



FOCUS Newsletter

October
2009



Speaking Notes of Chairperson Bill Smirle

Today, is an important day for all of us, as we all gather, Council members and staff, to officially announce that, from this point on, the National Farm Products Council will be referred to as the **Farm Products Council of Canada (FPCC)** and le **Conseil des produits agricoles du Canada (CPAC)**.

Unfortunately, the Honourable **Gerry Ritz**, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board who is also responsible for our organization, could not be present with us today due to previous commitments, but he has asked me to convey his best wishes.

This name change was necessary in order to be in accordance with the corporate identity standards of the Government of Canada.

I see in this name change more than simply an administrative requirement. It marks the beginning of an era in which we are committed to reinventing ourselves through cooperation and leadership as per our strategic plan for 2009-2012. This commitment is very important in the context of current changes and to be in a better position to support the industry with regards to future challenges.

It is key for us to facilitate these changes in order to play our full role as envisaged by the legislation. It is essential for us to bring a forward-looking perspective by providing expertise and stimulating innovative thinking and solutions.

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COMMENTS or QUESTIONS

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Photo: Council members and staff unveiling of new name (photographer: Martin Lipman)

A renewed way of doing business will be significant to achieving our mission, on assisting the industry to face challenges and on living our values with regards to communications, integrity, innovation and professionalism.

More important than ever is the continuous cooperation with all of our partners and improved interaction with national agencies, industry stakeholders as well as with all levels of governments.

Please note that the website has changed to www.fpcc-cpac.gc.ca and the website email address is now fpcc-cpac@agr.gc.ca.



Council Business (Decisions)

Turkey Farmers of Canada

Amendment to By-Law No. 4

On July 24, the Farm Products Council of Canada's By-Laws Committee approved the proposed amendment to the mileage rate (as proposed under TFC's By-Law No.4, Schedule 1, A), which requires an annual review based on the Treasury Board of Canada mileage rate. As a result

of the review, the mileage rate paid to TFC directors on travel duty will decrease from 50 to 49 cents per kilometre for 2009.

Council Meeting and Retreat July 30 & 31

CPEPC Request for Public Hearing

On July 9, 2009, CPEPC filed a request for a public hearing regarding the national chicken quota allocation system as per section 8(2) of the *Farm Products Agencies Act*.

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During Council's meeting on July 30, after a thorough review and discussion, the Council denied CPEPC's application as it concluded that a public hearing into the chicken marketing system

would not be in the public interest at this time. Given the requirements of such a process, the associated resources and the existence of the Oversight Committee, an industry committee created to ensure that coordinated actions are developed and implemented in order to improve CFC's allocation system, the Council believes that this is the proper decision.

Council Members Retreat

Governance and decision making process

As part of its strategic plan for 2009-2012, Council members met on July 30 and 31 to discuss, explore and identify avenues to improve governance and the decision making process within FPCC. Improving governance and the decision making process will ensure that Council decisions are credible and justifiable, that national agencies operate in a well understood environment and transparent context, that Council's operations are conducted in a transparent manner and that client service is improved.

The current procedure used by FPCC for prior approval of quotas and levies was thoroughly reviewed. As a preliminary step, the sets of questions which was used when considering prior approval of agencies' quota orders was revised and a new list was developed for levy orders.

As we are committed in FPCC's strategic plan, the sets of questions were circulated to stakeholders for comments and suggestions. Their contribution is important as we believe that these questions could also assist them in preparing information and a

rationale when requesting prior approval of quota and levy orders.

At September's Council meeting, members postponed the approval of the questions until the next meeting scheduled for October 28 to 29, in order to provide more time to national agencies and stakeholders to provide feedback.

Council Meeting August 13

Chicken Farmers of Canada

Amendment to Chicken Quota Regulation for A-93

The FPCC met on August 13, 2009 where reconsideration was given to CFC's request for prior- approval of the amendments to the Canadian Chicken Marketing Quota Regulations for period A-93 submitted on July 29, 2009. In light of the additional information provided by CFC as well as concerns expressed by the Further Poultry Processors Association of Canada and the Canadian Poultry and Egg Processors Council, regarding the allocation being sought, a careful analysis was conducted and Council decided to prior-approve CFC's A-93 allocation.

However, Council had concerns that the indicators provided by CFC did not clearly explain the market and economic conditions expected to prevail during that period or how the allocation being sought would be conducive to a strong, efficient and competitive production and marketing industry for chicken in Canada.

The lack of common understanding of market indicators and their relevance to assess future market conditions clearly hinders the allocation setting process.

Council continues to believe that a more "conservative" allocation should have been set for A-93.

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Yet, the short term perspective inherent to CFC's allocation setting process greatly reduces the possibility to correct the market or address stakeholders concerns in a timely fashion while ensuring due process. This short time frame renders the complaint process inefficient and this must be addressed in order to ensure that the system functions fairly, transparently and correctly.

With this in mind, Council was encouraged by discussions that suggested a more conservative

allocation would be set for A-94 and felt that this may contribute to correcting market conditions for downstream stakeholders in the fall of 2009. However, given the anticipated concern for market conditions in the coming months, as well as market volatility, Council expects CFC to monitor the situation closely and to take these factors into account when setting future allocations.

The Council continues to believe that the numerous complaints as well as letters of concern by stakeholders regarding the allocation decisions

over the past years are reflective of significant systemic problems inherent to the allocation setting process.

It is Council's view that the Oversight Committee constitutes the best vehicle to address the issues and is encouraged by the continued engagement of all Committee members in working towards addressing them in order to ensure that the supply management system works in the balanced interests of all stakeholders, from producers to processors.

SCHEDULE (Sections 1, 5 and 7 to 10)			
LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON AUGUST 16, 2009 AND ENDING ON OCTOBER 10, 2009			
	Column 1	Column 2	Column 3
Item	Province	Production Subject to Federal and Provincial Quotas (in live weight) (kg)	Production Subject to Federal and Provincial Market Development Quotas (in live weight) (kg)
1.	Ont.	67,115,757	2,145,000
2.	Que.	54,771,356	5,665,000
3.	N.S.	7,254,925	0
4.	N.B.	5,806,064	0
5.	Man.	8,546,097	451,188
6.	B.C.	29,501,842	2,455,000
7.	P.E.I.	753,729	0
8.	Sask.	7,265,121	1,017,117
9.	Alta.	18,579,067	600,000
10.	Nfld. and Lab.	2,864,347	0
Total		202,458,305	12,333,305



Turkey Farmers of Canada Amendment to Canadian Turkey Marketing Quota Regulations, 1990

On August 13, Council members approved amend-

ments to the Canadian Turkey Marketing Quota Regulations, 1990 for the 2009-2010 control period which will establish the federal quota at 167,595,131 kg (369,484,065 lbs); a 2.5 Mkg decrease compared to the quota approved in May 2009.

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In May 2009, the Council approved an amendment to the TFC's Regulations that set the federal quota at 170,059,265 kg; a reduction of 2.2 Mkg compared to the initial 2009-2010 submission. The total reduction so far in the 2009-2010 quota allocation is 4.7 Mkg, due to the weak market conditions.

The whole bird allocation has been reduced by 2.5 Mkg from 73,111,683 kg to 70,611,683 kg as a result of weak market conditions. This necessitates an upwards adjustment of the multiplier breeder allocations of 35,866 kg.

SCHEDULE (Subsections 5(2) and (3)) CONTROL PERIOD BEGINNING ON APRIL 26, 2009 AND ENDING ON APRIL 24, 2010		
Item	Column 1 Province	Column 2 Pounds of Turkey
1.	Ontario	160,944,104
2.	Quebec	74,545,516
3.	Nova Scotia	9,621,896
4.	New Brunswick	7,661,345
5.	Manitoba	26,199,796
6.	British Columbia	45,589,858
7.	Saskatchewan	12,218,629
8.	Alberta	<u>32,702,921</u>
TOTAL		369,484,065

Council Meeting September 29 and 30

Chicken Farmers of Canada

Amendment to Chicken Quota Regulation for A-94

On September 30, Council approved the amendment to the Canadian Chicken Marketing Quota Regulations establishing a domestic quota allocation of 192,788,823 kilograms chicken live weight and establishing the market development quota at 13,115,949 kilograms of chicken live weight for

the period beginning October 11, 2009 and ending on December 5, 2009.

SCHEDULE (Sections 1, 5 and 7 to 10) LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON OCTOBER 11, 2009 AND ENDING ON DECEMBER 5, 2009			
Item	Column 1 Province	Column 2 Production Subject to Federal and Provincial Quotas (in live weight) (kg)	Column 3 Production Subject to Federal and Provincial Market Development Quotas (in live weight) (kg)
1.	Ont.	63,953,214	3,205,000
2.	Que.	52,190,490	5,705,000
3.	N.S.	6,854,951	0
4.	N.B.	5,532,479	0
5.	Man.	8,143,398	451,188
6.	B.C.	28,111,694	1,895,000
7.	P.E.I.	738,803	0
8.	Sask.	6,855,437	959,761
9.	Alta.	17,703,607	900,000
10.	Nfld. and Lab.	2,704,750	0
Total		192,788,823	13,115,949



**Council
Business**
(Activities)

Judicial Reviews

Council is presently involved with three federal court judicial reviews. The Chicken Farmers of Canada have filed two judicial review applications with the federal court on August 10, 2009 and September 2, 2009. The third application filed by Highland Produce was received on September 3, 2009.

The first application requested that Council's decision of July 10, 2009 to not approve A-93 be overturned and sent back to Council for reconsideration. The second asked that that the July 30, 2009 decision to reject CPEPC's application for a public hearing be quashed.

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And the third, by Highland Produce Ltd. asked that the Council's decision of July 30 to dismiss a complaint filed by Highland Produce Ltd. be quashed and that the Council be ordered to re-open the complaint.

NAASA Meeting – September 9

A National Association of Agri-Food Supervisory Agencies (NAASA) meeting was held on September 9 in Ottawa. The main items discussed were the adoption of the NAASA Principles document and distribution plan, the NAASA Business Plan and the progress of the Oversight Committee as well as the issue of Interprovincial Movement (IPM), in preparation for the session being held the next day.

TRQ / IPM Day and Oversight Committee Meeting

As part of the Industry Oversight Committee's work, an information session was organized on September 10, 2009 in the National Capital Region to further discuss the issues of Tariff Rate Quota (TRQ) and Imports.

This information session provided all 115 participants with a better understanding of the TRQ and Supplementary Imports systems for chicken in relation to the allocation setting process in the Canadian chicken industry.

The session also included a roundtable discussion to examine the impacts of such programs on the chicken allocation setting process and also to discuss opportunities for improvements to the process as a whole.

Following this meeting, NAASA facilitated a discussion on the current situation with respect to the interprovincial movement (IPM) of live chicken and the need to examine possible solutions.

The meeting concluded that industry stakeholders were best situated to work on this issue and meetings between producers and processors in Ontario and Quebec will take place in the coming weeks.

Since its creation, the Oversight Committee has held eleven meetings including the last meeting held Tuesday, October 6. The work of the Committee is progressing and further meetings are scheduled for November 16 and December 9.



Portfolio News

Reappointment of Gill Shaw at FCC

In August, Federal Agriculture Minister **Gerry Ritz** announced the reappointment of **Gill Shaw** as Chair of the Board of Directors of Farm Credit Canada (FCC).

To learn more about Farm Credit Canada, please visit www.fcc-fac.ca.



Government News

AgriInvest Deposit Notices in Farmers' Hands

On September 14, 2009 *AgriInvest* Deposit Notices were mailed out to producers' informing farmers on sums that can be deposited into their respective *AgriInvest* accounts in order to receive matching government contributions.

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AgriInvest provides producers with flexible coverage for small income declines, as well as support for investments to mitigate risks or improve market income. With an *AgriInvest* account, producers make a deposit based on a percentage of their Allowable Net Sales and receive matching contributions from federal and provincial governments.

These notices will provide producers with equivalent deposit amounts and current account balances. Producers have 90 days from the issue date on the Deposit Notice to make a deposit. They have the flexibility to withdraw funds at any time throughout the year.

AgriInvest is delivered by AAFC in all provinces except Quebec where it is delivered by *La Financière agricole*. *AgriInvest* is a business risk management program under *Growing Forward*, a federal-provincial-territorial initiative.

For more info on *AgriInvest*, producers can visit the program website at www.agr.gc.ca/agriinvest or call AAFC toll free at 1-866-367-8506.

Alberta Meat Strategy Created

Alberta's agriculture department has gone live with a new website laying out a specific livestock and meat strategy.

The website details the new implementation plan for the Alberta Livestock and Meat Strategy (ALMS) and how Alberta will take advantage of opportunities in the global marketplace.



The site also intends to provide an update on the province's traceability plans and the development of an information exchange system. "Input from

various industry experts is offered through video links, and a multimedia gallery showcases all that Alberta has to offer," said a departmental spokesperson.

ALMS, announced in June last year, is viewed as a partnership between livestock producers, feeders and processors along with the provincial agriculture department, the Agriculture Finance Services Corporation (AFSC) and ALMS's administrative body, the Alberta Livestock and Meat Agency (ALMA).

For more info please visit: www.alms.alberta.ca

Minister Day Opens Doors for Canadian Business

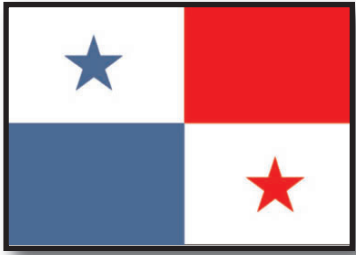
The Honourable Stockwell Day, Minister of International Trade and Minister for the Asia-Pacific Gateway, opened in August a new Canadian trade office in Recife, Brazil. This new office will build on the two countries' growing trade and investment relationship and expand Canada's economic presence in Brazil, Latin America's largest and most diversified economy.



The new office will take advantage of the Pernambuco state government's stimulus efforts specifically devoted to revitalizing the region. The state aims to attract long-term foreign investment through fiscal incentives dedicated to the sweeping development of the region and, in particular, of the Port of Suape, one of South America's main shipping hubs and home to a blend of commerce, industry and port services.

More details about Minister Day's visit to Brazil may be found at: Ministerial visit to Brazil and Ecuador (www.international.gc.ca).

New Market Access for Canadian Beef in Panama



Since the beginning of August, Canadian beef exports have access to Panama markets for the first time since 2003. **Stockwell Day**, Minister of International Trade and Minister for the Asia-Pacific Gateway, and Federal Agriculture Minister, **Gerry Ritz**, confirmed that Panama approved Canada's meat inspection system and lifted the ban on Canadian beef imposed in 2003 because of bovine spongiform encephalopathy (BSE).

Approving Canada's meat inspection system and granting of access to Canada is important because it gives our exporters the ability to ship beef and pork from all federally-registered Canadian meat establishments.

GOC Invests in Canada Brand Marketing Initiative

On September 17, 2009 the Government of Canada invested \$32 million in the *Canada Brand* initiative to put the maple leaf brand on the top quality products Canadian farmers grow and increase sales around the world.

The *Canada Brand* initiative will fund market analysis, advertising campaigns and public opinion research that will promote Canada's safe, top quality agriculture. The *Canada Brand* initiative will work in lockstep with industry as a springboard to complement the successes already achieved in key markets.

To find out more information about *Canada Brand*, please email brandcanada@agr.gc.ca.



Industry News

Site Offers Beef Info for Beef Producers

The Beef Information Centre (BIC) has launched a new site offering beef information to a different segment: cattle producers. Housed within the Canadian Cattlemen's Association (CCA) website, the new site is aimed at BIC stakeholders, primarily Canada's beef producers, as well as industry, government, and also agricultural media.

The BIC, which is the beef market development division of the CCA, focuses on three priority areas within Canada and the U.S.: maximizing the total value realized by the industry through the optimization of carcass values; expanding market size within key markets and market segments; and, building brand awareness of the *Canadian Beef Advantage*.

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The site, which also offers overviews of BIC's work, will see a significant amount of new content added over the next few months and will offer a format that virtually any beef producer with an Internet connection can access.

This new site will also offer beef producers across the country access to information about the BIC, as well as stories and items of interest about how their check-off dollars are invested.

For more information please visit: www.bic.cattle.ca



Did you know AAFC's Website has a Students' Corner?

To learn more about agriculture, its products and the food that we eat, check out the following sections in AAFC's Students' Corner.

You'll find interesting information and different sections on Farming in Canada; Homework; Fun Stuff; Science Explained, Tomato Sphere; Canada Agriculture Museum; Environmental Games and 4-H Canada.

Visit AAFC's website at:
www.agr.gc.ca



Upcoming Meetings - 2009

October 2009

Oct. 20-23	Canadian Poultry and Egg Processors Council	Ottawa
Oct. 28-29	Farm Products Council of Canada	Ottawa

November 2009

Nov. 4-5	Egg Farmers of Canada	Ottawa
Nov. 12-13	Chicken Farmers of Canada	Ottawa
Nov. 17-19	Canadian Hatching Egg Producers	Ottawa