

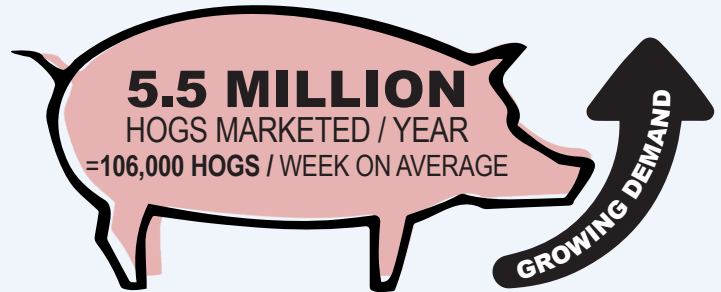
OVERVIEW:

ONTARIO HOG PROCESSING AND MARKET INTERRUPTION



ONTARIO PORK

This is a brief overview of the hog production cycle, processing options in Ontario, and the difficult choices facing farmers and others in industry when disease or other issues cause the system to break down.



PRODUCTION CYCLE



SOW BRED



GESTATION

3 months, 3 weeks, 3 days

HOG IS AT MARKET WEIGHT

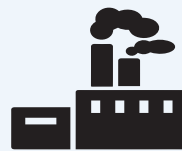
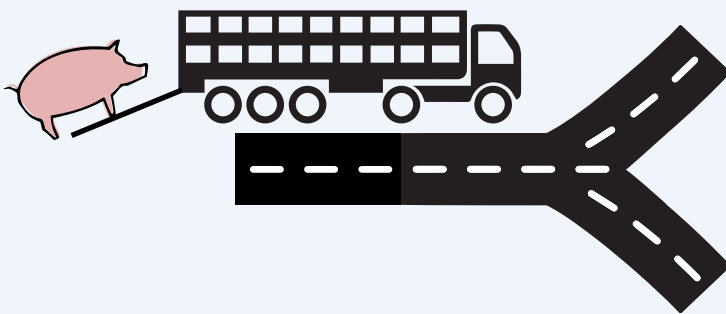
~6 months

(larger hogs not easily processed)



SENT TO BE PROCESSED

WHERE HOGS GO



FEDERALLY INSPECTED PLANTS



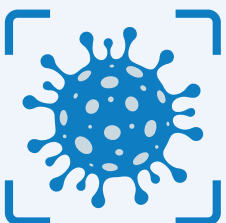
PROvincially INSPECTED ABATTOIRS

NICHE-MARKET PROCESSORS

PLANTS IN THE U.S. OR WESTERN CANADA

MARKET INTERRUPTIONS

There are many factors that can cause disruptions in the pork supply chain, including economic factors, labour shortages, politics and trade, significant weather events or operational breakdowns. Two primary areas of concern:



FOREIGN ANIMAL DISEASE

Both federal and provincial inspectors have a list of reportable animal diseases that they must monitor for at processing plants. Some, such as food-and-mouth disease or African swine fever, require an immediate shutdown of the plant and pig movements for an extended period.

HUMAN DISEASE OUTBREAK

Processing plant employees work in close quarters. The COVID-19 pandemic has underscored the importance of personal protective equipment and updated health and safety protocols to ensure the well-being of employees and continuity of operations.

PLANT SHUTDOWNS



TRIGGERS FOR PLANT SHUT DOWN

MULTIPLE CONFIRMED COVID-19 CASES AMONG EMPLOYEES



LACK OF INSPECTORS



LABOUR SHORTAGES

PREVENTATIVE ACTION TAKEN IN ONTARIO

Strict health and safety protocols to protect workers, including health and temperature screening, staggered breaks and arrivals, increased disinfection, plexiglass screens between work stations, larger lunchroom facilities and new practices for shipping and receiving product.

CFIA has hired additional inspectors and redeployed staff from other branches to ensure this work continues.

Increased pay for frontline workers during the pandemic and steps taken to ensure the risk of illness is reduced.

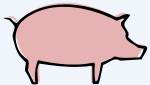
IMPACT WHEN PLANTS SLOW OR SHUT DOWN



Investments into health and well-being of employees, including new personal protective equipment, safety barriers, temporary buildings, line retooling and additional sanitation and disinfection practices.



Sudden shifts between retail and food service markets may require processors to retool cutting and packaging lines with little notice. This process can take many weeks.



Plant closures and slowdowns can lead to backlogs of animals on farms and shortages of pork at the retail level.

3 CHOICES

1. Redirect hogs to operational plants whenever possible
2. Hold hogs on farm if closure is short-term
3. Consider humane euthanasia at plants if all other options have been exhausted

IMPACTS ARE IMMEDIATE FOR FARMERS

PRICING

TRADED DAILY

Based on supply and demand



NON-SUPPLY-MANAGED

Supply and demand within the markets determine pig and pork prices



SURPLUS PORK DONATIONS

Q:

IF HUMANE EUTHANASIA IS REQUIRED, CAN SURPLUS PORK BE DONATED?

A:

Donations of fresh ground pork are welcome by food banks. Ontario Pork has a long-standing relationship with Feed Ontario, a network of Ontario food banks.

LIMITATIONS

CAPACITY

- foodbank freezer/cooler
- processing, packing



COST

- grinding, packaging, labelling
- transportation, storage