



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 16 septembre 2026

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

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

Cher Monsieur Klompmaker,

Le 15 septembre 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 29 juillet 2026, pour la période contingente A-205, débutant le 18 octobre 2026 et se terminant le 12 décembre 2026.

Après un examen approfondi des justifications fournies par les Producteurs de poulet du Canada et suite à des analyses internes, les membres du Conseil ont convenu que les modifications sont nécessaires à la mise en œuvre du plan de commercialisation selon la *Proclamation visant Les Producteurs de poulet du Canada*.

Le Conseil reconnaît que dans un avenir prévisible, la croissance démographique ne sera plus le principal moteur de la demande pour le poulet. Le Conseil est confiant que cette nouvelle réalité est prise en compte dans les décisions pour établir les allocations.

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



July 29, 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-205

Dear Mr. Douglas,

The prior approval of the Farm Products Council of Canada is being sought for the allocation for period A-205.

The A-205 allocation figures, expressed in kilograms live weight, are as follows:

1. A total allocation of 327,642,138 kilograms,
2. A domestic allocation of 319,146,571 kilograms,
3. A market development allocation of 6,298,021 kilograms,
4. A specialty allocation of 2,197,546 kilograms.

Period A-205 is the eight-week period beginning on October 18, 2026, and ending on December 12, 2026. In accordance with section 3.05 of the Operating Agreement, the anticipated growth rate for the period was established on June 19, 2026, at 6%.

CFC Directors set the allocation for period A-205 on July 14, 2026, in accordance with section 3.09 of the Operating Agreement. Tables outlining the provincial allocations for this period in both eviscerated weight and live weight are attached.

Current market conditions

CFC Directors, industry stakeholders, and signatories discussed the market conditions and allocation requests for period A-205 at the CFC Board of Directors meeting on July 14, 2026.

The Market Information Working Group (MIWG) report for period A-205 was circulated to all stakeholders several weeks prior to the July 14, 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-202, was estimated to be 5.5 Mkg evis. below the allocated volume. Production projections based on established allocations for periods A-203 and A-204 indicate that production in the coming months will be significantly above levels in the previous year. However, ongoing disease, chick shortages and quality issues may result in underproduction compared to allocations.



For 2026 to the end of June, TRQ utilization has been above pro rata but below the very strong levels seen in early 2025. Total utilization was 7.3 Mkg above pro rata, with CUSMA, WTO, and CPTPP utilization all ahead of pro rata. Directors assumed that TRQ utilization during A-205 would be pro rata or slightly below. Directors also considered other imports, including the Duty Relief Program (DRP), which at 11.7 Mkg was below the same time last year by 3.6 Mkg. Imports of chicken under the Import to Re-Export Program (IREP) were 12.1 Mkg, 0.9 Mkg higher than the same time last year. Chicken leg imports totaled 11.2 Mkg, below last year's 15.5 Mkg, and boneless breast meat imports were 19.8 Mkg, compared to 26.6 Mkg at the same time in 2025. Year-to-date imports of fowl or mature chicken meat were 56 Mkg, 6 Mkg above 2025 and the highest level in many years.

Storage stocks totaled 60.4 Mkg as of June 1, 2026, a 2.4% increase compared to the previous month and an 8.4% increase compared to the same month last year. Increases were seen across most categories, with Further Processed items, the largest category, accounting for most of the increase. Miscellaneous and whole birds also contributed to the increase. In general, storage stocks have remained near the 60 Mkg level for much of 2026 with less variation than previous years.

Calculated domestic disappearance for chicken was 5.0% higher than in 2025 in the January to May period. Virtually all of this increase came from a 5.9% increase in production, with a decline in imports of 9.4% or 8.8 Mkg partly offsetting this increase in total supplies. Export volumes also declined year over year, by 9.1% or 6.1 Mkg. This increase in domestic disappearance is especially notable considering the overall population declines estimated by Statistics Canada during the first two quarters of 2026.

Retail sales data, provided to CFC by Nielsen, indicate that meat volumes sold during 2026 to mid-June are largely lower than the same period a year ago. Total meat sales showed a 2.7% volume decline over this period, led by beef, which dropped 5.5%. Chicken had a smaller 1.3% decline in volume, and pork was down 0.3%. Whole birds were the only listed chicken item to show a volume decline over this period, falling 16.6%. Breasts, legs, and wings all rose over this period. Given strong domestic production and disappearance growth trends, directors assumed that this apparent decline was due to incomplete data rather than actual declines in retail sales of meat. In particular, the absence of Costco sales figures in this retail data was assumed to account for much of the discrepancy. Dollar sales rose significantly for all proteins in the year-to-date period compared to last year, with chicken up 6.5%, beef up 5.9%, pork up 3.8%, and total meat protein dollar sales up by 5.6%. Legs had the strongest dollar sales growth among the chicken parts, rising 12.2%. Breasts and wings rose by 7.6% and 3.5%, respectively, while whole birds saw a 3.4% decline.

Foodservice sales data, published by Statistics Canada, continue to show strong growth in each region and market segment. Canada-wide total foodservice sales growth was 5.8% in the January to April period, led by the full-service segment, which grew sales by 7.2% compared to last year. Limited-service restaurants saw 4.6% growth over this period. These growth figures were significantly higher than restaurant price inflation as published by Statistics Canada, which was 2.8% for full-service restaurants during this period and 3.5% for limited-service restaurants.

Wholesale prices, provided by Express Markets Inc., continued to signal market strength, with both whole birds and the leg composite at historic highs. Breasts and wings were also strong as of mid-year, but below the levels seen in 2025. As a result, the overall market composite was a little below 2025's level, which at that point was a record high.



Broiler production in the U.S. is forecast by the USDA to increase by 2.9% this year compared to 2025, and then a further 0.7% next year. Exports are forecast to fall by 0.8% in 2026, and by 0.7% in 2027, while imports are forecast to drop 11.2% in 2026 and 2.2% in 2027. Per capita consumption of chicken is forecast to increase by 3.2% in 2026. U.S. chicken wholesale prices are notably low, with BSB, wings, and WOGs at or near the lowest level seen since at least 2023. Leg quarters, meanwhile, are currently at record high levels in the U.S., reflecting increased consumer interest in dark chicken meat. The gap between U.S. and Canadian wholesale chicken prices is currently very wide.

U.S. beef production is forecast by the USDA to fall by 2.2% in 2026, and then by a further 0.2% in 2027. Despite the drop in production, per capita consumption is forecast to increase by 0.8% in the U.S. in 2026, driven by an 11.7% increase in imports and a 9.2% decline in export volumes. Pork production is forecast to rise 1.5% this year in the U.S., and then a further 1.1% in 2027. Imports are also forecast to increase, by 2.9% this year, and per capita consumption of pork is forecast to increase 0.6%. As in Canada, demand for all meat proteins in the U.S. appears to be increasingly strong.

Feed grain prices provided to CFC by Agriculture and Agri-Food Canada have been somewhat mixed this year, with corn prices tracking very close to the same time last year but soybeans currently at the highest level in two years. This increase helped to drive a small increase in live chicken prices for the current period, A-203.

Provincial and industry requests for A-205

The range between provincial volume requests for A-205 was very tight, within one percentage point. The Western provinces and Quebec requested an increase of 6.5% over base, while Ontario and the Atlantic provinces all requested a 5.5% increase. Provincial directors noted factors including tight supply, strong disappearance growth, imports running above pro rata, strong wholesale prices, continued consumer preference for Canadian product, chicken's price advantage over beef, normal stock levels, and generally favourable macroeconomic conditions.

CPEP's primary processing sector directors recommended an increase of 5.0% above base, and urged caution in interpreting market-tightness signals, noting that no single indicator conclusively shows whether the market is balanced and that many measures are lagging or open to interpretation. They questioned reliance on wholesale prices, which remain high but have stabilized and dipped slightly below last year, and suggested that TRQ levels, beef trends, and other factors should be interpreted carefully rather than treated as definitive evidence of tight supply.

The director of CPEP's further processing sector (FPPAC) requested an increase of 6.5% over base. Factors that went into its analysis included tight supply, incomplete order fulfillment for some of its members, strong demand, and the expectation that additional production would be needed to offset low TRQ availability. They also highlighted Chile's reopening, and continued strength in dark meat demand.

Restaurants Canada recommended an increase of 5.0% and indicated that chicken demand is being supported by menu pricing pressure, particularly because beef price relief is not expected until at least 2027. They also noted guest traffic growth as a positive demand factor.

Directors engaged in thorough discussions about the various factors expected to impact the market and then voted to approve an allocation for A-205 of 5.75% 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-205 are 241,656,055 kilograms eviscerated weight. This total allocation consists of a domestic allocation of 235,394,231 kilograms eviscerated weight, a market development allocation of 4,641,682 kilograms eviscerated weight, and a specialty allocation of 1,620,142 kilograms eviscerated weight. The total domestic allocation is 3.7% higher than the total domestic production during the corresponding weeks last year, 11.1% higher than domestic production in the same weeks two years ago, and 6.9% higher than in the equivalent weeks three years ago.

CFC seeks Council's approval for a total allocation for period A-205 of 327,642,138 kilograms live weight.

Sincerely,

Michael Laliberté
Chief Executive Officer
Encl.

c.c. CFC Directors



Period A-205 Allocations (October 18, 2026 - December 12, 2026)
Allocations pour la période A-205 (18 octobre 2026 - 12 décembre 2026)

Eviscerated weight / Poids éviscéré

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
BC / C.-B.	31,897,760	897,876	873,365	33,669,001
AB	26,092,175	0	0	26,092,175
SK	7,779,148	294,000	0	8,073,148
MB	8,734,768	305,025	0	9,039,793
ON	81,645,901	1,458,362	746,777	83,851,040
QC	61,279,333	1,686,419	0	62,965,752
NB / N.-B.	6,176,091	0	0	6,176,091
NS / N.-É.	7,892,855	0	0	7,892,855
PEI / Î.-P.-É.	891,008	0	0	891,008
NL / T.-N.-L.	3,005,192	0	0	3,005,192
CANADA	235,394,231	4,641,682	1,620,142	241,656,055

Live weight / Poids vivant

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
BC / C.-B.	43,398,313	1,221,600	1,188,252	45,808,165
AB	35,465,781	0	0	35,465,781
SK	10,583,875	400,000	0	10,983,875
MB	11,884,038	415,000	0	12,299,038
ON	110,347,210	1,971,026	1,009,294	113,327,530
QC	83,226,040	2,290,395	0	85,516,435
NB / N.-B.	8,278,942	0	0	8,278,942
NS / N.-É.	10,666,020	0	0	10,666,020
PEI / Î.-P.-É.	1,207,655	0	0	1,207,655
NL / T.-N.-L.	4,088,697	0	0	4,088,697
CANADA	319,146,571	6,298,021	2,197,546	327,642,138