

CPC Tells House Committee: Get 'er done!

April 22, 2016, (Ottawa, Ont.) – The organization representing Canada's hog producers has submitted views to the House of Commons Standing Committee on International Trade urging ratification by Canada of the Trans-Pacific Partnership (TPP) agreement.

"The Canadian pork sector is a classic example of what can occur with improved terms of trade," wrote CPC chair, Rick Bergmann, on behalf of its 7,000 members. "Well over 70 per cent of our industry's output is now exported, with pork and pork products shipped to almost 100 countries. In the roughly 25 years since implementation of the Canada-United States Trade Agreement, followed by NAFTA, completion of the Uruguay Round of multilateral trade negotiations and the ratification of several bilateral and regional trade agreements, our industry's exports have grown from just over \$700 million to now a \$4 billion economic activity."

The submission stressed that Canada needs to avoid a repeat of the South Korea experience that saw the United States, the European Union and other major competitors secure free trade deals with South Korea before Canada resulting in the Canadian pork sector losing its traditional market share in Korea almost immediately. Pork exports to that country fell 67 per cent within just two years after the Korea-U.S. FTA went into effect. Considering that the eleven other Pacific Rim countries in the TPP agreement account for 80 per cent of Canadian pork exports, being left out of TPP would be far worse.

"We have a very good idea, from our experience with South Korea, of what it would mean for our industry if Canada failed to be a participant in this landmark trade agreement should it be implemented and which includes such a significant portion of our existing foreign sales," Bergmann wrote.

The submission went on to indicate significant benefits from the TPP for Canadian pork producers, including preserving Canada's ability to export to Japan – a billion dollar market for Canadian pork – on terms equal to other TPP members who compete in that market. It concluded with a recommendation that if by the end of 2016, the United States has not ratified the TPP, Canada should launch an aggressive trade negotiations strategy – bilateral and/or regional – to secure favourable trade access conditions with key existing and emerging Asian countries including Japan, Vietnam and Philippines.

The CPC serves as the national voice for hog producers in Canada. It represents nine provincial pork industry associations and approximately 7,000 hog farms, producing 25.5 million animals a year and generating over \$13 billion in economic activity. The 31,000 farm jobs they create contribute to the total direct, indirect and induced \$23.8 billion and 103,000 jobs across the

country. The organization's purpose is to play a leadership role in achieving and maintaining a dynamic and prosperous Canadian pork sector.

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