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Re: Public Consultations on the Canada-US-Mexico Agreement (CUSMA)

NCFA is the voice of Canada's cattle feeders. We work to improve the growth, sustainability and competitiveness of the beef sector in Canada. The success of our beef sector relies on Canada having strong trade agreements rooted in science-based rules.

Canada's beef industry contributes \$9.7 billion in farm cash receipts annually, contributes \$21.8 billion to national GDP annually and accounts for 347,000 jobs, each one of which supports another 3.9 jobs elsewhere in the economy.

The Canadian beef sector is export-dependent. Each year Canada exports about half the value of the live cattle we raise and the beef that we produce. The United States accounts for 75% of those exports and Mexico accounts for 5%. As such, Canada's trade relationships within North America are absolute to the success of our sector.

Over the last 10 years, Canadian live cattle and beef exports have seen tremendous growth, driven largely by demand from the United States. While this is a good news story, our industry is disproportionately dependent on the American market. While our sector works to diversify in other global markets, the current geopolitical environment can make that challenging.

In practicality, the Canada and US beef industries operate within a single North American market where processed beef and live cattle move across the border relatively unimpeded and tariff-free. Feed and inputs are also a critical part of this integrated market with the US. As a result of this highly integrated North American beef market, NCFA has a very strong interest in the upcoming CUSMA review. This integrated market provides benefits on both sides of the border and these benefits have been enhanced by CUSMA.

However, despite the benefits of CUSMA, the US continues to put forward non-tariff barriers toward Canadian products. For the beef sector, this has meant that Canada faces US beef labeling rules that are overly onerous and counter the integration of the North American beef supply chain. We must eliminate these scenarios and ensure that no additional barriers arise from the CUSMA review.

Going into the CUSMA review, NCFA calls upon the Canadian government to:

- Do no harm
- Improve market access where possible
- Focus on regulatory cooperation

We call upon the Canadian government to ensure no new tariff or trade restricting measures result from this review. With skyrocketing input costs, unpredictable supply chains and extreme weather conditions, the beef industry is not positioned to sustain a trade disruption with any of our trading partners – most especially the US.

Canada must enter the CUSMA review with a strong and clear position that is not limited by the interest of any one sector. Both countries have trade sensitive commodities, but the goal of this review must be increasing market access to each other's markets. As such, we continue to have grave concerns about the potential of Bill C-282 passing and the impact it will have on the CUSMA review.

With an integrated North American industry, we encourage the government to not underestimate the importance of increased regulatory alignment and cooperation. This can include aligning rules on transportation, disease control measures and inspection requirements so that trade within North America is not impeded by inconsistent rules. We believe many concerns on both sides of the border can be addressed via increased focus on the Regulatory Cooperation Council process.

An equal commitment to the delivery of timely border services is also essential to meet the required inspection by USDA officials and vets when shipping live cattle. We must push for increased service hours at USDA border crossings, not reductions of service.

And finally, it is essential to establish equivalent rules for the approval process of new and renewed products, ensuring that Canadian and American farmers have access to the same tools at the same time. This will allow for the free movement of live animals across the border, with confidence that the products used in animal feed and/or production are accepted in both countries.

We urge the government to protect the economic and competitive benefits that currently live within CUSMA.

Submitted by,



Will Lowe
Chair – National Cattle Feeders' Association