



November 2, 2017

Honourable Kathleen Wynne
Premier
Government of Ontario
Room 281, Main Legislative Building, Queen's Park
Toronto, Ontario M7A 1A1

Dear Premier Wynne,

Re: Trans-Pacific Partnership Successor Agreement

On behalf of Ontario's 19,000 beef farmers, we are writing to you today to request your support for the successful completion of the Asia-Pacific Regional Trade Agreement (APRA) with the remaining members of what was previously the Trans-Pacific Partnership (TPP). Beef Farmers of Ontario (BFO) strongly supported the implementation of the TPP and we believe that a successor APRA that incorporates the same market access provisions contained in the original TPP, albeit without the United States, will provide equivalent benefit to Ontario's beef sector and should be supported.

Implementation of an APRA would give Ontario access to a market of over 800 million people and nearly 40 per cent of the world's economy. Of particular importance, an ARPA that incorporates the same market access provisions contained in the original TPP will ensure that Japan provides improved and equal access to all ARPA beef supplier members, a top priority for the Canadian beef industry. This would offer important benefits to Ontario's flagship beef brand, Ontario Corn Fed Beef, which has existing high-value partnerships with several Japanese food service providers. The growth potential for Ontario Corn Fed Beef and for other Ontario beef products in Japan is significant.

The longer it takes for a TPP successor agreement to be reached, the greater the trade disadvantage will become for Canadian beef in the Japanese market, and even greater for Ontario exporters due to competitive disadvantages in our processing sector compared to western Canada. Our competitors in Australia implemented a free trade agreement with Japan in 2015 and are already enjoying a tariff advantage on their beef exports. Reaching an agreement on the ARPA will gradually reduce Japan's tariffs on Canadian beef and will restore our competitive position with Australia, and other Asia-Pacific competitors.

Within Japan alone we have the potential to triple beef exports. We have seen tremendous export growth in the Ontario Corn Fed Beef brand over the past 3 years. 2017 projections of Ontario Beef exports to Japan are expected to top \$36 Million, an increase of approximately 53% versus 2016. It is this market growth that contributes to the long-term viability of Ontario beef producers and our processing partners.

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However, that continued growth is completely contingent on a competitive trade agreement and market access conditions.

Beyond Japan, significant opportunities for increased Ontario beef exports also exist in emerging beef markets such as Vietnam and Malaysia, and will resolve the current exclusion of some beef access in Peru, which is important to our industry. An APRA also gives us the opportunity to seek concessions from prospective members such as Korea and Taiwan, as they negotiate their admission with the existing members.

Premier, we believe an ARPA will provide significant economic opportunities for the Ontario beef industry and will help support Ontario's multi-billion dollar processing sector. Ontario's beef farmers and processors deserve the opportunity to compete on an equal footing in the rapidly growing Pacific region.

On behalf of our members we urge the Ontario Government to support the proposed successor agreement to the TPP.

Sincerely,



Matt Bowman
President
Beef Farmers of Ontario
130 Malcolm Road, Guelph ON N1K 1B1



John Baker
Marketing Director, Asia/Pacific Rim
Ontario Cattle Feeders Association
25 Enterprise Drive, London ON N6N 1A3

cc: Hon. Jeff Leal, Ontario Minister of Agriculture, Food and Rural Affairs
Hon. Michael Chan, Ontario Minister of International Trade
John Masswohl, Director of Government and International Relations, Canadian Cattlemen's Association

