

2022 Budget Consultation Submission from Chicken Farmers of Ontario

Dear Standing Committee of Finance and Economic Affairs,

On behalf of 1,300 family-run farms across the province, Chicken Farmers of Ontario (CFO) appreciates the Ontario legislature's leadership and response in these challenging times.

We specifically appreciate the openness, transparency, and timely communications from the Ministry of Agriculture, Food and Rural Affairs (OMAFRA) that continue to encourage collaboration and innovation throughout Ontario's agriculture community and the poultry sector during this pandemic.

Healthy, safe farms are important for the people who live and work there, as well as for animals and consumers. Ontario chicken farmers follow high standards of animal care and work closely with veterinarians, nutrition specialists, regulators, and other experts to monitor and maintain the health and safety of their animals and property.

On behalf of our farmers, we would like to express our appreciation to the Ontario legislature for the passing of the *Security from Trespass and Protecting Food Safety Act 2020*, which has made tremendous strides in protecting the safety of Ontario's farms and farm families.

This new legislation provides greater clarity and supports Ontario farmers in protecting their animals, workers, families, and Ontario's food supply from the dangers posed by unwanted trespassers, while also recognizing a citizen's right to protest.

Successful family farms are a crucial building block of Ontario's communities. With farms in 330 communities across the province, Ontario's chicken industry supports over 22,000 jobs and contributes over \$3.8 billion to the Ontario economy each year. We feed Ontario with multiple healthy chicken options from a variety of sources.

As we look ahead to 2022 and beyond, some of our key priority areas in alignment with our strategic plan, include:

1. Ensuring the supply management system empowers responsible and sustainable chicken agriculture, adapts to change, and creates value
2. Supporting critical research to enable our Ontario farmers to earn a good living, now and for future generations
3. Investing in critical infrastructure needed in farming communities to ensure that Ontario's farmers continue to grow and thrive
4. Demonstrating leadership on intergovernmental advocacy and collaboration between all levels of government, to advance policies that impact the poultry sector in Ontario and Canada
5. Building resilient local communities through strong partnerships

CFO continues to lead positive change and build value as Canada's premier provider of trusted, family-farmed, safe, high-quality chicken.

We feed Ontario with multiple healthy and affordable chicken choices. This includes our Conventional, Raised without Antibiotics, Organic, Kosher and Specialty Breeds production programs.

CFO also has an Artisanal Chicken program, which provides an opportunity for smaller-scale growers to help meet the needs of local and seasonal markets and provides more choice to Ontario consumers.

Consumer demand is resilient. We see great potential in chicken protein markets and our industry, and for each of our strategic business segments.

COVID-19 and Supply Management

COVID-19 has presented challenges for practically every industry in the province, and the chicken industry is no exception. However, thanks to the supply management system, Ontario's chicken industry has continued to be responsive, responsible, and resilient.

When the pandemic hit, supply management made it possible for our sector to adapt quickly to the changing demands and needs of Canadian consumers.

We have worked closely with our industry partners to adjust volumes and the types of products we produce. This has helped to prevent long-term shortages in grocery retail, while also addressing the fluctuations in demand from the restaurant sector. Since the start of the pandemic, CFO has taken decisive action to relieve pressure on the supply chain when necessary and respond to changing market needs.

The COVID-19 global pandemic has shown that the role of supply management is essential for Ontario's chicken industry. We have maintained supply and ensured that Ontarians can reliably access safe, high quality chicken products.

CFO and the Ontario chicken industry have worked together to establish strong health and safety protocols based on recommendations issued by government, and local public health authorities. These protocols protect farmers, workers, and stakeholders throughout the food supply chain.

At every turn, the supply management system has worked to protect processor-customer partnerships, secure industry value chain relationships, and ensure the effective application of CFO regulations and protocols. As a result, we have maintained a steady supply of Ontario-grown chicken.

Innovation for Future Generations

Leading Through Research

Ontario's four Feather Boards (Chicken Farmers of Ontario, Egg Farmers of Ontario, Ontario Broiler Hatching Egg and Chicken Commission, and Turkey Farmers of Ontario) continue to

collaborate with the Agriculture Research Institute of Ontario (ARIO) to support a proposed Poultry Research and Innovation Centre to further strengthen Ontario's poultry sector.

In 2019-2020, the province directed ARIO to move forward with a formal disposition process for the Arkell Research Station and to work with industry towards the relocation of livestock activities to the Elora Research Station. The sale of the Arkell property is anticipated in 2022-2023.

The Ontario poultry industry is committed to research and innovation. Through our ongoing investments in the Canadian Poultry Research Council (CPRC), CFO continues to support leading-edge research in disease prevention, flock management, food safety, and sustainability. CFO also works with and supports the Livestock Research Innovation Corporation (LRIC) to bring collaboration and forward-thinking ideas to Ontario broiler chicken production.

To advance research priorities, including those supported by CPRC and LRIC, the Ontario poultry industry requires in-barn research facilities that are modern and aligned with today's strict on-farm infrastructure and production standards including animal welfare, food safety, farm work safety and biosecurity. The Poultry Research and Innovation Centre would provide the flexibility necessary to incorporate new technologies and innovations in order to continue to meet consumer demands for continually evolving standards of production, such as enhancing animal care.

Ontario's poultry industry requires in-barn research to ensure continuity of research and innovation progress. Ontario-based research will improve the economic viability and competitiveness of the Ontario poultry sector and will help to ensure a sustainable future of family farms for generations to come.

Investments in applied, in-barn research, would support not only Ontario farmers, but also support Ontario's growth, competitiveness, and sustainability.

For Ontario chicken farmers, sustainability means protecting animal health and welfare, ensuring worker and community wellbeing, preserving the health of both the land and the family farm, and contributing to local economies.

In-barn research supports risk management and disease prevention, and also provides opportunities to improve on-farm efficiencies, enhance sustainable practices, and to introduce new emerging technologies to Ontario farmers. This would better enable Ontario's chicken industry to meet existing and emerging consumer demands.

That is why the Poultry Research and Innovation Centre is critically important. This project will build on Ontario's competitive advantage as a global leader in productivity, animal welfare, and food safety.

Based on current estimates on building costs, we anticipate the need for a total budget of between \$18M and \$21M. CFO and Ontario's Feather Boards are committed to funding our fair share of this important in-barn research facility, and support the proposed cost share partnership of 80% - 20%.

We appreciate the ongoing collaboration between Ontario's Feather Boards, ARIO and OMAFRA. Together, and in partnership, we are committed to working to address this need for further investment in research and technology, and to continue to cultivate and maintain Ontario's academic, technical, and veterinary expertise in Ontario's poultry sector.

Critical Investments in Rural Infrastructure

Digitization and Rural Broadband

In 2013, CFO embarked on a digital transformation and transitioned from paper-based business, to our CFO Connects platform. With numerous daily business transactions and reporting requirements, CFO farmers and industry stakeholders rely on CFO Connects to conduct their business in a simplified, standardized, and automated way.

During the pandemic, CFO transitioned additional auditing and administrative functions to online platforms, and farmer-to-farmer events are now conducted virtually. Yet, connectivity issues remain a barrier to full digital integration. This is an essential service for supporting not only our farms, but also Ontario communities and rural economies.

We appreciate commitments to expanding rural broadband and encourage the government to continue to provide support for investments that will lead to more reliable, high-speed connections in rural Ontario. This support will provide an essential service for not just our farms, but all of Ontario's rural communities and economies.

Where possible, we ask that farm-businesses be prioritized in the rollout of high-speed broadband projects across rural Ontario.

Opportunities for Intergovernmental Advocacy

Inclusion of an Animal Care Recognition Protocol in the Next Policy Framework

Chicken farmers follow a mandatory Animal Care program, which is based on the Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chickens, and Turkeys, as developed by the National Farm Animal Care Council (NFACC). NFACC is a leading authority on farm animal care, it includes animal care requirements based on research and scientific review.

We hope to count on Ontario's advocacy towards a Federal-Provincial-Territorial recognition protocol for our Animal Care Program implemented in the Next Policy Framework, similar to the On-Farm Food Safety Recognition Program (OFFSRP) within the Canadian Food Inspection Agency.

Trade Mitigation

In partnership with Chicken Farmers of Canada, CFO is working to advance the implementation of trade mitigation measures through the Government of Canada.

The new CPTPP and CUSMA trade deals, combined with our WTO obligations, grant importers a total annual market access of 10.8%. This level of access translates into annual losses of 3,100 jobs and \$240 million in contributions to the Canadian economy, with an estimated 75 per cent of imports entering the Ontario marketplace.

Canadian chicken farmers will be working with the Federal Government to secure a mitigation plan for market concessions given up in the CUSMA trade deal. We appreciate any support and advocacy from the Province of Ontario to help advance this mitigation.

Additionally, it is essential to the success of the supply management system that no further market access be granted in any future trade deals.

Our Commitment to Ontario Communities

“Chicken as Usual”

In April 2020, and as a direct result of the COVID-19 pandemic, Chicken Farmers of Ontario was proud to launch a consumer awareness campaign to assure Ontarians that even though it wasn't business as usual, it was still 'Chicken as Usual.'

Throughout the pandemic, we have upheld our commitment to producing safe, healthy, high quality, Ontario-grown chicken and ensuring that Ontarians can easily access their number one choice of protein in grocery stores, restaurants and through delivery and take-out.

CFO Cares & Feeding the Frontline

Due to the pandemic, Ontario food banks have faced unprecedented challenges and significantly increased demand. In response, CFO farmers have stepped up and answered the call to action to help our neighbours.

To show our appreciation to frontline workers, CFO launched the Feeding the Frontline campaign. As part of this campaign, we invited CFO farmers and elected officials from constituencies across Ontario to nominate frontline heroes from their communities.

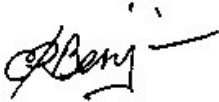
The response was overwhelming. We received 120 nominations, including: first responders, education workers, healthcare professionals, and agri-food industry workers. Through a random selection process, 15 winners and their families were awarded a chicken dinner. The winners were also provided a CFO Cares donation of chicken to direct to a food bank in their community.

CFO has continued to support food banks in communities across Ontario through our CFO Cares program. This program delivers Ontario-grown chicken to those communities that need it most. Last year alone, 550 farmers donated over 1.4 million meals to Ontario food banks.

While COVID-19 has brought about changes to many common routines and things are definitely not business as usual, at CFO we are determined to ensure that it is still Chicken as Usual.

Ontario's chicken farmers are on the job and committed to raising safe, healthy, high quality, locally grown chicken for all Ontarians.

Best Regards,

A handwritten signature in black ink, appearing to read 'Ed Benjamins', with a horizontal line extending from the end.

Ed Benjamins, Chair
Chicken Farmers of Ontario

A handwritten signature in black ink, appearing to read 'Denise Hockaday', with a horizontal line extending from the end.

Denise Hockaday, CEO
Chicken Farmers of Ontario