

ONTARIO Chicken FARMER

A RELIABLE SOURCE OF INFORMATION FOR ONTARIO CHICKEN FARMERS

WTO NEGOTIATIONS UPDATE by Murray Booy

The months of May and June have been active at the WTO negotiations. July also promises to be very interesting as the members of the WTO try to get a deal put together by the end of the month. This however remains a huge challenge as not a lot of movement from the "key players" has been witnessed.

In an effort to try to find some convergence on the key issues at stake in the "Doha Development Round" negotiations, four of the larger players met recently in Germany. Known as the G4, the group includes the US, Europe, as well as India and Brazil who are there representing developing countries.

The G4 meetings however concluded after two days of a four day agenda. Statements by those involved declared that the difference in numbers being discussed were too large to make reasonable progress.

Most consider this as a significant challenge for the WTO, especially with trying to achieve a deal by the end of July. It seems now that this deadline may be missed such as several before it. But one can never totally predict what other countries are contemplating, as well as we should not underestimate the desire by most countries to achieve an agreement.

Chairman of the Agricultural Negotiations, Mr. Crawford Falconer has announced that despite the set-back of the G4, he will release a paper on

what he considers it will take to get a deal. This paper will be called "Draft Modalities" and will provide stimulation to the negotiations to encourage countries to consider concessions on "trade distorting subsidies" as well as "market access" or tariff reductions. Leaders from Supply Management are very concerned that our interests will not be properly represented in these Draft Modalities. We are pushing for enough protection in the "sensitive product" area of the market access discussions.

See enclosed News Releases
for additional information.

Some of the high level items we are striving for include maintaining tariffs at the levels that offer effective border controls as well as restricting market access, increases (through Tariff Rate Quotas (TRQs)) to minimal or no increases.

Recently the five Chairs of the national supply management boards met with Federal Agricultural Minister Chuck Strahl as well as his chief negotiator for agriculture, Steve Verheul. At this meeting Minister Strahl said that Mr. Verheul is not fully participating in the negotiations on market access and sensitive products as the current Conservative government feels bound by a motion in the House of Commons which was unanimously supported. They say the motion limits its ability to negotiate.

Respectfully, the SM5 disagrees with this position and along with several provincial governments including Ontario, are encouraging the federal government to negotiate on behalf of all Canadian Agriculture including Supply Management.

Recently, at FarmGate 5's request, Ontario's Agricultural Minister Leona Dombrowsky issued a news release stating the province's unwavering support for Supply Management and all of Ontario agriculture.

Currently your leaders from Supply Management and other agricultural sectors are working hard to lobby the federal government to achieve the best possible outcome from the WTO talks. I continue to request that we, as producers, take every opportunity to meet with our MPs, MPPs and also any candidates in the upcoming elections to encourage them to reinforce to the federal government the value of our system and encourage them to do what it takes to have our interests accounted for in any potential WTO agreement.

Dateline: July 3, 2007

PROVINCIAL DCR MEETING

The next Provincial DCR Meeting will be held at the Holiday Inn,
3063 South Service Road,
Burlington, ON
Thursday, September 20th.

CHICKEN CATCHING & LOADING FEEDBACK FROM PROCESSORS

- Mortality is not picked up on the day of catching and in some cases several days prior to catching.
- Litter and birds are wet and dirty,
- Litter is not cleared away from load-down holes.
- Feed lines are still down when the catchers arrive.
- The farmer or designate is not present during catching and loading.
- There are no eavestroughs on the loading side of some barns.
- Driveways and yards are not properly prepared for the trucks during winter conditions.
- Snow and ice precariously hanging over the eaves of barns presents a danger to catchers and drivers when working under the eaves.



CHICKEN NUGGETS

The closest living relative of the t-rex is the chicken.

INSURANCE UPDATE

CFO is working with the Ontario Livestock and Poultry Council and BMS Group of the UK to develop business interruption insurance for poultry disease for Ontario's chicken farmers.

A new pilot project, expected to be launched in late Fall 2007, will indemnify chicken producers against business losses due to certain poultry disease outbreaks. It is designed to complement the current compensation programs offered by government. Until now, there have been limited choices in insurance coverage for poultry disease. The new pilot project will allow insurers to better understand farming and disease risk management practices in Ontario in order to set insurance policies, rates and coverage.

Funding for insurance design and risk modeling is being provided through the Private Sector Risk Management Partnerships (PSRMP) initiative; Agriculture and Agri-Food Canada.

If you have any questions about the pilot project, please call Dennis O'Connor at extension 243 or Toni Wells at extension 236.

"CHICKEN AMBASSADOR" A GREAT HIT!!

Celebrity chef, author and business entrepreneur, Christine Cushing, has completed her media tour as CFO's "Chicken Ambassador". Her radio and TV appearances across the province were well received, and brought CFO's message of "Safe, Nutritious Chicken Meeting Consumers' Needs" to the forefront.

Christine appeared on major television news shows in Hamilton, London, Kitchener and Ottawa, telling consumers that Ontario chicken is safe, nutritious and versatile, while demonstrating her three specially-created chicken recipes for viewers.



She made specific reference to the media coverage on Avian Influenza, reassuring viewers that, unlike countries where bird flu outbreaks have occurred, Ontario chickens are raised using the highest of standards and farming practices. She emphasized biosecurity on our Ontario farms, and noted that our chickens are grain fed, with no use of hormones or steroids. Throughout her television and radio interviews, Christine referred listeners and viewers to CFO's website for more information on Ontario chicken.

Three major newspaper articles (Toronto Star, Ottawa Citizen and Sun Media, also stressed the safety of Ontario chicken. Christine referred to the first rate methods employed by Ontario Chicken Farmers, including climate-controlled barns where chickens roam freely and eat and drink whenever they want.

Christine Cushing is well known to Food Channel and Life Channel viewers through her many years hosting her own cooking shows and writing two best-selling cookbooks.

OCCUPATIONAL HEALTH & SAFETY ACT ON POULTRY FARMS

The OHSA has been implemented on Ontario Farms for just over one year. One area which has caught the attention of the Ministry is Poultry Catching. Recent concerns have been raised from the Ministry of Labour regarding:



- Worker protection from dust levels in barns
- Fall protection from loading platforms of barns
- Fall protection from transport vehicles

An Industry Working Group has been established to develop solutions to these and other safety issues.

Representatives include OMAFRA, CFO, Ontario Association of Chicken Processors, Ontario Independent Poultry Processors, Ontario Farm Safety Association and other safety resource people.

Discussion topics for the Industry Working Group include:

- Fall restraint systems for trailers
- Recommended development of Personal Protective Equipment for poultry catchers
- Development of safety standards for loading ramps
- Creation of Safety Protocols for on-farm catching

More information on the OHSA can be found on the Farm Safety Association website <http://www.farmsafety.ca>

POULTRY SUCCESSORS

WHO'S WHO IN OFFICE SERVICES AND HUMAN RESOURCES

Penny Lyle is CFO's Manager of Office Services and HR Administration. Under Penny's direction, the Administration Team is responsible for providing office services and facilities and delivering HR programs.

They review, evaluate, and implement administrative procedures to ensure operational efficiency and effectiveness. They also identify administrative needs and gaps and explore options for addressing those matters.

Ursa Jeanettechild works closely with Penny as the department's Administrative Assistant. She also assists in the logistics and planning of special events such as the very successful 2006 Annual General Meeting.

Genevieve Bryant is our Jill-of-all trades. She covers relief reception duties, assists with general admin-

istrative tasks and arranges rush courier shipments with a smile.

Whenever you receive a newsletter, pricing or producer information from CFO, Mailroom Coordinator Shirley Jackson was responsible for getting it to you. Working on a part-time basis, Shirley looks after all external mailings and general office mail.

The newest member of the Office Services team is Valerie Chrissley. Valerie is our key front line person. In addition to reception duties, she ensures staff mail and faxes are distributed promptly, telephone enquiries directed appropriately and office supplies are ordered on a timely basis.



CHICKEN NUGGETS

There are more chickens in the world than any other domesticated animal; more than one chicken for every human being.

ON THE NET

Producers can have their say on the Producer Discussion Board located on the CFO website at www.cfo.on.ca.

This is a producer-to-producer support forum that enables all chicken farmers in Ontario to meet online and discuss various topics, resolve issues, ask questions, get tips and advice...and more.

Here's how you get started:

- 1) Go to www.cfo.on.ca and click on "Member Login"
- 2) Type the first 6 digits of your Producer File # (i.e. P1A001) – do not type in anything further
- 3) Type a username
- 4) Type a password
- 5) Type your email address
- 6) Read the agreement and click "I Accept"
- 7) Click "Register"
- 8) You will receive a confirmation email with your login data
- 9) After you set this up, logging in is as easy as typing your name and password.

The scope and shape of this discussion board is really up to you. Based on producer interests, discussion topics may be added and expanded to meet your needs.

TELEPHONE TIDBITS

WHEN CALLING THE CFO OFFICE, SHOULD YOU REACH A VOICE MAIL DURING REGULAR BUSINESS HOURS, PRESS "0" AND YOUR CALL WILL BE FORWARDED TO THE RECEPTIONIST.

A.I. HOTLINE
1 877 767 2973 - 1 877 SOS BYRD

DEPARTMENT	CONTACT	EXT	CELL
General Admin	Jennifer Mackie	262	519 827 7814
Field Ops	Dennis O'Connor	243	289 259 2472
Media & Policy	Toni Wells	236	289 259 0047
OFFSAP	John Neil	241	905 308 5268
Service & Inspection	Gerry Lirusso	257	905 577 2506
Supply Management	Janet Cioruch	261	905 466 7372



CHICKEN NUGGETS

ALEKTOROPHOBIA is the name given for the "fear of chicken".

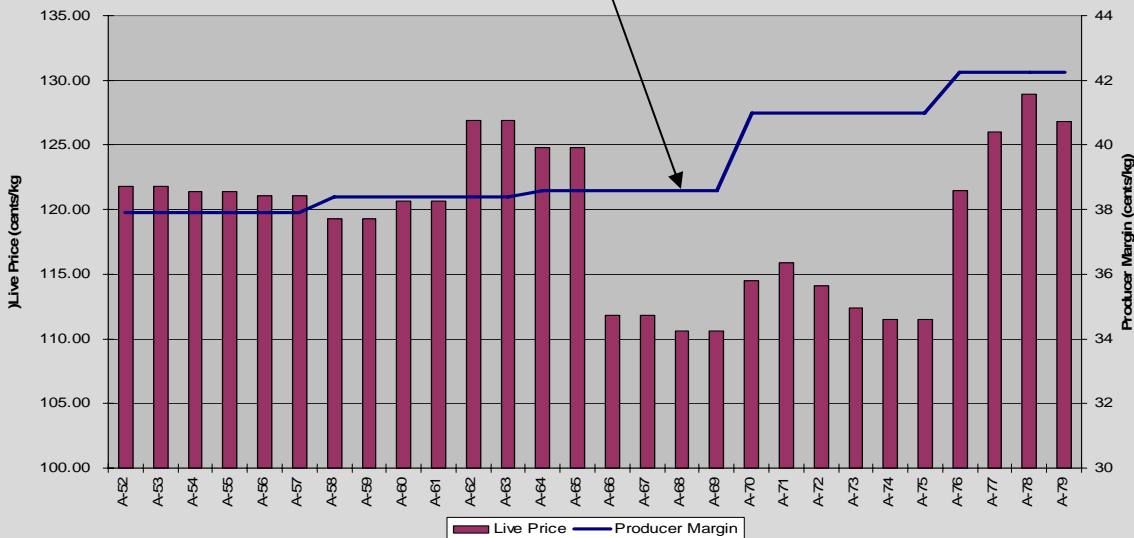
ECONOMICS & TRADE DEPARTMENT

The live price for Quota Period A-79 has been finalized at \$1.268 per kilogram for the base category.

A new producer margin of 42.25 cents/kg was reached by arbitration for Quota Periods A-76 to A-81. This is an increase of 1.25 cents/kg from the previous producer margin of 41 cents/kg for quota periods A-69 to A-75. The live price of chicken is set to reflect the producer margin, the feed cost and the chick cost in a live price formula.

The following graph shows the live price and the producer margin component in the formula since the inception of the live price formula. The live price increase in A-62 and dramatic decline in A-66 were a direct result of the volatility in the feed markets. The producer margin line shows that Producer Margin has increased slowly since A-52 with a significant increase in A-70 and another increase effective in A-76. All of the increases in the producer margins were a result negotiation or arbitration and reflect higher producer costs.

Live Price and Producer Margin



Chicken

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