

# **ASF assistance for the pork industry – a model**

**Presented by the Canadian Pork Council and  
the Canadian Meat Council**

Our request:

Pork producers and federally-inspected processing plants partner with federal and provincial governments to create an ASF Trade Recovery Program to provide financial assistance to direct pork sector participants during an ASF event; enabling financial recovery and protecting our industry.

# Canada's Pork sector economic contribution and the impacts of ASF

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- In Canada, Pork Production is a **~\$24B industry supporting direct and indirect jobs across the country. The sector contributes to more than \$11.2B to GDP, \$5.9B in labour income, and \$3.0B in taxes each year.**
- **>70% of current production volume is exported;** any export **ban** of live pigs, fresh/frozen pork, and associated pork products would lead to **significant oversupply, instability** in the domestic market, causing **material economic, social** and animal **welfare concerns**
- **>88k Canadians are employed in the pork sector.** Job security for those working within the associated agri-food sector would be compromised and as a country we would see substantial food waste.
- Producers and processors would see **substantial reductions in operations.** Pig producers, processors and suppliers may exit the market due to additional costs, business uncertainty and already thin to negative margins
- **~2.5M pigs would be at risk of a cull,** despite being healthy, if exports were interrupted due to limited capacities to maintain them on farm and avoid animal welfare issues. Employees within the sector could suffer significant mental health challenges.

# Strategic goals of ASF assistance

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- Survival of the industry at every level
  - Goal is to ensure producers and processors survive and are ready to recover
  - Animal welfare is paramount
  - Treat farmers equitably
- Fair and predictable compensation that will provide confidence to the industry and allow producers to make business choices logically, not under extreme duress
  - Existing business risk management programs are not designed to respond to the crisis and could not provide a timely response.
- Fast, flexible mindset inside government in terms of disaster assistance
- Planning work leads to quick disaster assistance and disaster recovery efforts in an efficient way
- Government will pursue and sign zoning agreements in an expedited way



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# Guiding principles of ASF assistance

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- Target funding that enables a full recovery of full primary and processing production to preserve GDP of \$11.2B contribution.
- The impact of ASF cannot be predicted and will be materially impacted by securing and executing on zoning agreements. Note – Canada has zoning agreements that cover approx. 40% of current exports, and discussions underway that would cover another 43% of exports. Through these agreements, we have the ability to open markets these markets quickly, significantly reducing financial impact.
- Governments support will reflect its intention to minimize economic impacts on the sector, mitigate loss of GDP, protect long-term viability of industry and indirect consequences on beef, poultry and feed sectors as well as protect Canada's food security.

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- By supporting direct pork participants (producers and processors) who suffer economic disaster in an ASF event, these participants will, in turn, support indirect participants of the Canadian pork sector who contribute to the induced GDP benefits. Stabilizing funding for primary production and processors will provide stability for indirect businesses
- The ASF Trade Recovery Program would be similar to the programs for supply managed industries who lost market share due to Canadian trade issues. ASF is not a food health Issue, it is a trade issue. The Government of Canada is responsible for trade and protecting borders to ensure ASF does not enter Canada.
- Individual business owners must be able to make decisions based on their business model, while ensuring businesses are positioned to work together and not be materially disadvantaged

**Questions?**

