September 26, 2017

Guy Gallant
Director of Communications
Agriculture and Agri-Food Canada
1341 Baseline Road Tower 7
Ottawa, ON K1A 0C5

Dear Mr. Gallant,

Re: Canada-U.S. Regulatory Cooperation Council Work Planning Consultation

On behalf of Beef Farmers of Ontario (BFO), I am writing to you to provide comments on the C*anada-U.S. Regulatory Cooperation Council Work Planning Consultation*. The Beef Farmers of Ontario (BFO) represent 19,000 beef producers across Ontario by advocating in the areas of policy planning, industry development and research, and domestic and export market development.

Foremost, we are pleased to provide input on the *Canada-U.S. Regulatory Cooperation Council Work Planning Consultation.* The Ontario beef industry welcomes a renewed focus on regulatory cooperation between Canada and the United States in an effort to help increase the competitiveness of our sector by reducing barriers to trade and better aligning our regulatory systems.

The following section provides an overview of the major regulatory cooperation issues of priority for the Ontario beef industry, with respect to relations between Canada and the U.S.

BORDER INSPECTION HARMONIZATION

More than 28,000 truckloads of Canadian meat cross the U.S. border each year, while close to 18,000 truckloads of American meat cross the border into Canada on an annual basis. However, inspection requirements and costs vary considerably between the two countries. Although meat shipments are screened by border agents on both sides of the border, every shipment of Canadian meat to the U.S. is subject to further inspection at one of only 10 USDA inspection centres along the Canada-U.S. border. For American meat entering Canada, only 10% are subject to further inspection at one of 125 Canadian Food Inspection Agency (CFIA)-registered establishments inland. This process is disproportionately time consuming and costly for shipments of Canadian meat into the U.S.

Meat inspection in both countries meets all food safety and animal health requirements in both the U.S. and Canada. Meat from the U.S. exported to Canada is inspected by the USDA in accordance with CFIA requirements and marked with the “U.S. Inspected and Passed by Department of Agriculture” legend. Similarly, Canadian meat exported to the U.S. is inspected by the CFIA to the food safety and animal health standards of the U.S. and marked with the “Meat Inspection” legend. These are equivalent processes yet Canadian meat is subject to more rigorous and costly re-inspection requirements.

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The Canadian Meat Council estimates that every Canadian transporter loses 2-4 hours of driving time by having to report for further inspection. Additionally, Canadian meat selected for product sampling results in a loss of 3-10 days of a typical 30 day meat shelf life, which can ultimately lead to product refusal by the end customer for failure to meet quality control criteria. The impact of these requirements results in millions of dollars in added cost and lost revenue for Canadian businesses shipping meat to the U.S.

- **BFO recommends that the Canadian Government urge the U.S. to harmonize its border meat inspection practices with Canada's system of meat inspection on U.S. meat products.**

U.S. EXPORT REQUIREMENTS FOR CANADIAN CATTLE

Canadian cattle that are exported to the U.S. and not bound for immediate slaughter must be permanently identified by a freeze brand, hot iron, or a tattoo inside the left ear. The requirement came into force in the aftermath of the BSE crisis to manage the anticipated backlash from the U.S. beef industry regarding the movement of unidentified live Canadian cattle into the U.S. market. At the time, Canadian officials justified the implementation of the rule as a temporary measure that would allow the re-opening of the U.S. border to Canadian cattle, and it was viewed as a short-term solution to a much larger issue.

However, there are no animal health or food safety arguments that support the requirement for live cattle exported from Canada to the U.S. to be branded or tattooed. The identification requirement that continues to be enforced by the U.S. has surpassed its useful life and continues to create unnecessary and avoidable costs for Canadian producers and exporters. Branding or tattooing cattle is typically done immediately prior to departure once the decision to export to the U.S. has been made. This practice creates additional processing costs for producers and places extra and unnecessary stress on animals prior to loading. Furthermore, the requirement to unload and reload cattle at the border so that brands and tattoos can be verified by U.S. border officials increases the risk of injury to inspectors and animals alike. This creates additional inspection costs and transit delays that could otherwise be avoided.

- **BFO recommends that the Canadian Government urge the U.S. to eliminate the marking requirement for Canadian cattle exported to the U.S.**

ENHANCED COOPERATION ON LIVESTOCK TRANSPORT

a) Short-term export and re-entry to country of origin

Millions of livestock are transported in Canada and the United States on an annual basis, often close to the Canada-U.S. border. Given current export/import restrictions and border crossing delays, Canadian and American trucks not destined to cross the border travel within their respective country, despite potentially shorter routes available outside the domestic border. Transport times and the stress placed on animals in transport could be significantly reduced if a responsive process was developed to allow sealed trucks to be re-routed through the U.S. or Canada to avoid longer domestic transport routes. This would be particularly beneficial for long-haul trips through the Great Lakes region.

- **BFO recommends that the Canadian Government pursue the development of an improved and expedited process to allow sealed livestock trucks to be re-routed through the U.S. or Canada to avoid longer domestic transport routes.**

b) Nipigon River Bridge contingency plan

The Nipigon River Bridge in Northern Ontario, part of the Trans-Canada Highway, serves as the only commercially viable connection between Eastern and Western Canada. On January 10, 2016, the newly constructed Nipigon River Bridge heaved apart and closed the highway, halting all meat and livestock trucks in transit for more than 24 hours, along with all other transport. Despite a commitment made by the CFIA to develop a contingency plan with the USDA to re-route high-risk shipments, such as fresh goods and live animals, no plan has been developed, to our knowledge. The absence of a contingency plan to re-route high-risk shipments, in particular live animals, represents a serious gap that Canada must work to address in partnership with the U.S.

Ontario beef feedlot operations and processors rely on sourcing hundreds of thousands of cattle from Western Canada each year on trucks that ultimately pass over the Nipigon Bridge. According to West Hawk Lake data, more than 3,000 cattle truck crossing events occurred in 2012 alone between Ontario and Manitoba. Canada must prioritize the development of a contingency plan for this vital crossing with its U.S. counterparts as soon as practically possible.

- **BFO recommends that the Canadian Government follow through on its commitment to develop a contingency plan for the Nipigon River Bridge in Northern Ontario with its counterparts in the U.S.**

REGULATORY HOUSEKEEPING *RE: MARCH 1, 1999 RULE*

It remains a U.S. regulatory requirement that all imports of live cattle from Canada originate from animals born after March 1, 1999. The USDA considers March 1999 as the effective date of the 1997 ruminant feed ban imposed in Canada. However, there are virtually no cattle in Canada that were born before March 1999 that would be exported to the U.S. for food purposes. Furthermore, Canada does not maintain a similar restriction on live U.S. cattle exported into Canada.

Canada should seek the support of the U.S. to eliminate the outdated and unnecessary March 1, 1999 rule for Canadian cattle imported into the U.S. Common sense would dictate that cattle exported to the U.S. were born after 1999, but unfortunately the rule, and the associated paperwork, remains a requirement.

- **BFO recommends that the Canadian Government seek the support of the U.S. to eliminate the outdated and unnecessary March 1, 1999 rule for Canadian cattle imported into the U.S.**

COUNTRY OF ORIGIN LABELLING (COOL)

Continued segregation policies at some U.S. beef processing plants reduces the competition and value of Canadian cattle. U.S. segregation policies also hurt the red meat industry in the U.S. by adding costs given the high level of integration between our two countries. Any movement to reinstate mandatory

COOL or implement a modified mandatory program will have mutually detrimental effects on the red meat sector and would ultimately detract from the spirit of the Canada-United States Regulatory Cooperation Council's mandate.

- **BFO recommends that the Canadian Government resist any movement to re-instate mandatory country of origin labelling in the U.S. or a modified mandatory program.**

We are pleased by the government's engagement in helping to address the various technical barriers and regulatory differences currently undermining meat and livestock trade between Canada and the United States. Where possible, our countries should pursue regulatory harmonization similar to what has been done in Australia and New Zealand with respect to the meat and livestock sectors.

BFO would like to thank Agriculture and Agri-Food Canada for the opportunity to outline our views on the *Canada-U.S. Regulatory Cooperation Council Work Planning Consultation.* We would be pleased to meet with you to discuss our comments in further detail.

Sincerely,

[e-signature required]

Matt Bowman
President

cc: BFO Board of Directors
Canadian Cattlemen's Association
Ontario Cattle Feeders' Association