



Canadian Cattlemen's Association

News Release

CCA applauds Canada's request for WTO panel against mCOOL

October 7, 2009

Calgary, AB – The Canadian Cattlemen's Association (CCA) commends the Government of Canada for today's announcement that they will request the World Trade Organization (WTO) to create a Dispute Settlement Panel to rule on the United States' (U.S.) mandatory Country-of-Origin Labelling (mCOOL) law.

Since mCOOL came into effect one year ago, Canadian cattle producers have lost over a quarter-of-a-billion dollars in lower cattle prices and increased costs. CCA President Brad Wildeman commented, "At a time when economic conditions make it difficult for people to buy as much beef as they normally do, along came mCOOL to really make things worse. The negative impact of this legislation will only increase and that's why we appreciate the Minister of Agriculture, Gerry Ritz, and the Minister of International Trade, Stockwell Day, requesting the Dispute Settlement Panel at the WTO."

mCOOL requires beef and other meats sold in the U.S. to be labeled with the country where the animal was born. It is important to note that U.S. consumers haven't demonstrated an aversion to Canadian beef. Rather, the main impact has been large commercial meat purchasers and cattle buyers adopting strategies to avoid the extra costs that result from separately managing meat from Canadian-born cattle versus U.S.-born cattle. Those U.S. companies who have continued to purchase Canadian cattle have reduced their price to cover the extra cost of managing the different inventories.

Wildeman stated that, "Once our Canadian beef gets to U.S. store shelves, it sells just fine. But mCOOL ensures that beef from Canadian cattle faces difficulties just making it to those shelves."

The WTO process will take a long time, but the CCA believes there is no other option. CCA Vice President and Foreign Trade Chairman Travis Toews says, "We have been to Washington several times and sense no interest from U.S. lawmakers to resolve this issue. That is unfortunate since Canada is the U.S.' best customer and top buyer of agricultural exports. Obtaining a panel ruling from the WTO may motivate U.S. lawmakers to resolve this problem."

For more information on the WTO process and mCOOL, please refer to the attached backgrounders. And for all information pertaining to mCOOL and the CCA's involvement, visit our website at www.cattle.ca.

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