

February 21, 2020

Standing Senate Committee on Foreign Affairs and International Trade
The Senate of Canada
Ottawa, Ontario
Canada, K1A 0A4

E-mail: aefa@sen.parl.gc.ca

Re. Bill C-4 An Act to implement the Agreement between Canada, the United States of America and the United Mexican States

Members of the Standing Senate Committee on Foreign Affairs and International Trade,

On behalf of Canada's 43,000 canola farmers, I am writing to express our support for *Bill C-4, An Act to implement the Agreement between Canada, the United States of America and the United Mexican States*.

The Canada United States Mexico Agreement (CUSMA) builds on and strengthens the North American Free Trade Agreement (NAFTA). Duty free access for canola seed, oil and meal was maintained, language on agricultural biotechnology was added and improved access for margarine was secured. More largely, it recognizes the importance of an integrated North American agriculture market and provides much needed market certainty for farmers.

NAFTA served canola farmers well. On average, the U.S. is our largest market and Mexico our fourth. Since NAFTA's implementation 26 years ago, the U.S. has grown significantly to become our number one customer of oil and meal and fifth largest for seed. Mexico is our third largest for meal and seed and fifth largest for oil. In 2018, Canada sold \$3.5 billion of canola products to the U.S. and another \$782 million to Mexico.

Importantly, the U.S. is a critical market for canola value-added products. In 2018, the U.S. accounted for roughly 70% of the value of total meal exports and 52% of the value of total oil exports. The economic activity generated from processing seed in Canada and exporting oil and meal is an integral component of canola's \$26.7 billion contribution to the Canadian economy, the 250,000 jobs it creates and the well-being of our rural communities.

CUSMA will strengthen and deepen our trade relationship with the U.S. and Mexico. The renewed agreement updates and aligns NAFTA with 21st century trade. As with the economy and commerce in the mid-nineties, the canola market was starkly different when NAFTA was first implemented and, so were, the challenges farmers faced.

To this end, CCGA respectfully requests the Committee members to hear testimony and debate Bill C-4 in an expeditious fashion. As you are aware, Canada is the last partner to complete the ratification process after overwhelmingly bi-partisan support in the U.S. in January and Mexican Senate approval in December.

Strong, all party support will send a strong signal to our trading partners and reinstate predictability and certainty in the North American market.

Sincerely,

original signed by

Bernie McClean

Chair, Canadian Canola Growers Association