

Chicken Farmers of Ontario
Licence Fees, Levies, Service Charges and Penalties
Regulation No. 2599-2018

Regulation made under: the *Farm Products Marketing Act*, The *Commodity Boards and Marketing Agencies Act*, The *Farm Products Agencies Act* and the *Agricultural Products Marketing Act*

Effective: September 26, 2018

Section 1.0 - Application of Regulation

- 1.01 This Regulation:
- (i) provides for the control and regulation in any or all respects of the producing and marketing within Ontario of chicken, including the prohibition of such producing and marketing in whole or in part;
 - (ii) provides for the control and regulation in any or all respects of the marketing by producers of chicken produced by them in Ontario to a processor whose plant or establishment is located outside of Ontario.
- 1.02 Words appearing in this Regulation shall have the same meaning as found in the Words and Meanings Regulation made by the Board.

Section 2.0 - Producer Licence Fees

- 2.01 Every producer shall pay to the Board licence fees at the rate of \$1.60 per 100 kilograms, live weight, of chicken marketed.
- 2.02 Any processor who pays a producer for chicken shall deduct from the monies payable for the chicken any licence fees payable to the Board by the producer from whom the processor purchased the chicken and shall forward such licence fees to the Board at its office not later than the first Friday following the week the chicken was marketed. When the first Friday is a holiday, the licence fees shall be forwarded on the next business day.
- 2.03 Every producer shall pay to the Board at its office all licence fees payable by the producer under Section 2.01 that were not deducted and paid to the Board in the manner prescribed by Section 2.02 in respect of chicken marketed not later than the second Friday following the week the chicken was marketed.
- 2.04 The Board may recover such licence fees by suit in a court of competent jurisdiction.

Section 3.0 - Overmarketing Levies

3.01 Every producer shall pay to the Board in addition to licence fees, levies at the rate of \$0.50 cents per kilogram of chicken produced and marketed by the producer that is in excess of 104% but not in excess of 106% of the production quotas allotted to the producer and levies at the rate of \$1.00 per kilogram of chicken produced and marketed by the producer that is in excess of 106% of the production quotas allotted to the producer by the Board.

Notwithstanding the foregoing, for quota periods A-150 and A-151 only, every producer shall pay to the Board in addition to licence fees, levies at the rate of \$0.50 cents per kilogram of chicken produced and marketed by the producer that is in excess of 106% but not in excess of 108% of the production quotas allotted to the producer and levies at the rate of \$1.00 per kilogram of chicken produced and marketed by the producer that is in excess of 108% of the production quotas allotted to the producer by the Board.

3.03 Every producer shall pay to the Board any levies payable by the producer within twenty-one days of the date on the invoice.

3.04 Where any levies payable by a producer are not received by the Board within twenty-one days of the date on the invoice, the levies then payable shall increase by an amount equal to 10% of the original levies.

3.05 Upon notification by CFO, any processor contracted with the producer shall deduct from the monies payable for the chicken any levies or charges payable to the Board and shall forward such levies or charges to the Board within ten days after written request from CFO staff. The processor will deduct payment from the producer even if the original transaction that the levy or charge relates to was with another processor.

Section 4.0 – Penalties

(i) Market Development Policy

4.01 A producer who is marketing chicken for market development and whose cheque is received more than twenty-one (21) days after the date of invoicing as specified in the Notice of Market Development Assessment or a producer whose cheque is improperly completed or is not negotiable will be subject to a crop quota reduction of 500 kilograms of chicken to be applied in the sixth crop quota period following the crop quota period for which the Notice of Market Development Assessment was issued.

4.02 A producer who is marketing chicken for market development and whose cheque is not received, is not complete, or is not negotiable within twenty one days following the deadline date as specified in the Notice of Market Development Assessment and Notice of Penalty Assessment will be subject to a further crop quota reduction of 1000 kilograms of chicken to be applied in the sixth crop quota period following the crop quota period for which the Notice of Market Development Assessment was issued and producers may be denied participation in the Market Development program until such time as they have made an application to the Board for consideration of re-admittance which has been granted by the Board on such terms and conditions as it may deem appropriate.

(ii) On-Farm Food Safety Assurance and Animal Care Policy

- 4.03 Failure to comply with the provisions of the On-Farm Food Safety Assurance and Animal Care Policy may result in a producer not receiving certification or having certification revoked, or a triggered audit and, in accordance with standard operating procedures, the Board may refuse to allot a quota, or may reduce, refuse to increase, or cancel a quota allotted to a producer who fails to comply with or has contravened any provision of the On-Farm Food Safety Assurance and Animal Care Policy or an order or direction of the Board made under it, and without limiting the generality of the foregoing:
- (a) Every producer in receipt of a written Corrective Action Request from an auditor for failure to submit the specified records or information or submits incomplete records or information to the auditor shall be subject to a crop quota reduction as described in section 4.04;
 - (b) Every producer who uses Category I or II antibiotics after December 31, 2018 is required to have a veterinary report that confirms that such antibiotics were used for treatment, and not for prevention, and the specific reason for their use;
 - (c) Every producer who receives a Corrective Action Request from an auditor for failure to comply with the requirement to refrain from the use of Category I or II antibiotics preventively as of January 1, 2019, shall be subject to an immediate 1,000 kg reduction against the next crop quota allotted;
 - (d) Every producer who receives a second Corrective Action Request from an auditor for failure to comply with the requirement to refrain from the use of Category I or II antibiotics preventively as of January 1, 2019, shall be subject to a minimum 5,000 kg reduction against the next crop quota allotted;
 - (e) Every producer who is found to have used Category I or II antibiotics preventively as of January 1, 2019, and did not report its use to CFO, shall be subject to a minimum 5,000 kg penalty; and
 - (f) Every producer who fails to submit complete records or information required to conduct a "Records Assessment" by the date specified on a written notice when required to do so or who fails to contact the Board in order to schedule an "Audit" by the date specified on a written notice when required to do so shall be subject to a crop quota reduction as set out in Section 4.04
- 4.04 The Board will impose a 1,000 kilogram reduction against the next crop quota allotted by it to any producer who has failed to meet any of the requirements or pay an invoice issued under section 5 of this Regulation within thirty days of the invoice date and further will impose an additional 1,000 kilogram crop quota reduction for every subsequent thirty day period thereafter against each of the producer's next available crop quota allocations respectively, until it receives payment in full for all outstanding invoices or the requirement is met.

Section 5.0 - Service Charges for Auditing and Inspection

(i) On-Farm Food Safety Assurance and Animal Care Policy

- 5.01 Every producer who fails to attend or cancels an audit within 24 hours of the scheduled audit date shall pay to the Board the sum of \$500.00 fixed and imposed as a cost recovery service charge.
- 5.02 Every producer who receives two or more farm visits for the same corrective action shall pay to the Board in respect of each farm visit the sum of \$350.00 fixed and imposed as a cost recovery service charge.
- 5.03 Every producer shall pay to the Board the sum of \$575.00 fixed and imposed as a cost recovery service charge in relation to a triggered audit.
- 5.04 Every producer shall pay to the Board the sum of \$550.00 fixed and imposed as a cost recovery service charge in relation to any farm attendance by an auditor, where such auditor has been required to attend the farm in response to a complaint and such auditor has found an instance of non-compliance with a mandatory requirement of the On-Farm Food Safety Assurance and Animal Care Policy and further shall pay to the Board the sum of \$350.00 for any subsequent attendance fixed and imposed as a service charge and in relation to the resolution of any Corrective Action issued for other purposes of having the instance of non-compliance resolved.

(ii) Inspections

- 5.05 Every producer shall pay to the Board the sum of \$550.00 fixed and imposed as a cost recovery service charge in relation to any farm attendance by an inspector, where such inspector has been required to attend the farm in response to a complaint and such inspector has found an instance of non-compliance with a regulation or policy made by the Board and further shall pay to the Board the sum of \$350.00 for any subsequent attendance fixed and imposed as a service charge and in relation to the resolution of any compliance issues for other purposes of having the instance of non-compliance resolved.
- 5.06 Every producer who receives two or more farm visits in relation to the same compliance matter shall pay to the Board in respect of each farm visit the sum of \$350.00 fixed and imposed as a cost recovery service charge.

Section 6.0 – Miscellaneous

- 6.01 Where a producer markets more than 10% of the allotted crop quota in contravention of Section 7.07 of the General Regulation, the crop quota allotted to the producer for the sixth crop quota period following that in which the failure to comply occurred will be reduced by 500 kilograms of chicken by the Board.
- 6.02 Where a producer fails to complete or file a Form pursuant to the criteria stipulated in the Quota Policy and the General Regulation, the crop quota allotted to the producer for the sixth crop quota period following that in which the failure to comply occurred shall be reduced by 100 kilograms of chicken per Form by the Board and 500 kg of chicken per

Form for two or more occurrences of the same contravention that occur at any time during a consecutive six quota period term.

Section 7.0 - Failure to Comply

- 7.01 The Board may refuse to allot a quota, or may reduce, refuse to increase, or cancel a quota allotted to a producer who fails to comply with or has contravened any provision of the *Farm Products Marketing Act* or Regulations, any Plan, order or direction of The Ontario Farm Products Marketing Commission or any regulation, policy, order or direction of the Board.

Section 8.0 Revocation

- 8.01 CFO Regulation No. 2584-2018 made by the Board on the 14th day of March, 2018, is hereby revoked as of the effective date and this Regulation is substituted therefor, provided that such revocation shall not affect the previous effect of said Regulations or anything duly done or suffered thereunder, or any right, privilege, obligation or liability acquired, accrued, accruing or incurred under said Regulations; or any contravention committed against said Regulations or any penalty or forfeiture or punishment incurred in respect thereof or any such right, investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid.

BY ORDER of Chicken Farmers of Ontario.

DATED AT Burlington, Ontario this 26th day of September, 2018.



Chair



Secretary