



# THE CHICKEN FARMER

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## Government Invests in Canadian Poultry Research

Chicken Farmers of Canada was very pleased by the announcement that Agriculture and Agri-Food Canada (AAFC) will again be supporting poultry research in Canada, this time through the AgriScience Program of the newly formed Canadian Agricultural Partnership.

The announcement was made on May 24<sup>th</sup>, at the Faculty of Veterinary Medicine at the University of Montreal in St. Hyacinthe by Minister Bibeau.

“Our Government is committed to helping Canada’s poultry sector maintain consumer trust and stay on the cutting edge by finding new and innovative solutions to challenges faced by the industry,” said Marie-Claude Bibeau, Minister of Agriculture and Agri-Food. “This funding will play an important part in ensuring that the sector is able to continue to grow sustainably and do more to meet high consumer demand.”

“Chicken Farmers of Canada applauds the Government of Canada for its support of poultry research in Canada,” said Benoît Fontaine, Chair of Chicken Farmers of Canada. “The support we have received from Agriculture



“OUR GOVERNMENT IS COMMITTED TO HELPING CANADA’S POULTRY SECTOR MAINTAIN CONSUMER TRUST AND STAY ON THE CUTTING EDGE BY FINDING NEW AND INNOVATIVE SOLUTIONS TO CHALLENGES FACED BY THE INDUSTRY.”



CONTINUED ON PAGE 2

## in this issue

- 3 Grocery & Specialty Food West 2019
- 4 Agriculture Minister Acknowledges CFC as Leaders in Sustainability
- 5 Health Minister Thanks CFC for Their Work on AMR/AMU
- 6 Chicken Farmers Charge the Hill
- 8 Canadian to Lead International Poultry Council
- 9 CFC Young Farmer Program Update
- 10 CFC is Seeking Your Input on the AMU Reduction Strategy
- 12 Trade Update



and Agri-Food Canada demonstrates awareness, at all levels, of our ongoing commitment to be innovative as we respond to evolving consumer demands.”

The Canadian Poultry Research Council (CPRC) submitted the application to AAFC for a poultry research cluster, supported by all the national poultry groups. This will now be the third time that CPRC is administering a national poultry cluster which addresses key research priorities for the sector.

“Funding for the third poultry science cluster allows the poultry industry to conduct research projects that reflect the priorities of the industry and Canadian consumers,” said Helen Anne Hudson, Chair of the Canadian Poultry Research Council. “Canadian poultry farmers are constantly evolving their production practices in response to these priorities which include: the enhancement of the health and welfare of the animals, improving food safety, development of innovations in antimicrobial alternatives and vaccines development, as well as research in preserving the environment and long-term sustainability of the poultry industry in Canada. As part of the cluster, funding will also be used for knowledge and technology transfer to farmers and other poultry value chain members such as input suppliers, processors and the retail component of the industry.”

The AAFC Cluster provides an opportunity to significantly leverage industry funding as the federal government will support projects at a rate of 70% and will allow another 15% to be covered by provincial funding. The total Cluster budget is over \$12 million, with AAFC contributing up to \$8.24 million.

Throughout 2017, CPRC held calls-for proposals, selected projects and conducted reviews by a scientific advisory committee. The poultry cluster provides capacity to resolve many current issues facing the poultry industry. The unique cooperation among scientists, industry partners and government departments across Canada will synergize efforts to address these issues.

This funding, which is in addition to an investment of \$3.78M from industry, will be used to develop new products and processes to address threats to the poultry value chain and improve poultry health and welfare. It also aims to develop best management practices at the farm level to improve food safety and reinforce public trust.


The project builds on the successes of two previous poultry clusters and is expected to result in the development of alternatives to antibiotics through research on antimicrobial use and resistance, as well as healthier and safer products by the poultry food chain. The research is also expected to lead to improvements to the health and welfare of turkeys and laying hens and maintain the long-term viability of the poultry value chain through improved bird production, virus benchmarking, development of precision agriculture tools, and controls on effluents from production operations affecting the environment and greenhouse gases.

This Cluster includes 19 different research projects under the following themes:

- » Antimicrobial use and resistance
- » Food safety
- » Poultry health and welfare
- » Sustainability

As part of the Cluster, CPRC will be including a knowledge translation and transfer (KTT) initiative to ensure that the results of the research are disseminated to industry stakeholders. For more information on previous research projects, check out CPRC’s website at <http://cp-rc.ca/>.

Chicken Farmers of Canada, along with the four other national poultry organizations, established CPRC back in 2001 to foster innovation, science and education within poultry research. The Council was established with a mandate to create and implement programs for research and development that address current and future industry needs.

Since its inception, CPRC has allocated over \$4.4 million to foster poultry research, and these funds have been leveraged to over \$25 million. 

## GROCERY & SPECIALTY FOOD WEST 2019

### SMILES AND SAMPLES!

The Vancouver Convention Centre West was a riot of colours and people in early April, playing host to the annual Grocery & Specialty Food West convention. Hundreds of retailers spread out around row after row of booths with people spreading the word about their products.



One minute, you’re inhaling richly-scented healing oils sold in cute little bottles sporting gorgeous imagery from the Indigenous peoples of the area, the Coast Salish. Next, you’re tasting a newfangled condiment which combines mayonnaise and ketchup. A few steps later, you’re discussing halal chicken production with a U.S.-based entrepreneur trying to expand his business into Canada. One thing’s for sure – you never walk away hungry after attending a food convention.

The B.C. Chicken Marketing Board was on hand at the show, to talk chicken to a steady stream of people from across the retail sector. Chicken Farmers of Canada came along to help.


Over two days, we fielded dozens of questions about chicken from retailers. We also made plenty of good contacts with retailers, many of whom expressed interest in signing onto our *Raised by a Canadian Farmer* brand.

The Wheel of Chicken was a big hit, too. You could spot it from a mile away, and many people did. The loud, Wheel of Fortune-like clacking sound made by the wheel during a spin really cut through the loud chatter that could be heard throughout the convention hall, and we lost count at how many people came for a spin.

We quizzed people about the various categories they landed on, whether it was “KOSHER,” “GRAIN-FED,” “FREE-RANGE” or others. We rewarded the spinners with cute little teddy bears, branded thermal shopping bags, and the ever-popular squeezable chicken keychain. Mostly, what

people took away was the knowledge shared by our national and local representatives.

As is to be expected, a significant chunk of the questions were about hormones and steroids. We politely reminded people repeatedly that the use of added hormones has been illegal in Canadian broiler chicken raising for decades. One person expressed concerns about the ongoing renegotiation of CUSMA; we assured this person that our associations are doing all they can to press federal authorities to ensure the ongoing success of our industry.

We made dozens of people smile during the trade show, whether it was because of the free swag or the fun conversations we had. Aside from busting the occasional myth, most people were aware of the brand, not to mention its underlying message of Canadian chicken’s commitment to excellence. 

ASIDE FROM BUSTING THE OCCASIONAL MYTH, MOST PEOPLE WERE AWARE OF THE BRAND, NOT TO MENTION ITS UNDERLYING MESSAGE OF CANADIAN CHICKEN’S COMMITMENT TO EXCELLENCE.



## Agriculture Minister Acknowledges Canada's Chicken Farmers as Leaders in Sustainability


The Honourable Marie-Claude Bibeau, Minister of Agriculture, recently wrote to Chicken Farmers of Canada to acknowledge the great work that our sector has done to ensure the sustainability of our industry: "Past and current programs and policies have helped Chicken Farmers of Canada become a leader in sustainability. The federal government is proud to support the poultry and egg industry in that regard."

The letter from Minister Bibeau was received after we shared with her our updated **Sustainability Report**, highlighting the excellent results from our recently completed **life cycle assessment (LCA)**. This was part of Chicken Farmers of Canada's (CFC) campaign to promote the LCA results throughout the year to all stakeholders, including government, retail and restaurant companies, and consumers.

The LCA results were released in 2018 and we are taking time in 2019 to celebrate and reflect on the results, while also evaluating next steps to further our commitment to continuous improvement. Other activities to promote these great messages include:

- » The development of a "man-on-the-street" style **video**, to talk to Canadians about some of the key findings from the study
  - The full-length video as well as short clips of each key point have been shared with provincial boards, posted on CFC's websites, and are being promoted on all the CFC social media channels for a full month

- » The development of **infographic images** to communicate the key results from the LCA study
  - These have also been shared with provincial boards, posted on CFC's websites, and are being promoted on all CFC social media channels for a month, along with the video
- » Writing letters to the Ministers of Agriculture and the Environment regarding the updated Sustainability Report and new LCA results
  - These were sent out earlier in March and a letter was received back from Minister Bibeau, as mentioned above
- » Digital and print magazine advertorials, highlighting the sustainability commitment of Canada's chicken farmers and key results from the LCA
  - This ran in Foodism magazine's **Spring Sustainability issue**, a Toronto-based magazine with a national digital audience
  - A similar French version ran in Coupe de Pouce magazine, distributed throughout Quebec
- » In-person meetings with major retail and restaurant companies

- CFC staff, along with the Canadian Poultry and Egg Processors Association, have been travelling the country to meet with major retail and restaurant companies and associations. Meetings have focused not only on CFC's work on sustainability and the environment, but also animal care, food safety, antimicrobial use, and tying it all in with the Brand 



## Health Minister Thanks Canadian Chicken Farmers for Their Work on AMR/AMU

On May 7<sup>th</sup> the Minister of Health, the Honourable Ginette Petitpas-Taylor, came and spoke to Chicken Farmers of Canada's (CFC) Directors about the important work that both the government and CFC are doing on antimicrobial resistance and use and resistance (AMR/AMU).

" I WANT YOU ALL TO KNOW THAT I GREATLY APPRECIATE THE WORK THAT THE CHICKEN FARMERS OF CANADA AND YOUR MANY MEMBERS DO WITH MY DEPARTMENTS TO HELP ADDRESS THE THREAT OF ANTIMICROBIAL RESISTANCE AMONG HUMANS, SAID MINISTER PETITPAS-TAYLOR. "

The Minister went on to speak about the importance of CFC's collaboration with the Public Health Agency of Canada (PHAC) on the development of the Pan-Canadian Action Plan on AMR/AMU, which will build on the Framework that was released in 2017. Where the Framework was higher level (outlining strategic objectives, outcomes, and opportunities for action), the Action Plan aims to identify specific, concrete actions that governments and stakeholders can undertake within their sphere of responsibility to address AMR. CFC has been actively involved in the development and consultation process for this Action Plan, communicating about the significant efforts already underway in our sector to address AMR.

The Action Plan will be organized into four components:


- » Surveillance
- » Stewardship
- » Infection prevention and control
- » Research and innovation

These components are very closely aligned with the four key areas in CFC's AMU strategy of reduction, surveillance, education, and research. The progress that we have made regarding AMR/AMU ensures that our sector is well-positioned:

"The work that chicken farmers are doing – be it on AMR, public education, care for animals and more – is having a broader impact. These important steps are not going unnoticed by Canadians. And they're helping maintain strong public trust in Canadian agriculture.

People continue to have confidence in the food they eat because of your members' crucial efforts." – Minister of Health

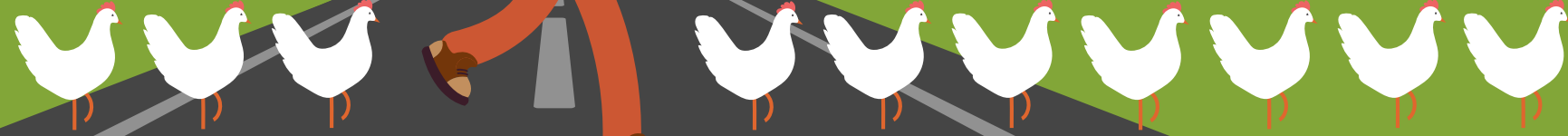
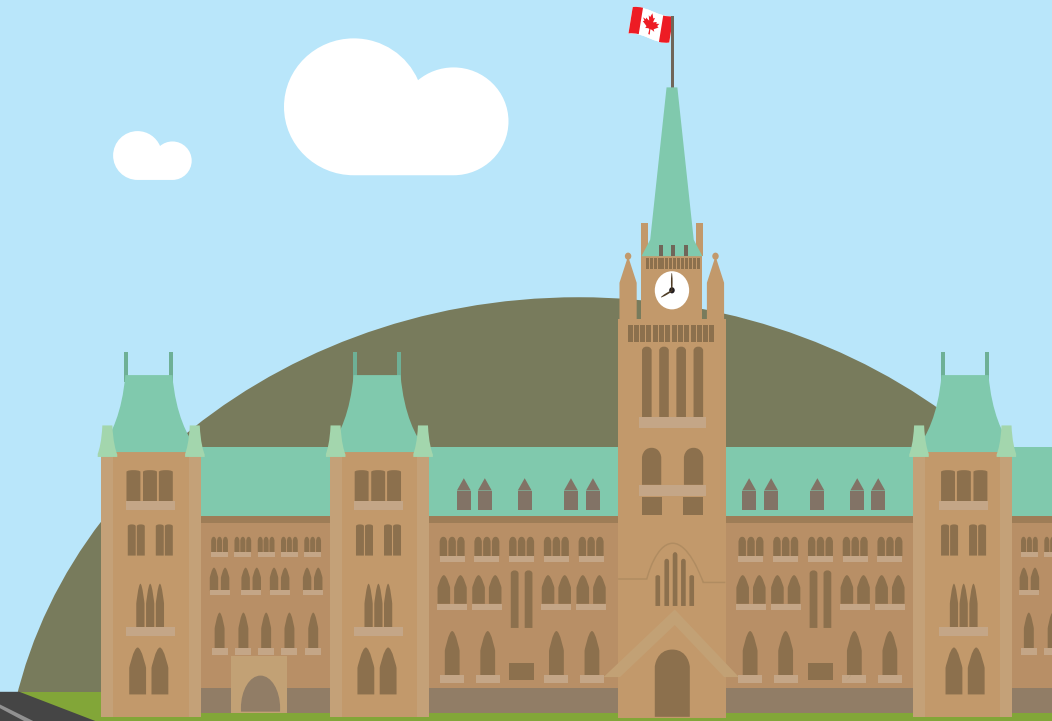
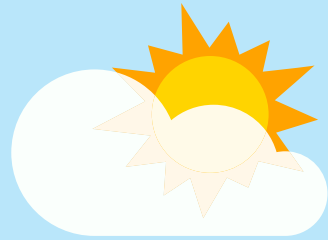
But we cannot rest on our laurels. The development of this Action Plan underscores the priority that government is giving to this file and sends a clear message to all human and animal health stakeholders that there is more work to be done. CFC has been at the forefront of this work for a number of years already and we will need to continue evolving and improving to maintain the trust of both government and consumers.

A draft of the Pan-Canadian Action Plan is set to be released this Spring for stakeholder consultation before the final document is published, which could be as early as the Fall. 





# Hill Watch



## Chicken Farmers Charge the Hill

Chicken Farmers of Canada hosted its annual Lobby Day on May 7, 2019, spreading out across Parliament Hill to talk to MPs, Senators, and their staff members about the Canadian chicken sector. This annual activity is central to the work we do at CFC – building relationships, discussing issues, and creating awareness of our sector and our on-farm programs.

Lobby Day allowed farmers and provincial boards to have constructive, thoughtful conversations with Parliamentarians about issues such as supply management, brand, trade deals and import control issues, as well as the good work we do to improve our economy and our environment. This year's focus was ensuring that federal parties proclaim their support for the supply management system throughout the 2019 election campaign.

At the beginning of the day, Minister of Health Ginette Petitpas-Taylor came to speak to the CFC Board Directors and participants about how chicken is an important part of the new Canada Food Guide and about the work the sector is doing around antimicrobial reduction. To further celebrate Lobby Day and Canadian chicken, a parliamentary reception was held that evening on Parliament Hill and widely attended by MPs, Senators, Ministers, and Hill staff.

### MINISTER ANNOUNCES FUNDING FOR LIFE CYCLE ASSESSMENT

As part of CFC's annual Lobby Day, the Board of Directors was pleased to welcome Minister of Agriculture and Agri-Food, Marie-Claude Bibeau, to meet with the Executive Committee, followed by an address to the over 70 industry members in the room. The Minister commended the chicken sector for driving the economy, feeding Canadians

a high-quality product, and collaborating on the CPTPP working group. During her speech, the Minister also announced the government's investment in CFC's Life Cycle Assessment under the Growing Forward 2 Program. CFC is currently promoting the outstanding findings of the study, and we were pleased to see the government recognize the great work Canadian chicken farmers have been doing to improve the sector's environmental footprint. The Minister also addressed the government's recent Food Policy announcement in the budget that includes funding for the promotion of Canadian food.

### PARLIAMENTARIAN RECIPE CONTEST

CFC recently held a recipe contest for Members of Parliament and Senators in Ottawa, asking them to submit their favourite chicken recipes to be shared at our reception held in early May. The three finalists' recipes were judged by a panel of athletes from Swimming Canada, who also determined the recipients of a donation from CFC at that time.

As a result, Chicken Farmers of Canada will be donating \$17,500 to food banks across Canada. A panel of Swimming Canada judges chose the following recipients:

- \$10,000 – Moisson Montréal**
- \$5,000 – P.E.I. Association of Food Banks**
- \$2,500 – Daily Bread Food Bank**

MP Michel Picard's first-place winning Azorean Portuguese Piri Piri Grilled Chicken was served at Chicken Farmers of Canada's reception on May 8, 2019. The runners up were Minister Lawrence MacAulay's Sweet and Sour Chicken and Senator Robert Black's Curry Chicken on Rice.


### CANADIAN FEDERATION OF AGRICULTURE

As part of CFC's membership to the Canadian Federation of Agriculture, each year the CFC board elects a member to be the designated CFA representative. In late March, Nick Langelaar from Saskatchewan was chosen to sit on the CFA board for 2019. In advance of the 2019 federal election, CFA ran its own Lobby Day at the beginning of April to promote its election priorities. During the Lobby Day, Nick had an opportunity to meet with Ontario MPs Larry Miller and Dave Van Kesteren, Manitoba MP Larry Maguire, and Minister of Public Safety and Emergency Preparedness, Ralph Goodale. In the meeting with Minister Goodale, Nick was able to discuss the issue of spent fowl and how the Minister's leadership on implementing the DNA test is needed.

### DOWNTOWN DINER



The annual "Downtown Diner" held by the supply managed groups took place on May 28<sup>th</sup> in Ottawa this year. Once again, farmers welcomed Parliamentarians, staffers, and the public to enjoy a delicious treat made from dairy, poultry, and egg products, while chatting with Canadian farmers.

Over 25 Parliamentarians took time out of their busy days to stop by, enjoy some food, and promote the Diner on social media. CTV Morning Live also came by and had a chance to do some trivia with Benoît Fontaine. 

## Canadian to Lead International Poultry Council

Robin Horel of the Canadian Poultry and Egg Processors Association (CPEPC) has been elected as the new President of the International Poultry Council (IPC). Canada has been a member of the IPC since its inception, and this new appointment serves to strengthen our relationship with the group and involvement in its activities.



Robin's election took place at IPC's first semester conference and strategic planning meeting held in New Orleans, U.S. where Jim Sumner retired from his role as IPC President. Jim represents the U.S.A. Poultry & Egg Export Council and was instrumental in the creation of IPC. A celebration dinner was held during the conference to acknowledge his contributions. Other conference highlights included:

- » A presentation on the economic overview for the world poultry industry by Rabobank, where African swine fever, trade disputes, consumer trends, labour availability and technology, and sustainability were noted as the biggest issues affecting our industry worldwide.
- » A presentation about world trade in poultry meat, which was forecasted to increase to 15% in the coming years from the current 12% of production
- » A presentation entitled "Communication gaps in agribusiness," noting that in North America, very few consumers know about our production practices, but a big percentage of them do not trust that birds are treated well.

Around the same time as the conference, IPC released a notice entitled "Poultry is king of proteins in IPC outlook." The notice, which can be viewed here, describes the conclusion of economists at the meeting, who agreed that poultry consumption will surpass pork consumption on a worldwide basis in 2019. This is in large part because pork production continues to fall due to African swine fever in pigs in China and poultry is expected to fill the gap in world protein supplies.

### BACKGROUND INFO ON IPC

The IPC's mission is to strengthen communication between the industries of different countries, to develop and recommend policies affecting our industries, and to promote a common global understanding of and confidence in poultry products as the preferred source of meat protein.

The IPC was formed in 2005 by leading poultry-producing countries to determine areas of common interest and develop policies for the overall betterment of the global industry. The organization currently has 29 country members and 56 associate members representing more than 88 percent of the world's poultry production and 95 percent of the poultry trade.


One of the major benefits of Canada's membership on IPC is the ability to build relationships and make connections with international poultry stakeholders. This has proven useful in the development of industry policies and with government relations – the ability to consult with and learn from international partners about how similar matters are handled in their country. For example, during the consultations around the Humane Transport Regulations, CFC was able to reach out to IPC contacts to find out how regulated transport times are actually enforced in different countries, which informed our feedback to CFIA's consultation.

The IPC has cooperation agreements with other international organizations including the Food and Agriculture Organization of the United Nations (FAO), the World Organization for Animal Health (OIE) and the Codex Alimentarius Commission and is recognized by these groups as the sole organization representing the interests of the global poultry meat industry. This gives IPC a seat at the table for important discussions on issues that affect the poultry industry worldwide.

Internally, IPC has formed four working groups to address specific topics of concern and propose policies and practices to the membership for potential adoption. An example of this work includes the IPC position statement on antimicrobial use and antimicrobial stewardship principles. The four working groups are:

- » Animal Health and Welfare
- » Processing and Food Safety
- » Marketing and Consumption
- » Environment and Sustainability

For World Poultry Day on May 10<sup>th</sup>, IPC released a video which uses poultry as an example of a very important issue – feeding the world. We shared this on the Chicken Farmers of Canada Facebook page to mark the occasion and sent it to all provincial boards to share as well.

Chicken Farmers of Canada plans to remain engaged with IPC as an associate member and continue to foster relationships with international poultry industry stakeholders. The next IPC meeting will take place in August in São Paulo, Brazil. 

## CFC Young Farmer Program Update

2019 marked the launch of Chicken Farmers of Canada's (CFC) Young Farmers Program and since January, our participants have been hard at work learning about the inner workings of the Canadian chicken industry!



Farmers Jonathan Giret (ON), Nicholas Budd (NB), Frédéric Emery Dufresne (QC), Andre Poulin (AB) and Tiffany Martinka (SK) were selected to be the first crop of participants in CFC's Young Farmers Program and have been keenly taking part in this amazing new program, opening doors to opportunities within Canadian agriculture.

In April, our participants attended the Canadian Young Farmer's Forum in Toronto. This conference brings together young farmers from coast to coast for a weekend to learn about the different commodities in Canadian agriculture, learn about various ways to finance their farms, future planning, and of course, make connections with fellow young farmers.

Then in early May, the group came to Ottawa for three days to attend various workshops and events, including CFC's Lobby Day. The Young Farmers participated in an intensive orientation seminar that gave them an in-depth look at what CFC does on a day-to-day basis, how the Board of Directors functions, and the various projects CFC staff has been working on. The group also partook in social media training from MediaStyle, where they learned how to tell their story and share it with the world.

In addition to this training, they participated in meetings during Lobby Day, connecting with Members of Parliament and Senators to discuss the important issues surrounding the chicken sector. They were also invited to lunch with Alberta MP Earl Dreeshen at the Parliamentary Dining Room. During this lunch, the young farmers learned about life as a Member of Parliament and the work all parties are doing to support the agriculture sector. Their time in Ottawa concluded with a behind-the-scenes tour of Parliament Hill, followed by the Chicken Farmers of Canada's Parliamentary Reception.

This fantastic group of young farmers will be meeting again in August to attend CFC's Annual Summer Meeting in Saskatoon. There they will participate in Board Meetings and keep growing their skills in order to become advocates for the industry.

*Does this sound like an opportunity for you or someone you might know? Applications for the 2020-2021 selection will be opening in the summer. Please contact your Provincial Boards for more information or email [publicaffairs@chicken.ca](mailto:publicaffairs@chicken.ca). *

# Chicken Farmers of Canada is Seeking Your Input on the AMU Reduction Strategy

Chicken Farmers of Canada's (CFC) antimicrobial use (AMU) reduction strategy is a step-wise approach to eliminate the preventive use of antimicrobials of human importance (Category I-III).



## CATEGORY III REASSESSMENT

In conjunction with approving the reduction timelines, CFC Directors requested that a reassessment of the Category III goal and timeline be performed in 2019.

Now is the opportunity to have your input! CFC is launching a stakeholder survey, which is an opportunity to input on the next step of the CFC AMU reduction strategy.

The objective of the reassessment survey is to obtain input on 1) the impacts of the Category II elimination, and 2) the Canadian chicken value-chain's level of preparedness for the elimination of the preventive use of Category III antibiotics by the end of 2020.

CFC recognizes that the full impacts of eliminating the preventive use of Category II antibiotics may not yet be fully understood. Therefore, CFC will be conducting a follow-up survey with participants that complete this consultation. This second opportunity for input will be in October 2019 and will allow the opportunity for stakeholders to provide any further context as to the impacts of the preventive Category II elimination.

Feedback on this questionnaire is being requested from chicken farmers, provincial boards, poultry veterinarians/Canadian Association of Poultry Veterinarians, nutritionists/feed mill associations, chief provincial veterinarians/provincial animal health laboratories, researchers/academia, hatcheries, processors, broiler hatching egg producers and primary breeders.

The survey will be open from May 28<sup>th</sup> through June 25<sup>th</sup> and can be accessed at <https://www.surveymonkey.ca/r/CFCcategory3> or by clicking on **Category3 Survey**. The survey can be completed via computer, tablet or phone.

## CFC REDUCTION STRATEGY

CFC's strategy has been developed to provide a sustainable means of meeting consumer expectations, while protecting the health and welfare of birds, and preserving effective treatment options.

### Reduction Timelines:

- STEP 1:** Elimination of the preventive use of Category I antibiotics in May 2014
- STEP 2:** Elimination of the preventive use of Category II antibiotics at the end of 2018
- STEP 3:** Goal to eliminate the preventive use of Category III antibiotics by the end of 2020

CFC's AMU reduction strategy only focusses on preventive use of Category I, II and III antibiotics. This is not a "Raised Without the use of Antibiotics" strategy. CFC's strategy continues to allow:

- » The use of antibiotics for treatment of clinical or subclinical infectious diseases identified in a flock of birds
- » The preventive use of ionophores (Category IV antibiotics)
- » The use of chemical coccidiostats

For more information on CFC's AMU strategy, please visit <https://www.chickenfarmers.ca/antimicrobial-strategy/>.

## CATEGORIZATION OF ANTIBIOTICS

Antibiotics are ranked (Categories I-IV) by Health Canada based on their importance to human medicine.

The following table provides the classification of antibiotics:

Chemical coccidiostats are not defined as antibiotics. These products include: Nicarb, Robenz, Amprol, Zoamix, Coyden, Stenerol, Clinicox and Deccox. **CF**

CATEGORY	DRUG FAMILY	BRAND NAME
<b>I - Very High Importance (Essential for serious human infections with limited or no alternatives available)</b>		
	Ceftiofur	Excenel (extra-label)
	Enrofloxacin	Baytril (extra-label)
<b>II - High Importance (Essential for treating serious human infections and few alternatives available)</b>		
	Virginiamycin	Stafac, Virginiamycin
	Penicillins	Paracillin SP, Pot-Pen, Penicillin G Potassium, Pen-P, Penicillin G Procaine, Vibiomed Booster, Medivit, Super Booster
	Tylosin	Tylan
	Gentamycin	Gentocin
	Lincosamides	Lincomix, Lincomycin, Linco-Spectin, L-5 soluble powder
	Trimethoprim-Sulfadiazole	Uniprim (extra-label)
<b>III - Medium Importance (Important for treating human infections and alternatives are generally available)</b>		
	Bacitracin	BMD, Albac, Zinc Bacitracin
	Sulphonamides	Sulfa, Sodium Sulfamethazine, Sulphaquinoxaline, Quinoxine 5
	Apramycin	Apralan (extra-label)
	Spectinomycin	Spectam (extra-label)
	Tetracyclines	Aureomycin, Oxy, Oxysol, Oxytetracycline, Terramycin, Onycin, Neo-Tetramed, Tetra, Tetracycline
	Neomycin (Sulfate, Oxytetracycline, Tetracycline)	Neomix, Neomycin, Neomed, Neo Oxymed, Neotet, Neox, Neo-Chlor, Neo-Tetramed
<b>IV - Low Importance (Not used in human medicine)</b>		
	Bambermycin	Flavomycin
	Ionophores	Rumensin, Monensin, Coban, Monteban, Maxiban, Aviax, Salinomycin Premix, Sacox, Bio-Cox, Coxistac, Posistac, Cygro, Bovatec, Avatec
<b>Uncategorized</b>		
	Avilamycin	Surmax



# TRADE UPDATE

## Update on Canada-United States Relations

On Friday May 17, Prime Minister Justin Trudeau announced that Canada and the United States had found a way to resolve the tariff stalemate that had been serving as one of the obstacles to Canada’s ratification of the Canada-United States-Mexico Agreement (CUSMA). As of Monday May 21, the United States removed the tariffs it had imposed nearly a year ago on Canadian steel and aluminum exports. Correspondingly, Canada removed the retaliatory tariffs it has imposed on a select group of US exports, which included a 10% surtax on goods such as prepared meals and prepared meats containing chicken or spent fowl.

The Canadian government has also committed to moving the CUSMA ratification process forward. For the agreement to be ratified, the implementation legislation will be submitted for consideration and approval first to the House of Commons and then to the Senate. Once these steps are completed, the bill will undergo Royal Assent and become enforceable by law.

This process was put into motion on May 27, when Foreign Affairs Minister Chrystia Freeland introduced a “ways and means” motion in the House of Commons that addresses some of the measures required for the agreement to be put in effect. The required legislation will then be tabled in an effort to pass legislation. It is unclear at this point if the ratification can be completed in

the four weeks remaining before the House is scheduled to rise for the summer, or before the federal election campaign. In order to complete the process, the House might have to be reconvened for a session this summer.

Since the U.S. has also lifted its tariffs on Mexican steel and aluminum exports, and Mexico has already begun making changes

to its labour laws to ensure they comply with new CUSMA standards, it is expected the agreement’s ratification process there will proceed smoothly. Once the treaty is approved by a majority in the Mexican Senate, the President will decree the law into force, thus setting the agreement into effect. However, Mexico is also waiting for a signal from the U.S. prior to moving its ratification process forward.

Ultimately, the U.S. is holding up its new North American trade agreement from entering into effect. Procedurally, the treaty needs to pass through the US House of Representatives and the Senate with a simple majority, and then the President can implement it by issuing a proclamation. Politically, however, the process is being held up in the House of Representatives as the Democrats who hold the majority there have concerns over many of the agreement’s provisions, such as the language on labour, pharmaceuticals and the environment, as well as its enforcement mechanisms. Before the treaty can move forward, these internal divisions will need to be deliberated – with the U.S.’s trade partners watching on.

The new North American trade pact will enter into effect on the first day of the third month after all three parties have ratified it. Once the CUSMA’s 15-year implementation period is finalized, Canada will have granted the U.S. an additional 12.7 million kilograms of market access, meaning the U.S. will benefit from a total 62.9 million kilograms of country-specific duty-free access into the Canadian chicken market, securing its place as Canada’s number one source of chicken imports.

## CANADA – MERCOSUR TRADE NEGOTIATIONS

Since trade negotiations between Canada and Mercosur, the South American customs union composed of Argentina, Brazil, Paraguay and Uruguay, began on March 20, 2018, a great deal has been accomplished. A handful of chapters have been concluded, an initial exchange of offers on market access has taken place, and a second exchange is expected prior to the next round of talks. This sixth round of negotiations will take place from June 17 to 26 in Montevideo, Uruguay. Round seven has already been scheduled just five weeks later in Ottawa from July 25 to August 2.

Negotiators on both sides are committed to moving quickly towards an agreement, possibly concluding by the end of 2019. That being said, there is also wide recognition that upcoming elections this year in Canada, Uruguay and Argentina will require a pause in the formal negotiations, meaning that this ambitious goal is likely not to be reached.

This negotiation is especially concerning to the Canadian chicken sector. Not only is Argentina an upcoming chicken exporter that is looking to increase its export-oriented production 11% from 187 million kilograms in 2018 to 210 million kilograms in 2019, but fellow Mercosur-member Brazil dominates the global trade in broiler meat with an estimated 3.7 billion kilograms of exports in 2018. Comparatively, Canada’s total 2018 production was 1.3 billion kilograms, nearly 3 times less than Brazil’s exports that year. Brazil is already Canada’s second largest source of boiler meat imports after the U.S., with 12.6 million kilograms of imports coming into the Canadian market in 2018.

THROUGHOUT THESE TRADE TALKS, CANADIAN GOVERNMENT HAS MAINTAINED THAT WHILE IT IS SEEKING AN AMBITIOUS AND BALANCED MARKET ACCESS OUTCOME, IT WILL STRONGLY DEFEND CANADA’S AGRICULTURAL INTERESTS. CFC’S EXECUTIVE COMMITTEE AND STAFF ARE WORKING CLOSELY WITH THE GOVERNMENT OF CANADA TO ENSURE THAT A POSITIVE OUTCOME IS REACHED FOR THE CHICKEN SECTOR THROUGH THIS NEGOTIATION.

## UPDATE ON THE COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP

Implementation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) officially began on December 30, 2018, and year two of the agreement’s implementation went into effect two days later on January 1, 2019. Consequently, this year there is an additional 7.8 million kilograms of duty-free Tariff Rate Quota (TRQ) available to imports of chicken meat from Canada’s fellow CPTPP countries. Once the CPTPP is fully implemented, Canada will have conceded 26.7 million kilograms of new access into its domestic chicken market.

ONCE THE CPTPP IS FULLY IMPLEMENTED, CANADA WILL HAVE CONCEDED 26.7 MILLION KILOGRAMS OF NEW ACCESS INTO ITS DOMESTIC CHICKEN MARKET.

Chile is currently the only CPTPP member that is in a position to fill this new chicken TRQ; however, it has not yet completed its domestic ratification process of the agreement.

At the time of going to press, the agreement had already been approved by the Chilean Chamber of Deputies (Chile's lower house, similar to the Canadian House of Commons) and was being considered by the Chilean Senate's Foreign Relations Committee. The agreement will enter into force for Chile 60 days following its final, and expected, approval by the Senate.

## UPDATE ON THE AGRICULTURE AND AGRI-FOOD CANADA POULTRY AND EGG WORKING GROUP

In recognition of the impact that the access granted in the CPTPP will have on the supply management sectors, the Government of Canada included \$2.15 billion in the Federal Budget 2019 to be used to support the sectors adjust to this increase in imports. A poultry and egg working group comprised of both industry and government representatives was convened to develop strategies that would ensure the sectors are not only capable of accommodating this new access, but to continue to succeed despite it. The poultry and egg working group met a number of times between December 2018 and April 2019, producing a final report of recommendations that was presented to Agriculture and Agri-Food Minister Marie-Claude Bibeau on April 17<sup>th</sup>. The Minister is expected to make an announcement on the actual program roll out in June.

The working group report recommends the development of an investment program to support producers as they invest in further improvements to their

operations and of a TRQ allocation methodology that would result in minimal market distortions. Furthermore, the report recommends the establishment of a market development fund that would help promote Canadian-raised chickens, which would be supported by the enforcement of Canadian production standards on imports.

CFC representatives also insisted through the report that the government ensures that the domestic market is no longer subject to leakages or illegal imports. For instance, the issue of broiler meat being fraudulently imported as spent fowl must be resolved by implementing the DNA test that can distinguish between broiler meat and spent fowl in customs verification processes. As well, the Duties Relief and Drawback Programs must be adjusted to suit the realities of the chicken sector by banning the substitution and marination of imported chicken and reducing the allowed time to re-export from the current 4-year.

Finally, the government must commit to ensuring that no further access to the Canadian chicken market is conceded in future trade agreements, such as the ongoing trade negotiations with Mercosur, or in any future WTO discussions. **CF**

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