



NATIONAL MEAT ASSOCIATION®

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August 14, 2004

Hon. Ann Veneman
Secretary of Agriculture
Washington, DC 20250

Re: Resolution Opposing Importation of Meat from
Classes of Cattle not Eligible for Importation into
the United States and the Substantive Change
Introduced in Reopening of Comment Period.
Federal Register March 8, 2004

Dear Secretary Veneman:

At its summer Board of Directors Meeting today, the National Meat Association (NMA) adopted a resolution strongly opposing the importation of beef from classes of cattle not eligible for importation into the United States. NMA's resolution addresses a substantive change introduced by the Department's March 8, 2004 notice, which was published for the limited purpose of reopening comment on the Department's November 11, 2003 proposal to resume imports from Canada of live cattle and beef from live cattle under 30 months of age. The reopening notice indicates an intention to resume imports of meat from animals over 30 months. NMA believes this substantive change included in the "reopening" notice would result in a huge economic disadvantage to US dairymen and ranchers, and that the means by which this policy change was introduced is legally defective. NMA believes that imports of meat should only be allowed from the same classes and ages of cattle from Canada for which live import is authorized.

The narrative discussion published as part of the March 8, 2004 "reopening" notice included the following language:

We now believe it would not be necessary to require that beef imported from BSE minimal-risk regions be derived only from cattle less than 30 months of age, provided equivalent measures are in place to ensure that SRM's are removed when the animals are slaughtered, and that such other measures as are necessary are in place. We believe such measures are already being taken in Canada. We invite comment from the public regarding this change to the provisions we proposed in November 2003 regarding the importation of beef. 69
Fed.Reg.10635, col. 3

This procedural notice failed to propose specific amendatory language for 9 C.F.R. §94.19(a), which in the Department's November 11, 2003 proposal would have barred the import of beef from animals over 30 months of age, nor did it discuss the huge and discriminatory economic impact which this change would cause to U.S. slaughterhouses and U.S. ranchers and dairymen. On account of the circumstances which are more fully described below, the National Meat Association Board of Directors unanimously adopted a policy opposing this change and directed that NMA inform the Department of NMA's opposition to this policy change in the clearest possible language, even though the reopened comment period expired on April 7, 2004.

In its comments on the original November 11, 2003 proposal and on the March 8, 2004 "reopening," National Meat Association urged that USDA should allow the importation from Canada of live cattle born after January 1, 1998, by which time the ban on the feeding of mammalian meat and bone meal to ruminants was in effect in both the United States and Canada. NMA continues to urge the Department to adopt this position. NMA also supports the importation from Canada of beef from any age group or classification for which live cattle are allowed to enter the United States.

However, allowing the importation of Canadian beef from classes of cattle, which are not allowed to enter the United States, will place US producers and processors of older cattle at a substantial economic disadvantage without providing any advantage to consumers. At the present time the U.S. live price for older animals, which come principally from dairies and ranches with cow/calf operations, is in the area of \$ 0.55 per pound, while the price for this same type of animals in Canada is much lower, in a area of \$ 0.15. If the meat from these Canadian animals, but not the animals themselves, can be imported, neither the dairymen and ranchers who own and market older cows, nor the packers who slaughter and process older cattle, will be able to compete with a flood of low priced older beef from Canada. This price disparity will have a devastating economic impact on producers and will in all likelihood cause one or more of the U.S. slaughterhouses which specializes in older animals to go out of business. The longer-term impact will be a reduction in the slaughter capacity available to domestic producers and the movement of both U.S. cattle production and slaughter to Canada.

It is the view of National Meat Association that this substantive change in policy introduced by the narrative discussion in the March 8, 2004 "reopening" notice is legally defective because it was accompanied by neither revised proposed language for Section 94.19 (a) of the November 11, 2003 proposed regulations, nor by an economic evaluation of its severe adverse impact on domestic producers and slaughterhouses. Accordingly, National Meat Association urges the Department to go forward as rapidly as possible to publish regulations authorizing the importation of live cattle from Canada, but to only

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authorize the importation of beef from the same classes and categories of animals for which live importation is authorized.

Respectfully Submitted,

National Meat Association

By _____
Rosemary Mucklow, Executive Director

Cc: Under Secretary William Hawks