



Farm Products Council  
of Canada

Conseil des produits agricoles  
du Canada

Central Experimental Farm  
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960, avenue Carling  
Ottawa, Ontario K1A 0C6

May 28, 2026

Mr. Tim Klompmaker  
Chair  
Chicken Farmers of Canada  
50 O'Connor Street, Suite 1610  
Ottawa, Ontario K1P 6L2

**Subject: Proposed Amendments to the *Canadian Chicken Marketing Quota Regulations***

Dear Mr. Klompmaker,

At its May 25 and 27, 2026, meeting, the Farm Products Council of Canada (Council) reviewed the proposed amendments to the *Canadian Chicken Marketing Quota Regulations*, as outlined in your letter of April 17, 2026, for the A-203 allocation period, which begins on June 28, 2026, and ends on August 22, 2026.

Following a thorough review of the rationale provided by the Chicken Farmers of Canada and internal analysis, Council members found that the amendments are necessary for the implementation of the marketing plan as contained in the *Chicken Farmers of Canada Proclamation*.

Council recognizes that for the foreseeable future, population growth will no longer drive the demand for chicken. Council trusts that this new reality is reflected in the decisions to establish the allocations.

Should you have any questions, please do not hesitate to contact me or Lisa Melanson-Daigle, Council Secretary, by email at [fpcc.secretariat.cpac@fpcc-cpac.gc.ca](mailto:fpcc.secretariat.cpac@fpcc-cpac.gc.ca).

Sincerely,

Brian Douglas  
Chair

Canada



April 17, 2025

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-203**

Dear Mr. Douglas,

The prior approval of the Farm Products Council of Canada is being sought for the allocation for period A-203.

The numbers in kilograms live weight for A-203 are:

1. A total allocation of 325,862,678 kilograms,
2. A domestic allocation of 317,612,122 kilograms,
3. A market development allocation of 5,825,542 kilograms,
4. A specialty allocation of 2,425,014 kilograms.

Period A-203 is the eight-week period beginning on June 28, 2026 and ending on August 22, 2026. In accordance with section 3.05 of the Operating Agreement, the anticipated growth rate for the period was established on January 21, 2026, at 6%.

CFC Directors set the allocation for period A-203 on March 25, 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-203 at the CFC Board of Directors meeting on March 25, 2026.

The Market Information Working Group (MIWG) report for period A-203 was circulated to all stakeholders several weeks prior to the March 25, 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-200, was estimated to be 2 Mkg evis below the allocated volume. Production projections based on established allocations for periods A-201 and A-202 indicate that production in the coming months will be significantly above levels in the previous year. However, ongoing avian influenza-related chick shortages and quality issues may result in underproduction compared to allocations.



For the first part of 2026, TRQ utilization has been above pro rata but below the very strong levels seen in early 2025. Total utilization was 2.3 Mkg above pro rata, with WTO and CPTPP utilization ahead of pro rata and CUSMA utilization slightly below. Directors assumed that TRQ utilization during A-203 would be pro rata or slightly above. Directors also considered other imports, including the Duty Relief Program (DRP) which at 3.6 Mkg was below the same time last year by 1.7 Mkg. Imports of chicken under the Import to Re-Export Program (IREP) were 5.1 Mkg, ahead of 2025 by 1.0 Mkg. Imports of chicken legs and boneless skinless breasts (BSB) were both below last year, with legs totaling 3.4 Mkg compared to 4.2 Mkg last year and BSB imports totaling 5.7 Mkg compared to 6.9 Mkg at the same time in 2025. Year-to-date fowl imports were significantly higher than even 2025's strong start, totaling 19 Mkg compared to 15 Mkg in 2025. Several directors noted that strong fowl imports were a likely signal of strength for the domestic broiler market.

Storage stocks as of March 1st were 58.1 Mkg, up by 3.1% compared to the same time last year. This increase was mostly due to higher miscellaneous inventories and higher whole bird stocks. Cut-up and further processed inventories were mostly unchanged from a year ago. Stocks have remained comparatively close to 2025's level so far this year.

Calculated domestic disappearance for chicken was 5.4% higher in 2026 during the first two months of 2026 compared to the same time last year. This was due to a 4.9% increase in production and a reduction in export volumes of 16%. Imports declined by 12% over this period, which partly offset the decrease in exports. There was also a net drawdown of storage stocks of 3.2 Mkg over this period.

Retail sales data, provided to CFC by Nielsen, indicated that volumes of meat sold in the first months of 2026 were significantly lower than last year. Figures presented to directors covered the period ending February 21, 2026. For the year-to-date, total meat volumes sold at major Canadian retailers excluding Costco declined by 5.9%. Pork sales volumes declined by 5.8%, beef by 9.0%, and chicken by 3.0%. For chicken parts, most of the decline in volume was due to whole bird sales which were 20% lower than the same time last year, likely indicating a reduction in retail featuring. Wing sales also declined by 4.9%, but breast volumes sold increased by 3.8% and legs-thighs-drums volumes sold by 6.7%. Dollar sales for all meats, meanwhile, were higher than last year. Total meats rose 4.5% compared to last year. Pork sales rose by 1.0%, beef sales by 4.8%, and chicken sales by 5.6%. By cut, sales of chicken breasts and legs-thighs-drums rose by 7.2% and 12.0%, respectively, while sales of whole chickens declined by 5.2% and wings fell by 1.1%.

Foodservice sales data, published by Statistics Canada, showed that significant sales growth occurred in 2025. Comparing 2025 to 2024, total foodservice sales increased by 5.6%, full-service sales increased by 5.8%, and limited-service sales by 5.9%. Price inflation as tracked by Statistics Canada was 1.9% for full-service restaurants and 4.1% for limited-service restaurants in 2025. Higher food service receipts, especially at limited-service locations, have been doubly supportive of chicken production growth as restaurants have increased total sales as well as the amount of chicken menu items on offer, as indicated by a 5.7% increase in chicken sales volume during the first three quarters of 2025 in data provided to CFC by Direct Link.

Wholesale prices, provided by Express Markets Inc., continued to show strength in early 2026 with the market composite at the highest level ever for this time of year. This increase was driven by legs and whole chickens, both of which have achieved new record highs in the first part of 2026. Breasts,



meanwhile, dipped below 2025's level in the most recent week, and wings are near but below the top of their recent historic range. Strength in wholesale prices further underscored to directors the ability of the current market to absorb increased production volumes.

US broiler production is forecast by the USDA to increase by 1.4% in 2026, building on an estimated 2.2% increase in 2025. Exports are expected to remain flat, while per capita consumption is forecast to increase 1.4% to 104.2 lbs per person. U.S. chicken wholesale prices are moderate, with breasts, wings, wogs, and legs all below last year. Only legs are above 2024's level at this time of year. The gap between U.S. and Canadian wholesale prices is currently very wide.

After falling 3.6% in 2025, the USDA forecasts a further 0.7% decline in beef production in 2026. Beef imports into the U.S., which rose 18.0% in 2025, are forecast to increase 3.7% in 2026. Exports, meanwhile, are forecast to fall by 7.1% in 2026. U.S. pork production is forecast to increase by 2.5% in 2026 after a decline of 0.8% in 2025. U.S. imports and exports of pork are forecast to increase by 2.6% and 3.1%, respectively.

Feed grain prices, provided by Agriculture and Agri-Food Canada, were mostly at or below the same level as last year. One exception was soybeans which have increased slightly since the beginning of 2026 and are now above 2025 and 2024. Overall, feed grain prices remain stable and well below the highs seen in 2022 and 2023. This is translating into continued stability in live prices.

### **Provincial and industry requests for A-203**

The range between provincial volume requests for A-203 was larger than it has been for some time, with BC requesting 8% above base and Newfoundland and Labrador requesting 4%. The other provinces ranged between these, with the remaining Western provinces each requesting 7.5% and the remaining Atlantic provinces each requesting 6%. Ontario requested 5.5% above the base, and Quebec requested 6.5%. Data available for the first part of 2026 helped to demonstrate that several trends from last year – strong TRQ utilization, high wholesale prices, and significant growth in fowl imports – remained in place. Each of these, along with continued high beef prices, food service sales growth, and consumers' ongoing strong demand for protein, were discussed as signals that the domestic market could absorb a significantly higher volume of broiler meat than was produced last year. Several challenges remained in place as well, with Canadian consumers facing higher costs, and the broiler industry still facing challenges related to chick availability and quality which impacted production volumes last year.

CPEP's primary processing sector directors recommended an increase of 4% over the base. CPEP's directors cautioned against oversupplying the market and reminded directors that one significant tailwind in 2025 – increased domestic tourism due to fewer Canadians making trips to the U.S. – was unlikely to be repeated this year. Additionally, increased costs would likely drag on consumers' discretionary spending, potentially reducing restaurant visits and making them more cost-conscious at the grocery store.

The director of CPEP's further processing sector (FPPAC) requested an increase of 8% over the base, matching BC for the strongest recommendation at the table. FPPAC's membership remained keen to avoid a repeat of 2025, which saw record wholesale prices and ongoing challenges for further



processors in obtaining required product in sufficient quantities and at workable prices. As such, significant production increases were required, particularly as this period was during the peak demand season for chicken.

Restaurants Canada recommended an increase of 5% over the base. It cited menu price inflation as a reason for consumers to increasingly buy chicken, as well as expected increases in traffic during this period.

Directors engaged in thorough discussions about the various factors expected to impact the market and then voted to approve an allocation for A-203 of 6% above base.

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-203 are 240,342,526 kilograms eviscerated weight. This total allocation consists of a domestic allocation of 234,262,393 kilograms eviscerated weight, a market development allocation of 4,292,804 kilograms eviscerated weight, and a specialty allocation of 1,787,329 kilograms eviscerated weight. The total domestic allocation is 7.7% higher than the total domestic production during the corresponding weeks last year, 9.4% higher than domestic production in the same weeks two years ago, and 10.9% higher than in the equivalent weeks three years ago.

CFC seeks Council's approval for a total allocation for period A-203 of 325,862,678 kilograms live weight.

Sincerely,

Michael Laliberté  
Chief Executive Officer  
Encl.

c.c CFC Directors



**Period A-203 Allocations (June 28, 2026 - August 22, 2026)**  
**Allocations pour la période A-203 (28 juin 2026 - 22 août 2026)**

**Eviscerated weight / Poids éviscéré**

	<b>Domestic Allocation</b>	<b>Market Development Allocation</b>	<b>Specialty Allocation</b>	<b>Total Allocation</b>
	<b>Allocation domestique</b>	<b>Allocation à l'expansion du marché</b>	<b>Allocation de spécialité</b>	<b>Allocation totale</b>
<b>BC / C.-B.</b>	31,769,566	866,820	1,040,834	33,677,220
<b>AB</b>	24,882,226	73,570	0	24,955,796
<b>SK</b>	7,903,743	367,500	0	8,271,243
<b>MB</b>	9,422,441	135,975	0	9,558,416
<b>ON</b>	81,383,543	1,220,835	746,495	83,350,873
<b>QC</b>	61,105,955	1,628,104	0	62,734,059
<b>NB / N.-B.</b>	6,197,061	0	0	6,197,061
<b>NS / N.-É.</b>	7,752,702	0	0	7,752,702
<b>PEI / Î.-P.-É.</b>	842,287	0	0	842,287
<b>NL / T.-N.-L.</b>	3,002,869	0	0	3,002,869
<b>CANADA</b>	<b>234,262,393</b>	<b>4,292,804</b>	<b>1,787,329</b>	<b>240,342,526</b>

**Live weight / Poids vivant**

	<b>Domestic Allocation</b>	<b>Market Development Allocation</b>	<b>Specialty Allocation</b>	<b>Total Allocation</b>
	<b>Allocation domestique</b>	<b>Allocation à l'expansion du marché</b>	<b>Allocation de spécialité</b>	<b>Allocation totale</b>
<b>BC / C.-B.</b>	43,223,899	1,179,347	1,416,101	45,819,347
<b>AB</b>	33,821,158	100,000	0	33,921,158
<b>SK</b>	10,753,392	500,000	0	11,253,392
<b>MB</b>	12,819,648	185,000	0	13,004,648
<b>ON</b>	109,992,625	1,650,000	1,008,913	112,651,538
<b>QC</b>	82,990,568	2,211,195	0	85,201,763
<b>NB / N.-B.</b>	8,307,052	0	0	8,307,052
<b>NS / N.-É.</b>	10,476,624	0	0	10,476,624
<b>PEI / Î.-P.-É.</b>	1,141,620	0	0	1,141,620
<b>NL / T.-N.-L.</b>	4,085,536	0	0	4,085,536
<b>CANADA</b>	<b>317,612,122</b>	<b>5,825,542</b>	<b>2,425,014</b>	<b>325,862,678</b>