

**Voluntary Report** – Voluntary - Public Distribution

**Date:** April 16, 2021

**Report Number:** CA2021-0025

**Report Name:** Market Access Compensation Details for Poultry and Egg Farmers

**Country:** Canada

**Post:** Ottawa

**Report Category:** Poultry and Products, Policy and Program Announcements

**Prepared By:** Mihai Lupescu

**Approved By:** Evan Mangino

**Report Highlights:**

Long-awaited details on compensation for trade agreement market access concessions include an on-farm investment program for poultry and egg farmers as well as a domestic market development program for the turkey and chicken sectors. The overall compensation amounts to \$515 million USD over ten years.

On April 13, Minister for Agriculture and Agri-Food Bibeau [released](#) details of a compensation package (first [announced](#) in November 2020) for poultry and egg farmers impacted by market access concessions under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which entered into force on December 30, 2018. Following “extensive” consultations with industry, the Government of Canada will allocate \$515 million USD over the next 10 years to:

- 1) A \$470 million USD [Poultry and Egg On-Farm Investment Program](#) to finance on-farm projects, including: new barn construction or upgrading equipment such as feeding, watering, lighting, ventilation, heating, and comfort systems that will “promote energy efficiency and reduce environmental footprint.” All producers are eligible under the program and will be entitled to a funding amount proportional to their production quota.<sup>1</sup> Projects will be co-financed by farmers, with the federal government contributing up to 70 percent of the project cost, or up to 85 percent for projects initiated by “young farmers.”

Program funding over ten years, by sector, is as follows:

- \$260 million USD for chicken producers;
- \$45 million USD for turkey producers;
- \$100 million USD for egg producers; and,
- \$65 million USD for broiler hatching egg producers.

- 2) A \$45 million USD [Market Development Program for Turkey and Chicken](#) to support “promotional activities that differentiate Canadian-made products’ reputation for high-quality, safe and sustainably farmed food that adheres to strict animal welfare standards.” Of the total amount, \$27 million USD will be allocated to Turkey Farmers of Canada and \$18 million USD to Chicken Farmers of Canada over ten years.

Canadian poultry and egg producers [welcomed](#) the announcement. According to their joint press release, the first program will support farmers “as they make ongoing improvements to their operations and enhance the long-term efficiency and sustainability of their farms”, while the second program will support the chicken and turkey sectors “to enhance consumer engagement and continue to promote Canadian-made products to Canadians.”

The announced programs do not include compensation for poultry and egg processors, which will be addressed separately at a later date.

---

<sup>1</sup> Chicken meat, turkey, egg, and broiler hatching egg industries operate under a ‘supply management’ system, which – in addition to restricting trade – controls production volume in the respective markets through a production licensing or quota system. For more on supply management, please refer to the FAS/Canada’s 2020 Poultry and Products Annual Report [CA2020-0078](#) and the 2020 FAIRS Report [CA2020-0081](#).

**Attachments:**

No Attachments.