

## A "Convention"-al Approach

### Liberal Policy Convention

**T**he Liberal Party holds a policy convention every second year and recently met from March 3-6, 2005 at the Congress Centre in Ottawa.

A resolution in support of supply management, sponsored by the Northumberland—Quinte West Riding Association and endorsed by the Ontario wing of the federal Liberal Party, was blended with a resolution from Manitoba in support of the Canadian Wheat Board. It appeared on the convention agenda on Friday, March 4<sup>th</sup> in the "Defence/International" group of policy session workshops.

The resolution calls for the defence of orderly marketing systems, including supply management systems for dairy, poultry and egg products. It also states that the three pillars of supply management (import controls, producer pricing and production planning) be recognized and reflected in agriculture and trade initiatives. The resolution also calls for the realization of new tariff rate quotas (TRQs) for dairy, poultry and egg products and other commodities under Canada's WTO commitments.

As the convention closed, the resolution on supply management was accepted as a priority for the Liberal Party.

The Party also confirmed its support for Prime Minister Paul Martin, as 88 per cent of the party members continue to endorse his leadership.

### Conservative Policy Convention

The Conservative Party of Canada held its own policy convention at the Palais des Congrès in Montreal on March 17-19, 2005. This was the first full party convention since the merging of the Reform and Progressive Conservative parties and prepared the Conservatives, policy-wise, for the next election.



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Of particular interest to CFC was the Conservatives' policy regarding supply management. In their 2004 party platform on agriculture and supply management, the Conservatives state that: "A Conservative government will stand up for our farmers [...] in the international trade arena, and will move quickly to ensure adequate support and compensation when industries face circumstances beyond their control."

The platform also states that: "A Conservative government led by Stephen Harper will: [...] Support the goal of supply management to deliver a high-quality product to consumers for a fair price with a reasonable return to the producer."

Mr. Harper also signed the Declaration in support of supply management during the last election. This convention was a good opportunity for the party to illustrate its commitment more concretely.

Policy recommendations were debated in breakout sessions at the convention. Observers were not able to participate directly in these sessions but supply management sectors had representatives at the convention to ensure that producers' interests were upheld.

### Bill C-264

Bill C-264, a private members' bill in support of supply management tabled by MP Lynn Myers, received first reading in the House of Commons on November 4, 2004 during the first session of the 38<sup>th</sup> Parliament.

This bill is designed to support supply management on various levels. At a national level, it recognizes supply management as a solid agricultural model and a fundamental characteristic of Canadian agriculture to be actively preserved and promoted. At an international level, the bill encourages the recognition of supply management as an effective tool for individual and rural economic development.

The next step in the legislative procedure for Bill C-264 will be to reach a second reading in the House of Commons. As this is a long-term process, it could be a matter of months before the bill moves ahead. 🐔





## Two Models worth Duplicating Across Canada: GO<sup>5</sup> in Quebec and Ontario's FarmGate5

2005 is a crucial year for the Doha Round of trade negotiations, making time a very critical commodity for supply management.

Canada's national dairy, poultry and egg producer groups (SM-5) are prepared to ensure that producers' concerns are seriously considered when modalities are negotiated during the Hong Kong Ministerial meetings in December 2005.

**The reality is that several proposals currently being discussed at the WTO pose a significant risk to the survival of supply management as a marketing tool within the WTO rules.**

Government officials must learn about the importance of the maintenance of the three essential pillars of supply management: production discipline, producer pricing and import controls.

### Create a coalition to better spread the message:

In Quebec and Ontario, supply management producers have created the GO<sup>5</sup> and the FarmGate5, to bring together organizations and people who believe in a strong agricultural sector and a prosperous food industry in their respective provinces.

These two vast coalitions have been organized to support and promote the value of supply management. They consist of mostly agri-food partners, but also include companies, financial institutions, consumer groups, unions, municipal representatives, members of the provincial legislatures, Member of Parliament and individuals.

Websites ([www.go5quebec.ca](http://www.go5quebec.ca) and [www.FarmGate5.org](http://www.FarmGate5.org)) have been created in support of these initiatives, designed to inform and recruit individuals to join these coalitions.

### Their message is clear:

"Without a supply management system, the viability of farms producing milk, chicken, turkey, table eggs and hatching eggs would be seriously threatened. Both upstream and



downstream companies would be seriously affected. Thousands of jobs in all regions of the province would be lost not to mention that a good part of our national production would be replaced by imported products that are not bound by the same quality standards as our products." - GO<sup>5</sup> Website

These initiatives encourage better dialogue among supply management stakeholders and facilitate the exchange of information. Since trade issues are very similar for supply management commodities, these groups feel that they must share efforts to ensure everyone understands the challenges we face in the upcoming WTO negotiations.

The need to get supply management representatives in all provinces involved is crucial. Quebec's GO<sup>5</sup> and Ontario's FarmGate5 were created by producers who recognized the importance of coordination and collaboration in achieving favourable results for producers during the current trade negotiations.

As the trade negotiations move closer to resolution, it becomes more important for producers with similar interests to speak up and ensure that the Canadian WTO representatives hear our message. Each level of government needs to hear the same message — that Canadian dairy, poultry and egg producers need the three essential pillars of supply management — the costs of being ignored could be catastrophic. 🐔

## 🐔Tribute🐔

CFC is saddened to report that Phil Kudelka, a former Board member of CFC, passed away on the weekend of March 5<sup>th</sup>.

Phil was a strong contributor to Canada's chicken industry. He served four years as the Canadian Poultry and Egg Processors Council representative on the CFC Board from 1998-2002.

For over 30 years, he was involved in both the processing and further processing sectors in Ontario and Nova Scotia. He was the first chairman of

Further Poultry Processors Association of Canada in 1986 and worked closely with the chicken industry on issues including strategic planning, market development and the TRQ.

Phil had a strong presence. His attention to detail and willingness to share his wisdom and guidance with both the CFC Board and its Finance Committee was inspired.

The funeral and visitation were held in Fonthill, Ontario on March 9<sup>th</sup> and 10<sup>th</sup>. He will be greatly missed. CFC sends its deepest condolences to Phil's loving family.





# Canada's Food Supply is Safe and Reliable

Ipsos-Reid has found that most Canadians believe that:

- The food supply is safe (90%);
- Government is the most reliable at monitoring the food supply (67%), and;
- Food safety is the 3rd most important attribute of a food's quality (12%) — freshness (29%) and nutrition (17%) rank higher.

In a 2004 study commissioned by Agriculture and Agri-Food Canada, Ipsos-Reid conducted sixteen hundred phone interviews with primary grocery shoppers, addressing:

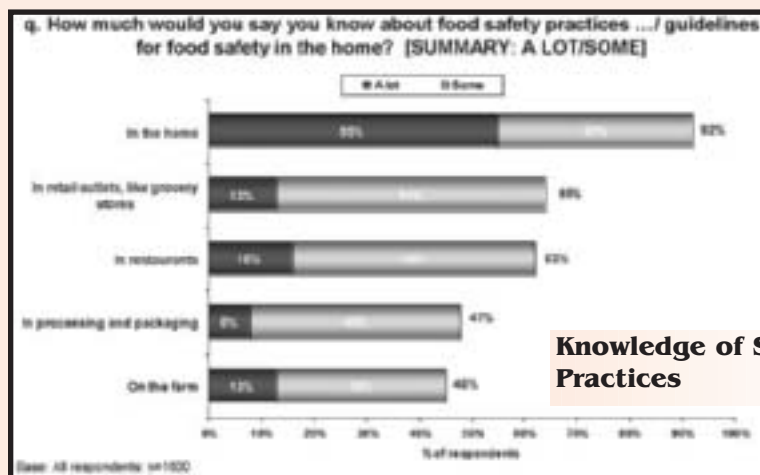
- Top-of-mind considerations when buying food for the home or dining out;
- Perceptions of quality and confidence in the safety of food produced in Canada;
- Knowledge of food production, information sources, and the need for additional information, and;
- Awareness/response regarding quality and safety initiatives.

## Results

The results of the survey were compiled into a report entitled "Consumer Perceptions of Canadian Food Safety and Quality" which was presented to Agriculture Canada by Ipsos-Reid on February 3, 2005.

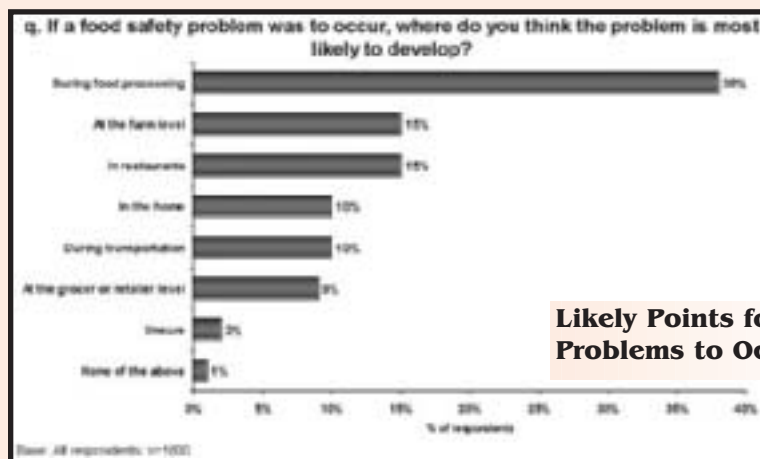
Consumers don't rate food safety "top-of-mind" for the simple reason that Canada's food supply is assumed to be safe. Confidence is high, as is the belief that current practices and processes ensure that safe and high-quality food is being produced.

There are, however, limits to what consumers know about existing standards and what they are willing to do to get the right information. Most believe they have some knowledge about food safety in the home (55% high, 37% some), but this number drops dramatically when other stages of the food chain are identified (see "Knowledge of Safety Practices" graph, top right).



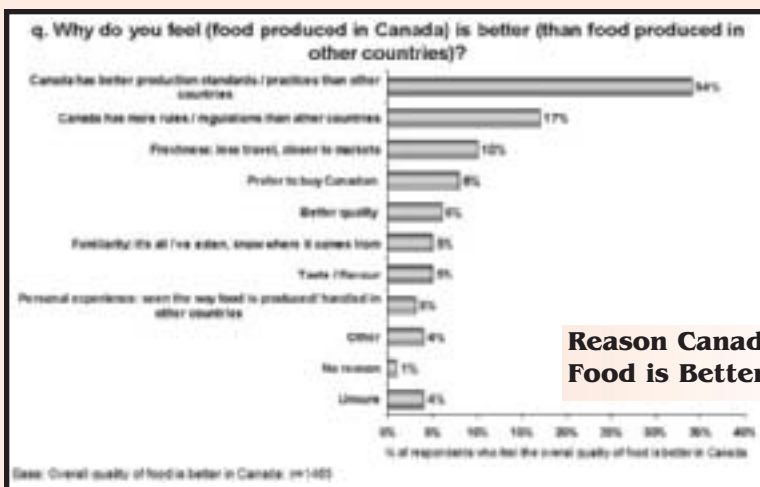
**Knowledge of Safety Practices**

Despite the lack of information, consumers are confident in their ability to make decisions that are based purely on their own perception.



**Likely Points for Problems to Occur**

These perceptions are, for better or worse, based mostly on the media and the Internet (70%). A high number of respondents believe that Canadian food quality is good (40% said excellent and 49% said good), and a further 92% believe that the food produced in Canada is somewhat (44%) or a lot (48%) better than the food produced in other countries.



**Reason Canadian Food is Better Quality**

The study concludes that quality, nutrition and price are consumers' main considerations when making food choices. It also indicates a high level of confidence in the Canadian food supply. Consumer perception must be considered when industry endeavours to maintain the link between consumer perception and production reality.





# Atlanta Poultry Show Gets New Look

## Poultry Show 2006

The U.S. Poultry & Egg Association has shortened the name of its annual trade show and unveiled a new logo for the "2006 International Poultry Expo" (IPE) that will take place next year, from Jan. 25-27 at the Georgia World Congress Center in Atlanta, Georgia.

"The IPE is the Marketplace for the Future," said U.S. Poultry President Don Dalton, "It's the place to shop for the latest products and services for a rapidly-changing industry. As such, the IPE brand needs to be modern, colourful, and memorable. We'll be making even more changes to the trade show in the months to come."

## Poultry Show 2005

The 2005 show, titled Changes and Challenges, was held at the end of January and drew nearly 19,000 visitors from around the world. Of these, nearly 4,000 representatives came from over 96 countries, including Canada, Mexico, the U.K., Brazil and Colombia.

"Comments from exhibitors and attendees have been complimentary," said Dalton, "Both groups agree that the IPE was an excellent forum for conducting business. 'Grower Day' on Friday also was a positive addition to the exposition. Approximately 100 growers and their families came to see the latest technology available to the industry."

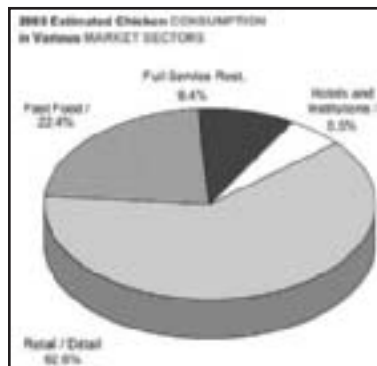
The IPE is the world's largest trade show devoted to the poultry and egg industries. The IPE is a showcase of products, technology and services available. Product sales are a big outcome for exhibitors, as the show is an opportunity to get face-to-face contact with potential users.

Selling isn't the only focus of the show, however.

Researchers and scientists take advantage of the occasion and hold a series of symposia in Atlanta such as the International Poultry Scientific Forum. There is also an educational component to the IPE and participants have access to a variety of speakers and topics throughout the week. These workshops cover a variety of topics, including market trends, avian diseases and the environment.

## Restaurant Portion Sizes Used as Unit of Measurement

The drive for efficiency and convenience to meet the customers' needs was an unwritten theme at this year's IPE. Ultimately, the consumer is the customer, but they go through the wholesaler, the retailer and the food service industry. Nearly 63% of the chicken sold in Canada is at the retail level, while an additional 32% is sold through fast food or full service restaurants.



(Chicken Farmers of Canada: 2004 Chicken Data Booklet, p. 5)

Over the years, the commercial customers, the grocery stores and quick-service restaurants, have driven change in our poultry industry. Product specification and portioning requirements have led to developments in processing plant machinery that can more accurately measure portions.

Such an effort follows a bigger trend affecting all food production: the movement toward further-processed, value-added products. "Ready-to-eat" has become the mantra for the consumer who has no time or interest in cooking from scratch. Even condensed soup — requiring only the addition of water — is being phased out.

As the chicken industry evolves and responds to consumer and commercial customer demands, we will continue to see a movement to remove labour from the home kitchen and put it back into the processing (or further processing) plants.

CFC will continue to work closely with the rest of the Canadian chicken industry to ensure that Canadian consumers has access to safe, healthy and nutritious chicken, however they may want it.



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