

U.S. ITC report: Dairy exports to Canada would grow \$227M under new deal

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American dairy exports to Canada would increase by \$227 million annually under the new USMCA deal, [according to a report out today](#) from the U.S. International Trade Commission.

The [375-page report](#) assessed the range of effects of the deal, including on dairy, which was among the most politically sensitive issues in Canada. The ITC estimated American dairy exports to Canada would jump significantly — by 43.8 percent.

That's in part because Canada imports [very little](#) dairy now, and USMCA would pry open its protected sector slightly, in addition to making several changes to tariff-rate quotas.

The report estimated American dairy exports to the rest of the continent would grow 7.1 percent, should the deal be ratified in all three countries.

Canadian dairy exports to the U.S. would also grow a bit under the deal: \$161.7 million more worth of products would enter the U.S. from Canada, the ITC said.

The report said new U.S. exports to Canada would consist largely of cheese, milk and cream, while the majority of new imports from Canada would be in cheese and soft dairy products.

The U.S.' National Milk Producers Federation called for the deal to be urgently ratified. It said seven U.S. dairy farms shut down per day in 2018, in a difficult year for U.S. agriculture. USMCA would help protect free trade with the large Mexican market while granting more access to Canada and ending Canada's [Class 7 pricing rules](#) for milk proteins.

“We believe it is important to keep the full picture in mind of what’s at stake here,” said NMPF President Jim Mulhern.