

THE CHICKEN FARMER

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THE CHICKEN FARMER

Record Breaking Times for Chicken Industry!

The Canadian chicken industry is celebrating two big milestones: 2007 marked the year that the industry achieved 1 billion kilograms in production and 2008 is the 30th Anniversary year of CFC!

In 1978, when Chicken Farmers of Canada (CFC) was created, chicken production was three times less than it is now, scarcely making a dent in meat consumption at 355 million kilograms. Now, chicken is Canada's number one meat, with per capita consumption at 31.9 kilograms and an over 30% share of all meats on the market today. Production has increased in response, with farmers now producing over 175% more chicken now than they did in 1978.

"We take pride in celebrating the fact that 30 years on, Canada's 2,800 chicken farms are still raising quality chicken that Canadians can trust," says David Fuller, Chairman of CFC and a chicken farmer himself, "One of our biggest strengths lies in the partnerships we have with each of our partners in the value chain. From gate to plate, the Canadian chicken industry is always growing, always evolving."

Support for our industry is high and continues to grow. 86% of Canadians feel that it is important that the chicken they buy is from Canada. 92% agree that it is important that the Canadian Government actively defend the interests of Canadian chicken farmers.

That support is justified: the chicken industry is a major force within the Canadian economy, with a farm gate value of \$1.5 billion and overall economic activity of \$9.5 billion. There are roughly 19,000 jobs directly related to the Canadian chicken industry, on chicken farms and in processing plants across the country. There are also thousands of other spin-off jobs that depend on our industry – employees in hatcheries and feed mills, transportation, equipment manufacturers, jobs in the foodservice and retail sectors.

Those numbers keep growing because the entire industry, from gate to plate, is known for its responsiveness and leadership. Our growth and success have been especially significant because of our commitment to a stable supply allocation system, a strong



presence on the international trade front and an unflinching resolve to uphold the highest standards in food safety and animal care.

"As we look forward to another 30 years, it's good to know that our fellow Canadians support us," says Fuller, "By supplying consumers with what they want, and by remaining strong, competitive and forward-looking, Canadian farmers can look to the future with confidence."

What's New from CFC?

Chicken Farmers of Canada provides great leadership in the provision of information to farmers, industry partners and consumers. While technology constantly evolves, one constant is the need to build a culture of fact-based information that keeps pace with the needs of industry stakeholders, as well as the growing demands from consumers.

CFC continues to monitor consumer attitudes toward chicken and the chicken industry through its Usage & Attitude Survey and is pleased with the key findings that stem from this latest survey, particularly the fact that chicken is the most popular menu inclusion and it is given top honours for its taste and popularity. Per capita consumption of chicken mirrors the results of the survey as consumers ate nearly 32 kg per person in 2007.

Unfortunately, there remain some preconceived notions about our country's chicken industry that need to be addressed by informing Canadians about the demanding guidelines farmers obey to ensure their product meets or exceeds industry standards.

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For a weekly update on the WTO trade negotiations, visit the CFC website @ www.chicken.ca and click on the Geneva Watch button

Visit www.farmsandfood.ca

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For example, only 52% of Canadians feel that they know enough about how chickens are raised.

As much as Canadians love chicken, 71% wrongly believe that hormone supplements are fed to chickens, an increase since 2004 when that number was 65%. But, in fact, this assumption is false as the use of hormones in chicken feed has been banned since the 1960s.

One of our main target audiences for promotion and education related activities are children, who represent our next generation of consumers. With so many circulating myths and urban legends regarding our industry, students are susceptible to believing what they may hear. CFC is tackling the issue of educating consumers in several different ways. These include a new kids' website geared towards 9-13 year-olds which complements the existing kids' website that was created for 5-9 year-olds.

In response, CFC has furthered the growth of the student online component of the **www.chicken.ca** website to include older children.

New Look for the CFC Website

At the same time, CFC has launched a new look and feel for the public website that makes information easier to find and more accessible. It also provides an opportunity for visitors to send a question to CFC (Dear Chicken Farmer) and provides a search function to navigate the entire site.

The technology behind the new website makes it easier for staff to manage and make instant changes to content, which results in a dynamic web presence that changes frequently and encourages repeat visitors. It also enables staff to adjust the site content when

there is an immediate need to provide relevant information to the public on such key issues as avian influenza or health and nutritional statistics.

Some of the new (or ongoing) features of the redesigned site include:

- Farmer profiles
- Recipe of the Week
- Cooking/Nutrition Tip of the Week
- A Search function
- Evolving CFC logo on splash page
- Chicken Greetings (e-cards)
- Dear Chicken Farmer (ask a question)

New Publishing Schedule for *Chicken Farmer* Newsletter

The *Chicken Farmer*, the monthly (10 issues) newsletter published by CFC will be distributed bi-monthly in 2008. The new publishing schedule is designed to take advantage of a streamlined process while enabling contributors to provide more in-depth coverage or analysis of issues.

By changing the frequency of the newsletter from 10 times to six times per year, the page count can be increased from four to six or even eight pages per language.

The newsletter is currently distributed to an audience of roughly 4,000, including chicken quota holders, government representatives and others. It is simultaneously published on the CFC website so that a wider audience has access to the articles and features at no extra cost.

Feedback is always welcome, as are article requests/suggestions. Please contact the editor at **mbrett@chicken.ca** to have your say. 🐔



2008 London Poultry Show

The Western Fairgrounds in London, Ontario are home to Canada's largest poultry conference and exhibition. Held on April 9th and 10th in the Progress and Annex buildings, the 60,000 square foot venue attracts over 5,000 visitors to explore more than 160 exhibits showcasing thousands of products and services.

Now in its 51st year, the 2008 Poultry Industry Conference and Exhibition (also known as the London Poultry Show) brings together the best in the poultry industry. Sponsored by the Poultry Industry Council, the show is one of the places to go to learn about new technology, industry trends, to make new contacts, get ideas and obtain important information about the ever-expanding chicken industry.

At lunchtime on both days, a feature lunch is served in the adjacent Canada Building. The Ontario Turkey Producers Marketing Board is the lunch sponsor on Wednesday while the chicken and egg boards jointly sponsor Thursday's feast.



Parking at the grounds is free and the \$12 admission grants access to both days of the show.

For more information on the show and for maps, the Western Fairgrounds' website is at:

www.westernfair.com/shows/poultry.html. 🐔

The New Modalities Deadline: the Easter Holidays

Davos Ministerial

As has been the case for the past several years, Switzerland invited WTO trade ministers to attend an informal working lunch to discuss the state of the seven-year-old Doha Round of trade negotiations on January 26, 2008 on the sidelines of the World Economic Forum Annual Meeting in Davos.

Sixteen WTO Members showed up to listen to Director General Pascal Lamy's assessment of what should be the next steps for the Doha Round. As expected, the gathering, which was very low profile, did little to provide fresh impetus to the current talks. However, it was with an unusual seriousness that key ministers from the U.S., EU, Brazil, India as well as Lamy himself, stressed the need for more progress in the talks in order to have the round concluded by the end of this year.

All participants in Davos seemed to agree on the urgency to conclude the round by 2008. They claim that with the current high food prices and a looming economic crisis, concluding the round this year will help stabilize the global economy.

The timetable as outlined by Lamy drew consensus: additional technical work to be undertaken once both agriculture and NAMA (industrial goods) chairs have tabled their respective revised modalities (issued Feb. 8th); then, a Ministerial meeting. The Ministerial would occur only after significant progress on not only agriculture and NAMA but also in some other negotiating areas (rules, services and geographical indications, etc).

Agriculture still contains a number of square brackets (areas where there is no consensus) particularly in the market access area for both developed (sensitive products) and developing countries (special products, special safeguards). In NAMA, though, things are closer to resolution with numbers being very precise and pending only the final political decisions.

Most Members think it is doable but recognized that it has to be done before the summer otherwise the process could be further delayed.

Momentum, momentum...

The large majority of WTO Members, especially developing countries, have insisted on a slow start and returning to the Room E (invitation-only negotiating sessions held with 35+ key countries) after the revised draft modalities texts were released on February 8th. However, the EU Trade Commissioner sees things differently. He claimed that because of the upcoming U.S. presidential election, the negotiations could be delayed for another 2-3 years and urged negotiators to adopt a sense of urgency.

And Election 2008 is not just about a new U.S. President either. All 435 seats in the House of Representatives are being contested as well as 35 of 100 Senate seats. This is on top of the 11 state governors and countless local, state and ballot propositions that will be put before the American public in November.

Once the new president is elected, it will take about 6 months to appoint the new U.S. Trade Representative, who in turn would likely need several months to review what has already been put on the table. In the end, the negotiations could be pushed into 2010 to achieve a deal, therefore a quick start in the negotiating process involving ministers around Easter 2008 was the best way to go.

The point is that negotiators have latched onto these "artificial" timelines, irrespective of how ready they are or not to reach an overall agreement and are far too willing to follow a schedule imposed by outside influences, such as the U.S. election.

The Coming Months

Members have expressed concerns about involving ministers too early as it could jeopardize the current momentum and create new frustrations. Many countries demanded that a discussion period of a few weeks should occur immediately following the release of the draft modalities text by Crawford Falconer (chair of agriculture negotiations). They do not want or need to be rushed into the political game just yet.

As one participant in Davos summarized the coming year "if last year was the window of opportunity, this year is the window of necessity". We will see if that's really the case. 🐔

Someone in Geneva is not Listening

The Canadian government has been steadfast in its commitment to support only a WTO agreement in agriculture that would maintain a healthy and viable supply management system in the dairy, egg and poultry sectors. Minister Ritz wrote to the Chair of the agriculture negotiations in August 2007 and in February 2008. He also issued a press release at the beginning of January 2008. The message has been clear – Canada firmly opposes any tariff cuts or market access for sensitive products.


Crawford Falconer, Agriculture Trade Negotiations Chair for the World Trade Organization (WTO) is clearly not listening.

On February 8, 2008, Falconer released his revised modalities paper. It represents an agreement that would devastate supply management and bring significant economic turmoil to Canada's dairy, egg and poultry sectors.

The Minister of Agriculture and Agri-Food, Gerry Ritz, once again, advised WTO members that Canada could not support this text, which did not recognize Canada's commitment to maintain supply management programs in the dairy, egg and poultry sectors. He issued the following statement in response to Falconer's paper:

"Canada continues to have very significant concerns with the ideas in the text on sensitive products. The ideas outlined in this paper are not consistent with Canada's firm position on this issue.

"I have written to Mr. Falconer in support of his latest efforts to advance the negotiations. At the same time, I have strongly re-stated this Government's unwavering support for supply management. Canada maintains its firm opposition to any tariff cuts or tariff quota expansion for sensitive products. This represents a fundamental element of Canada's negotiating

 Please see WTO p.4


Chicken feed is hormone-free!

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position.

"The Government of Canada continues to seek an ambitious outcome to the WTO negotiations that benefits Canada's entire agriculture sector, including both supply-managed and export-oriented industries. We will continue to forcefully advance all of Canada's objectives in Geneva, as the negotiations move forward."

The Canadian government and its negotiators need to keep aggressively pursuing a WTO deal that works for all Canadian farmers and not stop until they do so. In this regard, the industry is pleased with the view expressed by Minister Ritz that Canada is not at the negotiating table to win a popularity contest, but to defend Canada's best interests.

For those of you following the negotiations at home, the WTO has published a new "unofficial guide" to Falconer's February 8th modalities paper. It is available on the WTO site at: www.wto.org/english/tratop_e/agric_e/ag_modals_feb08_e.htm. The original February 8th modalities paper can be found at: www.wto.org/english/tratop_e/agric_e/chair_texts08_e.htm. 

The Revised Draft Modalities – Inside the Numbers

1. The text calls for minimum tariff reductions for sensitive products of 22% to 24%
— *Supply management cannot take any cut in over-quota tariffs.*
2. The text only allows countries to select 4% or 6% of their agricultural tariffs as sensitive
— *Supply management needs 8%.*
3. The text requires a minimum additional market access of 4% to 6% of domestic consumption
— *Canada already provides more market access for dairy, poultry and eggs than the EU or U.S. do for their sensitive products; the current text will just perpetuate the inequities of the Uruguay Round.*
4. The text penalizes countries that have tariffs above the 100% level
— *Supply management needs to maintain its existing levels of over-quota tariffs ranging from 154% to 298%.*

The *Chicken Farmer* is a bi-monthly publication. With the rapid developments in WTO negotiations, we encourage our readers to keep up to date by visiting the www.farmsandfood.ca website

Farmer Recipe Contest
c/o Johanne Neeteson
(613) 241-5999 (Fax)
jneeteson@chicken.ca
See enclosed flyer for details

The following is the media release issued by Canada's dairy, poultry and egg farmers on Friday February 8, 2008 in response to the modalities document that was released by Crawford Falconer:

One Size Does Not Fit All – Dairy, Poultry and Egg Farmers Deeply Dissatisfied over WTO Text

Canadian dairy, poultry and egg farmers are deeply dissatisfied with the revised modalities paper on agriculture, issued today by Crawford Falconer, Agriculture Trade Negotiations Chair for the World Trade Organization (WTO).

Mr. Falconer continues to ignore the explicitly stated position of the Government of Canada, which is defending Canadian farmers, including those with supply-managed products.

Certain proposals within Mr. Falconer's text are still entirely unacceptable for Canada, as they would devastate the livelihoods of Canada's dairy, poultry and egg farmers. The text on sensitive products, for instance, does not reflect the concerns that Agriculture and Agri-Food Minister Gerry Ritz brought to Ambassador Falconer's attention in a letter on August 31, 2007 and reiterated publicly in early January 2008.

The bulk of revenue from Canada's total agriculture and agri-food production – about 71% – comes from the domestic market. It is unconscionable to gamble on a text that would have measurable negative economic impacts on Canadian agriculture.

"A 'one-size-fits-all' approach to these negotiations will not allow the WTO to reach an agreement," says David Fuller, Chair of Chicken Farmers of Canada. "We'd hoped that countries' special needs would be addressed in a thoughtful way. We are concerned that Chairman Falconer has done this for some countries, but not for Canada. The new text includes no improvements for Canadian dairy, poultry and egg farmers. There has been no progress in this regard since the first paper was presented."

In fact, the situation could be worse than it was in the first draft. The text on sensitive products, for example, treats such products more harshly than ever. The selection and treatment of sensitive products outlined in the revised draft modalities still does not provide enough coverage for dairy, poultry and egg products. The government must work to ensure that all supply-managed products are included in the sensitive products category, without having to pay an additional cost.

The government must also negotiate to make certain there are no reductions to over-quota tariffs for sensitive products and no increases in market access, as was outlined in Minister Ritz's letter to Mr. Falconer. We have already provided significant access to our markets. With the stronger Canadian dollar, the effectiveness of the current over-quota tariffs is already diminished.

"The Government of Canada's trade position recognizes that it cannot accept uncertain gains for guaranteed losses," says Jacques Laforge, President of Dairy Farmers of Canada. "Canadian dairy, poultry and egg farmers call upon the Canadian government to maintain its firm stand and reject any WTO text that does not benefit all Canadian farmers."

Novelty, Convenience Continue to Drive Eating Patterns

The forces that drive what Americans really eat — rather than what they say they eat — have remained the same more than they have changed, according to NPD Group Vice President Harry Balzer. NPD, a provider of consumer and retail market research information for a wide range of industries, regularly provides updates on consumer behaviour and point-of-sale (POS) information.

Balzer identified four main forces driving U.S. eating patterns:

1. Novelty: "We like to try new things, but don't mistake this for a trend. That's just us being us."
2. Taste: "We're taught to like the taste of certain foods at an early age," and those preferences take generations to change.
3. Convenience: "We have always moved toward making our lives easier."
4. Cost: "We've never let food costs rise faster than our incomes."

Health vs. Convenience

Balzer also discussed changing concerns about health among American consumers. "Are we more concerned about health issues today? I don't think so. What we're talking about is just different." Today Americans' perception of healthfulness is not so much about avoiding certain foods, but adding foods with benefits such as antioxidants, omega-3 fatty acids, whole grains or organic certification.

Because of the way specific health concerns tend to shift, Balzer said, processors should avoid building an infrastructure around a particular health attribute. "By the time you do," he predicted, "we'll have moved on to the next thing."

Changing Roles of Men and Women

The percentage of American women in the workforce, Balzer said, has been the most important variable determining U.S.



eating patterns in the past 50 years. However, NPD research indicates although the number of women working had been on the rise for decades, since 2000, that number has actually declined slightly.

Balzer also noted that today, more men — especially younger men — are cooking at home, something that used to be almost exclusively the purview of women.

Comparing U.S. to Canada

There exists the strong possibility that some of the same logic driving U.S. consumption will be applicable here in Canada. Convenience and novelty have been significant factors in the creation of food products at the retail level as well as in restaurants. For example, here in Canada, the industry has seen a shift from whole-bird sales to cut-up parts and specialty items in response to consumer demand. Changes such as these will continue to influence the evolution of Canada's chicken industry. 🐔

Provincial Chicken Board Annual Meetings in 2008

February 26	Alberta Chicken Producers Annual Meeting (Capri Hotel, Trade and Convention Centre, Red Deer, AB)	April 17	Manitoba Chicken Producers Annual Meeting (The Gates Conference Centre, Winnipeg, MB)
March 6	Chicken Farmers of Saskatchewan Annual Meeting (Saskatoon Inn, Saskatoon, SK)	April 25	New Brunswick Chicken Marketing Board Annual Meeting (Holiday Inn Mactaquac, Fredericton, NB)
March 7	British Columbia Chicken Marketing Board Annual Meeting (The Coast Hotel and Convention Centre, Langley, BC)	May 1	Chicken Farmers of Newfoundland and Labrador Annual Meeting (Fairmont Hotel, St. John's, NL)
March 12	Chicken Farmers of Nova Scotia Annual Meeting (Old Orchard Inn, Wolfville, NS)		
March 17	Chicken Farmers of Ontario Annual Meeting (Doubletree International Plaza Hotel Toronto Airport, Toronto, ON)		
April 16	Éleveurs de volailles du Québec Annual Meeting (Delta Hotel, Sherbrooke, QC)		

**CFC's Annual Meeting will be held on March 26, 2008
(Delta Hotel, Ottawa, ON)
10:15 a.m. - 12:15 p.m.**

Minister Ritz Makes Appointments to National Farm Products Council

The Honourable Gerry Ritz, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, has announced the appointment of William Smirle as the new Chairperson of the National Farm Products Council (NFPC). Ritz also designated Brent Montgomery as Vice-Chairperson.

In addition, Minister Ritz announced the appointments of Marjorie Donnan and Lise Bergeron and the re-appointment of Juliann Blaser Lindenbach as members of the Council.

"I am pleased to announce these appointments to the NFPC," said Minister Ritz, "Mr. Smirle's leadership skills and agricultural experience will serve him well as Chairperson of the NFPC. Mr. Montgomery has been an important contributor to the work of the Council since his appointment as a member last April, and Ms. Bergeron has substantial experience in farm marketing systems. I am counting on both to build on their experiences as they take on their new roles. Ms. Donnan will bring to her position a valuable understanding of farm marketing systems, and I look forward to Ms. Lindenbach continuing her important contributions to the work of the Council."

The NFPC plays a key role in the supply management system for poultry and eggs. The Council supervises the operations of the four national marketing agencies that manage the supply of Canadian chicken, turkey, eggs and broiler hatching eggs, ensuring they work best for both producers and consumers. These agencies implement and administer marketing plans, allocate production quotas and generate their revenues through levies.

In addition, the Council supervises the operation of the Canadian Beef Cattle Research, Market Development and Promotion Agency.

Mr. Smirle is appointed for a term ending February 14, 2010. Mr. Montgomery's term runs until April 29, 2011, and Ms. Bergeron is being appointed for a period of three years. Ms. Donnan's term ends on August 23, 2010. Ms. Lindenbach's reappointment is for one year. All the appointments are effective immediately.

To learn more about the NFPC, please visit www.nfpc-cnpa.gc.ca.

Biographical Notes

William Smirle resides in Morewood, Ontario, where he is a partner in the family dairy farm.


Mr. Smirle worked for 37 years in the education system, 21 of which were spent as a principal with the Ottawa Board of Education. Mr. Smirle served as a Board Member of the Chesterville & District Agricultural Society in 2007. In addition, he was active in municipal politics, with terms as Deputy Mayor of North Dundas (2003-2006) and Stormont, Dundas and Glengarry United Counties' Councillor (2003-2006). Mr. Smirle's history of community involvement includes serving as an Executive Member of the North Dundas Chamber of Commerce in 2007 and Chair of the Board of the Winchester District Memorial Hospital from 2003 to 2006.

First appointed as a member of the NFPC on April 30, 2007, **Brent Montgomery** owns a turkey farm in Valcartier, Québec, in partnership with his brother. A graduate of Bishop's University, he has occupied high-level positions in the agricultural field including Chairman of the Canadian Turkey Marketing Agency and Administrator of the *Fédération des producteurs de volailles du Québec*. Mr. Montgomery is also the Mayor of the Municipality of Saint-Gabriel-de-Valcartier.

Marjorie Donnan is a shareholder and treasurer of the family dairy farm in Stirling, Ontario. The farm, which has been in the family since 1967, comprises a milking herd of 270 registered purebred Holsteins and

has been active in exporting many head of cattle to over 10 countries through the years. She worked for several years in the Ontario Ministry of Agriculture and Food keeping the accounting records for area farmers. In addition, Ms. Donnan served two three-year terms on the Ontario Farm Products Marketing Commission, which is the NFPC's counterpart in Ontario, from 1996 to 2002.

Lise Bergeron lives in Montréal, Québec. She has substantial experience in governing the marketing of agricultural products in Québec and across Canada. Ms. Bergeron was a Member of *La Régie des marchés agricoles et alimentaires du Québec* from 1996 to 1999, and served as the organization's Vice-Chairperson from 1999 to 2007. From 1986 to 1991, she held the position of Vice-Chairperson of the National Farm Products Marketing Council, which was the previous name of the NFPC. In addition, Ms. Bergeron was a Member of the Canadian International Trade Tribunal from 1991 to 1995. Earlier, she served as Secretary General of the *Fédération des producteurs de porcs du Québec* from 1983 to 1986, and as coordinator for research and institutional communications with the dairy industry division of the *Coopérative fédérée de Québec* from 1981 to 1983.

Juliann Blaser Lindenbach has served on the NFPC since 2004. She is an active partner with her husband in a Holstein pure breed dairy operation at Balgonie, Saskatchewan. Ms. Lindenbach has served as the National Promotions Representative of the Dairy Farmers of Canada since 2002 and as the Chairperson of the Governance Committee of the Dairy Farmers of Saskatchewan since 2003. Ms. Lindenbach's professional background is as a registered nurse and she continues to work on a part-time basis in ambulatory care. 



Making your own chicken stock is so simple! Just save your leftover chicken bones and skin in the freezer until you have enough. They don't take much room and homemade chicken stock is delicious.

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