



CAFTA ACCA

Canadian Agri-Food
Trade Alliance

Alliance canadienne
du commerce
agroalimentaire

The Right Honourable Justin Trudeau, Prime Minister and Leader of the Liberal Party of Canada
The Honourable Erin O'Toole, Leader of the Official Opposition and Leader of the Conservative Party of Canada
Jagmeet Singh, Leader of the New Democratic Party of Canada
Yves-François Blanchet, Leader of the Bloc Québécois
Annemie Paul, Leader of the Green Party of Canada

Nov 27, 2020

RE: Bill C-216 an act to make it illegal to include SM in ongoing and future negotiations

Dear Party Leaders:

As the voice of Canadian agri-food exporters, representing the vast majority of Canadian farmers who depend on trade and the producers, food manufacturers and agri-food exporters who grow the economy through better access to foreign markets, we write to respectfully urge you to not support Bill C-216: an act to make it illegal to include supply management in ongoing and future negotiations.

CAFTA is deeply concerned about legislating the exclusion of products or sectors from trade negotiations, a move that would irritate relationships with key trading partners and jeopardize the foundation of our economic engine as a trading nation.

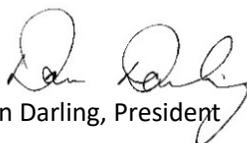
At the very least, Bill C-216 not only contradicts trade rules, it is counterproductive to our interests and effectively ties the hands of negotiators before negotiations even begin. As such, it would severely constrain the government's ability to negotiate the best deals for Canada and in turn for Canadian agri-food exporters and workers. Put simply, this would be detrimental to our ability to generate growth and support about a million jobs across Canada.

Furthermore, such legislation would set a dangerous precedent inviting other sectors and trading partners to seek exclusions from trade negotiations. We must recognize that encouraging countries to avoid making significant concessions on their end would only lead to less ambitious and less commercially meaningful outcomes across all economic sectors.

Ultimately, by making it impossible for partners to even contemplate a win (big or small) in these sectors, Bill C-216 would reduce opportunities to be invited to a seat at the table of various bilateral and multilateral negotiations and put Canada on a collision course with the United States and many other trading partners, especially when it is time to review, extend or modernize existing trade agreements. Increasing the leverage of other trading nations threatening to rip up existing trade deals threatens Canada's relationships, erodes needed stability and predictability and jeopardizes the very foundation of our trade-reliant economy.

We should learn from the renegotiation of the NAFTA that we should not take FTAs for granted. We ask that you oppose Bill C-216 to allow Canada to preserve its robust ability to negotiate comprehensive trade agreements that help secure Canada's long-term economic success with the broad national interest in mind.

Sincerely,



Dan Darling, President

ADDENDUM

Additional significant negative consequences from Bill C-216 becoming law and part of Canada's official trade policy

1. From a trade policy perspective

- Legislating Canada's ability to make a decision (on concessions) contradicts the objective of achieving comprehensive trade outcomes
- Would set a precedent and lead other sectors to also seek exclusions from trade talks which would further frustrate Canada's ability to negotiate new trade agreements and review existing agreements
- Would set a precedent and lead other countries to exclude products or sectors from trade discussions where Canada has offensive interests
- Would lead to an exacerbation of protectionist sentiment around the world at a time when it is already on the rise

2. From a trade negotiating perspective

- Constraining Canadian negotiators from the outset of any new trade negotiation and effectively tying their hands before negotiations even begin
- Limiting the flexibility of Canadian negotiators to reach a balance of concessions to secure the best deal for Canada and in turn for Canadian agri-food exports
- Reducing the leverage of Canadian negotiators by unilaterally revealing information to the other party

3. From a political perspective

- Could increase the leverage of trading partners threatening to refuse to extend, review or modernize existing trade agreements
- Would set a dangerous precedent which would limit our ability to even be invited to a seat at the table of various bilateral and multilateral negotiations which would be devastating for a trade-reliant nation
- Would severely jeopardize Canada's ability to negotiate and conclude any comprehensive trade negotiations where Canada has significant offense interests even where massive benefits may be accrued

4. From an economic perspective

- Would lead to less ambitious and less commercially meaningful outcomes across all economic sectors because it would encourage every country to avoid making any significant concessions, especially in sensitive areas
- Would prioritize the economic interests of the products or sectors excluded above the economic interests of any other sectors in Canada