

continues to respect its access level commitments under the North American Free Trade Agreement (NAFTA), and where a NAFTA commitment exists, Canada applies either the NAFTA or WTO commitment level for each commodity - whichever is higher.

All tariff rate quotas (TRQs) are based on Customs Tariff item numbers. Therefore, when the TRQs came into effect in 1995, the **Import Control List (ICL)** was amended to replace references to named products (e.g. "turkey and turkey products") with tariff item numbers. However, for ease of understanding, the older product description will continue to be used.

1) Poultry and eggs

Effective January 1, 1995, Canada's chicken, turkey, broiler hatching egg and chick, shell egg and egg product quantitative restrictions were converted to TRQs.

Four product groups were maintained on the ICL in order to support supply management of poultry under the Farm Products Marketing Act and to support action taken under the World Trade Organization Act. These four product groups were:

- chicken and chicken products;
- turkey and turkey products;
- broiler hatching eggs and chicks; and
- eggs and egg products

Chicken and Chicken Products

Chicken was placed on the ICL on October 22, 1979. Pursuant to the NAFTA, the import access level for 2004 was 69,697,500 kg, expressed in eviscerated equivalent weight. Within access commitment permits were issued for 69,697,500 kg.

While the import access level is set at 7.5% of the previous year's chicken production level, provision is made to issue import permits supplementary to the import access level, inter alia, if needed to meet overall Canadian market needs. During 2004, supplementary import permits were issued for 376,874 kg (eviscerated equivalent) of chicken for market shortages; for 31,972,614 kg of chicken for re-export; and for 2,030,815 kg of chicken to help Canadian processors compete with foreign processors who export chicken-containing products that are not on the ICL. Of this latter amount, permits for 673,850 kg were issued in connection with the annual TRQ allocation and for 1,356,965 kg were issued throughout the year. In 2004, a temporary "fast track supplementary policy" was implemented for the purpose of accommodating supply shortages faced by B.C. chicken processors due to the cull of chickens resulting from the avian influenza outbreak in B.C. The EICB issued supplementary permits totaling 16,096,668 kg for this purpose.

Turkey and Turkey Products

Turkey was placed on the ICL on May 8, 1974. Pursuant to the NAFTA, the access level is set annually at 3.5% of the domestic production quota for that year or the WTO level of 5,588,000 kg, whichever is higher. In 2004, the WTO level was the higher of the two, and thus prevailed. In 2004, within access commitment permits were issued for 5,582,443 kg in eviscerated weight. Provision is made for import permits supplementary to the import access level, inter alia, if needed to meet overall Canadian market needs. During 2004, supplementary import permits were issued for 1,729,841 for market shortages; for 1,458,547 kg for turkey for re-export; and for 66,821 kg of turkey to help Canadian processors compete with foreign processors who export turkey-containing products that are not on the ICL.