



October 14th, 2016

Barbara Ciochon
Policy Advisor
Ontario Ministry of Agriculture, Food and Rural Affairs
11th Floor
77 Grenville Street
Toronto, Ontario M7A 1B3

Dear Ms. Ciochon,

Re: *Tri-National Agricultural Accord Summit Comments – Ontario Beef*

The Beef Farmers of Ontario (BFO) appreciates the opportunity to provide comments on current market development issues of importance to the Ontario beef industry in advance of the upcoming Tri-National Agricultural Accord meetings in Niagara Falls. BFO represents 19,000 beef producers in Ontario by advocating in the areas of policy planning, industry development and research, and domestic and export market development.

The following is a list of issues with background information that the Minister may find useful in his discussions with agricultural delegates from the United States and Mexico regarding market development and regulatory cooperation.

1) ELIMINATION OF THE MARKING REQUIREMENT FOR CDN CATTLE EXPORTED TO THE U.S.

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.



- ❖ Federal and provincial officials representing Canada at the Tri-National Agricultural Accord meetings should seek support from U.S. state animal health officials for eliminating any USDA permanent identification requirement for Canadian cattle that does not also exist for U.S. cattle. The removal of this unnecessary requirement can be justified as an example of regulatory cooperation aimed at improving the welfare of animals involved in Canada-U.S. trade.

There has been some discussion of a joint effort with Mexico to eliminate similar USDA identification requirements that Mexican producers and exporters face. The Canadian beef industry would caution federal and provincial officials from pursuing a joint effort with Mexico on this front. Identification requirements for Mexican cattle exported to the U.S. and not bound for immediate slaughter predate the requirements for Canadian cattle and were developed with different goals in mind. The identification requirements for Mexican cattle were based largely on animal health concerns attributed to tick and tuberculosis risks, which is an issue of little relevance in the Canadian context. Ultimately, the USDA requirements for Canadian and Mexican cattle should each be evaluated on their own merits, with appropriate actions pursued accordingly for each.

2) ENHANCED COOPERATION ON LIVESTOCK TRANSPORT

Approximately 300,000 cattle are transported into Ontario from Western Canada on an annual basis. Given the current export/import restrictions, livestock trucks coming into Ontario from Western Canada travel on the Canadian side of the border, which adds a significant amount of time to the total time in transport.

- ❖ In the spirit of the Canada-United States Regulatory Cooperation Council's mandate, federal and provincial officials representing Canada at the Tri-National Agricultural Accord meetings should seek support from U.S. officials for improving the approvals process for short-term export and re-entry into Canada. An improved approvals process would allow sealed trucks to be rerouted through the U.S. to avoid longer northern routes through Canada, e.g. Great Lakes region, Lake of the Woods, etc., and would decrease transport times and improve animal welfare.

In addition, BFO has heard from producers in the Rainy River region about the need for cattle export access at the Baudette, Minnesota border crossing. Livestock businesses on both sides of the border could benefit from access through this crossing.

- ❖ Canadian officials should seek support from U.S. officials for investigating the feasibility of opening the Baudette, Minnesota border crossing for livestock export. Baudette already maintains an inspection station and has facilitated temporary livestock border crossings in the past. To assist businesses on both sides of the border, the USDA should investigate the efficacy of making this a permanent export port.

3) REGULATORY HOUSEKEEPING RE: MARCH 1, 1999 RULE

It remains a U.S. regulatory requirement that all live cattle imports from Canada be 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.

- ❖ Canadian officials should seek the support of U.S. officials for eliminating 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 requirement remains in place.

4) MARKET ACCESS ISSUES (if asked)

i. Country of Origin Labelling (COOL)

Some U.S. officials may inquire when Canada and Mexico intend to relinquish our retaliation rights given the elimination of COOL. Our recommendation to Canadian officials would be to highlight the fact that some U.S. senators and congressmen and women have stated intentions to either re-instate COOL or implement a modified program. Canada should retain its retaliation rights if future segregation-focused programs are initiated.

ii. Trans-Pacific Partnership (TPP)

If the topic is raised by U.S. officials, it would be useful to advise them that Canadian beef producers are falling behind Australian beef exporters in the Japanese market without TPP. It is industry's hope that the U.S. Congress will ratify TPP, but if they don't, Canada will need to find a way to move forward without the U.S.

iii. Comprehensive Economic and Trade Agreement (CETA)

Some U.S. officials may ask how implementation of CETA is going. From the Canadian beef sector's perspective, we are very pleased with the tariff outcome for our access to Europe. However, we have always said that we need to resolve the regulatory technical barriers around processing in order to achieve meaningful access. The main outstanding issue is the approval of citric acid and peroxyacetic acid as an antimicrobial treatment in red meat production. We have much work to do on this issue and it would be useful if U.S. officials could keep Canadian counterparts apprised of their efforts.

In closing, BFO would like to emphasize the need for policy and regulatory decisions to be based on sound, science-based evidence, whether this be in regards to market access requirements, antimicrobial use, animal transport practices or otherwise. There has been significant pressure from certain groups to enhance regulations and amend production practices without the use of science-based evidence. Policies must be evidence-based and rooted in sound science to secure support from industry.

On behalf of the Beef Farmers of Ontario (BFO), we thank you for the opportunity to comment on current market development issues of importance to the Ontario beef industry in advance of the upcoming Tri-National Agricultural Accord meetings.

Sincerely,



Matt Bowman
President

cc: BFO Board of Directors
Shannon McCarthy, OMAFRA

Johanna Wilkes, OMAFRA
Brendan McKay, OMAFRA

Brady Stadnicki, CCA
John Masswohl, CCA

