

Animal Health, Food Safety and the Information Requirements - the case of BSE in Canada -

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Outline

- Government information requirements
- Economic impacts
- Canadian beef industry
- Discovery of BSE
- Impact of the export ban
- Measuring the impacts on the beef industry
- Summary and observations

Government information requirements

- Food safety:

- public health and food safety regulations
- quality assurance systems (HACCP, Hazard Analysis, Critical Control Points)
- product traceability systems to quickly identify and isolate diseased animals and animal diseases

- Economic impacts:

- livestock inventories,
- slaughter,
- domestic sales, imports and exports, and
- prices

Food safety

- Statistical agencies are clearly not responsible for animal health and food safety, disease identification, and tracing.
- Animal health or food inspection agencies have responsibility for food safety.



Economic impacts

Statistical agencies are responsible for providing timely measures of the socio-economic impacts.

- cattle numbers
- slaughter
- domestic sales
- exports
- imports
- prices



Canadian beef industry

- 16.8 million head as of July 2004.
- beef industry delivers 60% more beef than Canadians can eat.
- one in three Canadian farm families derive at least half of their farm income from the sale of cattle and calves.



Discovery of BSE

- discovery of a single reported case of bovine spongiform encephalopathy (BSE), May 20, 2003.
- immediate ban on all Canadian exports of beef and live cattle.
- August 2003, the United States and a number of other countries announce they will accept boneless beef from animals under 30 months of age.
- Export ban remains in place for all live cattle and calves.

Impact of the export ban

- only boneless beef (from animals under 30 months of age) may be exported.
- no exports of Canadian live cattle and calves.
- cattle herd increasing by 20,000 animals a week.
- oversupply of slaughter animals under 30 months of age and depressed cattle prices.
- calf prices are in decline.
- collapse of market for cattle over 30 months.
- cutbacks in the meat rendering industry.
- some farmers are going out of business.

Measuring the impacts on the Canadian beef industry

- cattle numbers,
- slaughter,
- domestic sales,
- exports,
- imports, and
- prices.



World's six largest live cattle exporters

2001

2002

2003

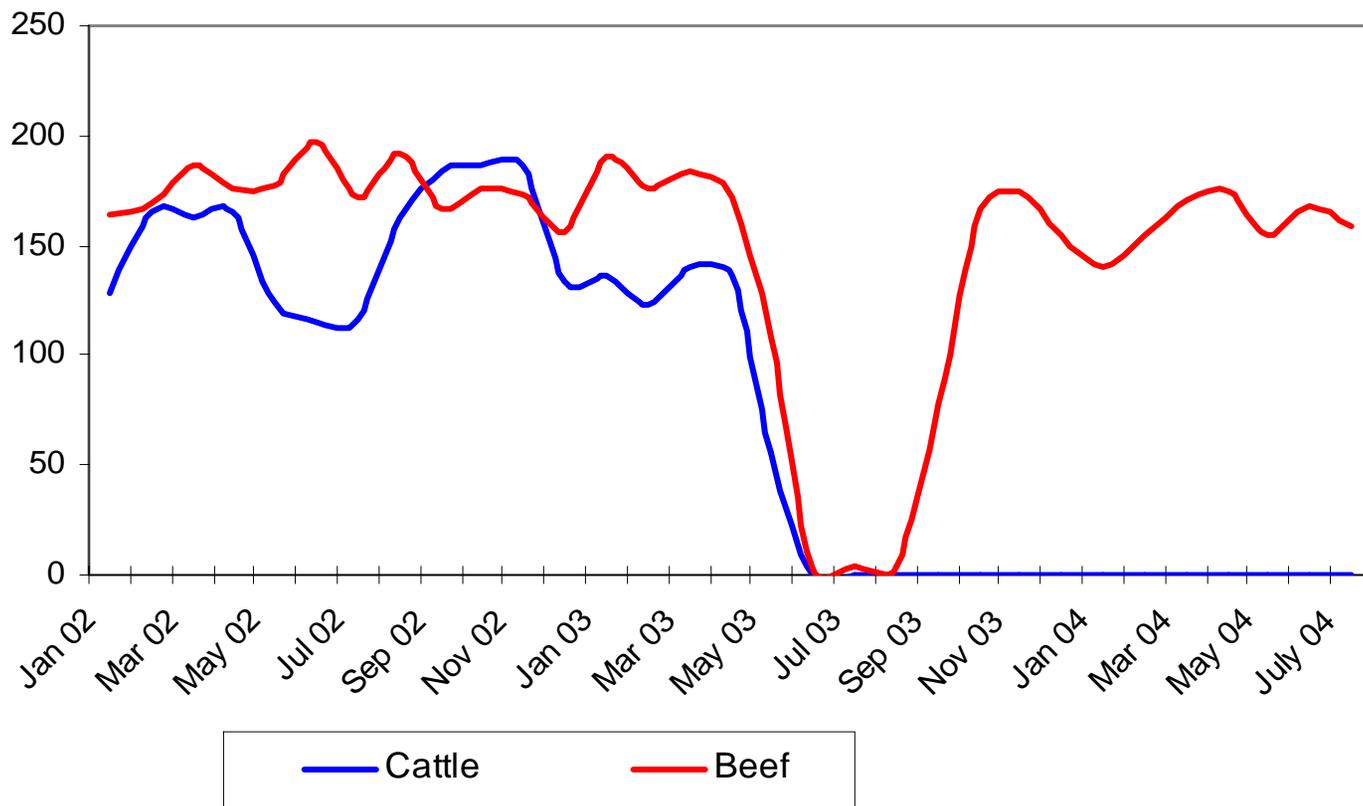
.....millions of dollars US.....

Canada (1,074)	France (1,216)	France (1,508)
France (803)	Canada (1,168)	Mexico (482)
Mexico (411)	Australia (332)	Canada (426)
Australia (279)	Mexico (307)	Australia (317)
USA (271)	Germany (235)	Germany (291)
Germany (152)	Belgium (147)	Belgium (162)

World exports of Canadian cattle and beef

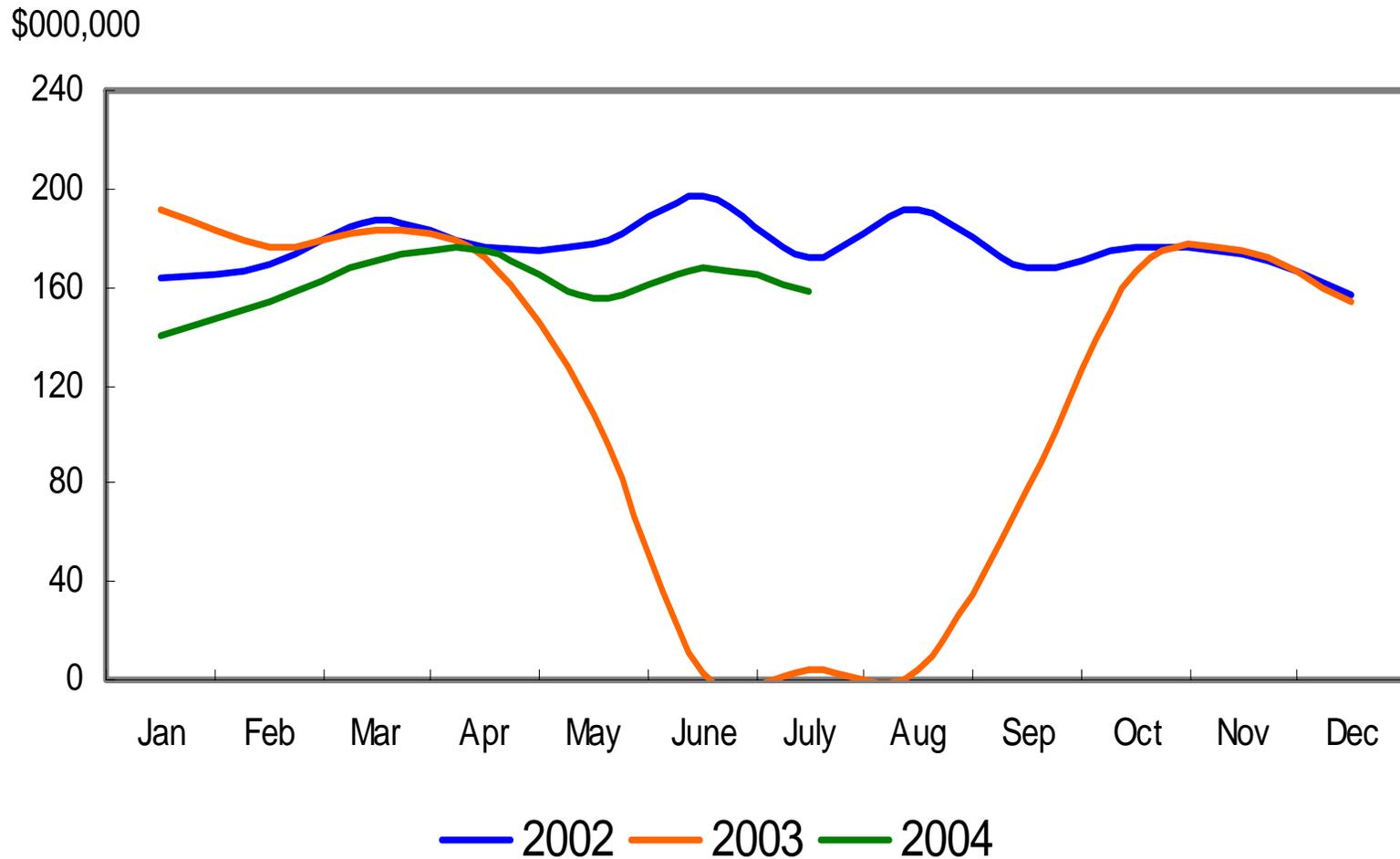
Exports of Canadian cattle and beef

millions of CDN\$



Exports

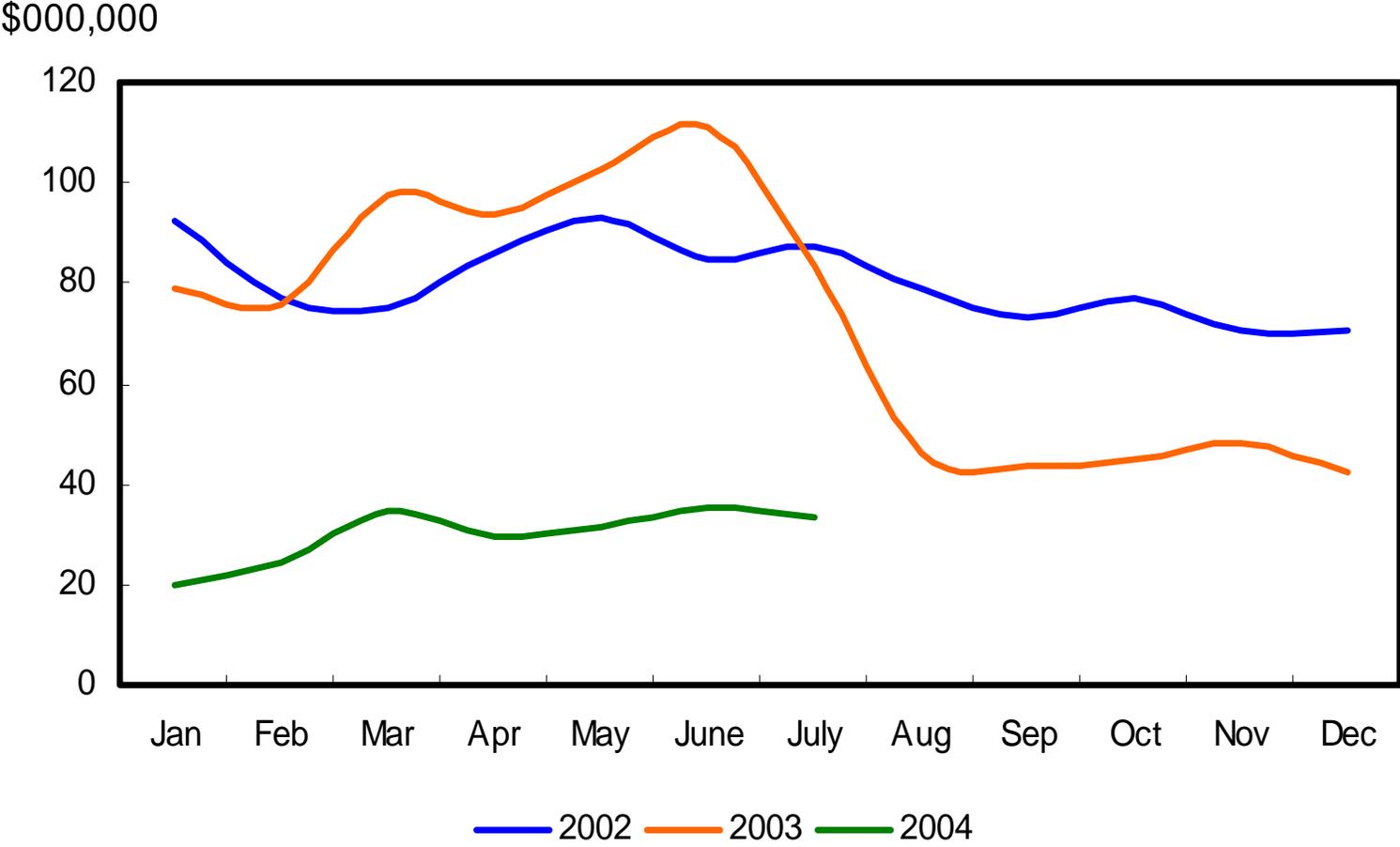
Canadian beef exports



Source: International Trade Division, Statistics Canada

Imports

Canadian beef imports

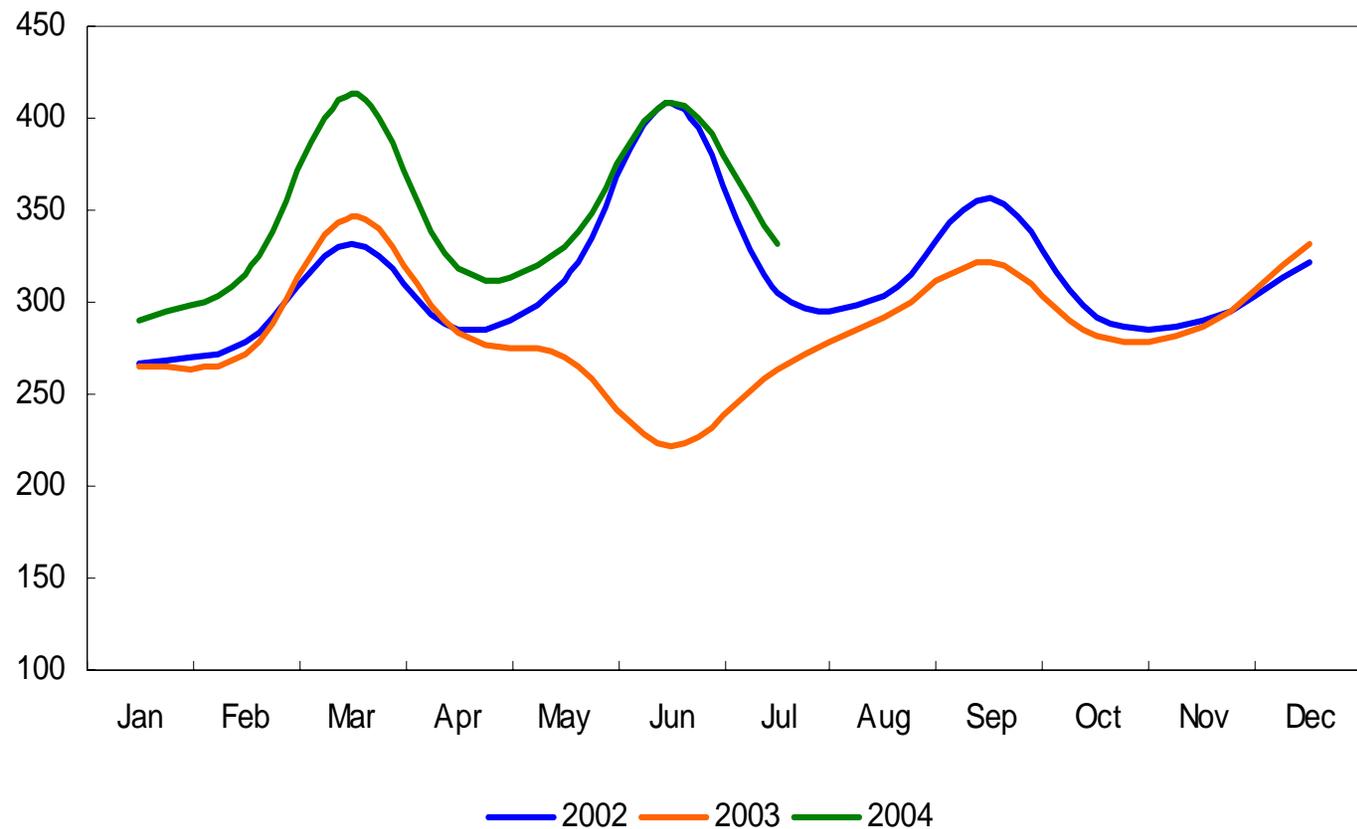


Source: International Trade Division, Statistics Canada

Slaughter

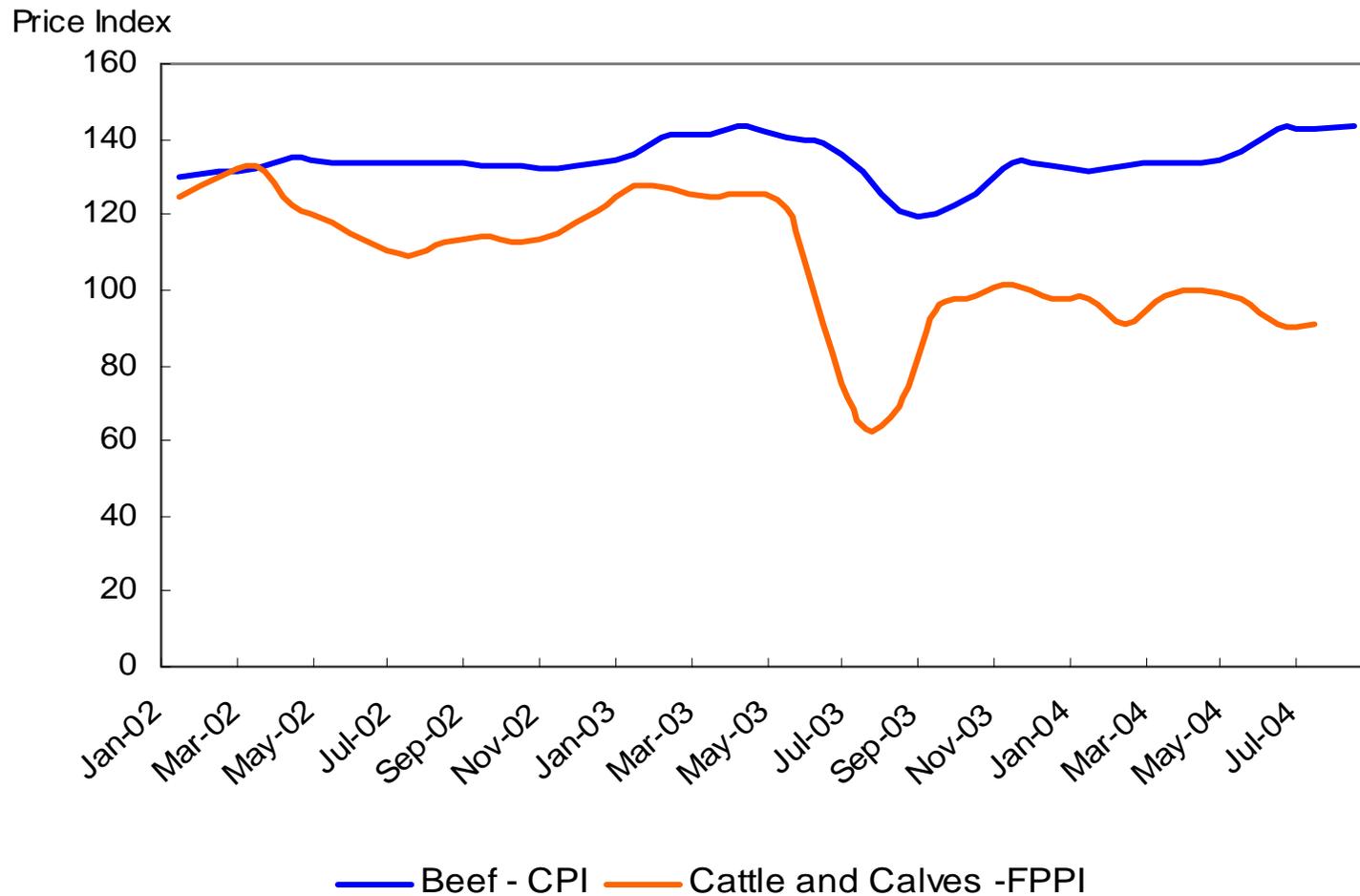
Slaughter, federally and provincially inspected cattle and calves

Thousands of Cattle and Calves



Prices

Farm prices of cattle and calves compared to retail beef prices



Source: Prices Division and Agriculture Division, Statistics Canada

Summary and observations

- Animal health and food inspection agencies have responsibility for food safety and the administrative data associated with the regulations protecting citizens from animal disease and food borne illness.
- Statistical agencies are responsible for providing timely measures of the impacts of food borne illness or animal disease on the economy.
- Statistics for measuring economic impacts are readily available; cattle numbers, prices, slaughter, domestic sales, exports, and imports.