

Reaction positive to packing plant proposal

While still in the very preliminary stages, the prospect of a beef packing plant near Swift Current appears to be capturing the imaginations of many in the Southwest.

When the Southwest Beef Initiative first publicly sketched out the concept June 2, a public meeting attracted about 80 people.

Two weeks later on Wednesday, more than 300 crowded into the Civic Centre Auditorium for a noon-hour presentation to hear more about the proposal and listen to a speech from Liberal federal finance minister Ralph Goodale.

Southwest Beef Initiative chair Jim Parsons emphasized finding markets for the plant's output is critical to the project becoming a reality.

"I think that's a big key point here. As I said in my presentation, you can't have a plant sitting there full of beef and don't know what to do with it," said Parsons, who is the Reeve of the R.M. of Swift Current.

That approach drew praise from Goodale. "In order to make this kind of initiative a success, the marketing plan is the single-most important piece. You need to know before you build the plant where is the shelf space where the product will ultimately be sold," Goodale told reporters.

"I'm very encouraged that the organizing committee has identified that issue and put it up right front and center, because that means to me that when they put their business plan together, it is likely to be a very credible plan."

While providing a much-needed value-added industry, supporters of the project say a packing plant would provide a ready buyer for producers' cattle and for those selling feed, plus reduce reliance on U.S. exports.

Federal of Saskatchewan Indian Nations (FSIN) Chief Alphonse Bird, one of the meeting's speakers, said the FSIN views the project as a potentially excellent investment.

"We will have the finest quality tested beef in Canada and we can go international and have less dependency say on the American market," Bird said.

Although Parsons isn't ruling out any possible markets for the proposed plant's output,

he said the Southwest Beef Initiative would probably look overseas.

"Maybe we can encourage them to even make investments in the plant. That not only helps us, but it ties in their guarantee to take our product," Parsons said.

While some federal funding is available for such projects, Goodale said the majority of capital would have to be raised in the private sector.

He also suggested that Ottawa, in partnership with the government of Saskatchewan, might have to look at providing incentives for the province's residents to invest in local projects of this type.

"This issue of the availability of investment capital – particularly equity as opposed to debt – this is the biggest single limitation on diversification, intensification and value-added activity in rural Saskatchewan and, one way or another, we've got to find a way to change that." Goodale said.

With the Southwest's more than 300,000 cow/calf pairs, easy access to the CPR mainline and the numbers 1 and 4 highways, plus access to the necessary water supply, a location near Swift Current would make a good site for the plant, Parsons said.

In the short term, he said the Southwest Beef Initiative, which recently met with Saskatchewan's deputy minister of agriculture, will have more talks with provincial officials this week and outline its plans to those in the feedlot industry.

Parsons also expressed hope the group will soon receive funding approval for a feasibility study and the development of a business plan under the Canadian Adaptation and Rural Development in Saskatchewan program.

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