



# the ONTARIO STEAKHOLDER

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CONNECTING ONTARIO'S BEEF FARMERS TO THE ELECTED MEMBERS WHO REPRESENT THEM.

The Ontario Cattlemen's Association (OCA) is a grassroots organization which represents the 19,000 beef producers in the province of Ontario. Our vision is to help foster a sustainable and profitable beef industry, and have Ontario beef recognized as an outstanding product by our consumers. OCA hopes that you will come to recognize the Ontario Steakholder as your source of reliable information from the Ontario beef industry.

## Industry Pleased that COOL WTO Challenge is Going Ahead

US Legislation Continues to Haunt the Canadian Cattle Industry



Gord Hardy  
OCA President

On October 7th, the Government of Canada announced that they will request the World Trade Organization (WTO) to create a Dispute Settlement Panel to rule on the United States' (US) Country of Origin Labelling (COOL) law. Initially conceived as an amendment to the US Farm Bill, COOL originated with certain US producer groups south of the border, who felt that such labelling requirements might quickly end low commodity prices. Regrettably, the legislation can –

and is – hurting Canada's hog and cattle industries and much energy for these commodity groups has been focused on lobbying for changes.

Simply put, COOL does not comply with the US' trade obligations through WTO and North American Free Trade Agreement (NAFTA) rules. This is because COOL rules do not acknowledge that the act of turning a live animal into meat is a considerable transformation that should result in the meat acquiring the origin of the country where the transformation occurred. Under both the WTO and NAFTA, origin labelling of meat is allowed. But the label must indicate the country where *it became meat*, not where the animal was born or raised.

Focusing on beef, specifically, meat sold at retail must be labelled as being one of several categories (see Figure 1). Those categories each indicate the potential origin or origins of beef for sale at the retail level, and this means US cattle producers and processors must spend extra resources (time, labour and expense) to track and segregate non-US cattle.

Every US packer would like to have only one origin label, and since over 90 per cent of the cattle slaughtered in the US would be US-born and raised, they would prefer the "A" label. Some packers are able to comply with COOL by not purchasing any Canadian cattle, but others are more reliant on Canadian-born animals to optimize economies of scale. Those packers have found it necessary to manage two origin labels and are passing the administrative costs back to Canadian cattle producers in the form of lower prices.

### Canada Re-Launches Trade Challenge

Much has happened in 2009, including the halt of Canada's WTO consultation for COOL, based on positive steps that were being taken in the US. Shortly after the halt, however, the US Secretary of Agriculture made recommendations to the US industry that again jeopardized the Canadian cattle industry.

Subsequently, Canadian beef cattle producers received welcome news on October 7th when The Honourable Stockwell Day, Minister of International Trade and Minister for the Asia-Pacific Gateway, and the Honourable Gerry Ritz, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, announced Canada's request for a WTO settlement panel.

Both OCA and CCA stand firmly behind the federal government's WTO challenge of COOL. It is clear that parties on both sides of the border see the legislation as costly and confusing and it's estimated that Canadian cattle producers have lost over a quarter of a billion dollars in lower cattle prices and increased costs. Almost \$4 billion worth of additional costs have occurred in the US alone.

"It is disappointing that we couldn't reach a solution with the US," said CCA President Brad Wildeman in a news release. "Especially since Canada is the top buyer of US agriculture exports year after

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year. But there really seems to be no other option left for Canada. CCA and our federal government have worked hard via diplomatic means and advocacy, but it appears that achieving resolution to this problem isn't very high on the US priority list. It's an unfortunate situation, but I am pleased that our government is clearly articulating Canada's position and standing up for our cattle producers."

The US says it will re-examine the affects of COOL, but there is much still to be done. The current stalemate is exactly why trade agreements were initially established between Canada and the US. CCA Vice-President and Foreign Trade Chair, Travis Toews, stated "We've tried first to mitigate and reason our differences out, but ultimately, if the US continues this disincentive for our cattle, we will have to seek a ruling under the WTO. My hope is that just initiating this case will cause the US to reconsider whether this law is worth a battle with their best customer."

## Background

- As the top export market for US agricultural exports for well over a decade, in 2008 Canada purchased US \$16.2 billion American agriculture and seafood exports. This translates into nearly US \$500 per Canadian consumer.
- Canada and Mexico have been the two countries most negatively impacted by COOL since it came into effect in September 2008.
- CCA estimates the original impact under the 'interim final rule' amounted to a loss of \$90 per head for the period from October 2008 to March 2009.
- Although interest in purchasing Canadian cattle has improved after the 'final rule' came into effect in March, buyers continue to discount prices.
- In a typical year, Canada exports approximately 1.2 to 1.5 million head of live cattle and 310,000 tonnes of beef to the US.

Figure 1. Categories for Canadian Beef Sold at Retail in the US, Under COOL Legislation

Category	Label	Details
A	US	Beef from cattle born, raised and slaughtered exclusively in the United States
*B	US/Canada US/Mexico Us/Canada/Mexico	Beef from cattle born outside the US and raised and slaughtered in the US
*C	Canada/US	Beef from cattle imported to the US for immediate slaughter (mainly Canadian cattle)
D	Canada	Beef imported to the US from Canada
E	All reasonably possible countries	Ground beef
*Approximately one third of Canadian live cattle would be further-raised in the US ("B" category) and two-thirds are exported for immediate processing into beef ("C" category).		

## Livestock Groups Come Together to Investigate Biosecurity Gaps

If the age old adage of "two heads are better than one" holds true, then four heads are even better. The veal, beef, sheep and goat sectors have come together in an effort to investigate biosecurity gaps in the livestock sector.

Recently, the Agricultural Adaptation Council (AAC) approved funding of \$189,060.00 to help support the collective efforts of the four sectors. Kim Turnbull, Chair of the AAC Board of Directors is encouraged by the collaboration of the four organizations. "These animals share common disease risks and are raised in similar environments, therefore, these commodity groups are a natural work unit, in proceeding towards enhancing the livestock industry in Ontario," says Turnbull.

The Ontario Veal Association (OVA), the Ontario Cattlemen's Association (OCA), the Ontario Sheep Marketing Agency (OSMA) and the Ontario Dairy Goat Co-operative (ODGC) have engaged eBiz Professionals Inc. to manage the project and provide a strategic analysis of the current state of biosecurity and emergency preparedness in the four sectors from inputs suppliers, through production activities to processing.

One of the goals of this project is to prepare these four sectors to move to the same level of preparedness and biosecurity as the poultry industries.

The pork sector has recently completed a similar study and is now ready to secure funds for implementation of their biosecurity and emergency preparedness plans. "The approach being taken by the veal, beef, sheep and goat sectors is consistent with work previously done in these other sectors. What has been learned in earlier work will be used here, and we will also ensure that the outcomes fit with the proposed national standards for biosecurity," says Ian Richardson, President of eBiz. "All of our livestock industries deserve to have the knowledge and resources to reduce the impact of animal disease."

The project, supported by government and other industry partners will help the veal, beef, sheep and goat industries prepare for implementation in 2010, and allow them to tap into Growing Forward funding for biosecurity and traceability initiatives. "On behalf of the goat sector, we are thrilled to be working with our livestock counterparts in order to better position ourselves for future funding and programs," says ODGC General Manager Lisa Thompson.

The project will look at production limiting diseases of economic significance in each sector on which enhanced biosecurity measures could have an impact at the farm level by reducing mortality and decreasing

costs of production. "Saving livestock farmers money on the bottom line is something all our sectors can benefit from and by looking at the production limiting diseases we can see how implementing biosecurity protocols can make a difference everyday" states OCA Policy Advisor Jen Snively.

At the same time, the work being completed will also examine emergency preparedness and the ability of the sectors to respond. "Like a good insurance policy, you will never know the true value of the investment until you really need to rely on it in an emergency situation" suggests OSMA General Manager Murray Hunt.

"This project is very proactive in nature. We are collectively looking at the gaps that exist now so that we can start to address how we can fill them in" says OVA Executive Director, Jennifer Haley. "By working together, our four groups can avoid duplication and discover synergies that will ultimately benefit livestock farmers" she adds.

Work is well underway through the study of the auction market node, the development of lists of diseases for each sector and the mapping of supply chain relationships. The next phase of the project begins



immediately with the formation of working groups, a broader industry consultation and data collection. The project is scheduled to be completed by June 2010.

*Funding for this project was provided in part by Agriculture and Agri-Food Canada's Advancing Canadian Agriculture and Agri-Food Program, which is delivered in Ontario by the Agricultural Adaptation Council.*

# SCENE & HERD

## Beefing Up the Agenda at Queen's Park

Representatives of the Board of Directors of the Ontario Cattlemen's Association (OCA) were in Toronto this summer for the 6th Annual Queen's Park Barbecue on the front lawn of the Legislature. The barbecue, which has become one of the most highly anticipated events with MPPs and their staff, is OCA's key lobby event - intended to increase awareness with urban MPPs of the cattle industry in Ontario. And, this year, the event drew much media coverage as Premier Dalton McGuinty attended to show his support of the sector.

Gord Hardy, OCA President, was pleased with the turnout and also delighted with the individual meetings that OCA representatives were able to hold with MPPs during the morning.

"Our organization exists to lobby and communicate on behalf of producers and this barbecue and lobby day has become our flagship event at the Legislature. We're always glad to be able to meet one-on-one with our elected representatives during the day, to engage them in our issues and reiterate our industry's needs. The barbecue

serves to show that while we continue to ask for support, we're grateful for the ongoing attention we do receive. It also helps us to showcase the outstanding beef we produce in this province!"

"Our industry has had its share of challenges over the last few years," says Hardy. "But we know that our contribution to the Ontario economy is significant. Beef farming contributes as much to the Ontario economy as an automotive plant. We cannot continue to lose farmers. We need programs that work for us if we are to be a sustainable and profitable industry. I hope that while people enjoyed our product, our messages were also heard."

Ontario cattlemen have enjoyed alliances with all three parties over the years, and were pleased that The Honourable Leona Dombrowsky, Ontario Minister of Agriculture, Food and Rural Affairs, again took part in serving beef to the over 600 barbecue guests. As well this year, Bob Runciman, Interim Leader of the Ontario PC Party and the Official Opposition, took a turn in slicing the beef, as did Andrea Horwath, Ontario NDP Leader.



Left: OCA President, Gord Hardy, is flanked by The Honourable Leona Dombrowsky, Ontario Minister of Agriculture, Food and Rural Affairs and The Honourable Dalton McGuinty, Premier of Ontario.

# Grade **EH** Beef Recipe of the Season: **Fall**



## Spice-Rubbed Beef and Mediterranean Pasta Salad

Preparation Time: 15 minutes  
Marinating: 15 minutes Cooking: 10 minutes

### INGREDIENTS *Servings: 4*

- 2 tbsp (30mL) ..... each hot pepper sauce and minced fresh
- 1 ..... clove garlic, minced
- 1 tbsp (15mL) ..... chilli power
- 2lb (1kg) ..... Beef Strip Loin or Top Sirloin Grilling Steak, 1 inch (2.5cm) thick, cut into cubes

### Salad:

- 3 cups (750mL) ..... large pasta shapes such as Scoobi Doo, penne or rigatoni (preferably whole wheat)
- 3 ..... plum tomatoes, quartered
- 1 ..... sweet red and yellow pepper, seeded and cut into chunks
- 1 ..... clove garlic, minced
- 1/4 cup (50mL) ..... extra-virgin olive oil
- 1 cup (250mL) ..... snow peas and green and yellow beans, trimmed and blanched
- 1/4 tsp (1mL) ..... salt and pepper
- 2 ..... green onions, thinly sliced
- 1/2 cup (125mL) ..... crumbled feta cheese
- As Desired ..... Lemon wedges

**Makes 8 to 10 servings:** *Per Serving (based on 10 servings, made with Strip Loin and whole wheat pasta):*

319 Calories, 27g protein, 13g fat (4g saturated fat, 51mg cholesterol), 26g carbohydrate (5g fibre)

*Excellent source of iron (25% DV), vitamin C (88% DV) and zinc (61% DV), 12% DV sodium (276mg), 12% DV potassium (4a24mg). DV = Daily Value*

### INSTRUCTIONS

1. Combine hot sauce, half the thyme the garlic and chili powder in medium bowl to make smooth paste. Add beef cubes and stir to coat. Thread cubes onto 10 soaked wooden skewers; cover and refrigerate for 15 to 20 minutes.
2. Salad: Meanwhile, cook pasta according to package directions; drain and transfer to large bowl. Meanwhile, toss together tomatoes, red and yellow peppers, garlic and 1 tbsp (15 mL) of the oil on parchment paper-lined rimmed baking sheet; season with salt and pepper. Broil or grill in grilling basket, turning occasionally, until tender-crisp, about 15 minutes. Set aside.

3. Grill beef skewers, over medium-high heat for about 5 minutes per side.
4. Add blanched snow peas and green and yellow beans to pasta. Add green onions, feta cheese, and remaining thyme and oil; toss together. Season to taste with a squeeze of lemon juice. Serve with beef skewers or remove beef from skewers and toss with pasta salad.

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## Pick Ontario Freshness

OCA was also pleased to accept an invitation to participate, for the third year, in the province's *Pick Ontario Freshness* event. During this one-day mini-farmers' market, stalls were set-up on the lawn of the Main Legislative building at Queen's Park and Ontario commodity associations were invited to showcase their products for MPPs, the media, and Queen's Park staff. This year, OCA served beef summer sausage to the attendees.

Pictured (left to right): LeaAnne Hodgins, OCA Trade Show and Promotions Coordinator; OCA President, Gord Hardy; The Honourable Dalton McGuinty, Premier of Ontario; and OCA Communications Manager, Lianne Appleby.



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Since 1963, the Ontario Cattlemen's Association (OCA) has been the unified voice of the province's 19,000 beef cattle producers. OCA advocates on behalf of its members in the areas of government lobbying, policy planning, industry development programs, promoting beef and developing domestic and export markets.



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