

LIVE PRICE OF CHICKEN IN ONTARIO



Quota Period A-88

(Nov. 9/08—Jan. 3/09)

Live Price

Live Price A-87	\$1.538/ kg
Change in:	
• Producer Margin	+\$0.017/kg
• Feed Price	-\$0.032 / kg
• Chick Price	<u>-\$0.002/ kg</u>
Sub Total	<u>-\$0.017/ kg</u>
Live Price A-88	\$1.521 / kg
• Service Charge	+\$0.001/kg
Adjusted Live Price A-88	\$1.522/kg

Producer Margin

The producer margin is adjusted once every six Quota Periods to include changes in the costs of production except for feed and chick costs. The procedure is as follows:

- Use 1990 Cost of Production (COP) as base; Update prices using Statistics Canada data
- Compare average prices of recent six Quota Periods to average of previous six Quota Periods and apply difference to Producer Margin in previous six Quota Periods.
- Current Producer Margin 44.31 cents / kg; Previous Producer Margin 42.64 cents/kg; change 1.67 cents (PM adjustment)

Note: From A-88 to A-91, the live price will include a 'service charge' of \$0.001/kg. This service charge' is CFO's temporary mechanism to recover the expenses incurred from the Producer Cost Survey. Processors will collect the service charge with the Producer Levy effective from the beginning of A-88 to the end of A-91. The Producer Levy of \$0.0125/kg and the service charge of \$0.001/kg are collected together for a total of \$0.0135/kg.

Feed Price

A-88: Average Feed Price from	
August 18th to October 6th, 2008	
A-87: \$379.36	A-88: \$363.53
Change:	-\$ 15.83
\$5/Tonne	= 1¢ / kg LP
Change in LP=	-3.166¢ / kg

Chick Price

A-87:	63.48¢
A-88:	63.08¢
Change:	-0.40¢
1¢ / chick =	0.5¢ / kg LP
Change in LP =	-0.20¢ / kg