

New COOL Soothes Canadian Livestock Producers, For Now

by **Tom Johnston**, published on Meatingplace.com Jan. 13, 2009

(Jan. 13, 2009) — The long, winding and very bumpy road for the mandatory country-of-origin labeling law and other legislation could continue as President Barack Obama's administration on Wednesday ordered all federal agencies to freeze new or pending regulations of the Bush administration until the new camp approves them.

Canadian cattlemen say USDA's final rule on country-of-origin labeling is an improvement over the interim final rule that has cost them some \$90 per head since it took effect in October, but it will take some time to determine just how much of a recovery the new rule will help them make.

"We're hoping that with this final rule we will get some improvement in our access to some U.S. facilities," John Masswohl, director of government and international relations for the Canadian Cattlemen's Association, told Meatingplace. "We don't think it's the full resolution."

Although Canada withdrew its WTO complaint against U.S. COOL, a technical requirement since it related only to the interim final rule, Masswohl said Canadian cattlemen are maintaining their push for their "full objective," which would be the elimination of discrimination against their livestock.

For now, the final rule addresses part of their concerns about the treatment of different classes of Canadian cattle. For example, it allows in a single production day the commingling of those animals exported directly from Canada for slaughter and those of Canadian origin that are raised and fed in the United States.

"Since [the interim final rule] went into effect at the end of September, there were several U.S. facilities that said it's not worth the hassle of keeping Canadian cattle that come directly from Canada for slaughter separated from those fed in the United States," Masswohl said. "You had a scenario where some Canadian cattle were at a disadvantage to other Canadian cattle."

Masswohl said it will take some time to evaluate how the market adjusts to the final rule.

Canadian pork producers also are watching. "Publication of the final rule may alleviate some of the market uncertainty that currently disrupts our U.S.-Canada trade relationship," Canadian Pork Council President Jurgen Preugchas said in a statement. "However, we will continue to assess the impact of COOL on Canadian producers."

Canada would have to file a new complaint with the WTO if it decides to challenge the final rule.

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