

National Farm Products Council
FOCUS Newsletter

New Members Appointed to Council

On December 6, 2004, Minister of Agriculture and Agri-Food **Andy Mitchell** announced the appointment of five new members to the National Farm Products Council. "As Minister, it has been a priority to bring a full complement of members to the National Farm Products Council, and I am pleased of the quality of the individuals who have agreed to serve in this capacity," said Minister Mitchell. "Renewal is a vital element in shaping the important work undertaken by the Council."



Top: Juliann Lindenbach and Roger Richard
Bottom: Stuart Affleck and Susan Johnson

Mr. **Larry Campbell** is a chartered accountant and partner in the firm Campbell and Company and is the owner-operator of a beef cattle ranch in Kamloops, British Columbia. Ms. **Juliann Lindenbach** is a registered nurse in the field of Emergency and Ambulatory medicine and an active partner in Robella Holsteins in Balgonie, Saskatchewan. Ms. **Susan Johnson** is an owner-operator of Shoreline Stock Farm, a ranch that has been a leader in the development of hybrid cattle, in Eddystone, Manitoba. Mr. **Roger Richard** helps manage the Finnigan Greenhouse and is a self-employed vegetable and strawberry grower in Acadieville, New Brunswick. Mr. **Stuart Affleck** is a commercial potato farmer in Bedeque, Prince Edward Island.

"I am impressed with the expertise and enthusiasm of our new members and look forward to working with them as we continue to support the poultry and egg marketing agencies and industry partners as well as the beef check-off agency", said Council Chairperson, **Cynthia Currie**. "Please join me in welcoming them to our Council".

For more details on Council members please visit our website at:
www.nfpc-cnpa.gc.ca.

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COMMENTS or QUESTIONS

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A Fond Farewell to Jurgen Schiffer!

After a 30 year career in government, **Jurgen Schiffer** will be retiring on December 29, 2004. Executive



Jurgen and Sylvia Schiffer at a farewell event.

Director, **Terry Hayward** said "Jurgen has dedicated over 17 years of service to the National Farm Products Council as Commodity Advisor representing the chicken and

turkey sectors and we are tremendously grateful for the support he gave to Council and the industry. Council members, staff and our partners recognize and will miss his great contribution to the poultry industry."

After graduating from the University of Guelph, Jurgen worked for Canada Packers, Poultry Division at their Walkerton, Ontario plant. He then moved on to Agriculture and Agri-Food Canada in the following regional offices: London, Ontario (Agriculture Officer), British Columbia (Marketing Officer) and in the Maritimes (Grade Standards Officer). His experience in these areas included representing the department at egg, chicken and turkey provincial marketing meetings, enforcing grade standards for eggs, egg products, poultry and hatchery sanitation programs and being a member of the Atlantic Expert Committee on poultry.

Jurgen became the Senior Marketing Officer for the Poultry Unit, Commodity Marketing Section, Marketing and Economics Branch, Agriculture Canada in Ottawa. Some of his tasks included conducting an export study, being involved in a study of the turkey primary breeding industry, coordinating the markets information and intelligence activities of seven regional poultry marketing

officers and supervising the operation of the Poultry Unit, Markets Information Services. Jurgen completed his career by joining the National Farm Products Council as Commodity Advisor in 1987, where he concentrated his efforts on Council's work with the chicken, turkey and broiler hatching egg industries.

He was also seconded to the International Trade Tribunal (1991-1992) as a commodity expert in the Tribunal's inquiry into the allocation of import quotas - the purpose of the inquiry was to make recommendations on the optimum method or methods of allocating import quotas on a national basis.

"I first met Jurgen in the late 80's when I was with Chicken Farmers of Canada" said Chairperson **Cynthia Currie**, "and what impressed me most about him was his tremendous knowledge of the poultry sector and his ability to communicate and connect with all stakeholders." She added, "His expertise and vast knowledge in the area of chicken and turkey, as well as his many years of experience in the federal government, will be sorely missed by all members of the poultry industry, stakeholders, government departments and especially by this Council."

"On behalf of myself, Council members and staff, please join me in wishing Jurgen a well-deserved happy retirement!"

Council Business

November 30, 2004 Council Meeting

Council met by teleconference on November 30, 2004. The Chicken Farmers of Canada's allocation for Period A-63 (January 9 to March 5, 2005) was prior-approved. The allocation was 209,367,778 kilograms live weight (154,146,848 kg. eviscerated), consisting of a domestic allocation of 197,283,639 kilograms live weight (145,251,958 kg. eviscerated) and a market development allocation of 12,084,139 kilograms (8,894,890 kg. eviscerated).

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Also on the agenda was Council's review and discussion of the "Report of the Committee Established to Inquire into the Complaint by Giannone Poultry Inc. against the Chicken Farmers of Canada Concerning the CFC's Market Development Assessment Decision Relating to Undermarketing for Periods A-54, A-55 and A-56". Council accepted the Report and fully supported the Committee's findings and recommendations (more below).

December 14-16, 2004 Council Meeting

Each December, Council meets with the Executives of the four national marketing agencies to review their budgets for the coming year and to get an update on agency issues. Council had a busy schedule during its meeting of December 14-16, 2004. For the new Council members attending this meeting, it was their first opportunity to meet with other Council members and Council staff, as well as representatives of the four national marketing agencies.

CBHEMA

Council was briefed on two situations affecting CBHEMA. Firstly, Alberta Hatching Egg Producers is no longer a member of the Agency effective December 1, 2004. The signatories from Alberta notified the Agency at the beginning of August of their intent to withdraw. Alberta Hatching Egg Producers and the Agency are continuing discussions on the issues that resulted in the withdrawal.

Secondly, the Manitoba government has dissolved the Manitoba Broiler Hatching Egg Commission. The Commission's regulatory and administrative functions and authority will be delegated to the Manitoba Chicken Producers effective January 1, 2005. Two hatching egg producers will be appointed by the Manitoba Minister of Agriculture, Food and Rural

Initiatives to the expanded Board of the Manitoba Chicken Producers. The Manitoba government is currently amending the regulations as required.

The Agency is in the process of amending their Proclamation to reflect the Alberta withdrawal and the changes occurring in Manitoba. These changes will then be processed by the federal government in the normal fashion.

CEMA

CEMA's quota and levies orders for the period December 26, 2004 to December 31, 2005 were prior-approved. In coming to its decision with respect to the quota order, Council considered and discussed information from a number of sources, including the letter of rationale from CEMA and reports from Council representatives who attended the Agency's November meeting. Since the 2005 quota year will have 53 weeks, the number of eggs to be produced was adjusted proportionately. In addition, Council had the opportunity to discuss the quota order and rationale with the Agency Executive at its meeting. As a result, Council was satisfied that the criteria were duly considered by CEMA and that the quota order was consistent with the Agency achieving its objects as set out in Section 21 of the Farm Products Agencies Act.

With regard to the levies order, Council prior-approved an increase of \$0.04 per dozen, to \$0.27 per dozen, for the period December 26, 2004 to December 31, 2005. CEMA reported that the levy increase is required in order to operate the Pooled Income Fund. Industrial product volumes are expected to rise by 11% in 2005. The persuasive argument of the volatility in the US market was a significant factor in Council's approval. Council has asked the Agency to monitor this closely in the new year and to be prepared to meet with Council to undertake a thorough review of the agency's

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budget in May 2005. With the selling price decreasing as a result of weaker US markets, the cost of egg removal is expected to increase by 22%.

CFC

Council prior-approved two amendments to the Canadian Chicken Marketing Levies Order. The first related to an increase in the market development levy payable on undermarketings under the Market Development Policy from 44 cents per kg. to \$1.00 per kg. (live weight).

The second was with regard to general levies, extending the expiry date of the Order to December 31, 2005 and amending the amount of the provincial levy in four provinces. The general levy rate is a combination of the CFC levy of 0.44 cents/kg and the respective provincial marketing board portions.

Effective January 1, 2005, the total levies imposed on producers will be changed for two provinces. Nova Scotia's and Manitoba's provincial levies increased by 0.2 cents per kg. (live weight). Effective January 9, 2005, Ontario's provincial levy will increase by 0.2 cents per kg. (live weight), and BC's by 0.5 cents per kg. (live weight).

The increase in BC's levy is for the purpose of eliminating the Board's debt incurred as a result of the AI crisis, and is expected to remain in effect for up to 18 months.

CTMA

Council prior-approved the extension of the Canada Turkey Marketing Producers Levy Order's expiry date to December 31, 2005 and amended provincial levy rates. The levy rate prior-approved by Council is a combination of

the CTMA levy of 1.6 cents/kg (live weight) (unchanged from 2004) and the provincial marketing board portion.

Effective January 1, 2005, the provinces of Manitoba and Saskatchewan will reduce their provincial levies by 0.5 cents per kg (live weight) due to the discontinuation of the national generic marketing program in 2005.

Council declined to prior approve an amendment to the Canadian Turkey Marketing Quota Regulations for the 2004/05 Control Period (see below).

Report Accepted by Council

Report of the Committee Established to Inquire into the Complaint by the BC Turkey Signatories against the CTMA's Proposed Quota Allocations for the 2004/05 Period

At its December meeting, Council received and accepted the report of the above-named Complaints Committee.

In December 2003, Council had received a complaint from the BC signatories against the Canadian Turkey Marketing Agency. Various attempts and meetings held to resolve the complaint issues were unsuccessful over the past year. As a result, a complaint hearing was held on December 1, 2004 in Ottawa.

Complaint Committee members were **Ron O'Connor**, Council Vice-Chair and Chairperson of the Committee and **Michel Veillette**, Council Member.

Council considered the conclusions and recommendations contained in the Committee Report and adopted the report in its entirety. As a result, Council declined to prior-approve the Agency's Final 2004/05 Quota Regulation.

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The report is being circulated to all interested parties and will be posted on Council's website at: www.nfpc-cnpa.gc.ca, early in the New Year.

For additional information, please contact **Carola McWade**, Registrar, at (613) 995-9697 or by e-mail at mcwadec@agr.gc.ca.

Council Issues Report on Complaint by Giannone Poultry Inc. against Chicken Farmers of Canada

As mentioned in a previous item, Council received and approved the report of the Complaints Committee at its November 30 meeting with regard to a complaint by Giannone Poultry Inc. against a decision of the Chicken Farmers of Canada relating to the assessment of a market development levy.

The complaint hearing took place in Ottawa on November 1, 2004. The Complaint Committee members were Council Chair **Cynthia Currie** and Council Member **Michel Veillette**.

Copies of the report have been mailed to industry stakeholders. For additional copies, please contact **Carola McWade**, Registrar, at (613) 995-9697 or e-mail mcwadec@agr.gc.ca. The report is also posted on Council's web site at: www.nfpc-cnpa.gc.ca.

Agency News

Chicken Farmers of Canada

The CFC Board of Directors has set the allocation for Period A-64 (March 6 to April 30, 2005) at 202,915,544 kilograms live weight (149,398,555 kg. eviscerated).

This consists of a domestic allocation of 191,293,204 kilograms live weight

(140,842,959 kg. eviscerated) and a market development allocation of 11,622,340 kilograms (8,555,596 kg. eviscerated).

The national domestic allocation represents a 1.0% decrease from the base allocation, and a 3.4% decrease from domestic production for the same period last year.

Industry News

NAASA Meeting of December 10

The National Association of Agri-Food Supervisory Agencies (NAASA) met in Ottawa on December 10, 2004. A number of topics were discussed at the meeting including, the renewal of Federal-Provincial (/Territorial) Agreements for CEMA, CTMA and CBHEMA. More on this topic should be available in the next issue of Focus.

NAASA is comprised of the NFPC and the eleven provincial and territorial supervisory boards. These supervisory boards have regulatory responsibility for marketing boards and agencies for supply-managed and other products within their jurisdictions.

Informative Websites

CFC officially launched its revamped website on November 23, 2004 at its Board of Directors' meeting. The redesigned site is user-friendly.

It provides access to a variety of pages on topics such as chicken recipes, food safety, health and nutrition and market information, as well as materials for the media, for kids and for teachers – just to name a few.

The CFC site is designed to inform the general public, school teachers and the media, and can be accessed at www.chicken.ca.

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For additional up-to-the-minute news and information, don't forget to visit the web sites of the other poultry agencies and industry partners:

CFC: www.chicken.ca
CEMA: www.canadaegg.ca
CTMA: www.canadianturkey.ca
CBHEMA: www.cbhema.com
CPEPC: www.cpepc.ca
FPPAC: www3.sympatico.ca/fppac

George Morris Centre Report Released

The George Morris Centre completed a study for the Canadian poultry and egg sector on the value of the egg industry in Canada. According to the information released from the report, the egg industry contributed \$1.5 billion to the economy last year, and employed almost 12,000 people. For the supply-managed poultry industry as a whole, the production and processing of poultry and eggs generated total annual revenues of \$6.9 billion, contributed almost \$13 billion to the economy and employed nearly 72,000 people. The study also found that the supply-managed industries constitute an integral part of the economic and social fabric that holds rural Canada together.

Quebec Chicken Council Formed

In November 2004, the Fédération des producteurs de volailles du Québec, Flamingo/Olymel, Exceldor, St-Hubert Restaurants and the Quebec KFC chain teamed up to create "Le Conseil du poulet du Québec".

The mission of this group is to promote high quality chicken products grown in Quebec and to assure sustainable economic development of this important industry.

The organization plans to inform consumers of the rigorous quality control followed by Quebec's

producers, processors and restaurants. All five players have common objectives and goals: to maintain the highest standards of quality, in particular biosecurity, and to ensure the continued economic strength of the sector.

International News *(New Section)*

Value of Brazilian Poultry Exports to Increase Over 55% in 2004



Brazil's poultry exports are expected to earn \$US 2.4 billion during 2004, an increase of more than 55% over last

year's total. So far this year, prices of chicken exported from Brazil have averaged 20% higher than last year. While the price of whole birds has increased by 11.6% in the first nine months of this year, parts prices have risen by 28.5%.

Brazil's chicken shipments to several of its key markets in Africa, Asia and the Middle East continued to be strong, while the many smaller-volume importing countries, as a group, have so far bought more than twice as much chicken as they did last year. Of the total volume shipped, increases were similar for both whole birds (up 23.8%) and cuts (up 24.6%). Exports for the year are expected to total 2.4 million tonnes, up 25% from last year.

To date this year, Canada has imported 15.1 million kg. of chicken from Brazil. This represents 17% of the 90.7 million kg. total imports year-to-date. Imports from Brazil are up 10.2% from the same period last year.

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Season's Greetings

As another year draws to a close, members and staff of the National Farm Products Council would like to wish all our readers, government colleagues and industry partners, a happy and joyous holiday season and prosperous New Year.

We have enjoyed working with you over the past year and look forward to a productive and exciting New Year.


Cynthia Currie
Chairperson

Upcoming meetings - 2005

January

Jan. 11-13	National Farm Products Council - Retreat	(Ottawa)
Jan. 26-27	Chicken Farmers of Canada Meeting	(Ottawa)
Jan. 26-28	International Poultry Exhibition	(Atlanta)

February

Feb. 1-4	Canadian Meat Council - <i>Annual Conference</i>	(Gatineau)
Feb. 2-3	Canadian Egg Marketing Agency Meeting	(Ottawa)
Feb. 7-8	Canadian Poultry and Egg Processors Council Meeting	(Ottawa)
Feb. 19-20	USDA Agricultural Outlook Forum	(Arlington)
Feb. 22-25	Canadian Federation of Agriculture - <i>Annual Meeting</i>	(Ottawa)

March

Mar. 8	Canadian Cattlemen's Association - <i>Annual Meeting</i>	(Ottawa)
Mar. 21	National Farm Products Council Meeting	(Ottawa)
Mar. 22-24	Canadian Egg Marketing Agency Meeting	(Ottawa)
Mar. 23	<i>Annual Meeting</i>	
Mar. 22-24	Chicken Farmers of Canada Meeting	(Ottawa)
Mar. 22	<i>Annual Meeting</i>	
Mar. 22-24	Canadian Turkey Marketing Agency Meeting	(Ottawa)
Mar. 24	<i>Annual Meeting</i>	
Mar. 22-24	Canadian Broiler Hatching Egg Marketing Agency Meeting	(Ottawa)
Mar. 23	<i>Annual Meeting</i>	