

Common Sense Approach to Livestock Product Identification and Food Safety

Country of Origin Labeling (COOL) legislation, as adopted by the USA, is market protectionist in nature, constitutes a technical barrier to trade, and may be inconsistent with international trade rules, including NAFTA and the WTO. COOL legislation adds huge implementation and enforcement costs throughout the supply chain. These additional costs are being levied against Canadian producers in the form of huge price discounts applicable to livestock exported into the USA.

There appears to be a growing disconnect between Canada and the U.S.A. regarding the recognition of the integrated nature of the North American agricultural/agri-food industry. COOL legislation provides an example of this, and has broad implications to every industry/market sector, not just agriculture and the red meat sector. In the absence of increased political pressures to challenge this legislation, business and trade relations will deteriorate between our countries. In this regard the Chamber commends the government of Canada for its continued initiatives through the WTO to pressure the USA to amend its COOL legislation.

COOL legislation has negatively and profoundly impacted prices paid to Canadian producers on exports into the USA, such that our entire red meat industry, particularly the pork industry, is at a serious competitive disadvantage, and potentially on the verge of collapse. Speedy resolution of the issues caused through the COOL legislation is imperative to prevent the marginalization or complete collapse of the Canadian red meat industry.

This legislation also fails to adequately address food safety issues, and is not uniformly applied to trade in all perishable foods and food products, and to all retailers of perishable foods and food products.

The USA acknowledges that the instituted COOL legislation was never intended to address food safety; rather this legislation governs "marketing issues", and was only developed to give consumers the right to make informed purchasing decisions based upon the "country of origin".

Canadians are concerned about food safety as a priority to be held above the origin of the food, and as such, "Food Safety Policy" and "Country of Origin Labeling - Marketing Policy" should be treated as two separate issues, each with distinct rules to better protect and inform the consumer.

Canada has some of the most stringent food production standards in the world, and as a result, Canadian consumers benefit from some of the safest food in the world. Furthermore, Canadians are demanding that labeling not lead to a discounting of prices paid on the export of Canadian products.

Recommendations

That the federal government:

1. Support trade action by Canada's beef/pork production and processing sectors, to combat the market protectionist aspects of COOL legislation.
2. Work collaboratively with Canada's beef/pork producers, producer associations and processors to apply the utmost pressure, on a continuous basis through NAFTA and WTO until such time as the USA eliminates the protectionist aspects of its COOL legislation.
3. Take a leadership role in promoting the highest level of International Food Safety Standards & Practices applicable to international trade.