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Agricultural Situation

This Week in Canadian Agriculture, Issue 17 2000

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Report Highlights:

What's New, EH?

- * MINISTER VANCLIEF OBJECTS TO U.S. FARM SUPPORT, PROPOSED NORTH DAKOTA LEGISLATION**
- * LIVESTOCK AND POULTRY CARCASS GRADING REGULATIONS AMENDED**
- * CANADA TO BECOME THE WORLD'S LEADING PORK EXPORTER**
- * NATIONAL CATTLE IDENTIFICATION PROGRAM PROPOSED**

...and More

This Week in Canadian Agriculture is a weekly review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives. Substantive issues and developments are generally also reported in detail in separate reports from this office.

Disclaimer: Any press report summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

MINISTER VANCLIEF OBJECTS TO U.S. FARM SUPPORT, PROPOSED NORTH DAKOTA LEGISLATION: The July 12 Globe and Mail reports Minister Vanclief's comments following a meeting with Secretary Glickman in Washington. As efforts continue to move forward in the global trade talks at the World Trade Organization, the U.S. has quietly restored its own farm subsidies to the record levels hit more than a decade ago, Vanclief said. "When the United States continues to increase [its] support to producers and at the same time say[s] to the world 'you shouldn't be doing that,' it raises a lot of questions in people's minds," Vanclief told reporters. "Where's the rhetoric and where's the reality?" Minister Vanclief also warned the U.S. that proposed new health regulations in North Dakota for imported cattle and hogs may violate WTO pacts and the North American Free Trade Agreement. "If we feel that whatever is done is not in accordance with the WTO and the NAFTA, we'll take the challenge to the next step" he said. Vanclief noted that the proposed North Dakota measures, now out for comment, are aimed directly at hindering imports from Canada.

LIVESTOCK AND POULTRY CARCASS GRADING REGULATIONS AMENDED: The Livestock and Poultry Carcass Grading Regulations have been amended to allow the grading of imported beef carcasses according to Canadian standards in Canadian establishments. This amendment will now 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 prior to this amendment had been restricted to cattle slaughtered in Canada. (For more information, see GAIN report CA0104)

CANADA TO BECOME THE WORLD'S LEADING PORK EXPORTER: The July 3 AGRIWEEK reports Last year Canadian pork exports rose 17% over the 1998 level to 570,000 tons, putting Canada just behind Denmark as the largest pork exporter. Canadian sales should rise at least another 10% this year while Denmark's stall, which will make Canada the leading pork provider. In the past decade the farm-gate value of hog production has gone from \$1.9 billion to over \$3 billion; in Manitoba and Quebec the proportion of farm income generated by hogs has doubled. Production began to exceed domestic needs in the 1970s and Canada has been a pork exporter ever since. Exports to the U.S., which once accounted for over 90% of total shipments, are now down to 40%. The fastest-growing markets are in Asia, where per-capita pork consumption is highest in the world.

NATIONAL CATTLE IDENTIFICATION PROGRAM PROPOSED: On June 17, the Canadian Food Inspection Agency published a proposed amendment to the Health of Animals Regulations for the National Cattle Identification Program; there is a 60-day public comment period. The proposed amendment would provide the necessary federal regulatory framework to implement re-identification of the national cattle herd. The Canadian beef and dairy industry requested the amendment to create a national identification program to provide the capability to respond immediately to a disease or food safety problem for purposes of rapid containment and elimination. Should the proposed amendment move forward, the effective dates would be January 1, 2001 for cattle leaving the herd of origin, and July 1, 2001 for all other cattle. (For more information, see GAIN report CA0105)

RESIDENTS OPPOSE NEW ALBERTA HOG FACILITY: The July 12 Calgary Herald reports Community concerns about odor, water contamination and possible E. coli risks fuelled a decision to cancel a \$41 million hog operation near Lethbridge, Alberta. The proposed facility was planned by the Taiwan Sugar Corporation; the company, with a head office in Taiwan, has 14 days to appeal the decision. Local residents protested the idea, saying the plant might put the community at risk of E. coli, a bacteria that recently put Alberta hamburger eaters on alert after a scare that meat from a packing plant could have been contaminated. The bacteria is also being blamed for at least seven deaths stemming from contaminated water in Walkerton, Ont., in May. At a June 15 public hearing held in Foremost, 250 local residents showed up to voice their opinion on the plant, with 80 percent opposed to the proposal.

SCIENTIFIC SOCIETY ENDORSES BIOTECH: Canada News Wire reports The International Society for Plant Molecular Biology's board of directors unanimously voted to endorse AGBIOWorld's "Declaration in Support of Agricultural Biotechnology." At the Society's Sixth International Congress, held last week in Quebec City, Canada, the board urged the Society's 1,800 members around the world to sign the AgBioWorld Declaration, drafted by Professor C.S. Prakash of Tuskegee University.

OLESTRA APPLICATION DECLINED: July 3 AGRIWEEK reports Health Canada has declined an application by Proctor & Gamble for registration of the fat-free fat substitute olestra; the department claims the company did not provide enough data.

Did You Know...

There are over 12,000 maple syrup producers in Canada? And, it takes on average 40 liters of sap to make one liter of syrup.

Recent Reports by FAS Ottawa :

| Report Number | Title of Report | Date |
|---------------|------------------------|---------|
| CA0099 | Dairy Report: WTO Case | 7/6/200 |

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| CA0100 | Statistics Canada: Field Crop Areas | 7/6/2000 |
| CA0101 | \$5.5 Billion in Ag Support | 7/6/2000 |
| CA0102 | Grain Transportation Becomes Law | 7/6/2000 |
| CA0103 | TWICA 16 | 7/6/00 |
| CA0104 | CFIA Livestock and Poultry Carcass Grading Regulations Amended | 7/10/2000 |
| CA0105 | National Cattle Identification Program | 7/11/00 |
| CA0108 | TWICA 17 | 7/13/00 |

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