



MEDIA RELEASE

For immediate release

How much of our home grown dairy has Justin Trudeau really given away to President Trump?

Ottawa, October 3, 2018

Prime Minister Justin Trudeau has given away hundreds of millions of dollars to the American administration as part of the recent United States Mexico Canada Agreement (USMCA), but the damage inflicted goes beyond concessions made on our dairy market.

Conceding parts of our market to the US does not tell the whole story. Canadian products made with locally produced milk from Canadian dairy farms are being pushed off the shelves to make way to US-imported products. Once the recent trade deals¹ come in effect, the total dairy imports will make up approximately 18% of the Canadian dairy market. In other words, the thousand cuts from cumulative trade deals over the past decades² will have displaced 18% of our homegrown high quality milk. At the farm gate alone, this represents an annual loss of 1.3 billion dollars for farmers.

While this is staggering enough, the true damage caused by USMCA is not limited to the access granted to the US. Our government has decided to tie our hands on the other side of the equation; constricting the Canadian dairy sector's ability to export Canadian high quality dairy products, not only to the US, and Mexico, but also around the world! As part of the USMCA, Canada has agreed to the US demands to cap Canadian exports of skim milk powder, milk protein concentrates, and infant formula. Added together, these measures also limit our ability to grow the Canadian domestic market.

Quote:

"Our government is not only allowing the dismantling of our dairy model in Canada, it is giving up our sovereign right to also benefit from future trade agreements. The total access given up by the federal government in the past decades is bad enough, but now, we (farmers and processors together) are not able to compete in our own market, nor to export high quality dairy. Canada caved in to the US demands to ensure our dairy products would not compete with American made ones on the world markets. So much for Canadian sovereignty."

Pierre Lampron, President of Dairy Farmers of Canada.

Dairy Farmers of Canada (DFC) is the national policy, lobbying and promotional organization representing Canada's farmers. DFC strives to create stable conditions for the Canadian dairy sector, today and in the future. It works to maintain policies that foster the viability of Canadian dairy farming and promote dairy products and their health benefits.

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¹ This includes trade agreements such as CETA (with Europe), CPTPP (Transpacific countries) and USMCA

² This includes the above agreements plus WTO (World Trade Organization) commitments.

