



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

FOCUS *Newsletter*

JANUARY 2013



NEW YEAR'S GREETING!

As 2013 begins, the members and the staff of the Farm Products Council of Canada (FPCC) would like to take this opportunity to wish all national agencies, government colleagues, industry partners and stakeholders, their staff and families, a happy and prosperous New Year.

Laurent Pellerin
Chairman

Public Hearings

The Farm Products Council of Canada will hold two public hearings as part of Inquiries into the merits of establishing a national marketing agency and a promotion research agency.

The first request is from the Pullet Growers of Canada, a proposal to establish a Canadian Pullet Marketing Agency to be funded by levies applied to Canadian pullets marketed in interprovincial and export trade markets. The other proposal comes from the British Columbia Raspberry Industry Development Council to establish a Red Raspberry Research, Market Development and Promotion Agency, to be funded by levies applied on fresh and processed red raspberries and red raspberry products marketed domestically, and imported.

Any interested person or association wishing to comment or intervene on the issues involved in these hearings may do so by completing an electronic form on our Web site, by mailing or delivering by hand a submission to the FPCC. Copies of the Proposals, General Rules of Procedures and other related documents are available from FPCC's Web site at:
<http://www.fpcc-cpac.gc.ca/index.php/eng/public-hearings>.

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COMMENTS OR QUESTIONS?

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FARM PRODUCTS COUNCIL OF CANADA

Canada



COUNCIL BUSINESS

CHICKEN FARMERS OF CANADA (CFC)

Council met on November 5 and 6, 2012 where consideration was given to the amendments to the *Canadian Chicken Marketing Quota Regulations* for the A-115 allocation period, which runs from December 30, 2012 to February 23, 2013. In reviewing the quota regulation amendment, the Council found that the amendment satisfied the requirements of the Agency's Federal-Provincial Agreement and schedules as well as the Agency's by laws. Council approved the total allocation of 211,470,521 kg live weight for allocation period A-115.

Council members agreed that the market signals indicate that the chicken market is healthy. They also noted that A-115 is the seventh consecutive allocation that the directors set above base indicating the desire of the Agency to increase supply to the market. What concerns the Council is the quota utilization levels as reported by CFC. They noted that for the period January 29, 2012 through October 13, 2012 (period A-109 through 5 weeks in A-113) chicken farmers under produced the total allocation by approximately 14.6 million kg live, 1.5% of total allocation for that period.

We appreciate that CFC has no control on whether an allocation is under or over produced and that 1.5% under production on more than 1.0 billion kg live allocated is not significant in itself. What is significant is this recent trend of under production. If the Agency is correct in determining the size of the market and sets allocation accordingly, then under producing the allocation will result in a segment of the market unfulfilled or requiring imports.

Council has requested an explanation as to why this trend in under production has occurred in recent periods.



SCHEDULE (Sections 1, 5 and 7 to 10) LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON DECEMBER 30, 2012 AND ENDING ON FEBRUARY 23, 2013			
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.	67,053,481	1,800,000
2.	Que.	54,801,918	3,854,800
3.	N.S.	7,138,902	0
4.	N.B.	5,810,042	0
5.	Man.	8,418,687	460,000
6.	B.C.	29,612,242	1,822,700
7.	P.E.I.	785,041	0
8.	Sask.	7,154,184	1,001,586
9.	Alta.	18,519,548	350,000
10.	Nfld. and Lab.	2,887,390	0
Total		202,181,435	9,289,086



CANADIAN HATCHING EGG PRODUCERS (CHEP)

During Council's meeting of November 5 and 6, 2012, consideration was given to amending the *Canadian Hatching Egg Producers Quota Regulations* for Schedule 1 (final allocation for 2012) and Schedule 2 (initial allocation for 2013). The members understand that the proposed 2012 final allocation is reflecting the current market conditions faced by broiler hatching egg producers: a decrease in chicken production from 2011 and an increasing cost of producing broiler hatching eggs as a result of increasing feed costs.

Council members are of the opinion that the conservative approach used in setting the initial 2013 allocation is appropriate as it would minimize the financial risk to hatching egg producers given current market conditions.

In reviewing the quota regulation amendments, the Council found that both amendments satisfied the requirements of the Agency's Federal-Provincial Agreement and schedules as well as the Agency's by-laws. Council has approved the 2012 Final allocation set at 517,238,185 and the 2013 Initial allocation at 523,774,911 broiler hatching eggs. The amendment of Schedule 1 came into force the day of its registration and the amendment of Schedule 2 came into force on January 1, 2013.



Council meeting December 11 to 14

FPCC had a full schedule during its December 11 to 14, 2012 meeting. In addition to its current business, Council members met with the four national marketing agencies executives and staff members to discuss current issues, budgeting for the coming year and challenges that the agencies and sectors will face in the upcoming year.

CHICKEN FARMERS OF CANADA (CFC)

Council approved the *Canadian Chicken Marketing Levies Order* for 2013 extending the expiry date to March 31, 2014. The levy rates are a combination of the CFC levy rate of 0.44 cents/kg (live weight) and the provincial levies. CFC's levy rate has not changed since 1998.

In reviewing the Agency's 2013 budget, Council members found that the proposed levies are consistent with the requirements of the *Farm Products Agencies Act*. It will not unduly affect chicken producers' profitability and economic interests or the opportunity for consumers to access chicken and chicken products at a reasonable price and is sufficient to defray CFC administration and marketing expenses.

CFC's executive committee and staff presented the Agency's budget and their strategic plan outlining key results areas and priority issues for 2013. Council members appreciated the opportunity to have a frank discussion and information session on CFC's critical issues and challenges. Listed as critical, CFC will again in 2013, be focusing on the allocation setting process and the integrity of the chicken import pillar (one of the three pillars of supply management). In addition, they will focus on anti-microbial resistance, food safety issues and animal care. Council members took this opportunity to have a discussion with CFC executives on the Notice of Withdrawal of the Alberta Chicken Producers.

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2013 CFC LEVIES

Province	CFC Levy	Provincial Levy	Total Levy
	cents per kg (live weight)		
British Columbia	0.44	1.16	1.60
Alberta	0.44	1.16	1.60
Saskatchewan	0.44	0.97	1.41
Manitoba	0.44	1.50	1.94
Ontario	0.44	1.64	2.08
Quebec	0.44	1.37	1.81
New Brunswick	0.44	0.56	1.00
Nova Scotia	0.44	0.95	1.39
Prince Edward Island	0.44	1.00	1.44
Newfoundland & Labrador	0.44	1.06	1.50



TURKEY FARMERS OF CANADA (TFC)

Council approved the *Turkey Farmers of Canada Levy Order* for 2013. The levy rates are a combination of the TFC's levy of 1.6 cents/kg (live weight) and provincial levies. TFC's levy rate has been unchanged since 2003. The approved Levies Order have been enacted by TFC and registered with the Privy Council Office. It came into force on the day of its registration.

In reviewing the Agency's 2013 budget, Council members found that the proposed levies are consistent with the requirements of the Farm Products Agencies Act and other legal instruments, will not unduly affect turkey producers' profitability and economic interests or the opportunity for consumers to access turkey and turkey products at a reasonable price and are sufficient to defray TFC administration and marketing expenses.

Overall, there are sufficient grounds and information for Council to conclude that the amendments to the Levies Order are necessary for the implementation of the Agency's marketing plan. Council encourages the Agency and provincial commodity boards to continue to work together on improving markets and the promotion of turkey in Canada going forward.

TFC's executive members provided an update on their upcoming priorities for 2013. Their focus will be on market conditions, cost of production, establishment of a promotion and research agency and allocation. They also presented some of the key projects they will be working on such as, generic marketing including social media and networks, alternative dispute settlement procedure, research and on-farm programs. Council members look forward to progress reports during 2013.

2013 TFC LEVIES

Province	TFC Levy	Provincial Levy	Total Levy
	cents per kg (live weight)		
British Columbia	1.60	2.40	4.00
Alberta	1.60	3.25	4.85
Saskatchewan	1.60	2.90	4.50
Manitoba	1.60	2.70	4.30
Ontario	1.60	3.00	4.60
Quebec	1.60	2.75	4.35
New Brunswick	1.60	1.40	3.00
Nova Scotia	1.60	2.40	4.00

In addition, executive members presented their upcoming initiatives for 2013 which include, optimizing the cost-efficiency of the IP Program, maintaining trade position, building support for supply management and advancing research on animal welfare and Life Cycle Analysis assessment tools. They will also work on leveraging the processor agreement to develop a more holistic approach to supplying the market while responding to changing conditions and opportunity for growth.



Province/Territory	Total Levy cents per dozen
Ontario	39.25
Quebec	38.35
Nova Scotia	39.75
New Brunswick	38.00
Manitoba	37.75
British Columbia	41.75
Prince Edward Island	37.60
Saskatchewan	40.15
Alberta	37.25
Newfoundland and Labrador	39.25
NWT	41.15

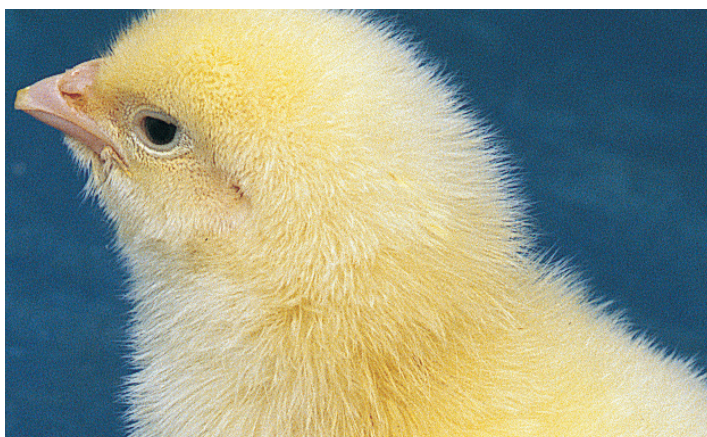


CANADIAN HATCHING EGG PRODUCERS (CHEP)

Council members were presented with CHEP's 2013 financials and budget, as well as an update and the next steps on the review of their Federal Provincial Agreement (FPA). CHEP's key objectives and strategic priorities for the next year include the following: FPA, trade, inter-provincial movement, communication, Canadian Poultry Research Council Animal Welfare, market conditions and establishment of a promotion and research agency. Council looks forward to progress reports on these during 2013.

With regard to the process of having Alberta and Saskatchewan become Members of the Agency, all signatories signed the Addendum to the Federal Provincial Agreement for Broiler Hatching Eggs. The Agency's Proclamation is currently being amended and will soon be published in Part I of the Canada Gazette for a 30-day review and comment period.

Following the 30-day publication period in Part I of the Canada Gazette and if no comments are received the regulatory process will be continued to initiate the publication in Part-II of the Canada Gazette which will make the Proclamation valid and in force.



COUNCIL ACTIVITIES

Council meeting dates for 2013

During Council's meeting, members approved the following meeting schedule for 2013:

February 7-8	Ottawa
March 11	Conference call
May 9-10	Ottawa
June 17	Banff
August 27	Conference call
October 29-30	Ottawa
Dec 10-13	Ottawa

PORTFOLIO NEWS

AGRICULTURE AND AGRI-FOOD CANADA (AAFC)

AAFC's Food Regulatory Issues Division (FRID)

Revised Factsheet on Foods with Health Benefits

The FRID has fully revised its factsheet: Canada's Regulatory System for Foods with Health Benefits. The resource is a starting point for companies wanting to promote the health benefits of their products. It helps better understand and navigate Canada's food regulatory system and point to important resources. Visit www.agr.gc.ca under the section: Food Policy and Regulatory Issues and follow the link under "Features".

New Report: Value-Added Foods for an Aging Population

This new report on Market Opportunities for Foods with Added Health Benefits for an Aging Canadian Population is intended to help Canada's agri-food sector capitalize on the market potential for innovative food products that meet the needs of an aging population.

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The report identifies the food and nutrition concerns of this heterogeneous demographic segment along with current market trends and opportunities, and outlines the regulatory issues that need to be considered prior to product development. Visit www.agr.gc.ca in section Food Policy and Regulatory Issues and click on “Reports and Reviews” in the left-hand navigation menu.

Government Announces Growing Forward 2 Programs

Agriculture Minister Gerry Ritz unveiled three new federal programs under Canada’s new agricultural policy framework Growing Forward 2 that will streamline investments in the agriculture and agri-food sector. The new programs will focus on strategic initiatives in innovation, competitiveness and market development to further strengthen the sector’s capacity to grow and prosper.

These new Growing Forward 2 programs will build on the success of existing programs to provide more streamlined support to the sector to help it remain a world leader in agricultural innovation and trade. The GOC is making sure farmers and the entire sectors have the tools and resources they need to stay ahead of the ever-changing demands of consumers.

Three new federal programs come into effect on April 1, 2013:

The **AgriInnovation Program** will focus on investments to expand the sector’s capacity to develop and commercialize new products and technologies.

The **AgriMarketing Program** will help industry improve its capacity to adopt assurance systems, such as food safety and traceability, to meet consumer and market demands. It will also support industry in maintaining and seizing new markets for their products through branding and promotional activities.

The **AgriCompetitiveness Program** will target investments to help strengthen the agriculture and agri-food industry’s capacity to adapt and be profitable in domestic and global markets.

Agriculture and Agri-Food Canada is proactively providing information to farmers and the industry so that they are familiar with the kind of support that will be available and so they may plan their applications well in advance. They are also improving service delivery through better program design and streamlined administration, as promised in Economic Action Plan 2012. This will make it easier for applicants to access programs and report results from federal investments.

For more information visit www.agr.gc.ca section on Growing Forward 2.

The screenshot shows the Agriculture and Agri-Food Canada website. At the top, there are logos for the Government of Canada and Agriculture and Agri-Food Canada in both English and French. The main header features a large red maple leaf and the text "Agriculture and Agri-Food Canada" with the website URL "www.agr.gc.ca". Below the header is a navigation bar with links for "Français", "Home", "Contact Us", "Help", "Search", and "canada.gc.ca". A sidebar on the left contains a list of navigation links: "Home > Growing Forward 2", "Producers", "Agri-Industries", "International Business", "Science and Innovation", "Agri-Environment", "Growing Forward 2", "AgriInnovation", "AgriMarketing", "AgriCompetitiveness", "Business Risk Management", "Policy Development", "Frequently Asked Questions", "Browse by Type", "Subjects A-Z", "Economic and Market Information", "Programs and Services", and "Publications". The main content area features a large green banner with the text "Growing Forward 2" and a red maple leaf. Below the banner, there is a section titled "New Programs" which states: "AAFC has unveiled three new, broad federal programs under Growing Forward 2: AgriInnovation, AgriCompetitiveness, and AgriMarketing." A link is provided to "Read more about this announcement: Harper Government Launches Federal Growing Forward 2 Programs."



DO YOU KNOW?

Facts about Friends of the Central Experimental Farm

The Friends of the Central Experimental Farm (FCEF) help to preserve, protect, maintain and enhance the Dominion Arboretum, the Ornamental Gardens, the Merivale Shelterbelt and other public areas of the Farm with the expert guidance of AAFC Arboretum and Ornamental Gardens staff, for the enjoyment of the public, and to promote the Farm's historical significance and heritage values.

The FCEF, also known as the Friends of the Farm, is an organization of committed volunteers and supportive members who care about the Farm in Ottawa. They dedicate over 10,000 volunteer hours annually to the Farm. Some volunteers work in the gardens and others work in the office or at Events, while still others drop in periodically to help on specific projects.

www.friendsofthefarm.ca



UPCOMING EVENTS

February

Feb. 6	Egg Farmers of Canada	Ottawa
Feb. 11-13	Canadian Poultry and Egg Processors Council	Ottawa
Feb. 7-8	Farm Products Council of Canada	Ottawa

March

Mar. 5-8	Canadian Cattlemen's Association	Ottawa
Mar. 11	Farm Products Council of Canada	Conf. Call
Mar. 18	National Association of Agricultural Supervisory Agencies	Ottawa
Mar. 19-20	Canadian Hatching Egg Producers - March Meeting	Ottawa
Mar. 20	Canadian Hatching Egg Producers - <i>Annual Meeting</i>	Ottawa
Mar. 19-21	Egg Farmers of Canada - March Meeting	Ottawa
Mar. 20	Egg Farmers of Canada - <i>Annual Meeting</i>	Ottawa
Mar. 19-21	Chicken Farmers of Canada - March Meeting	Ottawa
Mar. 19	Chicken Farmers of Canada - <i>Annual Meeting</i>	Ottawa
Mar. 19-21	Turkey Farmers of Canada - March Meeting	Ottawa
Mar. 21	Turkey Farmers of Canada - <i>Annual Meeting</i>	Ottawa