



News Release

Supply Management Not a Simple Solution for Ontario's Hog Sector Study Finds

FOR IMMEDIATE RELEASE

Guelph, September 23, 2009 – A recent study prepared by The University of Guelph, Ridgetown Campus, finds that implementing a supply management system for Ontario's hog industry would be a challenge. Commissioned by Ontario Pork, the study suggests that the Ontario industry would need to shrink anywhere from 43 – 58% and overcome significant hurdles including international trade issues and development of a tariff system; reduction in production to meet domestic consumption; production allocation among provinces and whether a quota system would be used to set production volumes.

Supply management attempts to match domestic production with estimated domestic consumption. It would also have to be national in scope and have the support of all provinces with a stake in it. Author of the study, College Professor and Research Co-ordinator, Ken McEwan says “the movement to a supply management system would involve considerable downsizing of the existing Canadian swine herd. The implications of this downsizing to industry business partners would be far-reaching and in some cases could mean closure.”

“This topic has been brought up several times over the years,” said Chair Wilma Jeffray. “With pork producers looking for alternatives and options in this depressed market, Ontario Pork felt it was time to investigate the supply management concept and its feasibility. From the numbers presented I think there is clear evidence that Ontario's hog sector would be severely impacted by adopting this system.”

The study can be found on the Ontario Pork website at ontariopork.on.ca

Ontario Pork represents the 2800 farmers who market hogs in the province in many areas, including hog marketing, research, government representation, environmental issues, consumer education and food quality assurance. The pork industry in Ontario accounts for 33,000 jobs, and it is estimated that total industry output from farm gate sales is worth \$4.7 billion to the Ontario economy.

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Contact: Keith Robbins, Director, Communications and Consumer Marketing
Phone: 519-767-4600
Email: comm@ontariopork.on.ca