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## **Canadian Cattlemen's Association Monthly Report December 2006**

By Theresa Keddy, CCA Communications Manager

### **“Rule 2” Back in the Office of Management and Budget**

The United States Department of Agriculture (USDA)'s “rule 2” is officially back at the White House's Office of Management and Budget (OMB). This is a welcome first step in resuming trade of Canadian beef and cattle over 30 months of age. It has been initially designated as not economically significant, with which the CCA agrees since it represents a resumption in trade. However, such status could still be amended in the course of OMB's review.

The OMB has up to 90 days to review the rule, although it can take less time if there is a desire by the administration to move the rule faster. After the OMB has reviewed the proposed rule, it can either send it back to the USDA with approval to publish it in the Federal Register for a public comment period, or it can send it back to the USDA with a request for changes, further analysis, or explanations. When “rule 1” was at this stage, the OMB approved it for public comment in less than three weeks.

Assuming the OMB approves “rule 2”, it would then be published for a public comment period of either 60 or 90 days. The USDA will then review the comments, write responses to them and potentially amend the rule. There is no specified timeframe for that process. At that point the rule must be returned to the OMB with the USDA's report on the results of the public consultation. After the OMB approves the final rule, the USDA would register (publish) it for implementation.

Given these steps, there is the possibility that the rule could be registered in the second quarter of 2007. We remain hopeful that the rule will proceed without further complications. However, there is always the potential that this timeframe can be delayed by additional BSE cases, legal issues, or politics.

### **CFIA Conducts Feed Investigation**

On November 18, the Canadian Food Inspection Agency (CFIA) launched an investigation into a non-compliant feed shipment to approximately 100 cattle farms in Quebec and Ontario. The feed was recalled and Canadian veterinarians are trying to ascertain whether the feed, shipped at the beginning of November, was consumed and whether or not it contains these materials.

The supplier, Agribrands Canada Inc., initiated the investigation and notified the CFIA that it had shipped an approved ruminant feed ingredient in a rail car which had previously been used to ship meat and bone meal from cattle and other ruminants.

The CFIA has been monitoring livestock movement and animals exposed to the product. The latest CFIA update stated that the potentially contaminated feed posed, at most, a negligible risk to animal health, according to a risk assessment completed by the agency's veterinary experts.

The assessment determined that the probability of BSE being present in the feed was extremely remote, making it highly unlikely that exposed animals could develop the disease in the coming years.

All exposed animals will be permanently identified, which will enable Canada to continue to meet specific technical import requirements of certain trading partners.

Feed distributed to farms has been removed, disposed of and replaced. Feed that had not yet entered the distribution system has also been accounted for and disposed of under CFIA supervision.

The safety of the Canadian food supply is not affected.

### **Supplemental Beef Imports**

We are pleased to report that all federal political parties worked together to pass a unanimous resolution in the House Standing Committee on Agriculture on November 28 to constrain the use of supplemental import permits for beef and veal permanently. The next step will be for the resolution to go before the full House to be ratified.

The resolution directs International Trade Canada to require permit applicants to demonstrate their efforts to purchase Canadian beef and veal before seeking a permit to import "supplemental" quantities from countries such as Australia, New Zealand or South America. The resolution also requires the Minister to only authorize supplemental imports in exceptional circumstances and report to the House if the total quantity of supplemental imports in any given year exceeds 1,500 tonnes.

The CCA would like to commend the many MPs who undertook this initiative and worked together for the long-term benefit of the beef industry. The motion was sponsored by James Bezan, an MP and cattle producer from Manitoba.