

News Release - for immediate release

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Federal support for farmers, agri-food businesses and the food supply chain.

The Government of Canada recently announced \$252 million in funding to support farmers and agri-food businesses during the COVID-19 pandemic. However, this financial assistance seems very small compared to the real needs of the industry. The Canadian Federation of Agriculture had estimated a few days earlier that \$2.6 billion was needed to support the sustainability of the Canadian agri-food system. This financial assistance comes late in the day when several sectors of agriculture have been suffering significant income losses for several weeks.

L'Union des Cultivateurs Franco-Ontariens (UCFO) is concerned about the Trudeau government's proposed \$125 million in assistance through the AgriRecovery program. The proposed financial assistance will take the form of a loan that will increase the financial vulnerability of livestock producers. Livestock producers are faced with a dilemma: (1) keep animals on the farm, which increases production costs and reduces the cash flow of their business, or (2) consider euthanasia for a part of their herd as a result of the marked reduction in processing capacity. A vicious circle that imposes significant financial losses.

The COVID-19 crisis exacerbates the already well-known problem of the lack of slaughterhouses in several regions of Ontario, particularly in northern and eastern Ontario. Improving local processing capacity is absolutely necessary to ensure the resilience and security of the Canadian agri-food system. It is essential that local abattoirs and processors be able to benefit from government assistance to increase their processing capacity and adapt to food safety requirements to ensure food sovereignty and 'eating local'.

UCFO is concerned about the lack of financial support offered to vegetable and horticultural producers. UCFO wants concrete and rapid measures to help these sectors of agriculture that contribute to Canadian food sovereignty and intends to make this urgent request to the Ontario government in the coming days.

Nevertheless, the UCFO welcomes the financial assistance granted to the Canadian Dairy Commission to increase storage capacity and minimize milk disposal obligations. The pressure has been strong for dairy producers who have had to adapt their milk production to the rapid and drastic changes in the market. In recent weeks, dairy farmers have had to deal with losses in milk sales and in the value of cull animals.

UCFO also applauds the Canadian government's efforts to limit food waste as a result of reduced agri-food processing capacity and drastic changes in demand for agricultural products. This \$50 million fund will make it easier for food organizations to procure food to fulfill their mission of helping families in need.

In this time of unprecedented crisis, it is essential to protect agriculture and the agri-food supply chain. Regional agricultural and agri-food processing companies will be key players in the economic recovery expected at the end of the COVID-19 crisis.

UCFO is involved in defending and representing the rights and interests of more than 2,000 Franco-Ontarian family farms.

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