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MINISTERS OF TRADE AND OF AGRICULTURE ISSUE JOINT STATEMENT ON SWINE FLU * PORK PRODUCERS LAMENT COLLATERAL DAMAGE ON SWINE FLU * EU MEMBER STATES APPROVE FREE TRADE TALKS WITH CANADA

General Information:

MINISTERS OF TRADE AND OF AGRICULTURE ISSUE JOINT STATEMENT ON SWINE FLU: Stockwell Day, Minister of International Trade and Gerry Ritz, Minister of Agriculture and Agri-Food, issued the following statement on human swine influenza and the measures being taken by Canada to safeguard the health of Canadians and the Canadian pork industry: "Canadians are concerned about recent cases of the human swine influenza (H1N1) and the related public health concerns. All levels of government are working together to protect the health of families in Canada and around the world. "Surveillance for swine influenza in pigs in Canada occurs on an ongoing basis across the country. As an added precaution, the Canadian Food Inspection Agency and the provincial and territorial authorities are working with producers and veterinarians to ensure the highest levels of biosecurity and to enhance monitoring activities. Consumers and trading partners can rest assured that the Canadian animal health and food safety systems remain among the best in the world." said the Ministers after a

number of countries banned imports of North American pork. The Ministers recognized that the development is a difficult situation for Canadian pork producers, and urged countries to base animal and animal product import policies on sound science.

PORK PRODUCERS LAMENT COLLATERAL DAMAGE ON SWINE FLU: Jurgen Preugschas, President of the Canadian Pork Council (CPC), the national organization representing Canadian pork producers, told a Canadian television morning show that Pork producers have become "collateral damage" in the early days of the swine flu, suffering an export backlash that is not based on science. "This is a human health issue, it is not a food safety issue," Preugschas told CTV's Canada AM on Thursday. "That's why we're saying it's unfortunate how the virus has been named, because in actual fact, it has as yet not been found in swine at all. It's only been a human virus. According to the report, the CPC has supported a proposal by the World Organization for Animal Health to change the swine flu name to "North American influenza," to better reflect the nature of the virus, and it has written to Canada's Health Minister for support. Preugschas added that pork farmers need to take great care to ensure that their livestock does not come into contact with infected humans carrying swine flu in the coming weeks and months and urged producers to be diligent with regard to bio-security protocols.

HOG NUMBERS LOWEST SINCE 1998: According to data recently released by Statistics Canada, Canadian farmers had an estimated 11.9 million hogs on their farms on April 1, 2009, down 1.1 million or 8.6 per cent from the same date last year. This is the first time since January 1998 that the hog inventories in Canada are below 12 million. Statistics Canada's analysts said Canadian hog inventories have been declining for the past three years reflecting high feed costs, soft slaughter prices, and the implementation of country-of-origin-labeling (COOL) legislation in the United States which has led to significant decline in the number of live Canadian hogs, slaughter and feeder, exported to the United States. Canadian hog producers exported an estimated 1.7 million hogs during the first quarter of 2009, down 42.8% from the peak reached in the first quarter of 2008. At April 1, Canada had 8,300 hog operations; about 1,000 fewer farms than one year ago as several hundred producers took advantage of the federal government's Cull Breeding Swine Program to dispose of their breeding herd. In addition, the domestic slaughter of hogs increased 3.9 per cent compared with the first three months of 2008 as slaughter capacity improved in some regions.

EU MEMBER STATES APPROVE FREE TRADE TALKS WITH CANADA: EU Member States have adopted a negotiating mandate for a new economic and free trade agreement between the EU and Canada that would go beyond current WTO commitments. Negotiations, which will be led by the European Commission, are expected to be launched at the EU-Canada Summit on 6 May in Prague. A study evaluating the benefits of closer economic ties concluded a deal could open up trade worth C\$18 billion a year for the European Union and C\$13 billion annually for Canada. It said both sides could profit from closer ties in science and technology and better environmental co-operation. The EU's main exports to Canada are machinery and equipment, chemicals, motor vehicles and parts, transport equipment, petroleum, beverages and processed foods. Canada's principal exports to the EU are chemicals, transport equipment, metals, minerals, machinery, paper products and processed foods. According to Canada's Trade Minister Stockwell Day, Canadian merchandise exports to the EU reached C\$36.1 billion during 2008 and two-way trade totaled C\$90.1 billion. The EU is Canada's second-largest export market after the United States.

Exchange Rate: Noon rate, May 1, 2009 (Bank of Canada): U.S. Dollar = C\$1.1872