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From the flock

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MONTHLY NEWSLETTER FOR THE CANADIAN SHEEP INDUSTRY

'Rubber Hits the Road' on Groundbreaking Project

Guelph (June 16, 2008) Now that the first phase of the groundbreaking project 'Consumer Data for Farmers & the agri-food industry' has successfully been completed, it's time to act on the information.

Purchasing behaviours and drivers of 7,700 consumers of pork, chicken, veal, and lamb were researched across Canada over a 12 month period. Purchases by 4,500 family units were tracked down to individual cut, store, price, promotion, etc. over a 12 month period as well. Purchase drivers of 3,200 household head buyers relating to issues such as quality and preferences were also captured.

The intent now is to use the information gathered to assist those currently involved in value chains in each of the industries. Phase two involves an examination of existing chains to identify opportunities for all participants to capture greater value by ensuring that, wherever possible, every operation is conducted directly in line with consumer demands.

A call to action is being made by the partners involved in the project. According to Martin Gooch, director of the Value Chain Management Centre, "We are seeking Canadian value chains comprised, but not limited to, a retailer, processor and farmers, to participate in the first four projects: one each in lamb, veal, chicken and pork. This is a real opportunity for businesses to apply proven value-capturing techniques to improve their competitiveness and profitability". Results of the analysis will be developed into case studies, which will then be shared with the wider industry.

Phase two analyses will use techniques developed in the UK and Australia, and will involve an international team, led by the Value Chain Management Centre. According to Gooch, "the information gathered in phase one provides unique insights into consumer habits and their definitions of value, and provides tremendous opportunities for farmers and agri-food businesses to capture greater value from the market".

Continued on next page ...



Groundbreaking Project continued

To nominate themselves and the chains within which they operate to participate, applicants must meet certain criteria: the potential participants must already be conducting business together; the participants should encompass the entire chain and be willing to participate fully with the researchers; they must have the support of senior management; and each project must be completed by November, 2008.

Since 2003, similar projects have included a who's who of retailers (i.e. ASDA, Tesco, Sainbury's, Woolworths, Coles); processors (i.e. Dalehead, Lloyd Maunder, Esca Food Solutions.); and farmers. Many of the lessons learned have been of tremendous benefit to all concerned.

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Growing Forward in our Industry and On-Farm Food Safety Programs

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

Growing Forward is the vision that will guide governments to form an action plan for the future of Canada's agriculture, agri-food, and agri-based products sector. Federal, provincial, and territorial ministers have been developing a new agricultural policy framework to replace the existing one, which expired in March of 2008. Growing Forward has promised to encourage innovation in all levels of the value chain, with the foundation of the policy to be profitability and success in the marketplace.

The vision was initiated in June 2007 by federal, provincial, and territorial ministers, to develop a new policy framework through discussion and consultation with industry. Through consultation with over 3000 participants, government has learned that they must help producers and processors build a strong sector that is innovative, competitive, and sustainable.

The first phase of consultations took place with invited stakeholders who were asked to share specific expertise in relation to the policy options that were proposed. These stakeholders were also involved with forming the questions for the broader public consultations that would take place.

Phase two of the consultations, from January-March 2007, consisted of public sessions that were held across Canada and were open to all interested stakeholders. These were open forums for public debate, inviting input from all stakeholders.

Continued on next page ...



Growing Forward continued

During the third phase of consultations, industry stakeholders were engaged in discussions on what had been heard to date through previous consultations, and the framework that had been proposed for Growing Forward. Participants were chosen through a consensus process to ensure that the entire value chain across the country was represented.

In late May 2008, the federal, provincial, and territorial ministers of agriculture met in Toronto to discuss the progress of the new policy framework. At this meeting, industry leaders discussed the challenges facing the livestock industry, and ministers emphasized the need for partnering industry and government action in streamlining regulation, seizing market access, and innovation for success. The Growing Forward framework promises to “position all parts of the sector, including new and young farmers, to succeed in a rapidly changing agriculture and agri-food environment.” This is good news for an industry such as sheep that needs new producers to enter and stay in production. The ministers also reiterated their commitment to the hog and cattle sectors to enable support mechanisms, as well as continuing to oppose the US COOL requirements to defend Canada’s interests.

Potential initiatives for Growing Forward include food safety, specifically support for both on-farm and post-farm food safety to increase consumer confidence in the safety of Canada’s food supply. Greater demands for higher food safety standards have put pressure on the whole value chain. In recognition of this, the new framework would provide producers with support for the implementation of on-farm food safety (OFFS) programs.

A letter submitted by CSF recommends that Canadian farmers should not bear the whole cost of implementing OFFS programs, since these programs benefit the entire public. CSF further recommended that costs of implementation such as auditing or certification should not be such that it prohibits participation.

The Annual Meeting of Agriculture Ministers will be held in Quebec City July 8-11, where the ministers have agreed they will finalize the framework agreement. The Canadian On-Farm Food Safety Working Group will be holding a ‘meet and greet’ breakfast on the morning of July 9th with the ministers. The purpose of this effort is not to lobby, but to hold an information session to increase awareness about OFFS programs and their importance.

Within a few months time, we will know what the new policy framework entails and how it will affect on-farm food safety programs. We can be certain, however, that on-farm food safety is here to stay. CSF will continue to push governments to recognize that OFFS costs should not be carried by the producer alone, but shared by industry and government alike.



Financial Assistance Available Until February 2009

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

The CSF is pleased to announce that producers will be able to continue to access funds for implementing the Food Safe Farm Practices Program (FSFP) under the Canadian Food Safety and Quality Program's (CSFQP) On-Farm Implementation Component, which is managed by Agriculture and Agri-Food Canada (AAFC). The availability of these funds has been extended to February 15, 2009 for producers who have participated in a FSFP workshop, have taken the on-line session, or the at home workshop.

The fund is available to assist producers in implementing the FSFP program on their farms. Here is a list of FAQ's provided by the AAFC concerning eligibility and scope of the program.

WHO QUALIFIES AS A PRODUCER?

1. For the purpose of the CSFQP On-Farm Implementation program a producer must:
2. Earn at least \$2500 in farm cash receipts during the most current taxation year
3. Filed Form T2042, Statement of Farm Activities, for that taxation year
4. Participate in a Canadian Sheep and Lamb Food Safe Farm Practices Producer Education workshop either in class, mail-out, or online session.

WHAT IS AVAILABLE TO PRODUCERS?

Under the program, each producer can access up to \$750 worth of services as follows:

Technical Support: producers may request on-farm technical support specific to adapting and implementing a food safety system on their farm. Technical support essentially means the request for a consultant or specialist to assist with implementation. Technical support is cost-shared; the CSFQ fund pays for 70% of the cost, up to a maximum of \$750. The producer or commodity organization will be responsible for the remaining 30%.

Specialized equipment: Producers may request funding for equipment that they will need in order to implement a food safety program on their farm. Financial support for specialized equipment is cost-shared, the CSFQ fund will pay for 50% of the purchase price, up to a maximum of \$750. The producer or the commodity organization will be responsible for the remaining 50%. To be reimbursed, producers may be required to submit original receipts for the amount received (Form AGR-1, Statement of Farm Support Payments), as it is a taxable benefit. Eligible specialized equipment includes:

1. Scale for weighing animal feed and water additives
2. Plastic bin with secure lids
3. Label maker
4. Sharp's container
5. Animal scales
6. Temperature meter (with alarm) for milk bulk tank
7. Temperature meter for milk freezer
8. Light bulb covers/shatter proof light bulbs
9. Chemical storage cabinet
10. Check valves for detergents and sanitizers

It is important to note that the total contribution per producer for technical support and/or specialized equipment cannot exceed \$750. This may be of interest to producers that are involved with more than one commodity and who are considering implementing more than one food safety program, as the \$750 is allotted per producer and not per commodity.

WHAT PRODUCERS NEED TO DO?

Producers intending to participate in a workshop or interested in completing the workshop at home, should notify their provincial organizations or the National Coordinator for the On-Farm Food Safety Program (lorraine@cansheep.ca) as soon as possible.



Scrapie Update

By Courtney Denard, National Scrapie Coordinator

As the number of producers importing sheep and goats from the US increases, so does the number of questions received by Scrapie Canada surrounding this topic. In response, Scrapie Canada is releasing a Frequently Asked Questions document to educate producers on US import requirements, specifically related to female sheep and goats. Below is a brief overview of the FAQ document. The full document can be found on the Scrapie Canada website at www.scrapiecanada.ca or by contacting Scrapie Canada.

Why I am only permitted to sell imported females to other producers enrolled on the Voluntary Scrapie Flock Certification Program (VSFCP)?

- Selling imported females to other producers enrolled on the VSFCP is required so continuous monitoring of imported animals occurs. Scrapie has a long incubation period, meaning the time from when the animal is infected with the agent until it shows clinical signs of the disease. Scrapie's incubation period can be as long as five years, therefore, imported female sheep or goats must remain in a monitored flock (ie: one that is enrolled on the program) for at least five years so the animal can be monitored. After five years, the animals are considered "negligible risk." Once an imported female is confirmed "negligible risk," there are no restrictions on the movement of this animal.
- There are no restrictions on the sale of other animals or females in the flock. These restrictions only apply to imported female sheep and goats.

Are there any other countries in the world that I can import from without having to enroll on the VSFCP?

- Animals can be imported from countries recognized to be scrapie-free without the importing flock having to be enrolled on the program. Currently, Australia and New Zealand are recognized as scrapie-free.
- Male animals may be imported from the US, and other countries, without the importing or exporting flock having to be enrolled on a scrapie certification program.
- When animals originate from a "negligible risk premises," the importing flock will not have to be enrolled on a scrapie certification program. It will take several years for enrolled flocks in the US to reach the level of "negligible risk."

Why are the regulations different for males versus female sheep and goats?

- Males that are infected with scrapie are considered to be "dead end hosts," which means they are not thought to be capable of infecting other animals with the disease.
- Females infected with scrapie are considered to be the source of infection for other animals. In infected female animals, the transmission of scrapie is associated with birth fluids and membranes expelled at the time of lambing.



Scrapie Canada continued

How do I handle shipping my imported females?

- When it comes to imported females, the producer should look at direct sale to another breeder who is enrolled on the VSFCP.
- With the approval of the Canadian Food Inspection Agency (CFIA) District Veterinarian, imported females could move through breeding animal sales if an announcement of status was made prior to the sale. The purchaser must be enrolled on the VSFCP and must continue to meet all program conditions following the sale.

What are the implications if I sell an imported female to a producer who is not enrolled on the VSFCP?

- If a producer has sold an imported female to someone not enrolled on the VSFCP, he/she has broken the conditions of the import permit. The CFIA would locate the sold animals and place them into quarantine. The producer who sold the imported animals is subject to any or all actions CFIA chooses to take regarding this matter.

Who can I contact for further information on import regulations?

The list of Area Import Program Officers who issue import permits is located at the following link:

- www.inspection.gc.ca/english/anima/heasan/import/conpere.shtml
- Canadian Food Inspection Agency District Veterinarians may also be a useful source. A list of CFIA District Veterinarians is available at: www.inspection.gc.ca/english/anima/heasan/offbure.shtml
- Contact your local CFIA Regional District Office. Phone numbers can be found in the blue government pages of the phone book.



Strengths and Weaknesses in Canadian Food Safety

By Sean McKenzie Animal ID and Traceability Coordinator

Generally speaking the Canadian Food Safety System when compared against 16 other Organizations for Economic Cooperation and Development countries was ranked as having a “superior” structure as reported in a recent University of Regina. The study ranked Canada 5th out of the 17 countries studied.

"Canada is performing very well in the way we manage recalls, how thorough investigations are managed, and the way we communicate with consumers. The CFIA seems to be doing quite a good job at the federal level when it comes to issuing alerts, recalls and advisories on food safety investigations."

The report identified biosecurity, and traceability and management, as the weak links in Canada's food safety system.

Various factors affected the results of the study ranging from use of pesticides to the policies surrounding traceability.

"One of the things that draws Canada down in its biosecurity ranking -- 14 out of 17 -- is the fact Canada uses a lot of pesticides," Charlebois said.

Food traceability is a management tool that allows food to be tracked across the supply chain from farmgate to the store shelf. But in Canada, which ranked 13 out of 17, food traceability is not mandatory, which has resulted in a lower ranking than the United Kingdom, Japan, Denmark or Australia.

Under a properly working and effective trace-back system retailers selling hamburgers to consumers would be able to trace back the origins of the ground beef on the store shelf, Charlebois said.

The United Kingdom learned its lessons on the value of traceability during its bovine spongiform encephalopathy (mad cow disease) crisis and the foot-and-mouth disease outbreak.

To some extent, food safety is a trade issue -- in terms of food imports and exports -- but the bottom line is that you apply food safety practises to protect consumers in general, Charlebois said. Traceability and food labelling are key priorities, he said. Canada's food labelling regulations record falls short of the standards in Europe and needs to be revisited.

"Among the information that would be listed on the labels of food products is the proper country of origin. If it says the product is from Canada it shouldn't just mean the product was packaged in Canada," Charlebois said.

Food safety is an important issue for any function of the supply chain -- whether farmers, processors, distributors and retailers -- in terms of accountability to consumers and who pays the costs associated with the traceability and management systems, he said.

Excerpts from: www.canada.com/reginaleaderpost



Diet prior to pregnancy determines sheep's gender

Source: Biomed Central, www.eurekalert.org/pub_releases/2008-06/bc-ddp060508.php

Maternal diet influences the chances of having male or female offspring. Research published today in BioMed Central's open access journal *Reproductive Biology and Endocrinology* has demonstrated that ewes fed a diet enriched with polyunsaturated fats for one month prior to conception have a significantly higher chance of giving birth to male offspring.

This study was carried out by a team of researchers from the Division of Animal Sciences at the University of Missouri and led by R Michael Roberts. Roberts explains how diet at the time of conception is the most important factor when it comes to influencing the sex of the offspring "Our study ruled out body condition, ewe weight, previous births, time of breeding, and likely dominance as reasons for the gender skewing. Rather, it was the composition of the diet consumed in the time period around conception that was responsible for this sex-ratio effect".

Polyunsaturated fats are essential nutrients. It is believed that the dietary ratio between omega-3 and omega-6 fats has important biological effects, especially in terms of inflammation, immunity and central nervous system signalling. The omega-6 fats used in this study were protected from digestion by naturally occurring rumen bacteria to ensure that they would be absorbed through the intestines of the sheep.

In animal social groups where a small number of dominant males mate with a large number of females, it has been theorised that having male offspring would be of genetic advantage to a very healthy, well fed female, while females consuming a poorer diet would have greater genetic success by giving birth to female offspring.

According to Roberts "Although this theory is attractive, former observations have often been contradictory, leading some to dismiss its relevance. This is the first experimental study in controlled conditions showing that supplementing maternal diet, in this case by increasing omega-6 polyunsaturated fatty acid intake, can skew the sex ratio towards males in a farm species."

These findings will be important to the livestock industry. As Roberts points out "Increasing the amount of fat in feed during the breeding period could provide a means of controlling the sex ratio of offspring born to a herd or flock."



Canadian Sheep Federation Launches Bluetongue Insurance

NEWS RELEASE – First Generation of Insurance for Bluetongue Disease in Sheep

GUELPH - The Canadian sheep industry has taken an innovative step to protect sheep farmers in the event of an outbreak of Bluetongue disease. Bluetongue Insurance for Sheep is a new commercial insurance program endorsed by the Canadian Sheep Federation (CSF) with the assistance of Agriculture and Agri-Food Canada's Private Sector Risk Management Partnerships (PSRMP) Program.

The Bluetongue Insurance program will provide sheep farmers with affordable insurance coverage for mortality, business interruption and consequential losses due to Bluetongue Disease – an insect borne viral disease of sheep. This voluntary insurance program will supplement funding provided to sheep farmers through current government agricultural assistance programs.

The impetus for development of Bluetongue Insurance was provided by recent import policy changes introduced by the Canadian Food Inspection Agency coupled with the discovery of Bluetongue disease in the United Kingdom and in several Northern European countries.

The Private Sector Risk Management Partnerships (PSRMP) Program is a federal initiative that offers financial and technical assistance to producer organizations for new agricultural risk management projects.

QUOTES

“This Government is committed to working in partnership with industry groups through the Private Sector Risk Management Partnerships (PSRMP) Program to provide farmers with the security they need to remain competitive. We applaud the Canadian Sheep Federation for its new insurance model that will benefit both the sheep industry and Canadian agriculture as a whole.” – *Gerry Ritz, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board*

“We hope that Bluetongue disease does not affect Canada's sheep industry, but if it does, this new program will ensure that sheep farmers will have a tool that will allow us to recover our losses.” – *Murray Emke, Sheep Producer*

“This innovative, affordable insurance is designed to provide sheep farmers with peace of mind by protecting them in the event that Bluetongue disease appears on their farm.” – *Florence Henning, Chair of the CSF, Mayerthorpe, AB*

“We are stepping up our efforts to manage on-farm risk so that the Canadian sheep industry is at the forefront in disease risk management. In this regard we were pleased to work with the BMS Group, who have supported the development program from the outset. Their extensive experience and market relationships have been invaluable.” – *Jennifer MacTavish, Executive Director, CSF*



Bluetongue Insurance continued

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Agriculture and Agri-food Canada is pleased to participate in the production of this program, and is committed to working with our industry partners to increase public awareness of the importance of the agri-food industry to Canada.

Canadian Co-operative Wool Growers Announces New Location

Effective July 17th, 2008 the Canadian Co-operative Wool Growers (CCWG) will be opening a second retail store in Lethbridge at the Perlich Bros Auction Market Ltd. As well as operating the main CCWG branch at 918 1st Ave South, the second satellite retail outlet will operate during all regular and special sales that are conducted at Perlich Bros throughout the year. The new store will be located on the upper concourse adjacent to the auction ring and public gallery. We will carry a wide range of animal health products and equipment for all types of livestock and equestrian. For more information please contact CCWG by phone at 1-800-567-3693 or please visit our website at www.wool.ca.

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