

January 18, 2018

CANADIAN MEAT COUNCIL SUPPORTS CPTPP

The Canadian Meat Council is part of the coalition of agricultural industry leaders calling for the Government of Canada to sign on to the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and promptly secure a deal for Canada before this window of opportunity permanently closes.

Should Canada sign the CPTPP, upon enactment, we will immediately see Japan's beef tariffs drop to the Australia level of 27%, which is an 11% advantage over the United States and other competitors. This is among the many trade advantages Canada could look forward to, as a signatory of the partnership. The Canadian Meat Council is confident that this deal would increase beef and pork sales by at least \$500 million, creating the potential to support an additional 5,800 jobs.

Left out of CPTPP, Canada would be "tariffed-out" of Japan, a \$1.2 billion market for Canadian meat exports. A deal without Canada could spell disaster for the Canadian meat industry as well as for other exporting industries. Regional economic impacts associated with the red meat products supply chain are largest in central Canada with real GDP impacts of \$4.3 billion in Ontario, and nearly \$3.0 billion in Quebec.

For signatory exporters, Japan's beef tariffs would immediately drop to match the level for Australian beef 27% while Canada would remain at 38.5%. Each year, tariff rates for signatories would drop further until they reach 9%, while Canada would be stuck at a towering 38.5%. For pork, the focal point is to remain competitive with other suppliers, specifically, Mexico that already has a deal with Japan as well as the European Union that just finalized negotiations for a trade agreement with Japan. Additionally, signing CPTPP provides preferential access to emerging markets in Asia.

The loss of Japan, one of Canada's most valuable markets, would jeopardize 20% of our current global export value for meats, 14,000 jobs and, forfeit our sector's ability to contribute to the Government of Canada's agri-food export goal of \$75 billion by 2025. CPTPP is good for Canadian exporters and the broader Canadian economy. Failure to participate would jeopardize thousands of jobs across the Canadian economy and would forfeit competitiveness in existing and emerging Pacific markets to foreign exporters, particularly those included in a CPTPP without Canada.

The Canadian Meat Council strongly urges the Government of Canada to sign CPTPP.

About the Canadian Meat Council: For nearly a century, the CMC has represented Canada's federally registered meat packers, meat processors and equipment suppliers. The Council provides evidence-based advocacy on behalf of its members. CMC works to secure and improve Canada's global meat competitiveness and, promote a balanced diet, which includes high-quality and nutritious Canadian meat.

For more information, please contact:

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