Canadians Say COOL Already Hurting Volume, Pricing

*by **Janie Gabbett** on 10/08/2008*

Just one week after new U.S. rules on mandatory country-of-origin labeling (mCOOL) went into effect, Canadian livestock producers say the new law is hurting their business.

"We have already seen disruption occurring in the markets and expect more negative impact on volume and prices, as some traders adopt a 'wait-and-see' approach to Canadian cattle markets," said Travis Toews, foreign trade committee chairman for the Canadian Cattlemen's Association (CCA) in a news release.

In joint comments submitted to USDA by CCA and the Canadian Pork Council, the groups said they will continue to press the Canadian government to take action against the U.S. at the World Trade Organization level. During a recently-televised debate, Canadian Agriculture Minister, Gerry Ritz, announced plans to initiate a WTO Panel on COOL.

"The potential for trade-damaging effects with COOL looms over North America's highly-integrated markets," said Jurgen Preugschas, Canadian Pork Council president. "Already, one of our major U.S. customers announced they will cease purchasing pigs born outside of the U.S. when COOL enforcement begins. The industries in both countries stand to lose economic opportunities."

Toews said the CCA believes the food labeling rules unfairly target ground meat, hamburger and patties, while other processed foods are exempt. "We believe that meat which undergoes further processing in a U.S. facility, whether ground or combined with other ingredients, should no longer be called Canadian," he said.

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