

News Release

Veal carcass weight increase now in effect Increase provides some flexibility for producers and processors if properly managed

FOR IMMEDIATE RELEASE

Guelph, Ontario, January 24, 2020– The Canadian Veal Association (CVA) is pleased to announce that a new amendment to the Canadian Beef, Bison and Veal Carcass Grade Requirements is now in effect.

For the past several months, the CVA has been working collaboratively with the Canadian Beef Grading Agency (CBGA) to bring these amendments to fruition and to help with the industry consultation period.

"On behalf of the CVA, I would like to thank the Canadian Beef Grading Agency board and staff for their support of the veal amendment," stated Bob Wynands, CVA President. "Bringing the needs of the industry and matching that with the grade requirements for veal carcasses has been an important collaboration for the CVA and CBGA," he added.

This amendment now brings the maximum weight limit for a veal carcass from 180 kg to 190 kg and came into effect January 15, 2020.

The purpose of the amendment is to provide the Canadian veal industry with the flexibility and opportunity to manage veal carcass weights throughout the supply chain.

"The CVA lobbied for this amendment because we felt it was important to provide a 10 kg 'sleeve' that would give the veal sector some breathing room," explained Jennifer Haley, CVA Executive Director. "The sleeve, if managed properly, could reduce the number of overweight carcasses that have no value to the veal sector; reducing the financial losses for both the producer and the processor," she added.

Currently, a veal carcass is defined solely by its weight. Managing carcass weights can be a challenge for both veal producers and veal processors alike. Veal carcasses that go over the maximum weight limit are deemed ungraded beef carcasses. Often, this means that both the producer and the processor are forced to sell at a discount and not able to realize the full financial value of what a veal carcass would bring from the market.

Producers and processors are reminded that even with the new amendments in place, there is still an upper weight limit that will be enforced. Carcasses that exceed 190 kg will be labelled as beef and graded, if necessary, accordingly. Veal carcass quality and consistency are important to the success of the veal sector.

"It is important for veal producers to still target their maximum shipping weights for 180 kg so that there remains some flexibility within the system to manage the veal carcass weights, so that everyone maximizes the full value of the veal carcass," cautioned Wynands.

"At the same time, it is also very important that processors send the appropriate market signals with the purchase of 'right-weighted' veal cattle. For this to work, we all need to be on the same page," he added.

"This is great news for the Canadian veal industry, but if everyone just moves all their production up to 190 kg without giving any consideration to the overall impact on the Canadian veal sector, then we will be right back where we started," stated Haley. "The sleeve is an important tool that can help producers and processors manage risk and will ensure there is some tolerance in the supply chain if the sleeve is properly managed and adhered to," she added.

The Canadian Veal Association is a national organization dedicated to promoting and enhancing the Canadian veal sector.

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For more information, please contact: Jennifer Haley, Executive Director, Canadian Veal Association 519 824-2942 <u>info@canadianveal.ca</u>

Additional information about the amendment can be found on the CBGA's website at: <u>http://www.beefgradingagency.ca/#news</u> (English Version) <u>http://www.beefgradingagency.ca/!lang/fr/index.html#news</u> (French Version)