



News Release

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NCFA welcomes first mover advantage for Canada through Royal Assent of CPTPP

OCTOBER 26, 2018 (CALGARY, AB) – The passage of Bill C-79 in the Canadian Senate yesterday and the granting of Royal Assent is being greeted with enthusiastic support by the National Cattle Feeders' Association (NCFA). The bill ratifies implementation of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) trade agreement, which will be of immense benefit to Canada's beef industry.

“This is welcome news for Canadian ranchers and cattle feeders,” said NCFA Chair Ryan Thompson. “The future growth and sustainability of Canada's beef industry depends on increasing our access to international markets, and this trade agreement achieves that in spades.”

The rapidly developing markets of the Asia Pacific region offer enormous opportunities for Canadian beef producers. A significant benefit of the CPTPP will be much improved access to Japan, a market that currently purchases over \$4 billion worth of Canadian agriculture production annually.

“Canadian beef faces a 38.5% tariff in Japan, and that can rise as high as 50% if our exports get too high and Japanese safeguards come into play,” said Thompson. “The CPTPP gives producers an immediate tariff cut of over ten percentage points to 27.5%, with the rate eventually falling to 9%.”

A clear trade priority for Canada's beef industry is to improve access in existing markets and secure access to entirely new markets. The CPTPP delivers on both fronts by widening access to current markets like Japan and Mexico and opening the door to new opportunities in Singapore, Brunei, Malaysia, and Vietnam.

The CPTPP also satisfies what has been a severe competitive disadvantage for Canadian beef in the Asia Pacific. Until now, the only free trade deal that Canada had was with South Korea, while our competitors like Australia had deals with important countries such as Japan and China.

The CPTPP is widely recognized as the world's most modern trade agreement—an agreement that will serve as a foundation for other global trade agreements in the future.

“NCFA urged Ottawa to move swiftly and ratify this agreement before the end of the year so Canada could benefit from first mover advantage,” said Thompson.

“Ottawa heard our request, and we are thankful for the efforts of Prime Minister Trudeau, International Trade Minister Jim Carr, former Trade Ministers François-Phillippe Champagne and Ed Fast, and Senator Grant Mitchell, the Government Liaison in the Senate.”

The National Cattle Feeders' Association was established in 2007 to serve as the voice for Canada's cattle feeding sector on issues of national importance. NCFAs membership is comprised of provincial beef organizations from the major cattle feeding regions of Canada. NCFAs is dedicated to advancing the national fed cattle value chain by focusing on growth and sustainability, competitiveness, and industry leadership.

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