



CANADIAN
CATTLEMEN'S
ASSOCIATION

National Voice Of Cattle Producers

News Release

Canadian beef producers applaud signature of CPTPP Agreement

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Calgary, AB – International Trade Minister François-Philippe Champagne gathered with his counterparts from 10 other countries today in Santiago, Chile today to sign the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), also referred to as TPP11.

Canadian Cattlemen's Association (CCA) Vice President David Haywood-Farmer, a beef farmer from Savona, British Columbia, was present to witness the signing. Haywood-Farmer congratulates the Government of Canada for joining the new trade agreement, which provides beef producers with competitive access to Japan, Vietnam and other dynamic markets in the Asia-Pacific region.

"This is an extremely positive development for Canada's entire beef sector," said Haywood-Farmer. "The CCA is very proud to have been a principal advocate for resurrecting the market access provisions of the TPP. I applaud and thank Minister Champagne and Agriculture Minister Lawrence MacAulay for their diligence and leadership in achieving this landmark agreement," he said.

The CPTPP is a massive opportunity for Canada's beef sector, particularly in the Japanese market. Japan imported US\$4.4 billion of beef in 2017. Canada was the fourth largest beef supplier to Japan with \$133 million, behind Australia (\$1.9 billion), United States (\$2.1 billion), and New Zealand (\$152 million). Those trade figures were achieved with Canada, the U.S. and New Zealand all paying a 38.5 per cent tariff on beef exports to Japan, while Australia enjoys an increasingly preferential tariff.

Once the CPTPP is implemented, Canadian beef will immediately be imported into Japan at the same preferential tariff as Australian beef. We will also be relieved from the current Japanese 50 per cent safeguard tariff on frozen beef that has been in place since July 2017. Importantly, we will enjoy a competitive advantage over American beef as the U.S. will not be part of the agreement and will remain at a much higher tariff.

This new market access in the Asia Pacific region is of vital importance to the hard-working farm families who operate Canada's 60,000 beef farms and feedlots. Earlier estimates for the original TPP including the U.S indicated that Canadian beef exports to Japan would see an increase of over \$200 million. More recent analysis from the Government of Canada indicates that without the U.S., CPTPP is expected to increase Canadian beef exports by \$380 million. The CCA believes this increase is realistic and will be enjoyed across Canada with processors in Eastern Canada and thriving regional brands like Ontario Corn Feed Beef and Prince Edward Island Certified Beef also benefitting alongside their Western counterparts and the Alberta Beef brand.

Moreover, the CPTPP will be beneficial for the Canadian economy. When the Canadian economy is growing, and Canadians are confident in their financial situation, domestic demand for Canadian beef remains strong.

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*The CCA is the national voice for Canada's beef cattle industry representing 60,000 beef farms and feedlots.
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