lack of competition in the retailing and particularly the processing sector. The situation in Alberta got worse this summer when Nilsson Brothers Inc. bought the Tyson Foods Lakeside plant at Brooks, thereby reducing the two main buyers of cull cows to one.

Retiring National Farmers Union regional organizer Jan Slomp stated: “We need to have a Federal Government investigation into the profits made in the beef processing and retailing sectors to identify how much is being made and by whom. The previous Government investigation in 2004 was abandoned when the large beef packing companies refused to open their books to the auditors. In a democratic country we can not have these large corporations deciding they are above the law while the livelihoods of beef farmers are threatened due to their monopolistic practices”

After processing, the beef was donated to the Bissell Centre, Edmonton; and the Calgary and Rimbey Food Banks.

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