



# FOCUS *Newsletter*

MARCH 2013



## LATEST NEWS FROM FPCC

### **FPCC organizational structure**

Since the recent departures of a few staff, the organization have resulted in the necessity to reassess FPCC operational requirements and look at how best to redefine the FPCC, in order to continue to meet operational objectives and legal obligations under the Act.

As such and as a first step in this process, the FPCC is officially announcing Nathalie Vanasse as Council Secretary and Registrar to the FPCC. Amongst other multi-faceted responsibilities she currently holds within the FPCC. Nathalie has risen to the challenge and her communication background and wide array of experiences within the Public Service over the years will continue to prove quite useful in supporting the Chairman with Council Operations responsibilities.

### **FPCC staff celebrates 30 years of service!**

The Farm Products Council of Canada wishes to acknowledge the outstanding commitment of one of its employees, Lisette Wathier, who is celebrating 30 years of service. She began her career in the public service on December 15, 1982 with the FPCC. Lisette has been a great contributor over the years. She has proven to be a loyal and hardworking public servant in supporting Council members in their mandate. The Council members and staff congratulate Lisette on her dedicated years of service with the FPCC!

### **New staff at FPCC**

On January 4, 2013 Maguessa Morel-Laforce joined the FPCC. He is an undergraduate of Economics from Laval University and holds a master degree from the York University Glendon School of Public and International Affairs. In his role as Analyst within the Policy Analysis Division, Maguessa will be handling inquiries related to Promotion in Research Agencies and assisting in improving annual reporting mechanism at the FPCC.

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### COMMENTS OR QUESTIONS?

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## COUNCIL BUSINESS

### CHICKEN FARMERS OF CANADA (CFC)

During its February meeting, Council approved the *Canadian Chicken Marketing Quota Regulations* establishing a domestic quota allocation of 205,670,575 kilograms chicken live weight (151,517,494 eviscerated) and a market development quota of 9,750,519 kilograms of chicken live weight (7,180,435 eviscerated) for the period beginning February 24, 2013 to April 20, 2013.

The Domestic allocation of 151.5 million kg eviscerated weight is 1.7% above the provincial base and represents a 1.4% increase compared to the production for the same weeks in 2012. The Market Development allocation of 7.2 million kg eviscerated weight represents an increase of 16.7% above chicken produced under the Market Development Policy during the same weeks in 2012.

Council members noted that, although the producer price has decreased recently, it still remains high relative to prices seen over the past few years. Also noted were the wholesale prices reported by Express Markets Inc. Four of the five published price series were well above prices reported in the previous five years, while the wholesale price for breasts, at times, dropped below prices seen in 2011 and 2010 but remained high.

As such, it is Council's view that A-116 total allocation can be considered a conservative increase versus the previous year's production level, as the allocation (if it is all produced) would represent a 2.0% increase over production for the same weeks in 2012. Furthermore, given that storage stocks have been below the healthy ranges as established in the Agency's Allocation Report Card for 13 of the last 15 months, production increases are needed to supply the fresh and processed markets with sufficient quantity of chicken.

As well, Council found the presentation at CFC's January meetings on the specialty markets by British Columbia to be useful in further outlining the challenges the industry faces in supplying the Canadian market.



The members look forward to CFC's Policy Committee developing a specialty production policy for their September 2013 meeting.

Also noted were concerns expressed by the Further Poultry Processors Association of Canada suggesting that the domestic market is not being fully supplied, leading to some small further processors not receiving the volume that they require. Council continues to encourage CFC to exercise strong leadership with regard to these questions, which is of significance to ensure a strong, efficient and competitive chicken production and marketing industry.

SCHEDULE (Sections 1, 5 and 7 to 10) LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON FEBRUARY 24, 2013 AND ENDING ON APRIL 20, 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.	67,774,040	1,900,000
2.	Que.	55,390,824	4,163,514
3.	N.S.	7,366,645	0
4.	N.B.	5,872,478	0
5.	Man.	8,786,558	460,000
6.	B.C.	30,168,890	1,830,000
7.	P.E.I.	786,586	0
8.	Sask.	7,478,605	1,047,005
9.	Alta.	19,116,837	350,000
10.	Nfld. and Lab.	2,929,112	0
Total		205,670,575	9,750,519



## COUNCIL ACTIVITIES

### *Differential Growth*

The Alberta signatories submitted on November 22, 2012 a letter of notice of withdrawal from the Federal Provincial Agreement for Chicken (FPA), effective January 1, 2014. According to the FPA, after 90 days, Alberta's notice of withdrawal can only be retracted with the full support of all signatories to the FPA. The issue for Alberta is the lack of differential growth in CFC's allocation methodology.

Since September 2012, the Agency has met seven times with the provincial boards on resolving the differential growth issue. As pointed out by CFC at the Alberta Chicken Producers Annual General Meeting on February 26, 2013, differential growth is not just an Alberta issue; other provinces desire an allocation methodology that contains a differential growth component.

CFC and the provincial boards have made a commitment to continue to work on the differential growth issue throughout 2013. Differential growth is linked to section 23(2) of the *Farm Products Agencies Act* (Act), which states: "In allocating additional quotas for anticipated growth of market demand, an agency shall consider the principle of comparative advantage of production."

FPCC has developed Guidelines that define the Council's interpretation of comparative advantage of production under section 23(2) of the Act and detailed framework which will be used by Council in its deliberations on quota allocation decisions.

Council has shared the Guidelines with the four national agencies and with provincial supervisory boards. As such, CFC has been informed of Council's expectations with regard the criteria categories to be used when evaluating section 23(2) of the Act.

### *Public hearing update*

The period for receiving submissions for the Pullet Growers of Canada's (PGC) proposal to establish a *Canadian Pullet Marketing Agency* and for The British Columbia Raspberry Industry Development Council's proposal to establish a *Red Raspberry Research, Market Development and Promotion Agency* have ended. Pre-hearing conferences to announce next steps and procedural matters for the Pullet Growers of Canada's were scheduled on March 12, 2013 and for the Raspberry Growers on March 15, 2013.

### *Provincial annual meetings*

Each year, Council members participate and speak at provincial commodity boards annual meetings. These meetings provide a great opportunity for the Council to explain its role and discuss issues and challenges of the supply management system with various industry stakeholders.

So far this year, Council members and staff attended the further processors meeting in Ottawa and also attended the following annual meetings, Alberta Egg and Poultry in Red Deer, New Brunswick Egg Producers in Fredericton, Chicken and Turkey Farmers of Nova Scotia in Wolfville, Nova Scotia Egg Producers in Truro, Egg Producers of PEI in Summerside, Turkey Farmers of Ontario in St. Jacobs, BC Chicken Marketing Board in Abbotsford and BC Egg Producers in Vancouver.

In addition, Mr. Pellerin has been actively attending conferences and forums. He participated in the Union des Producteurs agricoles du Québec's annual conference and made a presentation on supply management to the members of the MAPAQ (Ministère de l'Agriculture, Pêcheries et Alimentation du Québec).

### *Meetings with FPPAC and CPEPC*

Council members met with representatives from the Canadian Poultry and Egg Processors Council and with the Further Poultry Processors Association of Canada during Council's February 7-8 meeting. These meetings provided an opportunity to discuss issues, challenges and concerns of the processing and further processing industries.





## REGULATORY NEWS

### *Regulatory Forward Plan*

The Government of Canada is committed to protecting and advancing the public interest by working with Canadians and other governments to ensure that its regulatory activities result in the greatest overall benefit to current and future generations of Canadians.

Although Canada's regulatory system has long been recognized internationally as a mature and well-functioning system, the government has introduced forward regulatory plan to provide Canadians and businesses with increased transparency and predictability regarding the government's intention to regulate.

A forward regulatory plan is a public list or description of anticipated regulatory changes or actions that a department intends to bring forward or undertake in a specified time frame. It is intended to give consumers, business, other stakeholders and trading partners' greater opportunity to inform the development of regulations and to plan for the future. It should be noted that this forward regulatory plan will be adjusted and updated as FPCC's operating environment changes over time.

This plan provides information on planned and potential regulatory initiatives that FPCC expects to bring forward over the next two years. It also identifies public consultation opportunities and a departmental contact point for each regulatory initiative.

Details on this new initiative are now available on FPCC's web site ([www.fpcc.cpac.gc.ca](http://www.fpcc.cpac.gc.ca)) and is accessible under the section Regulatory Business.



### *APMA update*

The FPCC continues to actively consult with provincial commodity boards, which hold *Agricultural Products Marketing Act* (APMA) delegation orders, and with provincial supervisory board counterparts, as part of the APMA Administrative Review efforts. This resulted in having seven new APMA delegation order requests for consideration and 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 substantial progress in the coming months. FPCC will be communicating with provincial commodity boards to confirm the required amendments, in collaboration with provincial supervisory boards over the next few weeks.

## GOVERNMENT NEWS

### *Passing of the Honourable Eugene Whelan*

Eugene Whelan, a popular former federal agriculture minister, passed away on February 19 at the age of 88. Mr. Whelan was Canada's 21st agriculture minister and with almost 11 years in office, the country's third longest serving minister.

He was renowned for his green Stetson, his fierce defense of agriculture and farmers and his distinctive English that became known as "Whelanese". He was a great defender of supply management marketing boards which was created under his watch in the 1970s. On behalf of the Farm Products Council of Canada, we extend our heartfelt and profoundest condolences to the family.

### *Market access to Taiwan for poultry restored*

Saskatchewan poultry producers now have access to the lucrative Taiwanese market for the first time since 2007. Saskatchewan producers will benefit from a growing market whose value increased 84% from 2007 to 2011.

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Canada's poultry producers play an important role in creating jobs and economic growth across Canada and the government strongly believes in science-based trade rules, and are pleased that Taiwan will recognize the safety and high quality of Saskatchewan poultry products.

Taiwan is Canada's fifth-largest export market for poultry and poultry products. Canadian poultry exports to Taiwan have increased 147% between 2007 and 2012, reaching \$22.2 million in sales between January and November 2012.

Taiwanese authorities have lifted the ban that was imposed on Saskatchewan poultry and poultry products following the detection of Notifiable Avian Influenza (NAI) in September 2007. Saskatchewan has been recognized as NAI-free since 2008 based on the World Organization for Animal Health (OIE) requirements, and Canada has been advocating for trade to resume with Taiwan based on this science. The rest of Canada continued to have access during this time period.

Source: [www.agr.gc.ca](http://www.agr.gc.ca)

### *South Korea gives Canadian beef final stamp of approval*

For the first time in nearly a decade, Canadian beef can be exported again to what was Canada's 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 the two countries.

The government understands the importance of trade to the jobs and livelihoods of hardworking Canadians and their families, and the importance of helping farmers and producers access global markets. The government has consistently fought for fair and open access for our producers and exporters around the world, and against unscientific trade restrictions on Canadian products.

The South Korean Government published their approval of the Import Health Requirements (IHRs) and notified the Government of Canada that all certification conditions are in place, meaning exports can commence from the Canadian beef establishments approved for export.

Source: [www.agr.gc.ca](http://www.agr.gc.ca)

### *Agreement reached with Japan to expand beef access*

The government has reached an agreement with Japan to expand market access to Canadian beef from animals under 30 months of age (UTM) – an improvement over the current requirement which only permits beef exports from animals under 21 months of age. This expanded access is expected to double the potential market value of Canadian exports to Japan reaching up to \$150 million annually.

Japan is Canada's third largest export market for beef. Canadian exports of beef from animals under 21-months of age for the past three years amounted to approximately \$70 to \$75 million per year. The increased access is expected to double the potential market value to \$140 to \$150 million, according to the Canadian Cattlemen's Association (CCA). Since the Bovine Spongiform Encephalopathy (BSE) outbreak in 2003, the government and the industry have been working hard to reopen full market access for Canadian beef.

Source: [www.agr.gc.ca](http://www.agr.gc.ca)

## PORTFOLIO NEWS

### *Details of federal Growing Forward 2 programs unveiled*

The AgriMarketing Program, which comes into effect on April 1, 2013, is now accepting applications. The new program – a five-year, \$341-million initiative – is designed to help industry improve its capacity to adopt assurance systems, such as food safety and traceability, as well as to meet consumer and market demands.

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It will also support industry in maintaining and seizing new markets for their products through branding and promotional activities.

The government knows the importance of innovation and trade to the agriculture industry. As such, market development is a cornerstone of Growing Forward 2 with a focus on proactivity and cost-effective investments. Growing Forward 2 will give producers the tools they need to compete in markets in Canada and around the world.

The new \$115 million AgriCompetitiveness Program will make targeted investments to help the sector adapt to rapidly changing and emerging global and domestic opportunities and issues, respond to market trends and enhance business and entrepreneurial capacity.

The AgriMarketing and AgriCompetitiveness programs are in addition to the \$698 million AgriInnovation Program which will focus on investments to expand the sector's capacity to develop and commercialize new products and technologies. The AgriInnovation Program began accepting applications in December, 2012. All three programs come into effect on April 1, 2013.



For more information on Growing Forward 2 visit: [www.agr.gc.ca/GrowingForward2](http://www.agr.gc.ca/GrowingForward2)

## *500 members now promoting products using Canada Brand*

Agriculture and Agri-Food Canada's Canada Brand strategy reached a major milestone at the end of 2012, registering its 500th member.

The strategy provides branding tools and advice to companies to help them differentiate and promote their products as

Canadian, in order to stand out from the competition and increase their sales. This includes application of the well-known red maple leaf, which has been proven to resonate with consumers both domestically and internationally.

Canada's agriculture and food products are known the world over for their superb quality and taste, so it only makes sense that Canadian companies use the Canada Brand initiative to their full marketing advantage. Research has shown that when Canadian consumers can clearly identify a product as being Canadian, they are more likely to buy it, which is good for producers and good for our economy.

Members of the Canada Brand range from small, family-owned and operated businesses, to national companies with large manufacturing facilities. They market products that include everything from meat and seafood to processed and canned foods, from baked goods to beverages. Supported under Growing Forward, the Canada Brand offers eligible members access to market research, a large photo bank, branding graphics, and other tools and support. There is no cost to become a member.

The Canada Brand strategy is helping gain recognition for a sector that exported \$44.4 billion in agriculture, food, and seafood products in 2011, \$23.3 billion of which was in processed food and beverage products. The processed food and beverage sector is the largest manufacturing employer in the country, supplying about 75 per cent of all processed food and beverage products available in Canada.



For more information on Canada Brand, please visit: [www.marquecanadabrand.agr.gc.ca](http://www.marquecanadabrand.agr.gc.ca)



## INDUSTRY NEWS

### *SIAL Canada returns to Toronto*

In 2013, SIAL Canada will return to Toronto for the 10th edition of the country's leading international food trade show. It will be held from April 30 to May 2, 2013 at the Direct Energy Centre.

Organizers expect 14,000 professional visitors from 61 countries and 700 exhibitors on 230,000 square feet of exhibit space. Among the 22 international pavilions on exhibit, special attention will be paid to Morocco, this year's Country of Honor. Visitors will be able to taste and experience the flavor and flare that Moroccan products have to offer.

Other events include the 8th edition of Olive d'Or, North America's renowned international extra-virgin olive oil competition, as well as La Cuisine by SIAL, where corporate chefs will compete in a head-to-head battle.

In addition to the various special events and competitions, the show's informative conference program will include: How to Be Competitive in a Changing Market; Consumption Habits and Ethnicity; and An Overview of the Canadian Chains Landscape from West to East, among others. A full conference program will be available on the SIAL Canada website in the beginning of April.

SIAL Canada is co-located with the SET Canada exhibition of equipment, technology and services for the food retail, food service and food processing industries. This year SET Canada presents a program of conferences on various trends and new issues regarding packaging.

Registration includes access to both SIAL and SET Canada, special events, conferences and the show catalogue. In addition, organizers are offering retail and foodservice tours outside of show hours for those interested in discovering new food retail and dining concepts in Toronto.

The full tour schedule and pricing information can be found online at: [www.sialcanada.com](http://www.sialcanada.com)



### *IPE 2013 Celebrating 65 Years!*

The 2013 International Poultry Expo (IPE) was held from January 29 to 31, 2013 in Atlanta, USA at the Georgia World Congress Centre.

Attendance at the 2012 Expo totalled 20,651 with 685 attendees from Canada. All segments of the industry were represented: feed milling, hatchery, live production, processing, further processing, marketing, and all support activities. The show is the world's largest display of technology, equipment, supplies, and services used in the production and processing of poultry and eggs and for those involved in feed manufacturing.

The IPE is the primary source of funding for the U.S. Poultry & Egg Association, the world's largest and most active poultry organization. It represents the entire industry as an "All Feather" association. Membership includes producers and processors of broilers, turkeys, ducks, eggs, and breeding stock, as well as allied companies.

Formed in 1947, the association has affiliations in 27 states and member companies worldwide. This non-profit organization represents its poultry and egg members through research, education, communications and technical services. For more information please visit their website at: [www.ipe13.org](http://www.ipe13.org)



## DO YOU KNOW?

### *AAFC's Science and Innovation Strategic Action Plan*

Agricultural science and innovation has a strong role to play in helping the agricultural sector achieve greater competitiveness, improve environmental performance, increase the security of the agricultural sector and contribute to the health and well-being of Canadians. Agriculture and Agri-Food Canada's Science and Innovation Strategy was developed in 2006 and it identifies a broad vision for the agricultural and agri-food sector which charts a course for the short, medium and long-term by providing direction for science. The Science and Innovation Strategic Action Plan provides an integrated results-based management of science and innovation activities across Research Branch for the next five years and will be updated on an annual basis.

#### The Plan:

- Ensures that AAFC's science activities continue to focus on the science needed by the agriculture and agri-food sectors;

- Focuses the science activities on government and departmental priorities;
- Creates opportunities for building strong collaborations with science partners outside the Department;
- Promotes the highest standard of scientific excellence; and
- Ensures that the Department uses its science resources - people, infrastructure and funds - effectively.

For more information please visit [www.agr.gc.ca](http://www.agr.gc.ca) under Science and Innovation section in the left side menu bar and click The Way Forward: Summary of AAFC's Science and Innovation Strategic Action Plan.

The screenshot shows the AAFC Science and Innovation website. On the left is a vertical navigation menu with categories: Producers, Agri-Industries, International Business, Science and Innovation (highlighted), Agri-Environment, and Science and Innovation. The main content area features a 'Science and Innovation' header, a search bar, and a video player titled 'Hairy Canola Meets the Cauter Flea Beetle'. Below the video are 'Quick Links' for 'Potato Research Centre: A Century of Science' and '125 years of Agricultural'.

## UPCOMING EVENTS

### *March*

Mar. 12	Pre-hearing conference Pullet Growers	Conf. Call
Mar. 15	Pre-hearing conference Raspberry Growers	Conf. Call
Mar. 18	National Association of Agricultural Supervisory Agencies	Ottawa
Mar. 19	Chicken Farmers of Canada - Annual Meeting	Ottawa
Mar. 20	Canadian Hatching Egg Producers - Annual Meeting	Ottawa
Mar. 20	Egg Farmers of Canada - Annual Meeting	Ottawa
Mar. 21	Turkey Farmers of Canada - Annual Meeting	Ottawa

### *May*

May 8	Chicken Farmers of Canada	Ottawa
May 9-10	Farm Products Council of Canada	Ottawa