

Media Release

Animal Industry Corn Users Disappointed by Canadian International Trade Tribunal Preliminary Injury Decision on Corn

For Immediate Release

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Ottawa – The Animal Industry Corn Users (AICU), a coalition comprised of the Canadian Cattlemen’s Association, Canadian Pork Council, and Animal Nutrition Association of Canada expressed concern and disappointment following the decision by the Canadian International Trade Tribunal (CITT) to allow the Canada Border Services Agency’s anti-dumping and countervailing duty investigations of unprocessed grain corn from the United States to continue.

“We made strong arguments to the Tribunal that the facts do not support continuing the investigation into trade injury,” says Kathleen Sullivan, General Manager of the Animal Nutrition Association of Canada. “U.S. subsidies do not increase corn imports; in fact, corn imports are declining. We are not dealing with increased imports. Imports are taking the blame. The evidence, over many years, is that U.S. corn imports are residual and complementary to Canadian production.”

The Canadian Corn Producers have publicly stated that their real objective is to bring back the former income safety net in Ontario. “They want the same type of income support as American farmers have. And they are using their customers to increase their leverage”, said John Masswohl of the Canadian Cattlemen’s Association. “Beef producers continue to offer to work cooperatively with corn producers and urge them to discontinue their confrontational approach.”

“The Tribunal’s reasons for this decision will not be available until the end of the month,” explains Clare Schlegel. “We look forward to reading the CITT’s rationale and trying to understand this decision, but it will not prevent our efforts to secure a common

sense solution. We need to work together, with government, to find solutions that won't jeopardize each other's industries."

AICU is stepping up its information campaign with political decision makers at all levels of government across Canada, Mr. Schlegel adds. "We cannot allow duties to create an imbalance in costs in the integrated North American market. We will lose feeding and finishing to the U.S. Canadian processing will be lost to the United States – and increased exports of young pigs and beef cattle will attract trade actions from U.S. producers."

AICU is urging the Canadian government:

- 1) To delay the Preliminary Determination to January 30, 2006, so that it is not released on its current schedule, with potentially complicating implications for WTO agricultural negotiations in Hong Kong;
- 2) That Ministers direct the CITT to consider the public interest in parallel with its examination of injury; and,
- 3) To recommend to the President of the Canada Border Services Agency to exercise his discretion to *not* collect provisional duties.

"Proceeding in this case will have serious adverse effects on corn users, and will backfire on corn growers," explains John Masswohl. "The Government has the means to minimize this disruption – over 100,000 Canadian livestock producers and their families represented by our coalition are making it very clear we know what the Government *can* do. And we want Government to do the right thing."

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