



NEWS RELEASE

Canada's Meat Processing Industry Praises 2011 Federal Budget

OTTAWA, Ont., Tuesday March 22, 2011- Canada's meat processing industry praised the 2011 Federal Budget initiatives that will ensure a more competitive meat processing sector.

Canadian Meat Council President Brian Read was pleased with the announcements. "In particular, extending the accelerated capital cost allowance treatment for investments in manufacturing and processing machinery and equipment for two years will help our sector invest for the future".

Budget 2011 also announced an additional \$100 million over five years for the Canadian Food Inspection Agency to improve food inspection capacity. We support the Agency's targeted planned investments in inspector training, additional science capacity, and electronic tools to support the work of front-line inspectors.

Budget 2011 announces a two-year, \$50 million Agriculture Innovation Initiative to support knowledge creation and transfer and increased commercialization of agricultural innovations. We look forward to working with Agriculture Canada to ensure that Canada's meat industry remains on the cutting edge of science and technology.

The Budget extends the existing Initiative for the Control of Diseases in the Hog Industry and proposes to provide \$24 million for an additional two years until March 2013. This will enable the Canadian Swine Health Board to complete initiatives directed at national biosecurity standards and best management practices.

The Budget also announces that the government will be moving forward with the Red Tape Reduction Commission. "We look forward to having several complex and overlapping regulatory requirements eliminated that impose a significant compliance burden on Canada's meat industry." The Budget also commits to improving transparency by posting all regulatory consultations on the Consulting with Canadians web portal.

Budget 2011 confirms that the Government will continue to invest in our gateways to foreign markets and will soon announce an Atlantic Canada strategy. "Improving our shipping ports greatly facilitates the export of Canadian meat. With the pending Canada-EU Free Trade Agreement, having better

access through ports like Halifax will be very beneficial” stated Read. “Trade is incredibly important to our meat industry and we urge the Government of Canada to continue negotiating free trade agreements with important markets like Korea and the European Union.”

Although disappointed that Budget 2011 did not extend last year’s program of \$25 million that was targeted to cattle processing plants that handle cattle over 30 months of age, the \$40 million announced last year continues over three years to support the development and commercialization of innovative technologies related to the removal and use of specified risk materials to reduce handling costs and create potential revenue sources from these materials.

The Canadian meat industry is the largest of our food processing sector with some 67,000 employees and gross annual sales of over \$ 21.4 billion. Last year Canada exported over \$1.4 billion of beef and over \$2.8 billion of pork to over 150 different countries around the world. Canada’s meat processing industry is made up of over 400 federally registered establishments, often located in rural settings adding jobs and important economic activity to the life of rural Canada.

The Canadian Meat Council has been representing Canada’s federally inspected meat processing industry since 1919.

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