

January 19, 2007

The Honourable David L. Emerson, PC, MP
Minister of International Trade
Foreign Affairs and International Trade Canada
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

**Re: The Standing Committee on Agriculture and Agri-Food Report on
Supplemental Beef Quota**

Dear Minister:

I am writing to you as Chair of the Canadian Meat Importers & Exporters Committee (CMIEC) a committee within I.E.Canada, Canadian Association of Importers & Exporters Inc., to express our serious concerns regarding recommendations to the House of Commons on December 13, 2006 by the Standing Committee on Agriculture and Agri-Food (the "Committee") to severely and arbitrarily restrict the authorization of supplemental beef quota. The text of the Committee's recommendations is attached.

I.E.Canada has been a leading voice for the trade community since 1932, and serves small, medium, and large enterprises across Canada. Its membership comprises of importers and exporters, as well as a range of service providers to Canada's trade community. We have a growing membership that today exceeds 800. The Canadian Meat Importers & Exporters Committee (CMIEC) is a national organization whose membership consists of Canadian companies that account for a large share of all meat that is imported into Canada. The CMIEC has operated under the auspices of I.E.Canada since 1969 and represents the interests of its members on issues related to international trade and market access in meat. The CMIEC members share the interest of other sectors of the Canadian meat industry of promoting and fostering the consumption of meat in Canada.

Canada's current Beef and Veal Import Policy, including the provision for supplemental beef imports administered by the Department of Foreign Affairs and International Trade, is working. The process operates with effective checks and balances to ensure integrated and comparable pricing for imported beef and veal in North America. The provision for supplemental beef and veal imports above and beyond the Tariff Rate Quota (TRQ) of 76,409 metric tonnes is a critical element of Canada's overall Beef and Veal Import Policy. The current policy ensures that any imported beef or veal allowed into Canada under a supplemental permit is priced at competitive North American levels for like products. Real time consideration is given to the current status of like products being imported into the USA to ensure an integrated approach to these imports within North

America. For any supplemental import application to be considered, detailed, clearly defined criteria within the current policy must be met.

Canada's Beef and Veal Import Policy and provision for supplemental beef and veal imports is monitored by the Tariff Rate Quota Advisory Committee (TQAC), thus ensuring the North American playing field in beef and veal remains level and all processors have an equal chance to compete. The TQAC is comprised of representatives from all segments of the Canadian beef industry. It has proven over the last decade to be the best forum to achieve consensus among industry stakeholders with regards to issues relating to Canadian Beef and Veal Import Policy leading to TQAC recommendations acceptable to all. As an active member of the TQAC, the CMIEC strongly believes in this process and is committed to achieving win-win solutions for all segments of the Canadian beef industry.

The recent recommendations by the Committee do not take into consideration the excellent process to develop understanding and consensus within the TQAC. Indeed the Standing Committee conducted its study and made its recommendations without requesting input and evidence from all beef industry stakeholders particularly those that are represented on the TQAC. The Canadian beef industry is comprised of multiple market segments including the producers, packers, processors, retailers, foodservice operators, and most importantly, the consumer. Without taking into consideration the needs of all market segments, the Committee has recommended severe and arbitrary limits on supplemental permits. These limits could result in American processors having access to raw materials to which Canadian processors do not have access, and in turn promoting the increase of exporting finished processed beef products into Canada as a result of the Canadian processors being put at a competitive disadvantage.

Minister Emerson, we request your support to ensure that all proposed changes, modifications or improvements to Canada's Beef and Veal Import Policy be channeled through the Tariff Rate Quota Advisory Committee as administered by the Department.

We seek the opportunity to meet with you at your earliest convenience.

Sincerely,



Mike Leblanc
Chair

Canadian Meat Importers & Exporters Committee

cc. The Honourable Chuck Strahl, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board