



EDITORIAL

Sandra Eagle



Sense of Renewal

So now we know. The American border will remain closed to Canadian beef in the near and foreseeable future. With all the politicking and recriminations aside, it looks as though a Piet Hein poem might actually hold a nugget of truth for the beef industry in Canada.

Here is a fact that should help you fight a bit longer:
Things that don't actually kill you outright make you stronger.

So where is the sector going from here? For starters, while this won't be the first time you've heard this, we've got to reduce our dependency on the U.S. market. Coming so soon after our early Easter, we just can't have all our eggs in one basket.

Ben Thorlakson, chairman of Canada Beef, says that beef exports have recovered to 90 per cent of pre-BSE levels. Ted Haney, president of Canada Beef, says our current beef exports don't even begin to consider the new beef processing capacity planned to come on stream in Canada over the next two to three years. "It's time for our industry to plan to become self-sufficient in beef processing capacity and to build new exports, primarily in markets outside the U.S. We can withdraw ourselves from the dependency of live non-breeding cattle exports," says Haney.

At least the federal government loosened the purse strings for the primary producers who were hardest hit by the border closure. And as I write this, Canada, Mexico and the U.S. have formally agreed to a harmonized



"It's time for our industry to plan to become self-sufficient in beef processing capacity and to build new exports, primarily in markets outside the U.S. We can withdraw ourselves from the dependency of live non-breeding cattle exports."

North American import standard for BSE. The standard reflects current guidelines and proposed amendments to the animal health code of the World Organization for Animal Health. It establishes a framework for safe international trade opportunities for cattle and beef products from Canada, Mexico and the U.S. Mexico has indicated that it will begin to amend its import permits to allow for a broader range of beef commodities from Canada. Cuba has also just approved Canada as a source of live cattle.

Closer to home at least three new or refurbished beef processing facilities are up and running in P.E.I, Ontario and B.C. A couple of plants in Manitoba and one in Calgary are in discussion stages. And don't count out the Alberta grass-roots organization Beef Initiative Group Canada. Since its inception in May 2004, the group has met with thousands of Western producers. The group believes it needs a producer-owned infrastructure to process its own product and retain the value-added, post-slaughter benefits of beef export. It would be bridge financed by the government with a producer check-off/levy applied to each animal sold in order to pay down the debt. The levy would be retired when the debt ceases to exist.

The group also believes that product from the plant would be designated for export markets and would be BSE tested to the levels required for individual markets.

There is a definite sense of renewal and strength of purpose in the beef sector despite the closed U.S. door.

sandra.eagle@food.rogers.com

