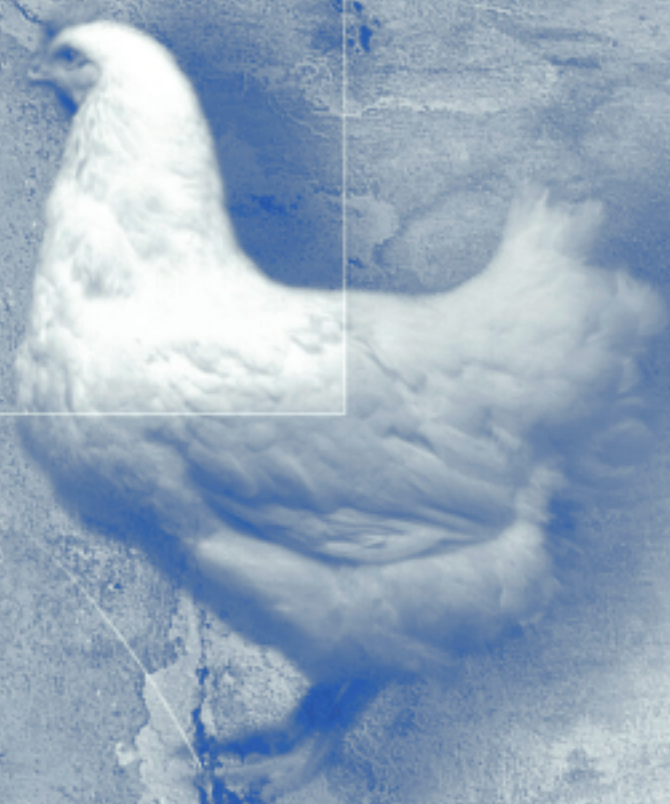




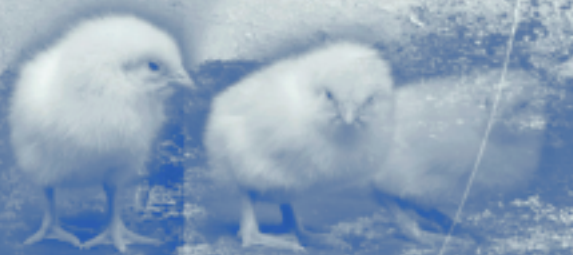
National Farm Products
Council

Conseil national des
produits agricoles



NATIONAL FARM PRODUCTS
COUNCIL

1 9 9 9 A N N U A L R E V I E W



Canada



MISSION:

To ensure that the national supply management of farm products works in the balanced interests of all stakeholders — from producers to consumers.

MANDATE:

To advise the Minister of Agriculture and Agri-Food on all matters relating to the agencies established under the Act, with a view to maintaining and promoting an efficient and competitive agriculture industry.

To review the operations of the marketing agencies to ensure that they meet their objectives as set out in the legislation.

To work with the agencies in promoting more effective marketing of farm products in interprovincial and export trade.

To work with promotion-research agencies in connection with primary production research and the promotion of regulated farm products.

For more information about where the Council fits and under which authority it operates, please visit the Council website at www.nfpc-cnpa.gc.ca or contact the Council at (613) 995-6752.

LETTER TO THE MINISTER

The Honourable Lyle Vanclief, P.C., M.P.
Minister of Agriculture and Agri-Food
Ottawa, Ontario

Dear Minister,

Looking outwards, looking within.

These are the themes of this year's events and activities for the National Farm Products Council, as you will see from this, our Annual Review for 1999.

Our activities centred around:

- Overseeing the supply management system for poultry and eggs
- Promoting the strength of the sector
- Improving our own operations

Looking outwards for us meant reaching out and hearing from all parts of the industry. It meant pointing out developments (inside and outside Canada) which might affect the poultry and egg sector. It meant going out beyond Canada with an Export Awareness Mission to Asia and sharing what we learned with the sector back home.

Looking within for us meant zeroing in on how best we could help the sector to come together more effectively to realize common objectives. It meant encouraging progress on renewed Federal-Provincial Agreements, encouraging alternative dispute resolution methods, encouraging best practices. It meant bringing in improved guidelines for hearing complaints. And it meant integrating our efforts with our government partners in Team Canada Inc., in the federal-provincial National Association of Agri-food Supervisory Agencies, and within the federal agriculture portfolio.

Looking back, we intended to push the envelope of what the Council could contribute to the sector. We set goals to go beyond the legislative requirements and took more of a leadership role. We remained focussed to accomplish much of what we set out for ourselves to do in 1999. We expect to accomplish more of our goals for 2000.

Sincerely,



Cynthia Currie
Chairperson

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National Farm Products
Council

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produits agricoles

Canada

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Poultry Meat Export
Awareness Mission to Asia at
Shanghai trade show



Council member Ron O'Connor
in Asian supermarket.



The 9 members of the
National Farm Products
Council



CHAIRPERSON'S

MESSAGE

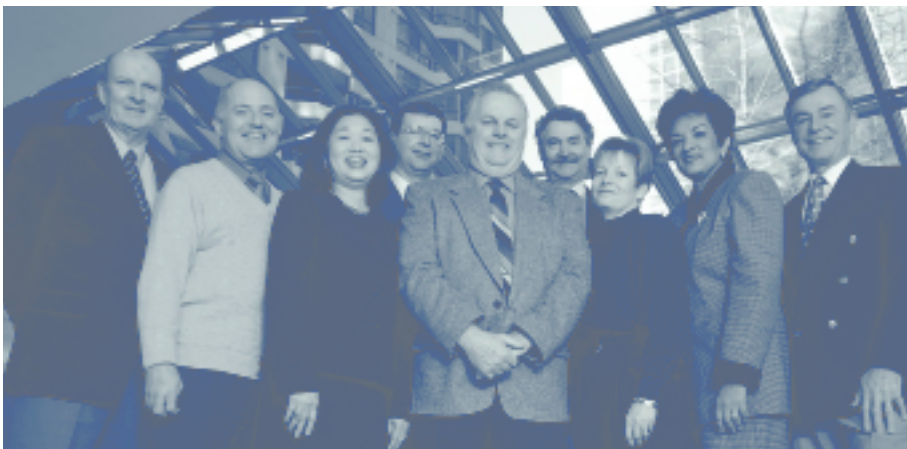
This was definitely a year for clear vision – and not rose-coloured glasses!

In 1999, we looked as far as supermarket shelves in Shanghai, and as close as the detailed internal workings of the domestic allocation methodology for hatching eggs.

We looked outward to see how our sectors could be affected by external pressures and opportunities at home and abroad. We looked inward, to see how our sectors could keep strong against their internal pressures, to keep their supply management systems running smoothly and responsibly.

We, the nine members of the Council, saw our role as more than just what is set out in an act of legislation or an organization chart. We saw ourselves in a position to point to ways forward for the sector, to point to ways of solving problems for the sector, and to point to ways of better cooperation among stakeholders in the sector.

Nor were we afraid to open eyes to realities, to wake people up to problems or opportunities – even when they may have preferred to keep their eyes comfortably shut! The marketing structures we have had must not be viewed as a given for the future. The supply management system and the sectors that operate under it must be, and are, in constant renewal. Ideally, the sectors will renew themselves with a clear and shared vision. We want to help them do that.



Council members (from l. to r.): John (Sandy) McCurrach, Paul Ouellette, Anne Chong Hill, David Coburn, Vice-Chairperson Ron O'Connor, Executive Member Raymond Clouthier, Lorraine Arnett, Chairperson Cynthia Currie, Michel Veillette

For us, it was not only a year of looking but of doing. In this Annual Review, we look back at what we planned to do and how we did.

It might be helpful to begin with a quick review of what the Council is and what the context was for our work this year.

What the Council Is

The National Farm Products Council is a federal body under the Minister of Agriculture and Agri-Food. It has nine members, including a full-time Chairperson, and is supported by a full-time staff of about sixteen.

The Council was created in 1972 to oversee national supply management marketing systems for Canadian farm products, excepting dairy which is under the Canadian Dairy Commission. The Council also has the mandate to oversee the creation and operation of any national promotion-research agencies for farm products – none so far, but that may change soon. It also shares responsibility for some aspects of the coordination between federal and provincial levels of authority over agricultural marketing regulations.

At present, four products (aside from dairy) are under a supply management system: turkey, chicken, table eggs and broiler hatching eggs. Each has a national agency and a network of provincial-level agencies. These agencies control the supply and some aspects of marketing of these products in Canada, so that the country's needs are always met.

The Council's job is to ensure that the supply management system works in the balanced interest of everyone involved, from producers to processors, to further processors, to consumers. We cannot make decisions for a sector, but we can stop the sector from implementing a decision that would not work well or would not be balanced, and we can direct the sector's attention to improvements, problems and opportunities.

What the Context Was

Canadians saw and heard much about Canada's agricultural policy in 1999, and supply management is an important part of that.

During the lead-up to the November Seattle meeting, Canadians debated what our country's position should be going into the new round of WTO talks. With deadlock in Seattle, attention quickly turned to the implications for Canadian farmers. This broadened into a look at the state of farming in this country, for farm families and their communities, whether under a supply management system or not.

Throughout, our Minister of Agriculture and Agri-Food restated that the federal government is committed to the supply management system.

What did that mean for me and my colleagues at the NFPC?

It means that we support the supply managed sectors and work with them so that they themselves can take the decisions and actions to meet the needs of the marketplace, at home and abroad.

To us, it means constant renewal of the system, not complacency. So, we pressed the sectors for renewed, more flexible Federal-Provincial Agreements – and we're still pressing.

It means taking the initiative to spot ways to strengthen those sectors, to strengthen cooperation within the sector and between the different levels of government. This may mean new ways of business, new patterns of communication and the risks that come with change. So, we encouraged improved methods of dispute resolution, creative thinking about allocation as markets grow and benchmarking of best practices for the sector.

It means taking a look at global realities – both positive and negative. So, we lead an industry mission to China, Hong Kong, Japan and Korea to see what was happening there and what it might mean for our poultry meat industry at all levels.

It means taking the time to look ahead at what we face, to look at what mandate and resources we at the Council have to work with and where we can best make a difference. This may mean a new flexibility in how we interpret our role. So, we took the initiative as information broker, as convener of trade policy discussions in this new round of the WTO, and as facilitator in helping to resolve disputes among sectoral players.

The Work and the Those Who Did It

In the following pages, you will read about the many projects, issues and initiatives undertaken by the Council members and staff.

We were able to do what we did thanks to the credibility, the thoughtful viewpoints and the broad range of experience that the Council members collectively brought to our meetings. We were able to be as prepared as we were to do our work, and to follow-up on it, thanks to the depth of expert analysis, reliable advice and energetic organizational skills of the Council staff.

Please read on, and see what we accomplished in 1999.

THE COUNCIL

MEMBERS

The National Farm Products Council has between three and nine members.

The members are appointed by the Governor-in-Council (that is to say, recommended by the Minister of Agriculture and Agri-food and appointed by the Prime Minister) for three to five-year terms. They are chosen so that together they bring knowledge and viewpoints from across the poultry and egg sector, across the different parts of the agri-food industry, and from across the country.

The members take key decisions affecting the operation of the supply management system, notably by prior-approving commodity agency orders and regulations, and by hearing formal complaints. Each monitors a certain agency or part of the industry and reports on developments at monthly meetings. They are briefed on issues affecting



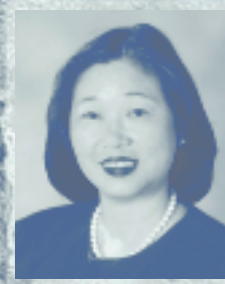
Cynthia Currie



Ron O'Connor



Lorraine Arnett



Anne Chong Hill



Raymond Cloutier



David Coburn



**John A. (Sandy)
McCurrach**



Paul Ouellette



Michel Veillette



Linda Boxall

MEMBER PROFILES

Cynthia Currie, Chairperson

Tenure: March 1997- March 31, 2002

Cynthia Currie is a native of Georgetown, Guyana. Prior to her appointment as Council Chairperson, she was General Manager of the Canadian Chicken Marketing Agency (now known as the Chicken Farmers of Canada). She also served as a member of the Canadian Agrifood Marketing Council and the Agriculture, Food and Beverage Sectoral Advisory Group on International Trade.

Ron O'Connor, Vice-Chairperson

Tenure: January 1998 - January 2001

Ron O'Connor is from Shelburne, Ontario, and is the owner/operator of Irm-Ron Farms Ltd. He is a former Director on the Board of Chicken Farmers of Ontario (CFO) and served as CFO since 1988, and served as CFO Chairman in 1996-97.

Lorraine Arnett, Member

Tenure: October 1999 - October 2001

Lorraine Arnett is from Durham, Ontario. She and her family partners own and operate a small mixed farm, including a 10,000 ft² broiler barn. She is the comptroller of Bert Fisher Farms Ltd., Fisher Feeds Ltd. and associated companies, of Listowel, Ontario.

Anne Chong Hill, Member

Tenure: June 1998- June 2001

Anne Chong Hill was born in Brunei. An award-winning entrepreneur, she is co-founder and partner of Global Gourmet Foods Inc. She has

organized several major food promotions in China and recently launched a new fast-food kiosk business in Beijing. She is also a member of the Canadian Agri-Food Marketing Council.

Raymond Cloutier, Member

Tenure: June 1998 - June 2001

Raymond Cloutier is from Ste-Foy, Québec, and served for many years as Director of Trade Policy for the Québec Ministry of Agriculture, Fisheries and Food. In 1997, he was decorated as Commandeur de l'Ordre du mérite agricole, with mention of Très grand mérite spécial.

David Coburn, Member

Tenure: January 1998 - January 2001

David Coburn is a native and resident of Keswick, New Brunswick. He is manager of W.B. Coburn & Sons, a sixth-generation family farm. A past-president of the New Brunswick Federation of Agriculture, he received the 1995 Outstanding Young Farmers of Atlantic Canada award and was named an Honorary Associate of the Nova Scotia Agricultural College in 1999.

John A. (Sandy) McCurrach, Member

Tenure: June 1998 - June 2001

Sandy McCurrach, from Kamloops, B.C., is owner and President of Purity Feed Co. Ltd., and owner and manager of Jamieson Creek Ranch. He is a former turkey producer and past executive member of several agri-food organizations.

Paul Ouellette, Member

Tenure: January 1997 - January 2001

Paul Ouellette, a native of Marieville, Québec, is founder and partner of several poultry distribution businesses. He is past-president of the Canadian Poultry and Egg Processors' Council and a past-president and long-serving former member of the Association des abattoirs avicoles du Québec.

Michel Veillette, Member

Tenure: January 1997 - January 2003

Michel Veillette, a native of St. Maurice, Québec, served as a Member of Parliament from May 1979 to September 1984, and was also Parliamentary Secretary to the Minister of Consumer and Corporate Affairs. He is a past-president of Froma-Dar Inc., a manufacturer and distributor of specialty cheeses, and is a former vice-president of a dairy company.

Linda Boxall

Tenure: July 1994 - July 1999

Vice-President: May 1997 - July 1999

Linda Boxall was born and raised in Regina, Saskatchewan, and she owns and operates a grain farm in that province. She is also President of Sunshine International, L.B. Café Inc., and VIP Special Event Catering.

the sector and the supply management system. They consider initiatives to promote the strength of the sector and resolve problems. They decide on policy advice to the Minister.

The Chairperson is the only full-time member and is supported by a Vice Chairperson and the full-time Council staff.

ACTIVITIES IN 1999

In 1999, Council members said good-bye, with thanks and appreciation, to Vice Chairperson Linda Boxall, who completed her term of service in July. She had been a Council member since July 1994.

THE COUNCIL MEMBERS

Council member Ron O'Connor was named the new Vice Chairperson.

New member Lorraine Arnett was appointed to the Council on October 19, to bring the Council back up to its full complement.

During 1999, the Council met 12 times (including 5 teleconferences and one meeting in Québec City). The Executive Committee met 8 times. Council processed 17 prior-approvals: 4 for levy orders, 12 for quota orders and 1 for licensing. Council conducted one hearing into a formal complaint. Council members had a full-day orientation session on alternative dispute resolution. They had briefings and

initiated a regular series of conversations at the Council meetings with guests from the sector and related areas on issues touching the supply managed sectors.

Council members did their own outreach about the Council and Council business. They updated the sectoral associations about Council activities at events throughout the year. Several Council members participated in the Poultry Meat Export Awareness Mission to Asia in October, and gave follow-up presentations and media interviews.