

## National Farmers Union

Comments on the

Saskatchewan Meat Inspection Review

December 9, 2005

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#### Introduction

The National Farmers Union welcomes this opportunity to present comments to the Saskatchewan Government on the current review of the provincial meat inspection system.

The NFU is a nation-wide, voluntary-membership organization of farm families who produce a wide range of commodities, including many breeds of livestock. We are committed to maintaining the family farm as the primary food-producing unit in Canada. The NFU believes that agriculture should be economically, socially and environmentally sustainable, and that food production should lead to jobs for non-farmers, thriving rural communities, and enriched natural ecosystems. Humane and environmentally-sound methods of livestock production are an essential part of a balanced food production system.

In 2004, Canadian farm families experienced a loss of nearly \$3 billion from the marketplace due to low commodity prices. Saskatchewan has been especially hard hit by the current farm income crisis. Realized net farm income in Saskatchewan in 2004 was 44 million.

While farm incomes are at historic lows, profits of major agribusiness companies are at record highs.<sup>2</sup> A number of studies have shown that high levels of corporate concentration in the marketplace are a major factor contributing to depressed commodity prices at the farm gate. Nowhere has this been more evident than in the livestock sector, where three large companies: Cargill, Tyson and XL Foods, control over 80% of the processing market. One company, Cargill, alone controls 50% of the Canadian market.

It is in this national context that the NFU offers recommendations to the provincial government on meat inspection. We understand that current legislation and regulations governing production, processing and sale of livestock vary considerably from province to province. But there is a basic principle that we believe must be the foundation for regulations across Canada. That principle is that **meat inspection standards should be implemented solely in the public interest for the purpose of protecting public health.** 

Statistics Canada, "2004 Net Farm Income - Revised", November 25, 2005. The Daily www.statcan.ca

<sup>&</sup>lt;sup>2</sup> "The Farm Crisis and Corporate Profits", published by the National Farmers Union, November 30, 2005, available at <a href="https://www.nfu.ca/briefs/corporate">www.nfu.ca/briefs/corporate</a> profits.pdf

Meat inspection standards should not be used as a vehicle to facilitate further corporate concentration of processing and slaughter facilities in fewer and larger hands.

#### The need for local abattoirs

As the farm income crisis deepens, one solution for farmers is to capture an increased share of the food dollar by selling food direct to consumers at a retail price. To sell meat direct to consumers, however, farmers must have access to abattoirs in their community which are able to work with a variety of animals and to return the exact animal to the farmer.

Saskatchewan has traditionally had a system of meat inspection levels that ranges from small facilities inspected by local health districts, to provincially-inspected plants that are able to sell their products on a province-wide basis, to federally-inspected, large-scale operations that are able to sell inter-provincially and into the international export market. Saskatchewan has also allowed farmers to consume their own animals on-farm without the meat being subject to inspection.

The NFU recommends that meat sold to the public be inspected. However, we also recommend that meat butchered and consumed on the farm of origin be exempted from inspection requirements in Saskatchewan.

Small, local, inspected abattoirs are an essential part of a diverse farm culture and local food system. Farm families, consumers and rural economies all benefit when farmers sell meat directly to the public in their home communities. Farmers selling meat direct to consumers, or to small butcher shops, make more per animal than through regular livestock market channels, thereby receiving a fair return on time and investment. Without local abattoirs to kill, cut and package meat, it becomes very difficult for farmers to direct market their meat.

Local abattoirs allow farmers to avoid the fluctuations and uncertainty of auction markets, along with time and transport costs, while receiving good prices for meat products and increasing the viability of their farm operation. For example, Ontario farmers who produce and sell certified organic lamb, killed at local abattoirs, through wholesalers in Toronto receive a premium of between \$30 and \$40 per lamb.<sup>3</sup>

Our members are finding an increased interest from consumers for locally-grown, specialty meat products like certified organic, humanely-raised, grass-fed, or hormone-free meat This demand will only be met by abattoirs willing to deal with a variety of animals, and who are able to return the meat from each animal to the farmer that brought the animal to the plant. The demand for organic food, including organic meat, is reported to be growing at 20% per year. To maintain the integrity of organic certification, abattoirs must follow organic regulations and keep organic animals separate from other animals in

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<sup>&</sup>lt;sup>3</sup> National Farmers Union comments to the Ontario Meat Inspection Review, April 6, 2004.

the plant. Smaller plants, without long packing lines or time constraints, are better able to meet these requirements.<sup>4</sup>

During the height of the BSE crisis, many abattoirs were stretched beyond capacity, leading to three-month waiting lists, as more livestock producers were forced to look at the alternative of local direct sales or filling family freezers with home grown meat. A widespread network of small abattoirs provides this essential safety net for producers. This underlines need to maintain a system that allows small abattoirs to operate profitably, and which is not totally reliant on large-scale, export-oriented, federallyinspected packing plants.

#### Local abattoirs and a safe meat supply

A safe meat supply involves the whole chain from farm to consumer – from healthy animals to correct storage and preparation. The shortest and most direct chain reduces risk with fewer handlers, less transportation and less mixing of meat from several animals.

For farmers, a major advantage of small, local abattoirs is the opportunity to talk face-toface with the butcher to get feedback on the care that was taken in preparing the meat. Feedback to farmers of any disease or abnormalities found during inspection is readily possible and benefits the farmer, the inspection service and the public. Individual service and feedback cannot be offered by large packing plants. It should also be noted that the inspection time per carcass in small abattoirs is much higher than it is in large, federallyinspected plants.

The NFU is committed to providing safe food. Our policy calls for strict regulation of all commercial feed concentrates, feed additives and drugs for veterinary use. We also have called on the federal government to ban the use of all growth hormones in the production of animals used for human consumption, and a ban on the importation of any food products produced with the assistance of similar growth hormones. We are also calling for an end to the use of antibiotics in livestock as a sub-therapeutic growth stimulant.

Our members have found the vast majority of small, provincially-inspected or municipally-inspected abattoir owners to be professional, hardworking, honest and trustworthy. However, for the few that do not meet the basic requirements, a strong, fair inspection system is required.

The NFU recommends that inspections be conducted be done by certified public inspectors, with licensed veterinarians also authorized to perform inspections.

<sup>4</sup> The NFU Policy Statement reads in part: "Small slaughterhouses in many provinces have been operating

under provincial regulations. These small slaughterhouses are beneficial to the local communities and it is not economically feasible or necessary for them to meet federal regulations. Therefore, the NFU will pressure the federal government to be flexible in its plan to force small slaughterhouses to meet federal regulations [Section C-1, December, 1998]"

In certain cases, the private sector may have a role in inspection, but only if the inspecting company is an independent third party – certified by the provincial government – and not related in any way to the company being inspected.

The recently-introduced training program in Saskatchewan which recognizes meatcutting as a trade is a positive development, which will strengthen the ability of workers to recognize potential problems at the source. Appropriate training for meat cutters and butchers ensures that all people working in abattoirs have the skills and food safety knowledge required to guarantee as far as possible a safe meat supply.

Any changes to the provincial inspection system which may require facilities to conform to "provincial" standards from current "municipal" or "health-district" certification, must ensure the new standards and requirements are appropriate. For example, the use of video-camera and internet inspection techniques, as well as cold carcass inspections, should be permitted. The fundamental principle should be that the cost of compliance must be reasonable, and not of such a magnitude as to force many local abattoirs into insolvency. It is important as well that any change in standards is applied uniformly to all facilities to ensure that those who comply with the changes are not unfairly penalized.

Those plants requiring renovations should be allowed to meet the new regulations by being given a grace period of at least two years.

The voluntary inspection system at provincially-inspected plants in Saskatchewan is cost-shared at the present time, with domestic plants paying 17% of the CFIA-contracted inspection costs. If the provincial government requires smaller facilities to implement more stringent regulations, it must be prepared to assist in covering a greater percentage of the cost of compliance. The object of inspections is to increase not only the *perception* of food safety, but the *reality* of food safety; and in the interests of public health, the provincial government must be prepared to contribute its appropriate share of the cost. Larger facilities which do a higher volume of animals and which have higher profits margins will be able to contribute a higher percentage of the cost of compliance than smaller operations, and the government must implement a formula to take this into account.

An enforcement regime should be put in place that allows for timely and effective follow-up on complaints. There should also be random (surprise) inspection and testing at plants. The frequency of these visits should be determined by the volume of complaints and the number and seriousness of inspection failures. For facilities with high failure or complaint rates, there should be put in place a remediation action plan which is audited by a third party at the offending facility's expense. For first offenses, warnings and guidance should be sufficient. In subsequent instances, the punishments should gradually increase to fines, temporary closures, and in extremely serious cases, permanent closures.

#### Conclusion

The experience of other provinces, such as Ontario, has revealed that there is a strong need for local, multi-species abattoirs in rural communities in order to ensure the viability of family farms who sell meat directly to consumers. Each time an abattoir closes, jobs in the rural community are lost. Each time an abattoir closes, customers are forced to turn to supermarkets for meat that probably comes from a different province or country, rather than from local farmers.

The NFU believes that both domestically-produced and imported meats should carry labels specifically identifying country of origin, contents and additives, including growth hormones. Meat which is graded according to provincial standards should be allowed to be traded between provinces, without being forced to comply with federal inspection standards.

A widespread network of local, multi-species abattoirs with the capability of returning animals to the farmer who brought them to the plant is essential to the survival of the family farm and to meet the growing demand for specific types of meat. With a consistent and fair inspection system and regulations, it is possible for both small abattoirs and family farms to survive and be vital links in a strong rural community and local food system.

#### The National Farmers Union recommends:

- 1. That meat sold to the public be inspected. However, we also recommend that meat butchered and consumed on the farm of origin in Saskatchewan be exempt from inspection;
- 2. The implementation of fair and consistent regulations tailored to and appropriate to the size and scale of local abattoirs;
- 3. A fair, consistent and well-trained inspection force of certified public inspectors, with licensed veterinarians also authorized to perform inspections;
- 4. Financial incentives and a grace period of at least two years for small abattoirs to upgrade facilities, transfer ownership or start new plants;
- 5. Continuation and expansion of the recognized training programs for aspiring meat cutters and butchers:
- 6. That this review compare the inspection time per carcass in small abattoirs to the inspection time in large packing plants;
- 7. That the province undertake an economic study to ensure that regulations and inspection regimes are developed that combine maximum food safety measures with the well-being of the rural community and family farms.

#### All of which is respectfully submitted

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