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July 15, 2024

The Honourable Anita Anand, P.C., M.P.  
President of the Treasury Board  
90 Elgin Street  
Ottawa, ON K1A 0R5

***Re: RCC Roundtable – May 2024***

Dear Minister,

On behalf of the National Cattle Feeders' Association (NCFA), thank you for the invitation to the recent Regulatory Cooperation Council (RCC) roundtable hosted in Winnipeg. We appreciate the opportunity to raise regulatory cooperation opportunities of interest to the Canadian beef sector.

NCFA serves as the national voice for cattle feeders across Canada. Together with government, NCFA is committed to the growth, sustainability and competitiveness of cattle production. Over the last 10 years, Canadian live cattle and beef exports have seen impressive growth, moving from \$1.4 billion to \$4.5 billion, and demand from the United States is behind much of the growth.

The cattle industry is a tremendously integrated North American market. Significant numbers of live cattle move back and forth across the Canada/US border every day – destined to fill a feedlot or go for processing. Yet, many regulatory challenges and misalignments disrupt this commerce. Addressing these challenges would provide benefit for cattle producers on both sides of the border.

Below are regulatory challenges which NCFA looks to RCC for potential resolution.

Alignment of Approvals for Products and Innovation

- NCFA continues to call for an efficient and timely approval process for new products that will deliver cost-efficient and sustainable solutions – many that are already available to our global competitors.
- The Canadian government continues to encourage innovation yet are also the primary barrier between Canadian farmers and new products due to untimely approval systems.
- Currently, Canadian and US farmers are challenged by government approval systems that are not aligned on process or timing. This is very challenging when the North American market is so integrated – resulting in animals are treated with a product on one side of the border that is banned on the other side of the border. If we trust each other's food safety systems, we need to implement mutual recognition processes.

- An example of this is the Pest Management Regulatory Agency (PMRA) re-evaluation decision RVD2021-04 regarding *Lambda cyhalothrin*. This product is critical for the control of grasshoppers and is currently awaiting approval for use on crops destined for livestock feed. Several parts of western Canada witnessed crops being completely decimated by grasshoppers in 2023. The approval of this product was submitted to the PMRA simultaneously with the Environmental Protection Agency in the United States. While the US approved registration back in 2019, the PMRA is still in the process of approval.
- NCFA strongly recommends mutual recognition of product approvals for Canadian and US products. This is the type of innovative approach that will keep Canadian farmers in business in a globally integrated market. Canadian farmers cannot economically thrive when their global competitors have access to innovative tools for which they do not.

#### Alignment and Streamlining of Border Processes

- Cattle moving across the border need to be inspected by a certified vet at the origin and destination. Once the vet has inspected the cattle, the inspection reports need to be sent to CFIA or USDA which often takes a week or more, halting cattle movement. If we trust certified veterinarians to provide an inspection report when the cattle are loaded and trucks are sealed, then these reports should not need to go for a further inspection before cattle can be moved.
- This scenario creates inefficiencies on both sides of the Canada/US border which are unnecessary if we trust in each other's food safety systems.
- In addition, current border crossing challenges result in Canadian and American trucks that have a destination within their country to avoid shorter routes that would take them outside the domestic border. Transport times and the stress placed on animals in transport could be significantly reduced if an expedited border process was developed to allow sealed livestock trucks to route through the US or Canada to avoid longer domestic transport routes. This would be particularly beneficial for long-haul trips through the Great Lakes region.

#### Alignment on Hours of Service for Livestock Transporters

- The mandatory use of Electronic Logging Devices (ELDs) for drivers' hours of service began to be enforced in Canada as of January 1, 2023. ELDs provide less flexibility in documenting service hours than paper logbooks. For example, an ELD will automatically begin calculating a driver's hours as soon as the truck reaches a speed of 6 km/hr which may be well in advance of when animals are actually loaded and ready for transit (i.e. the truck drives across the farmyard to the loading chutes).
- Due to this decreased flexibility, our concern is the potential for drivers to reach their maximum hours of service due to unforeseen delays before reaching the animals' destination or with unloading at the destination.
- Live haul drivers, unlike freight transporters, cannot simply pull into a rest area and go off-duty if they unexpectedly cannot get to their destination and/or unload within their hours of service. Most of our livestock trailers are passively ventilated which means the load cannot remain stationary for prolonged periods of time; it must be kept moving to attain maximum air flow and temperature control.
- And so, animal transporters are put in the impossible position of either complying with hours-of-service regulations or doing what they know is best for the humane and safe transportation of the live animals in their care.
- The US has recognized the unique challenges associated with animal transport and provide an exemption from hours of service for livestock haulers within a 150 air-mile radius from the origin and destination of

their trip. This is an extremely beneficial exemption as it allows the drivers flexibility in delivering the animals to their destination in a timely and safe manner.

- We call for harmonization between US and Canada hours of service rules. Currently when a livestock transporter crosses the border the requirements for hours of service literally change and this inconsistency is confusing.

#### Alignment of Labelling for Beef Products

- Recently, the United States Department of Agriculture changed its voluntary 'Product of the USA' labelling regulations such that only products made from livestock born, raised, harvested, and processed in America can be labeled 'Product of the USA.'
- Canada and the US enjoy the largest bilateral agricultural trading relationship in the world, creating jobs and economic opportunities in both countries. At a time when countries are combatting supply chain challenges, food inflation and food scarcity, this change to 'Product of USA' labelling regulations introduces unnecessary costs and interrupts efficient supply chains.
- The integration of the Canadian and American meat and livestock supply chains has consistently delivered benefits to consumers and producers alike, fostering affordability, accessibility, and quality assurance. However, concerns have been raised about the potential for increased costs to consumers resulting from the revised labelling regulations.

#### Aligned Disease Control Strategies and Activities

- With a deeply integrated North American market, disease spread does not respect borders. Thus, it is essential that Canada and the US align on disease control strategies and activities.
- Canada is in the process of building a FMD vaccine bank and preparedness strategy and so it is critical that we work closely with the US to ensure we are building a collective response plan.
- This alignment is important for all animal diseases, but FMD presents a timely opportunity as Canada builds its strategy now.

Minister, thank you for your consideration of how RCC could bring resolution to these regulatory challenges that are creating economic obstacles for beef producers on both sides of the border.

We are encouraged by the renewed interest of the Canadian government in RCC initiative and hopeful it can deliver meaningful results in the near term.

Please do not hesitate to reach out to NCFCA if we can provide additional context or information on the challenges we have outlined above.

Sincerely,



Janice Tranberg  
President and CEO