

## National Allocations for A-143 and A-144 set at +4.0%

National allocations for A-143 (Apr 16 to Jun 10) and A-144 (Jun 11 to Aug 5) are both set at +4.0% relative to adjusted bases at the Chicken Farmers of Canada meeting on January 17, 2017 in Ottawa.

The recommendations of Chicken Farmers of Ontario (CFO) for A-143 and A-144, as in prior periods, had been framed on a public policy of “balanced best interest” and were informed by deep quantitative as well as a broad qualitative analysis of the market. Domestic growth in chicken applicable to these allocation periods stemmed from two sources: consumer demand and supply gap opportunities.

CFO actively works to promote fact-based and objective decision making and supports its recommendations using third party market data to forecast consumer demand and supply gap opportunities. After conducting a fact-based analysis of consumer markets across multiple consumer channels and consulting with industry stakeholders, CFO determined that chicken continues to experience growth in demand, albeit at a moderating pace given the continued recovery in beef. This trend is expected to continue given the reduction in chicken’s price advantage over beef which was experienced over the past two years.

The supply gap arises from a curtailment in fraudulent importation of broiler chicken labelled ‘fowl’ which presents an opportunity for domestic chicken to grow by capturing a portion of the market that was being met with fraudulent imports. Together both sources of growth provide domestic chicken with a unique opportunity for further growth.

The CFC allocations will provide Ontario with 61,748,452 eviscerated kilograms for A-143 and 61,211,269 eviscerated kilograms for A-144. The national allocations of +4.0% provide corresponding allocations to Ontario of +4.6% over adjusted base in A-143 and A-144, respectively.

Ontario remains committed to setting allocations for two quota periods at a time and anticipates that volume allocations for A-145 and A-146 will be set at the May 3, 2017 CFC Board meeting.