



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

FOCUS *Newsletter*

JANUARY 2014



New Year's Greeting

As 2014 begins, the members and staff of the Farm Products Council of Canada (FPCC) would like to take this opportunity to wish all national agencies, government colleagues, industry partners and stakeholders, their staff and families, a happy and prosperous New Year.

Laurent Pellerin
Chairman

New PRA proposal received

On December 20, 2013, the Farm Products Council of Canada has received from the Association des producteurs de fraises et framboises du Québec a proposal to establish a *Strawberry Research, Market Development and Promotion Agency*, to be funded by levies. The FPCC Chair, Laurent Pellerin has appointed Tim O'Connor and Mike Pickard as Panel members. The FPCC is reviewing the proposal.

FPCC staff years of commitment

The Farm Products Council of Canada wishes to acknowledge the outstanding commitment of a few of its employees.

Pierre Bigras, Manager - Regulatory Affairs	25 years of service
Lise Leduc, Corporate Team Leader	25 years of service
Joanne Forget-Chayko, Compliance Officer	15 years of service

Council members and staff congratulate these employees on their dedicated years of service with the Government of Canada!

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COMMENTS OR QUESTIONS?

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FARM PRODUCTS COUNCIL OF CANADA

Canada



FPCC BUSINESS

COUNCIL MEETING OF DECEMBER 10 TO 12

Egg Farmers of Canada (EFC)

Council met with EFC Executive members and staff on December 10, 2013. Members appreciated the opportunity to meet and discuss EFC's requests for quota and levy amendments for 2014 as well as current issues in the egg industry, in particular their plans for implementing changes to the Industrial Product Program (IPP). Council has communicated its concerns and expectations to EFC on the need for significant changes to the IPP at several meetings during the last year. The December meeting provided another opportunity to continue these discussions.

While Council recognises that EFC has made some progress, the expectation is that EFC must be more creative and aggressive in exploring all possible ways to reduce the costs of the IPP and the associated burden on table egg consumers; such as through farmer contributions, structural changes to quotas, determination of the natural overrun, control of buyback and other significant costs, etc.

Council took account of EFC's commitment at the meeting to examine how changes in price spreads and the promotion of the consumption of medium table eggs would be beneficial to IPP cost management. Council is also looking forward to see how EFC's implementation of a service fee on birds placed from new allocations going forward will reduce the need for levy increases at the same time as controlling quota value by ensuring that future quota transfers will be made to producers at no value.

Furthermore, Council welcomed EFC's agreement to confirm with provincial boards their actual needs for, and utilisation of, their Eggs for Processing (EFP) quota so that only the required amount would be requested in future allocations.

SCHEDULE 1 (Sections 2 and 6, subsections 7(1) and 7.1(1) and section 7.2)

LIMITS TO QUOTAS FOR THE PERIOD BEGINNING ON DECEMBER 29, 2013 AND ENDING ON DECEMBER 27, 2014

Column 1	Column 2	Column 3	Column 4
Province	Limits to Federal Quotas (Number of Dozens of Eggs)	Limits to Eggs for Processing Quotas (Number of Dozens of Eggs)	Limits to Export Market Development Quotas (Number of Dozens of Eggs)
Ontario	219,869,208	17,808,000	
Quebec	113,974,147	2,544,000	
Nova Scotia	21,266,135		
New Brunswick	12,222,277		
Manitoba	61,996,255	10,176,000	12,720,000
British Columbia	72,833,659	2,544,000	
Prince Edward Island	3,523,195		
Saskatchewan	27,035,121	5,088,000	
Alberta	54,896,749	636,000	
Newfoundland and Labrador	9,448,423		
Northwest Territories	3,083,608		

Within this context, Council evaluated the risks of the increase in allocation requested by EFC for 2014, and took its decision based on the facts that: table egg market demand has increased; imports of table eggs and breaker eggs have risen substantially; and, no increase in levy is required in 2014 to place the birds from this allocation.

Accordingly, after extensive deliberation, Council approved the proposed amendment to the *Canadian Egg Marketing Agency Quota Regulations* to increase the federal quota allocation to 600,148,777 dozen eggs for the period of December 29, 2013 to December 27, 2014. In addition, Council approved the proposed amendment to the *Canadian Egg Marketing Agency Levies Order* for the period of December 30, 2013 to March 27, 2015, which maintains the federal levy unchanged at \$0.3375 per dozen.

Council looks forward to being kept informed of details of improvements to the IPP as well as updates on EFC's marketing plan as the year progresses.



CHICKEN FARMERS OF CANADA (CFC)

On December 12, 2013, Council members met with CFC's Executive Committee and staff. At this meeting CFC presented its priorities for 2014 and beyond. Council found the presentation very informative and looks forward to further meetings and updates on the progress of CFC's 2014 priorities.

Following this meeting, Council reviewed and approved the proposed amendments to the *Canadian Chicken Marketing Quota Regulations* for A-122 to which spans from January 26 to March 22, 2014.

The members found that the total allocation of 220,512,892 kg live weight for period A-122 satisfied the requirements of the *Farm Products Agencies Act*, the Agency's Federal-Provincial Agreement, as well as the Agency's By-laws, and as such approved the amendment.

Members noted recent market conditions, such as the downturn in the wholesale prices and the increase in storage stocks (above the Agency's published healthy range) as areas of concern. The conservative approach in setting the A-122 allocation was, in Council's view, the correct one. Council also reviewed and approved the proposed amendment of extending the expiry date of the *Canadian Chicken Marketing Levies Order* from March 31, 2014 to May 17, 2014.



A-122

SCHEDULE (Sections 1, 5 and 7 to 10) LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON JANUARY 26, 2014 AND ENDING ON MARCH 22, 2014			
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.	69,538,073	1,900,000
2.	Que.	56,797,631	4,242,385
3.	N.S.	7,513,623	0
4.	N.B.	6,014,665	0
5.	Man.	8,886,114	457,500
6.	B.C.	30,684,233	2,380,000
7.	P.E.I.	790,018	0
8.	Sask.	7,565,205	1,059,129
9.	Alta.	19,434,919	300,000
10.	N.L.	2,949,397	0
Total		210,173,878	10,339,014

CANADIAN HATCHING EGG PRODUCERS (CHEP)

During this meeting, Council also approved the amendments to Schedule 1 (final allocation for 2013) with a total regulated 618,149,147 broiler hatching eggs and to Schedule 2 (initial allocation for 2014) with a total regulated 628,767,028 broiler hatching eggs. (See tables next page)

Council members understand that the proposed 2013 final allocation reflects the current market conditions faced by broiler hatching egg producers, primarily an increase in chicken production from 2013. They are also of the opinion that the conservative approach used in setting the initial 2014 allocation is appropriate, as it will minimize the financial risk to hatching egg producers if they overproduce the market.

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It also approved the text amendments to the Regulations which reflect, amongst other issues, the addition of Alberta and Saskatchewan as signatory provinces and the removal of definitions from the Regulations that are contained in the Agency's *Proclamation*.

The amendments to the text, as well as the amendment of Schedule 1, will come into force on the day of their registration. The amendment of Schedule 2 came into force on January 1, 2014.

SCHEDULE (Sections 2, 5 and 6)			
LIMITS FOR BROILER HATCHING EGGS			
Effective during the period beginning on January 1, 2013 and ending on December 31, 2013			
Item	Province	Number of Broiler Hatching Eggs	
		Column 1	Column 2
		Interprovincial and Intraprovincial Trade	Export Trade
1.	Ontario	210,150,146	0
2.	Quebec	180,888,146	0
3.	Manitoba	33,320,365	0
4.	British Columbia	100,521,711	0
5.	Saskatchewan	29,754,730	0
6.	Alberta	63,514,049	0

The amendments to the Agency's *Canadian Broiler Hatching Egg (Interprovincial) Pricing Regulations*, the *Canadian Broiler Hatching Egg and Chick Orderly Marketing Regulations* and the *Canadian Broiler Hatching Egg Marketing Levies Order* were also approved. The amendments to these statutory instruments will come into force on the day of their registrations. The *Canadian Broiler Hatching Egg Levies Order* expires on June 22, 2014.

SCHEDULE (Sections 2, 5 and 6)			
LIMITS FOR BROILER HATCHING EGGS			
Effective during the period beginning on January 1, 2014 and ending on December 31, 2014			
Item	Province	Number of Broiler Hatching Eggs	
		Column 1	Column 2
		Interprovincial and Intraprovincial Trade	Export Trade
1.	Ontario	213,773,420	0
2.	Quebec	183,967,049	0
3.	Manitoba	33,894,854	0
4.	British Columbia	102,254,843	0
5.	Saskatchewan	30,267,743	0
6.	Alberta	64,609,119	0

FPCC BY-LAWS COMMITTEE MEETING OF DECEMBER 19

Chicken Farmers of Canada (CFC)

The By-Laws Committee met on December 19, 2013 and approved the proposed increase in the meeting and conference call per diems for the chair and directors of CFC.

Canada Beef

Furthermore, at this meeting, the By-laws Committee approved Canada Beef's schedule of fees and reimbursable expenses paid to members of the Agency's Board of Directors.

PORTFOLIO NEWS

AAFC's Food Regulatory Issues Division (FRID)

Factsheet on Foods with Health Benefits

The FRID has fully revised its factsheet: Canada's Regulatory System for Foods with Health Benefits. The resource is a starting point for companies wanting to promote the health benefits of their products. It helps better understand and navigate Canada's food regulatory system and point to important resources.

Visit www.agr.gc.ca/food-regulatory-issues and follow the link under "Features".



New Report: Value-Added Foods for an Aging Population

This new report on Market Opportunities for Foods with Added Health Benefits for an Aging Canadian Population is intended to help Canada's agri-food sector capitalize on the market potential for innovative food products that meet the needs of an aging population. The report identifies the food and nutrition concerns of this heterogeneous demographic segment along with current market trends and opportunities, and outlines the regulatory issues that need to be considered prior to product development.

Visit www.agr.gc.ca/food-regulatory-issues and click on "Reports and Reviews" in the left-hand navigation menu.

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Register for your free subscription and you'll be entered to win an Apple iPad from FCC. Contest closes March 31, 2014.

Source: www.fcc-fac.ca

GOVERNMENT NEWS



Canadian Agriculture to Benefit from WTO Agreement

In December, the World Trade Organization's Ninth Ministerial Conference concluded in Bali,

Indonesia with member countries agreeing on a new trade facilitation agreement (TFA) that will benefit Canadian farmers and agricultural exporters. This TFA represents the WTO's first multilateral trade agreement to be concluded since the establishment of the WTO in 1995.

Canadian Agriculture Minister, Gerry Ritz who participated in the WTO conference with Minister of International Trade, Ed Fast, is welcoming the benefits and opportunities that the TFA delivers for Canada.

This agreement builds on the Government of Canada's (GoC) continued advocacy for a fair and more efficient system of international trade based on predictable rules and sound science. It will help Canadian farmers and agricultural exporters maximize opportunities in international markets where Canada has achieved unprecedented access this year.

In addition to the TFA, agreement was reached on specific agriculture issues. Ministers re-affirmed the call for the elimination of export subsidies and reduction in maximum repayment periods for export credits. Continued reforms in this area will help level the playing field on world markets for Canada's agricultural exporters benefiting all Canadian agricultural exports, including beef and pork. The agreement also carries new and stronger disciplines for the administration of tariff quotas that will create new opportunities for Canadian agricultural exporters.

Source: www.agr.gc.ca

Government propose changes to support agricultural sector growth

The GoC introduced a new bill that will stimulate investment and innovation in Canada's agriculture sector and give Canadian farmers more tools to compete and thrive in world markets and at home. The *Agricultural Growth Act* will increase farmers' access to new crop varieties, enhance trade

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opportunities and the safety of agricultural products, reduce red tape and contribute to Canada's overall economic growth.

The government is committed to supporting Canada's farmers and its world-class agriculture industry so they can remain competitive in world markets. Armed with the latest science, tools and practices, the Canadian agriculture sector will continue to be an important driver of our economy.

To help Canadian farmers benefit from the latest scientific research from around the world, the bill also provides the Canadian Food Inspection Agency with the authority to consider foreign reviews, data and analyses during the approval or registration of new agricultural products in Canada, allowing for a more effective approvals process.

The bill also amends the *Agricultural Marketing Programs Act* (AMPA) and the *Farm Debt Mediation Act* (FDMA).

Source: www.agr.gc.ca

Investment to Further Strengthen Food Safety Standards

Canada's agricultural industry will benefit from an enhanced food safety audit system that will increase consistency throughout the sector, with the help of an investment from the Government of Canada.

Canada is known for its world-class ability to produce a variety of safe, high-quality agricultural and food products. An important part of Canada's rigorous food safety system is the strength of its oversight – not only does Canada have strong standards, but it has a strong quality-control to back that up.

Up to \$173,000 will go to the Canadian Supply Chain Food Safety Coalition (CSCFSC) to develop standard auditor competencies and qualifications which are consistent with

private and international standards. This investment will help the Coalition bring all stakeholders to the table to shape a consistent made-in-Canada approach to food safety audit and certification across all sectors, and to develop an action plan to get there.

The standard developed through this project will ensure that all sectors implementing a food safety system will be able to remain competitive in domestic and international markets. Members of the CSCFSC represent every major segment of the agriculture and agri-food value chain. This investment was made through Agriculture and Agri-Food Canada's *AgriMarketing Program*, a five-year, \$341-million initiative under *Growing Forward 2*.

For more information on the *Growing Forward 2* agreement and the *AgriMarketing Program*, please visit www.agr.gc.ca/growingforward2.

INDUSTRY NEWS

Culinary Competition brings Canadian beef to new heights in China

Taking place each November, the Food and Hotel China (FHC) Shanghai is the biggest and the most important exhibition for the hotel and restaurant industry in China. For Canada Beef, the show represents an opportunity to showcase and articulate their brand and gain exposure, through communication and first-hand experience of the "Canadian Beef Advantage" (Global industry-wide brand strategy), positive communication with importers, distributors and end users, especially the culinary professionals and media.

With hundreds of visitors to the booth each day, including the General Consul of Canada Consulate Shanghai and Canada-China Legislative Assembly (CCLA), Canada Beef

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was able to create business opportunities with targeted distributors and importers. Canada Beef further leveraged the show by including a celebrity chef demo, culinary competition and gala launch partnership, as well as media outreach to ensure maximum results.

In addition to cooking demonstrations, Canada Beef worked with FHC International Culinary Arts Competition to ensure Canadian beef was used exclusively during the competition and for the gala reception. The FHC China International Culinary Arts Competition is China's largest Western style cooking competition and forms an important training and motivation opportunity for all participating chefs and the many visitors that attend to support their colleagues from every level of the hospitality industry.



This opportunity presented Canada Beef extensive brand outreach with the Canadian beef brand logo prominently displayed on extensive promotional materials,

Chef uniforms, awards and more. It also provided Canada Beef with a great platform to communicate the Canadian Beef Advantage to professional chefs, hotel GMs, Food and Beverage managers, importers, distributors and supermarket management.

Source: <http://www.fhcchina.com>

UPCOMING EVENTS

February 2014

5-6	Egg Farmers of Canada	Ottawa
10-12	Canadian Poultry and Egg Processors Council	Ottawa
12	Canada Beef	Calgary
12-13	Farm Products Council of Canada	Ottawa
21	Egg Farmers of Canada	Conf. Call

March 2014

17	National Association of Agricultural Supervisory Agencies	Ottawa
17-19	Canadian Hatching Egg Producers	Ottawa
18-20	Egg Farmers of Canada	Ottawa
18-20	Chicken Farmers of Canada	Ottawa
18-20	Turkey Farmers of Canada	Ottawa
20-21	Farm Products Council of Canada	Ottawa