



Les
Producteurs
de lait
du Québec

Press release

Special General Meeting of Les producteurs de lait du Québec:

Bruno Letendre demands tangible, firm support from governments to maintain supply management

Quebec City, November 27, 2014/CNW – At the Special General Meeting of Les Producteurs de lait du Québec, Chairman Bruno Letendre demanded tangible, firm support from governments to maintain the essential conditions for supply management, especially in view of the Trans-Pacific Partnership free trade negotiations. He urged the governments not to give in to the demands of Canada's trading partners, which are a double standard, as all countries have sensitive sectors to protect.

“Dismantling supply management would not necessarily guarantee that consumers would pay lower prices. In fact, the only thing that is certain is that deregulation would cause the producer price to plummet, resulting in bankruptcies, job losses and a missed opportunity to capitalize on the huge economic benefits for Quebec and Canada. Deregulation would be costly for the national treasury and I do not believe that our governments are in a position to take on such a burden. You do not have the means to do without supply management!” warned Bruno Letendre, Chair of Les Producteurs de lait du Québec.

As an example, Mr. Letendre pointed to Australia, which deregulated its dairy sector in the early 2000s. The price for dairy products paid by Australian consumers has increased by nearly 40% since deregulation, despite a major drop in producer prices. According to Dairy Australia, between 1999-2000 and 2013-2014, the number of dairy farms in Australia fell from 12,896 to 6,398. More than half of the producers have disappeared. In the same period, total milk production decreased from 10.1 billion litres to 9.2 billion litres, a production drop of over 8%.

“Quebec milk producers have been collectively marketing their milk for over 50 years and have been under supply management for over 40. We have continued to develop our model since the very beginning. And the results speak for themselves,” added Mr. Letendre. Dairy production is by far the top agricultural sector in Quebec, with 28% of agricultural receipts from the market. Quebec is the top milk producing province in Canada, with 37% of its production. Together, egg, chicken and milk producers, who are all under supply management, generate nearly 40% of agricultural receipts from the market.

All milk producers are either already certified or in the process of becoming certified under the Canadian Quality Milk program, which is designed to manage milk safety risks on farms. Since 2013, they have been implementing an ambitious mandatory certification program that will include independent audits and set standards in six areas

of dairy livestock: traceability, food safety, milk quality, animal welfare, biosecurity and the environment.

“As far as market development is concerned, we have always been able to adapt our practices. In the 80s, we insisted on negotiating the rules for supplying Quebec dairy plants so that they could give priority to fresh and growing markets. Likewise, in the 90s, we insisted on creating a milk reserve for new start-ups” added Mr. Letendre. Today, Quebec’s dairy processors make over 80% of yogurt, 54% of all cheese and more than 60% of fine cheese in Canada. Furthermore, Quebec has around fifty small artisanal cheese making operations, whose cheeses are a source of regional pride and delicacies enjoyed by Quebecers.

“As long as we are convinced of the value of our model, are proud of our collective achievements and fight together to protect it, we have every chance of succeeding. Of course, this is in our own interest, but it is also in the interest of Quebec’s economy,” concluded Mr. Letendre.

About Les Producteurs de lait du Québec

Les Producteurs de lait du Québec, affiliated with the UPA, represents Quebec’s 5,900 producers who deliver nearly 3 billion litres of milk every year, which yield a total of \$2 billion in farm receipts. Milk production creates around 83,000 jobs in Quebec and contributes as much as \$5.1 billion to the gross domestic product. www.lait.org

- 30 -

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