



Farm Products Council  
of Canada

Conseil des produits agricoles  
du Canada

# FOCUS *Newsletter*

NOVEMBER 2014



## IN THIS ISSUE

- FPCC Activities
- FPCC Business
- Portfolio News
- Industry News
- Upcoming Events



## COMMENTS OR QUESTIONS?

### Farm Products Council of Canada

Central Experimental Farm  
960 Carling Avenue, Building 59  
Ottawa, Ontario K1A 0C6

Phone: 613-759-1555

Fax: 613-759-1566

Teletypewriter/TDD: 613-759-1737

[fpcc-cpac.gc.ca](http://fpcc-cpac.gc.ca)

## FPCC 2013-2014 Annual Report

The Farm Products Council of Canada (FPCC) is pleased to release its *2013-2014 Annual Report*. This year's report provides a summary of Council's activities and related accomplishments in support to the national agencies in the administration of the supply management and promotion-research systems. The report is available on our Website.

## Complaint concerning the quota allocation for period A-127

On August 5, 2014, the FPCC received a complaint from the Canadian Poultry and Egg Processors Council (CPEPC) and the Further

Poultry Processors Association of Canada (FPPAC) and another on August 6, 2014, from Restaurants Canada (RC). Both complaints (combined into one) concerned the allocation decision, specifically the domestic allocation made by CFC at their July 2014 meeting for the allocation period A-127.

During the September 30 and October 1, 2014 meeting, the Council reviewed the *Complaint Committee's Final Report and Recommendation*, and after a thorough discussion, the Council dismissed the complaint. The Council agreed with the assessment of the Committee that the chicken market will likely be in a good position with respect to the storage stock levels as well as wholesale prices during the A-127 period. They also accepted the Committee's conclusion that the anticipated decrease in the costs of corn and soybean, and their impact on feed costs, will likely result in a decrease in the price of live chicken at the farm gate.

*continued page 2*



FARM PRODUCTS COUNCIL OF CANADA

Canada



The members are of the view that the lower live prices for chicken will likely benefit processors through a positive impact on the gross processor margin.

They further agreed with the Committee's view that chicken specifications are the responsibility of individual processors and producers and that CFC's responsibility lies with setting an allocation which will satisfy the global volume of chicken required in all markets.

The members took note of stakeholders' concerns with respect to the data issues on calculating chicken disappearance, CFC's Board governance regarding the voting on allocations and the frequency of allocation setting and will be meeting with the representatives from CFC, CPEPC, FPPAC and RC to discuss the issues raised.

### Update on promotion and research agencies

During its September 30 and October 1, 2014 meeting, the Council approved the recommendation presented on the inquiry in the establishment of a Raspberry Promotion and Research Agency, and directed FPCC staff to prepare a memo to the Minister with Council's recommendation for his consideration.

On a related matter, the *Panel's Report* on the inquiry in the merits of establishing a Strawberry Promotion and Research Agency will be presented to Council members during FPCC's next meeting, scheduled for November 5, 2014.

---

## FPCC ACTIVITIES

### *New employee at FPCC*

On September 29, 2014, Steve Welsh joined the Farm Products Council of Canada on a one-year assignment as Senior Advisor responsible for the egg sector. Steve has worked for the past 15 years in the poultry and egg sectors as a senior specialist for Agriculture and Agri-Food Canada. He has represented the Department on various committees and working groups such as the Tariff Rate Quota Advisory Committee, the Canadian

Hatching Egg Producers Advisory Committee, the Chicken Import Working Group and the Border Measure Workshop. Welcome Steve!

---

## FPCC BUSINESS

COUNCIL TELECONFERENCE OF AUGUST 13, 2014

### Egg Farmers of Canada (EFC)

The Council members met via teleconference on August 13, 2014 where consideration was given to the proposed amendments to the *Canadian Egg Marketing Agency Quota Regulations, 1986* and the *Canadian Egg Marketing Levies Order*. Council opted to postpone rendering a decision on these two amendments to provide EFC the opportunity to modify its requests, given the heightened market demand, high level of imports and current positive budget balance. They did however, recognize the significance of the current situation in the industry, both for table and processing eggs, and felt that options to address it should be discussed and developed further.

### Chicken Farmers of Canada (CFC)

Also during this meeting, consideration was given to the proposed amendments to the *Canadian Chicken Marketing Quota Regulations* for the A-126 allocation period, which runs from September 7 to November 1, 2014.

In reviewing the proposed quota regulations amendments, Council members found that they

*continued page 3*





satisfied the requirements of the *Farm Products Agencies Act* (FPAA) and the Agency's Proclamation. As such, Council approved the total allocation of 223,260,071 kg live weight for period A-126, which comprises provincial domestic and market development allocations, as well as specialty products.

## A-126

SCHEDULE (Sections 1, 5, 7, 8 and 8.3 to 10.1) LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON SEPTEMBER 7, 2014 AND ENDING ON NOVEMBER 1, 2014			
Item	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.	70,516,728	1,900,000
2.	Que.	57,596,982	3,849,668
3.	N.S.	7,619,366	0
4.	N.B.	6,099,313	0
5.	Man.	9,011,174	382,500
6.	B.C.	31,116,073	2,635,000
7.	P.E.I.	801,136	0
8.	Sask.	7,671,676	1,074,034
9.	Alta.	19,708,440	0
10.	N.L.	2,990,906	0
Total		213,131,794	9,841,202

A-127, which comprises provincial domestic, market development and speciality production allocations.

The Council noted that, in general, the market indicators have been positive in 2014. For example, storage stocks have decreased from the beginning of the year and are currently below the Agency's established target ranges and since the beginning of the summer, wholesale prices, with the exception of the price for wings, have been higher than in previous years.

The Council also reviewed the allocation agreement used in distributing the domestic allocation to provinces for A-127 and found it acceptable and understands that a long term allocation agreement is currently being developed. Council members look forward to the finalisation of the long term agreement and the re-entry of the province of Alberta as signatory to the Federal-Provincial Agreement (FPA) for Chicken.

## A-127

SCHEDULE (Sections 1, 5, 7, 8 and 8.3 to 10.1) LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD BEGINNING ON NOVEMBER 2, 2014 AND ENDING ON DECEMBER 27, 2014			
Item	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.	70,380,977	1,650,000
2.	Que.	57,086,613	3,564,306
3.	N.S.	7,496,503	0
4.	N.B.	6,002,079	0
5.	Man.	8,766,238	382,500
6.	B.C.	29,968,103	2,330,000
7.	P.E.I.	815,737	0
8.	Sask.	7,528,929	1,054,050
9.	Alta.	19,960,479	100,000
10.	N.L.	2,946,527	0
Total		210,952,185	9,080,856

## COUNCIL MEETING OF SEPTEMBER 30 AND OCTOBER 1, 2014

### Chicken Farmers of Canada (CFC)

Council members reviewed the amendments to the *Canadian Chicken Marketing Quota Regulations* for period A-127. In reviewing the proposed quota regulation amendments, the Council found that they satisfied the requirements of the FPAA and the Agency's Proclamation. As such, Council approved the total allocation of 221,437,075 kg live weight for period





## Turkey Farmers of Canada (TFC)

The Council also approved TFC's proposed amendments to the *Canadian Turkey Marketing Quota Regulations, 1990* for the 2014-2015 control period as submitted on August 27, 2014, which amends the quota allocation to 400,422,046 lb (181,628,360 kg) eviscerated weight from the date of registration until April 25, 2015.

In reviewing the quota regulation amendments, the members found that they satisfied the requirements of the FPAA, the Agency's Proclamation, FPA and attached schedule, as well as the Agency's By-Laws. The Council members agree that the volumes requested will meet market requirements for all categories of quotas and result in reasonable prices to consumers.

The members were pleased to see that this amendment relates, in part, to the growth in demand for whole turkeys. Furthermore, members encouraged TFC to continue to work with its stakeholders towards improving the efficiency and competitiveness of the turkey industry, as well as on promotion activities to increase the consumption of turkey and turkey products.

## Egg Farmers of Canada (EFC)

At this meeting Council members further considered the amendment submitted by the EFC on July 22, 2014 to the *Canadian Egg Marketing Agency Quota Regulation, 1986*; the revised amendment to the *Canadian Egg Marketing Levies Order*; and the amendment to the *Canadian Egg Marketing Agency Quota Regulation, 1986 (Schedule 2)* for vaccine eggs.

After thorough discussions, the Council approved all the amendments: an increase to the quota allocation, effective August 10, 2014 and ending on December 27, 2014 and a reduction of 4¢ to the levy, both effective upon registration and ending on March 27, 2015. The quota allocation of eggs for vaccine production from December 28, 2014 until December 26, 2015 was also approved for 13,335,840 dozen eggs.

During its deliberations on the quota amendment, members were satisfied that, at the national level, the proposed quota allocation is necessary for the implementation of the marketing plan which the Agency is authorized to implement. This is in light of the evidence provided of shortages of egg supply in some markets, continued strong demand growth for table eggs, and the high levels of imports for both table eggs and eggs for breaking.

However, members were not entirely satisfied that the allocations at the provincial and territorial levels were appropriate for the table egg markets, given that the proposed allocations will likely result in significant surplus to the table market in certain provinces and territories, and continued shortages in others. As a result, the members requests that the EFC continue to review its provincial-territorial quota allocations and report back to the Council on how to more appropriately assess provincial and territorial needs and allocate quota to meet table market requirements.

Furthermore, the Council was pleased to learn of EFC's success in implementing the three fast tracked initiatives for reducing the costs of management of the Industrial Product Program and encouraged the EFC to continue to advance aggressively on all these issues in order to improve the supply management system for eggs.





## PORTFOLIO NEWS

### *The Government supports improving animal care practices*

The Government of Canada (GoC) announced an investment of over \$2 million to the Canadian Animal Health Coalition (CAHC) to develop and update poultry codes and further advance best practices for the care and handling of other farm animals.

Building on previous work done with the National Farm Animal Care Council (NFACC), the CAHC will update existing animal care codes for the poultry sector and develop three new codes of practice for additional sectors. Guidance materials will be developed to ensure that farmers have access to the latest, most up-to-date codes and assessment programs, assuring customers that the product they choose has been raised to the strictest standards of animal welfare.

The CAHC is a not-for-profit organization serving Canada's farmed animal industry. CAHC is a partnership of organizations that recognize the shared responsibility for an effective Canadian animal health system. This investment is made through Agriculture and Agri-Food Canada's AgriMarketing Program, a five-year, \$341-million initiative under *Growing Forward 2*.

**Source:** [www.agr.gc.ca](http://www.agr.gc.ca)

This year, along with contributions from various provincial marketing boards (British Columbia, Manitoba and New Brunswick) the Agency's sixth annual Thanksgiving donation to Food Banks Canada totaled \$52,500. The funds collected were distributed among approximately 90 rural food banks in 10 provinces and three territories, for the purchase and distribution of whole turkeys at Thanksgiving.

**Source:** [www.turkeyfarmersofcanada.ca](http://www.turkeyfarmersofcanada.ca)

### *Chicken labelled "Raised by a Canadian Farmer"*

The CFC has introduced its "Raised by a Canadian Farmer" brand to respond to growing demands from consumers to know where their food comes from. This program demonstrates the commitment of farmers to provide families with nutritious chicken raised to the highest standards of care, quality and freshness.

The *Raised by a Canadian Farmer* brand will tell Canadian consumers, right on the packages of chicken they buy, that their chicken is raised in Canada by farmers dedicated to producing unmatched quality chicken that meets the highest nutrient, food safety and animal care standards.

**Source:** [www.chicken.ca](http://www.chicken.ca)

## INDUSTRY NEWS

### *TFC Thanksgiving gesture*

Over the past six years, TFC and its member organizations, have been assisting thousands of Canadian families in rural communities by sponsoring and supporting a variety of events, fundraisers and direct donations benefitting food banks.







## UPCOMING EVENTS

### *November*

Nov. 5	Farm Products Council of Canada	Ottawa, ON
Nov. 13-14	Egg Farmers of Canada	Ottawa, ON
Nov. 19-20	Canadian Hatching Egg Producers	Ottawa, ON
Nov. 19-20	Chicken Farmers of Canada	Ottawa, ON
Nov. 26-27	Turkey Farmers of Canada	Toronto, ON

### *December*

Dec. 2-3	Canada Beef	Calgary, AB
Dec. 9-11	Farm Products Council of Canada	Ottawa, ON