



Canadian Pork Council Protests EU Export Subsidies

For Immediate Release

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Ottawa – The Canadian Pork Council (CPC) is extremely disappointed with the news out of Brussels today that the European Union has decided to introduce export refunds on pork and pork products. The export subsidy rates run as high as CDN 75 cents per kilogram and are understood to be applicable for all export destinations.

“We are astounded that the EU has chosen a method of addressing its pork industry’s economic difficulties that will impose even more extreme hardship than that already being experienced for pork producers elsewhere”, says Clare Schlegel, President of the CPC.

“We fully understand the EU’s move is to address the economic crisis being faced by their pork producers in response to high feed prices and the weak US\$. But these are the exact same challenges being faced by pork farmers in Canada and in many other countries. These European subsidies will force Canadian, U.S., Brazilian, and other pork exporters to cut prices to remain competitive with their EU-based counterparts, compounding the economic difficulties the rest of us already face.”

Government subsidies which directly lower export prices are widely viewed as the most trade-distorting form of government assistance to agriculture, and it is for this reason that the elimination of export subsidies has been a bedrock objective of the Doha Round of WTO trade negotiations.

“Surely the EU can choose an alternative means of assisting its pork farmers which is less trade-distorting and damaging to other countries than export subsidies,” concluded Mr. Schlegel, a hog producer in Shakespeare, Ontario.

The CPC is already in communication with government officials on the legality of this EU decision but apart from that, will explore what other options exist to persuade the Europeans to pursue a path which is less damaging to the interests of its international allies.

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