

August 18, 2009

Timely assistance to help hog producers weather their industry's "perfect storm"

The Alberta Chambers of Commerce (ACC) is pleased the federal government is addressing the dire situation in the hog industry with a comprehensive plan.

Rising grain prices, the emergence of the H1N1 virus, the rising Canadian dollar, and the introduction of Country of Origin Labelling in the United States have combined to place unparalleled pressures on the pork industry.

In mid-July, ACC urged the governments of Canada and Alberta to review their agricultural assistance programs to ensure they are meeting the needs of pork producers during this crisis and, where possible, accelerate payments and strategies to help the industry prevail during the "perfect storm" that has descended upon it.

"Our federation of 124 Chambers of Commerce feels that the plight of Alberta's pork industry is of such great magnitude that both levels of governments need to place high priority on finding ways of ensuring the sector's sustainability during this period of extraordinary instability," said ACC Chair Don Oszli.

On Saturday, Aug. 15, ACC was pleased to learn Agriculture and Agri-Food Canada will implement the following programs: a \$17-million International Pork Marketing Fund for market research, promotion and access initiatives to find new customers for Canadian pork products; long-term loans with government-backed credit that financial institutions can offer to allow viable hog operations to restructure their businesses; and a \$75-million Hog Farm Transition Program to allow producers to tender bids for the amount of funding they need to transition out of the hog industry and cease hog production for at least three years as a means of addressing the oversupply issue.

"ACC hopes the new federal program, coupled with the existing federal and provincial agriculture programs, will help sustain the hog industry through this difficult period," said Oszli.

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