



## NEWS RELEASE

### **Canada's Meat Processing Industry Praises 2010 Federal Budget**

**OTTAWA, Ont., Friday March 5, 2010-** Canada's meat processing industry praised the announcement in the 2010 Federal Budget of initiatives that will ensure a more competitive cattle sector.

Canadian Meat Council President Steve Morin was very pleased with the announcement. "In July of 2007 Canada's enhanced ruminant feed ban regulations came into effect and they put our beef processing sector at an incredible competitive disadvantage with our US competitors."

A study released by the Canadian Meat Council in July of 2009 showed that the total cost to the Canadian federally inspected beef slaughter industry of complying with these regulations was \$26.2 million more per year than the Government of Canada estimated the cost would be in its Regulatory Impact Analysis Statement that was published in the Canada Gazette back in 2006.

"These regulatory requirements imposed tremendous ongoing disposal costs and loss of revenue in animal feed to our beef packing sector not faced by the American packers to the south" added Morin.

Budget 2010 announced three measures to ensure Canadian cattle producers continue to have access to competitive cattle processing operations in Canada. An additional \$10 million was allocated to the very successful Slaughter Improvement Program; \$25 million was targeted to cattle processing plants that handle cattle over 30 months of age; and, \$40 million over three years was allocated 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.

"We are very grateful for the creation of the new Agriculture Market Access Secretariat at Agriculture and Agri-Food Canada. And, we greatly appreciate all the efforts Minister Ritz has personally made in travelling to various countries and regaining access for Canadian meat products over the past several months" said Steve Morin.

Canada's meat industry is also very pleased that Budget 2010 has allocated almost \$250 million to upgrade and modernize federal laboratories doing research in a wide array of fields, from health and food to natural resources. Food safety remains the number one priority for Canada's meat industry and

modern laboratories with new rapid assay testing methods are essential for the long term competitiveness of this important industry.

Budget 2010 also helps Canada's meat processing industry modernize their operations and better compete globally through the elimination of tariffs on a range of machinery and equipment, and through temporary measures to accelerate the capital cost allowance on manufacturing or processing machinery and equipment, and computers.

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 \$1.3 billion of beef and over \$2.4 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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