



October 23th, 2015

The Honourable Jeff Leal
Ontario Ministry of Agriculture, Food and Rural Affairs
11th Floor
77 Grenville Street
Toronto, Ontario M7A 1B3

Re: *Tri-National Agricultural Accord*

Dear Minister Leal,

The Beef Farmers of Ontario (BFO) appreciates the opportunity to provide comments on market development issues of concern to the Ontario beef industry in advance of the upcoming tri-national agricultural accord meetings in Mexico November 11-14.

Transportation

BFO continually emphasizes the need to ensure that policy and regulatory decisions are based on sound, science-based evidence. Whether this be in regards to antimicrobial use, animal transport practices or otherwise. There has been significant activist pressure to enhance regulations and amend production practices without the use of science-based evidence. Policies must be evidence-based, and rooted in sound-science.

Mandatory Country of origin labelling (M-COOL)

The Canadian beef industry supports Canada's requested authorization to impose tariffs on more than C\$3.1 billion per year of U.S. exports. The U.S. has estimated the costs related to M-COOL arbitration at US\$91 million – an amount that disregards any valuation related to segregation of cattle, transportation issues or price suppression in the Canadian market.

The Government of Canada must declare their intention to swiftly impose retaliatory tariffs on U.S. exports the moment Canada is authorized to do so by the WTO if the U.S. has not eliminated the incentive to segregate imported livestock by that time.

Vague discussions about a "North American label" are unhelpful because it means different things to different audiences. To most U.S. legislators, it means a U.S. label for meat from U.S. born and raised livestock and a North American label for everything else. This would continue segregation of imported livestock and is no improvement over the current situation. This concept was floated by the outgoing U.S. Senate Ag Committee Chair in the late stages of the Farm Bill negotiation and was rightly rejected by Canada. An acceptable resolution must result in all meat processed in the U.S. having the same origin label without condition on the location of birth or raising of the livestock.

The Beef Farmers of Ontario (BFO) believes that we have good requirements in Canada that allow producers to promote Canadian products if they choose to do so without disrupting trade.

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M-COOL's cost to industry is over \$600 million per year to the Canadian Cattle industry. Repeal of this law is needed to keep that cost from being a permanent handicap to Canadian cattle producer profitability.

Market Access

Canada exports 46% of all beef production (including live slaughter cattle exports), making the international consumers as important as the ones at home. While many of the recently signed trade deals provide potential value to the Ontario and Canadian beef industry in terms of market access for Canadian beef products, many come attached with technical conditions so onerous that they prevent the beef sector from taking full advantage.

The objective of increasing market access must go hand-in-hand with ensuring the Canadian livestock industry retains its ability to compete in all markets, domestic and international.

Unfortunately governments frequently propose policies that are not scientifically justified or do not consider the ability of cattle and other agricultural producers to compete. Even well considered policies can be counterproductive if they take the Canadian industry in an independent direction from competitors in other nations.

BFO, along with the Canadian Cattlemen's Association (CCA) supports the adoption of policies that are equivalent in their outcome to the policies of other countries with which we compete. We recommend that Government strive to develop regulations in partnership with its international counterparts. In this regard, we believe that the Regulatory Cooperation Council initiative commenced in 2011 holds great, although yet unrealized potential for the competitiveness of the Canadian livestock and red meat sector.

On behalf of the Beef Farmers of Ontario (BFO), we thank you for the opportunity to comment in advance of your upcoming meetings in Guadalajara, Mexico.

Sincerely,



Bob Gordanier
President

Cc: BFO Board of Directors

