

TESTIMONY

**Mike Joyner, President
Florida Fruit & Vegetable Association**

August 13, 2020

Office of the United States Trade Representative

***Public Hearings: Trade-Distorting Policies that may be Affecting
Seasonal and Perishable Products in U.S. Commerce***

(Docket number USTR-2020-0010)

Good morning. I'm Mike Joyner, and I serve as the President of the Florida Fruit & Vegetable Association, which represents growers of fruits, vegetables and other agricultural crops in Florida. FFVA is grateful for the Administration's commitment to take timely trade action to remedy the unreasonable Mexican trade practices and policies that are causing harm to Florida's seasonal and perishable produce industry.

Florida ranks first or second in the nation in the value of production of many seasonable and perishable crops, including squash, blueberries, strawberries, bell peppers, and a host of others. Our industry is essential in feeding Americans fresh U.S.-grown produce from November through late spring. However, our ability to do so has severely eroded over the past two decades because of unfair trade practices by Mexico, which shares our growing season.

Let me start with an overview of our concerns.

We've seen explosive growth in imports of Mexican fruit and vegetable crops to the U.S. since 2000. Mexico's produce shipments grew by high triple-digit percentages from 2000 to 2019, including sizable growth from 2017 to 2019. Conversely, our industry suffered proportionate declines during those periods.

You heard this morning from Dan Sleep of the Florida Department of Agriculture, who discussed the data that show these harmful growth trends. You will hear later how this explosive growth in imported Mexican fruits and vegetables is devastating Florida growers and their families.

Just this spring, while Florida producers were plowing under crops they couldn't sell because of the food-service shutdown, Mexico shipped an additional 1.5 million flats of blueberries to the U.S. from January to April versus the same period in 2019. Mexico also shipped an additional 2.2 million cartons of bell peppers in that same three months.

So how did we get here? We got here because of Mexico's unfair industry subsidies and unfair pricing of fruit and vegetable imports.

Mexico's growth in the U.S. produce market over the past two decades has been made possible largely because of its unreasonable practices and policies. Every year, the Mexican government has strategically funneled extraordinary levels of support into expanding the volume, diversity and export competitiveness of "protected agriculture" -- meaning produce. Without these unfair subsidies, which amount to well over \$200 million a year, Mexico's produce industry would not have enjoyed the same skyrocketing growth trends that studies document.

We remain deeply concerned, too, about the Mexican industry's sustained practice of targeting our Eastern markets with prices that are cheaper than their prices in our Western markets. Despite higher costs to send their produce East, this unfair practice has occurred for years in many produce crops. The Mexican industry aims to set an unfairly low market-entry price that forces our growers to meet that price or abandon the sale.

Studies confirm that these policies and practices have burdened and restricted U.S. commerce, grossly distorting the Eastern produce market year after year. They have systematically eroded our industry's revenues, market share, jobs numbers and ultimately our ability to compete.

Florida's fresh-produce industry is in deep crisis. It needs prompt USTR trade relief if our country hopes to continue feeding Americans domestically grown fruits and vegetables in the fall, winter and spring. To save Florida's produce industry, we respectfully urge USTR to launch an investigation of Mexican trade practices and policies under Section 301 of the Trade Act of 1974 without delay, or launch a trade relief measure that is as equally timely, effective and as lasting as a Section 301.

Let me conclude by reiterating my appreciation for your time today and by passing along a quote from one of our growers when asked to summarize the situation. He said simply, "We are being buried by volume and crushed by price."