

Alberta. Sixty-two associations received guarantees on loans that were outstanding during the period of investigation. Because eligibility was limited to feeder associations, Commerce determined that the program was specific. It was determined that the loan guarantees were countervailable subsidies to the extent that they lowered the cost of borrowing. Commerce calculated Alberta's benchmark rate by averaging the verified range of lending rates that the associations could obtain in the market absent the government guarantee. On this basis, the program was found to be countervailable at a rate of 0.01%.

8.3.2.2 Manitoba Cattle Feeder Associations Loan Guarantee Program

The Manitoba Cattle Feeder Associations Loan Guarantee Program was established in 1991 to assist in the diversification of Manitoba farm operations. The program was administered by the Manitoba Agricultural Credit Corporation (MACC). Through MACC, the provincial government guaranteed 25% of the principal amount of loans for the acquisition of livestock by feeder associations. Eligibility for the guarantees was limited to feeder associations located in Manitoba. Associations had to be incorporated under the Cooperatives Act of Manitoba, and had to have a minimum of 15 members, an elected board of directors and a registered brand for use on association cattle.

Because eligibility was limited to feeder associations, Commerce determined that the program was specific. On this basis, it was found that the total subsidy from the program was less than 0.01%.

8.3.2.3 Ontario Feeder Cattle Loan Guarantee Program

The Ontario Feeder Cattle Loan Guarantee Program was established in 1990 to help secure financing for cattle producers. The program was administered by the Ontario Ministry of Agriculture, Food and Rural Affairs. The Ministry provided a start-up grant of \$10,000 to new feeder associations, and government guarantees covering 25% of the amount borrowed by associations for the purchase and sale of cattle. Eligibility for the guarantees was limited to feeder associations composed of at least 20 individuals who owned or rented land in Ontario and were not members of other feeder associations. Eighteen associations received guarantees on loans that were outstanding during the period of investigation. The program was found to be countervailable on the grounds that it was limited to feeder associations and that it lowered the cost of borrowing. The total subsidy from the program was found to be 0.01%.

8.3.2.4 Saskatchewan Feeder Associations Loan Guarantee Program

The Saskatchewan Feeder Associations Loan Guarantee Program was established in 1984 to facilitate the establishment of cattle feeder associations in order to promote cattle feeding in Saskatchewan. The program was administered by the Livestock and Veterinary Operations Branch of the Saskatchewan Agriculture and