



**Presentation to the Senate Committee of  
Agriculture and Forestry**

**By**

**Chicken Farmers of Ontario**

**May 3, 2016**

Thank you Mr. Chair, and good afternoon members of the committee.

My name is Ed Benjamins and I am Vice Chair of the Board of Chicken Farmers of Ontario and a farmer from Alma, Ontario. With me is Rob Dougans, President and CEO of Chicken Farmers of Ontario.

We appreciate the opportunity to speak to the committee and provide our thoughts on setting priorities to help grow Canada's chicken industry. In the few minutes we have, we would like to briefly touch on three areas.

- 1) Ongoing growth opportunities for the chicken industry
- 2) Our successful and innovative approach to meeting new and emerging consumer markets, and
- 3) The importance of enforcing existing border and import regulations.

Chicken Farmers of Ontario, (CFO), represents 1,100 family farms across Ontario and is the largest supply managed chicken marketing board in the country. Our

farmers know from experience the value of stability. The certainty that the supply management system provides our farmers allows us the security and flexibility to develop innovative growth programs to serve the increasingly diverse and changing needs of local consumers.

For example, Ontario consumers are increasingly looking for a greater variety of chicken and for chicken raised using different growing methods. To serve these emerging markets, CFO recently developed an Artisanal Chicken program that allows smaller-scale farmers without quota to grow up to 3,000 chicken a year for niche markets, local restaurants or farmers' markets. We have registered 100 of these new Artisanal farmers since last September.

In response to the demand from the Asian-Canadian community for more of their traditional chicken, CFO developed a Specialty Breeds program. 20 new farmers have now entered this business over the past year alone.

Six weeks ago we announced a new kosher chicken processor for Ontario. That company is now building a plant in Niagara and it should be up and running to serve Ontario's Jewish community by next year.

We've had success with these programs because we're not just farmers—we're entrepreneurs. We're market-focused, innovative and responsive to the evolving needs

of family farmers, processors and, above all, Canadian consumers.

This focus has contributed to the stability of our industry and makes it a major contributor to the Canadian economy. The Ontario chicken industry now generates more than 2.7 billion dollars in economic activity each year, supports over 19,000 jobs, provides 850 million dollars in wages and contributes almost 400 million in government tax revenue. And we continue to grow each year.

Canada's supply management system provides tremendous stability for our farmers. As you know, this economic system is built on three pillars: effective production planning, strict import controls, and pricing that is fair to both farmers and consumers.

For this system to work effectively, all three pillars must be supported by regulators at all levels. For the federal government, that means effective trade policy and border controls.

CFO, working with our national agency Chicken Farmers of Canada, has been supportive of Canada's trade deals, including the recent Trans Pacific Partnership. However, it is important to understand that the TPP, once ratified, will allow more than 26 million kilos of additional duty free chicken to enter the Canadian market each year.

Canada is already a major importer of chicken. 7.5 per cent of our broiler meat comes into Canada duty free. Additionally, Canada allows fowl meat to be imported without duty.

Other products are imported using import/export programs originally designed for non-food products. Unfortunately, these programs have also created opportunities for mislabelling and other forms of duty evasion. And these fraudulent imports are increasingly reducing opportunities for Canadian farm production and economic growth.

There is a solution ready to be put into action. On October 5<sup>th</sup>, the former government announced measures to support the Canadian chicken industry. These measures included:

- 1) Removing chicken from the Duty Relief and Duty Drawback programs;
- 2) The mandatory certification of all spent fowl imports; and,
- 3) The modification of the 13 percent rule to eliminate products that have been created to circumvent Canadian tariff restrictions.

Chicken Farmers of Canada estimates that by implementing these solutions, the Canadian chicken industry can create an additional 8,900 jobs and increase national GDP by 600 million dollars annually.

To conclude, with the stability provided by supply management, Ontario chicken farmers continue to deliver innovation and economic growth for the province and the country. We want to see this continue into the future. For us to do so it is imperative that the Canadian Government continue to support not only the principles of supply management, but to also enforce the rules and regulations that create certainty. This will allow chicken farmers and the rest of the chicken value chain to continue to create growth and economic value. It will also ensure that local communities across Canada continue to benefit from an innovative, entrepreneurial, family-based chicken farming industry.