



FOR IMMEDIATE RELEASE

CONTACTS:

Marti Hogan, IDFA: (202) 220-3535

Christopher Galen, NMPF: (703) 243-6111

Luke Waring, USDEC: (703) 528-3049

Dairy Industry Commends Congress' Call for NAFTA Action on Canada's Dairy Policies

(Washington, D.C. – April 25, 2018) U.S. dairy groups today commended the bipartisan efforts of 68 members of Congress who encouraged the U.S. Trade Representative to eliminate Canada's tariffs on U.S. dairy exports and its protectionist pricing policies during the North American Free Trade Agreement (NAFTA) negotiations. The bipartisan coalition of members of Congress, representing states on both coasts and in the Midwest, sent a letter yesterday to Ambassador Robert Lighthizer, urging him to demand an end to Canada's trade-distorting Class 7 pricing program, as well as its dairy tariffs, which have created an unfair playing field and essentially eliminated U.S. exports of certain dairy products.

In the letter, Reps. Lloyd Smucker, R-Pa., Ron Kind, R-Wis., Chris Collins, R-N.Y., Suzan DelBene, D-Wash., and 64 additional representatives expressed their concerns about Canada's unfair trade practices on behalf of America's 40,000 dairy farmers and the nearly 3 million workers whose jobs are tied to dairy product manufacturing. Canada has imposed stiff tariffs of 200 percent to 300 percent on U.S. dairy exports for many years.

"We commend the efforts of these congressmen for tackling Canada's ever-expanding list of restrictive trade policies, which have had a negative impact on our U.S. dairy industry and the U.S. economy overall," said Michael Dykes, D.V.M., president and CEO of the International Dairy Foods Association. "Canada's Class 7 milk pricing policy, implemented 14 months ago, artificially lowers milk ingredient prices and incentivizes the substitution of domestic Canadian dairy ingredients for imported ingredients. It also promotes the dumping of Canadian proteins onto world markets at below-market prices."

"Our dairy farmers are facing dire economic conditions this year, and the Canadian pricing scheme and tariffs are curtailing much-needed markets for U.S. dairy products. NAFTA should not be concluded without securing provisions that curb Class 7 and any other trade-distorting

pricing scheme to ensure that U.S. dairy products can compete fairly in Canada, as well as in other markets,” said Jim Mulhern, president and CEO of the National Milk Producers Federation. “It is time to for Canada to eliminate all dairy tariffs so we can have true free trade across North America for all commodities.”

“It is critical that the U.S. pursue an aggressive strategy to stop Canada’s ongoing and intentional disregard of its trade commitments to the harm of U.S. dairy farmers and exporters. Otherwise, Canada’s new policies will chip away not only at the current trade with Canada but also at our trade surpluses to other markets that import milk powder as well,” said Tom Vilsack, president and CEO of the U.S. Dairy Export Council.

With a level playing field in export markets, the U.S. dairy industry will continue to keep and create jobs in states across the country. The industry supports nearly 3 million workers, generates more than \$39 billion in direct wages and has an overall economic impact of more than \$200 billion, according to IDFA’s economic impact tool, Dairy DeliversSM.

[Read the full letter here.](#)

#

About IDFA

The International Dairy Foods Association (IDFA), Washington, D.C., represents the nation’s dairy manufacturing and marketing industry, which supports nearly 3 million jobs, generates more than \$39 billion in direct wages and has an overall economic impact of more than \$200 billion. IDFA is the umbrella organization for the Milk Industry Foundation (MIF), the National Cheese Institute (NCI) and the International Ice Cream Association (IICA). Our members range from large multinational 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 and sold throughout the world. Our diverse membership includes numerous food retailers, suppliers and companies that offer infant formula and a wide variety of milk-derived ingredients. Visit IDFA at www.idfa.org.

About NMPF

The National Milk Producers Federation (NMPF), based in Arlington, VA, develops and carries out policies that advance the well-being 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. For more on NMPF’s activities, visit our website at www.nmpf.org.

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.