



NEWS RELEASE

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U.S. Dairy Companies Push Back Against Canada's Protectionist Policies

*Group Urges U.S. Governors to Aid in Preserving Export Markets and
'Consider All Tools at Their Disposal'*

(Washington, D.C.) The U.S. dairy industry this week continued to push back against Canada's protectionist policies that are effectively blocking American dairy imports into the country in violation of international agreements. A group of 17 dairy companies representing dairy farmers and processors from coast to coast asked governors in 25 states to urge Canadian policymakers to uphold existing trade commitments with the United States and halt the imminent implementation of a national strategy that would unfairly subsidize Canadian dairy products in its domestic and global markets.

“[U.S.-Canada] trade cannot be a one-way street with Canada expecting to enjoy the benefits of exporting its products of interest to our market while denying a sector accounting for hundreds of thousands of jobs in rural America reliable access to the Canadian market,” the group said in its letter to the governors. “[An existing provincial] program has already cost U.S. companies tens of millions of dollars in exports, thereby harming the dairy farmers, dairy plant employees and rural communities that depend on the benefits those foreign sales bring.”

Beginning Feb. 1, Canada is poised to expand the product scope of that provincial program while instituting it nationally. It also intends to disrupt skim milk powder markets around the world by using the new program to dump excess milk powder on global markets.

The 17 dairy companies sent the letter to governors in states with significant numbers of dairy farms and dairy processing companies because of the damage Canada's policies have had already or are poised to have on these farms and companies, as well as their employees and many

communities. The letter urges state officials to “consider all tools at their disposal to ensure Canada understands the seriousness of this issue.” The states are Arizona, California, Colorado, Idaho, Iowa, Indiana, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Mexico, New York, North Dakota, Ohio, Pennsylvania, South Dakota, Texas, Vermont, Virginia, Washington and Wisconsin. [Read the letter here.](#)

Earlier this month, U.S. dairy organizations and state departments of agriculture across the country sent a similar [letter to President Donald Trump](#) that said Canada’s protectionist policies are in direct violation of its trade commitments under the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO). The organizations urged the president and his key cabinet members to take immediate action. The letter to Trump was signed by the International Dairy Foods Association (IDFA), the National Milk Producers Federation (NMPF), the U.S. Dairy Export Council (USDEC) and the National Association of State Departments of Agriculture (NASDA).

“In the current trade climate across North America, it is foolhardy for Canada to continue provoking the United States with a course of action that so blatantly violates our trade agreements,” said Jim Mulhern, president and CEO of NMPF. “We need our nation’s governors to join in our call for Canada to step back from the brink of what it is about to do and take steps to remind Canada how critical trade is to its own interests, as well.”

“Despite Canada’s efforts to distance itself from the administration’s focus on enforcement and improving how NAFTA functions, it is Canada – not Mexico – that has time and again chosen to disregard its dairy trade commitments to the United States and intentionally dismiss serious concerns from the United States about the impact its dairy policies are having on trade,” said Matt McKnight, acting Chief Operating Officer of USDEC. “Canada should take a page out of Mexico’s book and hold up its end of the bargain to us on dairy trade.”

“The U.S. dairy industry is united on this issue because these policies and incentives severely hinder U.S. exports to Canada and threaten our ability to remain competitive in markets around the world,” said Michael Dykes, D.V.M., president and CEO of IDFA. “IDFA will continue to speak out against Canada’s protectionist policies on Capitol Hill, with members of the Trump Administration and among state governors and legislators, while asking for changes that will force Canada to honor its trade commitments and allow more access for U.S. dairy products.”

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About NMPF

The National Milk Producers Federation, based in Arlington, VA, develops and carries out policies that advance the wellbeing of dairy producers and the cooperatives they 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. Visit www.nmpf.org for more information.

About USDEC

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.

About IDFA

The International Dairy Foods Association (IDFA), Washington, D.C., represents the nation's dairy manufacturing and marketing industries and their suppliers, with a membership of nearly 525 companies within a \$125-billion a year industry. IDFA is composed of three constituent organizations: the Milk Industry Foundation (MIF), the National Cheese Institute (NCI) and the International Ice Cream Association (IICA). IDFA's nearly 200 dairy processing members run nearly 600 plant operations, and range from large multi-national organizations to single-plant companies. Together they represent more than 85 percent of the milk, cultured products, cheese, ice cream and frozen desserts produced and marketed in the United States. IDFA can be found online at www.idfa.org.