



## Canadian Beef Producers Extremely Disappointed by US Tariffs to Begin February 4

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Calgary, AB – The Canadian Cattle Association (CCA) and National Cattle Feeders' Association (NCFA) are extremely disappointed that 25% tariffs will be implemented on Tuesday, February 4 on all products imported into the United States from Canada. We will continue working together with the Government of Canada and partners on both sides of the border to remove tariffs on live cattle and beef.

"The integration of the North American live cattle and beef supply chain is unlike anywhere in the world, contributing to both food security and local and regional food systems," says Nathan Phinney, CCA President. "The United States and Canada have the largest two-way trade in live cattle and beef in the world. American-born cattle are fed in Canadian feedlots before returning to the United States for processing. Tariffs would greatly increase the cost of processing cattle and ultimately the cost of beef on both sides of the border."

Will Lowe, Chair National Cattle Feeders' Association, adds that a substantial number of live cattle are transported from Canada to the United States for processing. US processing plants rely on Canadian live cattle to maintain maximum processing capacity. This provides significant economic benefits and job opportunities to the northern US states.

Phinney emphasizes that the Canadian beef industry is a strong advocate of free and open trade. "We expect our trade agreements to be respected and honoured. International trade is advanced through negotiation and compromise, as was done with the revision of NAFTA by President Trump himself."

Every day, \$3.6 billion CDN in goods crosses the Canada–U.S. border, resulting in a \$1.3 trillion annual trade relationship. Notably, Canadians purchase \$722 USD/person of U.S. agricultural products each year while Americans purchase just \$118 USD/person of Canadian agricultural products annually.

The American and Canadian beef and cattle industries are partners in that cross-border trade, with small and medium sized processors and local and regional food systems on both sides of the border relying on the free flow of cattle and beef across the border.

"The impact of this tariff on cattle producers will be felt immediately and severely. The cattle sector is a highly integrated North American market. When dealing with live animals you are not able to pivot quickly, and this tariff could cripple the world-renowned beef industry on both side of the border," said Lowe.

Phinney noted that, "Tariffs will create significant impacts on both the Canadian and American beef and cattle industries, implicating prices, production, trade flows, and margins as well as the utilization of feedlots, packing plants, trucking, and on our other upstream and downstream partners in the supply chain. We can expect an immediate increase in volatility."

The beef industry will be seeking an exemption and will be advocating for any relief support necessary for Canadian beef producers. The impact of the tariff will be felt by beef producers and all of agriculture across North America, jeopardizing American jobs throughout the value chain and increasing costs for citizens of both Canada and the United States at the grocery store and in restaurants.





For further information, contact:

Tina Zakowsky Communications Manager Canadian Cattle Association 403-451-0931 <u>zakowskyt@cattle.ca</u> Gina Devlin Communications Manager National Cattle Feeders' Association 403-250-2509 ext. 204 gdevlin@cattlefeeders.ca