



NEWS RELEASE

FOR IMMEDIATE RELEASE

SEPTEMBER 1, 2016

CONTACT:

Mark O'Keefe U.S. Dairy Export Council PHONE: 703-528-3049

mokeefe@usdec.org

Chris Galen National Milk Producers Federation PHONE: 703-243-6111

cgalen@nmpf.org

USDEC, NMPF Laud Senators Schumer, Baldwin for Urging Investigation of New Canadian Barriers

ARLINGTON, VA – The U.S. Dairy Export Council (USDEC) and the National Milk Producers Federation (NMPF) today praised Sens. Chuck Schumer (D-NY) and Tammy Baldwin (D-WI) for urging an investigation into Canadian dairy pricing policies that have impacted current trade and stand to negatively affect U.S. dairy farmers and manufacturers, jeopardizing the country's trade commitment to the United States.

In a letter to U.S. Trade Representative Michael Froman and Agriculture Secretary Tom Vilsack, Schumer and Baldwin expressed concern about Canada's recently announced National Ingredients Strategy and its already active Ontario Class VI pricing program. According to the senators, these programs incentivize Canadian processors to use Canadian milk and dairy inputs, penalizing them for the use of imported dairy products.

"We are particularly concerned about reports that through these types of programs, Canada is moving to target New York and Wisconsin exports of ultrafiltered milk," the letter continues. "Companies from our states inform us that they have already lost considerable export sales as a result of the Ontario dairy policy introduced this past spring."

These types of programs are intended to discourage the use of U.S. dairy exports, the senators said, potentially worsening an already challenging economic situation for American dairy farmers.





Schumer and Baldwin also voiced their concern that implementing the new National Ingredients Strategy across Canada could raise further compliance issues with Canada's NAFTA and WTO obligations by "impeding dairy trade" between the two countries.

Jim Mulhern, President and CEO of NMPF, commended the senators for their push to have Canada's policies evaluated, saying: "This letter comes at a critical time for both trade and the well-being of America's dairy producers. We appreciate the Senators' attention to the importance of holding one of our largest trading partners to its international commitments and the key role that the U.S. government must play in doing so."

Tom Suber, president of USDEC, concurred, noting: "Canada has built up a deeply problematic track record of instituting program after program to intentionally erect roadblocks to dairy imports. This volatile situation with a country that should be one of our most reliable trading partners, given the strength of the U.S.-Canada relationship, cannot continue to erode the investments that U.S. dairy companies have made in shipping to this market."

###

The U.S. Dairy Export Council (USDEC) is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC accomplishes this through programs in market development that build global demand for U.S. dairy products, resolve market access barriers and advance industry trade policy goals. USDEC is supported by staff across the United States and overseas in Mexico, South America, Asia, Middle East and Europe.

The National Milk Producers Federation (NMPF), based in Arlington, Va., develops and carries out policies that advance the well-being of U.S. dairy producers and the cooperatives they collectively own. The members of NMPF's cooperatives produce the majority of the U.S, milk supply, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit www.nmpf.org.