

# THE CHICKEN FARMER

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## CHANGES TO THE COMPENSATION PAID FOR ANIMALS ORDERED DESTROYED

On March 23, 2011 Agriculture Minister Gerry Ritz announced that the federal government had amended the schedule of maximum amounts payable for compensation to owners of birds ordered destroyed for disease control purposes.

The amended Compensation for Destroyed Animals Regulations, which were effective immediately, raises the maximum amounts to be paid to farmers so that the compensation better reflects the true market value of their poultry.

For example, farmers were formerly compensated up to \$8 per chicken raised for egg production; the maximum amount is now \$30. Compensation for turkeys raised for breeding purposes was previously capped at \$90 per bird, but that amount has now increased to a maximum of \$250 and the amended compensation maximum for broilers is now \$20, whereas the previous maximum was \$8.

The amendment for broilers will ensure that the maximum amount is durable for years to come.

This announcement reflects the culmination of a significant amount of work by the national poultry organizations in collaboration with the Canadian Food Inspection Agency (CFIA) and Agriculture and Agri-Food Canada (AAFC).

Compensation is an important tool used by the Canadian Food Inspection Agency to encourage early reporting of outbreaks. The goal is to rapidly identify all exposed premises, and to trace and destroy all infected poultry in order to limit the spread of the disease and the possible impact on the economy, and human and animal health.

The national poultry organizations have been discussing revising the compensation maximums since the outbreak of Avian Influenza in the Fraser Valley in 2004. An increased government focus to more adequately reflect the market value of the birds being destroyed was initiated after the more recent case of avian influenza in British Columbia in 2009.

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While the published compensation maximums represent the maximum value that could be paid for a bird, the under-pinning of the actual compensation that would be paid is a market-based compensation model that calculates the actual compensation on a flock-by-flock basis taking into account the age of the birds in combination with the specific fixed and variable costs associated with that flock.

CFC worked closely with the CFIA to produce an acceptable market-based compensation model for broilers. An important part of the model is that costs are reflected when they are incurred during the grow-out cycle, so that the appropriate compensation amount would be paid based on the date of the CFIA order.

Adequate compensation is considered a critical component in both effective disease surveillance and pre-emptive cull programs; the ultimate goal is to contain a disease before it spreads and save all partners – governments, the public and industry – the cost of managing a full disease outbreak.

While ducks, geese and pigeons were not included in the regulatory amendment, CFIA has indicated that consultations with producers of these species are ongoing. The same market-based model of compensation will be used to determine if adjustments are needed for these species.

The newly enhanced compensation program will help lessen the economic and social impact on poultry farmers in the event their flocks must be destroyed and represents the culmination of extensive consultation between industry stakeholders and government. **CF**

## The CFC Board in 2011

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(Canadian Poultry and Egg Processors Council)

### Paul Cook

(Nova Scotia)

### Yvon Cyr

(New Brunswick)

### Martin Dufresne

(Quebec)

### David Fuller

(Nova Scotia) – CFC Chair

### Luc Gagnon

(Canadian Poultry and Egg Processors Council)

### Ian Hesketh

(Further Poultry Processors Association of Canada)

### David Hyink

(Alberta)

### David Janzen

(British Columbia)

### Ed O'Reilly

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### Adrian Rehorst

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### Brian Payne

(Canadian Restaurant and Foodservice Association)

### Mike Pickard

(Saskatchewan)

### Barry Uytterlinde

(Prince Edward Island)

### Jake Wiebe

(Manitoba)

## 2011 CFC Committees

### Executive:

Chair –

**David Fuller**

1<sup>st</sup> Vice Chair –

**Dave Janzen**

2<sup>nd</sup> Vice Chair –

**Martin Dufresne**

Member at Large –

**Adrian Rehorst**

### Consumer Relations:

Chair – **Jake Wiebe**

**Rudy Martinka**

(Saskatchewan alternate)

**Adrian Rehorst**

### Finance:

Chair – **Brian Payne**

**Mike Pickard**

**Barry Uytterlinde**

### Policy:

Chair –

**Rick Thiessen**

(B.C. alternate)

**Yvon Cyr**

**Martin Dufresne**

**Luc Gagnon**

**Ian Hesketh**

### Production:

Chair –

**Reg Cliche**

**Paul Cook**

**Carole Girard**

(Quebec alternate)

**Christine Moore**

(CRFA alternate)

**Ed Verkley**

(Ontario alternate)

## CFC Representatives to Other Organizations

Avian Biosecurity Advisory Council (ABAC): **Ed Verkley**

Canadian Federation of Agriculture (CFA): **Mike Pickard**

Canadian Poultry Research Council (CPRC): **Jacob Middelkamp** (Alberta alternate)

National Farm Animal Care Council (NFACC): **Carole Girard**

National Farmed Animal Health and Welfare Council (NFAHW): **Rick Thiessen**



## Report From The Canadian Federation Of Agriculture

The Canadian Federation of Agriculture (CFA) held a Board meeting in April in Ottawa. The CFA Board spent some time continuing their strategic planning process by agreeing on the vision and then moved on to finalizing the strategic framework. This second phase of planning focused on the four pillars of success established at the first planning meeting: Leadership, Communications, Advocacy and Organizational Capacity.

### GROWING FORWARD 2

A series of consultation meetings, initially planned to take place in the early part of 2011, have been cancelled and have yet to be rescheduled. CFA has been in touch with Agriculture and Agri-Food Canada (AAFC) and has been told that the department has not begun to look at any new dates yet. CFA will put together messaging based on consultations that were held, and members are encouraged to provide feedback from any previous sessions they attended.

CFA has advised AAFC that it is concerned by the limited consultations and quick time frame. It was also noted that the consultations to-date have been very high-level, maybe at too high a level to provide substantial contribution heading into the Federal-Provincial-Territorial (FPT) meetings.

### THE FEDERAL-PROVINCIAL-TERRITORIAL MEETINGS

The Federal-Provincial-Territorial (FPT) Agriculture Ministers meetings are scheduled to take place in July this year. This annual conference lasts for several days and provides ministers with a forum to discuss issues which cross provincial boundaries and that have national impact. The FPT meetings are also an opportunity for farm organizations to dialogue with all the agriculture ministers at the same time.

The CFA plays host to several activities during the meetings including the Tri-partied Round Table and a reception. This year, the round table will be held late in the day on July 6<sup>th</sup> and will delve into the National Food Strategy and include discussions on 20 year forecasts, its fundamentals and the strategic launch of the policy.

The National Food Strategy has been finalized, all comments have been received and the Steering Committee has revised the document accordingly. The next step will be presentation to the ministers at the FPT. The goal is to engage ministers, seek their buy-in and it is hoped that they will become project champions and help to launch it nationally to consumers.


### NEW WORLD FARM ORGANIZATION

A new international farm organization has been created to replace the recently failed International Federation of Agricultural Producers (IFAP). The new group, the World Farm Organization (WFO) is very different from IFAP and has a completely different structure with just six Board members (one from each region) and a Chair. The Board, to be based in Rome, Italy, is responsible for the day-to-day running of the organization. Accountability is tied into the role of Board members, as are the finances.

Unlike IFAP, the organizers want to keep the WFO very focused on policy matters. Ron Bonnet, CFA President is part of the transition team and is the North American representative. Some 50 countries are represented and a large number of participants were also part of IFAP.

The World Farmers' Organization has a goal of giving the world's farmers a voice in key international issues.

In one of its first statements: "This is crucial in order to contribute to the on-going discussions concerning food security, climate change and the economic situation across the globe. The Organization's mission is to bring together national producer organizations and producer cooperative organizations to create policies and advocate on world farmers behalf, in order to improve the economic situation and livelihood of producers, their families and rural communities."

Douglas Taylor-Freeme, representing Africa, is the group's first Chair. 







## LEADING SCIENTIST AND MCGILL ALUMNUS HELPS LAUNCH CHAIR IN FOOD SAFETY

Is our food safe to eat? Thanks to a new Chair in Food Safety – the first of its kind in Canada – McGill University will be at the head of the table in seeking answers to that question.

The Ian and Jayne Munro Chair in Food Safety has been kick-started with a generous \$1.5-million gift from leading food safety researcher and McGill graduate Dr. Ian C. Munro, and his wife Jayne, along with an investment of \$500,000 from the University. A further \$1 million will be raised to ensure the Chair will be endowed in perpetuity.

“The reality is that food-safety issues have been with us for decades. No one can foretell when the next outbreak will be, and our food comes from so many sources.”

Based in the Faculty of Agricultural and Environmental Sciences, the Chair will lead McGill’s newly established Food Safety and Quality Program (FSQP), an interdisciplinary teaching and research initiative. The FSQP will undertake collaborative research, offer undergraduate and graduate teaching programs, and provide the independent, third-party expertise needed for the Canadian food industry to address the complex scientific, legal and policy issues of global food safety. The appointment of the first Chair holder, a world-renowned scientist, is expected within the coming year.


“The Ian and Jayne Munro Chair in Food Safety will be the cornerstone of an internationally recognized program in food safety and quality here at McGill,” said Principal and Vice-Chancellor Heather Munroe-Blum at a ceremony this afternoon at the Macdonald Campus. “The extraordinary generosity of Dr. and Mrs. Munro will ensure that McGill is a leader and an innovator in this crucial area, through our unique combination of strengths across multiple areas of research, scholarship and industry collaboration.”

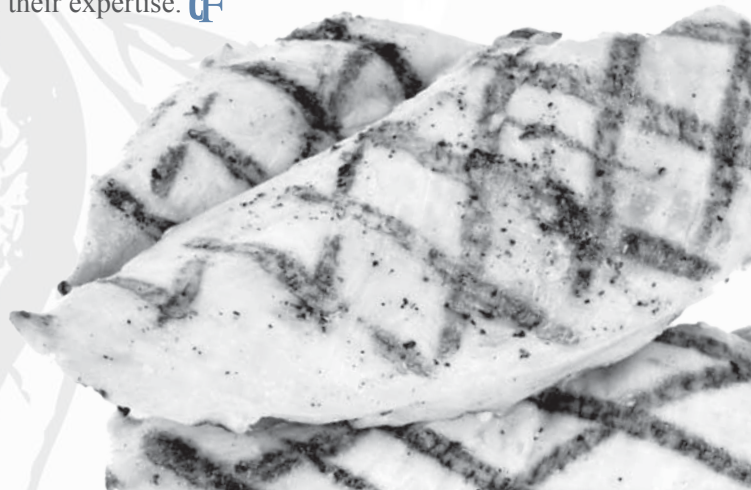
“There is so much horsepower here at McGill. This is the perfect place to launch this major new program,” said Ian Munro, BSc(Agr) 1962, MSc 1967. “I have long wanted to establish a Chair in Food Safety, and McGill is certainly my first choice. Nowhere else in Canada is there a program of this quality and magnitude, delving into food safety issues.”

Currently Executive Vice-President and Senior Scientific Consultant of Cantox Health Sciences International in Mississauga, Munro has devoted his career to identifying and controlling toxic constituents in food. He explained that the FSQP will serve as an arms-length scientific authority that will take advantage of McGill’s strengths across multiple areas – agricultural and environmental sciences, law, management, medicine and science. The FSQP will also conduct joint research initiatives with the Canadian food industry.

Munro is careful to point out that many food safety problems arise from natural causes, through no fault of the food industry. “But it is certainly their responsibility to study and control these problems – and the food industry has been front and centre in conducting this research,” he said, mentioning the “tremendous support” that has already been received for the FSQP.

“Our industry partners have played a pivotal role in the creation of this new program,” said Dr. Chandra A. Madramootoo, Dean of the Faculty of Agricultural and Environmental Sciences. “The reality is that food-safety issues have been with us for decades. No one can foretell when the next outbreak will be, and our food comes from so many sources.” Madramootoo explained that McGill is uniquely placed to find solutions: “We offer expertise in every part of the food system, from the time the seed goes in the ground, right up to when the food reaches the consumer.”

An endowed Chair gives a university the means to fund world-class scholars who lead new research initiatives, attract talented students and heighten international awareness of their expertise. 





## STUDENTS TO RAISE MONEY BY SELLING MANITOBA-GROWN VEGETABLES INSTEAD OF SWEETS

### Province Partners With Peak of the Market and Home Economists To Make Healthy Choices Available

Starting in the fall, students across Manitoba will be able to raise funds for school projects by selling fresh, locally-grown vegetables instead of candy or cookies, Manitoba's Healthy Living, Youth and Seniors Minister, Jim Rondeau, announced in mid-April.

This follows an extremely successful pilot program called the Farm 2 School Healthy Choice Fundraiser that involved 66 schools in partnership with Peak of the Market and the Manitoba Association of Home Economists, Rondeau said. He noted that 123,465 pounds, equivalent to three semi-trailer loads of vegetables, were sold this past year resulting in almost \$55,000 of profits for schools.

"We are thrilled with the enthusiasm with which the pilot schools embraced this option and we're pleased to expand and continue the Farm 2 School program," said Rondeau. "By offering vegetables in place of sweets, we are encouraging healthy living while making vegetables the norm for children."

The program will be available from September to December each year. Students will sell two different bundles of Manitoba-grown vegetables that will be delivered later in recyclable shopping bags. A \$10 bundle will contain 11 pounds of carrots, onions and potatoes while the \$20 bundle will add parsnips and cabbage to the healthy choices in the first pack.

Peak of the Market will provide Manitoba-grown vegetables at cost, co-ordinating orders and offering free delivery to each school. This will allow the vegetables to be sold for a competitive price while still providing for a 50 per cent profit for the fundraiser.

"The 40 Manitoba family farms that make up Peak of the Market love to see their healthy vegetables on the plates of our students, their families and their friends," said Larry McIntosh, president and CEO of Peak of the Market. "We're thrilled that the program will now be offered to more than 850 schools across the province."

The project is being co-ordinated by the Manitoba Association of Home Economists, whose members work in all areas of the public, non-profit and private sectors to assist people in improving their quality of life.

"Home economists across the province are pleased to be a part of making fresh, healthy, delicious Manitoba vegetables available to school fundraising groups," said Getty Stewart, president of the Manitoba Association of Home Economists. "Based on our experience last year, we know school fundraising groups, educators and families welcome a program that provides a healthy alternative and offers great fundraising potential. We're looking forward to increased participation this fall."

Healthy Schools is Manitoba's school-health initiative, designed to promote the physical, emotional and social health of school communities. It is based on the belief that good health is important for learning. The program's mission is to create school environments that enhance the healthy development of children and their families by working in partnership with community service providers and resources.

The Farm 2 School website is at:  
[www.farm2schoolmanitoba.ca](http://www.farm2schoolmanitoba.ca)







# NEWS FROM THE HILL

Canada's 40<sup>th</sup> Parliamentary session was dissolved on March 26<sup>th</sup> and a federal election was held on May 2, 2011. Here is a chart showing the seat allocation before and after the election:

40 <sup>th</sup> Parliament		41 <sup>st</sup> Parliament	
Conservatives	143	Conservatives	167
Liberals	77	NDP	102
Bloc Québécois	47	Liberals	34
NDP	36	Bloc Québécois	4
Vacant	3	Greens	1
Independent	2		
Greens	0		
Total	308		308

On the surface, it appears that there will be little change for farm organizations since the ruling party remains the same as before the election. The results of this election have dramatically changed the makeup of the House of Commons. With the NDP becoming the official opposition, the Liberals being reduced to the third party in the House, and the Bloc losing official party status, the majority of opposition questions will come from the NDP.

Membership on both the House of Common Agriculture Committee and the International Trade Committee will be changing, with increased Conservative membership and less opposition membership. On the agriculture side, the main players all kept their seats, right from the Minister, Gerry Ritz, and the Secretary of State for Agriculture, Pierre Lemieux, to the three Agriculture critics, Wayne Easter, Alex Atamanenko, and André Bellavance.

The influx of new MPs (around 100 of them) provides a unique opportunity to educate the incoming members on the role and importance of agriculture and supply management in Canada's economy. The challenge will be to have our voice heard amid the cacophony of others as these new MPs will have a steep learning curve over the first few months.

It is anticipated that the Cabinet will be sworn in over the coming weeks. The 41<sup>st</sup> Parliament will open with a Speech from the Throne, followed immediately by the tabling of a budget, which will be very similar to the pre-election budget and will pass due to the government majority. At present, Parliament has been scheduled to return on May 30, 2011, but may not actually return until June and, at that time, may just sit for a week then break for the summer.

## CFC ELECTION MATERIAL

Prior to (and during) the election, CFC created an "election toolbox" containing "how to" documents on such things as how to approach candidates and write letters to the editor, as well as key messages on economic contributions, trade, research and innovation, supply management. All material was posted on CFC's Online Business Initiative (OBI: the intranet website) and provincial managers, Board Members and Alternates were encouraged to visit the site for all their election information.

A weekly "Election Update" was also created, distributed by email and posted on OBI. It contained information on agricultural platforms, key issues for debates and important resources. CFC also coordinated its election activities with Canadian Federation of Agriculture (CFA) and posted the CFA election kit on the OBI. Board members, Alternates and provincial managers were encouraged to visit the OBI site often as it was regularly updated throughout the campaign.

## NATIONAL AGRICULTURE LEADERS' DEBATE

The National Agriculture Leaders' Debate was held on Monday April 11, 2011 from 11:00 a.m. to 1:00 p.m. in Ottawa. Debate questions were posed via pre-taped video segments of farmers from across Canada. Participants in the debate included: Minister of Agriculture and Agri-Food, Gerry Ritz; André Bellavance, Bloc Québécois agriculture critic; Wayne Easter, Liberal agriculture critic; Pat Martin, NDP representative and Kate Storey, Green Party agriculture representative.

The panel's answers to questions surrounding bankable business risk management programs, food safety, ecological goods and services, trade, young farmers, and research and development were part of the background that helped farmers make an informed choice when they headed to the polls on May 2<sup>nd</sup>.

The debate is still available online through the CFA website at: [www.cfa-fca.ca](http://www.cfa-fca.ca).

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## STATED SUPPORT FOR SUPPLY MANAGEMENT

During the 2011 election, the Conservatives lead the way with strong statements of support for supply management in both their platform and then in a press announcement. The Bloc also had strong statement of support in their platform. While the Liberals did not have a statement written into their lengthy platform, the leader stated support in their re-launch of their National Food Policy. In a departure from previous elections, the NDP platform did not contain a reference to their longstanding support for supply management; nor did the press conference on the party's Canadian Food Strategy.

Here are some of the recent statements from three national parties to get a sense of where they stand:

### The Conservatives

Excerpt from the Conservative platform: *"Supply management helps ensure the success of Canadian farmers, through price stability, predictable levels of imports, and reasonable returns for their production. It also helps provide a consistent supply of high-quality, nutritious food for Canadian consumers.*

*Our Government has a strong record of defending supply management. For example, we have taken action on Article XXVIII under GATT to limit imports of milk protein concentrates, and we established cheese compositional standards to ensure that real milk is an ingredient in Canadian cheese. We will continue to stand up for Canadian farmers and industries, by defending supply management in all international forums and bilateral negotiations."*

Excerpt from the Prime Minister's statement during a photo-op at a dairy farm in Acton Vale, Quebec, on April 10<sup>th</sup>: *"Canada insulates the supply-managed sector – eggs, dairy and poultry – from*

*most international competition with high tariff walls. Ottawa is resisting taking down these trade barriers in global trade talks as well as free trade negotiations with the European Union... we will continue to resolutely defend supply management in current and future trade agreements."*

Excerpt from the Conservative party release on April 10<sup>th</sup>: *"Defending supply management – A stable majority Conservative Government led by Stephen Harper will continue its strong defence of supply management policies in current and future trade agreements, since these policies are crucial to the preservation of thousands of family farms across the country. We will preserve supply management within Canada, and defend it in international and bilateral forums. The Conservative Government has an excellent track record of defending supply management. The government invoked GATT Section 28 with the WTO to limit the import of milk proteins. To ensure better consumer protection, we also created compositional standards for cheese. In addition, we gave Canadian negotiators dealing with the WTO a mandate to firmly defend supply management."*

Excerpt from the Minister of Agriculture and Agri-Food Gerry Ritz's response to a question on Trade and the WTO during the Agricultural Debate in Ottawa, April 11<sup>th</sup>: *"We've always fully supported our supply management sector; we have done that at the WTO and will continue to do so."*

### The NDP

Excerpt from the NDP's representative, Pat Martin's response to a question on Trade and the WTO during the National Agricultural Debate in Ottawa, April 11<sup>th</sup>: *"We need to expand our trade markets but we need to put the best interests of Canadians first...government has allowed the international community to attack the Canadian Wheat Board and supply management."*

Excerpt from statements made by NDP Leader, Jack Layton, while announcing the party's Canadian Food Strategy in Essex, Ontario on April 20<sup>th</sup>: *"My plan will reverse years of neglect, fix income stability programs and give farmers the support they need to thrive and grow. It's time to go to bat for our family farms," said Layton. "My plan will get results for our producers and their communities. It's time for leadership we can trust on agriculture and for rural Canada."*


### The Liberal Party

Excerpt from the Liberal Leader's campaign speech in Compton, Quebec's Eastern Townships, on April 6<sup>th</sup>: *"We have said that we have to have a national food policy in the country. But what's more, Canadian food in Canadian plates. That means to maintain the supply management which is at the very basis for our producers here in the area."*

Excerpt from the Liberal Agriculture Critic Wayne Easter's response to a question on Trade and the WTO during the Agricultural Debate in Ottawa, April 11<sup>th</sup>: *"The Liberals are the party of supply management. We are the ones that brought in supply management. We're the party of supply management and we support it strongly and we believe in supply management."*

Tweet on Twitter from the Liberal Agriculture Critic Wayne Easter, April 11<sup>th</sup>: *"Let me be very clear on supply management. The Liberal Party is the Party of supply management. We support SM, pursue SM and defend SM."*

## NEXT STEPS

Over the coming weeks, CFC will work on the post election analysis and determine the best approach for briefing the new MPs from both the government and the official opposition on our key issues. CFC will continue to monitor issues that are important to our farmers in the Speech from the Throne and the Budget. Look for updates in upcoming issues of *The Chicken Farmer*. 

## NON-TARIFF MEASURES: A LARGER BARRIER THAN TARIFFS


In the last decade, the global trade of goods had experienced significant changes due to modifications of various trade-related measures. Prime examples are the Non-Tariff Measures (NTMs) that have lately become a hurdle to global trade. NTMs are government measures rather than ordinary tariffs. Examples include quantitative restrictions, import licensing, voluntary restraint arrangements and variable levies. More recently, NTMs have included new types of measures, such as technical barriers to trade (TBT) and sanitary and phytosanitary (SPS).

For the U.S., a recent study showed that NTMs restricted U.S. exports more than tariffs in the context of the international trade with China. While China's tariffs and tariff-rate quotas restricted between \$1.3 billion and \$2.1 billion in sales of a broad range of U.S. agricultural products in 2009, by contrast, its non-tariff measures (NTMs) impeded between \$2.6 billion and \$3.1 billion in sales of selected U.S. food products, the study found. The economic effects due to NTMs are now outweighing the ones triggered by tariff measures.

In the context of agricultural trade, a recent OECD study showed that only 8 out of 777 agri-food products traded in the OECD countries are not subject to any NTMs, and individual products are faced with many overlapping measures, so that almost a half of them are subject to between 9 and 12 measures.

In this regard, in a recent policy speech, the U.S. Trade Representative, Ambassador Kirk, stressed that there are two kinds NTMs that pose increasing challenges to U.S. producers and businesses seeking to export products abroad: SPS measures, which are measures that governments apply to protect human, animal, or plant life or health from risks arising from the entry or spread of pests, from plant or animal-borne pests or diseases, or from additives, contaminants, toxins, or disease-causing organisms in foods, beverages, or feedstuffs; and standards-related measures, such as mandatory product standards and testing requirements.

With the growing consumer concerns on issues such as environment protection, animal welfare and food safety, there is a greater push for governments to respond in a variety of ways and some have been drawn to the use of NTMs.

While the early rounds of GATT and WTO negotiations were primarily focused on the reduction of tariffs, perhaps the NTMs are an area on which the trade negotiations should be centered as they constitute a growing and much more significant barrier to trade. 



### TELL US WHAT YOU THINK!

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