

# Feathers fly in chicken war

Consumers could be paying more for meat as local farmers push for higher taxes on imported frozen chicken. Yesterday chicken importers started a consumer campaign over a potential increase of 37% on the import price.



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The SA Poultry Association has asked the International Trade Administration Commission for a 37% tariff increase on imported European chicken. "It's leftover chicken sold at leftover prices," says Kevin Lovell, CEO of SA Poultry Association, representing farmers who want the tax implemented.

About 10%-12% of frozen bone-in chicken sold in SA comes from overseas, says David Wolpert, who represents chicken importers. About 150,000 tons of frozen imported chicken in SA comes from Europe annually, while 67,000 tons comes from the US.

Yesterday chicken importers set up billboards in Johannesburg, Cape Town and Durban asking: "Why are chicken prices going up?"

Wolpert says if European chicken is taxed at 37%, prices will "rise by punitive amounts". "This will substantially increase prices on individually quick-frozen packs, the type of chicken consumed by the poorest South Africans," Wolpert said.

But Lovell said lower prices of imported chicken did not reach local consumers. "It appears as if the price-gouging is done

by retailers, not the importers."

He said, that since tariffs were relaxed in 2012, imports from the EU had increased. "We simply want to correct an error in trade negotiations. We may not export to the European Union, yet they face limited barriers to sell to us."

He said imports led to job losses. "For every 10,000 tons of chicken meat imported we lose 1,069 direct and indirect jobs," Lovell said.

Economic Development Minister Ebrahim Patel this year instructed the International Trade Administration Commission of South Africa to investigate a "safeguard tax" on European frozen-boned chicken.

*Source: The Times*

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