

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Canada

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### **This Week in Canadian Agriculture Issue 14**

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

'Cellared in Canada' Shown to Provide Little Clarity \* Calgary Stampede to Celebrate 100<sup>th</sup>  
Anniversary \* Canada to Join TPP Negotiations \* WTO Settles Dispute with COOL

This Week in Canadian Agriculture is a review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives.

*Disclaimer:* Any press article summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

### **'Cellared in Canada' Shown to Provide Little Clarity**

The Canadian Food Inspection Agency (CFIA) is considering changes to its country of origin labeling rules for wine because the term "cellared in Canada" does not provide a clear indication of process or country of origin. For instance, in Ontario, wine sold under this label may contain up to 60 percent foreign-sourced content, and by 2014, Ontario "cellared in Canada" wine will be allowed to contain no domestic grapes at all. A Nanos Research survey found that only 38 percent of respondents are somewhat familiar with the term. The term originated in 1994, when it was established to refer to wine that is less than 75 percent from one country (compared to more than 75 percent, which can then be claimed as "from" a particular country). A CFIA meeting in October of 2011 discussed the term and reasons for dissatisfaction. Comments included the expectation that when a label indicates a product is from Canada, that a high percentage of the contents is Canadian.

The record of discussion for the CFIA meeting may be found at: <http://www.inspection.gc.ca/about-the-cfia/accountability/consultations/consultative-groups/consumer-association-roundtable/october-20-21-2011/eng/1331057829512/1331057943958>.

### **Calgary Stampede to Celebrate 100<sup>th</sup> Anniversary**

The Calgary Stampede, running from July 6 to 15, is celebrating its 100<sup>th</sup> anniversary. A century ago, in 1912, the first Calgary Stampede reeled in approximately 80,000 people, when the population of Calgary was only 60,000. Stampede has grown much since, attracting well over one million visitors in 2011. Besides the rodeo, this year's Stampede includes rides, shows, and performances from the Beach Boys, Garth Brooks, Brad Paisley, Johnny Reid, and Carly Rae Jepsen. While most event organizers begin advertisement campaigns six to eight weeks prior to the event, the Calgary Stampede began running ads in November. Moreover, these campaigns have been targeting Chinese tourists more than ever before, as tourists from Europe have been declining. According to the Conference Board of Canada's travel markets outlook, China is one of the fastest growing overseas markets for travel to Canada, and China is expected to account for 10 percent of all foreign visits to Canada by 2016.

For more information on the Calgary Stampede, visit: <http://cs.calgarystampede.com/food/new.html>.

### **Canada to Join TPP Negotiations**

On June 19th, the United States announced it welcomed Canada as a new partner in the Trans-Pacific Partnership (TPP) negotiations. However, Canada's admission must first be approved by all other countries. In addition to the United States, the current TPP countries are Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, and Vietnam. U.S. President Barack Obama said in late 2011 that he was optimistic an agreement would be reached in 2012. Unlike past negotiations with Europe and India, the Canadian government did not release a cost-benefits study to speculate how much money could be gained versus how much could be lost with Canada's participation. As a latecomer, Canada had to accept all that had already been agreed to by the TPP partners, however Prime Minister Stephen Harper noted that the talks are still in early stages. Given that Canada and the United States are each other's largest trade partner in many sectors, including agriculture, Canada's inclusion in the TPP provides the opportunity for that partnership to continue to grow. Round 13 of the negotiations is scheduled to conclude on July 10<sup>th</sup> in San Diego, California.

Information regarding TPP can be found at: <http://www.canadians.org/trade/issues/TPP/index.html> and <http://www.ustr.gov/tpp/>.

### **WTO Settles Dispute with COOL**

On June 29th, the Appellate Body of the World Trade Organization (WTO) upheld a November 2011 ruling from the WTO Panel that the United States has the right to adopt country-of-origin labeling (COOL) requirements. However, the panel found that COOL "has a detrimental impact on imported livestock." Canada and Mexico filed claims that the U.S. COOL requirements discriminate against their livestock and are more trade restrictive than necessary. The panel overturned the finding that COOL is more trade restrictive than necessary, but it disagreed with the way the U.S. designed the requirements. According to U.S. Trade Representative Ron Kirk, the next step is for the WTO Dispute Settlement Body to adopt the recommendations and rulings of the Appellate Body, and the U.S. will then have a reasonable period of time to comply.

Information on the dispute and the WTO's ruling is located at the following URL: [http://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds384\\_e.htm](http://www.wto.org/english/tratop_e/dispu_e/cases_e/ds384_e.htm).

U.S. Trade Representative Ron Kirk's statement can be found at: <http://www.ustr.gov/about-us/press-office/blog/2012/june/appellate-body-affirms-consumers-rights-to-grocery-information>.

**Exchange Rate:** Noon rate, July 6, 2012 (Bank of Canada): U.S. Dollar = C\$1.0199

### **Most Recent Reports from FAS/Ottawa:**

<b>Report #</b>	<b>Name of Report</b>	<b>Date Submitted</b>
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CA12022	This Week in Canadian Agriculture, Issue 13	06/15/2012
CA12021	This Week in Canadian Agriculture, Issue 12	06/01/2012
CA12020	This Week in Canadian Agriculture, Issue 11	05/31/2012
CA12019	This Week in Canadian Agriculture, Issue 10	05/10/2012
CA12018	This Week in Canadian Agriculture, Issue 9	05/04/2012
CA12017	This Week in Canadian Agriculture, Issue 8	04/27/2012
CA12016	This Week in Canadian Agriculture, Issue 7	04/25/2012
CA12015	Oilseed and Products Annual - Canada	04/10/2012
CA12014	Grain and Feed Annual - Canada	04/03/2012
CA12011	Retail Food Sector Report for Canada	03/16/2012
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CA12009	Livestock Semi-annual	03/02/2012
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CA12006	Northern Trends – Winter 2012	02/03/2012
CA12005	Grain And Feed Quarterly	01/27/2012
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CA12001	This Week in Canadian Agriculture, Issue 1	01/06/2012
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