

October 14, 2020

The Honourable Rod Phillips
Minister of Finance
c/o Budget Secretariat Frost Building North, 3rd Floor
95 Grosvenor Street Toronto, Ontario M7A 1Z1
Submitted by e-mail: submissions@ontario.ca

Dear Minister Phillips,

Re: Ontario Pork - Fall 2020 Budget Consultation Submission

Ontario Pork welcomes the opportunity to participate in the Ontario Government's Fall 2020 budget consultation. We would first like to thank the government for its commitment to keeping Ontarians safe and assisting sectors in need of financial support during these difficult COVID-19 circumstances.

Our organization is the voice of the province's 1,180 pork farmers, and a leader in the agriculture industry. Led by producers, Ontario Pork is committed to sustainable growth in the pork sector, delivering government representation, research investment, and industry improvements in areas including animal care and environmental sustainability, while growing the brand and reputation of producers and their product. Ontario's pork sector represents a significant part of the economy, combining - from "farm to fork" - \$876 million in GDP, over 13,186 full time jobs and \$2.6 billion in economic output.

COVID-19 has created significant challenges for pork producers, pushing prices generally lower as restaurant demand disappeared, and packing production backlogs strained processing capacity. The impact of COVID-19 continues to be felt across the pork sector as Ontario pork producers are forecasted to lose more than \$200 million in 2020.

Some farms have already been forced to sell or downsize. A Canadian Pork Council survey of producers found that, "More than 40% said COVID-19 has forced them to consider leaving the industry earlier than planned." Ontario Pork and the Ontario Pork Industry Council have held resiliency training for industry, and we have also provided mental health resources to pork producers, to assist with any mental health issues they are experiencing.

Our asks for the government's fall 2020 budget are straightforward: maintain the Ontario Risk Management program funding, work with the livestock industry to increase processing capacity in Ontario and commit to continued resources to ensure that foreign animal diseases (FAD) do not enter Canada.

The Risk Management Program (RMP) is very important to Ontario's pork farmers, as well as other livestock farmers, who are not protected under the supply management system. The Ontario pork sector

has no other provincial risk management program to help mitigate price and cost fluctuations, unlike other farm sectors in the province.

COVID-19 highlighted what we already have known for a long time, we do not have adequate abattoir and processing capacity in the livestock sector. Since 1999, we have lost 54% of our abattoirs. Our sector will only become more fragile, if nothing is done to correct this. Lack of abattoir, further processing capacity, and long waiting times for harvesting (currently minimum of three months up to one year) are stifling growth in the sector.

We have seen the devastating impact that foreign animal diseases, specifically African swine fever (ASF), have had on other countries. ASF is highly contagious for pigs and can spread rapidly though both direct and indirect contact with infected pigs or pig products, as well as contaminated farm equipment, feed and clothing. Any foreign animal disease entering Canada would have severe and negative impacts on the pork sector as well as the economy. Continued preparation by government and industry and working together are essential.

We thank you for your consideration of our budget requests and would be pleased to provide you with further information as required.

On behalf of Ontario's pork producers, we especially thank you for your continued support of our industry.

Sincerely,

Eric Schwindt Board Chair