

# **Opening Statement for the House of Commons Standing Committee on International Trade**

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**representing the plant science industry  
représentant de l'industrie de la phytologie**

Mr. Chair,

My name is Dennis Prouse, and I am Vice President, Government Affairs of CropLife Canada. We greatly appreciate the kind invitation you and your fellow Committee members have extended to us today.

CropLife Canada is the trade association representing the manufacturers, developers and distributors of plant science innovations, including pest control products and plant biotechnology, for use in agriculture, urban and public health settings. We are committed to protecting human health and the environment, and in providing a safe, abundant food supply for Canadians. We believe in driving innovation through continuous research. CropLife Canada is a member of CropLife International, a global federation representing the plant science industry in 91 countries.

Our mission is to enable the plant science industry to bring the benefits of its technologies to farmers and the public. Those benefits manifest themselves in many different forms, including sustainability, driving agricultural exports, job creation, strengthening the rural economy and increased tax revenue for governments.

Canada is a trading nation, and in no other sector is that more true than agriculture. Canada enjoyed a surplus of close to \$12 billion in agri-food trade in 2015. This is very positive not only

for the Canadian economy, but for Canada and the leadership role we can play in feeding a growing world population.

This surplus is made possible by two broad policy pillars. Firstly, it is supported by a science based regulatory system that allows farmers to stay modern and competitive. It provides a stable, predictable regulatory framework based on sound science rather than politics – at least at the federal level, and it ensures that our farmers have access to the innovative tools of modern agriculture they need to be sustainable and productive.

The second pillar of Canadian agricultural success is international trade agreements that secure markets for Canadian products. CropLife Canada and its member companies are strong supporters of both the CETA agreement with the European Union, and the Trans Pacific Partnership being discussed today. These two initiatives hold the promise of access to robust, prosperous and growing markets for Canadian agricultural products.

TPP member countries represent over 65% of Canada's agri-food exports. Guaranteeing preferred access to these markets is vital given that Asia will represent two thirds of the world's middle class by 2030, and half of global GDP by 2050. Put plainly, Canada's future competitiveness depends on agreements like the TPP.

Eliminating tariffs is obviously a desired outcome. One issue I do wish to stress for the Committee today, however, is that of

non-tariff trade barriers. This is an issue of deep concern to both our members and their customers, Canada's farmers. Many agricultural exports face a daunting number of non-tariff trade barriers such as trading rules on biotechnology, sanitary and phyto-sanitary products. Rules on Low Level Presence of biotech crops in non-biotech shipments are an example of the former, and rules on maximum residue limits of pesticides on fruits and vegetables and all exported commodities are an example of the latter. In both instances, we have seen arbitrary, non-science based rules imposed by other nations act as a proxy for tariffs in preventing imports. As other witnesses before this Committee have noted, the fall of tariffs around the world are often quickly accompanied by a rise in non-tariff trade barriers.

In addition, there are cases where not-tariff trade barriers are not deliberate. There are many countries that have no clearly defined mechanism to establish an import MRL, or their process is not harmonized with Canada in terms of science or process.

This illustrates the need for both transparency and a rigorous dispute settlement mechanism in any trade agreement, one based on sound, peer reviewed science. Fortunately, the TPP has some clear wins on the issue of science based regulation to accompany the tariff reductions. Transparency in decision making is built into the agreement, as is a dispute settlement mechanism that has science based regulation as a key component. The TPP will also specifically address the issue of

Low-Level Presence in shipments. This makes the science based regulatory provisions of TPP significantly superior to those found in CETA. Should we move forward on TPP, it will be incumbent on Canada and all other nations with a science based regulatory system to be vigilant on this issue in further clarifications and negotiations.

As you can see, Mr. Chair, our members are strong free traders. We know that trade and innovation are two of the key pillars of growth and prosperity in Canada, and TPP supports both of those pillars. The Grow Canada partnership, which represents all of Canada's major grower groups and of which we are a proud member, sees export growth as a key to prosperity for Canadian farmers, which is why you will see strong support for TPP amongst every major grower group in Canada.

Across Canada, 9 out of every 10 farms are dependent on exports. This represents 210,000 farms and includes a majority of farms in every province. Canada's food processing sector employs a further 290,000 Canadians. Agriculture is a tremendous avenue for future Canadian trade growth, and TPP provides an avenue for Canada to both grow its agricultural exports and address regulatory challenges on biotechnology and pest control products. It is a tremendous step forward, and a statement of confidence in the future of Canadian agriculture. We urge the Government of Canada to ratify TPP as promptly as possible, and play a leadership role in encouraging other nations to do the same. I thank the Committee for its time, and would welcome any questions.