

---

**BEFORE THE UNITED STATES INTERNATIONAL TRADE COMMISSION**

---

**Investigation No. TPA-105-003**

*United States-Mexico-Canada Agreement Likely Impact  
on the US Economy and on Specific Industry Sectors*

---

**TESTIMONY OF  
GEORGIA FRUIT AND VEGETABLE GROWERS ASSOCIATION**

**NOVEMBER 15, 2018**

---

**Gary Black  
Georgia Commissioner of Agriculture**

*On behalf of:*

**Georgia Fruit and Vegetable Growers Association**

Charles Hall, Executive Director

P.O. Box 2945

LaGrange GA 302417

706-845-8200



## TESTIMONY

**Gary Black**  
**Georgia Agriculture Commissioner**

**Georgia Fruit and Vegetable Growers Association**

**November 15, 2018**

**United States International Trade Commission**

*Review of the United States-Mexico-Canada Agreement;  
Likely Impact on the US Economy and on Specific Industry Sectors  
(Investigation No. TPA-105-003)*

Hello, my name is Gary Black and I serve as the Georgia Commissioner of Agriculture. I appreciate the opportunity to offer comments in relation to the United States-Mexico-Canada Agreement (USMCA) and the potential economic impact of the Agreement on Georgia's number two agricultural cash crop and the future viability of production in our state.

Today, I am speaking on behalf of the *Georgia Fruit and Vegetable Growers Association* (GFVGA), a trade association representing growers to provide a united voice for the fruit and vegetable industry in Georgia.

Fruit and vegetable production is a \$1.4 billion dollar industry at the farm gate in Georgia with over 200,000 acres in production. Therefore, it is critical that this agreement provides an effective, near-term relief against unfairly traded Mexican fruits and vegetables threatening the survival of Georgia farm production in our nation.

Since 2000, most of the growth in Mexican agricultural imports into the U.S. is from fresh fruits and vegetables. Because the Southeastern United States and Mexico produce a number of the same specialty crops and share a similar growing season, fruit and vegetable imports from Mexico have had a disproportionately negative impact on Southeast producers. To a great extent, Mexican fruit and vegetable producers have been able to achieve extraordinary growth in recent years because of unfair Mexican subsidies and prices that are significantly below costs of production.

Based on the current level of Mexican fruit and vegetable imports and the potential for additional exponential unrestrained growth of Mexican imports if this new USMCA Agreement is approved, will be tantamount to distributing U.S. government printed "going out of business" signs across a substantial part of rural Georgia and the Southeast. Duty-free blueberries from

Mexico have already altered the course of the nation's number one blueberry producing region in Georgia. Squash, tomato, bell pepper and cucumber market windows continue to shrink for our producers while produce streams across our southern border arriving from a country known for an inconsistent regulatory environment.

I am not going to recap the information presented in our Pre-hearing brief plus the testimony presented this morning by Commissioner Putman, Mr. Stuart and Mr. Parker. They clearly outlined the staggering growth in the volume of Mexican produce into the US market.

The effect of high volumes of Mexican produce was evidenced just three weeks ago by our GA squash growers with prices in the \$14 to \$18 per box. Once the squash from Mexico hit the market our squash growers received \$3-\$4 per box.

My fellow panel members have also clearly outlined Mexico's extraordinary growth in fruit and vegetable shipments to the United States over the last two decades has been driven not by ordinary market forces, but by unfair subsidies, sale prices significantly below costs of production, and extremely low labor costs. As Commissioner Putnam outlined, Mexican producers of fresh fruit and vegetables benefit from government support programs aimed at increasing productivity in Mexican greenhouses and shade houses, not only during the winter months (November-March), but throughout the year.

I want to make a real life comparison to the situation our southeastern growers face,

In sixteen days the Alabama Crimson Tide will meet the University of Georgia Bulldogs in the 2018 SEC Championship Game. Obviously, I do not know if our Bulldogs will win. But, I am certain of the rules of competition.

Georgia and Alabama will play on the same field using a regulation ball. Rules of equality govern recruiting, scholarships, and practice hours. Equal rules, but no guarantee of equal outcome.

Unfortunately, equal rules of competition do not exist with the USMCA agreement. The pre-hearing briefs and testimony this morning has shown that. There is no opportunity for a referee to throw a yellow flag when a violation occurs. Our southeastern produce growers have no NCAA to which to file a suit when product is dumped in the US at below production costs.

In the absence of effective, near-term relief measures to redress this issue for Georgia and Southeast producers, the harm being caused by Mexico's unfair trade practices will only intensify, putting at further risk the survival of this important industry and generations of Georgia farm families.

And our Southeastern growers are not playing for a conference trophy, they are on the playing field of life working for the survival of their family farm.

Passage of this agreement will contribute to a strategic weakness in domestic production capacity harming the economy of rural America as a critical infrastructure. This agreement will contribute to the destruction of the US national security as this is the first step in the elimination of the Southeastern produce industry. The SE may be the first victim but other areas of the US will eventually experience similar issues with no recourse or solution.

On behalf of the Georgia and Southeastern growers struggling to save their operations from these unequal rules of competition and unfair trade practices, GFVGA respectfully requests the ITC reflect in its report to Congress that the USMCA will destroy our Southeastern produce growers and the rural communities where they live.

Thank you for this opportunity to share the seriousness of this situation should USMCA be passed without both parties having to abide by equal rules of competition.