

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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Voluntary - Public

**Date:** 6/4/2010

**GAIN Report Number:** CA0018

## Canada

**Post:** Ottawa

### **This Week in Canadian Agriculture Issue 09**

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

**Bar-Coded Cattle ID Tags De-Listed July 1 \* Ottawa Plans a Sodium Shake-up \* Farmers Could Reap Profits from Biomass Crops \* Blue Cow Not So Popular Abroad \* Ottawa's Drought Relief Too Late \***

### **Bar-Coded Cattle ID Tags De-Listed July 1**

The Canadian Food Inspection Agency (CFIA) announced recently that bar code tags for cattle will be de-listed July 1 in favor of radio frequency identification (RFID) tags. With this requirement all cattle must be tagged with approved RFID tags before they move from their current locations or leave their farms of origin. The initiative has been viewed by both the industry and the government as a step forward on traceability, important to human and animal welfare, and key to the sustainability of the Canadian livestock industry as a whole. Agriculture Minister Gerry Ritz stated that, "A strong traceability system will help Canadian producers get the premium prices their top quality products deserve around the world."

### **Ottawa Plans a Sodium Shake-up**

In an attempt to lower the quantity of salt Canadians consume, Health Canada plans to call on the food industry to substantially reduce the amount of sodium in processed foods. The Sodium Reduction Strategy, to be released in July, will rely on the industry to follow voluntary reduction targets aimed at slashing the average Canadian's daily consumption of sodium based on recommendations from the Sodium Working Group (SWG). The SWG's mandate was to develop guidelines aimed at helping Canadians reduce their salt consumption, which Blood Pressure Canada projects at a staggering 3,500 mg of sodium per day, considerably higher than the recommended 1,200 mg. The targets are intended to bring the average Canadian's daily sodium intake down to 2,300 mg by 2016, based on a five percent reduction per year. Certain foods are particularly targeted, such as bread, cheddar cheese and soups, as it is estimated that about 70 to 80 percent of Canadians' sodium intake comes from processed foods.

	<b>Heart &amp; Stroke Foundation Recommendation</b>	<b>New Canadian Target</b>	<b>Current Canadian</b>	<b>Current U.S.</b>
<b>Daily Sodium Consumption</b>	1,200 mg.	2,300 mg	3,400 mg	3,280 mg
<b>Product Specific: per 100 grams</b>				
<b>Bread</b>		400 mg	594 mg	535mg
<b>Cheddar Cheese</b>		720 mg	813 mg	621 mg
<b>Soups</b>		290 mg	353 mg	111 mg

Public health officials, researchers and doctors have lauded the strategy - coming almost three years

after Ottawa convened the SWG - as a good first response to the mounting concern over salt in the daily diet. But many also question whether voluntary sodium reduction targets go far enough in protecting Canadians. One member of the group noted that the use of salt is so pervasive across the food supply that regulatory rules will almost certainly be needed to make a meaningful reduction in the long term, particularly given the cost to the food industry in terms of retooling production lines, customer loss due to taste alteration, and the loss of shelf life of some products. The voluntary target model is based on a similar strategy in place in the United Kingdom. There, government has been working with industry since 2003 to create voluntary sodium targets for specific foods. As a result, it is estimated that sodium intake has declined by 9.5 percent.

### **Farmers Could Reap Profits from Biomass Crops**

Researchers at the Field Crops Unit of the Ontario Ministry of Agriculture are researching new high-yield crops, such as switchgrass and miscanthus, that have the potential to be sustainable and profitable. Jim Wallbridge, contract coordinator of SwitchGreen, a company specializing in the development of switchgrass crops, predicts these crops will do well in eastern Ontario, where many areas are currently idle because they won't support traditional crops. The crops take two to three years to reach their maximum yield. Therefore the study, which was initiated in early 2008, should start to produce measurable results this fall.

### **Blue Cow Not So Popular Abroad**

The Blue Cow program to promote dairy products with 100 percent Canadian content is getting some attention from other countries. Recent news stories have sited information from anonymous officials within the processing sector of the industry, reporting that trade officials from other dairy trading nations have recently visited Ottawa to voice concerns. During the visit they raised their suspicions about the "import substitution objective," of the Blue Cow promotion program. According to the *Ontario Farmer*, the highly successful program employs a circuitous route, whereby milk boards rebate processors tens of millions of dollars per year for having 100 percent Canadian content in their ice cream and other products. That route includes money moving from the milk boards, to the Canadian Dairy Commission (CDC), back to the PEI Milk Board on the east coast and then back to Dairy Farmers of Canada who provide the advertising rebate back to the processors. It was reported that the trade representatives raised concerns regarding possible CDC involvement and how the plan is possibly in violation of WTO rules. Reportedly the Canadian dairy industry is aware of a possible WTO challenge to the program and is weighing its options.

### **Ottawa's Drought Relief Too Late**

On May 31 the joint federal-provincial Agri-Recovery program to help livestock producers in Alberta and Saskatchewan buy feed until parched pasture recovers was announced. It took seven months of intense work by cattle producers, and provincial and federal government officials to produce the funding. However, after the announcement, Alberta Beef Producers (ABP) responded that the C\$114-million drought relief funding came too late and the program must become more responsive. ABP noted further that approximately 80 percent of the province's cow calf herd is in areas hurt by a lack of pasture last summer and fall, a shortage of forage for winter feeding, high feed costs and delayed use of pastures this spring. There are about 28,000 beef producers in Alberta, and an estimated 2.2 million breeding animals in the drought-affected areas.

**Exchange Rate:** Noon rate, June 3, 2010 (Bank of Canada): U.S. Dollar = C\$1.04.