Farm Products Council of Canada
Conseil des produits agricoles du Canada

Central Experimental Farm
Building 59
960 Carling Avenue
Ottawa, Ontario K1A 0C6

Ferme expérimentale centrale
Édifice 59
960, avenue Carling
Ottawa, Ontario K1A 0C6

Le 18 février 2026

Monsieur Tim Klompmaker
Président
Les Producteurs de poulet du Canada
50, rue O'Connor, bureau 1610
Ottawa (Ontario)
K1P 6L2

Objet : Modifications proposées du *Règlement canadien sur le contingentement de la commercialisation des poulets*

Cher Monsieur Klompmaker,

Lors de sa réunion du 18 février 2026, le Conseil des produits agricoles du Canada (le Conseil) a examiné les modifications proposées au *Règlement canadien sur le contingentement de la commercialisation des poulets* tel que demandé dans votre lettre datée du 30 janvier 2026, pour la période contingentaire A-202, débutant le 3 mai 2026 et se terminant le 27 juin 2026.

Après un examen approfondi de la justification fournie par les Producteurs de poulet du Canada et suite à une analyse interne, les membres du Conseil ont convenu que les modifications étaient nécessaires à la mise en œuvre du plan de commercialisation énoncé dans la *Proclamation visant Les Producteurs de poulet du Canada*.

Pour toute question, n'hésitez pas à communiquer avec moi ou avec Lisa Melanson-Daigle, secrétaire du Conseil, par courriel à l'adresse fpcc.secretariat.cpac@fpcc-cpac.gc.ca.

Sincères salutations,

Signature sur la version originale

Brian Douglas
Président

Canada

January 30, 2026

Mr. Brian Douglas
Chairperson
Farm Products Council of Canada
Central Experimental Farm
960 Carling Avenue, Building 59
Ottawa, Ontario
K1A 0C6

Re: Prior Approval for Allocation Period A-202

Dear Mr. Douglas,

The prior approval of the Farm Products Council of Canada is being sought for the allocation for period A-202.

The numbers in kilograms live weight for A-202 are:

1. A total allocation of 329,165,893 kilograms,
2. A domestic allocation of 319,844,739 kilograms,
3. A market development allocation of 6,946,125 kilograms,
4. A specialty allocation of 2,375,029 kilograms.

Period A-202 is the eight-week period beginning on May 3, 2026 and ending on June 27, 2026. In accordance with section 3.05 of the Operating Agreement, the anticipated growth rate for the period was established on December 3, 2025, at 6%.

CFC Directors set the allocation for period A-202 on January 21, 2026, in accordance with section 3.09 of the Operating Agreement. Tables outlining the provincial allocations for this period in both eviscerated and live weight are attached.

Current market conditions

CFC Directors, industry stakeholders, and signatories discussed the market conditions and allocation requests for period A-202 at the CFC Board of Directors meeting on January 21, 2026.

The Market Information Working Group (MIWG) report for period A-202 was circulated to all stakeholders several weeks prior to the January 21, 2026 board meeting, and the report, along with the data file used by the MIWG, was also made available on MyCFC.

At the meeting, Directors were presented with the latest market information by CFC staff. Production in the most recent period, A-199, was estimated to be 6.4 Mkg evis below the allocated volume. Production projections based on established allocations for periods A-200 and A-201 indicate that

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production in the coming months will be up significantly compared to the previous year. However, ongoing avian influenza-related chick shortages and quality issues and other disease-related production challenges may result in further underproduction compared to allocations.

Only three weeks of 2026 TRQ utilization data were available as of the January 21 board meeting. Total utilization was just 0.1 Mkg below pro rata, with WTO and CPTPP utilization slightly above pro rata and CUSMA slightly below. Directors expected that TRQ utilization during A-202 would be pro rata or slightly above it, especially with the current price spread between Canadian and U.S. white and dark meat. Directors were presented with full-year figures for several other import categories, including the Duty Relief Program (DRP) which saw an increase of 5 Mkg to 25 Mkg in total in 2025. Imports of chicken under the Import to Re-Export Program (IREP) also rose in 2025, to 22 Mkg from 16 Mkg in the prior year. 2025 saw significant increases in imports of chicken parts, with legs up 4 Mkg from last year, totaling 26 Mkg, and boneless breast meat imports up 6.6 Mkg to 44 Mkg total. Boneless breasts, legs, and total chicken imports all reached record highs in 2025. Fowl imports also reached a record high in 2025, totaling 115 Mkg, an increase of 30 Mkg from the year before.

Storage stocks as of January 1st rose by 1.5%, due to increases in the further processed and miscellaneous categories, the latter rising 28% or nearly 1 Mkg from last month. Despite significant increases in import volumes and wholesale prices last year, total storage stocks remained relatively stable throughout the year and started 2026 within last year's range.

Calculated supply and disappearance figures indicate that chicken disappearance in Canada is up by 5.3% over the last 12 months, by 4.9% over the last six months, and by 4.7% over the last three months. This growth was driven mostly by increased imports and lower exports, as domestic production in 2025 rose by 2.3% compared to last year. Over this same time, imports have increased by 16% while export volumes have declined by 21% from a year ago.

Retail sales data, supplied by Nielsen, show that total chicken sales volume has increased by 0.8% over the last 52 weeks. The total dollar amount spent over this same time frame increased by 5.8%. Beef sales volumes declined by 1.7% during this time, while dollars spent on beef increased by 11.1%. Pork saw a volume decline of 1.3% and a dollar sales increase of 2.2%. For chicken cuts, legs once again had the largest increase in both volume and dollar sales during the most recent 52-week period, up by 6.2% and 10.9%, respectively. Breasts saw 1.2% higher volumes and 5.7% higher dollar sales. Wings sales declined by 1.9% compared to the previous 52-week period, while dollar sales increased by 1.8%. Whole chickens also had a decline in volume compared to the previous 52-week period, falling 1.4% while dollar sales rose 2.1%.

Foodservice sales as published by Statistics Canada showed continued growth, with year-to-date sales for 2025 up by 6.0% to October. Limited food service sales, which include takeout and fast-food type restaurants that typically favour chicken, grew by 6.4% during this same period. The foodservice industry saw some benefit from the HST holiday early in 2025. Foodservice sales data provided by Direct Link, which identifies chicken-specific sales trends, showed growth of 5.7% in terms of kilograms and 7.0% in terms of dollars for chicken during the first three quarters of 2025 compared to the same period in 2024.

Wholesale prices, provided by Express Markets Inc., began 2026 with each series above all previous years, but below record highs set in the peak months of 2025. January has historically been a seasonal low point for wholesale chicken prices. The current strength of wholesale prices is indicative of very strong demand and tight supplies for chicken in Canada.

U.S. broiler production increased by 2.2% in 2025 compared to 2024 and is forecast by the USDA to grow by a further 1.2% in 2026. Cold storage inventories remain near last year's level, up by just 1%. Increases in breast meat stocks have been offset by drawdowns in leg stocks. Wholesale chicken prices in the U.S. are much more moderate than is the case in Canada. Boneless breast meat prices are below last year, close to their level in 2023 and 2024. Wogs and wings have both started off 2026 at the lowest level in three years, and legs are below last year.

Beef production in the U.S. fell 3.6% in 2025 versus the previous year and is forecast to fall a further 1.0% in 2026. Frozen beef inventories are at multi-year lows, and cutout prices are well above the last three years. Beef slaughter in Canada in 2025 was 6% lower than it was during the previous year. Per capita consumption of beef in the U.S. is forecast to decline slightly during 2025 and 2026 (0.2% each year).

Pork production in the U.S. dropped 0.8% in 2025 according to the USDA but is forecast to rise 2.3% in 2026. Frozen inventories of pork ended 2025 at the lowest point in several years, while cutout values started 2026 at record high for this time of year. Canadian pork production rose 2% compared to last year.

Feed grain price volatility has remained mostly nonexistent, with corn and soy slightly higher than a year ago but well below prices seen from 2021-2023. Barley and feed wheat, key feed ingredients in Western Canada, are both at multi-year lows. This has translated into stable live chicken prices over the last two years.

Provincial and industry requests for A-202

There was little variation between the various provinces' recommendations for A-202, with the Western provinces all recommending 6.5% above base, and the remaining provinces recommending 6.0%. With 2025 freshly completed, directors discussed a collective desire to avoid the challenges seen last year which drove wholesale prices to record highs and pushed imports of both chicken and fowl to levels never seen before. These factors, together with record high beef prices, growth in food service, and others, were cited by directors as evidence that there was ample room for increased chicken production in 2026, especially during this period which occurs during what is typically one of the biggest demand periods of the year. Directors also cited continued challenges including chick availability and quality, as well as disease factors which were major contributors to 2025's market tightness. The upcoming FIFA World Cup, part of which falls during A-202, was discussed as positive for chicken demand.

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CPEP's primary processing sector directors cautioned against overreacting in response to the various challenges discussed by other directors. However, CPEP's directors agreed with others that significant growth over 2025's production volume was appropriate. Consumers' cost-cutting, economic stress, strong food inflation, and other factors were cited as reasons to be cautious about growth during A-202. CPEP's directors noted that, despite very strong increases in beef prices, sales volume data indicated that consumers have continued to purchase it at only slightly reduced volumes. They also mentioned that strong changes in domestic tourism seen in 2025 were unlikely to be replicated this year. CPEP requested an increase of 4% over the base.

The director from CPEP's further processing sector (FPPAC) requested an increase of 7% relative to the base, the strongest at the table. FPPAC's membership was keen to avoid a repeat of 2025, which saw record wholesale prices and ongoing challenges in obtaining required product in sufficient quantities and at workable prices. As such, significant production increases were required.

Restaurants Canada recommended an increase of 4.5% over the base, with this period including Mother's Day, the biggest sales day for the foodservice industry, as well as the upcoming FIFA World Cup soccer event.

Directors engaged in thorough discussions about the various factors expected to impact the market and then voted to approve an allocation for A-202 of 6.5% above base. Prior to this, the regional range for this period was increased to 7.5% to accommodate the allocation for the Western region exceeding the regional range that was in effect for this period.

CFC wishes to emphasize that the Directors' decision was made with due regard to the interests of producers and consumers of chicken, to promote a strong, efficient, and competitive industry, in accordance with section 21 of the Farm Products Agencies Act. The decision was made in accordance with the process set out in the Operating Agreement. All stakeholders had the opportunity to put forward their perspectives and arguments, and a compromise was reached that promotes the industry's national interest.

Conclusion

The total provincial market requirements for period A-202 are 242,780,160 kilograms eviscerated weight. This total allocation consists of a domestic allocation of 235,908,716 kilograms eviscerated weight, a market development allocation of 5,120,955 kilograms eviscerated weight, and a specialty allocation of 1,750,489 kilograms eviscerated weight. The total domestic allocation is 10.0% higher than the total domestic production during the corresponding weeks last year, 11.6% higher than domestic production in the same weeks two years ago, and 12.7% higher than in the equivalent weeks three years ago.

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CFC seeks Council's approval for a total allocation for period A-202 of 329,165,893 kilograms live weight.

Michael Laliberté
Chief Executive Officer
Encl.

c.c CFC Directors

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CHICKEN FARMERS OF CANADA
LES PRODUCTEURS DE POULET DU CANADA

Period A-202 Allocations (May 3, 2026 - June 27, 2026)
Allocations pour la période A-202 (3 mai 2026 - 27 juin 2026)

Eviscerated weight / Poids éviscéré

	Domestic Allocation Allocation domestique	Market Development Allocation Allocation à l'expansion du marché	Specialty Allocation Allocation de spécialité	Total Allocation Allocation totale
BC / C.-B.	31,958,837	790,566	1,019,142	33,768,545
AB	25,205,111	110,355	0	25,315,466
SK	7,816,904	551,250	0	8,368,154
MB	9,634,456	110,250	0	9,744,706
ON	81,908,178	1,886,745	731,347	84,526,270
QC	61,489,517	1,671,789	0	63,161,306
NB / N.-B.	6,234,936	0	0	6,234,936
NS / N.-É.	7,799,184	0	0	7,799,184
PEI / Î.-P.-É.	846,943	0	0	846,943
NL / T.-N.-L.	3,014,650	0	0	3,014,650
CANADA	**235,908,716**	**5,120,955**	**1,750,489**	**242,780,160**

Live weight / Poids vivant

	Domestic Allocation Allocation domestique	Market Development Allocation Allocation à l'expansion du marché	Specialty Allocation Allocation de spécialité	Total Allocation Allocation totale
BC / C.-B.	43,481,411	1,075,600	1,386,588	45,943,599
AB	34,260,039	150,000	0	34,410,039
SK	10,635,244	750,000	0	11,385,244
MB	13,108,103	150,000	0	13,258,103
ON	110,701,687	2,550,000	988,441	114,240,128
QC	83,511,499	2,270,525	0	85,782,024
NB / N.-B.	8,357,823	0	0	8,357,823
NS / N.-É.	10,539,438	0	0	10,539,438
PEI / Î.-P.-É.	1,147,930	0	0	1,147,930
NL / T.-N.-L.	4,101,565	0	0	4,101,565
CANADA	**319,844,739**	**6,946,125**	**2,375,029**	**329,165,893**

January 21, 2026 / 21 janvier 2026