

OCTOBER 1, 2009

Chicken
Farmers of Ontario



Farm **Insight**

Your timely source for farm business information and ideas

Chicken Farmers of Ontario places moratoriums on new agreements between farmers and out-of-province processors and on all new requests by out-of-province processors to contract with Ontario farmers

Halt in place while CFO works with industry on a solution to address high levels of interprovincial movement of live chicken.

On October 1, 2009, Chicken Farmers of Ontario (CFO) placed a hold on any new marketing agreements between Ontario farmers and out-of-province processors. CFO also put a hold on any new applications by out-of-province processors to begin purchasing chicken from Ontario farmers.

These temporary moratoriums enable CFO and its industry partners to engage in a meaningful process designed to address the interprovincial movement issue.

The moratoriums also maintain a level playing field for the industry during this time. All existing interprovincial farmers and processor agreements will remain unaffected.

The moratorium on new marketing agreements between Ontario farmers and out-of-province processors will be effective for Quota Period A-96 and will be reviewed each quota period thereafter.

CFO and the Canadian chicken industry commit to addressing IPM

On September 10, 2009, in Gatineau, QC, at a meeting organized by the National Association of Agri-Food Supervisory Agencies, the Canadian chicken industry - provincial chicken farmer boards, processors, and other distribution channels - was called upon by national and provincial regulatory agencies to act with urgency to address the high levels of Inter Provincial Movement (IPM) of chicken that is occurring across Canada.

IPM is a complex issue and involves many players who have different self-interests and business motives. This was acknowledged by most in attendance.

Great concern was also expressed that certain aspects of IPM add unnecessary costs to the chicken industry and does not support consumer-focused added-value product development. All of which will potentially impact the long term viability of the chicken industry value chain and the supply management system itself.

Chairman Murray Booy, Chicken Farmers of Ontario, and Chairman Martin Dufresne, Les Éleveurs de volailles du Québec informed those in attendance that the Ontario and Quebec farmer Boards are committed to providing leadership in seeking solutions that would be in the best long term interest of chicken farmers and the industry.

They also recognized the critical importance of the solutions working to strengthen the supply management system that profitably meets the needs of the marketplace.

Regulatory agencies also heard from the processing community that they were working on an IPM framework and when complete, would work with farmers in developing potential solutions.

Chairs Booy and Dufresne concluded their remarks by affirming their commitment to be co-leaders with Quebec and Ontario processor associations in the process to develop solutions for action.