

The CFC Board of Directors and Committees for 2006

CFC's Board of Directors welcomed some new members this year. Board members serve a designated amount of time, as governed by their provincial board or participating association. Each of these organizations nominates its own representatives to the CFC Board.

The Board for 2006

Chair: David Fuller (Nova Scotia)
 Yvon Cyr (New Brunswick)
 Martin Dufresne (Quebec)
 Helen Ellsworth (CRFA – Canadian Restaurant and Foodservice Association)
 Erna Ference (Alberta)
 Keith Fuller (British Columbia)
 Luc Gagnon (CPEPC – Canadian Poultry and Egg Processors Council)
 Matthew Harvie (Nova Scotia)
 Martin Howlett (Newfoundland & Labrador)
 Urs Kressibucher (Ontario)
 David Mackenzie (Prince Edward Island)
 Ross MacLeod (FPPAC – Further Poultry Processors Association of Canada)
 Tony Tavares (CPEPC)
 Danny Wiebe (Manitoba)
 Eugene Zagrodne (Saskatchewan)

Executive Committee

Chair: David Fuller (Nova Scotia)
1st Vice-Chair: Martin Dufresne (Quebec)
2nd Vice-Chair: Urs Kressibucher (Ontario)
Member-at-large: Eugene Zagrodne (Saskatchewan)



Executive Committee

Market Development Committee

Chair: Urs Kressibucher (Ontario)
 Yvon Cyr (New Brunswick)
 Keith Fuller (British Columbia)
 Tony Tavares (CPEPC)
 Helen Ellsworth (CRFA)
 Ross MacLeod (FPPAC)
 Martin Dufresne (Quebec)

Food Safety Committee

Chair: Matthew Harvie (Nova Scotia)
 Yves Campeau (Quebec alternate)
 Tom Posthuma (Ontario alternate)
 Dave Janzen (B.C. alternate)
 Luc Gagnon (CPEPC)

Animal Care Committee

Chair: Danny Wiebe (Manitoba)
 Jean-Paul Ouellet (New Brunswick alternate)
 Yves Campeau (Quebec alternate)

Finance Committee


Chair: David Mackenzie (P.E.I.)
 Erna Ference (Alberta)
 Marty Howlett (Newfoundland & Labrador)

Canadian Poultry Research Council Representative

Ian Blenkarn (Nova Scotia alternate)

Canadian Federation of Agriculture Delegates

David Fuller (CFC Chairman, Nova Scotia)
 Erna Ference (Alberta)

National Farm Animal Care Council Representative: This is a new position. Danny Wiebe (Manitoba) will attend on CFC's behalf. 



IN THIS ISSUE

- 2 News from the Hill
- 4 Safe, Safer, Safest Gets a Dose of Support
- 5 In Brief
- 6 Canada Day



NEWS FROM THE HILL

House of Commons Re-opens for Business

The 39th session of Parliament officially opened on Monday, April 3, 2006. The first order of business was the election of the House of Commons Speaker. The Honourable Peter Milliken was re-elected by Members of the House of Commons to sit as Speaker for this Parliament.

At 3:00 pm, on Tuesday April 3, the Governor General of Canada, the Honourable Michaëlle Jean, read the Conservative Government Speech from the Throne. The Speech lays out the key priorities the government intends to focus on during the upcoming session of Parliament. It is intended to be a general overview of the overall direction of government and lays the foundation for the federal budget.

The following are a few highlights of the Speech from the Throne. The five priorities defined during the election and first months of Prime Minister Harper's Conservative Government, as expected, were the main elements of the speech.

Accountability – introduce as its first piece of legislation the Federal Accountability Act. "The bill and the associated Accountability Action Plan will:

- ban institutional and large personal donations to political parties
- ensure that positions of public trust cannot be used as stepping stones to private lobbying
- provide real protection for whistle-blowers who show great courage in coming forward to do what is right
- strengthen the capacity and independence of officers of Parliament, including the Auditor General
- increase the transparency of appointments, contracts and auditing within government departments and Crown corporations"

GST – reduce the GST by one percent.

- The GST will be cut and the Conservative government will continue with a responsible approach to lowering taxes for the benefit of Canadians and the Canadian economy, including a further reduction of the GST to five percent."

Agriculture was mentioned in the conclusion.

"This Government recognizes the unique challenges faced by those who make their livelihood from our land and oceans in our vital natural resource and agriculture industries. It will take action to secure a prosperous future for Canadian agriculture, following years of neglect. It will

respond to short-term needs, create separate and more effective farm income stabilization and disaster relief programs and work with producers and partners to achieve long-term competitiveness and sustainability."

There was no direct mention of the WTO trade negotiations.

Canadian Federation of Agriculture (CFA) Rally on the Hill

On Wednesday April 5th, CFA, and many of their high profile members, held a press conference at 11:00 am, followed by a rally on Parliament Hill in a demonstration of solidarity. The rally was a total success with about 10,000 farmers in attendance.

Prior to the CFA press conference and rally, Chuck Strahl, the Minister of Agriculture and Agri-Food, held his own pre-emptive press conference during which he reconfirmed his support of supply management:

"... I can assure you also that this government stands by supply management, which underpins thousands of family farms here in Canada. I voted to stand up for supply management in November, when the motion was before the House, when I was in opposition, and I will defend supply management now that I am in the government.

I want to be clear. We want to be supporting the supply management option. While we were negotiating at the WTO table we justified our position, as well as at our convention in Montreal last year. We have supported the system during the campaign more recently."

The rally and the presence of farmers from across the country had a definite impact on the Members of Parliament debating inside the House of Commons. Spin-off rallies were also held during the weeks following the April 5th Ottawa rally at other Ontario locations including grocery distribution centres, 24 Sussex (the Prime Minister's residence in Ottawa) and fuel terminals.

There were five Members' Statements on Agriculture and four questions on Agriculture. It is also important to note





that the very first question to this new government came from the Official Leader of the Opposition, the Hon. Bill Graham and was on agriculture, as was the second and the third question.

The Honourable Bill Graham's question in summary was: "Why is agriculture not one of the government priorities outlined in the Throne Speech?"

Alex Atamanenko, the NDP agriculture critic, made a Members' Statement on the current crisis in agriculture which included the following "...With regard to negotiation with the WTO, one of Canada's priorities must be to maintain our supply management program. Our independence is at stake."

André Bellavance, the Bloc Québécois agriculture critic, asked the following question in summary: "With the Minister's promise this morning to producers, will the government get the word clearly and firmly to its team of negotiators that they are not to touch supply management?"

Last but not least, the Hon. Wayne Easter called for an emergency debate on agriculture but was turned down. The Government House leader did agree to a Take Note debate to be held the evening of April 6th.

Key messages farmers were able to deliver to Members of Parliament were:

- Existing farm programs are failing to address the massive hole in farm income.
- There is a need to build bridge funding programs that will carry farmers to the next APF.
- The funding must be delivered now with provincial flexibility so that each province can build and fund the appropriate tools.
- Marketing structures like supply management and the Canadian Wheat Board empower farmers and create profitability. The government must maintain them, not undermine them.

For the most updated information on the WTO and materials you can use to speak with your MP, as well as key decision makers, please visit the SM-5 website at www.farmsandfood.ca.

The Conservative Party Budget Highlights – May 2nd

Tax Measures - Business

The following measures are similar to what the former Liberal government intended to do when it released its economic and fiscal update in November 2005:

- The general corporate tax rate will be cut to 19% from 21% by 2010.
- The corporate surtax for all businesses will be dropped by Jan. 1, 2008.
- The federal capital tax is eliminated, retroactive to Jan. 1, 2006.

The New Measures

The amount of small business income that will be taxed at the 12% rate will rise to \$400,000 from \$300,000, effective Jan. 1, 2007.

- The 12% tax rate for small businesses will be cut to 11.5% in 2008 and to 11% in 2009.
- A new tax credit of up to \$2,000 will be available to employers who hire apprentices in the skilled trades. Estimated cost: \$190 million in 2006-07, \$200 million in 2007-08.
- The corporate surtax will be eliminated in 2008. The general corporate income tax rate will fall to 19% from 21% by 2010.

For Small Businesses

- The threshold for a reduced federal tax rate will increase to \$400,000 from \$300,000 on Jan. 1, 2007. The reduced rate will be lowered over two years to 11% from 12%.
- The elimination of the capital gains tax on donations of publicly listed securities to charities, effective immediately.

New Programs

- A child-care allowance of \$100 a month and \$250 million has been identified for new child-care spaces in 2007.
- For security, crime and the military – \$1.4 billion over two years to protect Canadians from everything from criminals to bird flu, with some foreign aid money on the side.

Of this \$1.4 billion:

- o \$460 million (\$1 billion over five years) to further improve Canada's pandemic preparedness
- o \$600 million to be allocated to departments and agencies
- o \$400 million to be set aside as a contingency





The \$600 million will be used primarily by the Public Health Agency of Canada (\$367 million), the Canadian Food Inspection Agency (\$195 million), Health Canada (\$16.5 million) and the Canadian Institutes of Health Research (\$21.5 million) for a variety of pandemic preparedness activities. This includes the purchase of additional antivirals for the national stockpile, animal health guidelines and surveillance for wild birds and commercial poultry, laboratory enhancements and research, and improvements in vaccine readiness and emergency management preparedness.

For Agriculture

The federal budget announced \$1.5 billion for 2006 – \$500 million for farm support plus a one-time investment of \$1 billion to assist farmers in the transition to more effective programming for farm income stabilization and disaster relief.

The \$500 million will go to making much-needed changes to the Canadian Agricultural Income Stabilization (CAIS) program. Farmers will benefit from those changes in the long-term but the \$500 million is program money and farmers will not receive any of it directly.

According to the CFA, \$1 billion is slated to flow through the CAIS program to retroactive inventory valuation or adjustments. The concern is that this method will only address sharp yearly declines in prices and will not assist those sectors identified as most in need – grains and oilseeds, and horticulture.

“On April 5th, 10,000 farmers from across Canada came to Ottawa to showcase this unprecedented farm income crisis and to look for hope from the government. We were told to wait for the budget – but unfortunately yesterday’s announcement provides no immediate assistance to help this industry transition into the future,” said Bob Friesen, president of CFA. “\$1.5 billion dollars is a lot of money, but if that money doesn’t get to farmers quickly and to the right places, all the money in the world isn’t going to fix the problem.”

CFA is asking for an immediate meeting with Agriculture and Agri-Food Minister, Chuck Strahl, to work with government to refine the distribution of the \$1 billion and ensure this sizeable investment actually works for those farmers facing this farm income crisis.

Safe, Safer, Safest Gets a Dose of Support

Chicken Farmers of Canada has been awarded a settlement as part of a larger class action lawsuit against international vitamin companies.

This class-action lawsuit has been the largest competition law-related class action brought forward in Canada, and one of the largest and most significant class proceedings of any kind before Canadian courts.

The class action lawsuits were brought against the following companies: Akzo, Aventis, BASF, Bioproducts, Chinook, Daiichi, Degussa, DuCoa, Eisai, Lonza, Merck, Mitsui, Nepera, Nippon, Novus, Reilly, Rhône-Poulenc, Roche, Roussel, Sumitomo, Takeda, Tanabe and UCB and some of their subsidiary companies.

The claim against these companies is that they had conspired to fix prices and markets for vitamins in Canada between 1990 and 1999. After four years of litigation and negotiations, settlements were approved by courts in Ontario, B.C., and Quebec.

While the settling defendants do not admit any wrongdoing or liability on their part, the settlement is a compromise of disputed claims.

The CFC Board of Directors agreed to distribute the funds under the following activity areas:

- To offset the costs of the audit for CFC’s *Safe, Safer, Safest* on-farm food safety assurance program
- To enhance biosecurity on farms
- To support research/developments that could limit the impact of foreign animal disease



Some funds will be used to compensate the costs of on-farm audits and help with *Safe, Safer, Safest* implementation. These funds will be dispersed to provincial boards commencing in July based on the number of farms that are certified.

The remainder of the funds will be used for the enhancement of biosecurity and to support research of foreign animal diseases.

These areas allow for several different types of projects to be completed. Over the next year, CFC’s Board of Directors will closely examine the options and make a final decision on where the funds should be allocated.





IN BRIEF

Seeing the Meat Case Through Shoppers' Eyes

Price, nutrition and variety are some of the major factors affecting shoppers' meat purchases, according to new research published by the American Meat Institute and the Food Marketing Institute and unveiled during the Annual Meat Conference March 12-14, 2006 in Dallas.

The research surveyed 1,750 consumers nationwide online between January 31 and February 6, 2006. Respondents had to be at least 18 years old, a primary food shopper for their households and not a vegetarian or a vegan.



The survey's broad goal was to gauge consumer attitudes and behaviours in shopping for retail meat products, and although much of what it found reinforces already familiar ideas, here are some of the highlights:

Seven in 10 shoppers primarily visit conventional supermarkets to buy groceries, and 86% of those respondents also purchase their meat there.

Shoppers are extremely price-driven when purchasing meat. The majority of shoppers compare meat prices across stores before shopping, as well as the prices of different cuts of meat within the store.

With price left out of the equation, better quality and more variety would prompt shoppers to increase their overall meat purchases, but three in 10 shoppers say they simply would not buy more meat than they do now.

More than 80% of shoppers are concerned about the nutritional content of their food. Consequently, 72.6% of shoppers check the nutrition panel for processed meats, while 54.5% check that information for fresh meats.

In an average week, respondents prepare 4.3 home-cooked meals that include a meat item. Chicken and beef are selected most often, with pork a distant third. Shoppers are also more likely to prepare fresh meats than ready-to-eat or ready-to-heat meat products.

Chicken Nugget Inventor Dies

A generation of children have no concept of small pieces of chicken in anything other than a breaded crust. The man responsible for this innovation, Robert C. Baker, passed away March 13th.

Baker, who died at the age of 84, helped develop chicken nuggets, turkey ham and poultry, hot dogs into ubiquitous American fare. "He was just a unique individual," Dale Baker, his son said. "He really – in more ways than most ever will – changed things. He changed the way we eat."

During his career, Baker developed dozens of poultry products, including ground poultry but the key product was chicken nuggets. His achievement was in finding a way to keep the breading on nuggets. Today, the savoury poultry morsels are ever-present in grocery stores and fast-food restaurants, but "when the nuggets came out in the 1950s, they weren't too popular," Robert Baker told the Ithaca Journal in a 2004 interview.



Health
Canada

Santé
Canada

Excerpts of a Health Canada Advisory

Health Canada advises consumers against counterfeit and unapproved avian flu products

OTTAWA - Health Canada is advising consumers not to purchase products claiming to fight or prevent avian flu. There are currently no products authorized for sale in Canada that are indicated specifically for the treatment of avian flu.

Influenza is caused by a virus and Health Canada wants to reiterate that antibiotics are not effective against viruses.

Antivirals such as Tamiflu (oseltamivir), which is authorized in Canada, can be effective in preventing influenza or in helping individuals who have already contracted the disease. Antivirals should only be purchased with a prescription from a health care practitioner who has examined the patient.

The U.S. Food and Drug Administration recently issued warning letters to nine American companies marketing products making unproven claims that they treat or prevent avian flu or other forms of influenza. Many of the products involved were marketed as dietary supplements and mislead consumers with fraudulent claims such as "prevents avian flu", "contains a natural virus shield", "kills the virus" or "treats the avian flu".

While legitimate Canadian Internet pharmacies are a purchasing option to consider, consumers should be aware of the risks associated with buying drugs online and should note that it is illegal for consumers to import prescription drugs purchased over the Internet from another country. Canadians with questions or complaints about drugs purchased over the Internet can call Health Canada's toll-free line at 1-800-267-9675.

Continued from p.5, Brief...

Smoke-clearing Technology May Come from Poultry House Air Scrubber

A device invented by the Agricultural Research Service (ARS) to clean dust and microorganisms from the air of poultry houses may also help people escape during fires and make it easier for fire fighters to locate people in smoke-filled rooms.

The technology was originally developed by ARS agricultural engineer Bailey Mitchell, with the agency's Southeast Poultry Research Laboratory in Athens, Georgia to trap airborne particles like dust and microbes in poultry houses.

Mitchell's machine is small and could be portable and battery-operated. It generates a negative electrostatic charge on dust and other airborne particles, causing them to be attracted to grounded surfaces like walls or the floor. Unlike most air cleaners, it does not require air to move through it for cleaning to occur.

By mounting the self-contained, waterproof device in areas such as stairwells or hallways, it may be able to give people

a clearer path to exits in the event of a fire. In addition, since the device can also be portable, firefighters could carry one into smoke-filled buildings to make it easier to find people.

ARS is the U.S. Department of Agriculture's chief scientific research agency. The ARS has licensed the device, called the Electrostatic Space Charge System (ESCS), for agricultural applications to Baumgartner Environics, Inc. (BEI), of Olivia, Minnesota. BEI is marketing this system as EPI, or "electrostatic particle ionization" for dust/odour emission control and has three patents on the system.

BEI has paired the system with an enclosure consisting of a frame-mounted screen (BioCurtain®) that covers the barn's exhaust fans and creates a chamber for the EPI to charge and ground the dust particles. This will also serve to reduce the amount of dust blowing away from the barn. The EPI is available by itself or as a kit with the BioCurtain® through the Minnesota based company. Their website is <http://www.beisolutions.com/> and they have indicated shipments to Canada are possible.



14th Annual Canada Day Celebrations



Boys & Girls Clubs of Canada
Clubs Garçons & Filles du Canada

For the 14th consecutive year, CFC will host the *Great Canadian Chicken BBQ* as part of our national sponsorship of Canada Day. This event is an opportunity for Chicken Farmers of Canada to celebrate Canada with Canadians and promote the nutritional value, safety and variety that can be found in chicken.

As a part of Canada Day celebrations, the *Great Canadian Chicken BBQ* is highlighted by a delicious grilled chicken sandwich. In order to choose a new and unique recipe, CFC holds an annual *Great Canadian Chicken Challenge* which, this year, will be nationally run through Boys and Girls Clubs throughout Canada. Kids who are members of the Clubs, along with their families, will be invited to create a unique recipe utilizing grilled, boneless and skinless chicken breasts (4-5 oz. each) which should stand out based on marinade, sauce, bread and garnishes.



All ingredients must be readily available, as well as adaptable to large crowds, and have family appeal.

CFC will choose the top three recipes of those received, and they will then be prepared by our chef from the Centurion Conference Center, our Canada Day caterer, on a local morning television show in early June. The selection of the winning recipe will take place during this on-air preparation of the finalists' recipes. It has become part of the tradition over the past years to donate \$0.50 from every chicken sandwich or chicken Caesar salad sale to the Boys and Girls Clubs of Canada, and this was done again for the fourth straight year in 2005. This partnership / sponsorship generates approximately \$5,000 yearly for the Boys and Girls Clubs of Canada. It also creates awareness of the Clubs through our television, newspaper and radio advertisements.



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