

National Farm Products Council

FOCUS Newsletter



Minister Speller Addresses SM-4 meeting

Minister Speller addressed a meeting of the SM-4 on March 24. He began by congratulating the poultry and egg industry on its success in meeting the needs of Canadian consumers. Minister Speller noted that the last year has been a difficult one for agriculture, with the BSE situation, record low farm income and now the Avian Influenza outbreak. However, he remains optimistic about agriculture's future. Minister Speller spoke about the ongoing WTO negotiations, re-stating Canada's support for the supply-managed sectors, and applauding the efforts of the SM-5 to work with other countries. He reiterated his commitment to working closely with all parts of agriculture as the negotiations progress.

Council Business

Upcoming Council Meeting Re-scheduled

Please note that our next Council meeting, originally scheduled for April 28 and 29 in Ottawa, has been changed to May 10, 2004, prior to our May 11 and 12 *Forum on Grocery and Food Service Trends*.

Chairperson Cynthia Currie Addresses Agency AGM's

During the week of March 22-26, 2004 the national agencies held their Annual Meetings in Ottawa. Council Chair **Cynthia Currie** addressed meetings of the Chicken Farmers of Canada, Canadian Turkey Marketing Agency and Canadian Broiler Hatching Egg Marketing Agency. The focus of Mrs. Currie's presentations was an update on Council's September 2003 Mission to Brazil. "When it comes to poultry production, Brazil's industry is one of the most sophisticated in the world. State-of-the-art facilities have been built with the express intent of competing on world markets", Mrs. Currie noted. For more information on the findings of the Brazil mission, please see our report at <http://nfpc-cnpa.gc.ca/english/publications/Brazilreport.pdf>.

Mrs. Currie also spoke about the need to educate Canadians about our supply management system, so that the system can be better understood and its benefits to all regions of Canada more appreciated.

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COMMENTS or QUESTIONS

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Council Vice Chair **Ron O'Connor** addressed the Canadian Egg Marketing Agency's Annual Meeting. He spoke about the importance of producers working together to preserve the supply management system.

Re-appointment of Council Member Maurice Giguère

Minister **Bob Speller** has re-appointed **Maurice Giguère** to Council for an additional three years. Mr. Giguère has been a Council Member since 2001. He brings a diversity of knowledge to our Council table, being past president of l'Association des abattoirs avicoles du Québec, and a former board member of CTMA and CPEPC, and the Association des manufacturiers de produits alimentaires du Québec. Council Chair **Cynthia Currie** noted, "Maurice has been an invaluable asset to our Council Board and we are very happy about his re-appointment."

March 23 Council Meeting

Council met in Ottawa on March 23, 2004. At the meeting, Council prior-approved the following orders and regulations:

- * Canadian Egg Marketing Levies Order - For the Period Ending July 31, 2004
- * Amendment to the Canadian Egg Marketing Quota Regulations, 1986 - Allocation for the Period Beginning December 28, 2003 and Ending July 31, 2004
- * Amendment to the Canadian Broiler Hatching Egg Marketing Levies Order
- * Amendment to the Canadian Turkey Marketing Quota Regulations, 1990 - Revised Allocation for the Period Beginning May 1, 2003 and Ending April 24, 2004

Council was also updated on the Avian Influenza situation in British Columbia (see other item).

Egg Complaint Hearings

On March 17 and 18, Council held hearings into complaints by the British Columbia and Saskatchewan egg signatories against CEMA. Industry discussions on the first day resulted in an agreement being reached that made it possible for the British Columbia signatories to withdraw their complaint.

The Complaints Committee, made up of Council Chair **Cynthia Currie**, and Members **Anne Chong Hill** and **Maurice Giguère**, heard Saskatchewan's complaint the following day. The Committee is in the process of preparing its report, and expects to present it to the full Council at its meeting of May 10, 2004. The report will also be circulated to all signatories to the Egg Plan.

Turkey Complaint

As stated in our January edition of Focus, on December 17, 2003 the B.C. signatories to the Federal-Provincial Agreement filed a complaint with Council against the CTMA for failure to provide a market-responsive allocation process that complies with the provisions contained in the Proclamation.

In reviewing the complaint, Council strongly encouraged the Agency to reconvene its members for the exclusive purpose of resolving B.C.'s and others' concerns. The CTMA held a Directors' meeting February 19 and 20. Their subsequent report to Council noted that the February meeting resulted in a decision to develop a revised allocation methodology.

Proposals regarding a new allocation methodology were discussed at the Agency's March 23-25 meetings and will be further reviewed at an April 6-7 meeting.

Chicken Complaints

Leg Quarter Co-efficient - CPEPC has withdrawn its complaint against CFC with regard to the

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co-efficient for leg quarters under the Market Development Policy. January's Focus noted that CPEPC had filed a complaint regarding CFC's decision to reduce the coefficient for leg quarters from 125% to 112%. The CPEPC requested the hearing after the two parties failed to resolve their differences. After consulting with both parties, Council set a hearing date for March 9, 2004.

On February 26, 2004, CPEPC requested a postponement of the hearing. This resulted from a decision by CFC's Market Development Committee to recommend to the Board of Directors at their March meeting that they reconsider the leg quarter coefficient reduction. At that meeting, the CFC Board of Directors unanimously voted to maintain the leg quarter coefficient at 125%. The CPEPC subsequently informed Council that it was withdrawing its complaint.

Sunrise Poultry - On February 24, 2004, Council received a complaint from Sunrise Poultry Processors Ltd. of British Columbia regarding CFC's decision to assess penalties for under-exporting in Allocation Periods A-53 and A-54. At the request of Sunrise Poultry Processors, the appeal will be held in abeyance until the completion of internal industry discussions in B.C.

NAASA Meeting May 11 in Conjunction with Forum on Grocery and Food Service Trends

More details have been finalized for our May 11 and 12 activities, to be held at the Fairmont Chateau Laurier Hotel in Ottawa.

Gordon Butland of Rabobank International will give a global poultry industry update at a breakfast event on May 11 for poultry industry participants. The National Association of Agricultural Supervisory Agencies (NAASA) will meet that afternoon.

The *Forum on Grocery and Food Service Trends* begins that evening with a dinner reception and keynote speaker. The next day, an outstanding list of presenters will inform us, challenge us and engage us in discussion. The balance of keynote speakers, panel and small group discussions should foster a better appreciation of the different industry sectors and catalyse the development of future scenarios to enhance awareness, productivity and recognition of potential profitability in the industry.

All invitations to the Forum have been sent out. Those invited include representatives of the four national marketing agencies, all provincial commodity boards, the two processor associations, NAASA, the grocery and distribution industries and others.

*For more information on these events, please contact **Chantal Lafontaine** or **Louise Séguin** at (613) 995-6752.*

Agency News

CFC to Meet regarding Allocation Process

CFC has scheduled a special meeting on April 6 and 7 to discuss improvements to the allocation setting process.

CTMA Celebrates 30th Anniversary

The CTMA was created by a federal government proclamation in February 1974. Since then, the Agency has worked to represent the interests of its 550 turkey producers. At a 30th Anniversary luncheon on March 25, CTMA Chairperson **Brent Montgomery** noted, "We owe a great deal to those, past and present, who work to make CTMA and our member Boards stronger and better organizations." He concluded, "I urge us all to remember what we have, how we got it, and think about how we will ensure the strength of CTMA in the future." Our congratulations to CTMA on their 30th Anniversary.

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Recent CEMA Board Meetings

At a March 19 meeting, the CEMA Board enacted interim quota and levies orders, both of which expire on July 31, 2004. The quota was set at the same number of dozens as in 2003, except for the addition of Eggs for Processing Quota in Alberta, which was set at 610,000 dozen. This translates into 25,000 layers.

The national levy was set at 25 cents per dozen, the same rate as in 2003. During the meeting, the Agency reported that the Pooled Income Fund is projected to end the year at \$41.1 million. This is a significant improvement from the beginning of 2003, when the Fund stood at a deficit of \$88,000.

CBHEMA Board Meeting

During three days of meetings last week the Agency revised its estimated 2004 allocation to 598.6 million eggs and will be setting its final 2004 allocation at its summer meeting in Winnipeg in July. The Agency set its initial allocation for 2005 at 613.3 million eggs.

The Agency also enacted its levies order, which is effective from March 28, 2004 to March 26, 2005. The national levy remains the same as last year at \$0.0022 per broiler hatching egg.

During the meetings, the Alberta Hatching Egg Producers gave notice to the Agency of their intent to withdraw from the Federal-Provincial Agreement for Broiler Hatching Eggs, the Comprehensive Broiler Hatching Egg Marketing Program and the Canadian Broiler Hatching Egg Marketing Agency.

The withdrawal will be effective December 1, 2004. Written concurrence with the Alberta Hatching Egg Producers' decision was received from the Minister of Alberta Agriculture, Food and Rural Development, the Minister of Alberta International and Intergovernmental Relations and from Alberta's Agriculture Products Marketing Council.

Canadian Beef Cattle Research, Market Development and Promotion Agency

During their annual meeting on March 23, five provinces signed agreements with the National Beef Agency to collect interprovincial levies.

These provinces are British Columbia, Alberta, Manitoba, Ontario and New Brunswick. Once the remaining provinces have signed similar agreements the Agency can pursue levying imported beef and beef products.

Agency Executives Elected

The national agencies have elected their Executive Committees for 2004:

Canadian Egg Marketing Agency

Chairman:	Laurent Souigny	(Ontario)
1st Vice-chair:	Gordon Hunter	(New Brunswick)
2nd Vice-chair:	Harold Froese	(Manitoba)
Executive Member:	Maurice Richard	(Quebec)

Canadian Turkey Marketing Agency

Chairman:	Brent Montgomery	(Quebec)
Vice-chairman:	Mark Davies	(Nova Scotia)
Executive Member:	Wayne Kroeker	(Manitoba)

Canadian Broiler Hatching Egg Marketing Agency

Chairman:	Ed De Jong	(British Columbia)
Vice-Chairman:	Gyslain Loyer	(Quebec)

Chicken Farmers of Canada

Chairman:	David Fuller	(Nova Scotia)
1st Vice-chairman:	Martin Dufresne	(Quebec)
2nd Vice-chairman:	Tom Posthuma	(Ontario)
Executive Member:	Remi Cyr	(Alberta)

Congratulations to all on their election.

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Industry News

Avian Influenza

On March 24, 2004, the Canadian Food Inspection Agency (CFIA) announced that it would depopulate all remaining flocks in the high-risk region of British Columbia's Fraser Valley. The decision followed the detection on March 23 of avian influenza on two farms, bringing the total number of infected premises in the high-risk region to five. A sixth farm was identified on March 29.

The depopulation is intended to contain further disease spread by eliminating the pool of infection and susceptible birds present in the

high-risk region. The CFIA is working with provincial counterparts to address outstanding issues related to biosecurity, transportation and disposal. Activities will commence as soon as these discussions are complete. Approximately 275,000 birds will be destroyed and removed from 10 farms and 33 smaller flocks. All owners of birds depopulated will be compensated under the Health of Animals Act. Household pet birds are not being targeted for destruction, unless they show signs of disease.

As the situation continues to evolve on a day-to-day basis, additional information can be found on CFIA's website at:

<http://www.inspection.gc.ca/english/anima/heasan/disemala/avflu/avflue.shtml>

Upcoming meetings - 2004

April

Apr. 6-7 **Chicken Farmers of Canada** **(Ottawa)**
Apr. 6-7 **Canadian Turkey Marketing Agency** **(Mississauga)**

May

May 10 **National Farm Products Council** **(Ottawa)**
May 11 **National Association of Agri-food Supervisory Agencies** **(Ottawa)**
May 11-12 **National Farm Products Council -**
Forum on Grocery and Food Service Trends **(Ottawa)**
May 19-20 **Canadian Egg Marketing Agency** **(Ottawa)**

June

June 7 **National Farm Products Council** **(Mont Tremblant)**
June 6-8 **Canadian Poultry and Egg Processors Council** **(Mont Tremblant)**
June 21-23 **Canadian Turkey Marketing Agency** **(Winnipeg)**

July

July 5-7 **Canadian Egg Marketing Agency** **(Quebec City)**
July 13-15 **Canadian Broiler Hatching Egg Marketing Agency** **(Winnipeg)**
July 19-22 **Chicken Farmers of Canada** **(Calgary)**
July 27-28 **National Farm Products Council** **(Ottawa)**

August

Aug. 17-20 **Canadian Cattlemen's Association**
Semi-annual meeting **(Calgary)**