

Presentation to

2004 World Meat Congress

by

Ben Thorlakson

Chairman

Canada Beef Export Federation



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**The Devastating Impact of
BSE**

**Canadian industry's dependence on
trade:**

- Canada positioned as 3rd largest
exporter of beef and cattle in the world
- 2002 - nearly 60% of Canada's beef
production went to exports

May 20 – BSE

Immediate suspension of trade

Canada's dependency on trade

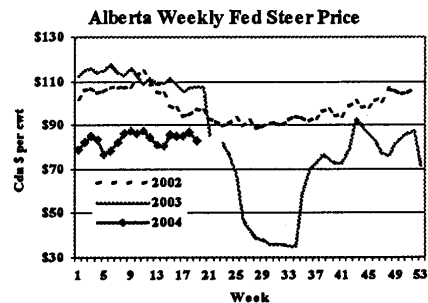
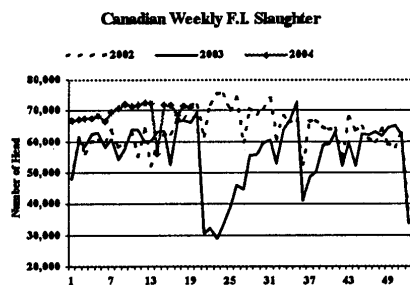
- ❖ Since mid-1980s, Canada has become
increasingly dependent on slaughter
capacity in US

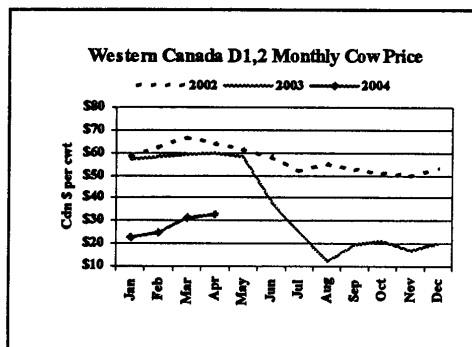
- ❖ Until May 20, surplus production was processed in the US
- ❖ Annual export of approx. 1 million live cattle to US
- ❖ Suspension of trade caused major imbalance
- ❖ Canada's cattle supply exceeded its slaughter capacity

Economic Impact of BSE:

- Economists estimate current direct loss to Canadian cattle and beef industry is

\$2.1 billion





Canada's BSE-Protection Actions

- ❖ 1978 - Ban Importation of MBM from Europe
- ❖ 1989 - Ban Importation of live breeding cattle from Europe
- ❖ 1990 - Classify BSE as official "Reportable Disease", begin Passive Surveillance on all European cattle living in Canada

Canada's BSE-Protection Actions

- ❖ 1992 - Active surveillance within the known risk population of cattle
- ❖ 1993 - Diagnosis of a BSE cow originally imported from UK
- ❖ 1994 - Removal of all remaining European cattle residing in Canada - and destroying and testing of all herd mates & offspring of the Index animal

Canada's BSE-Protection Actions

- ❖ 1996 - Ban feeding of chicken litter & restaurant waste to cattle
- ❖ 1997 - Implemented Mandatory Ruminant Feed Ban
- ❖ 1998 - Submit to European (GBR) Risk Assessment Process: Minimal Class 2 Risk

Canada's BSE-Protection Actions

- ❖2000 – Submit to Canadian & American Risk Assessments: Minimal Risk
- ❖2001 – Ban air-injection stunning
- ❖2001 – Implement National Cattle Identification/Traceback System

Canada's BSE-Protection Actions

- ❖2003 – Diagnosis of BSE in a Canadian-born cow (born before the ruminant feed ban)
- ❖2003 – Mandatory CNS testing for mechanically deboned beef
- ❖2003 – SRM removal policy from the human food system

Canada's BSE-Protection Actions

- ❖2004 – Enhanced National Cattle Identification System
- ❖2004 – Enhanced BSE Surveillance with OIE Guidance

Possible route by which BSE came to Canada

- 182 live cattle imported from UK between 1981 and 1989
- Prior to 1993, 68 either slaughtered or died on farm
- 10 from farms in UK that had a case of BSE
- Total level of BSE risk was very small – was halted in 1989 – and was blocked in 1997

Despite:

- Canada's Minimal Risk for BSE status
- OIE guidelines which encourage continued trade in safe products

**ALL MAJOR INTERNATIONAL MARKETS
FOR CANADIAN BEEF CLOSED**

OIE Developments

- establishing criteria for Risk-Assessment-based approach to replace country classification based on incidences of BSE
- acknowledges countries' risk mitigation measures and levels of BSE surveillance
- categorizes risk levels associated with trade from countries with varying levels of BSE risk

**All countries espouse the
principal that trade decisions
should be based on science –
but reality has proven
otherwise.**

**Canadian Consumer
Confidence**

- ❖ Canada is first country to see beef consumption increase following a BSE incident
- ❖ Turning point for the world

Canadian Public Response

- ❖ **Rallies in support of industry were held across the country**
- ❖ **Beef was consumed and purchased in significant quantities**
- ❖ **Public began to feel angry that Canadian beef was being banned on basis of political intervention**

- ❖ **Consumer confidence testament to transparency and professional communication by government and industry**

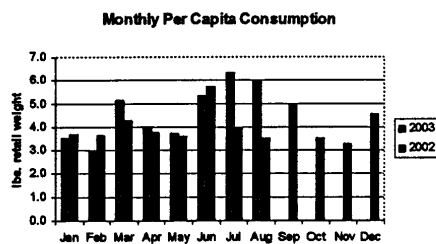
Canadian consumer confidence records highest levels in history of a country detecting BSE

- 88% trust CFIA**
- 86% said Canadian Beef was safe to eat**
- 85% trust CCA**
- 84% trust cattle producers**
- 65% stated they would buy more beef if it would help Canadian beef farmers**

No other country in the history of BSE has experienced a subsequent increase in beef consumption.

Transparent and factual communications empower people to make appropriate decisions.

**Canadian beef consumption jump
60% and 70% in July & August**



❖ Jump in consumer consumption occurred following:

- ❖ CFIA investigation
- ❖ Implementation of Specified Risk Materials policy

With restored market access, we believe international consumers will openly receive Canadian beef

- Mexico – a case in point: export volumes to Mexico recovered to pre-BSE levels – and reached new highs
- exports going to the Philippines and Macau
- approximately 23 international markets have resumed trade in Canadian beef

"I look forward to the confident resumption in trade of safe Canadian beef products throughout the world."

Ben Thorlakson
Chairman
Canada Beef Export Federation

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Chairman

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Canada Beef 



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