



FOCUS Newsletter

May 2005

National Farm Products Council

Council News

Council Chair Cynthia Currie Re-appointed

Cynthia Currie has been re-appointed for a two year term as Chairperson and Chief Executive Officer of the National Farm Products Council. Mrs. Currie has served as Council's Chairperson since May 1997.



Council Meeting - April 14-15

Council met in London, Ontario on April 14 and 15, 2005, during the London Poultry Show. The Chicken Farmers of Canada's (CFC) quota regulations for A-65 were prior approved. An amendment to the Canadian Broiler Hatching Egg Marketing Agency's (CBHEMA) levies order, changing the amount of the levy imposed on a producer, dealer or hatchery operator in a non-signatory province for hatching eggs produced in a non-regulated area and marketed in a regulated area from \$0.0061 to \$0.00684 per broiler hatching egg, was also prior approved.

It was reported that the registration of amendments to the Beef Agency Proclamation took place on Thursday April 14th, allowing the Agency's first domestic levies order to be registered on the same day.

The working group established to review Council's Complaints Guidelines provided its preliminary report to the Council. This working group was established as a result of the Council's Strategic Planning Session in January. Council accepted the recommendations of the Committee.

The revised Guidelines were circulated to stakeholders after the meeting. Stakeholders were requested to provide feedback on the proposed new approach to dealing with complaints.

The revised Guidelines will come into effect on July 1, 2005. Further work on alternate dispute resolution will be undertaken by the Committee, with a report to Council at its July meeting.

IN THIS ISSUE

- * Council News
- * Portfolio News
- * Agency News
- * Industry News
- * International News
- * Did You Know?
- * Upcoming Meetings

COMMENTS or QUESTIONS

National Farm Products Council
Canada Building, 10th Floor
344 Slater Street
Ottawa, Ontario K1R 7Y3
E-mail: nfpcweb@agr.gc.ca
Phone: (613) 995-6752
Fax: (613) 995-2097

Writer/Editor:

Laura LeBoeuf

Production/Designer:
Chantal Lafontaine

Canada

FOCUS *Newsletter*

Council Meeting - April 25

On April 25, Council met by teleconference to discuss the complaint by CPEPC against CFC, at which time a working group was established to gather information regarding the complaint. For additional information, please see below.

Council Meeting - May 4

Council met in Ottawa on May 4, 2005. Items on the agenda included an update on the actions being undertaken by Council's working group on the CPEPC complaint against CFC, and a briefing on the outcome of the National Association of Agri-Food Supervisory Agencies (NAASA) Workshop on Differential Growth and Allocation (see page 3).

Council Members Attend Communications Workshop

In conjunction with Council's business meetings of April 14-15 and May 4, Council members took part in a communications workshop. This initiative was identified as a priority at the January Strategic Planning Session.

Council Meeting Schedule Revised

Council will meet on May 25, 2005 in Ottawa. In conjunction with the CPEPC meeting in Calgary in early June, Council members will take the opportunity to meet with the CEMA Executive, and the Canadian Beef Cattle Research Market Development and Promotion Agency. Council's next meeting will take place in Toronto, on July 12-13 in conjunction with CFC's summer meetings (rather than July 20-21 as originally scheduled).

An additional meeting has been scheduled for September 14-15 in Ottawa to develop Council's next strategic plan. The December meeting has been moved up one week to December 7 and 8, so as not to conflict with the WTO Ministerial Meeting in Hong Kong.

Here is the meeting schedule for the balance of 2005:

May 25	Ottawa
June 6-8	Calgary
July 12-13	Toronto
September 14-15	Ottawa (<i>Strategic Planning Session</i>)
October 19-20	Ottawa
December 7-8	Ottawa

Summer Student Joins Council Staff



Demeena Seyan will be working with Council staff this summer. Demeena is a Civil Law graduate of the University of Ottawa and will be returning to school for further studies in the Fall. Her summer project will be to review Council's administration of the Agricultural Products Marketing Act (APMA).

She will research the provincial delegation orders and build a database for reference and update. Another element of this project will be to prepare documentation on Council's administration of the APMA. Welcome to the Council, Demeena!

CPEPC Complaint Against CFC

On April 19, the Council received a complaint from the CPEPC with regard to the CFC's allocation for period A-66 and the overall CFC allocation setting process. Council established a working group which met with CFC on April 29 and with the CPEPC on May 3 to gather the facts pertaining to the complaint. The Committee then reported to Council on May 4 with recommendations for next steps.

The Council decided to address this complaint in two stages. As a first step, both the CPEPC and the CFC Executives have agreed to meet with the Council on May 25 to present their views on the

proposed allocation for A-66. The Council will then proceed to consider the proposed amendments to the Quota Regulations for prior-approval purposes.

The second step will be for the Council to meet with the CFC Board of Directors in conjunction with CFC's July 10 to 13 meeting in Toronto. The sole purpose of this meeting will be to discuss the concerns raised by the CPEPC with respect to the allocation setting process used by the Agency.

NAASA Workshop on Differential Growth and Allocation

On April 26 and 27, 2005, NAASA hosted a workshop on differential growth and allocation in Ottawa. Participants at the workshop included all NAASA members, representatives of the ten provinces and federal/provincial government agricultural policy representatives.

The purpose of the workshop was to develop a more forward-looking and coherent basis for NAASA leadership in the Federal-Provincial Agreement (FPA) renewal process, including:

- * a clear and coherent position re provincial expectations for supply management and for allocation methodology (market share and differential growth) in the poultry and egg industries; and
- * a process to complete the FPAs for eggs, turkey and broiler hatching eggs.



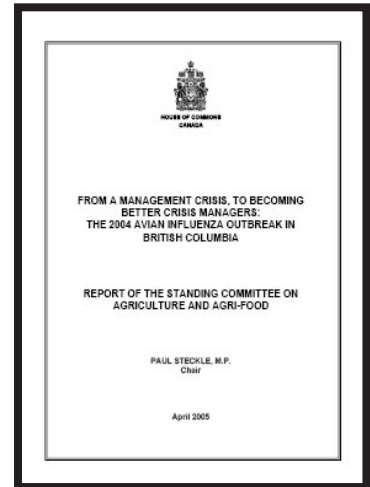
NAASA members set out a process relating to the completion of the FPAs which includes consultation with government and industry stakeholders at the provincial level. A second NAASA meeting has been scheduled for May 30 to continue this work.

NAASA plans to prepare a report for Ministers at their July meeting. Engagement of the national Agencies in discussions of principles related to the FPAs is also planned. NAASA will provide leadership and support to the national Agencies on the completion of the FPAs in a timely manner.

Portfolio News

Standing Committee Report on 2004 Avian Influenza Outbreak

Paul Steckle, Chairman of the Standing Committee on Agriculture and Agri-Food, presented the Committee's Third Report to the House in April. The report was entitled "*From a Management Crisis, to Becoming Better Crisis Managers: The 2004 Avian Influenza Outbreak in British Columbia*".



Hearings were held on January 18 and 19, 2005 in Abbotsford, B.C., where over 35 individuals, farming associations and officials from both federal and provincial governments appeared before the Committee.

This fact-finding mission provided a public forum for stakeholders to discuss the lessons learned from the outbreak.

FOCUS *Newsletter*

The Committee believes that it is imperative that the lessons learned be well understood and put into action, rather than just being compiled in a document. They must form the basis for the implementation of an enhanced animal health crisis management system at the federal level.

The increasingly integrated nature of animal and human health policies requires a renewed emergency preparedness level.

The Committee stated that "Serious new measures must be taken in anticipation of the "next time" ".

Minister of Agriculture and Agri-Food, **Andy Mitchell** stated: "I am pleased to note that work is already well underway to address many of the recommendations from the Standing Committee. Others are being evaluated by the Canadian Food Inspection Agency (CFIA) with appropriate actions being developed."

To see the Standing Committee's full report, including comments made by various stakeholders during the Abbotsford hearings, please visit:

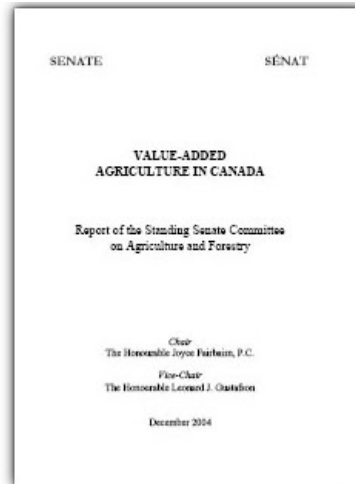
www.parl.gc.ca/infocomdoc/Documents/38/1/parlbus/commbus/house/reports/agrirp03/agrirp03-e.pdf

Standing Senate Committee Report on Value-added and Agriculture

In December 2004, the Standing Senate Committee on Agriculture and Forestry produced a report on value-added agriculture in Canada, containing 22 recommendations to assist farmers in pursuing value-added business strategies.

The report focused on the farmer and cited major factors that are contributing to the rapid transformations occurring in the agricultural sector. The report suggests that Canada should make a priority of developing its value-added

sector in order to achieve premium-brand recognition for Canadian products.



The Committee recommended that the federal government be innovative in its methods of informing farmers of value-added opportunities and promoting high-quality Canadian products around the world. The Committee will submit its final report to the

Senate no later than December 23, 2005.

To see the Committee's full report, please visit:

<http://www.parl.gc.ca/38/1/parlbus/commbus/enate/com-e/agri-e/rep-e/rep02dec04-e.htm>

Agency News

CBCRMDPA

Gina Grosenick, Executive Director of the Canadian Beef Cattle Research Market Development & Promotion Agency, is pleased to report that the Agency held its elections on April 12, 2005 and the following slate of officers was confirmed for the 2005-2006 year.

Congratulations to these successful candidates:

Marlin Beever, Chair (*Manitoba*)
Kevin Boon, Vice Chair (*Alberta*)
Kevin Antworth, Second Vice Chair (*N.B.*)
Travis Toews, Finance Chair (*Alberta*)

FOCUS *Newsletter*

CBHEMA

The Agency has forwarded to Council, for prior approval, its initial 2006 allocation. The Agency has set an allocation of 553.1 million eggs for their 4 member provinces, an increase of 11 million eggs from the current 2005 allocation.

CFC

At a meeting on April 12, 2005, Chicken Farmers of Canada set its allocation for Period A-66 (June 26 to August 20, 2005). The domestic allocation was 199,214,333 kilograms live weight (146,672,623 kg. eviscerated), an increase of 1.5% over the base allocation.

Last year's production for the period was significantly reduced as a result of the Avian Influenza outbreak in BC. The market development allocation for A-66 was 12,860,269 kilograms live weight (9,467,236 kg. eviscerated). This allocation is the subject of a complaint by the CPEPC (see related article on page 2).



London Poultry Show
April 13-14, 2005

Exhibitors included farm building, equipment and supply companies, poultry industry services suppliers, financial institutions, processors, further processors, marketing boards and other agricultural industry organizations.

The Ontario Turkey Producers Marketing Board sponsored a turkey luncheon on the 13th and the Alpharma Animal Health Division sponsored an egg and chicken luncheon on the 14th.

Industry News

London Poultry Show

On April 13, 2005, Council members and staff attended the Poultry Industry Conference and Exhibition in London, Ontario.

The show, held in the Progress Building at the Western Fairgrounds, is the only event in Canada where the poultry industry can come together and showcase their products and services. This was the Poultry Show's 48th year and they had over 150 exhibitors.

This show is the perfect place for producers to visit if they are considering building new facilities or upgrading current ones.

International News

Update on Brazilian Chicken in the Canadian Market

In March 2005, the Foreign Agricultural Service of the U.S. Department of Agriculture published a report highlighting Brazilian chicken in the Canadian market place. The report was prepared by **George C. Myles**, Agriculture Specialist at the American Embassy in Ottawa.

The report states "Canada has permitted imports of Brazilian chicken since it approved the poultry

FOCUS *Newsletter*

meat inspection system of Brazil in July 2002. In 2003, Canada imported a small amount of Brazilian chicken but in 2004, tight supplies of chicken in Canada



resulted in the importation of almost 20,000 metric tons of cheap Brazilian chicken representing



22% of total Canadian chicken imports. Traditionally, Canada has imported

virtually all its chicken imports from the United States."

This report reviews market conditions in 2004 and examines prospects for Canadian imports of Brazilian chicken in 2005.

To view the full report, please visit:

<http://www.fas.usda.gov/gainfiles/200503/146119182.pdf>

South Korea Opens Market to Brazilian Processors

South Korea has announced that it will open its market to Brazilian poultry meat for the first time. Import restrictions were lifted on March 31, 2005. This applies to four of Brazil's leading poultry producers - Sadia, Perdigao, Frangosul and Seara.

According to estimates made by **Macao Tadano**, Secretary of Agricultural Protection, at the Brazilian Agriculture Ministry, South Korea has the potential to import between 60 and 80 thousand metric tonnes of Brazilian chicken each year.

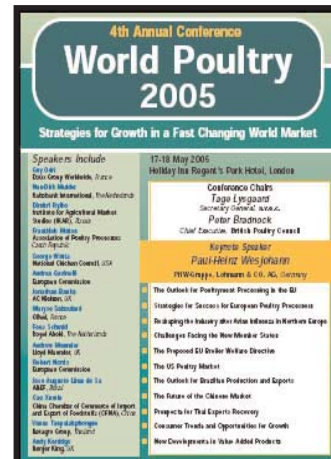
South Korea's interest in Brazilian chicken materialized after many of its traditional suppliers in Asia were hit by avian flu outbreaks.

World Poultry 2005

On May 17 and 18, 2005, World Poultry 2005 held its fourth annual conference at the Holiday Inn Regents Park Hotel in London, UK.

The two-day show provided the latest news on poultry production, trade and consumer trends as well as top calibre speakers from around the globe.

Topics of interest included prospects for the poultry processing industry in Europe, challenges facing the new EU member states, outlook for poultry markets in the US, Brazil, Russia, Thailand and China, the proposed EU broiler welfare directive, consumer trends and opportunities for growth, and new developments in value-added products.



Sixth WTO Ministerial Conference

The Sixth World Trade Organization (WTO) Ministerial Conference will be held in Hong Kong, China from December 13-18, 2005. The



Ministerial Conference is the highest level of authority in the WTO structure and takes decisions on all matters related to multilateral trade agreements.

Since its start in 1995, the WTO has held five Ministerial Conferences - in 1996 in Singapore, 1998 in Geneva, 1999 in

FOCUS *Newsletter*

Seattle, 2001 in Doha and 2003 in Cancun. As a founding member of the WTO, Hong Kong, China is honoured to be the host of the sixth Ministerial Conference.



To find out more, please visit the following links:

The WTO official site: http://www.wto.org/english/thewto_e/minist_e/min05_e/min05_e.htm and the Hong Kong host government website: <http://www.wtome6.gov.hk/>.

Did you Know?



Russia is the world's largest meat importer. The US Department of Agriculture forecasts Russia's poultry meat imports to be at least 960,000 metric tonnes in 2005, followed by Japan at 595,000 tonnes and China at 450,000 tonnes.

*Source: World Poultrymeat
April 20, 2005*

Upcoming meetings - 2005



May

May 18-19	Canadian Egg Marketing Agency	(Ottawa)
May 18-19	Chicken Farmers of Canada	(Ottawa)
May 18-20	SIAL China	(Shanghai)
May 25	National Farm Products Council	(Ottawa)
May 30	National Association of Agri-Food Supervisory Agencies	(Ottawa)
May 30 - June 3	WTO Agriculture Negotiations	(Geneva)

June

June 5-8	CPEPC Convention	(Calgary)
June 6-8	National Farm Products Council	(Calgary)
June 21-23	Canadian Turkey Marketing Agency	(Mont Tremblant)
June 27-30	Canadian Broiler Hatching Egg Marketing Agency	(Ottawa)

July

July 4-6	Canadian Egg Marketing Agency Meeting	(Vancouver)
July 5-7	Federal/Provincial/Territorial Ministers of Agriculture Meeting	(Kananaskis)
July 10-13	Chicken Farmers of Canada	(Toronto)
July 12-13	National Farm Products Council Meeting	(Toronto)
July 28-29	Canadian Federation of Agriculture - Semi-Annual Meeting	(Winnipeg)