



Exclude US-New Zealand Dairy Trade from Trans-Pacific FTA!

The Administration has announced it is pursuing Free Trade Agreement negotiations with the P4 (New Zealand, Chile, Singapore and Brunei). This initiative is termed the “Trans-Pacific FTA” and the Administration has stated that the ultimate goal of this agreement would be to extend it to include many countries in the Pacific region. However, initial negotiations appear to be limited to only the U.S. and the P4. Dairy producers throughout this country are united in ardent opposition to this agreement because it is simply a backdoor means of entering into a Free Trade Agreement with New Zealand. Such an agreement would significantly harm U.S. dairy producers & our dairy industry as a whole.

It is essential that all dairy products be excluded from the Trans-Pacific FTA.

The Trans-Pacific FTA – at this stage – is really simply an FTA with New Zealand. The U.S. already has FTAs with Chile and Singapore; Brunei is a very small Asian nation with limited agricultural exports or imports and a population of approximately 400,000. Given this, this proposal is clearly window-dressing on a trade deal with the agricultural exporting powerhouse New Zealand. This would be completely contrary to the best interests of American agriculture.

- This unique situation, needs a unique response: full exclusion of all dairy products from New Zealand.
 - New Zealand benefits tremendously from its defacto dairy monopoly whereby one company in that country controls more than 90% of the nation’s milk production.
 - This same company also owns the rights to virtually all of the import licenses in the best markets around the world, including the U.S.
 - Just a short seven years ago, New Zealand’s dairy industry was still largely controlled by the government-operated New Zealand Dairy Board and impacts of its involvement still influence its dairy industry.
- The U.S. dairy industry has consistently supported balanced trade agreements that offer prospects for increased trading opportunities for both FTA partners’ dairy industries. This FTA would not fit that bill.
 - The Trans-Pacific FTA would offer absolutely no new opportunities for U.S. dairy exports, given the pre-existing U.S. FTAs with the other two countries of economic significance other than New Zealand.
 - This deal would offer New Zealand access to the U.S. market while doing nothing to address the constraints limiting our exports to markets where we can compete more freely.
- New Zealand’s dairy industry is widely known for its manipulation of dairy markets. The increased exploitation of our markets that would take place under an FTA with New Zealand would drive down dairy farmer income in America, force farms out of business, and create a ripple effect swamping dairy plants and other rural businesses at a time of particular economic difficulty for our country.

Dairy producers from coast to coast & border to border urge you to take a stand in support of America’s dairy industry by insisting that all New Zealand dairy products be excluded from the Transpacific FTA!