



Les  
Producteurs  
de lait  
du Québec

**Press release**  
*For immediate release*

*Annual General Meeting of Les producteurs de lait du Québec:*  
**The dairy industry and supply management must be excluded from NAFTA  
renegotiation**

Quebec City, April 12, 2017 – At its Annual General Meeting, Les Producteurs de lait du Québec asked the federal government to exclude the dairy industry and supply management from the renegotiation of the North American Free Trade Agreement, just like the government at the time did in the agreement that was signed in 1994.

**“The Canadian government must stand up to the United States to keep supply management fully intact and refuse to concede any additional access to our market or any tariff reductions during the renegotiation of NAFTA,”** stated Chair Bruno Letendre, while mentioning in the same breath that he would fully cooperate with Canadian politicians to achieve this aim.

Mr. Letendre also pointed out that under the current NAFTA terms, the Canadian dairy market is already quite open to the United States. In fact, three quarters of the 234,000 tonnes of dairy products imported into the country in 2016 came from the United States, which makes it the largest dairy exporter here. **“NAFTA has not prevented growth in dairy trade between the United States and Canada,”** stated Chair Bruno Letendre, a milk producer in Estrie.

Canada, which imports over 8% of the dairy products it consumes, has a much more open market than the U.S. market, which imports less than 2% of these products. That is why Les Producteurs de lait du Québec believes that no more ground can be given to the United States, after the concessions that were made to the Europeans for the Comprehensive Economic and Trade Agreement (CETA).

Furthermore, since this trade agreement is supposed to come into force this year, milk producers asked the government to not delay in disclosing the details of the 5-year \$250 million program to upgrade Canadian dairy enterprises, which was announced nearly six months ago. Also, the Chair of Les Producteurs de lait du Québec demanded that Ottawa introduce **“a second phase of support for producers that more effectively covers the permanent losses they will incur, such as an equitable compensation program for the men and women who will lose work and income once CETA comes into force.”**

Along with milk producers, cheese makers stand to be the most adversely affected by CETA. Cheese import quotas should be allocated to them. **“Cheese makers will then be able to position themselves better against the European competition by investing in innovation and higher performance facilities. It would be unfair if retailers or importers pocketed the profits from these imports when their businesses are not affected at all,”** explained Mr. Letendre.



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Finally, the Chair reiterated the importance of supply management, a legitimate economic model that makes it possible for the entire dairy industry, not just milk producers, to contribute to the growth of the economy and job creation. **“With supply management, consumers enjoy a source of high quality, fairly priced milk and dairy products, the federal and provincial governments receive \$1.3 billion in taxes from Quebec’s dairy industry, tax payers do not have to pay out of their pockets to subsidize producers’ income, processors enjoy stable, predictable supplies, and producers receive a decent price for their work,”** concluded Mr. Letendre.

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

Les Producteurs de lait du Québec, affiliated with the UPA, represents Quebec’s 5,473 dairy farms, which annually deliver over 3 billion litres of milk every year, 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)

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