



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

FOCUS *Newsletter*

MAY 2015



Annual general meetings



FPCC's Chairman, Laurent Pellerin, spoke at the national marketing agencies annual general meetings this past March in Ottawa. He briefed the agencies' members on Council activities, FPCC's latest news and touched on key issues and challenges the industries are facing.

In addition, Mr. Pellerin and FPCC staff have been travelling across Canada meeting with Provincial Supervisory Boards to share information and discuss various files and common issues.

To read the transcripts of Mr. Pellerin's speeches at Chicken Farmers of Canada and Egg Farmers of Canada's annual meetings please visit our [website](http://fpcc-cpac.gc.ca).

Each year, Council members and staff participate and speak at provincial commodity boards annual general meetings. It's a great opportunity for provincial stakeholders to meet Council's newest members, raise and explain issues, and help FPCC in its business. It is also very helpful to hear about their plans for the future. Furthermore, Council continues to attend the processors and the further processors' meetings, providing stakeholders updates on FPCC activities and priorities.

IN THIS ISSUE

- FPCC Activities
- FPCC Business
- Regulatory News
- Industry News
- Upcoming meetings



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



FARM PRODUCTS COUNCIL OF CANADA

Canada



FPCC BUSINESS

Council members update

Mr. John Griffin, who had been a Council member for over six years, resigned from his position effective February 18, 2015, to pursue other opportunities in his home province. Along with his considerable business expertise and agricultural experience, Mr. Griffin's knowledge of the agri-food sector provided valuable insight to the FPCC.

In addition, Vice-Chair Brent Montgomery completed his term with FPCC on April 29, 2015. He started as

Vice-Chair of Council on April 30, 2007 and served three consecutive 3-year terms.

During his tenure, Mr. Montgomery demonstrated a great understanding of the supply management industries. His involvement at the Council table deeply benefited the development of FPCC's business objectives and his dedication contributed to the achievement of Council's mission and mandate.

Council members and FPCC staff wish both of these Council members every success in their future endeavours.



FPCC staff update

After working 33 years at FPCC in the role of Executive Assistant, Lisette Wathier has decided to retire. Lisette began her career with the Public Service on December 15, 1982 and worked her last day on April 30, 2015.

Her dedication and years of experience working as the assistant to the Executive Director and Council members were assets to the FPCC. She will also be missed by government and provincial counterparts, national agencies and industry stakeholders who dealt with her on a daily basis.

continued page 3





During her time with FPCC, Lisette demonstrated a strong commitment and contributed in supporting FPCC's day-to-day operations and Council meetings.

The Council members and FPCC staff bid Lisette farewell and wish her all the best in the next chapter of her life.

As previously reported in the *FOCUS Newsletter* of November 2014, Steve Welsh joined FPCC on a one-year assignment as Senior Advisor in September 2014. We are pleased to announce that Steve has accepted our offer to join the FPCC permanently. We know that he will be a strong addition to our team!

COUNCIL MEETING OF APRIL 20-21

Decision letters of the April 20-21, 2015 meeting will be posted on our Website shortly.

Meeting with CHEP and TFC

During the April 20-21 meeting, Council members met with Executive members and staff from the Canadian Hatching Egg Producers (CHEP) and the Turkey Farmers of Canada (TFC). At these sessions, both organizations took the opportunity to present their 2014 accomplishments, key strategic objectives, as well as some critical issues and challenges for 2015. Council looks forward to receiving progress reports during the year from both of these agencies.

Chicken Farmers of Canada (CFC)

In addition, Council reviewed the amendments to the *Canadian Chicken Marketing Quota Regulations* for period A-131. In reviewing the proposed quota regulation amendments, Council found that they satisfied the requirements of the *Farm Products Agencies Act* (FPAA) and were necessary for the implementation of CFC's marketing plan. As such, Council has approved the total allocation of 230,699,527 kg live

A-131

SCHEDULE				
(Sections 1, 5, 7, 8 and 8.3 to 10.1)				
LIMITS FOR PRODUCTION AND MARKETING OF CHICKEN FOR THE PERIOD				
BEGINNING ON JUNE 14, 2015 AND ENDING ON AUGUST 8, 2015				
Column 1		Column 2	Column 3	Column 4
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)	Production Subject to Federal and Provincial Specialty Chicken Quotas (in live weight) (kg)
1.	Ont.	73,838,437	1,400,000	555,440
2.	Que.	59,738,223	2,888,832	0
3.	N.S.	8,005,682	0	0
4.	N.B.	6,284,727	0	0
5.	Man.	9,376,016	382,500	0
6.	B.C.	31,629,439	1,701,016	922,780
7.	P.E.I.	812,256	0	0
8.	Sask.	7,995,649	1,119,390	0
9.	Alta.	20,870,601	100,000	0
10.	N.L.	3,078,539	0	0
Total		221,629,569	7,591,738	1,478,220

weight for period A-131, which comprises provincial domestic, market development and specialty production allocations.

In its review of the market conditions, Council found that in general, the market indicators are favourable for the Canadian chicken industry. For example, total storage stocks as of March 1, 2015, were below the total stock level of March 1, 2014, as well as the January and February 2015 stock levels. Additionally, the March 1st stock level (excluding miscellaneous cuts and leg quarters) is the ninth consecutive month in which the storage stocks are below the Agency's established target ranges.

continued page 4



A second example would be that wholesale prices, with the exception of the price for wings, have been either higher than or close to the prices seen in the first quarter of 2013. Council is of the view that wholesale prices, for the near term, will remain, for most cuts, above the average of prices seen over the past five years.

Egg Farmers of Canada (EFC)

During this meeting, consideration was also given to the proposed amendments to the *Canadian Egg Marketing Agency Quota Regulations, 1986*, and the *Canadian Egg Marketing Levies Order*. Council members approved the additional quota increase of 19,120,296 dozen of eggs requested by the Agency and the one cent per dozen reduction of the levy for 2015.

During its deliberations, Council members thoroughly reviewed the market situation and the rationale provided by the Agency and determined that it had sufficient information for the Council to assess the merit and substantiate the quota allocation requested.

Council was pleased to note that a forward-looking quota allocation element was used in the methodology to develop the proposed allocation amendment. This was seen as a step in the right direction to take into account the current consumer demand for eggs and assess future market needs.

However, Council continues to be concerned about the slow pace at which birds are placed and the difficulty for the system to meet market needs. According to Agriculture and Agri-Food Canada, egg supply and disposition data for eggs up to March 15, 2015, the increased egg production (4.3 million dozen of eggs) is still lagging consumers' demand increase (6.4 million dozen of eggs). In addition, EFC's February 20, 2015, Hen Inventory Matrix, indicates that 1.4 million layers (36.9 million dozen of eggs) are still not in production.

After considerable discussion, Council approved the proposed amendment to the *Canadian Egg Marketing Agency Levies Order* for the period of May 17, 2015 to December 26, 2015.

Council was satisfied that, at this time, there were sufficient grounds and information to conclude that these amendments were necessary for the implementation of the Agency's marketing plan.

Canada Beef

During that April meeting Council members also considered the proposed amendment to extend the expiry date of the *Beef Cattle Research, Market Development and Promotion Levies Order*.

In reviewing the Levies Order, Council found that it satisfied the requirements of the FPAA and the Agency's Proclamation. The Levies Order becomes effective on the date it is registered and expires on June 30, 2016.

LEVY COMMITTEE MEETING OF APRIL 2

Canadian Hatching Egg Producers (CHEP)

At its April 2, 2015, meeting, the FPCC's Levy Committee approved the proposed amendments to the *Canadian Broiler Hatching Egg Marketing Levies Order*. The first amendment reflects a \$0.0009 per broiler hatching egg increase to Quebec's provincial levy rate. This will increase the total levy for Quebec from \$0.0066 to \$0.0075 per broiler hatching egg.

The second amendment reflects an increase from \$0.011256 to \$0.011406 per broiler hatching egg for eggs marketed for a non-signatory to a signatory province. Both amendments are effective on April 26, 2015, and will expire on June 26, 2016.



COUNCIL MEETINGS OF FEBRUARY 4-5 AND MARCH 23

To view Council's decisions for the meetings of February 4-5, 2015 and March 23, 2015, please browse our Council Decisions [Web page](#).

FPCC ACTIVITIES

Annual meeting with FPPAC and CPEPC

Council members had the occasion to meet with the Further Poultry Processors Association of Canada (FPPAC) and the Canadian Poultry and Egg Processors Council (CPEPC) on February 4 and 5, 2015. These sessions were great opportunities to have informal and frank discussions on the organizations accomplishments of 2014 as well as some critical issues and challenges for 2015.

Annual meeting with Canada Beef

During the March 23, 2015, meeting, Council met with the executive members and staff of Canada Beef who provided an update on their Promotion and Research Plan. The presentation focused on the Agency's 2015-2016 strategic vision and priorities and included details on domestic and international market development as well as promotion and cattle beef research.

REGULATORY NEWS

Agricultural Products Marketing Act (APMA) update

The FPCC continues to actively work with provincial commodity boards which hold APMA delegation orders and with its provincial supervisory board counterparts, as part of the APMA Administrative Review. The FPCC met with a Treasury Board analyst and the general framework of the Administrative Review has been approved.

The FPCC will now proceed in communicating with the provincial commodity boards, in order to move forward to the next phase of the review.

Canada Beef Proclamation amendments update

The proposed amendments to the *Canadian Beef Cattle Research, Market Development and Promotion Agency's Proclamation* to reflect changes to their structure and election process, was published in Part I of the *Canada Gazette* on February 28, 2015, for a comment period of 30 days. FPCC will address the comments received and proceed with the final publication in the near future.

INDUSTRY NEWS

CPEPC summer convention

The CPEPC will host its 2015 Convention at the Delta Winnipeg Hotel from June 14 to 16. In connection with the convention, FPCC will hold a Council meeting on June 15 and take this opportunity to meet with several industry representatives. To register or receive more information on CPEPC's 2015 convention please visit: www.cpepc.ca.





UPCOMING MEETINGS

May

21	Further Poultry Processors Association of Canada	Toronto, ON
----	--	-------------

June

14-16	Canadian Poultry and Egg Processors Council – <i>2015 Convention</i>	Winnipeg, MB
15	Farm Products Council of Canada	Winnipeg, MB
10-11	Turkey Farmers of Canada	Saskatoon, SK

July

6-8	Egg Farmers of Canada	Kelowna, BC
6-9	Chicken Farmers of Canada	Fredericton, NB
14-16	Canadian Hatching Egg Producers	Vancouver, BC