



Les  
Producteurs  
de lait  
du Québec

**Press release**  
*For immediate release*

## **Trans-Pacific Partnership (TPP): Les Producteurs de lait du Québec very disappointed that Canada has not restored balance to 2015 concessions**

**LONGUEUIL, January 23, 2018 — “Les Producteurs de lait du Québec is extremely disappointed by Canada’s intention to sign the TPP 11, without even restoring balance to the concessions that were made in supply-managed markets. The TPP 11 should have at least taken the withdrawal of the United States from the initial agreement into consideration and readjusted the market concessions downward, since the United States alone accounted for over 60% of the GDP of the Trans-Pacific Partnership with 12 parties (TPP 12),”** stated Bruno Letendre, Chair of Les Producteurs de lait du Québec. The Chair was reacting to the announcement that an agreement in principle had been concluded that maintained the market access commitments included in the original TPP of 2015.

**“However, during the election campaign for the recent partial election in Quebec, Prime Minister Trudeau agreed to review the concessions in the TPP without the United States and preserve supply management,”** added Mr. Letendre. The concessions, which grant access to Canada's dairy market, could cause Canada to lose over 3% of its total milk production and result in nearly \$250 million in lost revenue annually for Canadian milk producers.

**“We understand Canada’s interest in signing trade agreements, but we expect it to do so without causing negative impacts in our sector. Milk producers were used as a bargaining chip in the agreement with Europe and are once again being used in this way in the TPP 11. No further market concessions should be made in NAFTA. This is also the firm position currently defended by the Trudeau government, which we recognize and appreciate greatly,”** said Bruno Letendre.

**“The Canadian government will also have to act quickly in order to soften the negative impacts resulting from this agreement. We hope to dialogue with it soon in the interest of finding an effective way to mitigate the impacts for all dairy producers,”** explained Mr. Letendre. Remember that in 2015, the Canadian government announced a program that would partially cover the permanent losses in milk sales linked to the TPP and the Comprehensive Economic and Trade Agreement with the European Union (CETA), i.e. \$29,000 to \$33,000 in losses per Quebec farm. Rather than follow through with this program, the Trudeau government announced an investment program in November 2016 to modernize equipment and infrastructures. Compared to the value and impact of the CETA concessions, this program’s funding, which proved to be largely insufficient, affected only a small number of producers and was exhausted in under a week.

## **About supply management**

---

Supply management is the system by which milk, table and hatching egg producers, as well as poultry and turkey producers, strike the best possible balance between supply and demand for their products by Quebec and Canadian consumers. Canadian producers in the supply management system rely entirely on the market price and receive no direct government subsidies to support their incomes.

## **About Les Producteurs de lait du Québec**

---

Les Producteurs de lait du Québec, affiliated with the UPA, represents 5,473 dairy farms that annually deliver over 3 billion litres of milk, for a total of over \$2.45 billion in farm receipts. Milk production and processing generate around 83,000 direct, indirect and induced jobs in Quebec and contribute as much as \$6.2 billion to the gross domestic product. Finally, they generate \$1.3 billion in tax receipts, including \$678 million for the federal government and \$454 million for the Quebec government. [www.lait.org](http://www.lait.org)

- 30 -

## **Follow Les Producteurs de lait du Québec**

Twitter and Facebook [@ProdLaitQc](https://twitter.com/ProdLaitQc)

Information:

François Dumontier  
Assistant Director, Public and Government Relations  
Tel.: 450 679-0530, ext. 8704  
Cell: 514 713-0530  
[www.lait.org](http://www.lait.org)