

Chicken Farmers of Newfoundland and Labrador

Activity Plan

Fiscal Years 2014-16



Message from the Chairperson

The Chicken Farmers of Newfoundland and Labrador (CFNL) is mandated to operate within the power and authority provided by the Newfoundland and Labrador *Chicken Marketing Scheme* which came into effect on April 1, 1981.

CFNL is a four person board with diverse backgrounds and experiences. Its endeavors are supported by a full-time executive director. The CFNL operates from the Agriculture Canada Building, Brookfield Road in St. John's, Newfoundland and Labrador.

Under the *Transparency and Accountability Act*, CFNL is defined as a category 3 entity and is required to submit a three-year "activity plan" to the Minister of Natural Resources to be tabled in the House of Assembly. As such, on behalf of the CFNL Board of Directors, I am pleased to present this plan for fiscal years 2014/2015/2016. The board recognizes that it is accountable for the preparation of this activity plan and for the achievement of the objectives outlined for the planning period.

In preparing this activity plan the board considered the strategic direction of the Government of Newfoundland and Labrador in the area of forestry, agriculture and agrifoods, as communicated by the Minister of Natural Resources. CFNL's priorities for the planning period are in line with this strategic direction. The members of the Chicken Farmers of Newfoundland and Labrador board are pleased to support the industry as it moves forward to embrace new opportunities and contribute to the growing prosperity of our province. Sustainability and growth of the industry and providing a safe, secure supply of chicken to the people of Newfoundland and Labrador will remain paramount to CFNL.

Sincerely,



Ruth Noseworthy
Chairperson

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1. Overview

Chicken Farmers of Newfoundland and Labrador (CFNL) is a not-for-profit organization established in 1981 by the Newfoundland and Labrador *Chicken Marketing Scheme* under the *Natural Products Marketing Act, 1973*. The purpose and intent of CFNL is to provide for the effective promotion, control and regulation of the production and marketing of chicken within the province including the prohibition of production or marketing of chicken. The board administers the regulation and marketing of chicken as provided for in the *Act* and the *Scheme* under the laws of the Province of Newfoundland and Labrador.

The CFNL participates with other provinces to set a national allocation. Every eight weeks or 14 weeks prior to the start of the production period (6.5 production periods in a year) a national allocation for both domestic and market development production is set. The allocation is set using a “bottom up” process in which every provincial board, in consultation with the processor(s) and industry stakeholder(s) in that province, determines the amount of chicken needed to meet domestic and market development market requirements.

The board is comprised of four directors appointed by the Minister of Natural Resources as per regulations. CFNL is supported by one permanent employee and the office is located in the Avalon region.

Current representation is as follows:

Ruth Noseworthy
Chairperson
Paradise, NL
Appointed June 11, 2007
Term determined at the discretion of the Minister of Natural Resources

Ed O'Reilly
Vice-Chairperson
CBS, NL
Appointed August 20, 2008
Term determined at the discretion of the Minister of Natural Resources

Davis Noel
Director
Paradise, NL
Appointed May 14, 2004
Term determined at the discretion of the Minister of Natural Resources

Andy Larner
Director
Whitbourne, NL
Appointed May 14, 2004
Term determined at the discretion of the Minister of Natural Resources

Ron Walsh
Executive Director
St. John's, NL

CFNL is a provincial organization, funded completely through producer levies paid in accordance with the amount of chicken marketed. Under Section 4 of the *Consolidated Chicken Farmers of Newfoundland and Labrador Order* a service charge of \$0.0150 per kilogram, plus HST, payable live weight, will be made to the Chicken Farmers of Newfoundland and Labrador on all chicken marketed under the *Newfoundland and Labrador Chicken Marketing Scheme*.

For information about the Chicken Farmers of Newfoundland and Labrador and its work, please contact us at:

Chicken Farmers of Newfoundland and Labrador
P.O. Box 8098
St. John's, NL
A1B 3M9
Telephone: 747-1493
Fax: 747-0544
Email: rwalsh@nlchicken.com

Physical location:

308 Brookfield Road
Agriculture Canada Building 6

2. Mandate

CFNL operates under the authority of the Minister of Natural Resources in accordance with the *Newfoundland and Labrador Chicken Marketing Scheme* under the *Natural Products Marketing Act*. The commodity board promotes, regulates and controls the production and marketing of chicken by producers and processors and will participate in national allocation meetings with the Chicken Farmers of Canada to achieve its mandate.

The legislated mandate is outlined in Appendix B.

3. Lines of Business

The Chicken Farmers of Newfoundland and Labrador provides the following lines of business:

1. **Regulatory Role** - The Chicken Farmers of Newfoundland and Labrador regulates the production of chicken through a production licence. This licence permits the holder to produce, or to have produced by a contract grower, chicken to the extent of the production quota shown on that licence in accordance with the *Newfoundland and Labrador Chicken Marketing Scheme* and any orders or regulations made with the respect to the production and marketing of chicken by the Minister or the commodity board and the terms and conditions of a production licence imposed by a commodity board upon a producer.
2. **Signatory Role** - The Minister of Natural Resources, Farm Industry Review Board and Chicken Farmers of Newfoundland and Labrador are the Newfoundland and Labrador signatories to the Federal-Provincial Agreement for Chicken with the Federal Minister, other provincial and territorial ministers, and supervisory and chicken supply managed boards in Canada.
3. **Promotion Role** - The Chicken Farmers of Newfoundland and Labrador promotes the sustainability of the industry through the supply management system, chicken consumption, chicken industry and the farming community. Annual promotion and marketing activities of the board may include participation in trade shows, lobby days, consumer education, and advertising campaigns (e.g. brochures, agricultural campaigns, and website development). The frequency of these activities is dependent upon the financial resources of the board.
4. **Facilitator Role** - The Chicken Farmers of Newfoundland and Labrador acts as a facilitator with regards to food safety and animal care and conducts food safety and animal care audits of each program to determine compliance. Research and development is also facilitated through participation in projects and research trials.

4. Values

Chicken Farmers of Newfoundland and Labrador values a working environment of mutual respect, accountability and fiscal responsibility. In exercising its mandate, CFNL will be guided by the following principles: proactive, flexible and cooperative leadership, open and transparent consultation, accessible and efficient practices and services, independent, impartial, timely and consistent dispute resolution and decision making, and ongoing professional development of members and staff.

Values	Action Statements
Responsiveness	Each individual ensures board processes, policies and practices are reflective of the needs of the industry stakeholders within a timely manner
Accountability	Each individual ensures that the mandate of the board is carried out in the best interest of consumers and industry stakeholders
Transparency	The board will operate in an open manner such that relevant information is readily available to clients and stakeholders

5. Primary Clients

Chicken Farmers of Newfoundland and Labrador identifies its primary clients as those individuals, groups, or organizations who are the principal users and/or beneficiaries of the board's lines of business, including chicken processors, farmers and consumers.

6. Vision

The vision of the Chicken Farmers of Newfoundland and Labrador is of a chicken industry which is stable, prosperous and robust and provides a safe, secure supply of chicken to the people of Newfoundland and Labrador for the long term.

7. Mission Statement

Chicken Farmers of Newfoundland and Labrador is committed to the improvement of the chicken industry by supporting a responsive, efficient and economical production system. This approach will provide a strong chicken industry that contributes to a sustainable secure food supply for the province of Newfoundland and Labrador.

Mission: By Dec 31, 2016 Chicken Farmers of Newfoundland and Labrador will have supported enhancements to the provincial chicken industry.

Measure: Supported enhancements

Indicators:

- Increased programming to support animal care and food safety initiatives within the industry
- Increased promotion of the chicken industry
- Enhanced governance and decision making processes

8. Objectives

The board is now presenting a three-year plan ending on December 31, 2016. This plan focuses on two priority or “issue” areas: Food Safety/Animal Care and Industry Sustainability/Growth. For each issue area, an objective has been established that will apply to all three years covered by the plan. Performance indicators related to each objective have been defined for 2014, the first year of the plan. Indicators for 2015 and 2016 will be defined by CFNL before the beginning of each year and communicated publicly in the board’s Annual Performance Reports.

Issue 1: Food Safety and Animal Care

Food safety is the responsibility of all partners in the chicken supply chain and consumers expect food production practices that promote safe food at the farm level. Farmers have implemented a food safety program that demonstrates they have identified, considered, controlled and/or prevented food safety hazards during the growing of chicken. The food safety program is called *Safe, Safer, Safest* and recommends the most modern methods and techniques for on-farm food safety, emphasizing health, cleanliness and safety through every step of the production of chicken on the farm.

Animal care awareness by stakeholders and consumers has increased at a remarkable rate. Animal care has always been an integral component of raising chickens for farmers and they are proud of their excellent animal record. A comprehensive animal care program was designed to demonstrate the level of care given to raising chickens and was designed to complement the *Safe, Safer, Safest* food safety program. The program provides assurance through documentation that farmers are meeting appropriate animal care standards.

CFNL’s efforts toward enhanced food safety and animal care are in direct support of the strategic direction of the Provincial Government toward enhanced utilization, sustainability and public awareness of the forestry, agriculture and agrifoods sectors, as outlined in Appendix A. In particular, food safety and animal care initiatives help ensure agriculture/agrifoods resource sustainability by contributing to the overall health and condition of chickens raised in the province.

Objective:

By December 31, 2014, Chicken Farmers of Newfoundland and Labrador will have advanced initiatives related to food safety and animal care in the provincial chicken industry.

Measure: Advanced initiatives

Indicators (2014):

- CFNL will have performed audits of the On-Farm Food Safety Assurance Program and the Animal Care Program with participating chicken producers
- Continued to provide program-related education and training and other supports as required to producers
- Participated in Chicken Farmers of Canada review of food safety and animal care program

Issue 2: Industry Sustainability/Growth

Embarking upon a path that provides for growth and sustainability is required to ensure the future poultry industry remains healthy and vibrant. The system poultry production operates under is commonly known as supply management. Supply management is the mechanism by which milk, poultry and egg farmers in Canada adjust their production in order to meet local consumer needs.

The supply management system is based on three pillars: Production management whereby production is set to meet the needs of the marketplace, Import Control whereby imports are limited to ensure market requirements are primarily met by Canadian production and a Pricing Policy to ensure a reasonable return for production.

Facilitating research provides an opportunity to explore and discover opportunities for the poultry industry in recognition of the fact that the poultry industry is a rapidly changing industry and that keeping up to date with technology is important when trying to stay competitive.

Chicken is the number one consumed protein in Canada and we are proud to continue promoting the nutritional and health benefits of chicken. Raising awareness of chicken being a healthy choice for consumers will remain a priority for CFNL.

CFNL's efforts toward industry sustainability/growth are also in direct support of the strategic direction of the Provincial Government, as outlined in Appendix A. CFNL's ongoing participation in the national supply management system supports industry development/sustainability while other activities are devoted to advancing relevant research and development initiatives as well as to enhancing awareness and education about the provincial chicken industry and provincial chicken products.

Objective:

By December 31, 2014, Chicken Farmers of Newfoundland and Labrador will have supported initiatives for the continued viability of the provincial chicken industry.

Measure: Supported initiatives

Indicators (2014):

- Actively participated, with federal and provincial counterparts, in the national supply management system for chicken
- Facilitated research and development to identify means to support chicken production in the province
- Continued promotional efforts related to the consumption of provincial chicken

9. Appendix A: Strategic Directions

Strategic directions are the articulation of desired physical, social or economic outcomes and normally require action by more than one government entity. These directions are generally communicated by government through platform documents, Throne and Budget Speeches, policy documents and other communiqués. The *Transparency and Accountability Act* requires departments and public bodies to take into account these strategic directions in the preparation of their performance-based plans. This action will facilitate the integration of planning practices across government and will ensure that all entities are moving forward on key commitments.

The Chicken Farmers of Newfoundland and Labrador need to consider Strategic Directions as communicated to the Forestry and Agrifoods Agency by the Minister of Natural Resources. For the 2014-17 planning period, these directions are outlined in the table below.

Title	Natural Resource Development (Forestry, Agriculture and Agrifoods)
Outcome Statement	Enhanced utilization, sustainability and public awareness of the forestry, agriculture and agrifoods sectors.
Focus Areas	Industry Development Research and development Awareness and Education Resource Sustainability

The priorities and initiatives outlined in CFNL's 2014-16 Activity Plan are supportive of these Strategic Directions. The table below clearly identifies which of strategic direction focus areas are addressed in the activity plan and which ones, if any, do not apply to the CFNL.

Strategic Direction Component (Focus Area)	This direction is ...	
	addressed in the entity's Activity Plan	not applicable
Industry Development	x	
Research and Development	x	
Awareness and Education	x	
Resource Sustainability	x	

10. Appendix B: Legislated Mandate

Current Mandate (Source: *Newfoundland and Labrador Chicken Marketing Scheme* under the *Natural Products Marketing Act*):

5. (1) The commodity board shall promote, regulate and control the production and marketing of chicken by producers and processors and may

(a) exercise and discharge the following powers of the board under subsection 9(2) of the Act, that is to say,

(i) subject to the prior approval of the board, co-operate with the Government of Canada or a province of Canada or a department, agency, board, council or body under the jurisdiction of the Parliament of Canada or the Legislature of a province of Canada in a manner and to an extent that may be necessary or desirable to produce or market or promote, facilitate, control, regulate or prohibit the production or marketing of chicken and to act, or cause to act, conjointly with any government, department, agency, board, council or body,

(ii) subject to the prior approval of the board, enter into an agreement with any or all of the governments, departments, agencies, boards, councils or bodies referred to in subparagraph (i) for any or all of the purposes referred to in that subparagraph, including the agreements referred to in the *Farm Products Marketing Agencies Act* (Canada),

(iii) receive, from a source, lands, buildings, money or other property by way of gift or trust for public use or for the use of the commodity board; and

(b) exercise and discharge the following powers, functions and duties under section 12 of the Act, that is to say,

(i) subject to the prior approval of the board, exempt from this Order a producer or processor or class of producers or processors,

(ii) subject to the prior approval of the board, require producers or processors to provide the information that the commodity board may require,

(iii) subject to the prior approval of the board, provide for the fixing, imposing and collecting of levies or service charges to be paid by producers for the production or marketing of chicken,

(iv) require the person in charge of a vehicle thought to be conveying chicken to stop the vehicle and to permit an inspector or other person appointed by the commodity board for the purpose to inspect the vehicle and its contents,

(v) seize, detain and dispose of chicken produced or marketed in violation of this Order, in the circumstances and subject to the conditions that the commodity board may determine,

(vi) provide for the licensing of producers engaged in the production or marketing of chicken and fix the licensing fees payable by the producers at different amounts and provide for the payment of the licence fees in instalments,

(vii) provide the form of licences and the terms and conditions upon which licences may be issued, refused, renewed, suspended or revoked,

(viii) prohibit producers from engaging in the production or marketing of chicken except under the authority of a licence,

(ix) provide for the refusal to issue a licence to engage in the production or marketing of chicken where the applicant is not qualified by experience, financial responsibility or equipment to engage properly in the business for which the application was made, or for another reason that the commodity board considers proper,

(x) require the provision of security or proof of financial responsibility by a producer engaged in the production or marketing of chicken and provide for the administration, forfeiture and disposition of money or securities so provided,

(xi) provide for

(A) the production or marketing of chicken by producers on a quota basis,

(B) the fixing and allotting to producers of quotas for the production or marketing of chicken on the basis that the commodity board considers proper,

(C) the refusing to fix and allot to a producer a quota for the production or marketing of chicken that the commodity board considers proper,

(D) the cancelling or reducing of, or the refusing to increase, a quota fixed and allotted to a producer for the production or marketing of chicken that the commodity board considers proper, and

(E) the terms and conditions upon which a producer may produce or market chicken in excess of the quota fixed and allotted to him or her,

(xii) prohibiting

(A) a producer to whom a quota has not been fixed and allotted for the production or marketing of chicken or whose quota has been cancelled from producing or marketing chicken, and

(B) a producer to whom a quota has been fixed and allotted for the production or marketing of chicken from producing or marketing chicken in excess of the quota,

(xiii) require and prescribe returns, accounts, records and statements to be made by licensed producers, the information to be given in the returns, accounts, records and statements and by whom and in what manner and at what time they shall be made,

(xiv) inspect the books and premises of persons engaged in the production of chicken,

(xv) provide that service charges or licence fees, or a part of the charges or fees, are made payable to the commodity board and that the commodity board may use the money thus received for the purpose of carrying out the provisions of this Order for which the commodity board is constituted,

(xvi) stimulate, increase and improve the production or marketing of chicken for the purpose of carrying out this Order,

(xvii) subject to the prior written approval of the Minister, adopt, determine or set fair minimum or maximum prices for the marketing of chicken,

(xviii) Under review

(xix) subject to the prior approval of the board, enter into an agreement with the Government of Canada under the *Farm Products Marketing Agencies Act* (Canada) and implement the provisions of it by making the rules, orders and regulations and carrying out the acts that may be necessary to implement and to enable any persons or agency referred to in the agreement to implement a plan contemplated by the agreement,

(xx) subject to the prior approval of the board, purchase, lease or otherwise acquire and sell and dispose of real and personal property, borrow money upon security and do other things that may be necessary or desirable to implement the provisions of this Order.

(2) The commodity board shall

(a) keep at its head office a register containing the names, addresses and quotas of licensed producers and other information that it shall consider necessary; and

(b) maintain an official list of the names and addresses of all licensed producers for inspection by a licensed producer during regular business hours and shall send an up-to-date copy of the official list to a licensed producer on request.

(3) Subject to the approval of the board, the commodity board shall

(a) establish the offices that are considered necessary for the purpose of carrying out this Order;

(b) appoint and prescribe the terms and conditions of employment of a secretary-manager and other officers and employees that are considered necessary;

(c) establish and fix the wages, salaries and remuneration of the chairperson, members, secretary-manager and other officers and employees;

- (d) appoint a certified accountant to audit its accounts annually; and
 - (e) bring into operation not later than 3 months after this Order has been gazetted by-laws for the conduct of its business affairs.
- (4) Notwithstanding the other powers given the commodity board in this order, the commodity board shall not, without the prior written approval of the minister have the authority to:
- (a) issue quota, or an interest in quota or production quota or an interest in production quota or a production licence to a person;
 - (b) transfer, mortgage, charge, encumber, or assign quota, or an interest in quota or production quota or an interest in production quota or a production licence; or
 - (c) permit a person to transfer, mortgage, charge, encumber, or assign quota, or an interest in quota or production quota or an interest in production quota or a production licence.