



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

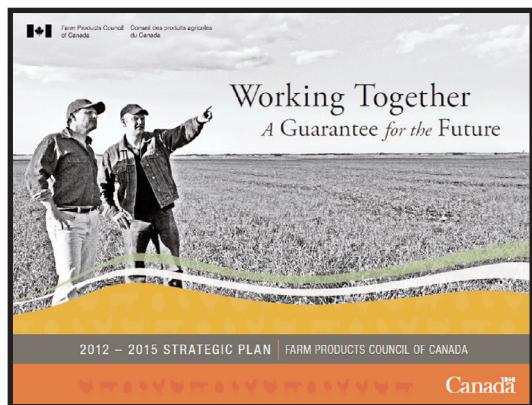
FOCUS

Newsletter



Presentations and National Agencies AGM

The FPCC Chairman **Laurent Pellerin** spoke at the national marketing agencies annual general meetings last week in Ottawa. He briefed the agencies members on Council latest news and FPCC's 2012-2015 Strategic Plan "Working Together – a Guarantee for the Future". Moreover, Mr. Pellerin, along with the Honourable **Pierre Lemieux**, Parliamentary Secretary, addressed participants at the joint annual reception of the supply-managed agencies, highlighting the 40th anniversary of the *Farm Products Agencies Act* (FPAA).



Each year, FPCC members and staff participate and speak at provincial commodity boards annual meetings. The Council finds it very important to be there to hear about successes and plans for the future. It is also a great opportunity for provincial stakeholders to meet

Council's members and to raise and discuss issues related to the industry.

Furthermore, the Council attended the processors and the further processors meetings providing FPCC business updates. Mr. Pellerin has also been actively attending various conferences and forums. For example, he was a presenter at the Centre for Organizational Governance in Agriculture Workshop "Leadership in Agriculture" on January 19 in Abbotsford, and spoke at the Governance and Industry Development Conference on February 16-17 in Regina. More recently, he attended the Canadian Federation of Agriculture's Annual Meeting on February 23 and participated on a panel discussion regarding the establishment of a Promotion-Research Agency.

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COMMENTS or QUESTIONS

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Council meetings January and March

During Council's two last meetings, the following items were discussed.

Chicken Farmers of Canada

Amendment to Chicken Quota Regulations for period A-110



During its January meeting, Council approved the *Canadian Chicken Marketing Quota Regulations* establishing a domestic quota allocation of 209,608,275 kilograms chicken live weight (154,376,514 eviscerated) and a market development quota of 9,814,433 kilograms of chicken live weight (7,224,329 eviscerated) for the period beginning March 25, 2012 to May 19, 2012.

The Domestic allocation is 2.0% above the base, and represents a 0.3% decrease compared to the production for the same weeks in 2011 and the Market Development allocation represents a decrease of 10.0% below chicken produced under the Market Development Policy during the same weeks in 2011.

Council members acknowledged the pressure faced by CFC when setting an allocation with many competing interests. They also noted that CFC's allocation to provinces was established with some

considerations of differential growth in allocating to Alberta, base plus 2.5%, while all other provinces were allocated base plus 2.0%.

In addition, Council is of the view that CFC should continue its efforts towards the development of the concept of differential growth in its allocation setting process using section 23 (2) of the Farm Products Agencies Act (FPAA). In doing so, the Agency will be in a better position to deal in a more effective and equitable manner with these potential requests, while allowing the system to evolve to meet current and future challenges.

Amendment to Chicken Quota Regulations for period A-111

During its March meeting, Council approved the *Canadian Chicken Marketing Quota Regulations* establishing a domestic quota allocation of 212,507,888 kilograms chicken live weight (156,511,738 eviscerated) and a market development quota of 10,289,510 kilograms of chicken live weight (7,574,808 eviscerated) for the period beginning May 20, 2012 to July 14, 2012.

The Domestic allocation is also 2.0% above the base, and represents a 2.1% increase compared to the production for the same weeks in 2011, while the Market Development allocation represents a decrease of 5.9% below chicken produced under the Market Development Policy during the same weeks in 2011.

Council members are of the view that the domestic allocation for A-111 was to respond to decreasing storage stocks that have occurred over the past few months as well as to peak barbequing season where the supply of fresh chicken is usually more important. (see tables on next page).

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SCHEDULE (Sections 1, 5 and 7 to 10)

LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD
BEGINNING ON MARCH 25, 2012 AND ENDING ON MAY 19, 2012

Column 1	Column 2	Column 3	
Item	Province	Production Subject to Federal and Provincial Quotas (in live weight) (kg)	Production Subject to Federal and Provincial Market Development Quotas (in live weight) (kg)
1.	Ont.	69,383,121	1,400,000
2.	Que.	56,626,210	4,175,000
3.	N.S.	7,428,906	0
4.	N.B.	6,002,537	0
5.	Man.	8,870,003	610,000
6.	B.C.	30,400,109	1,860,000
7.	P.E.I.	776,320	0
8.	Sask.	7,638,808	1,069,433
9.	Alta.	19,549,619	700,000
10.	Nfld. and Lab.	2,932,642	0
Total		209,608,275	9,814,433

SCHEDULE (Sections 1, 5 and 7 to 10)

LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD
BEGINNING ON MAY 20, 2012 AND ENDING ON JULY 14, 2012

Column 1	Column 2	Column 3	
Item	Province	Production Subject to Federal and Provincial Quotas (in live weight) (kg)	Production Subject to Federal and Provincial Market Development Quotas (in live weight) (kg)
1.	Ont.	70,287,175	1,805,000
2.	Que.	57,364,042	4,200,000
3.	N.S.	7,920,011	0
4.	N.B.	6,080,750	0
5.	Man.	8,985,578	610,000
6.	B.C.	30,955,362	2,035,000
7.	P.E.I.	776,321	0
8.	Sask.	7,710,790	1,079,510
9.	Alta.	19,486,319	560,000
10.	Nfld. and Lab.	2,941,540	0
Total		212,507,888	10,289,510

Canadian Hatching Egg Producers (CHEP)

Amendment to the Canadian Broiler Hatching Egg Marketing Levies Order



At the March meeting, Council approved the amendment to the *Canadian Broiler Hatching Egg Marketing Levies Order* that extends the expiry date to June 23, 2013. The expiry date has been

extend an additional 3 months to provide both CHEP and Council flexibility to table and review Levies Order requests. In reviewing the Agency's 2012 budget, Council found that the proposed levy is consistent with the requirements of the *Farm Products Agencies Act* and other legal instruments and will not unduly affect broiler hatching egg producers' profitability.

Beef Cattle Research, Market Development and Promotion Agency

At the March meeting, Council members approved the amendment to the *Canadian Beef Cattle Research, Market Development and Promotion Levies Order* that reflects a change to the levy amount imposed by the Fédération des producteurs de bovins du Québec and the Saskatchewan Cattlemen's Association.

The Fédération des producteurs de bovins du Québec has changed the levy on residents of Quebec who market cull cows interprovincially from \$9.79 to \$11.79 per head. The Saskatchewan Cattlemen's Association has changed the levy on residents of Saskatchewan who market beef cattle interprovincially from \$2.00 to \$3.00 per head. The Levies Order will be effective on the date of registration and expires on June 30, 2013.

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Egg Farmers of Canada (EFC)

Amendment to the Canadian Egg Marketing Quota Regulation and Levies Order



At its meeting of March 7, 2012, Council considered the request for an increase in the levy by 1 cent per dozen, as proposed by EFC in its letter of February 29, 2012.

Council reviewed this request having clearly in mind it was a follow-up to Council's decision taken in December 2011 on the 2012 quota and levy.

It was noted that little had changed since that time in terms of data on volumes, prices, fund balances and forecasts for 2012 and that the final figures for 2011 had not been finalized. Under the current circumstances, Council recognized that EFC had made some efforts to reduce its original levy increase from 2.50 cents to 1 cent per dozen to cover its financial needs.

Furthermore, the members agreed that over the course of the coming months the levy increase would be necessary for implementation of the Agency's marketing plan as currently defined. It is expected that EFC would take action over this period to ensure the system is not reliant on further levy increases. Therefore, Council members approved the amendment to the Levies Order that increases the rate by \$0.01, bringing the EFC total levies to \$0.3375 per dozen, this levy is now at the highest level on record. This order will come into force on March 25, 2012 and end on March 29, 2013.



40th Anniversary of the FPAA

This year marks the 40th anniversary of the creation of the *Farm Products Agencies Act* (FPAA or the Act). It was adopted by Parliament on December 31,

1971 and proclaimed on January 12, 1972. This Act is the backbone of our business and defines the mandate of the Council and of national agencies.

This anniversary coincides with the implementation of the new FPCC strategic plan for the next three years, and we believe that this is a great opportunity to reflect on the fundamentals on which the supply management system was instituted.

While much has changed over the past four decades, the objectives of the supply management and promotion-research systems remain as relevant today as they were at the time of their creation. This anniversary constitutes a great opportunity to look for ways to improve the system, strengthen stakeholder's partnership and ensure the prosperity of the sectors.

Throughout the year, we will be celebrating the FPAA as legislation that contributed to the success of many sectors in the Canadian agri-food industry.

Strategic Plan finalized

Council members met in November and December to discuss all comments, concerns and suggestions received during the summer and fall consultations.

A first draft of the strategic plan was then developed and shared with national agencies and stakeholders for additional input and suggestions. Council members approved the document during their January meeting and it was distributed last week at the national agencies annual meetings.

This document forms the basis of Council's business planning, operations, evaluations and reporting activities. It provides an overview of the environment in which the FPCC, as well as the supply management and promotion-research systems, operate. It also establishes the FPCC's priorities and the results which it expects to achieve over the next three years.

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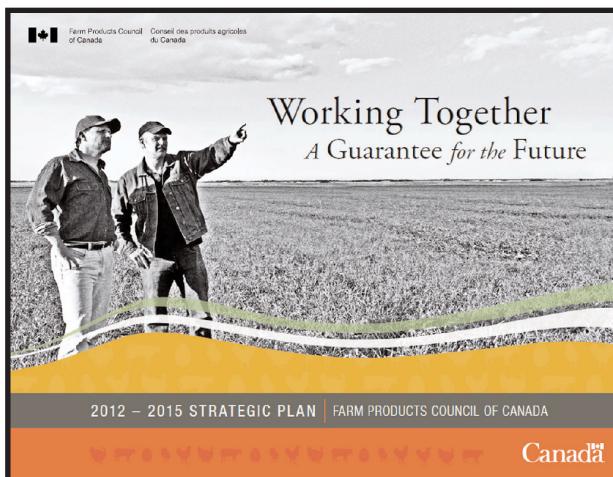
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With the objective of ensuring that supply management and promotional research systems have the flexibility needed to respond to current and future challenges and to withstand public scrutiny, FPCC will follow our strategic priorities:

Strategic Directions

- 1) Mutual understanding of our partnerships
- 2) Communications
- 3) Promotion-Research Agencies
- 4) Coordination with provincial supervisory boards

The FPCC's Strategic Plan is accessible via our web site.



Promotion-Research Agencies

As part of the FPCC's strategic objective to increase knowledge of the Promotion-Research Agencies (PRA), meetings, visits and presentations were organized to seek out and inform agricultural organizations on the benefits of creating a PRA. The FPCC also continues to encourage national marketing agencies, created under Part II of the Act, to explore the concept. As Promotion-Research Agencies could be of benefit to producers, FPCC will continue to promote the concept amongst industry groups and government organizations.

"FPCC Overview 101"

With the objective of improving the dialogue with all stakeholders and aligned with FPCC's first

strategic objective for 2012-2015, which is to foster a better understanding of the role and responsibilities of the partners within the system, the FPCC will be offering an orientation session – "FPCC Overview 101".

This session will provide a chance to meet Council members, FPCC staff, as well as receiving an introductory kit with briefing material about FPCC's roles and mandate. Core presentations are being developed and tailored to the needs of each organization and the sessions will be organized soon.

Agreement in the egg processing sector

The FPCC received a complaint from the Canadian Poultry and Egg Processors Council on August 11, 2011, against the Egg Farmers of Canada's industrial egg pricing decision of July 18, 2011. In accordance with the new Interim Complaint Guidelines, the FPCC Chairman met with both Parties holding informal discussions with the objective of helping them find common grounds and resolve the issues.

The Council received notification on March 1st, 2012 that an agreement in principle had been reached. A signed copy has been shared with FPCC and will be considered at the next Council meeting scheduled May 16 and 17, 2012.

The FPCC welcomed CPEPC and EFC's perseverance through the negotiations over recent months and for achieving an agreement satisfactory to both Parties. The new pricing arrangement for industrial eggs will be beneficial to the entire egg industry and will be conducive to improved dialogue between farmers and processors going forward.

While this agreement marks a major step and will certainly help EFC reduce pressure on the financial management of the Industrial Product Program, it does not resolve all the issues related to the demand for processed eggs which is expected to increase in the future.

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The FPCC is pleased with the progress made and encourages producers and processors to continue to work together to find alternative approaches and viable options to supply the growing egg processing market that will promote a strong, efficient and competitive production and marketing industry.

FPCC Annual Review

The FPCC is pleased to release its 2011 Annual Review, which provides a summary of our activities for 2011 and an overview of the feather and beef industries in Canada. We encourage all industry stakeholders to look at it, as well as read through and get familiarized with FPCC's 2012-2015 Strategic Plan and our priorities for the next three years.



Industry News

New egg marketing company formed

In late January, the creation of a new table egg marketing company, Nova Eggs Inc. was announced. This is a Maritime based organization comprised of 7 independently owned grading stations located throughout New Brunswick and Nova Scotia. The shareholders of Nova Eggs Inc. are: Les Oeufs Riverview Eggs Inc.; Early Bird Eggs Ltd.; Ferme Avicole Morneau (1995) Ltée/Morneau Poultry Farm (1995) Ltd.; ACA

Co-operative Limited; Scotia Poultry Farm Limited; Hilly Acres Farm Limited; and, Cox Bros. Poultry Farm Limited.

The organization grades eggs from approximately 580,000 layers which equates to about 45% of the commercial laying hens in New Brunswick and Nova Scotia. The shareholders of Nova Eggs Inc. handle and grade about 14.5 million dozen eggs annually. Each shareholder will continue to operate their facilities independently and supply their existing customers in the marketplace. Nova Eggs Inc. shareholders will work together regarding the development of new egg products and purchases of packaging supplies.

Being geographically located throughout the Maritimes allows Nova Eggs Inc. shareholders to service customers' locations quickly and efficiently. This initiative allows Maritime consumers to choose egg products in various areas produced by local suppliers, an attribute which consumers are asking for.

Source: CPEPC Highlighter February 2012

Innovations in egg utilization research and development forum

The Poultry Research Centre, the Alberta Egg Producers and the University of Manitoba are pleased to announce the *Banff Egg 2012: Innovations in Egg Utilization Research and Development Forum* taking place from March 28-30th 2012, in the beautiful Canadian Rockies in Alberta. The Forum will explore research and development opportunities, trends, innovations and the future of egg-product development.

The Banff Egg Forum 2012 will bring together industry experts and scientists from around the world. This international community will share knowledge on market trends, new advancements in egg utilization and innovations in science. Participants will share experiences in product development and marketing and explore opportunities in egg utilization and commercialization. The Forum will develop shared views that will provide a future road map for scientists, managers, and entrepreneurs to ensure the progressive use of the egg's value.

For more information visit www.banffegg.com

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Government News

South Korea gives Canadian beef final stamp of approval

Agriculture Minister **Gerry Ritz** and International Trade Minister **Ed Fast** proudly announced that Canadian beef under 30 months of age can re-enter the South Korean market. For the first time in nearly a decade, Canadian beef can be exported again to what was our fourth-largest market, South Korea. Improved trade with South Korea is a priority for the Canadian agriculture industry and the South Korean Government's co-operation in restoring access to Canadian beef will further strengthen trade relations between our two countries.

The Canadian beef industry estimates that this restored market access could mean more than \$30 million for Canadian producers by 2015. South Korea is the last significant Asian market to lift the ban after the 2003 bovine spongiform encephalopathy (BSE) outbreak.

Source: www.agr.gc.ca

Creating trade opportunities with China

Agriculture Minister **Gerry Ritz** was pleased to join Prime Minister **Stephen Harper** and International Trade Minister **Ed Fast** on a successful trade mission to China which resulted in a series of new agricultural agreements between the two countries. They reached an understanding with Chinese counterpart to work towards the approval of additional Canadian beef export facilities and the inclusion of bone-in beef and offal from cattle under-thirty-months (UTM) of age as well as live dairy cattle.

The announcement came after the positive news from the Government of Canada (GOC) regarding the resumption of Canadian beef tallow exports to China.

Mr. **Travis Toews**, President of the Canadian Cattlemen's Association, was part of the official industry delegation and said this mission was very rewarding for Canadian cattle and beef producers.

China is an important market for Canadian farmers and by working together with Chinese producers and processors this will open new windows of opportunity in both countries. Strengthening the Canada-China agricultural trade relationship with these agreements is the result of strong trade relationships built with Chinese partners over many years.

The GOC is determined to grow and strengthen its strong trade relationship with China for agriculture products such as beef, canola, pork, grain, pulses and for genetics. China is an important market for Canadian producers with 2010 agricultural exports valued at \$2.6 billion.

Source: www.agr.gc.ca



Portfolio News

AAFC's AgPal Program

AgPal is a web-based discovery tool developed by Agriculture and Agri-food Canada (AAFC) to help producers and others in the agriculture and agri-business sector find the federal, provincial and territorial programs and services that specifically apply to them.

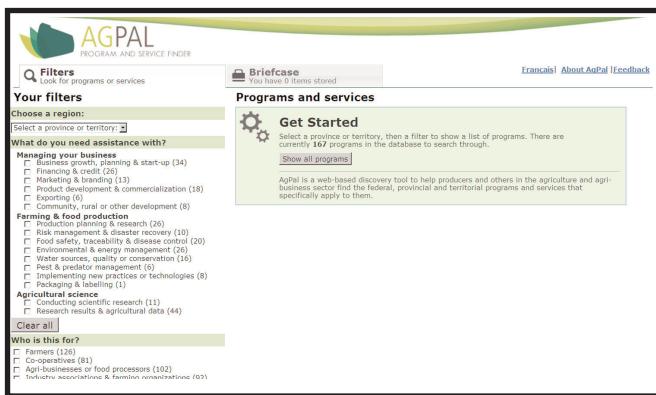
AgPal links directly to all of Agriculture and Agri-food Canada, Farm Credit Canada, and Nova Scotia's programs and services, as well as those of Ontario's Growing Forward Program. AAFC plans to add information from other provinces in the coming months, as well as new tools and features.

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AAFC offers a variety of participation options for governments, associations, educational institutions, non-profit and community-based organizations.

To learn more, contact AgPal-AgriGuichet@agr.gc.ca and one of AAFC's officers will get in touch with you.



The screenshot shows the AgPAL website interface. At the top left is the AgPAL logo and a search bar labeled "Filters" with the placeholder "Look for programs or services". Below it is a section titled "Your filters" with a "Choose a region:" dropdown set to "Select a province or territory: [empty]". A "What do you need assistance with?" dropdown is also present. To the right, there are links for "Briefcase" (containing 0 items), "Programs and services", "Français", "About AgPal", and "Feedback". The "Programs and services" section contains a "Get Started" button and a note about currently having 167 programs. It also includes a "Show all programs" link and a brief description of AgPAL as a web-based discovery tool for agriculture and agri-business sectors. On the left side of the main content area, there are several filter categories with counts: "Managing your business" (34), "Farming & food production" (20), "Agricultural science" (11), and "Who is this for?" (126). The "Farming & food production" category is expanded, showing sub-options like "Risk management & disaster recovery" (10), "Food safety, traceability & disease control" (20), "Environment" (13), "Water sources, quality or conservation" (16), "Pest & predator management" (6), "Plant breeding, biotechnology or technologies" (8), "Packaging & labelling" (1), "Research results & scientific research" (11), and "Research results & agricultural data" (44). A "Clear all" button is located at the bottom of these filters.

Do you know?

Why buy Canadian?

Agriculture and Agri-Food Canada has an interesting section on their website devoted to promoting eating Canadian. Canadian farmers and processors bring some of the world's best food products to our table, whether it's crisp Canadian bacon and snow crab crepe rolls at breakfast, pork chops with apple cider or a hearty vegetable soup at lunch or fresh fish with wild rice and wholesome pasta at dinner.

They have sections on why buy Canadian, how to identify and find Canadian food and meet a Canadian farmer. To find out more on this great site and explore and discover Canada's food and agriculture products please visit www.eatCanadian.ca.



APMA update

The FPCC continues to actively consult with provincial commodity boards, which hold *Agricultural Products Agencies Act* (APMA) delegation orders, and with provincial supervisory board counterparts, in an effort to pursue the APMA administrative review efforts.

This resulted in seven new APMA delegation order requests in the regulatory process for approval. In order to facilitate the process for provincial commodity boards, a standard

bilingual delegation order tool has been developed and will be used for the drafting of all new delegation orders and order amendments. With the ongoing support of both provincial commodities and supervisory boards, the APMA Administrative Review of existing delegation orders is expected to make progress in the coming months.

We will be communicating with provincial commodity boards to confirm the required amendments in collaboration with provincial supervisory boards.

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Upcoming Meetings

April 2012

April 25-26 Egg Farmers of Canada – Strategic Planning Ottawa

May 2012

May 16-17 Farm Products Council of Canada Ottawa

May 30 Chicken Farmers of Canada Ottawa

June 2012

June 7 Further Poultry Processors Association of Canada Toronto

June 10-12 Canadian Poultry and Egg Processors Council Charlevoix

June 11 Farm Products Council of Canada Charlevoix

June 27-28 Turkey Farmers of Canada Halifax



Happy Springtime!