

# **Chicken Farmers of Ontario**

## **New Basic Quota Policy No. 218-2015**

Made under: The *Farm Products Marketing Act*

Effective: September 28, 2015  
Commencing with Quota Period A-135  
(January 24, 2016 to March 19, 2016)

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### **Section 1.0: Purpose**

- 1.01 The purpose of this Policy is to regulate a new approach for the allotment of growth to farmer-members so as to provide incremental growth to smaller farmers-members by using a blend of 70 percent pro-rata and 30 percent per-farmer allotment.
- 1.02 This Policy sets out the terms and conditions of the new approach by which Chicken Farmers of Ontario (CFO) will fix and allot annually to farmer-members units of basic quota ("new basic quota") which shall form a part of each farmer-member's basic quota holdings.

### **Section 2.0: Strategic Vision and Outcome**

- 2.01 The strategic intent of this Policy is reflected in the following Statement of Vision and identification of outcomes.
- 2.02 The Vision is a fair, effective, balanced and efficient allotment system.
- 2.03 The key outcome to be measured is a:
  - 1) focus on an efficient allotment system that distributes growth of production and marketing of all farmer-members, and provides incremental growth opportunities for smaller farmer-members.

### **Section 3.0: The Role of CFO**

3.01 CFO, as the steward and regulator will:

- a) foster, through governance, strategy, regulation and professionalism in any and all respects the fixing and allotting of quota to farmer-members.

### **Section 4.0: Definitions**

4.01 In this Policy,

- a) “*basic quota*” means a share measured in units for the producing and marketing of chicken fixed and allotted by CFO in respect of a specific registered premises;
- b) “*crop quota*” means an allotment expressed in kilograms for the producing and marketing of chicken fixed and allotted by CFO in respect of a crop quota period and in respect of a specific registered premises;
- c) “*crop quota period*” means a period of time measured in days;
- d) “*farmer-member*” means a producer engaged in producing chicken to whom CFO has fixed and allotted quota, which quota has not been cancelled;
- e) “*annual growth*” means the difference between the authorized volume of production of chicken to Chicken Farmers of Ontario by Chicken Farmers of Canada, excluding any supply provided under its Exceptional Circumstances Clause in the year in question compared to the authorized volume of production of chicken to Chicken Farmers of Ontario by Chicken Farmers of Canada in the calendar year prior to the year in question;
- f) “*per-farmer*” means a share measured as a farmer-member for the production and marketing of chicken fixed and allotted by CFO in respect of a specific registered premises with common ownership;
- g) “*pro-rata*” means a share measured in units for the producing and marketing of chicken fixed and allotted by CFO in respect of a specific registered premises;
- h) “*registered premises*” means the lands and buildings appurtenant thereto in respect of which CFO has fixed and allotted quota;

4.02 Other words and phrases used in this Policy shall have the same meaning as found in the Words and Meanings Regulation made by CFO.

## **Section 5.0: Policy Fundamentals**

- 5.01 Effective crop quota period A-135 (“the implementation period”) and annually by the second quota period in each future calendar year,
- a) annual growth will be fixed and allotted by new units of basic quota less kilograms dedicated to the Artisanal Program and New Entrant Farmer Program;
  - b) CFO, to farmer-members holding at least the minimum quota requirement, will fix and allot new units of basic quota (“new basic quota”) on a 70 percent pro-rata and a 30 percent per-farmer basis; and
  - c) CFO, to farmer-members holding less than the minimum quota requirement, will fix and allot new units of basic quota (“new basic quota”) on a 70 percent pro-rata only basis.

## **Section 6.0: Eligibility**

- 6.01 Effective crop quota period A-135 (“the implementation period”) and by the second quota period in each future calendar year,
- a) a building or buildings approved by CFO and located on the farmer-member’s registered premises must have sufficient floor area sufficient for production of a crop quota at a stocking density not greater than 31 kg/m<sup>2</sup> or 38 kg/m<sup>2</sup>;
  - b) the amount of approved building area available for a farmer-member’s basic quota, including the new basic quota, will be based on the approved building area on record with CFO for the implementation period;
  - c) a farmer-member who does not qualify under subsection 6.01 b) for the full amount of additional new basic quota for which the farmer-member is otherwise eligible may construct additional building area provided that:
    - i. a farmer-member must inform CFO in writing at least 18 weeks prior to the commencement of the effective crop quota period of their intent to increase the size of a building or buildings or construct a new building. A farmer-member must specify the intended completion date and the amount of building space to be added;
    - ii. the farmer-member will be eligible to be fixed and allotted new basic quota effective the crop quota period the additional square footage is completed and approved for production;
    - iii. the construction of the additional building area must be completed and approved by the Board within 6 quota periods from the date when CFO informs the farmer-member of the amount of new basic quota the farmer-member is eligible to receive; and
    - iii. A farmer-member must inform CFO in writing by July 31 of each year, of their intent to increase the size of a building or buildings or construct a new building in

order to qualify for subsequent new basic quota under CFO Quota Policy No. 218-2015.

- d) a person whose application to become a new farmer-member in a crop quota period no later than A-134 (Nov 29, 2015 – Jan 23, 2016) has been accepted by on or before July 4, 2015, will be eligible for new basic quota in A-135, on condition that the transferred basic quota are the entire basic quota from a farmer-member exiting the chicken industry;
- e) A person whose application to transfer their entire basic quota in a crop quota period no earlier than A-135 (Jan 25 – March 19, 2016) has been accepted by CFO as of August 29, 2015, will not be eligible for new basic quota; and
- f) The new basic quota units will be distributed among the farmer-member's home weeks commencing with the implementation period on the same basis as on record with CFO for Crop Quota Period A-134 unless the farmer-member files a Form 101N in Crop Quota Period A-135 designating otherwise.

### **Section 7.0: Continuous Improvement**

- 7.01 CFO will monitor, analyze and review on an annual basis the performance of this Policy, and determine whether to vary or amend it, so that the intended outcomes of this Policy are achieved.

### **Section 8.0: Revocation and Effective Date**

- 8.01 Quota Policy No. 190-2012 made by CFO on June 15, 2012 is revoked on the day this policy becomes effective.
- 8.02 This Policy comes into effect on the 28<sup>th</sup> day of September, 2015.

### **CHICKEN FARMERS OF ONTARIO**

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**Chair**

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**Secretary**

Dated at Burlington, Ontario this 28<sup>th</sup> day of September, 2015