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From the flock

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MONTHLY NEWSLETTER FOR THE CANADIAN SHEEP INDUSTRY

2009 Bluetongue Insurance for Sheep Available Now!

BLUETONGUE DISEASE - A THREAT TO SHEEP FLOCK HEALTH

Bluetongue is an insect-borne non-contagious viral disease of ruminants. It is a particularly destructive and virulent disease in sheep and wildlife. Sheep infected with Bluetongue develop a high fever and swelling and/or lesions around the face and feet. Lesions can also develop in the animal's mouth. In severe cases, sheep die within 7 days of being infected. Sickness and death rates are variable depending on breed, age, environmental and physical condition. Sickness in highly susceptible sheep ranges from 50 to 75% with mortality from 20 to 50%. Recovery from Bluetongue is slow.

While evidence of Bluetongue is common in sheep, cattle and other ruminants in tropical and subtropical areas around the world, the disease has recently spread to previously unaffected temperate regions. In August 2006, Bluetongue disease of African origin (BTV-8) was found in Kerkrade, the Netherlands. A few days later, German and Belgian authorities confirmed cases in their territories near the Dutch border. The disease then spread into France and, eventually, into the United Kingdom.

Outbreaks of Bluetongue disease in the UK and Northern Europe have claimed over 1.5 million sheep.



Symptoms of bluetongue are generally worst in sheep (BBC News photo)

In September 2008, the first two cases of BT were reported on a livestock farm in Sweden. In an effort to halt the spread of BT to its livestock industry, several European Union countries as well as Scotland have introduced a compulsory, government-assisted vaccination programmes.

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Bluetongue Insurance continued

PLANNED REGULATORY CHANGES IN CANADA

There are 25 serotypes of Bluetongue virus world wide including a new serotype discovered from Switzerland in October 2008. A serotype is a subdivision of virus strains. Five serotypes occur in the United States. All bluetongue serotypes are currently reportable in Canada.

Following planned regulatory changes, all serotypes, except the five which are indigenous to North America, will remain reportable to the Canadian Food Inspection Agency (CFIA) under the federal Health of Animals Act (1990 c.21). The five serotypes that commonly occur in the USA are in the process of being moved from the reportable list to the immediately notifiable list of diseases where control or compensation actions will be removed. It is the Canadian Food Inspection Agency's intention that, in removing these serotypes of Bluetongue from the reportable disease list, it would no longer respond to these incursions. Under this planned regulatory change, Canada will continue to focus on and respond to exotic serotypes of Bluetongue which could have disease, economic or trade implications.

WHY BLUETONGUE INSURANCE?

Canada's sheep farmers now have a proactive tool to manage the growing threat of loss due to Bluetongue disease.

The new Bluetongue Insurance Policy for Sheep has been designed in such a way that producers who have coverage, and have been diagnosed with any of the 25 serotypes of Bluetongue disease will receive compensation above and beyond CFIA compensation. This voluntary insurance supplements funding provided to sheep farmers through current government agricultural assistance programs.

In contrast, a vaccination program in Canada would require vaccinating flocks against all expected serotypes and any new or emerging strains of the disease. There is not a universal bluetongue vaccine that will protect against all serotypes of the virus. Each serotype of the bluetongue virus would require its own separate vaccine for protection. Communication with US vaccine producer (Fort Dodge) for serotype 10 indicates use of vaccine in the USA is extremely limited. Furthermore, there is no licensed Bluetongue vaccine in Canada nor interest from US manufacturers to pursue licensing as the Canadian market is perceived to be too small. As vaccination is not possible or practical at this time, commercial insurance coverage provides a more affordable and accessible option for Canadian sheep farmers.

HOW DOES BLUETONGUE INSURANCE WORK?

Bluetongue Insurance covers producers for: mortality; consequential loss (drugs and treatment materials; veterinary fees; diagnostic fees; humane euthanasia) and; business interruption (loss of productive capability, additional feeding and management costs).

Premiums for Bluetongue Insurance vary by province reflecting differences in risk. Depending on your province of residence coverage will be 0.55 -1.78% of the sum insured. The value of the insured animal is predetermined and is defined in the policy. This value is reviewed annually to ensure it keeps pace with the market value. If the market value of the animal changes during the life of the policy, the change in market value will have no impact on the settlement price in the event of a loss.

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Bluetongue Insurance continued

BT Insurance Policy for Sheep

Key Features

- All sheep on the farm must be insured
- Sheep must be healthy at time coverage begins
- The Health of Animals Act (1990, c.21) applies
- Sheep must be owned by the insured
- Coverage ceases once ownership is transferred
- Animals must remain within Canada
- The insured must maintain reasonable care of the animals
- The insured must agree to notify the insurer of any possible claim immediately

BT Insurance Policy for Sheep Saskatchewan

Premium Level: .74% of insured value
 Avg. Size of Flock: 92
 Est. Value of Sheep: \$160

Insured Value: \$14,720

Estimated Annual Premium \$109

PREMIUM SCENARIOS

The following scenarios illustrate typical premiums for an individual farmer for on-farm coverage under the 2009 Bluetongue Insurance Policy for Sheep. These scenarios illustrate both geographic diversity and provincial differences in risk. A premium quote will be provided by the insurer on submission of a completed application. The following are examples only:

BT Insurance Policy for Sheep

British Columbia

Premium Level: 1.78% of insured value

Avg. Size of Flock: 35 ewes

Est. Value of Sheep: \$250 - \$300 (purebred)
 \$50-\$150 (commercial)

Insured Value:

10 purebred @\$300 \$3000

10 commercial @\$150 \$1500

5 commercial @\$100 \$ 500

5 commercial @\$50 \$ 250

—————
 \$5,250

Estimated Annual Premium \$93

BT Insurance Policy for Sheep Alberta

Premium Level: .75% of insured value
 Avg. Size of Flock: 75
 Est. Value of Sheep: \$500 (purebred)
 \$175 (commercial)

Insured Value:

30 purebred \$15,000

45 commercial \$ 7,875

—————
 \$22,875

Estimated Annual Premium \$172

BT Insurance Policy for Sheep Ontario

Premium Level: .88% of insured value
 Avg. Size of Flock: 49 ewes
 3 rams
 50 lambs

Value of Sheep:

Breeding ewes \$190

Breeding rams \$600

Replacement Lambs \$175

Market Lambs \$140

Insured Value:

Ewes \$9310

Rams \$1800

Replacement Lambs (25) \$4375

Market Lambs (25) \$3500

—————
 \$18,985

Estimated Annual Premium \$167



Bluetongue Insurance continued

The 2009 Bluetongue Insurance Policy for Sheep provides farmers with affordable coverage for mortality, business interruption and consequential losses due to Bluetongue disease (BT). This commercial insurance program is endorsed by the Canadian Sheep Federation (CSF) and financially assisted through Agriculture and Agri-Food Canada's Private Sector Risk Management Partnerships (PSRMP) Program.

COVERAGE FOR 2009 IS AVAILABLE TO ALL CANADIAN SHEEP FARMERS NOW!

To obtain an application form for 2009:

Canadian Sheep Federation
130 Malcolm Road
Guelph, ON
N1K 1B1
Phone: 519.824.6018
Fax: 866.909.5360

You can also download the application form and sample policy wording on-line at: www.cansheep.ca

To speak to an insurance advisor about your needs: You may call 1-866-820-4236 to speak to an insurance agent about Bluetongue Insurance for Sheep.

APPLICATIONS FOR 2009 WILL BE ACCEPTED UP TO JUNE 30, 2009!

For more information on Bluetongue Disease:
<http://www.cfsph.iastate.edu/Factsheets/pdfs/bluetongue.pdf>

Anaplasmosis reactors in a beef herd in south eastern Manitoba

Source: Canadian Food Inspection Agency

On January 16, 2009 the Canadian Food Inspection Agency (CFIA) confirmed the diagnosis of anaplasmosis in a beef herd in south eastern Manitoba. This case was detected through the 2007-2008 Bovine Serological Survey. The affected herd has been placed under quarantine and will be tested. The CFIA will also test animals that may have been on summer pasture adjacent to the land where the positive animal was kept over the summer months. CFIA district staff are in the process of determining these contact herds. If anaplasmosis is confirmed, the CFIA destroys infected animals. This case should not affect exports of Canadian cattle or beef.

Anaplasmosis is transmitted through the blood of infected animals. The disease is most often spread by ticks that bite infected cattle, transferring the disease-causing microorganism from infected to susceptible animals. The disease can also be transmitted by biting flies or through contaminated instruments such as hypodermic syringes and dehorning equipment. There is anaplasmosis in the USA and it is not known why the disease has not become established in regions of Canada. There are tick species present in western Canada that can spread the disease .



Timeframe Still to be Determined for Launch of Medicated Feed Regulations

By Lorraine Stevenson-Hall, National Coordinator On-Farm Food Safety

In 1991 the Canadian Food Inspection Agency (CFIA) began the consultation and negotiation process to regulate the use of drugs in livestock feed. These discussions included representatives from the commercial feed industry, livestock producer groups, provincial government, veterinary drug manufacturers, and the United States Food and Drug Administration. As a result of these consultations a consensus position was reached, and in early 2000 the proposed regulations first appeared in the Canada Gazette Part I.

In early 2003, the CFIA continued the consultations with approximately 340 stakeholders from across Canada to discuss the requirements and the impact of the regulations. Following these sessions it was expected that revised regulations would appear in the Canada Gazette Part I by April 2004, however, the first case of BSE in Canada was found in May of 2003 and the urgent need to review the regulatory framework for the enhanced feed ban became a priority. This delayed the implementation process for the regulations for a few years.

In 2007, the discussions resumed, and the CFIA held stakeholder meetings to raise awareness among producer groups about record keeping requirements. A manual of procedures was drafted and revised to provide guidance on meeting the standards. Pre-pilot projects were conducted on 14 Ontario farms, and pilot projects were carried out on 16 farms nationally. In early 2008, the requirements were revisited during the medicated feeds regulations stakeholder meetings.

The proposed regulations will require licensing and greater control measures of medicated feed manufacturing facilities.

The regulations will apply to anyone who manufactures medicated feed for food producing animals, as well as retailers who sell medicated feeds that require further mixing. Both commercial and on-farm manufacturers of medicated feeds will need a license to manufacture or sell medicated feed.

Under the proposed regulations, CFIA will go to feed manufacturing sites, including farms that make livestock feed, to conduct inspections. During these inspections, they will verify that feeds are manufactured according to the acts and regulations.

Inspectors of on-farm and commercial feed mills will verify that controls are in place to prevent feed related problems from occurring that could affect animal or human health. The inspections will confirm that:

1. Feeds contain only approved ingredients and medications at the correct levels and for the intended purpose.
2. Feeds do not contain harmful levels of biological or chemical contaminants, such as drug residues.
3. Controls are in place to meet the regulatory outcomes related to product uniformity and chemical composition.
4. Related records are being maintained.

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Medicated Feed continued

It is expected that to receive a license, for either a commercial or on-farm manufacturer, the following criteria will need to be met:

- There must be evidence that scales and metering devices have been calibrated and retested yearly.
- Evidence will be required that mixers have been tested to ensure the ability to uniformly mix medicated feed and verified yearly.
- Procedures must be in place to determine the correct amounts of medication.
- Procedures must be in place to ensure that feed for food producing animals does not contain unacceptable concentrations of medicating ingredients
- Records on flushing, cleaning, and sequencing required.
- Recorded inventories of medication purchased, quantities used daily and in what quantity of feed
- A written protocol outlining recall procedures will be required.
- Quarterly analyses of feed samples required
- Related records must be retained for three years

In terms of costs to the industry of the new regulations, it is estimated the additional paperwork will cost \$240 per facility. Validation testing of samples will cost approximately \$260 per test, including preparation and shipping. There will be no cost to the operator or producer for a feed mill inspection, nor will there be a licensing fee.

The phase in period will depend on the level of risk that is associated with the medications being used. The levels of risk are as follows:

1. Manufacturers who use at least one concentrated high risk drug
2. Manufacturers who use at least one dilute source of a high risk drug
3. Manufacturers who use concentrated drugs none of which are high risk
4. Manufacturers who use dilute sources of drugs none of which are high risk

The new regulations will not impact anyone who purchases and used medicated feeds that require no further mixing.

The phasing in of these regulations was scheduled to begin in the fall of 2008, but with last year's election this timeline was thrown off. CFIA is currently working on determining new timeframes for the implementation of the proposed regulations.

For more information on Medicated Feed Regulations:

<http://canadagazette.gc.ca/part1/2000/20000205/pdf/g1-13406.pdf>

For more information about the Canada Gazette:

<http://canadagazette.gc.ca/learn-e.html>



New Online Scrapie Survey for Canadian Sheep and Goat Producers

By Courtney Denard, National Scrapie Coordinator

The Canadian Food Inspection Agency (CFIA) is calling on sheep and goat producers to help eliminate scrapie from Canada with a new promotional campaign and online questionnaire.

Just recently launched, the campaign's objective is to increase awareness of the CFIA's National Scrapie Surveillance Program and encourage producers to submit brain samples from all sheep and goats that die on the farm.

Together with several agricultural ministries, the CFIA developed and implemented the National Scrapie Surveillance Program in 2006. Put in place to detect scrapie in the national sheep flock and goat herd, the goal of this ongoing program is to identify every infected animal so that proper steps can be taken to completely eradicate scrapie from Canada.

While the number of samples submitted for surveillance has increased slightly over the past two years, the program is still operating well below its targeted surveillance numbers. In light of this, the new research and communications campaign was initiated to measure awareness of the program and promote the role producers play in its success.

As one of the main target audiences of the campaign, Canadian sheep and goat producers are being asked to participate by completing an online survey related to scrapie and the National Scrapie Surveillance Program.

Through the online questionnaire, the CFIA is hoping to inform producers about the National Scrapie Surveillance Program, while at the same time find out why sample submission has been so low.

The results will assist the CFIA in gauging producers' awareness of scrapie, as well as their participation in scrapie surveillance.

"The survey will help the CFIA get a better idea of what producers are thinking, thereby allowing us to target our messaging, if necessary," says Bryan Blom, Assistant Senior Communications Advisor for the CFIA.

Producers who are interested in completing the online survey, can log onto <http://www.zoomerang.com/Survey/survey-intro.zgi?p=WEB228JYF6BCDK>.

Paper copies of the questionnaire may be obtained by calling 1-800-442-2342. The survey will be open until January 16, 2009, 11:45 p.m. EDT.

More information on the CFIA's National Scrapie Surveillance Program can be found at <http://www.inspection.gc.ca/francais/anima/heasan/disemala/sctrl/survf.shtml>.

Producers can also call or e-mail Scrapie Canada at 1-866-534-1302 or admin@scrapiecanada.ca.



What's the buzz about electronic identification for sheep?

Farmers' talking to other farmers is a great way to hear about new ideas and about what works or doesn't work on the farm. Great experience has been exchanged over coffee and leaning on the hood of the pick-up truck.

There is one area rapidly coming to farming where there is almost no 'hands on' farm gate experience to share. An EID workshop at Olds College on Jan 15, saw over 70 Alberta lamb producers get first hand reports about how electronic technology systems, electronic identification (EID) equipment and radio frequency identification (RFID) tags are being used on a few Alberta sheep farms.

The workshop was hosted by Lamb Traceability Pilot Project (LTP) and brought speakers from Ontario and the United Kingdom who have been working with electronic systems for 10 years or more. John Steele described the evolution of the technology from the first improvised 'bits and pieces' to the highly developed, commercially available software and system components he is using on his Ontario farm today. Dr. Mike Fletcher from Shearwell Data Ltd., an EID equipment manufacturer in the UK, gave an update on technological developments the UK is working on to meet European Union requirements for individual identification and traceability of sheep and cattle.

Of keen interest were the experiences of three producers involved in the LTP project. Marlene Woolfitt, Martin Kaiser and Ronald den Broeder are using the new systems for managing their flocks. They each talked about the equipment and their struggles to learn to use the new technology. They have found they need a system and that is much more than RF ID tags. The tags are a start, of course, but the benefits come through using the management software and a tag reader (either handheld or panel readers for chutes).

Three different software packages are being tested. Early results show software programs do not all work well. Co-operators were quick to point out efficiency was what caught their attention.



"LTP co-operator, Ronald den Broeder talks about switching his farm to electronic management systems."

They see electronic systems enabling them to manage more sheep more easily, and in less time than paper records, manual scales and handling chutes.

Workshop participants also got a chance to try the tag readers. A 'mock flock' of tagged paper sheep was developed by the project team for training and demonstration. Participants read different RF ID tags with different tag readers and saw the various software programs sort, group and manage the 'user-friendly' mock flock.

The global livestock industry is moving rapidly to electronic tracking of animals and animal products, from conception to the retail meat counter. The collective experience of the 10 farms, two feedlots and the Sunterra lamb processing plant is the start of building expertise in Alberta and Canada.

Susan Hosford
Project Manager, AARD



The Canadian Sheep Federation expands list of official identification tags

January 7, 2009 – Guelph, Ontario – The Canadian Sheep Federation (CSF) is pleased to announce the addition of the Shearwell Data SET tag to the Canadian Sheep Identification Program (CSIP) list of nationally approved identifiers for sheep.

This addition will provide yet another tool for Canadian sheep producers who wish to move to an electronic-based tagging system. Such systems have been successfully used to improve flock management by reducing the time and personnel required for handling, sorting and other sheep handling processes. Also electronic identification and record keeping allows for the sharing of information between processor and producer leading to opportunities for overall carcass improvement within the flock.

“The addition of the Shearwell tag to the CSIP demonstrates the CSF’s commitment to ensuring Canadian sheep producers have a traceability program that continually evolves to meet their needs,” says CSF Chair Dwane Morvik. “This also demonstrates the CSF’s ongoing dedication to the development of the National Agriculture and Food Traceability System (NAFTS) in cooperation with other national livestock industries, and both the provincial and federal governments.”

The Shearwell SET tag has been approved after extensive testing and review in the Alberta Lamb Traceability Project. Producer feedback to the CSF suggests that retention, reliability and durability are key components to a successful tagging system. Taking this into account the Shearwell SET tag was exposed to extreme cold temperatures, intensive and extensive management conditions, and repeated checks on the readability of the electronic chip. All test results proved excellent and will continue to be monitored as the program continues.

Application of these tags to both mature animals and lambs also proved desirable in ease of application and with minimal infection and stress to the animals.

Final arrangements and agreements are being put in place with suppliers and producers should be able to purchase the Shearwell Data SET tag in early February.

The Canadian Sheep Federation (CSF) represents all Canadian sheep producers in setting national policy for the sheep industry. It works closely and cooperatively with all levels of government and industry related organizations, both domestic and foreign, to further the viability, expansion and prosperity of the Canadian sheep industry.

For more information please contact:
Sean McKenzie,
Animal Identification and Traceability Coordinator
The Canadian Sheep Federation
130 Malcolm Road, Guelph, ON
Phone: (905)809-6866
Toll Free: (888) 684-7739



CSIP Recognized Tags

The addition of the Shearwell Data SET Tag to the Canadian Sheep Identification Program (CSIP) as an officially recognized national identifier brings the number of tags available for producers to four. Other options available to producers are (in no particular order):

- Pink Allflex Dangle Tag
- Yellow Allflex RFID tag set (electronic ID)
- Pink Ketchum Kurl-Lock
- Shearwell Data SET tag (electronic ID) *new

Efforts have been made to provide these options to producers and allow them to choose which tag style or type works best for their own operation. Radio Frequency Identification (RFID) tags {Allflex RFID & Shearwell SET} are available to producers who are looking to move to electronic record keeping and sorting. For producers who wish to continue with visual identification the Allflex Dangle tag and Ketchum Kurl-Lock tags are still available. These tags have all been put through testing procedures to ensure an acceptable level of retention and durability is met before being approved for use by Canadian producers. As improvements in technology and materials continue to be made the CSIP working group will continue to review and adjust this program to ensure that the best and most effective tags are available to our producers.

The goal of animal identification is to prevent and control the spread of disease and to provide safe food to consumers. The Canadian Sheep Identification Program dramatically increases our ability to respond to disease outbreaks and increases consumer confidence in our product. National identification is also essential for the development of effective disease eradication programs.

What happens when bad animal practices become normal?

Source: [Guelph Mercury](#)

Karen Levenson, director of the Animal Alliance of Canada, writes, ask farmers about humane farm animal practices, and you'll likely get variations of: I put the needs of my animals before my own; my animals are better treated than some people or my animals are my livelihood, it's in my interest to care for them.

They'll mention the Codes of Practice, "developed with scientists," recommending how farmers treat food animals. They'll reassure you their eggs are safe and nutritious. Scratch beneath the surface of these niceties, however, and you'll see a very different picture of intensive egg farms in Canada.

No laws govern the treatment of farm animals on farms in Canada. The Codes of Practice for the care and handling of farm animals have set the absolute minimum standard for animal welfare. As voluntary guidelines, most are not enforceable.

While animal-agriculture scientists may offer advice, the industry controls the votes on what standards are adopted. Profits -- not animal welfare -- drive the process.

In the egg industry, acceptable practices include using battery cages -- rows of overcrowded, bare wire cages, one on top of the other, where laying hens can't stretch their wings or escape an aggressive cage-mate and, with little room to move, they rub against the cage wires, causing severe feather loss, bruises and abrasions -- and debeaking, the searing off of up to half of the hen's beak, using electrically heated blades, which causes acute stress, impaired ability to feed and, according to poultry scientists J. Breward and M.J. Gentle, both short and long-term pain.

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Animal welfare continued

While the whole flock is vaccinated for various diseases and given treatments if illness erupts, there's no individual treatment for sick or wounded birds.

During a visit to the University of Guelph, Temple Grandin, possibly the world's most recognized animal-agriculture scientist, condemned intensive egg farming. "The more I learned about the egg industry the more disgusted I got. Some of the practices that had become 'normal' for this industry were overt cruelty. Bad had become normal. Egg producers had become desensitized to suffering."

The reality is, factory farming produces cheap animal products, not humane or safe animal treatment. In 2005, a United Nations task force identified high-density poultry farming as a root cause of the bird flu epidemic. Commenting on a Canadian outbreak of avian influenza, University of Ottawa virologist Earl Brown said "high intensity chicken rearing is the perfect environment for generating virulent avian flu virus."

Traditionally raised birds -- which are allowed to range freely -- are believed to have more resistance than the stressed, genetically similar birds kept in overcrowded cages on factory farms.

The U.S. Center for Disease Control and Prevention estimates that food-borne diseases cause approximately 76 million illnesses, 325,000 hospitalizations and 52,000 deaths in the U.S. each year. Numbers are lower in Canada (no they're not – dp) however, the concerns are the same. Factory farms, which overcrowd animals, render them more susceptible to illness. These farms are breeding grounds for campylobacter, salmonella and E. coli.

The rampant use of antimicrobials on factory farms has led to increased antibiotic resistance, creating superbugs that can withstand medical treatment in humans.

According to the World Health Organization, "about half of the total amount of antimicrobials produced globally is used in food animals." The egg industry feeds antibiotics to layer chickens mainly to promote growth and production, not to treat illness.

The non-therapeutic overuse of antimicrobials in all "food animals" is a serious public health issue, with huge costs to Canadians taxpayers, who bear the medical expenses of disease outbreak and prevention.

Creating more humane and healthy environments for hens would increase the costs of eggs, but would decrease the risk of disease and eliminate much of the daily suffering these birds endure before they are slaughtered.

By purchasing only free-range eggs, consumers can pressure egg farmers to live up to their claims of humane animal care and food safety. It's a small price to pay to keep us healthy and our egg laying hens pain free.



USDA Issues Final Rule on Mandatory Country of Origin Labelling

Source: USDA News

WASHINGTON — The United States Department of Agriculture today announced details of the final regulation for the mandatory country of origin labeling (COOL) program required by the 2002 and 2008 farm bills. The full text of the final rule will be published in the Jan. 15, 2009 Federal Register. The rule becomes effective on March 16, 2009, 60 days after the date of publication. Copies of the final rule and additional information are on display on line at <http://www.ams.usda.gov/COOL>.

The rule covers muscle cuts and ground beef, lamb, chicken, goat and pork; wild and farm-raised fish and shellfish; perishable agricultural commodities (specifically fresh and frozen fruits and vegetables); macadamia nuts; pecans; ginseng and peanuts.

Commodities covered under COOL must be labeled at retail to indicate its country of origin. For fish and shellfish, the method of production -- wild or farm-raised, -- must be specified. Commodities are excluded from mandatory COOL if the commodity is an ingredient in a processed food item.

The definition of a processed food item remains unchanged from the Aug. 1, 2008, interim final rule. Excluded from COOL labeling are items derived from a covered commodity that has undergone a physical or chemical change -- such as cooking, curing, or smoking -- or that has been combined with other covered commodities or other substantive food components such as chocolate, breadings and tomato sauce.

Also exempt are food service establishments, such as restaurants, lunchrooms, cafeterias, food stands, bars, lounges and similar enterprises.

The final rule outlines the requirements for labeling covered commodities and the recordkeeping requirements for retailers and suppliers. The law provides for penalties of up to \$1,000 per violation for both retailers and suppliers not complying with the law.

The rule prescribes specific criteria that must be met for a covered commodity to bear a "United States country of origin" declaration. In addition, the rule also contains provisions for labeling covered commodities of foreign origin, meat products from multiple origins, ground meat products, as well as commingled covered commodities.

USDA plans to make funding available to accelerate and expand training of state cooperator employees, initiate development of an automated review tracking system, conduct a retailer survey, conduct audits of the retail supply chain and continue conducting education and outreach activities.

Currently, USDA has cooperative agreements with 42 states to conduct retail surveillance reviews. USDA will conduct the retail reviews in the states not covered by a cooperative agreement and perform the supply chain audits.



Canada claims victory in U.S. livestock labelling dispute

OTTAWA — Ottawa is putting on hold a World Trade Organization complaint on livestock exports after the United States revised labelling regulations that threatened Canadian beef and pork exports.

Agriculture Minister Gerry Ritz said Tuesday the U.S.'s final rule on country-of-origin labelling, called COOL, has given Canadian cattle and pork exporters what they had asked for.

Trade on fresh beef and pork was disrupted last October after Washington put in place rules requiring Canadian livestock to be segregated on U.S. feedlots and clearly tagged that they are free from mad cow disease.

The final regulations still require U.S. livestock to be so labelled, but also allow the option of identifying product as deriving from a combination of U.S. and Canadian livestock.

Ritz said in a conference call from India that the new labelling requirements recognize the industry is integrated and should end discrimination against Canadian imports.

He said the \$4-billion Canadian industry had taken a hit during the period, but said export levels and prices should soon return to normal. He did not say how much the industry had lost in the interim.

Ritz said Canada will continue to monitor trade in the sector and ensure no unfair practices continue. In the meantime, Canada will shelve its complaint at the WTO, but not completely withdraw it.

New tool to fast-track genetic gain in sheep

Source: theland.farmonline.com.au

Scientists from CSIRO are part of an international team that have today launched a new genomic tool aimed at transforming the future selection and breeding of sheep around the world.

Called the Ovine SNP50 BeadChip, the tool will enable researchers to characterise the genetic variation at more than 50,000 Single Nucleotide Polymorphisms (SNP) in the sheep genome. This will help pinpoint the small genetic differences that produce a variety of commercially important traits in sheep such as improved growth rate, fertility, parasite resistance, and healthier meat products.

The research has been undertaken by the International Sheep Genomics Consortium (ISGC). This partnership of scientists and funding agencies is developing a range of publicly available genomic resources to help scientists find the genes and develop DNA markers associated with traits critical to the sheep meat and wool industries in their countries.

Working in partnership with Illumina, Inc., a global company headquartered in San Diego California, the Ovine SNP50 BeadChip has today been made available to research groups.

According to ISGC Secretary and CSIRO Livestock Industries molecular geneticist Dr James Kijas, there has been extremely strong demand from scientists for the SNP chip. "In Australia, the priority is to use the new tool to speed up the development of genetic markers which will fast-track genetic gain, providing major benefits for producers," he said. "In addition, scientists will use the chip to help unravel the process of sheep domestication and impact of selection.

"A major aim of the ISGC is to use the chip to collect data from over 60 breeds of sheep and their wild relatives. "This will tell us a lot about the history of the species and reveal which parts of the genome have been under selection for economically important traits."



N.Z. Wool Exports May Plunge to 59-Year Low on Flock Decline

Source: www.bloomberg.com

New Zealand's wool exports, the world's second-largest after Australia, may fall to the lowest in 59 years after drought accelerated the decline in sheep numbers and plunging prices prompted farmers to hold back fiber.

Shipments may fall 8.3 percent to 125,600 metric tons of clean wool in the year ending June 30, Meat & Wool New Zealand Ltd. said today. Exports at that level would be the lowest since 1950 and reflect the 11 percent drop in the nation's sheep flock last year and a slump in prices.

New Zealand farmers mostly grow heavier grade wool and produce more than 40 percent of the fiber used by the world's carpet makers. Sheep numbers, relatively stable after decades of decline, dropped by almost six million the past two years after drought forced farmers to cull stock and weakening prices accelerated a shift into dairying.

"It really is a function of your sheep numbers," Rob Davison, executive director of Meat & Wool's economic service, said in an interview from Wellington today. "There are also indications farmers are not selling their wool in expectation of higher prices at a later date."

Meat & Wool is forecasting a 12 percent drop in average New Zealand dollar prices this year, at least the fifth straight decline, as slowing global construction reduces demand for carpet and consumers spend less on higher-priced woolen clothing.

China, the largest buyer, bought about 27 percent of the nation's output in the year ended June 30, with the U.K. the second-largest market at about 13 percent.

Prices to Fall

World wool prices had been holding up quite well until August, suggesting good underlying demand, Davison said. The subsequent credit crisis sapped consumer confidence, reduced availability of loans for buyers and deepened the global construction slowdown.

Fine wool prices may fall 22 percent to NZ\$7.31 a kilogram at auction before scouring, the industry group said. Mid-grade wool may fall 4.4 percent to NZ\$4 a kilogram and strong wool, of 32 micron or more, may fall 12 percent to NZ\$2.25.

Those estimates assume a New Zealand dollar exchange rate of 58 U.S. cents. It was at 53.93 U.S. cents at 2 p.m. in Wellington.

Overseas markets are hard to pick, given the ongoing credit crisis and the impact of production cuts in New Zealand and Australia, Davison said. Prices may become volatile when demand picks up if large volumes have been held in store, he said.



Nation jumps off the sheep's back

Source: The Australian

The days of Australia living off the sheep's back are well and truly over, with the size of the national flock plummeting to the levels of a century ago.

While the mighty merino and the wool industry is a formative part of the nation's history, sheep numbers today are falling and woolgrowers are quitting the industry as prices tumble.

After prolonged drought, the national sheep population is forecast to fall to just 75.9 million this year, less than half the 174 million head recorded in 1989 during the wool boom when wool exports topped \$6 billion a year. During the Federation drought of 1900 to 1906 the flock fell to its lowest recorded level of 53.8 million sheep and in the drought of 1916 there were 73.1 million.

This year, only \$2 billion is expected from wool exports. Production has fallen from more than 1 million tonnes in the boom to a forecast this year of 370,000 tonnes. Wool prices have almost halved over the past 20 years, from a peak in May 1988 of \$12.69 a kilo to \$7.64 a kilo at the end of last year.

Hard times have forced more than a third of woolgrowers to quit the industry over the past 20 years, with those remaining increasingly turning to lambs.

Richard Maple-Brown's family has been on the land at Pinea, near Goulburn, NSW, since the late 1820s. The stud was registered in 1838. But Mr Maple-Brown said wool was now less important to the farming enterprise than it had been for the past 190 years. "It would be less of our income than it has been before, ever, I would think," he said. "We have a bit more cropping and a bit more cattle and a bit more fat lambs. We are not solely reliant on the wool industry."

Mr Maple-Brown was surprised by how low sheep numbers had fallen and suggested the bulk of the losses would have been in the nation's prime wool-producing sheep, the merino.

The reason was that most wool producers were also producing lambs, either switching entirely to sheep bred for meat or, like Mr Maple-Brown, crossing a meat-breed ram with merino ewes. "Ours is still more geared to wool, but we certainly do produce lambs, which 20 years ago we didn't," he said.

However, while wool exports have fallen, lamb exports have soared. In 1988-89, Australian lamb exports earned just \$111 million. In 2007-08 that figure had jumped to \$803 million.

Mr Maple-Brown's neighbour, Ian McLennan, said the drought was the primary reason for growers quitting sheep. "The drought was so long, and people got sick of feeding them, mentally, physically and financially," he said. When grain prices were high last year, Mr McLennan said many farmers sold their sheep and put in crops.

"They thought they were going to make more money out of that, but grain prices have come back a bit and they haven't made as much money as they would have if they had more stock," he said. "Another reason is people are concentrating more on cattle, because there is less work in them."

Mr McLennan said that 30 years ago, one-third of his total income would have come from wool. "Now over one-third of it is lamb, and wool would be one-sixth or one-seventh. That is how much it has changed."

About 40 years ago when Australia truly rode on the sheep's back, Mr McLennan said the wool cheque from his 500 ewes could buy six new utes.

These days, he reckons his considerably larger flock of 5000 ewes would buy only four new utes.



CTEAM 2009-2010: A program for Canada's Top Farmers or for those who aspire to be

The Canadian Total Excellence in Agricultural Management (CTEAM) program is the most innovative program of its kind in Canada.

CTEAM, sponsored by Farm Credit Canada and led by a team of experts from academia and industry, assists farmers and farm managers in the development and implementation of a strategic business plan for their operations. It includes such topics as Strategic Visioning, Financial Management, Human Resources, Risk Management, Succession Planning, Value Chain Management, and Domestic and Trade Policy.

Tours of outstanding and exemplary operations enhance the learning in each module. Guest speakers from agricultural businesses, the financial sector, trade associations and government enrich the program and provide a network of resources across the country. At the end of the program, participants present their completed business plans and receive a certificate from the George Morris Centre.

One of the benefits of the program is the formation of a life-long network. Alumni from previous CTEAM courses continue to be in touch with each other, and benefit from each other's wise counsel.

The program is delivered in four 4 1/2 day modules over a 15-month period in different locations across the country. Dates and locations for CTEAM 09-10 are as follows:

- Module 1:** March 3 - 7, 2009, Abbotsford, BC
- Module 2:** December 1 - 5, 2009, Calgary, AB
- Module 3:** March 9 - 13, 2010, Guelph, ON
- Module 4:** Date TBA, Ste-Adele, QC

The George Morris Centre is seeking candidates whose focus is on excellence in agricultural management and production regardless of the size of the operation. For further information, please contact Lynn Punnett, Program Manager at (519) 822-3929, x204 or email lynn@georgemorris.org or check the website, www.georgemorris.org.

Lamb Best in Years

AUSTRALIA - Livestock agents across new South Wales are declaring they have never before seen such a red-hot start to the lamb selling year.

Trade and export lambs are selling in the State's south for 420 to 450 cents a kilogram (carcase weight) and with a dwindling supply these high prices are tipped to continue through to winter. The new year price surge is driven by high export demand and supply shortage, together with good quality lambs, a low Australian dollar and solid domestic consumption.

Inverell Stock Agents Pty Ltd president, Mark Smith, said heavy and extra heavy lambs were \$10 to \$15 dearer – and more in places – at the Inverell sheep sale on January 6. "It's been the best start to the year I've ever seen," he said. "How long will it last, I don't know, but you don't produce lambs overnight to increase supply."

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