

ONTARIO Chicken FARMER

A RELIABLE SOURCE OF INFORMATION FOR ONTARIO CHICKEN FARMERS

WTO: The Saga Continues

U P D A T E by Murray Booy

As our children return to school in the fall, so too do our WTO negotiators return to Geneva.

After a two month break, WTO negotiators may be edging closer to a deal on the most divisive issues in the Doha round of world trade talks. APEC leaders emerged from an early September conference in Sydney stating that they were determined to bring the Doha Round of WTO talks to "an early and successful conclusion." And while the Members of the WTO are far larger in number than the Members of the Asia-Pacific Economic Cooperation Forum, APEC Members do account for nearly 50 per cent of world trade.

As intensive negotiations resume in Geneva, APEC leaders pledged the political will, flexibility and ambition to ensure the Doha Round negotiations enter their final phase this year.

A statement released at the conclusion of the APEC summit repeated a now familiar refrain: "The negotiations (at the WTO) offer unparalleled potential to create a better trading environment and to lower barriers to trade and to create a freer, fairer and more secure

global market in which we can all compete. We insist that consensus will only be possible on the basis of an ambitious, balanced result that delivers real and substantial market access improvements for agricultural and industrial goods and for services and real and substantial reductions in trade-distorting agricultural subsidies... Success in the negotiations would deliver new trade flows for the benefit of

produced food. If accepted as currently written, it would actually limit Canada's - and indeed any country's ability - to decide where they want their food to come from.

Dairy, poultry and egg farmers responded to Falconer's paper by insisting that the Government of Canada urgently find ways to influence the direction of the negotiations and achieve a successful outcome at the

"Success in the negotiations would deliver new trade flows for the benefit of all...."

all, including developing economies."

But unfortunately, as WTO negotiations continue to intensify and as the probability of an agreement in 2007 increases, the first draft modalities paper on agriculture issued by Crawford Falconer, agriculture trade negotiations Chair for the WTO threatens the very future of Canadian dairy, poultry and egg industries.

The text of his document would actually force Canadian farmers to cut back production in favour of products from other countries; this at a time when consumers increasingly want locally-

WTO. They reiterated that the Canadian Government must also preserve the three pillars of supply management so that negotiations bring no negative economic impact on supply management farmers.

Dairy, poultry and egg farmers have also reached out to Ontario's agriculture Minister, the Honourable Leona Dombrowsky, who has offered her unconditional support both by sending a provincial government trade official to Geneva and by writing a letter of support to her federal counterpart.

The stakes are high. For his part, WTO Director-General

Pascal Lamy recently told a U.S. TV News Network that, "There is a strong sense that it's a make-or-break moment." Lamy, who joined the APEC leaders as they gathered in Sydney, Australia for the summit, appeared encouraged by the round's recent turn as negotiators buckle down in Geneva for the latest set of talks on agriculture and industrial trade.

Lamy suggested that negotiators were in fact approaching a consensus on the round's thorniest issues - reducing agricultural subsidies in the United States, Europe and Japan, and scaling back industrial tariffs in emerging markets like China, India, Brazil, and South Africa.

But despite these many suggestions that the Doha Round will in fact be completed, many analysts continue to be sceptical that countries can overcome their deep differences, and predict the round will slip into hiatus for years.

While the outcome of these negotiations remains uncertain, one thing is certain: we must ensure that Canada's elected and trade officials fully understand our concerns and put their best foot forward.

FIELD SERVICE & INSPECTION REPRESENTATIVES

Bill Miedema	Districts 1, 6 and 9	416 347 4318
Bob Mullin	District 1, 2 and 7	905 719 1986
Carl Stevenson	Districts 1, 2 and 7	519 741 7852
Dan Conway	District 9	613 794 1026
Les Handsford	Districts 4 and 5	905 577 2451
Robert Mazun	Districts 3 and 8	519 671 7407

Please note changes to Districts as a result of Laura's Maternity Leave and Jodi's departure.



CHICKEN NUGGETS

More than half of all chicken entrees ordered in restaurants are for fried chicken.

STAFF UPDATES

Bills Woods, Chair, is pleased to announce the appointment of Janet Cioruch to the position of Director, Supply Management Administration. This change emphasizes the key role that the Supply Management department provides as one of the pillars of CFO's operations.

Janet and her group are responsible for producer and processor allocation, quota management, production processing and reporting.

Congratulations, Janet!

Jodi Cooper-Smith resigned her position as Service and Inspection Rep effective August 31. CFO management and staff wish Jodi all the best in her new endeavors and thank her for her past service.

Laura Stewart, Field Service Representative, and husband Chad, welcomed a new member into their family, son Colin Robert Stewart. Colin arrived four days early on July 5.

Congratulations to the new parents.



CHICKEN NUGGETS

The latin name for chicken is "Gallus Domesticus".

GOVERNMENT RELATIONS

On August 14th, Prime Minister Harper announced his new cabinet line-up.

Former Grain Minister Gerry Ritz (Battlefords-Lloydminster, SK) has been moved from the back benches to assume the portfolio of Agriculture Minister as well as being the Minister responsible for the Canadian Wheat Board.

Minister Ritz was raised on a family farm and has had several years experience running his own operation. He's also been the Chair of the standing committee on agriculture and was agriculture critic while in opposition.

BOARD UPDATE

The CFO Board would like to welcome new director, Henry Zantingh. Henry was elected to the CFO Board in March 2007.

A first generation chicken farmer, Henry was born on a dairy farm in Smithville. He earned his BScAgr degree from the University of Guelph in 1980 and after a short stint working in feed sales for Ralston Purina, returned to his roots in dairy farming in 1984. In 1995 Henry turned to chicken producing and now lives on his farm with his wife Janet and their five children.

In addition to his CFO Board duties, Henry serves on the Audit and Pricing Committees and was appointed by CFO to the Board of Directors of the Poultry Industry Council (PIC). Henry's community involvement is highlighted by serving on the Board of Directors for Legion Villa, a Seniors' housing complex.



We welcome Henry to the Board and look forward to his valuable contribution to CFO.

FAMILIES FLOCK TO SEE CFO CHICKEN BARN AT THE CNE

Located just inside the northwest entrance to "The Farm" in the Automotive Building CFO's Chicken Barn was a hit again at this year's CNE with lots of visitors and questions.

Newly hatched chicks delighted the kids and fully grown chickens lounged comfortably in their climate-controlled "barn". A large table in front of the display allowed weary parents to rest and kids to show off their artistic talents by colouring chicken drawings. Information sheets and pamphlets on chicken farming and food handling, in addition to well-versed booth staff, allowed visitors to learn all about the safe, healthy chicken farming practices in Ontario. A very popular take-away item was our Chicken Recipe magazine.

CFO was fortunate to have high school graduate, Ashley Spruit from Winchester (near Ottawa) helping at the booth. Ashley arrived at the Ex every morning to clean the Barn and care for the chickens before greeting visitors when "The Farm" opened at 10:00am. Special thank-you's go to Linda Glendenning and Bob Mullen for all their hard work transporting and setting up the Barn.

If you would like further details on having the CFO Chicken Barn at a local community event, contact Linda Glendenning at 905 637 0025 X 232.



CFO Chicken Barn—A Fun Attraction at the Ex

POOCS MID-SZ

WHO'S WHO IN OUR FINANCE DEPARTMENT

Controller Paul Schuster is a graduate of both the University of Guelph and the University of Toronto. Paul has numerous years experience leading the total financial function within the food and packaged goods industry.

With over 12 years at CFO, Diana Gruenwald is one of our most experienced employees. She handles Payroll and the General Accounting month-end closing as well as overseeing Accounts Payable. Diana works closely with the

HR department on personnel matters.

Financial Analyst Pieter Geerkens has vast experience on AccPac (the Board's general accounting package) as well as knowledge on database management. Pieter assists in Budget creation and the accounting operating financial statements.

Newest financial team member, Marcia Doucette, handles Accounts Payable processing, producer over-production invoices and daily bank deposits.



CHICKEN NUGGETS

The Chicken Pox weren't named after chickens or anything to do with chickens. The name comes from an old English expression "gican pox" meaning "itching pox".

CHICKEN CATCHING & LOADING BACK TO BASICS

Over the next few issues, we will be spotlighting feedback regarding catching and loading issues. In this issue we offer up two concerns and some possible solutions.

MORTALITY IS NOT PICKED UP ON THE DAY OF CATCHING AND IN SOME CASES NOT FOR SEVERAL DAYS PRIOR TO CATCHING.

OFFSAP Policy 166-2004 requires farmers to check their birds twice per day and pick up mortality once per day, disposing of them accordingly. This practice must continue right up until the time the birds are picked up by the processor.

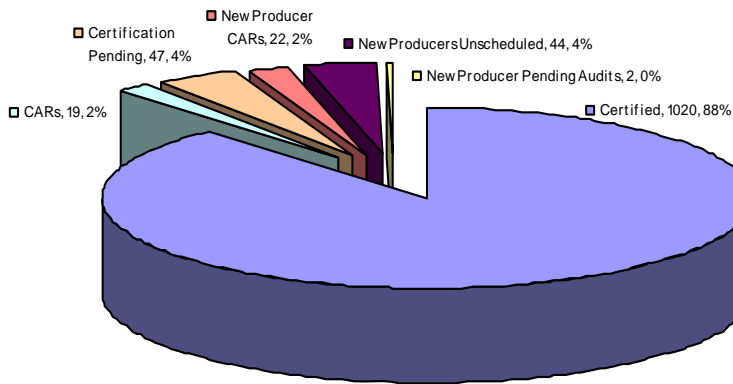
LITTER AND BIRDS ARE WET AND DIRTY.

Excessive barn moisture can lead to ammonia buildup in the barn which in turn increases the incidents of disease and potential foot pad problems. Proper ventilation is required in all barns to ensure birds are clean and dry.

If you have any questions regarding these or any other issues, contact your Field Service Rep or John Neil at 905 637 0025 X 241.

OFFSAP UPDATE

- 92% of Producers are certified or approved for OFFSAP Certification.
- 6% of Producers who are new to the system are working toward completing enough crops to be eligible for a certification audit.
- 2% of Producers have outstanding CARs. Of these Producers, most have action plans in place to obtain OFFSAP Certification.
- Due to OFFSAP Policy non-compliance, the Board has ordered quota allocation reductions to several of the remaining 2% of Producers.
- Over the course of the past several months, a tremendous amount of departmental time has been spent dealing with these few non-compliant Producers and many staff members have dedicated the majority of their auditing efforts towards bringing them into compliance with the OFFSAP policy.



IMPORTANT MEETING DATES MARK YOUR CALENDARS

POULTRY HEALTH CONFERENCE

Tuesday, November 13th
Bingemans Conference Centre, Kitchener, ON

For more information:

Telephone: 519 837 0284

E-mail: pic@poultryindustryCouncil.ca

Web: http://www.poultryindustryCouncil.ca/poultry_health_conference.html

EASTERN ONTARIO POULTRY CONFERENCE

Wednesday, October 17th
St-Isidore Recreation Centre, St-Isidore, ON

For more information:

Telephone: 613 679 4411

E-mail: beth.prophet-rouleau@ontario.ca

Web: <http://www.omafr.gov.on.ca/english/livestock/poultry/EOPC.htm>

ROYAL WINTER FAIR

November 2nd to 10th
Exhibition Place, Toronto, ON

For more information:

Telephone: 416 263 3400

E-mail: info@royalfair.org

Web: <http://www.royalfair.org/>

To obtain information on various regional Fall Fairs, check on-line at: <http://www.ontariofairs.com/>

ECONOMICS & TRADE DEPARTMENT

The live price for Quota Period A-80 has been finalized at \$1.283 per kilogram for the base category. That is an increase of \$0.015 from Quota Period A-79.

Allocation for Quota Period A-81 has been set at 65,650,065 Mkgs live weight for Ontario and 203,125,918 Mkgs live weight for Canada. This is a 2.2% increase over base and allows for a 2% increase in consumption over last year.

While wholesale prices started off very strong this year, they are showing a slow decline but still remain above the five year average in the \$3.00 range.

Since January 2007 Ontario storage stocks have increased by +1.9 Mkgs; at the same time last year the Ontario storage stocks increased by +0.7 Mkgs, which is a difference of +1.2 Mkgs for 2007.

In 2008 the U.S. competing meats are expected to increase as follows:

- beef up +0.9%
- pork up +1.5%
- total red meat and poultry production up +1.6%.

In Canada for 2007 pork and beef production are expected to be down by -2 to -3%.

Chicken

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