

## **Canadian Dairy Processors Establish New National Trade Association**

**OTTAWA, December 10, 2003** – At a time when there is increased optimism for interprovincial cooperation and a renewed commitment to eliminating domestic trade barriers in food products, Canadian dairy processors have joined forces to establish a new national trade association, the Dairy Processors Association of Canada (DPAC).

The Association has a mandate to advance and protect the interests of its members and promote the growth of the Canadian dairy processing industry. With almost 26,000 people employed at the primary processing level, the sector processes table milk, fresh cream, butter, cheese, yogurt and ice cream products valued at \$9.9 billion annually.

“DPAC applauds the Premiers' commitment last week under the new Council of the Federation to renew Canada's Agreement on Internal Trade (AIT),” says DPAC's new President, Don Jarvis, an executive with almost 30 years of senior management experience in Canada's agri-food industry. “It is an industry priority to get the provinces working together to eliminate the province-to-province trade barriers that exist today.” The trade association says that internal trade barriers prevent the introduction of new products to consumers and results in lost jobs and income for its members. As well, poor economies of scale within the domestic marketplace reduce the capacity of these processors to be more competitive on an international scale notes Mr. Jarvis.

Under the AIT, all provinces agreed that by September 1997 they would harmonize fluid milk and distribution standards. The provinces also agreed to remove margarine colouring restrictions and regulatory impediments to dairy blends and imitation dairy products. DPAC will monitor provincial compliance with these requirements, noting that some have been slow to act says Mr. Jarvis.

“By removing provincial trade barriers, we are advocating a pro-consumer choice stance that will provide Canadians with access to a wider range of new dairy products,” says Mr. Jarvis who highlights that consumers around the world enjoy a variety of dairy-based products not currently available in Canada.

“And in Ottawa later this week the new Paul Martin government will begin focussing on ‘modernizing the economy’ as one of its four main priorities,” says Mr. Jarvis. “Supporting the provinces in putting in place a free and open domestic market for dairy and other food products will be an important cornerstone of that platform.”

DPAC will work to influence government policies, legislation and regulation with a view to improving the competitiveness of its dairy industry members who operate within one of the most highly regulated, supply managed, sectors in the country. The association will focus on ensuring that the interests of its members are well understood and will respond to developments on both the domestic and international trade fronts and significant regulatory changes impacting the dairy sector.

DPAC will also endeavour to advance quality, food safety and innovation in the Canadian dairy industry to ensure its long-term viability. It will manage a Technical Committee composed of senior scientific and regulatory experts from across the industry.

A nine-member board has been established for DPAC with representatives from member organizations including Gay Lea Foods Co-operative Limited, Parmalat, Agropur, Saputo Inc., Good Humor-Breyers Ice Cream and Kraft Canada Inc. Andrew MacGillivray, President and CEO of Gay Lea Foods has been elected as the Association's first Chairperson. Pierre Claprod of Agropur and Yves Leroux of Parmalat have been appointed Vice-Presidents.

For a fact sheet about the dairy processing industry and DPAC, please contact:

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