



## NAFTA: End the concessions in supply management!

Quebec City, April 11, 2018 - Les Producteurs de lait du Québec is concerned about the future of the 5,300 family farms and the 83,000 jobs generated by milk production, as the NAFTA negotiations heat up. **“The constant threat of new market concessions – which looms over our farms and our families, our financial and human investments – needs to stop. The dairy sector has been used quite enough as a bargaining chip in trade agreements. It’s time for this to end!”** protested Bruno Letendre, the Chair of Les Producteurs de lait du Québec, at the Annual General Meeting.

Canada must remain very firm on the objective that it set for itself at the very beginning of the negotiations: preserve the exception for supply management in the agreement. **“To date, Canada has firmly rejected the U.S. demand to end our agriculture policy. Its own agricultural policy, the trillion dollar Farm Bill, which directly or indirectly subsidizes its farmers, is not on the negotiating table. There is no reason for ours to be on it!”** reiterated Mr. Letendre.

**“Actions will need to follow words until the end of the negotiations. Canada must refuse to grant any more access to our market in NAFTA, but also in future treaties, starting with the one with the Mercosur countries,”** added the Chair.

It is also important to note that supply management and the current NAFTA do not inhibit the milk trade between the two neighbours. Responsible for three-fourths of the some 200,000 tonnes of dairy products imported into Canada, the United States is the number one exporter of dairy products to Canada. The U.S. demand to end supply management is therefore not in any way justified, no more than market concessions would be, when considering the trade balance which is already much to the advantage of the United States.

Recently, milk producers have been on the losing end of the Comprehensive Economic and Trade Agreement and the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership. The Canadian government has made concessions that will ultimately lead to \$260 million in annual losses for Canadian milk producers.

The United States should not turn to NAFTA to find opportunities for the excess milk it produces. **“If the United States wants more access to our market, it should rejoin the CPTPP!”** stated Bruno Letendre. The concessions in the Canadian dairy market had been granted in the new Trans-Pacific Partnership at their request.

### **New label policy: Exempt dairy products!**

The federal government’s future label policy for foods containing more than a 15% daily value in salt, sugar or fat is another issue for the 11,500 dairy producers in the province.

If Health Canada does not review its regulation, dairy products, such as yogurt and cheese, may become innocent victims of this dietary witch hunt, whereas many varieties of carbonated beverages and chips would not be subject to the policy.

Dairy products contain 16 essential nutrients for a healthy diet. The government needs to accept this evidence and avoid implementing a policy that will cause confusion among consumers about the overall nutritional value of foods.

In recent years, scientific literature has unequivocally concluded that milk fat is not detrimental to health. Dairy products may even contribute to reducing the risk of certain heart diseases, high blood pressure, and strokes (CVAs), and play a role in preventing type 2 cancer and colorectal cancer.

Health Canada acknowledged these facts<sup>1</sup> in the scientific evidence it used as the basis for its recommendations. The regulatory body also indicated that whole milk will be exempted from the label policy. **“Why would Health Canada want other dairy products, which are just as rich in nutrients as milk, to be labelled as unhealthy, just because they do not meet specific maximum levels for certain ingredients?”** questioned Bruno Letendre.

**“The future regulation concerning labels on the front of foods is a non-holistic approach that lacks judgment, balance and nuance,”** criticised the Chair. He called for the government to use common sense and rethink its bill. **“The government needs to evaluate the nutrition of foods in its entirety, while taking in account the most recent scientific data,”** he stated.

<sup>1</sup> Health Canada, Evidence Review for Dietary Guidance: Summary of Results and Implications for Canada's Food Guide, 2015.

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

Les Producteurs de lait du Québec, affiliated with the UPA, represents Quebec's 5,308 dairy farms, which deliver roughly 3.3 billion litres of milk, for a total of over \$2.58 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. For more information, visit our Web site at [www.lait.org](http://www.lait.org) or follow us on [Twitter](https://twitter.com/laitorg).

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