



FOR IMMEDIATE RELEASE

Minister extends the availability of the Hog Industry Loan Loss Reserve Program

Ottawa, Ont.[February 24, 2010] The Canadian Pork Council (CPC) welcomes today's announcement by the Honourable Gerry Ritz, Minister of Agriculture and Agri-Food-Canada (AAFC), to extend the availability of the Hog Industry Loan Loss Reserve Program (HILLRP) from March 1 to March 26th, 2010 and to increase the government's share of the risk to 90 percent on loans used to repay advances received under the Advance Payments Program.

"These changes will provide producers additional time to review their business plans" says Jurgen Preugschas, Chair of the CPC. "and we hope allows financial institutions to issue additional loans under the program."

The hog industry has faced a number of serious challenges over the past few years, including concerns over H1N1, high feed costs, high exchanges rates and United States public policies. The industry has responded through dramatic restructuring and a determination to push ahead

Last week Statistics Canada released the fourth quarter hog statistics for 2009 that showed the continued decline of the hog industry. Key statistics are as follows:

- There has been a 4.3% decrease in the Canadian breeding heard.
- The sow inventory is at 1.3 million head - a level not seen since 2000.
- The hog inventory is the lowest it has been in 12 years.
- The number of hog farms in Canada continued to decline to 7,360.
- Total hog exports amounted to 6.4 million head, down 31.9% from 2008.

The continued drop in Canadian hog numbers will begin to affect infrastructure and services such as slaughter facilities, feed mills, the availability of transportation, and veterinary services in many parts of rural Canada.

On June 28, 2009 the Canadian Pork Council released its Strategic Transition Plan titled "The Canadian Hog Industry's Plan for Success". This document is a comprehensive plan to guide the sector through the next five years. It includes several strategic initiatives, such as a market penetration and value chain integrity, which will contribute to the long term competitiveness of the industry

The CPC serves as the national voice for hog producers in Canada. A federation of nine provincial pork industry associations, our organization's purpose is to play a

leadership role in achieving and maintaining a dynamic and prosperous Canadian pork sector.

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