



Les
Producteurs
de lait
du Québec

PRESS RELEASE
FOR IMMEDIATE RELEASE

Milk producers satisfied with the CETA and CPTPP compensation announcement

Longueuil, November 28, 2020 – Les Producteurs de lait du Québec (PLQ) is satisfied that the government has announced the details of the next compensation payment for the market losses conceded by the Canadian government in the Comprehensive Economic and Trade Agreement (CETA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). **“This announcement is in keeping with the commitment that the government made in the March 2019 federal budget. We are also satisfied that the federal government answered our demand for a specific payment schedule and the amounts to be paid in the remaining years of the program, and that payments will be made directly to producers,”** stated Daniel Gobeil, Chair of Les Producteurs de lait du Québec.

The announced compensation will help keep our regional economies healthy. **“Our farms cannot relocate abroad. The compensation paid to producers will be spent and reinvested here,”** added Mr. Gobeil. Our producers already invest over \$500 million every year in their farms to upgrade buildings, equipment and machinery. **“That’s \$3 billion that has gone back into our regional economies in the last five years, and the compensation paid will be reinvested in addition to that amount to keep various sectors of our regional economies afloat that need it, especially because of the pandemic,”** explained Mr. Gobeil.

“I would also like to thank all the members of the House of Commons who unanimously backed a motion last Thursday in favour of compensating supply-managed sectors,” added Mr. Gobeil.

CUSMA AND OTHER TRADE AGREEMENTS

Nothing has been announced yet on the issue of the losses caused by CUSMA, even though this agreement came into force in the summer and the impacts can already be felt in our markets. In the 2019 federal budget, the government pledged to keep working in partnership with supply management stakeholders to address the impacts on processing, as well as potential future impacts of the Canada-United States-Mexico Agreement. **“We hope to work with the minister as soon as possible so that we can quickly agree on an envelope and the terms and conditions for the CUSMA compensation program. We also ask that the federal government continue to keep its promise to stop making concessions in the dairy sector in other trade negotiations, just as it did in the transitional agreement between Canada and the United Kingdom,”** concluded Daniel Gobeil.

Remember that Quebec and Canadian dairy farmers have to come to terms with losing 8.4% of their market due to the concessions granted in three trade agreement signed by the federal government: the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

(CPTPP), the Comprehensive and Economic Trade Agreement (CETA), and the Canada–United States–Mexico Agreement (CUSMA). These concessions represent \$450 million in lost sales on farms across Canada that were handed over to other countries. For Quebec, it represents \$165 million of primary economic activities that our regions will never recoup.

About Les Producteurs de lait du Québec

Les Producteurs de lait du Québec, affiliated with the UPA, represents Quebec’s 4,877 dairy farms, which deliver roughly 3.33 billion litres of milk, for a total of over \$2.7 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.

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François Dumontier
Director – Communications, Public Affairs and Union Support
Les Producteurs de lait du Québec
514 713-0530
fdumontier@lait.qc.ca