



Canadian Participation in a Trans-Pacific Partnership Agreement

Crucial for the Livestock and Meat Sector

Ottawa, May 7, 2015: Canadian participation in a Trans-Pacific Partnership (TPP) free trade agreement will be crucial to the future sustainability of Canada's livestock and meat sector. This declaration was issued today by the Canadian Meat Council Board of Directors during the industry's 95th Annual Conference in Ottawa.

Accounting for \$24 billion in sales, \$5.7 billion in exports, and 65,000 jobs, the meat industry is the largest segment of the Canadian food processing sector. The industry provides a direct market outlet for Canada's 75,000 livestock producers, an indirect market for grain growers, and vital economic activity for municipalities. Accounting for more than 50% of beef production and 60% of pork production, exports are indispensable to the viability of the livestock and meat sector.

"The Trans-Pacific Partnership negotiations are at present the most critical initiative in determining the future prospects for international trade and competitiveness, and Canada must be on the podium when the final deal is signed. Anything less than the retention of a level playing field with our TPP competitors would not be an acceptable outcome," said Canadian Meat Council President Joe Reda. "The Canadian Meat Council calls on all political parties in Canada to step up to the plate and acknowledge the pivotal importance for Canada of maintaining competitive access to international markets for Canadian agriculture and agri-food products," added Reda.

"The only avenue that will permit continued Canadian competitiveness in vital trans-Pacific markets is equivalent access and this can be achieved only through full participation in the TPP negotiations and ultimate agreement. Maintaining market access parity with TPP competitors will allow the livestock and meat sector to expand production and profitability for Canadian farmers, strengthen exports and international competitiveness for the meat industry, and increase jobs and economic growth for Canadians," said Canadian Meat Council Executive Director Jim Laws. "Conversely, the loss of market access parity would immediately place at risk not only more than \$1 billion of current Canadian meat exports, but also the producer revenues, the many thousands of jobs, and the local economic wealth that they create," added Laws.

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MEAT...
GOOD FOR YOU.
GOOD FOR CANADA.

LA VIANDE...
BONNE POUR VOUS.
BONNE POUR LE CANADA.

The TPP negotiations include 12 countries: Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam. Not only do these nations already account for 40% of world economic output, they account for 77% of Canadian meat exports.

Other countries are expected to join the TPP in the future. The terms and conditions of accession will be established by the initial TPP members. It is always preferable to be a founding member of an international trade agreement than to pay for membership at a subsequent date.

At present, Canada has free trade agreements with four TPP countries: Chile, Mexico, Peru and the United States. However, this is not the case for Australia, Brunei Darussalam, Japan, Malaysia, New Zealand, Singapore and Vietnam.

Japan is the world's most important importer of pork as well as the third largest importer of beef. Last year, Canadian exports of meat products to Japan were valued at \$1.1 billion. Japan was Canada's number one export market for horsemeat (ahead of France and Switzerland), second most important foreign customer for pork (after only the United States) and fourth largest international destination for beef (after the United States, Hong Kong and Mexico). The loss of competitive access to the critical Japanese market would be devastating for farmers, meat packers, workers and rural communities from coast to coast across Canada.

Japan is not the only TPP country of importance to the Canadian livestock and meat sector. Last year, Canadian exports of meat products to Malaysia, Singapore and Vietnam totalled \$2.2 million, \$8.5 million, and \$1.7 million, respectively. As is the case for Japan, it is anticipated that Canadian meat exports to these countries also will grow significantly following the implementation of a Trans-Pacific Partnership free trade agreement.

In 2014, meat exports to other TPP countries were as follow: Australia, \$94 million; Chile, \$41 million; Mexico, \$340 million; New Zealand, \$25 million; Peru, \$6 million; and the United States, \$2.8 billion.

The Canadian Meat Council has been representing Canada's federally inspected meat processing industry since 1919.

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