Trade diplomats from around the world returned to the bargaining table in September after a month-long holiday in an attempt to salvage a compromise in the Doha Round of global trade talks. Prospects for a World Trade Organization (WTO) accord remain dim, with officials pointing to wide gaps on tariff and subsidy cuts compounded by an inauspicious political climate in Washington.

Nevertheless, Crawford Falconer, the New Zealand ambassador who chairs the agriculture negotiations, seemed content with the first week of meetings that started on September 3rd, telling journalists that delegates had arrived “in a mood to roll their sleeves up and get to work”. Hot topics continue to be the depth of cuts to farm tariffs and trade-distorting subsidies, issues that have bedeviled the Doha Round almost from its inception in late 2001.

The talks on both agriculture and non-agricultural market access (NAMA) are expected to follow from the terms for a potential deal identified in mid-July by the chairs of the two negotiating committees. They put together the draft modalities texts after members proved unable to bridge differences on their own. The two negotiating committee chairs have steadfastly reminded members that an agreement will be impossible unless they depart from long-held bargaining stances. Both chairs intend to revise their draft agreement texts on the basis of the upcoming discussions.

Falconer’s plan is that after the initial three-week discussion period, a pause will follow to allow for stock-taking. These initial talks would focus on market access issues, first for industrialized countries and then for developing ones. Falconer’s draft text included few specific parameters on a number of developing country-specific market access issues, such as the ‘special products’, the ‘special safeguard mechanisms’, and the linked issues of tropical products and preference erosion. Important developing country groups such as the G-20 and the G-33, in particular, have called for more clarity about how they will be dealt with.

Talks would then resume first week of October and continue until about mid-October. What happens after that would depend on the progress made. Falconer anticipates that after six weeks of hard talks, there ought to be some sort of movement happening or the negotiations would lose their momentum. He hopes to circulate a revised draft modalities text sometime in mid- or end of October, which could justify calling Ministers to Geneva around mid-November.

Keeping the Negotiations Moving

For the time being, Falconer said that he was encouraged by delegates’ willingness to dispense with the traditional reiteration of their respective positions, and instead proceed directly to consultations with each other to prepare for technical negotiations. He called on them to only discuss “something different, something new, something fundamentally changed”.

Since talks resumed on September 3rd, Falconer has held invitation-only ‘Room E’ consultations with numerous (36 different) delegations representing a broad range of different interests in the negotiations, first on market access issues specific to developed countries, followed by talks on developing country market access.

In addition to the ‘Room E’ consultations (named for the room at WTO headquarters in which they take place), sources report that Falconer has also convened a small group of countries focusing specifically on technical issues around ‘sensitive products’.

A similar group, meeting on their own initiative, is seeking to identify potential ways to achieve consensus on various issues: this is composed of eight major trading powers (Argentina, Australia, Brazil, Canada, the EU, India, Japan and the U.S.), supplemented by other members with a strong interest in the particular matter under discussion.

Even though it is now certain that the round will not be completed by the end of 2007, progress is nevertheless dependent for the most part on the political willingness the U.S. – and other major WTO players – will display in the upcoming weeks. This was demonstrated at the Asia-Pacific Economic Cooperation (APEC) Ministerial Meeting held in Australia on September 5-9. There, the Doha Round was considered a top priority by leaders who have urged their respective negotiators to make progress to ensure that the round enters its final phase by year-end.
Come See What's New!  www.chicken.ca

During an address to Australia’s Parliament, Mr. Harper said Canada and Australia are similar “in our work for a successful and ambitious outcome [at the WTO] that will lead to free and fairer trade for developed and developing countries alike.”

**Convincing the U.S.**

Brazil, the EU and Australia have all successively called for the U.S. to accept reducing its trade distorting subsidies in the range that could send a “powerful signal” to the rest of the membership.

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**Key Messages on Trade: Fall 2007**

This fall is an ideal time to approach MPs as they remain in their ridings for a few more weeks before returning to Ottawa. It is a good time to ask Members to help ensure a strong future for supply management as well as to explain the benefits of the system. Remember that meetings need to focus on what’s at stake for supply management in the WTO negotiations.

1. I am a supply management farmer. I raise/produce (turkeys, milk, eggs, chicken) and have a great deal invested in my farm and equipment. I am a ____ generation farmer.

2. The current WTO (World Trade Organization) proposals are unacceptable to Canada. They would devastate the livelihoods of Canada’s supply management farmers, including my own.
   a) Reducing tariffs will increase the number of imports and make it impossible to plan production in our industries. This will reduce the overall amount of (eggs, turkey, milk, chicken) we can produce in Canada.
   b) Reducing tariffs will directly impact my farm revenue.

3. The Government cannot accept an agreement that will hurt supply management. Instead, the Government must work to achieve results in the WTO negotiations that will maintain the effectiveness of supply management programs.
   • Can I count on you to stress this on my behalf?

**Supplemental Messages**

Supply management:

• Allows us to receive a fair price from the marketplace, without relying on Government or taxpayer subsidies;

• Eliminates major price swings at the farm, processing, distribution and consumer levels, and;

• Ensures an efficient and secure food supply that respects Canadian safety and health standards.

The dairy, poultry and egg producer groups have offered their cooperation to the Canadian government throughout the agriculture trade negotiations. We value the Government’s commitment to our industries and need its continued support to achieve a positive final outcome for supply management.

“I think they can do that economically. I think they can get away with it politically. But if they don’t, I think I can only see the stalemate continuing and the talks facing collapse,” Mandelson, the EU Trade Commissioner, declared.

The remaining problem is: how is the U.S. going to make any concessions on trade distorting subsidies before its House of Representative-approved Farm Bill is ratified by the Senate? Until that happens, one can expect Uncle Sam’s trade representatives to keep mum when discussions include the agricultural subsidies pillar.

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2007 International Plowing Match Once Again Held Near Ottawa

The 94th annual International Plowing Match and Country Festival, with a theme of “Sowing Seeds – Growing Dreams”, was held last month halfway between Ottawa and Kingston. In recent years, the Festival has been hosted by Navan (2001) and Carleton Place (2003).

Held annually in different counties across Ontario, the Plowing Match generates $20 million in economic benefit to the region while hosting around 80,000 visitors to the country-life festival. Staged by approximately 2,000 volunteers, the Festival costs $3 million to stage.

Funding for the event comes from a variety of government and corporate sponsors, including the government of Ontario.

“The Ontario government is pleased to help the International Plowing Match and Country Festival expand and attract more visitors,” said Tourism Minister Jim Bradley. “Supporting this great festival provides an economic boost to Leeds-Grenville, and a memorable experience for our visitors.”

The province invested a total of $116,000: a $65,997 Celebrate Ontario grant to create new entertainment experiences and attract new visitors and an additional $50,000 to support the cost of television and newspaper advertising in Ontario and New York State.

“This event gives us an opportunity to celebrate the achievements of our agricultural and rural communities, and to be among the people who truly drive those communities,” said Leona Dombrowsky, Minister of Agriculture, Food and Rural Affairs. “This investment supports an important tradition that showcases how vital our farming and rural communities are to this province.”

The United Counties of Leeds-Grenville hosted the event in Crosby, about 40 minutes west of Ottawa, from September 18 to 22. The event featured seven entertainment stages in total, 600 exhibitors, as well as antique and historical displays in a 100-acre Tent City. The Festival covered several large tracts of land on both sides of Highway 15 with car parks and shuttles to move visitors around the site.

“We’re thrilled the Ministry of Tourism is supporting the Plowing Match and we expect a huge increase in visitors coming to Leeds-Grenville to enjoy the festival,” said Jan Bonhomme, Event Coordinator, before the Festival. “Our goal is to bring the city to the country and showcase what country living is all about!”

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The dairy, poultry and egg producer groups have offered their cooperation to the Canadian government throughout the agriculture trade negotiations. We value the Government’s commitment to our industries and need its continued support to achieve a positive final outcome for supply management.
Medicated Feed Mixing Consultation Sessions

As last reported in the March 2002 issue of The Chicken Farmer, the Canadian Food Inspection Agency (CFIA) has re-launched the development of new regulations that will affect commercial feed mills and on-farm feed mills that mix medicated feed. These regulations will also affect any farmers that add an additional ingredient (i.e. wheat) to a finished medicated feed product purchased from a feed mill.

While the majority of chicken farmers purchase their feed from commercial feed mills, approximately 5% of farmers mix feed on-farm while another 10% add an ingredient to finished feed at the farm.

The components of the regulations include: mixer performance testing procedures, equipment clean out and feed sequencing procedures, scale and metering device verification as well as traceability and recall procedures.

The full impact of these regulations on chicken farmers is yet to be determined. This is partially due to the fact the Veterinary Drugs Directorate at Health Canada is conducting a risk profiling project to determine the level of priority of different antibiotics based on risk of carryover to the next feed being mixed.

This will be important for the poultry industry as the majority of antibiotics being used have no withdrawal period. The outcome of this project will dictate the level of procedures that are needed on farms using these low-risk medications.

CFIA is also developing a cost analysis for these additional regulations.

As part of the consultation process, CFIA is conducting a cross-country tour to present the new regulations. These sessions are open to all interested producers. If you mix medicated feed on farm or add an ingredient to a complete feed, you should take note of the sessions listed below:

<table>
<thead>
<tr>
<th>Date</th>
<th>City</th>
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<tbody>
<tr>
<td>October 16</td>
<td>London, ON</td>
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<tr>
<td>October 17</td>
<td>Cornwall, ON</td>
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<tr>
<td>October 24</td>
<td>St. Hyacinthe, QC</td>
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<td>October 25</td>
<td>Quebec City, QC</td>
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<tr>
<td>November 6</td>
<td>Charlottetown, PEI</td>
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<td>November 7</td>
<td>Moncton, NB</td>
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<td>November 8</td>
<td>Truro, NS</td>
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<td>November 20</td>
<td>Abbotsford, BC</td>
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<td>November 21</td>
<td>Lethbridge, AB</td>
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<td>November 22</td>
<td>Edmonton, AB</td>
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<td>December 11</td>
<td>Saskatoon, SK</td>
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<tr>
<td>December 12</td>
<td>Winnipeg, MB</td>
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If you are interested in attending, please contact your provincial board office for final location details.

OFAC Launches New Virtual Farm Tours

It's long been a dilemma for egg, chicken and turkey farmers in Canada. They're eager to have people learn more about their way of life, but they have to balance this desire with the need to protect their birds’ health by limiting direct access to the barn.

That's all changed now with the addition of four new virtual tours of egg, chicken, turkey and ostrich farms to the Ontario Farm Animal Council (OFAC) interactive website: www.farmissues.com.

Visitors to the website can tour the barns and fields of each farm to get a close up view of what's happening. The new tours focus on topics that are key to poultry farmers – caring for birds, what the birds eat and drink, reasons behind bird health “biosecurity” programs, on-farm food safety initiatives and much more.

The project is designed to open barn doors for people who might never otherwise have the chance to visit a real farm.

The virtual chicken farm tour was sponsored by the Wallenstein Feed Charitable Foundation. Rick Martin of Wallenstein Feed and Supply said he believes that it is important for agribusinesses to help OFAC get the word out about what really happens on poultry farms.

"The poultry industry (including feed mills) does a great job of producing safe, nutritious chicken on family farms in an environmentally friendly manner. But this does not get us very far with the typical consumer in downtown Toronto," said Martin.

"We are doing a great job of raising chickens and we need to show that to our customers." He added, “These tours will help give our consumers the information that they need to make informed buying decisions.”

Mark Davies, a turkey farmer and Chair of the Canadian Turkey Marketing Agency said that OFAC’s virtual farm tours present a terrific opportunity to educate the public about farming in Canada. Said Davies, “People want to know where their food comes from - they want to know that it is safe, and that animals are being well cared for. The virtual turkey farm tour captures the care and commitment that characterizes turkey farming in Canada.”
Cabinet Shuffle

The summer recess has been fairly quiet with the exception of a cabinet shuffle on August 14. Prime Minister Stephen Harper shuffled his cabinet, moving the following Ministers to new portfolios:

<table>
<thead>
<tr>
<th>New Minister</th>
<th>Portfolio</th>
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<tbody>
<tr>
<td>Gerry Ritz</td>
<td>Agriculture and Agri-Food</td>
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<tr>
<td>Chuck Strahl</td>
<td>Indian Affairs and Northern Development</td>
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<tr>
<td>Peter MacKay</td>
<td>National Defence and the Atlantic Canada Opportunities Agency</td>
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<tr>
<td>Gordon O’Connor</td>
<td>National Revenue</td>
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<tr>
<td>Bev Oda</td>
<td>International Cooperation</td>
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<tr>
<td>Jim Prentice</td>
<td>Industry</td>
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<tr>
<td>Maxime Bernier</td>
<td>Foreign Affairs</td>
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<tr>
<td>Josée Verner</td>
<td>Canadian Heritage</td>
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<tr>
<td>Diane Ablonczy</td>
<td>Secretary of State for Small Business and Tourism</td>
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House Prorogues

Prime Minister Harper has also announced his intention to prorogue Parliament with a new session to begin on October 16th. With the commencement of the new session the government will make a Speech from the Throne, highlighting its priorities for the coming months.

New Agriculture Minister

The Honourable Gerry Ritz, the new agriculture minister, began his parliamentary career with the Reform Party in 1997 as the Member for Battlefords—Lloydminster, Saskatchewan and has been active in agriculture ever since. Until recently, he chaired the House of Commons Agriculture Committee and was an agriculture critic during the previous Liberal government. In the previous Cabinet, he was promoted to Secretary of State (Small Business and Tourism).

“CFC has had a good working relationship with Minister Ritz in the past when he chaired the Ag Committee [the House of Commons Standing Committee on Agriculture and Forestry] and looks forward to continuing on this path with him,” said CFC Chair, David Fuller.

The Canadian Federation of Agriculture (CFA) was also quick to welcome the new minister.

“CFA has worked with Mr. Ritz extensively in the past when he was an agriculture critic and a Chair of the Agriculture Committee. He knows the issues and will do a great job,” said Bob Friesen, CFA President.

Coming into the portfolio, Ritz will face a number of key challenges. He will have to take up the process of the next generation of agriculture policy development, working with industry and the provinces to put the meat on the bones of the ‘Growing Forward’ framework.

Since coming on board the dossier, Ritz has already begun to demonstrate his strong background and knowledge of agriculture and the government’s support of Canada’s supply management industries. For example, below is an excerpt from his letter to the editor in response to claims by the Montreal Economic Institute that Canadians pay too much for supply management products and which created an absurd link between obesity and Canada’s supply management system.

“Trying to suggest Canadians do not make healthy food choices because of supply management is a stretch. Dairy and poultry products make up a substantial part of the balanced diet of the vast majority of Canadians,” said Ritz. “Trying to create a linkage between bottles of pop to cartons of milk makes less sense than comparing apples to tennis balls. Both have their place, but there’s very little soda pop on Canadians’ breakfast cereals.”

“As Mr. Ritz takes up the challenges before him I would like to offer the support and resources of the CFA,” said Friesen. “The agriculture sector has always been a strong partnership between industry and governments and I look forward to working with him in the months to come.”