

April 12, 2017

The Honourable A. Raynell Andreychuk, Senator Chair of the Standing Senate Committee on Foreign Affairs and International Trade The Senate of Canada Ottawa, Ontario K1A 0A4 Email: <u>raynell.andreychuk@sen.parl.gc.ca</u>

I am writing on behalf of Amalgamated Dairies Limited (ADL) regarding the consideration of Bill C-30 by the Standing Senate Committee on Foreign Affairs and International Trade.

All of the dairy farmers in Prince Edward Island are member owners of our Cooperative and rely on ADL to process and market nearly all of the milk production in PEI. This responsibility requires us to be aware of and responsive to all market signals whether they come from consumers or International Trade Agreements. We have been accepting of the reality of the CETA announcement and have spent the time since then preparing our business to adapt to changes that will be brought about by its implementation.

As we move towards mid year we are concerned about the timing of the effective date of implementation. While we are quite supportive of the Committees role to conduct a thorough examination of the legislation, we are concerned about what impact a late year implementation time frame will have. Companies receiving import allocations will require sufficient time to source supply and confirm the suitability of suppliers. The integration of these additional imports into the Canadian market will need to be done in a managed fashion so as to minimize market disruption. Typically, the last 3-4 months of the year are the least opportune time for market launches. If the implementation of the legislation is not soon forthcoming the industry and our Cooperative are at further risk of disruption from hardship caused by implementation timing.

On another note the Government of Canada announced several programs specific to dairy to support the Canadian industry as it adapts to changes brought about by CETA. Conditions of these programs will not become effective until CETA comes into force. ADL is in a position to move forward on a number of fronts which include investments in new technology, automation and additional processing capacity. This investment will not only create additional jobs and more skilled jobs at the food processing level but will also support millions of dollars of investments by dairy farmers. The scope of this investment is awaiting final determination depending upon the availability of these programs.

We hope the Committee will consider these points in their deliberations. We also would ask the Committee for a timely conclusion to your consideration of the legislation.

Yours truly,

James Bradley CEO & General Manager Amalgamated Dairies Limited Cc: Marie-Eve Belzile, Clerk of the Committee Senator Percy Downe