

# PORK



# NEWS

ONTARIO PORK

DECEMBER 2009

Ontario Pork Producers Marketing Board, 655 Southgate Drive, Guelph, Ontario N1G 5G6 Tel: 519-767-4600 Fax: 519-829-1769

## 2009-2010 BUDGET

At an Ontario Pork Board meeting on Monday November 30th, 2009, Directors approved a status quo budget for 2009-2010. The 2010 fiscal year began December 1, 2009.

“Given the unpredictable economic climate, the Board is operating on the same assumptions it did at the beginning of 2009 and will not making any drastic changes at this point. As 2010 unfolds there will be opportunity to reexamine the service fee” says Ontario Pork’s Chair, Wilma Jeffray.

The 2007 and 2008 Corporate Profile can be found on the Ontario Pork website. <http://www.ontariopork.on.ca/cms/en/AboutUs/aboutus.aspx>

The 2009 Corporate Profile will be available for the Annual General Meeting this coming March.

## TRIBUNAL UPDATE

The Tribunal hearing related to the Oct. 6, 2008 decision of the Farm Products Marketing Commission to terminate the marketing authority of the Ontario Pork Producers Marketing Board in Ontario ended on Friday, December 5th, 2009 after 5 days of proceedings.

The Tribunal indicated that a decision would be rendered before the end of January 2010.

Ontario Pork looks forward to receiving the findings of the Tribunal to allow concrete steps to be taken in developing the future of the industry.

## POLICY DAY SUMMARY

On November 10th and 11th, 2009 Ontario Pork held a Policy Day conference . About 100 delegates attended and topics included an update on initiatives since the last delegate meeting held in September, a safety net update, an introduction of a risk management proposal for the Ontario hog industry, a discussion on the financial protection program and county/district presentations on the white papers regarding: the financial protection plan, electoral structure and the strategic plan.

Executive Summary - [http://www.ontariopork.on.ca/cms/en/Producers/presentations\\_and\\_updates/presentations\\_and\\_updates.aspx](http://www.ontariopork.on.ca/cms/en/Producers/presentations_and_updates/presentations_and_updates.aspx)

If you would like to request a hardcopy please contact Brooke Leystra - [brooke.leystra@ontariopork.on.ca](mailto:brooke.leystra@ontariopork.on.ca) or 1-877-668-7675 ext. 1402

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## OASC

Ontario Pork continues to work with the Ontario Agricultural Sustainability Coalition to promote changes to the Business Risk Management programs that will help producers to better cope with extended periods of losses. On December 3, coalition members agreed that:

- A Cost Of Production based program is desired to supplement AgriStability.
- The province must commit its share of funding as indicated in their 2009 Budget.
- We need a retroactive payment for 2009 in this fiscal year of the provincial budget.

Ontario Pork has been especially focused on the need for a retroactive payment to cover 2009 losses. Ontario Pork had a follow up meeting with the Coalition, OMAFRA representatives and a representative from the Minister of Agriculture's office to talk about details of a proposed program. Staff from member organizations will be continuing efforts before and after Christmas, and the full group will meet on January 6 and 14, 2010.

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## MEETING WITH MINISTER OF FINANCE

Ontario Pork Director, Stewart Cressman, put forward the needs of the agricultural sector at a pre-budget consultation meeting with Minister of Finance and Chair of the Management Board of Cabinet, Dwight Duncan, on Friday December 4, 2009.

Mr. Cressman reiterated the pork sector's need for a redesign of existing programs to better meet the needs of producers and the adoption of a Business Risk Management Program to level the playing field across provinces.

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## CFFO MEETING

Representatives from Ontario Pork were invited to meet with the Christian Farmer's Federation of Ontario (CFFO) in order to provide information on key initiatives Ontario Pork has been working on.

The CFFO composed a series of three commentaries on leadership in the Pork industry and a position paper on our industry, which were distributed to media.

Ontario Pork provided some background on work done in the past two years by Ontario Pork as well as current promotion, business risk management programs, producer communications, safety nets, the Farm Products Marketing Tribunal, etc.

There are many similarities between Ontario Pork's strategic plan and CFFO's position paper. The hope is that this meeting helped to solidify unity and understanding for our industry, as well as Agriculture in Ontario and Canada. Ontario Pork also invited the CFFO to contact us anytime as well as to join our board in yearly visits and stressed the importance of open dialogue with our organizations and they agreed with a cooperative approach.

## ONTARIO PORK RESEARCH

A compilation of short summaries of pork research projects carried out during the year at the University of Guelph and Ridgetown College and at Agriculture Canada stations across Canada is now available. Pigs, Pork and Progress is a publication coordinated and funded by Ontario Pork with the objective of promoting dialogue, understanding and communication about research accomplishments and activity funded by Ontario Pork.

This publication can be found online at - <http://www.ontariopork.on.ca/cms/en/Research/research.aspx>

Or to get a hard copy contact Jean Howden, Ontario Pork Research Coordinator -

research@ontariopork.on.ca or 1-877-668-7675 ext. 1364

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## RESEARCH ASSESSMENT

A preliminary assessment of Ontario Pork's research expenditures for 2008-2009, shows that for every twenty cents producers allocate for research from their service levy fee, it is estimated that sixty three cents of research is being conducted in areas of nutrition, meat quality, reproduction, animal health, food safety and environment.

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## RESEARCH STRATEGY

Jean Howden, Ontario Pork Research Coordinator has been assisting the Board in determining the allocation of research funding going forward based on the current strategic direction and industry needs. The plan is to develop a more balanced approach that will correspond with the strategic objectives of Ontario Pork while maximizing value for producer dollars. In the past, research expenditures have typically been heavily invested in production research. Given the new objective of a balanced approach research will continue in the area of production but will also be focused on areas of **product/marketing development**.

The Board discussed next steps to implement this shift in Ontario Pork's approach to research:

- Communicate research priorities to producers, researchers, industry partners, etc.
- Update the Ontario Pork Research Committee on the approach
- Evaluate Research Committee structure and composition
- Identify potential research partners in emerging areas
- Investigate adopting/incorporating an outcomes-based focus or element
- Review the relationship to various national and provincial organizations

Details surrounding this strategy will be presented to producers as they develop in the new year.

# RESULTS OF SECOND HOG TENDER RELEASED

*From the Canadian Pork Council*

The second tender of the Hog Farm Transition Program (HFTP) was held Wednesday, December 9 and preliminary results have been approved by the Program Administrator and an independent third party scrutinizer. In order for bids to be compared among all types of animals and facilities, a system to equitably compare bids was developed. Using this system, each total farm bid submitted was converted to a dollar per "animal unit equivalent" or AUE.

Of the total 469 bids submitted, 115 bids were accepted before the \$24 million allotted to this second tender was allocated. A total of \$24,504,418.15 will be issued to successful bidders under this tender. Lowest bids were accepted first, followed by successively higher bids until the funds for that tender were exhausted.

*Second tender results are as follows:*

Weighted average of 115 successful bids: \$872.91/AUE Low bid: \$370.00/AUE

High bid: \$1,034.23/AUE

*The second tender removed the following inventory from production for the next three years:*

Sows: 43,182

Weaners to 30 kg: 99,469

Hogs from 31 kg to market weight: 123,654

Results from the first tender reported on November 9, 2009 have been adjusted slightly to reflect the outcome of appeals filed subsequently.

Funds of \$25 million have been allocated to the third tender for the Hog Farm Transition Program to take place on January 20, 2010 at 2:00 p.m. EST. Producers that are not already registered are encouraged to submit their registration forms no later than January 13, 2010 for this tender window.

A date for the fourth and final tender offering the remaining funds of approximately \$15 million has not yet been set but will be announced in January.

The CPC press release in its entirety can be found on the Ontario Pork Website:

<http://www.ontariopork.on.ca/cms/en/Programs/ap.aspx>

Registration forms for the Hog Farm Transition Program are available from the Canadian Pork Council at [www.cpc-ccp.com](http://www.cpc-ccp.com).

## HFTP BID SUMMARY BY REGION

The second tender of the Hog Farm Transition Program (HFTP) was held Wednesday, December 9. Of the total 469 bids submitted, 115 bids were accepted before the \$24 million allotted to this second tender was allocated. A total of \$24,504,418.15 will be issued to successful bidders under this tender. Lowest bids were accepted first, followed by successively higher bids until the funds for that tender were exhausted.

Second tender results are as follows. Weighted average of 115 successful bids: \$872.91/AUE Low bid: \$370.00/AUE High bid: \$1,034.23/AUE

Province Name	# of Bids	# of AUEs	Total Bid Value	# of Sows	# of Wean to 30 kg	# of 31 kg to Market
British Columbia	7	4,608.06	\$3,504,487.60	6,779	19,558	19,611
Alberta	28	5,538.44	\$4,681,427.97	6,101	16,445	38,204
Saskatchewan	5	3,802.29	\$3,321,932.63	6,880	20,031	7,381
Manitoba	32	11,739.82	\$10,477,166.63	22,394	36,020	34,507
Ontario	92	13,067.14	\$11,078,616.85	18,811	47,535	62,962
Quebec	19	2,955.36	\$2,460,399.34	3,774	6,753	19,235
Atlantic Region	9	1,402.02	\$708,471.67	2,037	4,039	7,375
<b>Total</b>	<b>192</b>	<b>43,113.13</b>	<b>\$36,232,502.69</b>	<b>66,776</b>	<b>150,411</b>	<b>189,275</b>

Hog Farm Transition Program, Canadian Pork Council c/o Welch LLP  
1200-151 Slater Street Ottawa, ON K1P 5H3

Tel: 1-888-368-4023, Email: [hftp@welchllp.com](mailto:hftp@welchllp.com), Fax: 1-888-334-6618

You can also call the Ontario Pork Industry and Producers relations group at 1-877-668-7675 ext. 2 or e-mail Katie Sinclair - [katie.sinclair@ontariopork.on.ca](mailto:katie.sinclair@ontariopork.on.ca)

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*Wishing you  
all the best  
in 2010!*

**Happy New  
Year!**



**ONTARIO PORK**