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Canadian Cattlemen's Association Monthly Report
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Changes to Bluetongue Import Policy

The announcement this month to lift bluetongue restrictions for all classes of cattle imported year round into Canada from the United States was welcomed by the CCA. The restrictions associated with bluetongue have been in place for several decades and have been a constant trade irritant with beef producers in the U.S. and an unnecessary cost to the Canadian industry. As the science and knowledge about this disease in Canada has evolved, it has become increasingly obvious that the previous import restrictions were unnecessary measures.

Bluetongue is an insect-borne disease affecting ruminant animals, including cattle, deer, sheep, and goats. There are no human health risks related to the disease. The disease has little effect on cattle, with sheep and goats being more susceptible. Although the likelihood of a bluetongue outbreak is negligible, the CCA is establishing an indemnity fund to offset any unlikely death losses caused by bluetongue in the sheep and goat industries.

BSE –Recent Cases and Rule Two

Two cases of BSE were announced in July. On July 4th, the CFIA announced a case of BSE in a cross-bred beef cow in Manitoba. This animal was at least 15 years of age and born well before the implementation of the feed ban. The reaction to this finding from our trading partners and the general public was positive and the rational approach was exhibited by the movement of Rule Two to the Office of Management and Budget. This was an important next step toward the full resumption of trade for over thirty month beef and beef cattle, including breeding stock.

However, with the case announced a week later on the Alberta animal born in 2002, it resulted in additional questions due to it being born after the feed ban. After this discovery, the U.S. withdrew the rule from OMB to ensure that the results from the investigation of this case are taken into account. The CFIA extended an invitation to the U.S. Department of Agriculture (USDA) to take part in their investigation, which the U.S. Secretary of Agriculture, Mike Johanns, accepted. The CFIA has placed a high priority on completing this epidemiological investigation quickly in order to provide the U.S. with the information that they need to move forward with the next rule.

CCA Review

The CCA continues to work on its organizational review and will be presenting recommendations to the board related to governance and policy development at the semi-annual meeting in August. The goal is to consider governance and structural changes that will further enhance the work of our organization, while ensuring that regional and sectoral needs are met.

WTO Talks Suspended

The suspension of World Trade Organization (WTO) negotiations was a serious disappointment for Canadian beef cattle producers.

The Doha Round of negotiations was aimed at completing the unfinished work from the Uruguay Round which concluded in 1994. A great deal of progress has been made since the Uruguay Round was completed, and the Doha Round provides the opportunity to build on those gains made by further cutting levels of production and trade distorting subsidies, eliminating export subsidies and reducing barriers to market access. The question now is whether the political will to resume negotiations and finish the work that has been started will be found.

An ambitious WTO agreement is critical for future growth for the Canadian cattle and beef industry. With more open access to all markets, it will provide the industry with the opportunity to diversify its customers and ensure that it receives the highest value for its products. If this Round of WTO negotiations is successful in reducing the high tariff barriers into Europe, Japan, and Korea, it will create significant opportunity into high-value markets.

WTO members have made significant progress in the negotiations to this point. As the fourth largest exporter of agriculture and agricultural products, the Canadian Government has an important leadership role to play in facilitating a resumption and positive conclusion of the negotiations.

Convention

The CCA Annual Convention is being hosted this year by the Ontario Cattlemen's Association and will be held in Niagara Falls, August 15 - 16, 2006. Working under the theme "Trade: Our Future", the program features international industry experts exploring the current and future state of agriculture and beef trade in the international market.