



Canadian Pork Council
Conseil canadien du porc

Press release

For immediate release

Canadian Pork Producers Are Pleased with Minister Bibeau's Proposal to Fix AgriStability

November 27, 2020, OTTAWA- Canada's 7,000 pork producers are pleased that the Federal Government has proposed a solution to fix AgriStability, but disappointed a consensus was not reached at the recent Federal Provincial Territorial (FPT) meeting. The lack of a consensus is especially troubling given the unprecedented volatility and risk that pork producers face due to COVID-19, its impact on consumers and the economy and ongoing challenges in international markets.

"Pork producers welcome the leadership from Minister Bibeau and are calling on provincial ministers to do the right thing and fix AgriStability," said Rick Bergmann, Chair of the Canadian Pork Council. "While farmers are the first to feel the impact of these broken programs, the impacts are also felt in rural communities, along the entire value chain and across the country as the resiliency of the food supply weakens."

The impact of broken programs is more significant given the losses producers are facing. Pork producers operate on razor-thin margins, so a small decrease in sales can significantly impact farm income. Statistics Canada's recent data confirms that revenue has fallen more for pork producers than most other sectors. Those revenue declines lead to devastating income losses. The national numbers understate the losses faced by independent pork producers who are extremely exposed to volatility and risk and have fewer tools to protect against it.

"Pork producers are calling on Premiers and their Agriculture Ministers to accept Minister Bibeau's proposal to fix AgriStability, including increasing the payment rate to 80%" added Mr. Bergmann. "Provincial governments will fail most farmers if they choose not to fund fixing AgriStability when they are spending \$1 billion on crop insurance."

British Columbia, Ontario, Quebec and Prince Edward Island all have made unilateral changes to improve AgriStability. It is important that there is agreement to fix AgriStability across the country so that farmers are treated equally. Only changing Reference Margin Limiting will not fix AgriStability for pork producers.

COVID-19 has had a devastating impact on many producers in our sector, a sector that contributes more than \$24 billion to Canada's GDP and exports more than \$4 billion to 100 markets around the world. Pork producers have had to deal with extreme price fluctuations including some of the most profound price declines in history, border closures, and processing plant shutdowns.

The Canadian Pork Council is the national voice for hog producers in Canada. A federation of nine provincial pork industry associations representing 7,000 farms, the organization plays a leadership role in achieving and maintaining a dynamic and prosperous Canadian pork sector.

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