



Les
Producteurs
de lait
du Québec

Agreement on Internal Trade (AIT)

- In 2009, despite our heated opposition, the Quebec government ratified a new agriculture chapter in the Agreement on Internal Trade (AIT) concerning technical measures and including provisions on food composition and labelling. At the time, we expressed our fear that the new version of the AIT would call into question Quebec's exercise of its full powers in regulating food labelling and composition and jeopardize measures to promote the collective marketing and supply management of agricultural products.

- As a result of our representations, a special note was added to chapter nine of the AIT specifying that it does not apply to supply management or collective marketing-related measures.

- We also knew that this new chapter would leave the door wide open to challenges of sections 7.1 and 7.2 of the Food Products Act. These sections concern the marketing of dairy product substitutes and mixtures of substitutes and dairy products.
- In March 2014, a panel set up by the AIT at the request of British Columbia and Saskatchewan deemed, as we feared, that sections 7.1 and 7.2 did not comply with the AIT, but also that section 4.1, a provision of Quebec law that protects consumers from the use of dairy terms or images evoking the dairy industry on labels for oil or vegetable protein-based substitutes, did not comply with articles 403 (no obstacles) and 905 (right to adopt technical measures) of the AIT. The panel argued that such a strict rule does not exist elsewhere in Canada. Quebec appealed this decision.

- **THE QUEBEC GOVERNMENT MUST NOT ALLOW THE RULES ON FOOD COMPOSITION AND LABELLING TO BE EVENED OUT.**

In 2014, the federal and provincial governments began talks on renewing the Agreement on Internal Trade (AIT).

- **THE QUEBEC GOVERNMENT MUST MAKE SURE THAT THE NEW AGREEMENT MAINTAINS ALL OF THE CONDITIONS REQUIRED FOR COLLECTIVE MARKETING AND SUPPLY MANAGEMENT.**

An explanatory note for chapter nine of the current version of the AIT states that it does not apply to supply management and collective marketing-related measures.

- **THE QUEBEC GOVERNMENT MUST DEFEND ITS RIGHT TO PREVENT DAIRY TERMS FROM BEING USED ON PRODUCTS THAT DO NOT CONTAIN THEM.**