



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

FOCUS Newsletter

March
2011



FPCC Re-appointments Announced

We are pleased to announce the reappointments of two Council Members. Mr. **Brent Montgomery**'s term has been renewed as Vice-Chair and Council Member for four years and Mr. **Phil Klassen** for two years as Council Member. For biographical information please visit FPCC's website at www.fpcc-cpac.gc.ca.

FPCC Chairman at National Agencies AGM

FPCC Chair Laurent Pellerin will be speaking during the week of the national marketing agencies annual general meetings later this month in Ottawa. He will be briefing the agencies members on Council's comings and goings, latest news and FPCC's strategic plan as well as providing his vision for the future of the supply management system and the establishment of promotion and research agencies.

This will be a great opportunity for Mr. Pellerin to introduce the FPCC to the newest agency members and also to engage in discussions and hear directly from agency members regarding their current concerns and future challenges that the industry may face.

In addition, each year, Council members and FPCC staff travel across Canada to participate and speak at provincial commodity boards annual meetings. Council members look forward to this time of year. It is always very helpful to hear about successes and plans for the future. It is also a great opportunity for provincial stakeholders to meet Council's newest members and have an opportunity to talk about FPCC and Council's business and mandate.



IN THIS ISSUE

- * Council Decisions
- * Council Business
- * Industry News
- * Portfolio News
- * Upcoming Meetings
- * Did you Know?

COMMENTS or QUESTIONS

Farm Products Council of Canada
Canada Building, 10th Floor
344 Slater Street
Ottawa, Ontario K1R 7Y3
Email: fpcc-cpac@agr.gc.ca
Web: www.fpcc-cpac.gc.ca
Phone: (613) 995-6752
Fax: (613) 995-2097
Teletypewriter/TDD: (613) 943-3707

Editor/Designer:
Chantal Lafontaine

Canada

FOCUS Newsletter



Council Meetings February and March

During Council's two last meetings, the following items were discussed.

Chicken Farmers of Canada (CFC)

Amendment to Chicken Quota Regulations for A-103



During its February meeting, Council approved the amendment to the Canadian Chicken Marketing Quota Regulations establishing a domestic quota allocation of 204,016,051 kilograms chicken live weight (150,230,600 eviscerated) and a market development quota of 12,360,231 kilograms of chicken live weight (9,099,716 eviscerated) for the period beginning February 27, 2011 to April 23, 2011.

The Domestic allocation is 3.0% above the base, and represents a 1.3% increase compared to the production for the same weeks in 2010. The Market Development allocation represents an increase of 4.6% above chicken produced under the Market Development Policy during the same weeks in 2010.

Council agreed with CFC's A-103 proposed allocation as the current market conditions are generally positive for all sectors of the chicken industry. Council members were of the view that these market conditions were expected to remain positive throughout the A-103 allocation period and the proposed allocation adequate to meet consumer needs at a reasonable price. The amendment also satisfies the requirements of CFC's legal framework.

	Kg live weight	Market Share %	Kg live weight	Market Share %	Kg live weight	Market Share %
BC	29,963,173	14.69%	2,585,000	20.91%	32,548,173	15.04%
AB	19,097,363	9.36%	800,000	6.47%	19,897,363	9.20%
SK	7,337,366	3.60%	1,027,231	8.31%	8,364,597	3.87%
MB	8,790,241	4.31%	450,000	3.64%	9,240,241	4.27%
ON	66,730,783	32.71%	2,680,000	21.68%	69,410,783	32.08%
QC	55,231,367	27.07%	4,818,000	38.98%	60,049,367	27.75%
NB	5,855,954	2.87%	-	-	5,855,954	2.71%
NS	7,345,244	3.60%	-	-	7,345,244	3.39%
PE	783,584	0.38%	-	-	783,584	0.36%
NL	2,880,976	1.41%	-	-	2,880,976	1.35%
CN	204,016,051	100.0%	12,360,231	100.0%	216,376,282	100.0%

Amendment to Chicken Quota Regulations for A-104

During its March meeting, Council approved the amendment to the Canadian Chicken Marketing Quota Regulations establishing a domestic quota allocation of 213,136,941 kilograms chicken live weight (156,951,335 eviscerated) which is 1.75% above base and represents a 1.7% increase when compared to production during the same weeks in 2010.

The market development quota of 12,437,697 kilograms of chicken live weight (9,156,829 eviscerated) for the period beginning April 24, 2011 to June 18, 2011 represents an increase of 7.4% above chicken produced under the Market Development Policy during the same weeks in 2010.

Although concerns about rising feed costs were expressed by the downstream stakeholders, it is believed by Council, the downstream stakeholders and from the provincial commodity boards that the current positive market conditions (i.e. adequate wholesale prices and the level of storage stocks) should be maintained into the A-104 allocation period.

continued page 3

FOCUS Newsletter

	Domestic		Market Development		Total Allocation	
	Kg live weight	Market Share %	Kg live weight	Market Share %	Kg live weight	Market Share %
BC	30,951,523	14.5%	2,560,000	20.6%	33,511,523	14.9%
AB	19,461,474	9.1%	800,000	6.4%	20,261,474	9.0%
SK	7,640,688	3.6%	1,069,697	8.6%	8,710,385	3.9%
MB	8,873,138	4.2%	450,000	3.6%	9,323,138	4.1%
ON	71,369,969	33.5%	2,740,000	22.0%	74,109,969	32.9%
QC	57,514,615	27.0%	4,818,000	38.7%	62,332,615	27.6%
NB	6,098,038	2.9%	-	-	6,098,038	2.7%
NS	7,534,122	3.5%	-	-	7,534,122	3.3%
PE	774,073	0.4%	-	-	774,073	0.3%
NL	2,919,301	1.4%	-	-	2,919,301	1.3%
CN	213,136,941	100.0%	12,437,697	100.0%	225,574,638	100.0%

Turkey Farmers of Canada (TFC)

During its March meeting, Council approved amendments to the Canadian Turkey Marketing Quota Regulations for the 2011-2012 control period (May 1, 2011, to April 28, 2012).



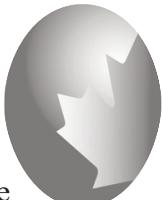
The allocation for 2011-2012 establishes the federal quota for turkey at 169,380,345 Mkg eviscerated weight (all volumes are in eviscerated weight), an increase of 63,460 kg compared to the last amendment to the 2010-2011 control period. This quota allocation includes the following:

- Commercial quota for whole birds (73,111,683 kg) 43.2%
- Commercial quota for further processed products (66,587,970 kg) 39.3%
- Quota for exports (21,770,230 kg) 12.9%
- Multiplier breeder quota (5,812,382 kg) 3.4%
- Primary breeder quota (2,098,080 kg) 1.2%

In reviewing the quota regulation amendments, the Council Members found that the amendments satisfied the requirements of the Agency's legal framework and also concluded that it will lead to stable market conditions for the turkey industry.

Province	Initial allocation for 2010-2011	Proposed amendment to 2010-2011 allocation	Initial allocation for 2011-2012
British Columbia	20,544,742	20,792,544	21,260,235
Alberta	14,790,128	14,988,353	14,525,400
Saskatchewan	5,519,722	5,569,904	5,867,898
Manitoba	13,011,070	13,040,775	13,903,385
Ontario	73,448,562	75,573,542	72,545,763
Quebec	33,875,121	33,624,311	33,528,616
New Brunswick	3,465,136	3,430,813	3,423,961
Nova Scotia	4,346,671	4,296,643	4,325,087
Total	169,001,152	169,316,885	169,380,345

Canadian Hatching Egg Producers (CHEP)



At the March meeting, Council approved the amendments to the Canadian Broiler Hatching Egg Marketing Levies Order which sets the national levy at \$0.0029, an increase of \$0.00025 per broiler hatching egg. The proposed levy will be effective on March 27, 2011 and will expire on March 24, 2012. With respect to provincial levies: the Ontario and the Quebec provincial levies are decreasing while the British Columbia and Manitoba levies will remain unchanged. The levy for marketing broiler hatching eggs from unregulated to regulated areas will decrease from \$0.008125 to \$0.0079375 per hatching egg.

In reviewing the levies order amendments, the Council Members found that it satisfied the requirements of the Agency's legal framework and also concluded it will not unduly affect profitability and producers economic interests.

continued page 4

FOCUS Newsletter

National and Provincial Levies for Broiler Hatching Eggs in \$ per egg

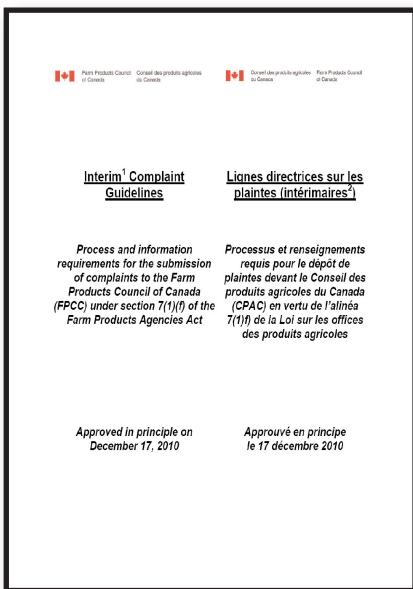
	CHEP Levy	Provincial Levy	Total Levy
Ontario	\$0.0029	\$0.00510	\$0.00800
Quebec	\$0.0029	\$0.00270	\$0.00560
Manitoba	\$0.0029	\$0.00580	\$0.00870
British Columbia	\$0.0029	\$0.01815	\$0.02105

Levy on broiler hatching eggs marketed from a non-signatory to a signatory province = \$0.0079375



Council Complaint Guidelines

During Council's March meeting, Members were presented with an updated version of the FPCC *Complaints Guidelines* for their consideration.



This version of the interim *Complaint Guidelines* was approved and all comments received were taken into consideration and, we trust, to everyone's satisfaction. These guidelines have been implemented on a trial basis, and if deemed necessary, may be revisited or adjusted.

CPEPC, FPPAC and Beef Promotion Agency Visits

Council Members met with representatives from the Canadian Poultry and Egg Processors Council at the February meeting and with the Further Poultry Processors Association of Canada during the March meeting. These meetings provided an opportunity to discuss issues, challenges and concerns regarding the processing industry and gave Council members the opportunity to ask questions for clarification to better understand the industry.

In addition, at the March meeting, Council Members met with the Executive members of the Canadian Beef Cattle Research, Market Development and Promotion Agency. The purpose of this meeting was to give an opportunity to present and discuss challenges facing the beef industry. Their presentation included an overview of 2010, an outlook for 2011 as well as current issues and future challenges facing the industry. The Agency Executive also provided an update and explanation of the proposed restructuring of their organization and its implementation (CANADA BEEF proposal).



Industry News

Quebec and Ontario Agreement

On January 27, 2011, after more than a year of consultation and collaboration among Ontario and Quebec farmer and processor representatives and having worked through a variety of complex issues, all parties agreed to new systems designed to counter the adverse impact caused to their provincial processor allocation systems by high levels of interprovincial movement of live chicken.

continued page 5

FOCUS Newsletter

The Agreement is subject to review and approval in Quebec by the Régie des marchés agricoles et alimentaires du Québec and in Ontario, the agreement is subject to the development of appropriate policies and regulations by the Chicken Farmers of Ontario Board. The IPM, as well as this agreement, will be discussed at the upcoming NAASA meeting on March 22, 2011 in Ottawa.

Source: Chicken Farmers of Ontario

CCGD shuts down and biggest members sign up with Retail Council of Canada

The association representing the country's largest grocery chains closed its doors and officially disbanded on February 4, 2011.

The Canadian Council of Grocery Distributors (CCGD) dissolved after Loblaw Companies pulled out of the association. Loblaw and the four other biggest members, Sobeys, Wal-Mart Canada, Metro and Canada Safeway, have agreed to join a new "Food Caucus" being formed by the Retail Council of Canada. The Food Caucus will focus on identifying and dealing with strategic issues affecting the grocery sector, domestically and globally, around several pillars: food safety; sustainability; industry supply-chain efficiencies and innovation; health and wellness as well as emerging issues.

Source: www.canadiangrocer.com



Canadian Meat Council Moving

CMC is moving to an office suite beside the Canadian Poultry and Egg Processors Council at 1545 Carling Avenue in Ottawa. Effective April 1, 2011 CMC's address will be 407-1545 Carling Avenue, Ottawa, Ontario, K1Z 8P9.

This is one of the results of the ongoing work on the Industry Association Synergy Project. The goal of the project is to have CPEPC, CMC and FPPAC cooperatively look for new synergistic ways to build influence with regulators, politicians, suppliers, consumers and other key stakeholders.

The collocation of the organizations will assist in establishing a collaborative approach to services among staff and coordinating the Association's positions with government and industry as quickly as possible.

Source: www.cmc-cvc.com



Introducing a new era of collaboration

Chicken Farmers of Ontario (CFO) teamed up with representatives from the Ontario chicken processing sector to introduce a new vision for Ontario's chicken industry to Ontario's political leaders. Team Ontario is an advisory committee to the CFO Board comprised of representatives from CFO, the Association of Ontario Chicken Processors

continued page 6

FOCUS Newsletter

(AOCP) and the Ontario Farm Products Marketing Commission (OFPMC). They will work to collaboratively advance strategies and manage issues relevant to the Ontario chicken industry enabling farmers and processors to profitably grow their business in a socially responsible manner. In 2011, Team Ontario will develop a 3-year industry strategic plan.

Source: Chicken Farmers of Ontario

More turkey headed to Ontario tables

Canadians consume about 10.5 million turkeys a year, and consumption is up. But more than 70 per cent of all turkeys are purchased during Thanksgiving and Christmas. To spread the demand around and promote turkey as a local food, the Ontario government is investing in production capacity at one of the province's turkey processors.

According to the province, Hayter's Turkey Products Inc. in Dashwood, Ontario, is increasing its production of Ontario turkey products to meet growing demand, create jobs and support local farmers. Through the Ontario Rural Economic Development Program, Hayter's is renovating its existing facility to improve production capacity. The company will also expand its retail store and establish a test kitchen to develop new, healthy turkey products. In addition, these improvements are expected to help triple sales, create up to six jobs and retain more than 60 positions, helping boost the Dashwood-area economy.

Source: Farm Credit Canada

GoC Helps Turkey Farmers Gobble Up New Opportunities

Canada's *Economic Action Plan* is delivering real results for Ontario food producers and helping to boost the bottom line of local farmers. An investment of more than \$500,000 to Golden Valley Farms Inc. was announced on

February 28. This repayable contribution will help the company improve its processing line, providing farmers with more opportunities to get their products to market.

Golden Valley Farms will use this investment to purchase and install new packaging equipment in its facility located in Arthur, Ontario. The new equipment will allow their turkey bacon to be processed through a high pressure (hyperbaric) system to enhance food safety, improve productivity and efficiency and increase shelf life.

For more details on this announcement please visit: www.agr.gc.ca



Portfolio News

Farm Credit Canada Survey

A new FCC survey shows optimism among farmers is at a four-year high. More than three-quarters (76%) of those surveyed in 2010 as part of the national FCC Vision Panel indicated that their farm or business will be better off in five years, which represents an increase from the last survey in 2009 (70%).

In this fourth annual study, more Canadian farmers stated they were better off than five years ago and have higher expectations for future growth than in the past. They also continue to encourage others to pursue careers in agriculture. As well, intentions to expand and diversify operations are at their highest points in the four years the survey has been conducted.

To view the survey report, which includes comparisons by sector and by province, please visit www.fccvision.ca.

FOCUS Newsletter

Pilot Project Applications Ready to Facilitate Interprovincial Trade

The Government of Canada will invest up to \$3 million for a series of pilot projects that will investigate and help better position provincial meat processors to move their safe, high quality product across the country while keeping with Canada's high federal food safety standards.

As part of the ongoing work by federal and provincial Ministers to create market opportunities for farmers and producers, these pilot projects are part of a roadmap that will expand interprovincial trade in meat. Officials will work with industry to validate new inspection procedures, collect samples and information, and determine what technical procedures could be adapted to better reflect the operating environments of meat processors of all sizes.

Source: www.inspection.gc.ca



The CDC Renews Funding for its Scholarship Program

The Canadian Dairy Commission (CDC) has announced that it will continue to fund its successful graduate Scholarship Program up to July 2016. Since the Program was launched in June 2006, more than 40 scholarships have been granted to masters students and over 20 scholarships have been awarded to students at the Ph.D. level.

An evaluation of the CDC Scholarship Program conducted in June 2010 confirmed the program's success and prompted its renewal. The CDC will grant \$3 million in scholarships over five years to participating institutions across Canada. Institutions will be encouraged to match the contributions made by the CDC.

Source: www.cdc-ccl.gc.ca

Governments Invest in Innovation under Growing Forward

Investing in new ideas creates value and better ways of doing things and that is why the federal and provincial governments have targeted over \$4.5 million through the *Growing Forward* Agreement to support B.C. agricultural producers and processors who want to develop new products, processes, markets and ideas.

In addition, these initiatives will create opportunities for agribusinesses to explore new ways of doing business, and increase their capacity to bring new products to the marketplace. Under the innovation banner of the federal-provincial *Growing Forward* Agreement, government and industry are collaborating on a number of initiatives, such as the \$2.0 million Innovation and Commercialization Centre.

The Centre will be a one-stop agricultural information resource promoting product development within industry by linking businesses and other organizations with service and technology suppliers. To see other initiatives please visit: www.al.gov.bc.ca/apf/GF_Programs.html



FOCUS Newsletter

What do you know about Science and Innovation?

Agriculture and Agri-Food Canada (AAFC) scientists and their partners work together to make significant contributions to agricultural research and innovation in Canada and the world. To find out more on AAFC's *Science and Innovation Strategic Action Plan - Science at Work*, please visit their website (www.agr.gc.ca) and browse each of these sections for details on specific information and their programs:

For Canadians

Information on the latest developments from our labs, of interest to consumers, students, community groups, media, and anyone curious about what we do and why it matters.

For Users of Research

Information of interest to producers, processors, potential collaborators and other stakeholders in the agri-food sector who benefit directly from advancements in agricultural science and technology by adopting new products, processes and management tools.

For the Scientific Community

Information relevant to the advancement of agricultural and other sciences, notably scientific publications chiefly of interest to the scientific community.

Upcoming Meetings - 2011

March 2011

Mar. 22	National Association of Agri-Food Supervisory Agencies (NAASA)	Ottawa
Mar. 22-23	Canadian Hatching Egg Producers	Ottawa
Mar. 22-24	Chicken Farmers of Canada	Ottawa
Mar. 22-24	Turkey Farmers of Canada	Ottawa
Mar. 22-24	Egg Farmers of Canada	Ottawa

