



NEWS RELEASE

Latest Farm Paper from World Trade Organization Threatens Dairy, Poultry and Egg Farmers

Ottawa, July 18, 2007 — Canadian dairy, poultry and egg farm leaders rejected the first draft modalities paper on agriculture issued yesterday by Crawford Falconer, agriculture trade negotiations Chair for the World Trade Organization (WTO), as the text threatens the future of Canadian dairy, poultry and egg industries.

“This paper only confirms the serious concerns we shared with agriculture ministers in June,” said Jacques Laforge, President of Dairy Farmers of Canada (DFC), from Calgary where he is attending the DFC Annual Meeting. “These modalities are detrimental to supply management: there are too few sensitive products allowed and they are treated very harshly. They show why Canada must work very hard if it is to achieve a WTO agriculture agreement that supports supply management: there are provisions that clearly offer flexibility for other countries and none for Canada’s supply management sectors.”

David Fuller, Chairman of Chicken Farmers of Canada, also reacted strongly to the news of the proposed draft modalities text from Kelowna, where he is attending a Board Meeting:

“The text would actually force Canadian farmers to cut back production in favour of products from other countries, at a time when consumers increasingly want locally-produced food,” he explains. “It actually threatens the ability of a country to decide where they want their food to come from. The Canadian Government must stand firm next week in Geneva and clearly tell its trading partners that it cannot accept this text.”

Dairy, poultry and egg farmers reiterated that the Government of Canada must urgently find ways to influence the direction of the negotiations and achieve a successful outcome at the WTO. The Government must preserve the pillars of supply management so that negotiations bring no negative economic impact on supply management farmers.

“This text actually shows Canada losing ground in the defense of supply management since the “challenge paper” issued by Falconer in June,” said Gyslain Loyer, Chairman of the Canadian Broiler Hatching Egg Marketing Agency. “The number of suggested tariff lines that could be included as sensitive products is even less than a month ago, and only half of what would be needed for dairy, egg and poultry products to even be considered in the sensitive product category.”

Canadian dairy, poultry & eggs

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As some plan to be in Geneva next week, leaders of Canada's dairy, poultry and egg farmers continue to offer their cooperation for discussion on the negotiating strategy and all the tools that would help obtain a positive final outcome in the negotiations. "The Government must not waste anymore time and must immediately find ways to negotiate flexible provisions for Canada's dairy, eggs and poultry," said Laurent Souigny, Chairman of the Canadian Egg Marketing Agency.

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