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NCFA Election Position Statement

U.S. Country of Origin Labelling (COOL)

The federal government must stand up for Canadian cattle and hog producers by delivering a clear message to the United States that an immediate repeal of COOL is the only way for them to avoid retaliatory tariffs against U.S. imports into Canada.

Background

- Since 2008, Country of Origin Labelling (COOL) laws in the U.S. have required beef processors to segregate Canadian and Mexican livestock from that of U.S. origin.
- COOL has severely disrupted the integrated North American beef industry, resulting in considerable economic damage to Canadian cattle producers. COOL is costing Canada's cattle industry over \$3 billion annually.
- The World Trade Organization (WTO) has confirmed through four separate rulings that U.S. COOL requirements are protectionist and a violation of U.S. international trade obligations.
- In May 2015, the WTO issued its final ruling on COOL, deciding in favour of Canada and Mexico. To force a full repeal of COOL, the Canadian and Mexican governments have sought authorization from the WTO to retaliate against U.S. exports, valued at \$3.7 billion annually.
- The U.S. House of Representatives recently passed a bill to repeal COOL, but the U.S. Senate has yet to ratify it. Some U.S. Senate Agriculture Committee members have put forward a voluntary COOL measure that provides no guarantee against continued segregation of livestock in U.S. processing plants.

NCFA Position

- The Canadian beef industry generates \$6.8 billion worth of income annually. The industry's future sustainability and competitiveness depends on a resolution of the COOL issue. Canada is at a competitive disadvantage every day this measure remains in place.
- Industry cannot accept any COOL measure — voluntary or mandatory — that results in the segregation of livestock in U.S. plants, or that helps maintain segregation.
- Canada must continue moving toward retaliation until such time as the U.S. lives up to its international trade obligations and guarantees Canadian cattle and hogs imported into the U.S. for feeding or slaughter will not be discriminated against.
- Industry expects the Canadian government to follow through on its proposed retaliation, as soon as possible, to pressure the U.S. to repeal COOL.

Candidate Questions

If elected, will you support trade retaliation against the U.S. for its illegal COOL measure?

What other actions are you prepared to take to bring immediate resolution to this issue?