



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 2/9/2000

GAIN Report #CA0014

Canada

Livestock and Products

Grading Proposal for Imported Beef Carcasses

2000

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Report Highlights: The Canadian Food Inspection Agency has published a regulatory proposal to allow the application of Canadian grade names to imported beef carcasses. The action is in response to a U.S. request at the April 1999 meeting of the Consultative Committee on Agriculture. The fact that Canada does not grade imported U.S. beef carcasses has been viewed as unfair by the U.S. cattle industry which petitioned USDA last year to disallow the practice of grading imported Canadian beef carcasses with U.S. grade stamps.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa [CA1], CA

On February 5, 2000 the Canadian Food Inspection Agency published a regulatory proposal to allow the application of Canadian grade names to imported beef carcasses. Beef carcass grading in Canada is voluntary but the application of Canadian grade names to beef carcasses is currently restricted to cattle slaughtered in Canada. Although imported live cattle slaughtered in Canada may be graded according to the Canadian standards, imported beef carcasses have not been eligible for Canadian grading. In the United States, imported live cattle and carcasses are eligible for the application of USDA grade names. The CFIA is amending the Canadian regulations to allow the grading of imported beef carcasses to ensure harmonization between the two countries.

Canada's action is in response to the U.S. request at the April 1999 meeting of the Consultative Committee on Agriculture (CCA) established under the 1998 U.S./Canada Record of Understanding (ROU) on agricultural trade, committing both countries to specific actions to reduce bilateral trade tensions and to help increase bilateral agricultural trade. The fact that Canada does not grade imported U.S. beef carcasses has been viewed as unfair by the U.S. cattle industry. The National Cattlemen's and Beef Association petitioned the U.S. Secretary of Agriculture last year to disallow the practice of grading imported Canadian beef carcasses with U.S. grade stamps. Both the Canadian Cattlemen's Association and the Canadian Meat Council support the CFIA's carcass grading proposal.

The proposal, formally a regulatory amendment to the Livestock and Poultry Carcass Grading Regulations under the Canada Agricultural Products Act, was published in the Canada Gazette, Part I, February 5, 2000. That issue of the Canada Gazette is available electronically on the Canada Gazette website at: <http://canada.gc.ca/gazette/gazette5e.html> The proposal is soon expected to be on the CFIA website at: <http://www.cfia-acia.agr.ca> A public comment period will run for 30 days.

Bilateral U.S./Canada beef trade exceeds \$1.0 billion annually. For a discussion of recent trade patterns in cattle and beef see post's recent Livestock Semi-Annual report (CA0009, 2/2/00). Although Canada has amended its grading regulations twice in the 1990s and introduced its current "A" grade designations, the industry is considering the development of new grades that would mirror U.S. grade designations (i.e., Canada Choice, Canada Prime).

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