

**National Farmers Union Comments on Canada-United States-Mexico Agreement Joint Review
To Global Affairs Canada
November 2025**

To Global Affairs Canada,

The National Farmers Union (NFU) appreciates the opportunity to comment on the first joint review of the Canada-United States-Mexico Agreement (CUSMA). The NFU is a voluntary, direct-membership, non-partisan, farm organization made up of thousands of farm families, farmers, and farm workers from across Canada. The NFU's goal is to promote farmers' economic and social goals, and advocate and develop policy for the benefit of farmers and rural communities.

Canada measures the success of our free trade agreements by the growth in Canadian exports. Since 2017, annual Canadian agri-food exports have increased by \$23 billion and imports have grown by \$18 billion.¹ While Canada now sells more to other countries than ever, our trading partners have a larger share of our domestic market.

Focus on the growth of agri-food exports disregards the impact of free trade agreements and trade policy on Canadian farmers and farmworkers. Beginning in the 1980s, export-promoting policies have accelerated the decline in the number of Canadian farms and increases in farm debt and on-farm greenhouse gas (GHG) emissions.² Canadian farmers have also experienced declining net income, spurred by chronically low farm product prices and increased input prices; both issues are caused by increased market power held by a small handful of multinational corporations, enabled by free-trade agreements.

Since the ratification of the Canada-U.S. Free Trade Agreement, Canada's domestic food processing capacity has shrunk significantly. Between 1989 and 2017, Canada lost all of its cooperative grain handling companies and all of its single-desk selling agencies for wheat and pork. These were institutions which provided farmers with democratic control and transparency over their products. Now, Canada's grain handling is controlled by three major companies, two of which are non-Canadian, while nearly all of Canada's meatpacking is done by just two foreign companies.³ Export-focused free trade

¹ Statistics Canada retrieved from CATSNET Analytics, Agriculture and Agri-Food Canada, 2025.

² Dyck, Ashly. *Canadian Agriculture by the Numbers 2024*. National Farmers Union, 2024. <https://www.nfu.ca/wp-content/uploads/2024/03/Canadian-Ag-by-the-Numbers-2024.pdf>.

³ Nixon, Andrew, and Keldon Bester. *From Plow to Pantry: Monopoly in the Canadian Food System*. Canadian Anti-Monopoly Project, 2024.

policy has created structural changes to the Canadian food and agriculture system, weakening Canadian food sovereignty and our capacity to have democratic control over our food system.

Canadian farmers and farmworkers need trade policies that improve their standard of living. Instead of focusing on export-growth as the main measure of success, Global Affairs Canada (GAC) should consider other goals to determine if trade policies are working for rural communities, including: decreased farm debt; increased farmgate price of commodities; decreased GHG emissions on farms; and total number of farmers. Free trade agreements, including CUSMA, should be formulated so that they do not interfere with Canada's ability to achieve these goals.

The NFU urges Global Affairs Canada to use the joint review process as an opportunity to fix the issues created by CUSMA which have disadvantaged and disenfranchised farmers, migrant workers, and rural communities.

The NFU proposes a number of changes to CUSMA that will increase the autonomy of farmers and ensure a reliable food supply for Canadians:

Chapter 3: Agriculture

1. Defend our supply management system by maintaining current tariff rate quota (TRQ) levels and Canada's authority to determine TRQ allocation.

Chapter 9: Sanitary and Phytosanitary Measures

2. Create policy space for CUSMA Parties to regulate their seed systems which prioritize their cultural and economic traditions.

Chapter 19: Digital Trade

3. Ensure that Canadians have digital sovereignty by removing limits to data localization rules.

Chapter 20: Intellectual Property Rights

4. Eliminate restrictions on the circumstances under which technological protection measures can be circumvented, and create access to source code and diagnostic tools.

Chapter 23: Labour

5. Increase labour protections for agricultural workers by expanding the rapid response labour mechanism (RRM) to include agriculture workers and to expand the application of the mechanism.

Chapter 28: Good Regulatory Practices

6. The rules of international trade should be based on the highest standards of Human Rights.



1. Defend our supply management system for chicken, turkey, eggs and dairy products by maintaining current tariff rate quota (TRQ) levels and Canada's authority to determine TRQ allocation.

In 2025, the Liberal Party of Canada made a commitment to defend Canada's supply management system in trade negotiations. Bill C-202 was passed in June 2025, which amended the Development Act to restrict the Minister from increasing TRQ amounts or decreasing tariffs on supply managed products. Bill C-202 was passed unanimously in the House of Commons, reflecting the broad support that Canadians have for our supply management system. The Honourable Heath MacDonald, Minister of Agriculture, has stated that "Supply management is off the table" in free trade agreement negotiations.⁴ The Honourable Dominic LeBlanc, Minister Responsible for Canada-U.S. Trade, reiterated this in October 2025 when he said: "Supply management is not a subject of negotiation with the Americans. It will not be, it is not or will never be on a negotiating table as we look at a review of the CUSMA agreement."⁵

The NFU reiterates the support of Canadian legislation, lawmakers, and farmers for our supply management system, and the importance of import controls in protecting fair prices for Canadian farmers.

GAC must also defend Canada's ability to allocate TRQ for supply managed products. Under CUSMA, Canada retains the ability to determine the eligibility of importers under TRQ, as well as TRQ allocation methodology. This power was confirmed by the CUSMA Secretariat in the *Canada - Dairy TRQ Allocation Measures* case, where the Secretariat sided in Canada's favour on all four claims made against the TRQ system by the United States.⁶

2. Uphold the rights of CUSMA Parties to regulate their seed systems in ways that prioritize their cultural and economic traditions.

In August 2023, the U.S. requested the establishment of a dispute panel pursuant to CUSMA Article 31.6.1(a) alleging that Mexico's ban on the import of genetically modified (GM) corn for food consumption violated CUSMA Articles covering phytosanitary rules and import & export restrictions. Canada joined this dispute as a third-party and sided with the United States.

Corn, known in Mexico and most of the world as "maize", is a staple of the Mexican diet and is central to Mexican culture and agriculture, history and national identity, and to Indigenous cultures and spiritual

⁴ MacLean, Logan. "'It's a Flat-out No': Supply Management off the Table, Says Canada's New Agriculture Minister." *Charlottetown Guardian*, May 20, 2025. <https://www.saltwire.com/prince-edward-island/supply-management-off-table-says-canada-agriculture-minister>.

⁵ Canadian Press. "LeBlanc Hopes for Progress on Sectoral Deals before CUSMA Review Starts." *CTV News*, October 2025. <https://www.ctvnews.ca/politics/article/leblanc-hopes-for-progress-on-sectoral-deals-before-cusma-review-starts/>.

⁶ Global Affairs Canada. *Active and Concluded State-to-State Dispute Settlement Cases*. June 20, 2025. https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cusma-aceum/settlement-cases-reglement-cas.aspx?lang=eng#a2_1.



practices. Mexico's ban on the importation of GM corn for food consumption was meant to protect the cultural, traditional, and nutritional value that corn has in Mexico.

The trade panel sided with the U.S. in the dispute, overturning the GM Corn Ban and threatening biodiversity, cultural diversity, and Indigenous Peoples' rights in Mexico.

The NFU believes that each country should have the ability to regulate their seed systems for the benefit of their peoples. The NFU was disappointed that Canada joined this dispute as a third-party on the side of the U.S., given the harm that decision could have on Indigenous communities in Mexico. The Canadian Government, in pursuing reconciliation with Indigenous Peoples in Canada, also has a duty to protect the rights of Indigenous Peoples elsewhere in North America.

The NFU reaffirms Article 24.3.1, "the sovereign right of each Party to establish its own levels of domestic environmental protection and its own environmental priorities, and to establish, adopt, or modify its environmental laws and policies accordingly" and Article 24.15.2, "each Party shall promote and encourage the conservation and sustainable use of biological diversity, in accordance with its law or policy." The NFU acknowledges that CUSMA does not prevent a country from establishing a level of safety for human and plant life that "it determines to be appropriate" (Article 9.6.4).

3. Ensure that Canadians have digital sovereignty by removing limits to data localization rules.

New farm machinery is becoming more digitalized. Combines and tractors now have arrays of sensors and monitoring systems which collect farm field data to aid farmer decision-making. Data collected from these sensors across thousands of Canadian farms comprising millions of acres are then aggregated in company servers. Many of these firms are located in the U.S. where Canadian farmers have limited access to their data and where our legal system has no authority.

Article 19.12 in CUSMA reads: "No Party shall require a covered person to use or locate computing facilities in that Party's territory as a condition for conducting business in that territory." This provision is problematic for Canadian farmers who cannot expect their data to be stored locally or to be made readily available to them. The privacy and user agreements which govern digital agriculture platforms remove farmer ownership over their data, even though they are the ones to produce it.⁷ Farmers cannot fully utilize these platforms if they cannot access their data effectively, and Article 19.12 hampers data localization rules that could help fix this issue for Canadian farmers.

Canadian farmers, and Canadians more broadly, deserve data sovereignty and the ability to regulate data and digital technologies. The NFU recommends that Article 19.12 be removed from CUSMA.

Further, the NFU believes that the Digital Trade Chapter of CUSMA deserves a substantive review, as it currently impedes regulation of emerging AI technologies; places the importance of the profit of foreign

⁷ Kakiyara, Eijiro. *Intra-Canada Digital Policy on Data Sovereignty*. n.d. <https://politics.ubc.ca/uncategorized/intra-canada-digital-policy-on-data-sovereignty/>.



technology firms over Canadian privacy; provides little protection to workers from surveillance and algorithmic-based discipline by companies; hinders our capacity to regulate content on social media platforms; and allows tax and data hoarding in zero-tax jurisdictions.

4. Eliminate restrictions on technological protection measures circumvention and guarantee access to source code and diagnostic tools.

The concentration of agricultural equipment dealers in Canada has limited the number of options that Canadian farmers have for repair services. The NFU's review of Canadian farm news media from the last ten years demonstrates a trend of dealer closures and concentration across the country.⁸ Top-down growth strategies from farm machinery manufacturers have influenced the growth in dealer size.^{9, 10, 11}

Consolidation has created monopoly power over dealer- and brand-authorized repair services, which has increased costs for farmers.^{12, 13} Farmers also have less choice in repair services – proprietary technologies and technological protection measures (TPM) lock out independent repairers from completing repairs on farm machinery.

Bills C-244 and C-294, amending the *Competition Act* and the *Copyright Act*, respectively, were originally introduced as being comprehensive exceptions to anti-circumvention law and TPMs. Substantive versions of these pieces of legislation would have allowed for circumventions of TPMs and interoperability issues that have plagued the right to repair for agricultural equipment.

CUSMA Article 20.66, which limits the situations in which TPMs can be circumvented, has narrowed Canada's legislative discretion to enact these exceptions such that both Bill C-244 and C-294 only provide for individual or private acts of repair.¹⁴ These pieces of legislation could have offered practical utility to the agricultural sector because they would have created legal space for independent businesses to offer commercial repair services and distribute, manufacture, and sell repair tools needed to bypass software restrictions.

⁸ Elftman, Jaime. "Number of Big Canadian Dealers Grows Over Past 4 Years." *Farm Equipment*, August 25, 2015. <https://www.farm-equipment.com/articles/11922-number-of-big-canadian-dealers-grows-over-past-4-years>.

⁹ *Farm Equipment*. "Pattison Agriculture to Close Saskatchewan Deere Dealership." December 4, 2019. <https://www.farm-equipment.com/articles/17713-pattison-agriculture-to-close-saskatchewan-deere-dealership>.

¹⁰ Garvey, Scott. "John Deere Farm Equipment Dealerships Merge in Alberta." *The Western Producer*, June 26, 2024. <https://www.producer.com/crops/john-deere-farm-equipment-dealerships-merge-in-alberta/>.

¹¹ *Farm Equipment*. "Premier Equipment Acquires Deerhaven John Deere Store in Ontario." May 15, 2025. <https://www.farm-equipment.com/articles/24047-premier-equipment-acquires-deerhaven-john-deere-store-in-ontario>.

¹² O'Reilly, Kevin. *Out to Pasture*. U.S. PIRG, 2023. <https://publicinterestnetwork.org/wp-content/uploads/2023/04/Out-to-Pasture.pdf>.

¹³ Flowers, Bianca. "Equipment Dealer Consolidation Raises Cost to Farmers." *Manitoba Co-Operator*, September 14, 2022. <https://www.manitobacooperator.ca/news-opinion/news/equipment-dealer-consolidation-raises-cost-to-farmers/>.

¹⁴ Rosborough, Anthony D. "Toward a Canadian Right to Repair: Opportunities and Challenges." *Berkeley Technology Law Journal* 37 (June 2023): 1197–226. <https://doi.org/10.15779/Z38S756M3M>.



Whereas most farms are commercial entities and rely on commercial third parties for services and support, Article 20.66 needs to be expanded to reflect the commercial realities of agricultural equipment repair and expand the applications of existing Canadian legislation.

Article 19.16 also restricts Parties to CUSMA from accessing a company's source code or algorithms. This also has an impact on the effectiveness of substantive Right to Repair policies, which rely on access to corporate data, including source code and diagnostic tools.¹⁵ Access to diagnostic tools is especially important to the right to repair in the agriculture sector as farmers are often unable to access diagnostic tools to troubleshoot complicated software errors. The NFU recommends that Article 19.16 be expanded to allow the transfer of and access to source code, algorithmic software, and diagnostic tools to independent repairers.

The NFU also believes that GAC amend Article 14.10(f) to carve out space for the right to repair policy in Canada. Article 14.10(f) restricts legislative mandates that tie receipt of regulatory approval to a mandatory transfer of technology. This could include regulatory mandates which require manufacturers to provide schematics, diagnostic tools, service manuals, or soft-ware to independent repairers, which would impact Canada's ability to pass substantive right to repair legislation.

5. Increase labour protections for agricultural workers by expanding the rapid response labour mechanism (RRM) to include agriculture workers and to expand the application of the mechanism.

Canada's agricultural system has come to rely on migrant workers, many of whom come from Mexico. Over 20% of all agricultural workers in Canada are migrant workers.¹⁶ Migrant workers through the temporary foreign worker (TFW) programs, particularly Canada's Seasonal Agricultural Worker Program (SAWP), fill labour gaps in the Canadian agricultural system and feed Canadians. SAWP workers are an integral part of Canada's economy, but are not treated as such. The UN Special Rapporteur on Contemporary Forms of Slavery reported in October 2024 that Canada's TFW program "serves as a breeding ground for contemporary forms of slavery, as it institutionalizes asymmetries of power that favour employers and prevent workers from exercising their rights."¹⁷

The Rapid Response Mechanism (RRM) in Chapter 23 of CUSMA should be amended to better address cross-border labour violations which affect migrant agricultural workers in Canada. The RRM was meant to support and enforce compliance with Mexico's 2017-2019 labour law reform, and is specific to

¹⁵ Rosborough, Anthony D., and Daniel Rangel. "The Right to Repair Needs to Extend to Software, Too – and Trade Deals Could Be in the Way." *Globe and Mail*, November 23, 2023. <https://www.theglobeandmail.com/business/commentary/article-right-to-repair-movement-digital-trade/>.

¹⁶ Statistics Canada. *A Look at Agricultural Workers in 2022*. May 9, 2024. <https://www.statcan.gc.ca/o1/en/plus/6205-look-agricultural-workers-2022>.

¹⁷ *Report of the Special Rapporteur on Contemporary Forms of Slavery, Including Its Causes and Consequences, Tomoya Obokata**. A/HRC/57/46/. United Nations General Assembly, 2024. <https://docs.un.org/en/A/HRC/57/46/Add.1>.



“covered facilities” in Mexico. This must be expanded to redress labour issues occurring in Canada and the U.S.

The NFU recommends that GAC, in its Joint Review of CUSMA:

- Expand the application of the RRM to include labour rights violations in Canada and the U.S. by amending the conditions by which claims under the mechanism can be filed for an alleged denial of rights at facilities located in the United States and Canada.
 - Confirm and expand economic sectors to which the RRM applies to include agriculture and migrant workers.
 - Expand the definition of a “denial of rights” under the RRM to include discrimination on the basis of gender or sexual orientation or gender expression, gender-based violence, child labour, health and safety, and derogations from minimum standards of work.
6. The rules of international trade should be based on the highest standards of Human Rights by requiring the implementation of Human Rights Treaties as the basis for a shared trade regime.

Free trade agreements have had negative impacts on rural and indigenous communities. Instead of creating a more fair and resilient economy, free trade agreements have enabled wealth extraction from these communities with limited democratic participation in the agreement-making process. To ensure that free trade agreements reflect principles of fairness and economic prosperity, they should be based on the highest standards of Human Rights treaties.

The NFU recommends that Global Affairs Canada advocate for CUSMA to require Parties to ratify the United Nations Declaration on the Rights of Indigenous Peoples and the United Nations Declaration on the Rights of Peasants.

The NFU reaffirms the importance of Article 32.5: Indigenous Peoples Rights and Canada’s foremost commitment to reconciliation.

The National Farmers Union welcomes the opportunity to continue this conversation on how CUSMA can be improved to serve Canadian farmers, farm workers, and rural communities. We would be pleased to provide further details or appear before officials to discuss solutions.

All of this is respectfully submitted by
The National Farmers Union
November 2025

