

Canadian Agri-Food Exporters Urge Canada to Push Ahead with TPP

Ottawa, July 10 – As negotiators from eleven Trans-Pacific Partnership countries meet in Japan this week, the Canadian Agri-Food Trade Alliance (CAFTA) strongly urges the Government of Canada to make every possible effort to implement the TPP as soon as possible. It is a necessary step for agri-food exports to meet the \$75 billion annual target set in the 2017 Federal Budget.

“Export driven agri-food can deliver growth and jobs by increasing our exports to \$75 billion by 2025,” said Brian Innes, President of CAFTA. “But there’s no way we can deliver growth if we don’t have competitive access to the markets that matter. The TPP is critical because it includes Japan, a market that demands \$4 billion of our agri-food exports every year.”

Canadian agri-food exporters have built a high-value and stable market in Japan, based on competitive access with other exporters. It is an important market for many agri-food exports, especially for canola, pork, wheat, soybeans, beef, malt, and barley. Key competitors for Canada’s agri-food exports to Japan already have, or will have, preferred access to the Japanese market – putting the existing \$4 billion in Canadian agri-food exports at risk and limiting further growth. Australia has had preferred access since 2015 when their agreement was implemented and the EU just announced last week that they have concluded their negotiations with Japan.

“We’re witnessing the start of a train wreck,” says Innes. “There’s still time, but watching other countries implement trade agreements with a key market like Japan while Canada has no agreement will cost us jobs and limit our growth.”

This week’s meeting in Hakone, Japan, offers the opportunity for government officials to work on how the agreement can come into force without the United States. Several TPP countries such as Japan and New Zealand have already passed legislation to implement the agreement. A productive meeting in Japan this week will pave the way for trade ministers of the TPP-11 to sign off on a revised agreement at their scheduled meeting in November. There’s increasing evidence that this will be good for Canada.

A recent report by the Canada West Foundation affirms what CAFTA has been urging for some time: the TPP will be positive for all member countries, even if the United States does not participate. *The Art of the Trade Deal: Quantifying the Benefits of a TPP without the United States* predicts trade expansion and economic growth across the 11 countries. In fact, in many cases the net benefits of implementing the TPP – including for Canada – will actually be greater than the original TPP with the United States.

Negotiations of the TPP, with the benefit of strong U.S. leadership, were completed in 2015. CAFTA was an active and strong supporter of Canadian participation and has always recommended its adoption by Canada. Mr. Innes noted that the TPP also secures favourable access to markets with growth potential such as Vietnam and Malaysia, while also setting a framework for open and stable trade in the Asia Pacific that other countries can join in the future.



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CAFTA enthusiastically supports the ambitious trade negotiation agenda of the federal government, including a Canada-China free trade agreement and modernized NAFTA. It is important that Canada seize all available opportunities to enable growth.

“Implementing the TPP will take much less time compared to pursuing a multitude of bilateral deals which have not yet begun”, said Mr. Innes.

Innes adds that the TPP is a trade agreement designed to expand in membership. Shortly following the completion of the deal, other Pacific nations indicated interest in joining the TPP, including Korea and several ASEAN members such as Philippines and Thailand.

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About CAFTA

CAFTA is the voice of Canadian agriculture and agri-food exporters. CAFTA members represent over 90 per cent of Canada’s agriculture and agri-food exports, more than \$55 billion in exports annually. The economic activity created by CAFTA members supports hundreds of thousands of jobs in agriculture and food manufacturing. A significant portion of these jobs would not exist without competitive access to world markets. CAFTA members represent farmers, producers, processors and exporters from the trade dependent sectors including the beef, pork, grains, oilseeds, sugar, pulse, soy and malt sectors.

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