

May 07, 2007

To: Mr. Terry Sargeant, Chair  
Clean Environment Commission of Manitoba

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Mr. Chairman

Our Association, (Animal Nutrition Association of Canada – Manitoba Division) represents the animal feed manufacturing industry in Manitoba and our members are part of the collective interest to ensure that our food supply is safe and that the environment is protected. Our Industry supplies about 1.5 million tonnes of complete feeds to the livestock industry. This is about 60 % of the total feed produced in Manitoba , the rest is made directly on farm . Of our total volume produced, about 1.0 million tonnes ,( 70% ) is supplied to hog producers. This represents over 200 million dollars in value that contributes to the Manitoba economy in the form of grain purchases, trucking services, feed mill operations, employment, supplier services, professional services, and taxes. Our industry also works closely with livestock producers, researchers and governmental agencies to enhance the sustainability of agriculture and the rural economy in Manitoba.

In public consultations with the government and others on water quality issues, there appeared to be agreement that protection of water quality is everyone's responsibility. Our understanding is that the hog industry accepted the challenge and committed to working with government to adopt even more stringent regulations on phosphorous nutrient management.

Although we embrace and support the mandate of the Clean Environment Commission in terms of ensuring the environment is protected for the benefits of all to enjoy, we are concerned that the current review of the hog industry was preceded by a pause on the construction of new hog barns, and the resulting unfair negative image generated within the public domain. We are concerned about the lack of a deadline for it to end, and we are concerned that the government has not considered the impact on the pork value chain.

As we have close contacts with the hog production industry we would like to take this occasion to outline some of the consequences associated with the ban on new barn construction and some of the frustrations we experience when other government interests thwart the very effort intended to reduce phosphorous loading in the Lake Winnipeg Watershed.

1. We know that the pause to new barn construction has had a significant negative impact on building contractors, trades people, and barn equipment manufacturers. For example, a colony of Hutterite Bretherans that manufactures barn pens has idled its' production line, this work had been a significant contribution to their livelihood.

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2. Two Hutterite Bretheran colonies experienced the destruction of their hog barns and a significant portion of their livelihood was lost. While insurance proceeds would facilitate reconstruction and recovery of income, they cannot proceed as these would be new facilities that are prohibited under the current ban.

3. A major private barn construction and equipment manufacturer is in the process of rewriting its' five year business plan.

4. We have anecdotal evidence that building contractors have focused on urban construction in Manitoba or out of province opportunities, and many tradespeople have followed the work into the city or to Alberta. These people may not return to the industry once the pause is lifted.

5. Most significantly, there is evidence that the hog industry interests have developed a perception that Manitoba is too unstable, in terms of a regulatory environment in which to do business.

There is a perceptual misconception that should additional regulations be introduced and the ban be lifted, that construction of new barns will simply restart where it left off. In reality, items 4 & 5 will result in a significant delay and some postponed projects will be abandoned.

On an animal nutrition issue directly related to reducing phosphorous loading into the Lake Winnipeg watershed we can advise that our industry is managing phosphorous supplements in feed to significantly reduce phosphate excretion in manure. However, current feed barley varieties contain significant non digestible phosphorous in the form of phytates and as a result we are working with the seed growers in their search for natural low phytate barley, to avoid adding costly mineral supplements to the feed and to reduce the level of non digestible phosphate being spread on fields via manure. In a bizarre twist, the University of Saskatchewan which has developed a low phytate barley had their product registration application for general release rejected by the Canadian Food Inspection Agency which had classed it as a "feed novel trait". The benefit to the pork industry and to Manitoba would be twofold; better economic results for livestock producers and lowered phosphorous loading into the environment.

There has also been a perceptual misconception that the hog industry will continue to expand at the same pace that has occurred since 2000. Our industry analysis has determined that hog numbers will level off because of, the high value of the Canadian dollar, the escalating cost of feed grains because of ethanol production incentives, and the recent business decisions surrounding pork production and packing capacity in western Canada. Hog numbers could decline precipitously if trade action against the industry occurs.

The hog production industry was doing its' part in closely following the regulations; the animal nutrition industry was doing its' part in seeking ways for more effective conversion of nutrients by animals. The progress on both counts does not seem to be acknowledged and has had the effect of forcing the hog industry to continue the use of inefficient barns scheduled for closure and the use of barley varieties that contain higher than necessary levels of non digestible phosphates.

All of the above is taking place against a backdrop of data from Statistics Canada that rural municipalities with a robust hog production industry are not experiencing population declines.

We ask that the Clean Environment Commission consider that time is of the essence in rendering a finding in order to counter the negative impressions that the pause has generated and confirm what has become generally accepted by the rural community--- that the hog industry is a responsible industry and it is a sustainable element of the rural and provincial economy as well as the environment.

Respectfully Submitted,

Dennis Kornelsen, Chair  
Animal Nutrition Association of Canada – Manitoba Division

Should any follow up questions arise, please contact our Office Manager, Mr. Herb Schultz at (204) 261-7865.