



RACHAEL HARDER

August 7, 2018

Hon. Bill Morneau, PC, MP
Minister of Finance
James Flaherty Building
Ottawa, ON

Dear Minister Morneau,

My colleagues and I are writing to you today on behalf of beef producers across Canada. With the escalation of the trade conflict between Canada and the United States, export industries, such as the beef sector, that are vulnerable to trade retaliation, have become increasingly nervous about what the future holds. With a highly organized and connected industry lobby in the United States, Canada's tariffs on American beef products have the potential to invite retaliatory measures that could cause significant damage to Canadian beef producers.

Beef production is a highly integrated industry, similar to the auto-sector, in that business inputs often cross the border multiple times before reaching the store shelf. Calves that are raised in the United States are fattened up at Canadian feed lots, butchered in Canada, and the meat is shipped to the United States to be used in a variety of food products.

The Canadian beef sector is already facing challenges outside of the NAFTA dispute. Higher taxes in Canada, compared to decreasing taxes south of the border, have made it more difficult for Canadian producers to compete. There is little ability to absorb any retaliatory measures from the United States without permanently closing beef operations in Canada.

I would request that you, and your cabinet colleagues, consult those in the beef industry and prepare a package of broad-based tax cuts and industry supports for the agricultural sector.

In doing so, you will have these tools ready for immediate implementation should further escalations occur, thus ensuring the continued health of Canada's agricultural industry.

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In addition, I urge you and your cabinet colleagues to ensure that the CPTPP is fully implemented imminently.

Best regards,



Rachael Harder, MP



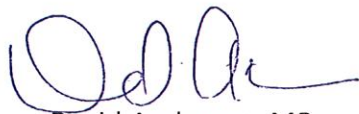
Luc Berthold, MP
Shadow Minister for
Agriculture



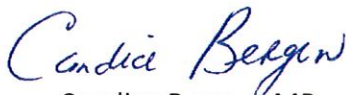
Dean Allison, MP
Shadow Minister for
International Trade



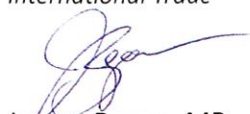
John Barlow, MP
Associate Shadow
Minister for Agriculture



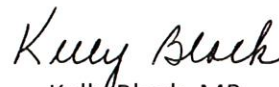
David Anderson, MP



Candice Bergen, MP



James Bezan, MP



Kelly Block, MP



Blaine Calkins, MP



Michael Chong, MP



Michael Cooper, MP



Kerry Diotte, MP



Todd Doherty, MP



Earl Dreeschen, MP



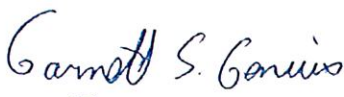
Jim Egliniski, MP



Rosemarie Falk, MP



Ted Falk, MP



Garnett Genius, MP



Randy Hoback, MP



Matt Jeneroux, MP



Mike Lake, MP



Ron Liepert, MP



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Larry Miller, MP



Alain Rayes, MP



Martin Shields, MP



Bev Shipley, MP



Kevin Sorenson, MP



Bruce Stanton, MP



Karen Vecchio, MP



Arnold Vierson, MP

cc. Minister of Agriculture

cc. Minister of Foreign Affairs

cc. Minister of International Trade Diversification

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