



February 11, 2021

The Honourable Peter Bethlenfalvy  
Minister of Finance  
c/o Budget Secretariat Frost Building North, 3<sup>rd</sup> Floor  
95 Grosvenor Street  
Toronto, ON M7A 1Z1  
Submitted by e-mail: [submissions@ontario.ca](mailto:submissions@ontario.ca)

Dear Minister,

**Subject: Ontario Pork – Budget Consultation Submission**

Ontario Pork welcomes the opportunity to participate in the Ontario Government's 2021 budget consultation. We would like to thank the government for its continued commitment to keeping Ontarians safe and assisting sectors in need of financial support during these difficult COVID-19 circumstances.

Ontario Pork is the voice of the province's 1,143 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 Canadian economy, combining - from "farm to fork" - \$1 billion in GDP, over 15,300 full time jobs and over \$2.7 million in economic output.

COVID-19 continues to create significant challenges for pork producers, pushing prices generally lower as restaurant demand has disappeared, and creating hog backlogs due to processing plants closures. The impact of COVID-19 continues to be felt across the pork sector with Ontario pork producers 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 spring 2021 budget are straightforward:**

- **Continue to pursue AgriStability enhancements,**
- **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.**

### **Continued AgriStability enhancements**

We are extremely grateful for the efforts of this government to advocate for AgriStability enhancements especially increasing the payment trigger and improving coverage levels. Unfortunately, due to the lack of agreement through the Federal Provincial Territorial process, no changes have been delivered to the program. Redirecting the funds earmarked for AgriStability enhancements into the Ontario RMP program is something Ontario can do to provide immediate relief to Ontario farmers.

### **Continued Risk Management Program funding**

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 has revealed our sector's vulnerability as farmers were immediately impacted by any disruptions in processing capacity. Impacts at the farm level are felt throughout the entire food chain.

### **An urgent need for increased processing capacity**

COVID-19 is highlighting what we 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.

There is a real and immediate opportunity to realize growth in the livestock sector by investing in our provincial processing sector to drive innovation and increase capacity to meet the needs of domestic and international markets.

COVID-19 has also revealed the importance of independently owned meat plants across North America. The closing of meat plants during the pandemic put many strains on the livestock sector. Short closing of meat plants in Canada brought us to the brink of worse case scenarios and food shortages.

### **Foreign Animal Disease preparation**

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 through 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 appreciate 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 thank you for your continued support of our industry.

Sincerely,



Eric Schwindt  
Board Chair