



# IOWA PORK PRODUCERS ASSOCIATION

## COVID-19 PANDEMIC REALITIES FOR IOWA PORK PRODUCERS

### Catastrophic Losses Expected

The dramatic losses in the value of market hogs since the beginning of 2020 continues to grow in Iowa and beyond.

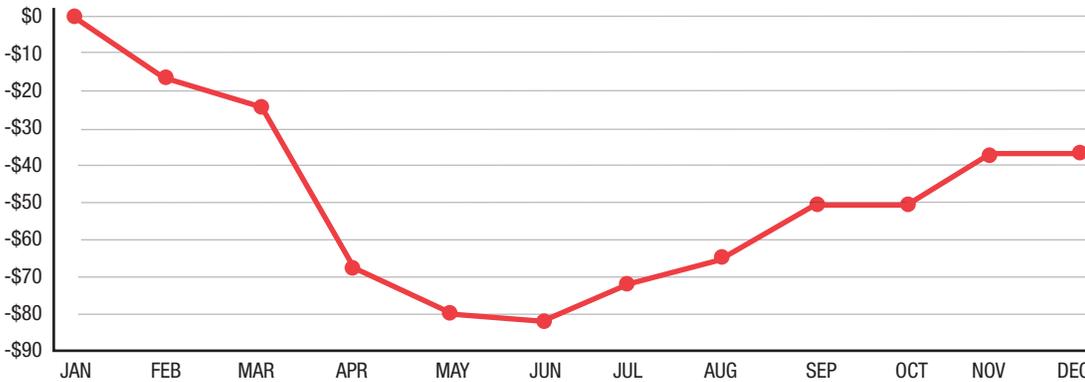
While pig farmers are deemed essential to the nation's food supply system, these same farmers may go out of business.

There is not a pork shortage problem; there is a supply chain problem. Packing plants are slowed in output by worker health concerns.

In an impact analysis brief by Iowa State University's Center for Agricultural and Rural Development April 2020, economists see \$2.1 billion in overall annual damage to Iowa's hog industry directly related to pandemic conditions. Here are a few reasons why:

- Pork plant closures mean producers have no place for their animals ready for market.
- Iowa's pork industry was already in poor condition due to trade retaliation and labor shortages from the past two years.
- There is no place to move young feeder pigs since the space for finishing is still occupied by those ready to go to market.

Losses per Head for Iowa Pig Farmers



Resources: Dr. Steve Meyer and Dr. Dermot Hayes (Iowa State University), industry economists, and the National Pork Producers Council

The specter of hogs being set loose or euthanized is a nightmare that will happen if there is not swift and meaningful government intervention.

### What You Need to Know

As the U.S. hog market collapses, all pork producers are impacted. Most producers are in dire financial straits and many will go out of business unless there is prompt and meaningful government intervention to stop a market failure.

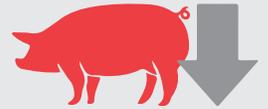
## WHAT NEEDS TO BE DONE QUICKLY

- Massive, immediate pork purchases by the USDA of \$1 billion to supplement food bank and other feeding programs.
- Make equitable direct payments to those producers who own hogs and those who contract to care for them.
- Make all farmers eligible for COVID-19 pandemic-related SBA programs being offered to other businesses.

## PORK PRODUCER LOSSES IN 2020



### COVID-19 LOSSES STARTED



# \$37

PER HOG ON AVERAGE



# \$2.1

BILLION LOSS IN IOWA

## CONTACT INFORMATION

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