



Chicken Farmers of Canada

Submission to the Standing Senate Committee
on Agriculture and Forestry



chickenfarmers.ca

@chickenfarmers

Chicken Farmers of Canada | 1007- 350 Sparks Street | Ottawa, ON K1R 7S8 | T: 613-566-5910 | F: 613-241-5999

Chicken Farmers of Canada is a national organization that represents Canada's 2,800 chicken farmers, raising high-quality, nutritious chicken with care, for Canadian families.

No one depends more on the land, soil, and water than farmers. Over the years, our farmers have made substantial changes to their operations to improve their environmental stewardship and sustainability. Through the implementation of good production practices, chicken farmers are taking steps to ensure that our industry is environmentally sustainable.

We know through our most recent farmer survey in 2014 that 74% of Canadian chicken farmers have made, or are planning to make, improvements to their barns regarding environmental issues. For example, these farmers already have, or are planning to:

- Improve electricity usage (67%)
- Improve heating efficiency (51%)
- Improve ventilation (49%)

The innovative practices that farmers have adopted to reduce environmental impacts of their barns include computer-controlled heating and ventilation systems, renewable geothermal and biomass heating, high efficiency lighting, insulated and heated floors, and solar walls to pre-heat incoming air.

These changes are making a difference. When considering other international carbon footprint studies of chicken, Canadian chicken production has the lowest carbon footprint overall (at 17.9 kg CO₂ eq. /per kg of chicken). Chicken production is *not* a large contributor to CO₂ emissions in the agriculture industry.

Carbon pricing presents a significant cost to Canadian chicken farms. For example, in Alberta alone, the estimated impact of the carbon price on the cost of natural gas for chicken farms is \$1.4 million. This represents an average of \$6,300 per producer, and does not include the additional indirect costs of electricity, feed, and other inputs. And in terms of feed, farmers will also bear their rising costs as a result of the carbon pricing's impact on crop prices, furthering the impact a carbon price on our family farms.

The chicken industry will be unable to pass on these costs of the carbon price. Due to the nature of national purchasing contracts of retailers and foodservice companies, most provinces across Canada set the live farm gate price off of the Ontario farm gate price. This means that costs unique to a province, such as carbon, cannot be added to the price paid by customers.

As our industry is a leader in implementing a mandatory Animal Care Program for all chicken farmers, using natural gas, propane, or other fuels is critical for maintaining proper temperature and humidity levels in the barns for optimal bird comfort. A carbon price, along with other provincial and federal regulations could unfairly burden farmers who are committed to doing the right thing when it comes to animal care and the environment.

It is critical that if a carbon price is implemented, that it be done so at the federal level. A provincial patchwork of programs will create inequity between our farmers in each province, as well as, between agricultural commodities. For instance, the exemption of marked fuel benefits the cropping sector, while livestock sectors that are not significant users of marked fuel, do not receive the same benefits and will bear the costs of the carbon tax. Manitoba was able to receive a carbon tax exemption for livestock building heat in the most recent provincial budget, but we know that is not the case across the country.

In closing, Canada's chicken farmers are doing the right thing when it comes to raising high-quality, safe chicken, with care, and in an environmentally sustainable way. In determining how provinces will roll out carbon pricing, it is our recommendation that a strong national policy is adhered to in order to address competitiveness issues that have and will continue to arise. We look forward to continuing to work with government in ensuring the chicken industry in Canada is capable of feeding future generations, while being respectful of our environment and natural resources.