

ED Report

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Action Items from the November Board meeting

- The CSF shared recommendations for AAFC’s Value Chain Round Table restructuring with senior AAFC staff as well as with the Sheep Value Chain Round Table industry co-chair.
- Global Sheep Conference 2.0 planning is underway.

Canadian Sheep Identification Program / Traceability

- An update on the Canadian Sheep Identification Program (CSIP) was provided at the 2019 AGM as part of the annual programming recap:
 - 2019 marked the first year under the newly ratified CCIA-CSF Memorandum of Understanding. Work under the MOU is progressing smoothly; both organizations are working well together on communications, system issues, tag quality concerns and program direction. Fee increases are proceeding as communicated with industry partners.
 - With only limited exceptions, the strategy behind keeping program fees as low as possible for as long as possible is accepted.
 - CCIA, in conjunction with CSF, are working on tag quality issues with Shearwell with proposed structural changes under review.
 - Traceability regulatory amendments were put on hold prior to the summer of 2019, citing some resistance from industry and the pending election. Recent suggestions from CFIA staff is that the regulatory package remains a priority for the department and a draft is still expected to make it to Canada Gazette I, possibly in the spring of 2020.
 - The CSF’s AgroLedger project has seen a flurry of activity over the past year. From idea to field trial to proof of concept study in less than one year’s time. The project is set up for success in 2020.

Scrapie Flock Certification Program

- An update on the Scrapie Flock Certification Program (SFCP) was provided at the 2019 AGM as part of the annual programming recap:

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- 2018-19 saw an audit by the USDA to determine scrapie programming equivalencies. This included the SFCP as well as Canada's "Scrapie Hazard Plan", and 2018 surveillance targets and numbers.
- SFCP revisions were made to address findings of the audit, which included:
 - The program name changed to 'Scrapie Flock Certification Program', with the word 'Voluntary' removed.
 - An additional program level, Certified Plus, has been created. Two further years of program participation, for a minimum of 7 years, and additional sampling minimums are required to advance to the Certified Plus level.
 - Scrapie testing within the program will now require that two tissues, a brain sample AND a retropharyngeal lymph node, must be collected from each animal that must be tested, submitted and tested for scrapie.
 - The annual sampling minimum is waived for genetically resistant flocks, defined as all sheep in the flock with documented proof of 136AA 171QR or 171RR genotype, and all rams of 171RR genotype.
 - Producers are required to report an illness lasting longer than two weeks (except a physical injury) to their accredited veterinarian before disposing of the animal in any way, and accredited veterinarians must maintain a written record of each such case.
 - Actions taken on SFCP enrolled scrapie positive farms have been clearly defined.
- With these changes implemented, the USDA notified Canada that "The Certified Plus level in the program can provide an equivalent level of scrapie risk mitigation to Export Certified status in the United States Scrapie Free Flock Certification Program and meets the requirements of the proposed US small ruminant - TSE import rule for "Certified Status". (I) have reviewed the Canadian "Scrapie Hazard Plan" and 2018 surveillance numbers and found the plan to be an effective classical scrapie awareness, surveillance, monitoring, and control system, as used in the proposed rule."
- SFCP Status Assessment is currently being carried out by the CSF ED, and file processing completed in-house.
- Uptake in the Canadian SFCP is proportionately higher than that of the U.S. SFCP. Canada has 22 enrolled and 3 enrolling flocks and herds, where the U.S. has 43 Export Monitored and Export Certified flocks and herds, despite a vastly larger number of U.S. operations.

Industry Updates

- A Canadian Livestock Transportation Advisory Group has been established to facilitate the Canadian Livestock Transport Program moving from Canadian Animal Health coalition (CAHC) oversight to a new governance model and becoming sustainable. The Canadian Animal Health Coalition will be shutting down operations in the near future, as such, the CLT needs a new home – and needs to address a number of program challenges (i.e. updating content to align to the new transportation regulations, online service offering, course fees, trainer costs, delivery

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strategy, equivalency with the US transportation programs, financial sustainability, etc.). The CSF is a member of the Advisory Group and will contribute to program retooling.

- CSF Chair, Vice-Chair and Executive Director met with Manitoba government representatives for a briefing on sheep industry market access issues with the U.S. and Mexico ahead of the Tri-National Agricultural Accord held in Winnipeg November 12-14. The CSF provided background on key access issues and work done to date to resolve trade irritants, as well as prioritize desired outcomes for the sheep industry. The top three issues discussed were live animal access to the U.S., Country-of-Origin Labelling (COOL) regulations in the U.S. and cross-transit to Mexico.
- The Tri-National Agricultural Accord's Canada-United States Bi-Lateral Work Group Joint statements noted "Delegates acknowledged that more effort is needed to resolve remaining items from Canada-U.S. bi-lateral workplan, including discussions on the publication of a final rule on the Importation of Small Ruminant Animals in the U.S. This would help create opportunities to grow livestock trade in North America." This is the first time in the history of the Tri-National Agricultural Accord that sheep industry issues have been focal point of discussion. Hopefully this means resolutions on at least two key issues is in sight.
- While in Winnipeg for the CSF Annual General Meeting, industry representatives met with Manitoba government representatives to discuss the Manitoba Protein Strategy and sheep industry priorities for that strategy. Exciting opportunities are presenting themselves in Manitoba as a result of the strategy and the government is very supportive of sheep industry success.
- An update on the Canadian Verified Sheep Program (CVSP) was provided at the 2019 AGM as part of the annual programming recap:
 - The program is humming along, with online training of all updated materials available free online.
 - The program successfully completed the most recent 18-month review, in keeping with the CVSP's recognition in the CFIA's Food Safety Recognition Program.
 - The CSF is part of the Canadian Quality Assurance Program Alliance (CQAPA) as administrator of a national assurance program. The CFIA met with CQAPA members to discuss interest/possibility of widening the scope of the CFIA's Food Safety Recognition Program to cover the additional program elements that most programs are adding to the food safety package.
- An update on the CSF Wild Sheep Conflict Working Group was provided at the 2019 AGM as part of the annual programming recap:
 - This group began as a means of bringing together those with similar challenges managing domestic/wild sheep conflicts, at the request of the BC Sheep Federation. The group brought together BCSF, Yukon Agricultural Association, the Alaska Farm Bureau and Alaska USDA.
 - The Group began sharing challenges, approaches, research information and talked about potential strategies.
 - The Group then approached the National Farmed Animal Health and Welfare Council (NFAHWC) to see if the work could be expanded to multiple species and move beyond a single disease concern towards establishing a fulsome approach to managing farmed/wild animal interactions. The NFAHWC's Emerging Issues WG agreed to combine efforts in a newly created 'Farmed Animal Wildlife Interface Group' that will pull in industry partners from all sectors to develop a framework for managing these sorts of issues, using the sheep industry as a pilot project.

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- An update on the Sheep Industry Health and Welfare Strategy Phase I project was provided at the 2019 AGM as part of the annual programming recap:
 - The project application was conditionally approved during the summer, the conditions of which are still under negotiation. The project workplan included:
 - Developing a national Maedi Visna program
 - Creating a sheep industry emergency management blueprint
 - Crafting a responsible antimicrobial stewardship strategy
 - Completing the five-year review of the Codes of Practice for the Care and Handling of Sheep
 - Carrying out a Canadian Verified Sheep Program awareness campaign.
- An update on the North American approach to small ruminant drug approval initiative was provided at the 2019 AGM as part of the annual programming recap:
 - This initiative began in summer 2019 from working with ASI counterparts
 - The ED met with ASI's Animal Health, Research and Science Committee during the summer, and the opportunity to work together to seek joint approvals of veterinary drugs and biologics was enthusiastically received
 - The ED was invited to present the initiative to the United States Animal Health Association's Sheep, Goat and Camelid Committee meeting at their Annual General Meeting. The presentation proposed an action plan for working towards joint veterinary drug and biologics approvals. The Committee asked the Chair and Vice-Chairs to develop a recommendation for action to be submitted to the USAHA Executive for action.
- This year's AGM saw the election of the CSF Executive which now includes:
 - Allan Ribbink – Chairman
 - Morgan Moore – Vice-Chair
 - Liezel Kennedy – Secretary
 - Barbara Ydenberg – Treasurer
- A key outcome from the 2019 Annual General Meeting was the decision by industry to begin planning for a Global Sheep Conference 2.0.
- The Canadian Global Food Animal Residue Avoidance Database (CgFARAD) held its biennial Stakeholder Meeting in November, in conjunction with the National Farmed Animal Health and Welfare Council Forum. CgFARAD presented a review of activities since the last meeting, demonstrated updates to the database including reporting options and opportunities, shared recent food safety research completed by the organization, discussed the implications of climate change on animal health and reviewed operational information. From a financial perspective, CgFARAD is expecting a budget shortfall this year and the group discussed funding opportunities.

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- The Market Access Secretariat team briefed livestock sectors on pending policy changes in the EU that will require (by 2022) that all live animals and animal products exported to the EU will have to be certified lifetime-free from treatment from designated veterinary drugs (primarily antimicrobials). The list of designated products is currently under construction. These regulations could severely impact trade.

This month's meetings

- Canadian Livestock Transportation Governance Working Group
- Canadian Sheep Federation Staff Advisory Committee
- Royal Winter Fair Sheep Education Centre
- Canadian Global Food Animal Residue Avoidance Database (CgFARAD) Advisory Board
- Animal Health Canada Working Group
- Government of Manitoba – Tri-National Agricultural Accord briefing session
- Government of Manitoba – Manitoba Protein Strategy
- Canadian Livestock Transportation Advisory Board
- CSF Annual General Meeting – Winnipeg
- Manitoba Sheep Association Annual General Meeting – Portage La Prairie, MB
- Canadian Animal Health Surveillance System (CAHSS) Antimicrobial Use Working Group
- Animal Health Canada Working Group
- Canadian Global Food Animal Residue Avoidance Database Stakeholder meeting – Gatineau
- National Farmed Animal Health and Welfare Council Forum – Gatineau
- Market Access Secretariat EU briefing

Sheep Supply



SHEEP SUPPLY CANADA

August 2019

Fed. & Prov. Slaughter (head)			
preliminary	2019	2018	% chg
YTD			
B.C./Alta/Sask./Man.	84,753	77,613	9.2
Ontario	185,240	174,861	5.9
Quebec - Atlantic	n/a	95,080	-
Canada	n/a	347,554	-
Federal Slaughter			
Monthly			
West - Ontario	8,520	7,366	15.7
Quebec - Atlantic	5,886	8,373	-29.7
West - Ontario YTD	64,648	56,214	15.0
Quebec - Atlantic YTD	46,277	53,016	-12.7
Provincial Slaughter			
preliminary			
Monthly			
West - Ontario	36,413	36,668	-0.7
Quebec - Atlantic	n/a	8,753	-
West - Ontario YTD	205,345	196,260	4.6
Quebec - Atlantic YTD	n/a	42,064	-

Source: CFIA, Provincial Governments

Imports			
(Number of head from U.S.)	Year to Date August		
Pure-bred & Non Pure-bred	2019	2018	% chg
East	19	66	-71.2
West	71	93	-23.7
Total	90	159	-43.4

Source: Statistics Canada

Mutton & Lamb			
(Metric Tonnes)	Year to Date August		
	2019	2018	% chg
New Zealand	7,812	7,119	9.7
Australia	6,923	6,063	14.2
Other	1,150	660	74.4
Total	15,885	13,841	14.8

Source: Statistics Canada

UNITED STATES

Total Sheep and Lambs			
	Year to Date August		
	2019	2018	% chg
Slaughter ('000 head)	1,322	1,289	2.6
Avg Dressed Wt (lbs)	66	69	-5.1
Avg Dressed Wt (Kg)	30	31	-5.1
Lamb/Mutton (mil lbs)	89	92	-3.5
Lamb/Mutton (tonnes)	40,143	41,595	-3.5

U.S. Lamb & Mutton Exports (Metric Tonnes)			
	Year to Date August		
	2019	2018	% chg
Caribbean	509	491	3.7
Mexico	396	446	-11.2
European Union	132	81	63.0
Middle East	116	364	-68.1
Central & South America	102	62	64.5
Canada	72	95	-24.2
ASEAN	24	44	-45.5
Other	46	101	-54.5
Total US Exports	1,397	1,684	-17.0

Source: United States Department of Agriculture (USDA)

Monthly Prices			
Ontario Auctions			
Lambs	2019	2018	% chg
\$/cwt, live weight, weighted average			
< 65 lbs, new crop	233.33	239.70	-2.7
65-79 lbs	235.24	258.67	-9.1
80-94 lbs	250.45	275.72	-9.2
95-109 lbs	247.01	264.93	-6.8
Sheep	136.46	141.14	-3.3
Quebec Auctions			
Lambs	2019	2018	% chg
\$/cwt, live weight, weighted average			
< 65 lbs, new crop	210.84	257.54	-18.1
65-79 lbs	232.07	270.19	-14.1
Sheep - Ewes	118.67	107.79	10.1
Sheep - Ram	148.96	170.04	-12.4
LEOQ			
Quebec Heavy Lambs	2019		
\$/kg carcass basis (Producer annual contract price)			
August 17 to September 7, 2019	11.00		
September 8 to October 19, 2019	10.50		
October 20 to November 30, 2019	9.50		

Source: Ontario Cattlemen's Association, Quebec Electronic Auctions and Les Éleveurs d'Ovins du Québec

Exports			
(Number of head)	Year to Date August		
Total Live Sheep	2019	2018	% chg
United States	5,262	4,376	20.2
Other	0	0	-
Total	5,262	4,376	20.2

Source: Statistics Canada

Mutton & Lamb			
(Metric Tonnes)	Year to Date August		
	2019	2018	% chg
United Arab Emirates	36.4	32.0	13.6
United States	24.2	42.8	-43.4
Saint Pierre and Miquelon	3.7	9.2	-59.6
Other	0.6	0.3	-
Total	65.0	84.4	-23.0

Source: Statistics Canada

U.S. Price Summary				
San Angelo Auction				
	2019	August 2018		
U.S. \$/cwt				
Choice and Prime 1-2	average	min/max		
	-66 lbs	191.14	132.08 - 134.15	
	70-79 lbs	174.40	147.50 - 160.88	
	80-89 lbs	174.66	137.75 - 154.38	
90+ lbs	151.83	136.88 - 146.38		

Includes woolled and hair breeds

Note: Monthly price averages are calculated off of daily/weekly price reporting

U.S. Lamb & Mutton Imports (Metric Tonnes)			
	Year to Date August		
	2019	2018	% chg
Australia	67,388	67,932	-0.8
New Zealand	19,811	20,731	-4.4
Chile	499	520	-4.1
Uruguay	102	106	-3.8
Mexico	87	13	-
Other	25	151	-83.4
Total US Imports	87,913	89,453	-1.7

Source: USDA