



Farm Products Council  
of Canada

Conseil des produits agricoles  
du Canada

# FOCUS *Newsletter*

SEPTEMBER 2013



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## COUNCIL BUSINESS

### LEVY COMMITTEE MEETING OF MAY 24

#### ***Canadian Chicken Marketing Levies Order***

The Levy Committee approved two amendments to the *Canadian Chicken Marketing Levies Order* on May 24, 2013. The first amendment reflects a 0.04 cents per kilogram live weight decrease to Ontario's provincial levy rate and came into effect on June 16, 2013. This reduces the total levy for Ontario from 2.08 to 2.04 cents per kilogram live weight. The second amendment reflects an increase of 0.16 cents per kilogram live weight to Quebec's provincial levy and came into effect July 1, 2013. This amendment increases the total levy in Quebec to 1.97 cents per kilogram live weight. Both amendments expire on March 30, 2014.

#### ***Canadian Turkey Marketing Producers Levy Order***

The Levy Committee approved the proposed amendments to the *Canadian Turkey Marketing Producers Levy Order* on May 24, 2013. The amendment reflects an increase of 0.16 cents per kilogram of turkey live weight to the Quebec provincial levy rate. This will increase the total levy for Quebec from 4.40 to 4.56 cents per kilogram of turkey live weight. The levy increase is effective on June 4, 2013 and will expire on March 31, 2014.

### COUNCIL MEETING OF JUNE 17, 2013

#### **Chicken Farmers of Canada (CFC)**

Council members considered the proposed amendments to the *Canadian Chicken Marketing Quota Regulations* for the A-119 allocation period, which runs from August 11 to October 5, 2013.

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## COMMENTS OR QUESTIONS?

### **Farm Products Council of Canada**

Central Experimental Farm  
960 Carling Avenue, Building 59  
Ottawa, Ontario K1A 0C6

Phone: 613-759-1555

Fax: 613-759-1566

Teletypewriter/TDD: 613-759-1737

[fpcc-cpac.gc.ca](http://fpcc-cpac.gc.ca)



FARM PRODUCTS COUNCIL OF CANADA

Canada



In reviewing the proposed quota regulation amendments, Council found that the total allocation of 219,241,665 kg live weight for period A-119 satisfied the requirements of the *Farm Products Agencies Act* (FPAA), the Agency's *Federal-Provincial Agreement*, as well as the Agency's By-laws, and as such approved the amendment.

Members noted that storage stocks have increased slightly however stocks levels, less chicken quarters and miscellaneous chicken parts, are still within the Agency's established target ranges. Also, wholesale prices, except for the price for wings, have remained at levels above prices seen in previous years.

They appreciate the difficulties CFC has been encountering in developing an allocation methodology that incorporates comparative advantage of production. Both Council and CFC recognizes the need to put in place an allocation methodology that conforms to section 23(2) of the FPAA and can be used in setting future allocations.

## A-119

SCHEDULE (Sections 1, 5 and 7 to 10)			
LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON AUGUST 11, 2013 AND ENDING ON OCTOBER 5, 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.	69,159,430	1,600,000
2.	Que.	56,523,084	4,591,012
3.	N.S.	7,428,795	0
4.	N.B.	5,992,518	0
5.	Man.	8,896,678	457,500
6.	B.C.	30,541,612	2,200,000
7.	P.E.I.	781,174	0
8.	Sask.	7,476,543	1,046,716
9.	Alta.	19,274,878	325,000
10.	N.L.	2,946,725	0
Total		209,021,437	10,220,228

## COUNCIL MEETING OF AUGUST 27, 2013

### Chicken Farmers of Canada (CFC)

During that meeting, consideration was given to the proposed amendments to the *Canadian Chicken Marketing Quota Regulations* for the A-120 allocation period, which runs from October 6 to November 30, 2013.

In reviewing the proposed quota regulation amendments, the Council found that the total allocation of 215,148,755 kg live weight for allocation period A-120 satisfied the requirements of the FPAA, the Agency's *Federal-Provincial Agreement*, as well as the Agency's By-laws, and as such approved the amendment.

Council members noted that storage stocks, less chicken quarters and miscellaneous chicken parts as of August 1, 2013 declined by 6.1% versus July 1, 2013 and have fallen within the Agency's healthy ranges since October 2012. Also noted was that wholesale prices, except for the price for wings, have remained at levels above prices seen in the past four years.

## A-120

SCHEDULE (Sections 1, 5 and 7 to 10)			
LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON OCTOBER 6, 2013 AND ENDING ON NOVEMBER 30, 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.	68,129,691	1,250,000
2.	Que.	55,681,491	4,351,147
3.	N.S.	7,217,879	0
4.	N.B.	5,903,294	0
5.	Man.	8,718,061	457,500
6.	B.C.	30,086,693	2,070,000
7.	P.E.I.	787,362	0
8.	Sask.	7,362,493	1,030,749
9.	Alta.	18,904,945	325,000
10.	N.L.	2,872,450	0
Total		205,664,359	9,484,396



## COUNCIL ACTIVITIES

### *Ed De Jong departure*

This past June, Ed De Jong completed his six year term as member of the Farm Products Council of Canada. During his tenure, Mr. De Jong demonstrated a great understanding of the supply management industries. His perspective to the Council table greatly benefited the advancement of FPCC business objectives and his dedication contributed to the achievement of Council's mission and mandate. Along with his considerable agricultural experience and business expertise, Mr. De Jong's knowledge of the agri-food sector provided valuable insight to the FPCC. Council members and FPCC staff wish him well in his future endeavours.



### *Summer meetings*

FPCC's Chairman, Council members and staff took part in various national agencies summer meetings and met with industry stakeholders and provincial commodity and supervisory boards. Mr. Pellerin spoke at a few of the meetings and seized this opportunity to update stakeholders on FPCC's continued work on its 2012-2015 strategic objectives, stressing the importance of his mandate letter and the Minister of Agriculture's expectations. He also explained the benefits of the creation of Promotion and Research Agencies in the supply-managed sectors.

### *Beef levy import announcement*

On July 30, Agriculture Minister Gerry Ritz, Canada Beef Chair Chuck MacLean and FPCC Chairman Laurent Pellerin, announced the import levy which will provide new investments in research and market development for Canada's beef industry. An amendment to the *Beef Cattle Research, Market Development and Promotion Levies Order* will see the current levy of \$1 per head of cattle for beef marketed in Canada applied to importers. Canada Beef estimates that an additional \$800,000 will be collected through the import levy on an annual basis and these funds will help increase the profitability of Canada's beef sector.

This will also help beef producers expand their markets and increase sales and fund research projects, as well as provide increased access to information on beef products to Canadian consumers.

Canada Beef, formerly known as the Canadian Beef Cattle Research, Market Development and Promotion Agency, was established in 2002 under Part III of the *Farm Products Agencies Act*. The Agency was formed to fund promotion and research initiatives and was the first Promotion and Research Agency established under the FPAA.

Promotion and Research Agencies enable agricultural groups to conduct generic promotion and research to expand their markets and increase sales through advertising. The FPCC supervises agencies established under the FPAA to ensure that they fulfill their objectives. By doing so, it promotes a stronger and more efficient Canadian agriculture industry.

## REGULATORY NEWS

### *Agricultural Products Marketing Act (APMA) update*

The FPCC continues to actively work with provincial commodity boards which hold APMA delegation orders and with provincial supervisory board counterparts, as part of the APMA Administrative Review efforts. To this day, six new APMA delegation orders have been published in Part I of the Canada Gazette. These proposed Delegation Orders are now back with Treasury Board Secretariat for review and final approval by the Governor in Council once Parliament resumes.





## GOVERNMENT NEWS

### *FPT Agriculture Ministers Annual Meeting*

On July 19, 2013, Federal, Provincial and Territorial (FPT) Agriculture Ministers wrapped up their annual meeting which focused on the potential of *Growing Forward 2* to spur innovation and market growth in Canada's agriculture, agri-food and agri-products sector.

*Growing Forward 2* is an exciting step forward for Canada's innovative sector, providing the strategic investments necessary to advance innovation and broaden markets. The federal government is proud of its on-going collaboration and dedication to ensuring that farmers, processors and exporters are on strong footing to take full advantage of the trade and market opportunities emerging around the world.

Both levels of government recognize the importance of a strong agricultural and food industry as a catalyst for new jobs and new growth across the country. *Growing Forward 2* is complemented by Canada's ambitious trade agenda, aimed at maintaining and expanding export opportunities in traditional and emerging markets. In this context, Ministers also reaffirmed their support for supply management.

Ministers also expressed their extreme disappointment regarding the U.S. Country of Origin Labelling (COOL) that continues to be harmful to the Canadian livestock industry. They stressed their continued commitment to stand up for Canadian cattle and hog producers against these unfair measures.

Ministers were given an overview of food safety modernization activities under the federal government's Safe Food for Canadians Action Plan, which will further strengthen Canada's world-class system and better protect Canadian families. As part of the plan, the CFIA is moving forward on new, stronger and more streamlined food regulations to bring the *Safe Food for Canadians Act* into force. The Canadian Food Inspection Agency (CFIA) is also in the midst of a consultation on food labelling modernization.

Ministers discussed the strategy for a Food Safety Integrated Surveillance Network to link federal, provincial and private food laboratories. They endorsed the development of a business case

to improve detection and response to food-borne threats. They agreed that the implementation of traceability for cattle, hogs, poultry and sheep remains a high priority and encouraged the implementation of a cost-effective and sustainable system in collaboration with industry.

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



### *Strong Track Record Supporting Canada's World-Class Cattle and Beef Industry*

Agriculture Minister Gerry Ritz and International Trade Minister Ed Fast met with cattle and beef industry members on September 19, 2013 during Canada Beef Inc.'s 2nd Annual Forum. They were joined by key stakeholders from the beef and cattle industry to discuss the various ways industry and government are working together to expand market access and increase exports and to discuss next steps to ensure Canadian interests in the sector are vigorously defended.

The Government of Canada (GoC) is standing shoulder-to-shoulder with the beef and cattle industry to restore past markets and to open new ones that will create new opportunities for our producers and exporters. More exports mean more jobs for Canadians, more money for farmers, and long-term growth for the Canadian economy.

Since 2006, the GoC has been working hard to open, restore or expand market access for high-quality cattle and beef products using a science-based approach to trade. The Government and industry continue to work closely to expand market access for

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Canadian beef and cattle producers. Ongoing efforts have yielded many significant accomplishments in recent years. Recognizing that science and innovation are essential in helping enhance the sector's competitiveness, in August the Government announced a \$14 million investment for an industry-lead research beef cluster that will enhance the competitiveness of Canada's beef sector.

This year, Canada Beef Inc.'s Annual Forum is focused on branding. Promoting Canada's food products to markets worldwide is an important part of *Growing Forward 2 (GF 2)*, with governments agreeing to invest more than \$3 billion over five years in innovation, competitiveness, and market development. Under *GF 2*, governments are continuing to strengthen market access activities with our Trade Commissioner Service, trade shows, branding and market reports.

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

## INDUSTRY NEWS

### *CFC 2013 Farmer Survey*

Chicken Farmers of Canada have been conducting roughly every six years a farmer survey that is used to effectively plan activities and communications and, most importantly, determine what farmers need from CFC in a wide array of areas. It covers topics such as farm size, farm diversity, employment, food safety, animal care and knowledge or interest in international trade.

The survey will be conducted online with a minimum of 1,100 participants, so that they can have a strong, legitimate, representative sample. The survey was launched online at the end of August and farmers have about eight weeks to complete it. There will also be a phone-only component of the survey, which will be conducted with farmers that the provincial boards have identified as interested parties, but ones which may not be as connected. For more information please contact Chicken Farmers of Canada.



### *CPEPC new executive*

At the CPEPC annual general meeting held in Banff, Alberta on June 16, 2013, the executive was elected from the sector directors elected in February and the 2013-2014 Board is as follows:

Sector	Directors	Executive
Canadian Hatchery Federation	Rick Weiss Gerry Kennie	Vice Chair
Egg Grading	Hank Lammers Bert Harman	
Egg Further Processing Sector	Aaron Kwinter Ian McFall	
Primary Chicken	Rene Proulx Jeff McDowell	Secretary
Primary Turkey	Craig Evans Reg Cliche	Chair
Poultry Further Processing	Lucy McKee Scott Cummings Mike Vanderpol	Treasurer Past Chair

Canadian  
Hatching Egg  
Producers



Les Producteurs  
d'oeufs d'incubation  
du Canada

### *Alberta and Saskatchewan join CHEP*

On July 18, 2013, the Canadian Hatching Egg Producers (CHEP) announced that Alberta Hatching Egg Producers and Saskatchewan Broiler Hatching Egg Producers' Marketing Board officially joined the national organization. The completion of the *Federal-Provincial Agreement* was celebrated on July 16, 2013, at the CHEP summer meeting held in Waskesiu, Saskatchewan. The FPCC congratulates CHEP on this momentous occasion and is proud of their efforts and dedication to this sector.

CHEP always worked closely with the Alberta and Saskatchewan boards, to help create a more streamlined and responsive organization. Looking ahead, talks are already underway with the remaining two provinces that produce broiler hatching eggs, Nova Scotia and New Brunswick.

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Under the system of supply management, CHEP works closely with 245 broiler hatching egg farmers across Canada to manage the production of more than 665 million broiler hatching eggs. CHEP also ensures all farmers meet stringent food safety requirements, part of the Canadian poultry industry's comprehensive "gate to plate" standards.

Also during the meeting, CHEP announced that the Canadian Hatchery Federation (CHF) will have a second director on the board. The CHEP Board of Directors now includes nine members: a Chair, a director from each of the six provincial boards and two directors appointed by CHF.

## UPCOMING EVENTS

### *September*

Sept. 18-19	Turkey Farmers of Canada	Toronto, ON
Sept. 18-20	Canada Beef Annual Forum	Calgary, AB
Sept. 24	Farm Products Council of Canada	Ottawa, ON
Sept. 25-26	Council Members Retreat	Hull, QC

### *October*

Oct. 16	Chicken Farmers of Canada	Ottawa, ON
Oct. 22-25	Canadian Poultry and Egg Processors Council	Ottawa, ON
Oct. 29-30	Farm Products Council of Canada	Ottawa, ON

### *November*

Nov. 6-7	Egg Farmers of Canada	Ottawa, ON
Nov. 20-21	Canadian Hatching Egg Producers	Ottawa, ON
Nov. 27-28	Chicken Farmers of Canada	Ottawa, ON
Nov. 27-28	Turkey Farmers of Canada	Toronto, ON

### *December*

Dec. 10-13	Farm Products Council of Canada	Ottawa, ON
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