



From the flock

MONTHLY NEWSLETTER FOR THE CANADIAN SHEEP INDUSTRY

In This Issue:

- 1-2 Shrinking Canadian Flock
- 3-4 Food Safety
- 4-6 Goat Traceability
- 6-7 Scrapie Canada

Give Your Business More Legs: Shrinking Canadian Flock

By Jennifer MacTavish, CSF Executive Director

Over the past few weeks, the CSF has been fielding a number of calls from producers who are disappointed with an advertisement that was placed in Ontario Farmer and sheep publications across the country. This ad, entitled "Give your business more legs", was designed to get producers to think about increasing their production. Some producers, however, have indicated they are concerned that increasing supply will mean a decrease in the prices and are wondering why the CSF would place such an ad. A closer look at the industry's statistics helps to shed some light on why an increase in production is critical.

Over the course of the last six years, the Canadian flock has lost more than 105,000 breeding ewes dropping from a high of 622,200 ewes in 2004 to 517,100 ewes as of January 1, 2010. This drop in the ewe flock size has meant a decrease in the number of lambs processed in Canada from 775,200 in 2004 to 739,200 in 2009. This five per cent drop in the number of lambs processed in Canada occurred over the same period of time that demand for lamb grew by four per cent

It is also worth noting that the decrease in the number of lambs being slaughtered in Canada is coming at the same time that the number of slaughter/feeder lambs being imported from the United States is increasing. In 2004, only 92 slaughter/feeder lambs were imported; by 2008 that number had increased to 33,461.

In 2004, Canadians consumed over 34 million kilograms of lamb yet Canadian producers only supplied 48 per cent of that demand; or 16.5 million kilograms. By 2008, Canadians were consuming over 36 million kilograms of lamb while the amount of Canadian-supplied lamb fell to 15.8 million kilograms or 43 per cent of domestic demand. To fill the gap between supply and demand Canada imported 20.2 million kilograms of lamb at a cost of \$113 million.

Some producers have indicated that it is okay if Canadian shepherds do not fill the demand for lamb as other countries, such as New Zealand and Australia will fill the demand. There are a few problems with leaving it up to other countries to fill our growing demand; not the least of which is the fact that all major sheep producing countries are seeing their ewe flocks shrink, including the US, the EU and Australia and New Zealand. The New Zealand flock is now reported to be down to 32 million head in 2009; down from over 70 million in 1982. While the Australian flock is down to just over 70 million head from 180 million in the 1970s.

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Photo credit: Monica Seguin,
Lakeland College Sheep Flock,
Vermilion AB



Shrinking Canadian Flock

While the 2009 consumption rates have yet to be released, lamb imports did rise to more than 21 million kilograms at a cost of \$131 million. Make no mistake this \$131 million has gone into supporting the infrastructure of sheep industries in other countries. As the number of lambs produced in Canada continues to drop, it is inevitable that the amount of infrastructure supporting the industry will disappear. For example, during the week of 22 February, there were only 1,729 lambs available at OSI, Embrun, OLEX and Brussels combined. It is difficult for processors to meet their customer needs with so few lambs on the market. Processors may start deciding that it is easier to not kill lambs than to short their customers every week.

Processors may even decide to exit the business altogether if there is no prospect of being able to source locally produced lamb, especially with beef numbers also in decline and increasing regulations to comply with. This would leave producers with a shrinking abattoir base to work with. Another possibility is that retailers, tired of being shorted on the supply of fresh lamb they need, will simply bypass the local processors and expand the amount of imported fresh lamb being sold,

The consequence of our low flock numbers is already seen in other areas such as access to medications. It is estimated that it would cost a pharmaceutical company over \$250 million (US) to have a food animal drug approved for use. Canada only represents 2 per cent of the global market so needless to say product does not get developed for the Canadian market.

While recognizing that there are some risks associated with increasing the flock size, there are also real risks to the long-term viability of an industry continues that drastically under supply its market. The conversation that this advertisement has generated in an important step forward in determining what kind of industry the Canadian Sheep Industry is going to be.

Sheep Production In Australia

Source: www.stockandland.com

Australia's sheep meat export forecast for 2009-10 has been cut to 286 kilotonnes, but prospects for sustained strong and improved prices for lamb and sheep remain good.

The sheep meat export forecast by the Australian Bureau of Agricultural and Resource Economics (ABARE) is down by five per cent on current season volumes, but the expected fall in mutton exports prompting this downgrade is tipped to be offset by increased export volumes of lamb.

"In 2009-10, live exports are forecast to fall to 3.7 million head which reflects a lower number of suitable adult sheep and competition from the slaughter lamb industry," ABARE's sheep meat analyst, Gwendolen Rees, said.

The Bureau forecast that Australia's weighted saleyard price of lambs would jump in 2009-10 by 38 per cent to 293 cents a kilogram (carcase weight) – a 125c/kg price rise in real terms since 2007-08.

Similar reduced lamb production and increased demand has the Bureau tipping a 3pc rise in Australian weighted saleyard price of lambs next season, to average 450c/kg.

This could hamper domestic sheepmeat consumption, which is currently set at around 10.4 kilograms per person per annum, as consumers shy away from sheepmeat toward lower-priced sources of protein.

The Bureau forecast that the big slide in sheep flock numbers, to a low of 68 million this season, would continue in 2010-2011 and then recover from 2011-12 and reach around 72 million head by 2014-15 as strong sheep meat and wool prices encourage producers to retain breeding stock.

Although the move away from sheep enterprises into alternatives such as cropping continued this year, the rate of movement has slowed markedly, and as unfavourable cropping seasons emerge in some regions of the Australia analysts are predicting a shift back towards sheep.



Are You Interested in the Food-Safe Farm Practices Program?

By Barb Caswell, Interim National Coordinator, On-Farm Food Safety

I attempted to ease some of the fears farmers have about the difficulty in implementing an on-farm food safety program. I cannot stress enough that, while on first glance the program may seem daunting, you are in fact already on some level doing many of the good production practices found in the Canadian Sheep and Lamb Food-Safe Farm Practices (FSFP) program. So assuming I've captured your interest in the program, you are probably asking what the next steps are. Keep in mind, you can do many of these steps without committing yourself to implementing the program - although, I hope I can convince you doing so is easy and a great investment in your farm.

If you are truly interested in at least learning more about the program, the first thing you need to do is participate in producer training. The focus of the training is to teach you how to implement the program on your farm. It is a great way to learn more about how the FSFP program works, why it's important, and what would be required of you for implementing the program. There are three ways you can participate in producer training. The one I recommend is, of course, the in-person training sessions. The sessions are typically three hours to half a day in length, with lots of interaction with a facilitator who is familiar with the program and can get answers to any questions you may have, including those specific to your situation.

We realize, however, time is expensive and you may not always be able to attend an in-person session at the time they're offered. In that case, we also offer the ability to take a training session online or through an at home package mailed directly to you. Participating in at least one of these training options is required before you can move forward with the program. Keep in mind that we have continually reviewed the FSFP program to improve it for you, the producer, and to keep it up to date with the most current scientific knowledge. If you took a training session a few years ago, but

choose not to implement the program at that time, I encourage you to try and find the time to attend again, see the improvements that have been made and maybe even offer suggestions for further improvements. The FSFP program was created for producers and needs to work for you.

Once you have completed some form of the producer training, you will receive a certificate of completion. Most provinces have funding available to implement on-farm food safety programs, and some provinces require you to complete training before you can qualify. If you are interested in provincial funding for on-farm food safety, you should contact your provincial ministry of agriculture or your provincial sheep association.

With the training, you will get a copy of the FSFP Producer Manual – everything you need to implement the FSFP program is in that manual, including some material about why the program is important and what the benefits are of implementing the program. The next step is to fully review the good production practices in the manual and assess how to implement them on your farm in order to prevent a food safety hazard, such as broken needles in the meat or residues from animal health products, from occurring. Remember, implementation does not have to happen all in one day. Take a section or two at a time, and assess if you are already doing the good production practices. Maybe you record animals treated with an animal health product, but you don't actually keep an inventory of the animal health products you have on-farm. This requires little cost and minimal time to rectify, simply filling out the form supplied to you in the Producer Manual. You do not need to use the provided records as long as you are recording all the information as requested on the record form given in the Producer Manual and can produce it if requested.



FSFP Program

If you run into problems or have questions when implementing the program on your farm, there are lots of resources available to you. If you attended the in-person training, your trainer may have provided his or her contact information. You can also contact your provincial sheep association or the Canadian Sheep Federation (CSF) (www.cansheep.ca) for assistance. If you choose to have your farm certified on the program, you will need to fully implement all the required practices in the Producer Manual and maintain those practices for one cycle, typically from one lambing to the next. Once you can provide the necessary records for one cycle, you are ready for certification. The Producer Manual contains a checklist that allows you to easily assess if you have implemented everything necessary for the program, and must be completed before applying for certification. Keep in mind, it is our goal to help you comply with the program and become certified, and to do so as painlessly as possible – the audit is simply the last check to make sure all the components are in place and serving their purpose with regards to food safety.

While some provinces are still in the early stages of getting the program going, it is best to contact your provincial sheep association if you are interested in becoming certified on the FSFP program. If you are unsure about who to contact, contact the CSF and we can point you in the right direction. While some provinces get the program running, it may in fact be the CSF who will get you going with your certification. Once you contact the provincial sheep association or CSF, you will receive the necessary paperwork to apply for an initial audit. You will be contacted by the auditor to set a date and time for the audit, which you are expected to be present for and participate in. It is upon successful completion of the audit that you are certified to the program. In my next From the Flock article, I will give some more detail on the audit, what happens, how it works, how long it could take, and what happens after the audit in order to maintain your certification.

National Goat Identification – The Voluntary Phase

By Sean McKenzie – National ID and Traceability Coordinator

Following the Ministers announcement of February 6th the Canadian National Goat Federation (CNGF) officially kicked off the voluntary phase of the National Animal Identification Program for Goats in Canada.

There has been a long standing need for a program like this to incorporate the goat industry into an animal identification system and this program represents the next step forward in that endeavour. The voluntary phase will cover off the period of time between now and when the Animal Health Regulations can be revised to include mandatory tagging for goats. How long this will take depends on a number of factors but there will likely be a minimum period of two years before tagging or identification of goats becomes mandatory. Once this happens it will be law that all goats leaving the farm of origin will need to be identified, the voluntary phase allows for modifications and time to learn the new system while still giving producers the benefits for management. Having official national ID tags available now also means that animals that are tagged now, and that are still around in two or more years (e.g. breeding stock) time will not need to be retagged later with official tags.

To take advantage of these national ID tags producers are encouraged to contact the tag manufacturer directly. Ketchum Manufacturing of Brockville, ON has been selected to be the official tag manufacturer and distributor of all CNGF National Goat ID tags and materials. They will also be collecting the necessary “reportable” information until such time as the official national database can be established at the Canadian Cattle Identification Agency. Tags can be ordered by calling, emailing, faxing or mailing Ketchum Mfg.; their contact details are at the end of this article.



National Goat ID continued

As mentioned this program is designed as a lead up to a mandatory and regulated national identification program for goats, therefore the guidelines as to what information may eventually be collected under regulation have also been included. Reportable information is information that must be submitted by producers to the national database. For the goat sector reportable information will include (and why it's collected):

ANIMAL IDENTIFIER NUMBER OR TAG NUMBER

- Why: creates a file for that animal to which all other information can be attributed

THE DATE OF THE EVENT*

- Why: creates a timeline which can be referenced against to determine exposure of an animal to a disease or what other animals yours may have come in contact with
- *An event could be any of: tag application, activation, movement onto or off of farm, slaughter or sale of an animal

THE LOCATION OF THE EVENT (HOME FARM, FAIR, VETERINARIAN OFFICE)

- Why: in cases of animal health this provides potential exposure potential

MOVEMENT REPORTING

- o i.e. first movement off farm, the operator of the site should report
- o ID number of animal (as explained above)
- o Destination of animal (if this is an auction, then the auction name, if a specific buyer, that buyers name/address)
- o Date of animal leaving premise (for reasons mentioned above)
- o License plate of conveyance, or other identification of the conveyance; (when

responding to an animal health emergency, knowing the movement date, location and method of transport all provide responders with information as to what other animals, and on what farms might have been exposed to a disease)

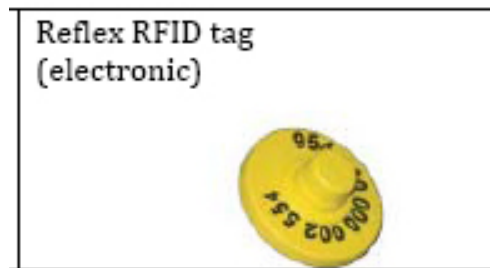
These records should be kept for a period of at least five years. International guidelines recognise that 5 to 7 years as an acceptable amount of time as it correlates to the incubation period for a number of important animal diseases. **Information that should be recorded should include:**

- The animal identification number: official CNGF goat ID ear tag number
- The date entering premise: when did the animal arrive to your premise. This is relevant for animals purchased into the herd, or animals of your herd that are returning from fairs, shows, vet offices etc.
- Date leaving premise: when did the animal leave your premise; this is relevant to know show whether it is possible that your animal was exposed to a particular disease or not
- Destination including name and address of person or farm (if known) of animal leaving the premise: the national traceability system is being designed on a one up, one down design. This means that each participant only responsible to know; where the animal came from, and where it was sent to. Knowing the source and destination of your animals helps to connect the trail from the point of discovery of a disease or animal health emergency back to the original source.



National Goat ID continued

Once the regulation comes into effect all goats leaving the premise of origin (or current premise) will be required by law to have one of the three nationally approved goat identification tags. Only tags approved by CNGF and CFIA, bearing the official number series and the Canada symbol will suffice for this purpose. These tags, again available from Ketchum include:



These tags can all be ordered by contacting Ketchum Manufacturing directly either by phone, fax, email, or regular post. The contact details are:

Ketchum Manufacturing Ltd.
1245 California Ave., Brockville ON K6V 7N5
Phone: (613) 342-8455
Fax: (613) 342-7550
Online: <http://www.ketchum.ca>
Email: ketchum@sympatico.ca

While it is currently being updated please look to the CNGF website: www.cangoats.ca for further information and updates.

New Scrapie Funding Approved

By Courtney Denard, National Scrapie Coordinator

On February 6, 2010, Agriculture and Agri-Food Canada approved funding the National TSE Eradication Plan, a project to be administered by the Canadian Sheep Federation, the Canadian Sheep Breeders' Association and the Canadian National Goat Federation.

A total of \$4.5 million was allocated for a three year study that will focus on determining scrapie prevalence in the Canadian sheep flock and goat herd and the continuation of the Voluntary Scrapie Flock Certification Program (VSFCP). The actual project activities are expected to be launched in the next month or so and there will be some new reimbursements available for producers enrolled on the VSFCP.

The objectives of the National TSE Eradication Plan are:

- To determine scrapie prevalence in the Canadian sheep flock and goat herd.
- To enable the establishment of a clear time frame in which scrapie can be eradicated from Canada and after the OIE-recommended seven-year monitoring period, have Canada internationally recognized as scrapie free.
- To develop a business plan to allow the Canadian sheep industry and the Canadian goat industry to work closely together on program elements that contribute to the control and eradication of TSE's in Canada.
- To administer the National Voluntary Scrapie Flock Certification Program.



Scrapie Funding continued

The beneficiaries of the National TSE Eradication Plan include:

- Canada's sheep and goat producers.
- Canadian sheep/ goat industry associations and federal/ provincial governments who are interested in remaining competitive in international markets.
- All livestock producers in Canada with an interest in trading livestock with international markets.

This project has been designed to determine scrapie prevalence in the Canadian sheep flock and enable the establishment of a clear time frame in which scrapie can be eradicated from Canada. The long-term goal is to have Canada recognized internationally as scrapie free after the OIE-recommended seven-year monitoring period. Gaining a status of scrapie free is necessary for Canada to remain competitive in international markets. It will also have a direct impact on maintaining a trading relationship with the U.S. in terms of small ruminants. The U.S. has invested \$120 million in scrapie eradication since 2001 and has declared that their country will be scrapie free by 2017. In order to continue a trading relationship with the U.S., Canada must take similar strides.

The project will allow for the development of a business plan specifically focusing on TSE eradication, which will benefit Canadian sheep and goat producers, as well as the Canadian agriculture industry as a whole. The business plan will emphasize risk-management and disease monitoring, thereby contributing to the eradication of TSE's. The Canadian sheep and goat industries will work together on this plan sharing resources, time and money. Furthermore, information related to TSE's will also be shared, increasing cost-effectiveness and efficiency.

The continuation of the Voluntary Scrapie Flock Certification Program compliments Canada's progression towards TSE eradication. In terms of the Voluntary Scrapie Flock Certification Program, Canadian sheep and goat producers enrolled on this program are required to close their flocks/ herds and complete annual scrapie surveillance. Participating on this program also allows producers to maintain access to international trading partners, including the U.S. Finally, the continuation of the program will serve to provide confidence to the international community in Canadian sheep and goat breeding stock, genetics and milk products.

The results of this project will benefit the Canadian sheep and goat industries. The first step in eradicating scrapie from Canada is determining its prevalence and secondly, a business plan can be developed focusing on gaining scrapie eradication. Full eradication will save the Canadian agriculture government and industries millions of dollars annually. Reports out of the U.S. have indicated that scrapie costs the country approximately \$20 million/ year. The reduction and elimination of scrapie from Canada would also reduce or prevent the destruction and disposal of scrapie infected flocks/herds, which are costly and present animal welfare concerns to both the Canadian livestock sector and consuming public. As well, control and eradication of all TSE's in Canada is also vital to the health and trade of all livestock commodities. And finally, by enabling producers to implement risk mitigation measures for scrapie, the private insurance sector might be more willing to consider re-insurance of residual financial risk.