Agriculture Organizations Request Formal Dispute Settlement with United States

(April 18, 2005) The Canadian Cattlemen’s Association (CCA) and 23 other organizations today announced that they have requested the Government of Canada to initiate dispute settlement mechanisms with the United States under either the World Trade Organization (WTO) or North American Free Trade Agreement (NAFTA). The groups believe that dispute settlement is an essential element that the Government must use to achieve the re-opening of the U.S. market to live cattle, other affected ruminants, all beef and other affected meat products. A letter signed by the 24 organizations has been delivered to the office of the Minister for International Trade.

“It’s unfortunate that it has come to this,” stated Stan Eby, President of the CCA. “We hope that we will not have to wait for the whole panel process to complete itself, but we firmly believe that it is necessary to commence the process”.

The U.S. Administration had intended to implement a rule on March 7, 2005 that would have re-opened the U.S. market to some live animals and expand the list of eligible beef and meat products, but that rule left many restrictions in place pending further rulemaking. However, even that modest progress was derailed by the Judiciary Branch of the U.S. Government when a single judge in Montana enjoined the rule in an opinion that adopts wholesale the allegations of litigants motivated by their own economic interests.

The continued trade restrictions have nothing to do with animal health or food safety. Canada has multiple measures in place to control the spread of Bovine Spongiform Encephalopathy (BSE) and to safeguard human health.

“The small group of U.S. producers that sued the United States Department of Agriculture know there is nothing wrong with Canadian cattle or beef,” adds Eby. “They are just trying to prolong the border closure as long as possible to reap short term profits. In the process, they are misleading the public and putting the jobs of thousands of American workers at risk.”

The U.S. District Court’s decision to keep the border closed is forcing fundamental structural changes in the North American beef industry that will ensure the survival and long-term strength of the Canadian industry. These changes include significant rapid expansion of slaughter capacity in Canada coupled with cutbacks in the U.S. processing sector, and measures to market Canadian beef aggressively in the global marketplace.

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CCA is the National Voice for the Beef Cattle Industry, representing over 90,000 Cattle Producers