



Conseil des produits agricoles
du Canada

Farm Products Council
of Canada

RASPBERRY PROMOTION AND RESEARCH AGENCY REQUEST

Panel Report

OCTOBER 2014

FARM PRODUCTS COUNCIL OF CANADA

Canada

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Raspberry Promotion and Research Agency Request

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Introduction

This report presents the findings of the Farm Products Council of Canada (FPCC or Council) Panel's inquiry into the merits of establishing a Promotion and Research Agency (PRA) for fresh and processed red raspberries that are either produced domestically or imported into Canada.

The first section presents an overview of the raspberry production industry as well as consumption levels of raspberries and raspberry products in Canada.

The second section provides a detailed description of the Public Hearings. These were held pursuant to a request by the British Columbia Raspberry Industry Development Council (RIDC or the Applicant) for the establishment of a promotion and research agency under Part III of the *Farm Products Agencies Act* (FPAA).

The third section presents a summary of the request filed by RIDC as well as evidence presented by stakeholders, both through written submissions and oral presentations during sittings held in connection with the request.

The fourth section presents the findings of the Panel in light of the evidence presented during the Public Hearing process, while section five presents the Panel's recommendation to Council.

The Canadian Raspberry Industry

Raspberry Production and Imports

The Canadian raspberry industry is a seasonal fruit cultivated mostly in British Columbia, Quebec and Ontario, although production takes place in all provinces. In the 2011 Census of Agriculture, 2,555 farms reported some raspberry production, for a total of 7,404 cultivated acres.

Table 1: Raspberry Production in Canada (2011)

Province	Fruits, berries and nuts, 2011	
	Raspberries total area	
	farms reporting	acres
Alberta	198	186
British Columbia	770	4,316
Manitoba	80	83
New Brunswick	85	116
Newfoundland and Labrador	24	33
Nova Scotia	97	103
Ontario	613	902
Prince Edward Island	22	29
Quebec	577	1,537
Saskatchewan	89	102
Canada	2,555	7,407

Source: Statistics Canada, 2011 Census of Agriculture, Farm and Farm Operator Data, catalogue no. 95-640-XWE

Production in Ontario and Quebec is mostly destined for the fresh market, while the bulk of the production in British Columbia is destined for the processing market, where the berries are either frozen or transformed into a number of products, such as jams, juices and pie filling.

Given the seasonal nature of raspberry production and the crop's high sensitivity to climate in some provinces, a large portion of the Canadian demand is supplied through imports. The majority of imported fresh raspberries originate in the United States and Mexico while frozen raspberries are mostly imported from Chile and the United States.

Raspberry Consumption

The following tables present an overview of per capita consumption of fresh and frozen raspberries over the past four years. While the consumption of frozen raspberries has remained fairly constant, the consumption of fresh raspberries has increased significantly, both in terms of overall quantity and per capita amounts.

Table 2: Consumption of Frozen Raspberries

Year	Amount Consumed (kg per person) fresh equivalent	Population Estimate	Raspberry Consumption (kg)	Raspberry Consumption (lb)
2012	0.37	35,158,304	13,008,572	28,678,699
2011	0.36	34,754,312	12,511,552	27,582,968
2010	0.34	34,005,274	11,561,793	25,489,129
2009	0.38	33,628,571	12,778,857	28,172,268

Source: Statistics Canada CANSIM Tables 051-0001 - Estimates of Population and CANSIM Table 002-0011 - Food available in Canada

Table 3: Consumption of Fresh Raspberries

Year	Amount Consumed* (kg per person)	Population Estimate	Raspberry Consumption (kg)	Raspberry Consumption (lb)
2012	1.16	35,158,304	40,783,633	89,911,597
2011	1.07	34,754,312	37,187,114	81,982,711
2010	0.93	34,005,274	31,624,905	69,720,265
2009	0.81	33,628,571	27,239,143	60,051,414

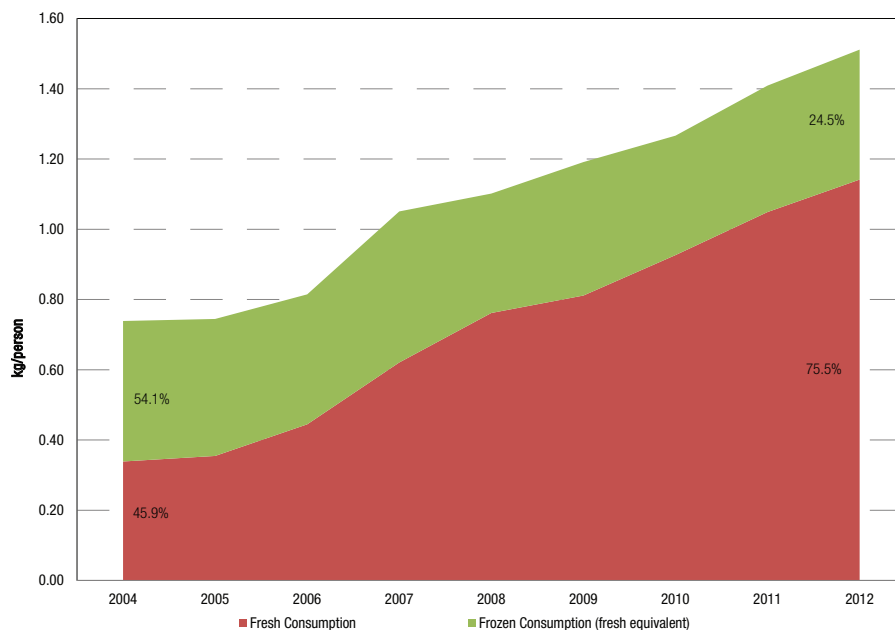
Source: Statistics Canada CANSIM Tables 051-0001 - Estimates of Population, Agriculture and Agri-Food Canada - Production and Statistics Canada - Imports

* Amount Consumed was calculated using production data, specific to farm and retail, and import data, specific to fresh raspberries. The total was then divided by the Canadian population.

These trends are consistent with the longer-term shift observed in raspberry domestic market share patterns, possibly due to varietal and/or transportation improvements allowing for year-round availability of fresh raspberries.

The following figure presents the raspberry consumption breakdown between fresh and frozen over the past nine years.

Figure 1: Consumption of Fresh and Frozen Raspberries



Source: StatisticsCanada and Agriculture and Agri-Food Canada

Whereas Canadians used to consume mostly frozen raspberries, fresh raspberry consumption now represents three quarters of the total amount consumed per person.

Public Hearing Process

Legislative Context and Role of the FPCC

The FPCC is a public interest oversight body created under the FPAA. Among its duties, the Council is tasked with advising the Minister on all matters relating to the establishment of promotion and research agencies.

Specifically, paragraph 7(1)(a) states that:

[In order to fulfill its duties, the Council] (a) on receipt of a written request from one or more associations representing a significant number of persons engaged in the growing or production of any farm product in Canada ... shall ... inquire into the merits of (i) establishing an agency in respect of the farm product and vesting it with all or any of the powers set out in section 22 or 42 as the case may be.

While subsection 7(2) states that:

The Council, in reporting to the Minister under subsection (1), shall not recommend the establishment of an agency in respect to one or more farm products ... unless it is satisfied that ... (b) in the case of a promotion-research agency, the majority of the aggregate of the producers or, where the import trade in one or more farm products is to be included, the majority of the

aggregate of the producers and importers of all those farm products, in Canada or in the region of Canada to which the recommendation relates, is in favour of that action.

And subsection 8(1) states that:

A public hearing shall be held by the Council (a) in connection with an inquiry into the merits of establishing an agency or of broadening the authority of an existing agency to cover any additional farm product or farm products.

Finally, the creation of promotion and research agencies is authorized through subsection 39(1) in part III of the FPAA:

The Governor in Council may, by proclamation, establish a promotion-research agency with powers relating to one or more farm products, where the Governor in Council is satisfied that the majority of the aggregate of the producers or, where the import trade in one or more farm products is to be included, the majority of the aggregate of the producers and importer, of all those farm products, in Canada or in the region to which the proclamation relates, is in favour of the establishment of such an agency.

Panel

The request submitted by RIDC was received on September 28, 2012¹. On November 6, 2012, the Chairman of the FPCC, Mr. Laurent Pellerin, established a Panel composed of two Council members: Mr. Tim O'Connor as Chair and Mr. Phil Klassen as Panel Member. Following the end of Mr. Klassen's mandate with the FPCC, Mr. Mike Pickard was appointed as Panel Member on May 10, 2013.

The mandate of the Panel was to inquire into the merits of establishing a Promotion and Research Agency (PRA) under Part III of the FPAA. Specifically, the inquiry pertained to:

- the current structure of the Canadian raspberry industry and the degree of support among producers and importers for establishing an agency;
- the potential effects of establishing a national agency on the operations of producers and importers;
- the means for ensuring that an agency has due regard for the interests of producers, importers and consumers;
- the degree and nature of federal-provincial cooperation required to implement the proposed national plan, including the proposed "phase-in" approach to provincial participation, the efficient dovetailing of levy collection under federal and provincial jurisdictions, and its consistency with the *Agreement on Internal Trade*;
- the collection of levies on imported raspberries, including its consistency with Canada's rights and obligations under international trade agreements, and;

¹ See Appendix A for Application Letter.

- whether any restrictions should be placed on the activities of a raspberry research and promotion agency or on any of the powers to be exercised pursuant to section 42 of the FPAA.

The request submitted by the RIDC was made publicly available for consultation on FPCC's website at www.fpcc-cpac.gc.ca, as well as at FPCC's offices in Ottawa.

Once the Panel determined that the request was receivable, the scope of the inquiry was established, along with procedures and timelines. While the FPCC gazetted its rules of procedures for public hearings in 2000 (*National Farm Products Marketing Council General Rules of Procedures*), the Panel opted to employ the more streamlined *Public Hearing Guidelines – British Columbia Raspberry Industry Development Council*, which were finalized in September 2013. These Guidelines describe the Public Hearing process, the rules pertaining to submissions, comments and participation at sittings. The Guidelines also describe the role of the Panel and Hearing Secretary along with the process that will be followed to assess a request. The Guidelines also provide details on times and deadlines as well as media participation.

Public Notice of Hearing

Section 9 of the FPAA states that:

The Council shall give notice of any public hearing under section 8 and of the matters to be considered thereat in the *Canada Gazette* and in one or more newspapers and farm journals in general circulation throughout all of Canada and in particular in those areas of Canada where, in the opinion of Council, there are persons who are likely to be interested in the matters to be considered thereat.

The Notice of Public Hearing was published in the *Canada Gazette* on January 19, 2013². It provided information on the composition of the Panel, an overview of the request received, the sections of the FPAA under which this Public Hearing was being conducted, the scope of the Panel's inquiry, information on how interested parties could obtain copies of the request or more details on the process, procedures to be followed during the Hearing and the means by which they could provide comments on the request or participate in the Pre-Hearing Conference scheduled for March 8, 2013.

As per section 9 of the FPAA, the Notice of Public Hearing was published in the following newspapers: *La Terre de Chez Nous*, *Ontario Farmer*, *The Chronicle Herald*, *The Gazette*, *La Presse*, *The Globe and Mail* and *The Western Producer*.

Notice of the Public Hearing was also sent to an extensive mailing list of industry stakeholders, including producer associations, government departments and regulatory bodies. This list was continuously updated to include all stakeholders who participated in the process or who provided comments.

A dedicated toll free phone line was set up to allow stakeholders to leave comments or questions on the Public Hearing. FPCC's website was also modified in order to allow for comments to be sent and viewed electronically, along with copies of the request.

² See Appendix B for *Canada Gazette* Notice.

Submissions

The Notice of Public Hearing indicated that submissions, whether in support or opposition to the request, could be filed until close of business (Eastern Standard time) on February 21, 2013. During the Pre-Hearing Conference held on March 8, 2013, this deadline was extended until April 30, 2013.

During this period, 26 submissions were received, either directly by mail or electronically. All submissions were posted on FPCC's website, made part of the public record and accessible to the public.

Submissions received also included a response by the RIDC to questions by the Panel, dated November 15, 2012³, on a number of topics. In particular, the Panel sought clarifications on:

- the number of eligible producers in each province and their degree of support;
- the number of eligible importers and their degree of support;
- the means by which the RIDC hoped to have the Harmonized Structure (HS) Codes modified in order to allow for the identification of raspberry imports;
- the impact on levy revenues of the 10,000 pounds eligibility threshold; and
- the proposed composition of the Board of Directors of the Agency.

First Pre-Hearing Conference

On March 8, 2013, a Pre-Hearing Conference was held in Ottawa. Members of the distribution list as well as stakeholders who submitted comments on the request were reminded via email. The Conference was held via teleconference with simultaneous translation. In addition to the Panel Members, Hearing Secretary and FPCC staff, six stakeholders participated⁴. Transcripts of the Pre-Hearing Conference were sent to stakeholders, conference participants and made available on FPCC's website.

During this Pre-Hearing Conference, the Chair of the Panel announced that the Panel had opted to extend the period for comments until April 30, 2013 and that a second Pre-Hearing Conference would be held on June 11, 2013.

Second Pre-Hearing Conference

On June 11, 2013, a second Pre-Hearing Conference was held in Ottawa. Members of the distribution list, as well as stakeholders who submitted comments on the request, were reminded of the Conference via email. The Conference was held via teleconference with simultaneous translation.

During this Pre-Hearing Conference, the Panel Chair indicated that two sittings would take place: one in Abbotsford, B.C. on October 22, 2013, and a second in Ottawa on November 5, 2013. The

³ See Appendix C for Letter from Panel to RIDC.

⁴ See Appendix D for list of participants.

Panel Chair and Hearing Secretary also shared information on procedural matters related to the sittings.

In addition to the Panel Members, Hearing Secretary and FPCC staff, 11 stakeholders participated⁵. Transcripts of the Pre-Hearing Conference were sent to stakeholders and conference participants, and made available on FPCC's website.

Sittings

The first sitting was held in Abbotsford on October 22, 2013. The proceedings were broadcast via a webcast that could be accessed via the Internet. Thirty-six individuals attended the session and, in addition to the Applicant, 12 interveners shared their views⁶ during the sitting.

The second sitting was held in Ottawa on November 5, 2013. The proceedings were also broadcast via a webcast that could be accessed via the Internet. Twelve individuals attended the session and, in addition to the Applicant, eight interveners shared their views⁷.

Report to Council

The present report is being submitted to the Council for its consideration, pursuant to subsection 8(3) of the FPAA and provides the results of the Panel's inquiry, based on public submissions and evidence received during the hearing process.

Following the tabling of this report, the Council will decide how it wishes to proceed. Three options are available to the Council. One option is to accept that it is satisfied that there is merit in establishing the proposed promotion and research agency and to make the appropriate recommendation to the Minister. Another option is that it is not satisfied that there is merit in proceeding. Finally, it may request that further actions or steps be taken before proceeding.

Summary of Request

On September 28, 2012, the RIDC filed a request with the FPCC for the creation of a Red Raspberry Research, Market Development Promotion Agency (the Agency or raspberry PRA) under Part III of the FPAA.

The request was divided into two main sections:

- Why Move Towards a National Council?

This portion of the request described the Canadian raspberry industry and provided arguments on the reasons why the Agency should be established and how it would benefit various stakeholder groups. This section also described the means by which the Applicant had assessed the level of support by producers and importers.

⁵ See Appendix E for list of participants.

⁶ See Appendix F for list of interveners.

⁷ See Appendix F for list of interveners.

- Implementation Strategy

This portion of the request provided an overview of how the Agency would be established, the means by which levies would be collected, including lists of equivalencies that described the assessment level for various processed products. Details were also provided on how the funds would be employed.

Why Move Towards a National Council?

This section provided an overview of the project. The Agency would be financed through a levy on domestic and imported fresh and processed raspberries where the quantity produced or imported exceeds 10,000 pounds per year, or its equivalent in processed products.

The Applicant said the raspberry PRA would have six objectives or challenges. It would:

- address the declining domestic market share of the Canadian raspberry market;
- create a reciprocal system, similar to the one in place in the United States, the main destination of exported Canadian raspberries and raspberry products;
- address the declining trend of exports of Canadian raspberries to the United States;
- conduct research on production improvements as well as the health benefits of raspberries;
- establish the governance and structure needed to allow access to government funds and programs; and
- provide importers with a say in market development.

The request then provided an overview of the support for the project by producers, processors, importers and provincial governments.

Stakeholder Support - Producers

The request sought to demonstrate producer support in a number of ways for different stakeholders and regions.

Alberta

The request indicated that only one producer met the 10,000 pounds threshold and did not support the establishment of the Agency. No additional information was provided on when or how this producer was surveyed.

British Columbia

According to RIDC, there are 141 farms in British Columbia that produce more than 10,000

pounds of raspberries per year. The province also includes 21 packers or processors. To gauge support for the request, a number of surveys were conducted.

- In November 2010, a survey was sent to some 350 stakeholders, which included all producers in the province. Of the 175 surveyed producers, 25 responses from eligible growers were received. Of those, eight supported the establishment of the raspberry PRA as envisioned by the RIDC, six supported the establishment of the raspberry PRA but at a different levy rate while five did not support the establishment of the Agency. No information was provided on the remaining six ballots from eligible producers.
- In September 2011, the 141 eligible producers were surveyed. Twenty responses were returned and, of those, 14 supported the establishment of the Agency. No information was provided on the remaining six ballots.
- In January 2012, 121 ballots were sent to eligible producers. Of the 22 ballots returned, 16 were in favour of the establishment of the Agency. No information was provided on why only a portion of the eligible producers was surveyed.

In addition, the RIDC provided three other sets of documents to substantiate producer support within the province.

- A list of 41 raspberry producers who participated in a vote on the creation of the raspberry PRA: Most entries included contact information for the producers, but information on acreage or quantity produced was not systematically included. RIDC indicated that of those 41 producers, 30 had voted in favour of creating the raspberry PRA. However, given that voting involved secret ballots, the producers in support were not identified.
- Signatures from a petition on the establishment of the raspberry PRA: The petition contained 54 entries, most of which included contact information. However, acreage or quantities produced were not systematically provided and some of the entries on the petition form were not signed. The RIDC also provided a worksheet derived from the results of the petition, where the names of producers whose support may have been counted elsewhere were removed. This worksheet contained 43 entries.
- Copies of nine emails from raspberry producers expressing their support for the request: All emails included contact information as well as acreage or quantity produced.

Manitoba

The initial request indicated that there were no eligible producers in the province. Later, documentation provided during the sittings identified one eligible producer. However, the RIDC indicated that it had been unable to assess whether he was in support or opposition.

New Brunswick

The request indicated that the only eligible producer was surveyed and supported the creation of the Agency. No additional information was provided on when or how this producer was surveyed.

In addition, information presented by the RIDC at the sittings later indicated that there were no eligible growers in the province.

Newfoundland and Labrador

The request indicated that there were no eligible producers in the province.

Nova Scotia

The request indicated that the three eligible producers in the province were no longer in operation while documentation presented by the RIDC at the sittings listed between three and four eligible producers. No information was provided on their support or opposition.

Ontario

The initial request indicated that between 40 and 50 producers in Ontario met the 10,000 pounds threshold. As with British Columbia, support from producers was assessed through multiple surveys.

- In June 2011, 69 survey questionnaires were sent out to producers. Of those, 27 were returned and, of those, 11 were from eligible producers. Eight producers were in favour of the establishment of the Agency, while three were opposed.
- In April 2012, 124 questionnaires were sent out to producers. Of those, 29 were returned. Nine of those questionnaires were from eligible producers. Eight were in favour of the establishment of the Agency, while one was opposed.

Although no specific assurances were provided to that effect, RIDC's December 2012 letter to the Panel seemed to indicate that the two surveys were sent to different producers. However, no information was provided on what proportion of eligible producers was surveyed.

Later, documentation provided during the Abbotsford and Ottawa sittings indicated that the number of eligible producers in Ontario was in fact 90.

Prince Edward Island

The request indicated that there were no eligible producers in the province.

Quebec

The request indicated that there were 37 producers who met the threshold of 10,000 pounds. Support for the establishment of the Agency was assessed through two votes (one formal and one informal) at the February 2012 Annual General Meeting of the *Association des producteurs de fraises et framboises du Québec*. This association represents both raspberry and strawberry producers in the province. The request and subsequent communication by RIDC to the Panel stated that, at this meeting, the majority of eligible raspberry producers voted in favour and that support for the request was unanimous.

Saskatchewan

The request indicated that there were no producers of raspberries in Saskatchewan who met the 10,000 pounds threshold.

Stakeholder Support – Processors

The request indicated that the majority of raspberry processors were situated in British Columbia and that they were included in all discussions pertaining to the establishment of the Agency. The request further indicated that of the 14 processors located in British Columbia, a majority supported the establishment of a PRA for fresh and processed raspberries.

Stakeholder Support – Importers

The request indicated that RIDC's list of entities importing raspberries in Canada was incomplete. In November 2011, surveys were mailed to a partial list of importers. Later, an e-vote was conducted in the Spring of 2012, and phone calls were made to gauge the support of importers. The results of these various exercises were deemed to be inconclusive. The request also included a list of 121 importers.

Following requests by the Panel for additional information on importer support, the RIDC provided a list of Chilean importers who were said to be in support of the establishment of the Agency.

Provincial Governments

The request included a letter from the Assistant Deputy Minister – Agrifood Policy of the *Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec* as well as a letter from British Columbia's Minister of Agriculture. Both letters were in support of the establishment of the Agency.

The request also provided information on the position of the Province of Ontario. It indicated that the Ontario Minister of Agriculture would only support the Agency if the Ontario Farm Products Marketing Commission (OFPMC) confirmed its support. At the time of the request, the OFPMC concluded that the Ontario Berry Growers Association (OBGA) did not possess the necessary authority to collect mandatory levies from producers. It was also noted in the request that attempts would be made to change the status of the OBGA to overcome this obstacle and secure the support of Ontario.

Raspberry Industry in Canada

The request then provided an overview of the raspberry industry in Canada, both at the provincial and national level. According to the application, there were between 211 and 221 eligible producers in Canada.

Table 4: Raspberry Producers in Canada – RIDC Request

Province	Number of Producers	Number of Eligible Producers
Alberta	unknown	1
British Columbia	175	131
Manitoba	less than 100	1
New Brunswick	28	1
Newfoundland and Labrador	7	-
Nova Scotia	40	-
Ontario	100	40 to 50
Prince Edward Island	10	-
Quebec	37	37
Saskatchewan	unknown	unknown

Source: BC Raspberry Industry Development Council, Request for a Red Raspberry Reasearch, Market Development Promotion Agency, September 2012.

At the Ottawa and Abbotsford sittings, updated figures were presented regarding the total number of producers as well as eligible producers in the country. While for most provinces the figures presented were substantially similar, for some, such as Ontario, the number of eligible producers was substantially higher.

Table 5: Raspberry Producers in Canada – RIDC Presentation

Province	Number of Producers	Number of Eligible Producers
Alberta	-	-
British Columbia	150	141
Manitoba	less than 100	1
New Brunswick	28	-
Newfoundland and Labrador	7	-
Nova Scotia	40	3 to 4
Ontario	200 to 300	90
Prince Edward Island	10	-
Quebec	540	37
Saskatchewan	-	-

Source: BC Raspberry Industry Development Council, Establishing a Canadian Red Raspberry Council presentation, November 2013.

Implementation Strategy

Under this section, the RIDC presented its understanding of the public hearing process and the steps leading up to the proclamation of an agency. Following the establishment of the Agency, the Applicant indicated that its Board would define by-laws, prepare a budget, an operational plan and a timetable for project proposal intake. It was also proposed that a service agreement would be developed between the Agency and the Raspberry Industry Development Council, and that a new Harmonized System code (HS code) would need to be sought in order to identify raspberry imports.

The request noted that agreements with provinces to allow for the collection of levies would need to be drafted, with the assistance of FPCC. It also noted that, while the domestic collection of levies could begin without the participation of all provinces, the domestic levy system would not be launched until a mechanism to collect levies on imported products was created.

The request then provided details on the product levy rates, participating provinces, the exemption of small producers and importers, Agency operations and governance, levy collection, revenues and expenses.

Product and Levy Rate

The request noted that the levy on fresh raspberries would be \$0.005 per pound and provided examples of what this amount would be for a number of processed products.

The current HS code system for raspberries includes other berries, such as loganberries. In order to assess the quantities of imported raspberries, a new HS disaggregation would have to be sought through Statistics Canada.

Participating Provinces

The request noted that only British Columbia, Quebec and Ontario would participate in the Agency at its onset, given that the remaining seven provinces had either one or no eligible producers.

Council Operations and Governance

The request stated that the Agency's Board would consist of 14 voting members: nine domestic producers, one processor, one foreign producer, two importers or domestic traders and one member at large, recruited from the fields of export, retail, health or nutrition. The producer seats would be assigned through a pre-determined formula based on production, with a maximum of six seats per province. The proposed allocation of producer seats would see six seats being given to British Columbia, two to Quebec, one to Ontario and one seat to represent the remaining provinces. This formula would be reviewed every five years. Importer directors would be appointed through an importer association or group of importers.

During the sittings, a second Board structure was proposed. This one would be comprised of 15 voting members to include 10 domestic producers, two foreign producers, one processor and two importers. It was also suggested that two committees be formed; a National Promotion Committee, overseen by a majority of importers, and a Research Committee, overseen by a majority of producers.

The request proposed that the Council be located in Abbotsford and share office space and services with the Raspberry Industry Development Council of British Columbia.

Levy Collection

Levy collection would occur at the first point of sale by processors, importers, shippers or packers. In the case of producers who are the first handlers, these producers would collect the levies and remit them to the Agency. Rebate programs would be available to producers who ship raspberries to the United States and then re-import them back into Canada. The rebate program would also be available to importers who import less than 10,000 pounds per year.

On the domestic front, both the RIDC and the *Producteurs de fraises et framboises du Québec* would collect the levies and remit them to the Agency. While no determination was made on collection in Ontario, given that the producer association lacks the proper authority to collect mandatory levies, the possibility of collecting levies based on packaging and containers, as is done by the Ontario Fruit and Vegetable Association, is being contemplated.

The request noted that Alberta, Saskatchewan and Manitoba have general farm or fruit producers associations while Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland and Labrador do not. As such, the levies would have to be collected on an “in faith” basis.

For collection of levies on imports, the request noted that the preferred manner would be to delegate authority to collect the levies to the Canadian Border Services Agency (CBSA). The CBSA would then remit them to the Agency, minus a cost-recovery fee. The collection of levies would be done on a quarterly invoice basis. Should this prove to be unfeasible, the request proposes that the Agency could collect the levies directly from importers, using information from the Canadian Association of Importers and Exporters that represents firms responsible for some 80% of imported products. The remaining 20% would be collected on an “in faith” basis.

It was further indicated that should in faith collection become problematic, enforcement via fines as provided for in the FPAA, could be employed. However, the Applicant did not elaborate on how this enforcement would be implemented.

Potential Revenues and Costs

Using data from 2011, the request presents information on potential revenues. Using a levy rate of \$0.005 per pound would engender domestic levy revenues of \$131,959 per year, while imports could provide for \$457,083 per year.

The levies collected would serve to finance a number of activities, with the bulk of funds being used for generic marketing campaigns, the development of an export strategy, and research projects pertaining to various issues related to production and the health benefits of raspberries.

The following table shows how the funds would be employed by the proposed Agency, in promotion and research activities, as presented in the request.

Table 6: Proposed Fund Use

Category	Activity	Projected Cost	Additional Information
Promotion and Marketing	Attend Domestic Trade Shows	\$5,000 to \$7,000 per event	Examples: Food Service Expo's, Dietician and Culinary Shows, Wellness Shows
	Domestic Promotional Campaign	Over \$250,000	Promotional print material and supplies, radio and newspaper advertising
	Purchase of Trade Show Booth	\$15,000	
	Promotional Partnerships	estimate unavailable	Examples: Breast Cancer, Heart and Stroke
	National Database	unknown	Provide easy access for buyers
Export Strategy	Market Research and Strategy Development Project	\$10,000	In-depth and country specific
	Implement an Export Program	Over \$50,000	With Export Development Canada
	Promotional Print Materials and Supplies	\$3,000 to \$5,000	
	Attend Global Trade Shows	\$26,000 to \$36,000	Meet with new market representatives
	Develop Export Trade Networks	estimate unavailable	with agents and liaisons
Scientific Research	Funding of Studies	\$3,000 to \$15,000 per study	Examples: New breeding and variety trials, weed control, IPM registration, cultural practices, testing new varieties, methods to extend shelf life, disease and pest management, irrigation scheduling, alternative mulch effects, bacterial blight pathology, soil ecology, soil management.

Source: BC Raspberry Industry Development Council, Request for a Red Raspberry Reasearch, Market Development Promotion Agency, September 2012.

Summary of Evidence

This section summarises the evidence collected by the Panel through the Public Hearing process including written submissions, presentations made at sittings as well as answers to questions from the Panel.

Summary of Written Submissions

Between January 19 and April 30, 2013, a total of 26 written submissions were received in relation to the RIDC request. Twenty-two submissions were in support, two were in opposition and one comment was neither in support nor in opposition.

Evidence of Support

A number of arguments were presented in several expressions of support for the Agency:

- a raspberry PRA would help the industry deal with ongoing issues;
- funding in research could lead to varietal improvements and productivity increases;
- a raspberry PRA would allow the national industry to remain competitive;
- a raspberry PRA would allow the industry to take advantage of domestic and international market opportunities;
- the Agency would allow the industry to fund its own research, in light of decreases in government funding available for those activities;

- a raspberry PRA could conduct campaigns that highlight the health benefits of raspberries, and
- the Agency would reciprocate the system currently in place in the United States.

Other submissions noted that, through the creation of a Canadian Agency, collaboration would be possible with the raspberry agency in the United States, to work on issues that affect the industries on both sides of the border. Other comments noted that the request was supported by major foreign-producing regions in other countries such as Washington State and Chile.

Evidence of opposition

Arguments against the request were as follows:

- the information presented in the request is insufficient to conclude that there is support from the majority of producers or importers;
- it would be more beneficial for commodity groups to structure themselves at the national level for multiple commodities, to address the issue of fragmentation and competitiveness, with the ultimate goal to promote increased consumption of fresh produce by Canadians;
- there are still many issues to resolve regarding the collection of levies and the increased costs that may be incurred through the supply chain;
- an “in faith” collection mechanism for levies is impractical and would prove burdensome;
- levies should not be collected on imported products and then used to promote exports of Canadian raspberries, but instead should be used to promote generic domestic consumption;
- the amounts to be raised to fund research will be insufficient to have an impact; and
- funds collected on fresh raspberries should not be used to promote or conduct research on processed or frozen raspberry products.

Comment

The comment pertained to the position of Alberta. It was noted that there is only one producer in the province that meets the 10,000 pounds threshold and that he is not in support of the creation of an Agency. As such, it was indicated that Alberta would not be part of an eventual raspberry PRA. It also noted that the creation of such an Agency would not have any adverse effect on Alberta’s raspberry production.

Further Written Submissions

Between October 23 and November 7, 2013, eight letters from importers were received. Six letters were in opposition to the establishment of the Agency while two were in support. These letters were deemed inadmissible by the Panel.

On May 15, 2014, following a subpoena by the Panel, the Retail Council of Canada submitted additional information on its presentation at the Ottawa sitting. Among the information provided was:

- a list of members of the Retail Council of Canada who are eligible importers of raspberries;
- a review, by the Conference Board of Canada, of various cost-benefit studies of check-off agencies in Canada and the United States;
- a price sensitivity analysis of raspberries, prepared by Driscoll's, a major American company that produces and sells berries, including raspberries, on the Canadian market;
- a study of consumer behaviour in response to food price inflation, prepared by the United States Congressional Research Service;
- additional details on the membership of the Retail Council of Canada;
- references to evidence presented to the Senate Committee on National Finance, pertaining to the impact of various factors on retail price gaps between Canada and the United States and their impact on consumers;
- a commentary by the C.D. Howe Institute on the same topic; and
- a research report by Rose Research on Canadian consumer attitudes and purchase behaviours regarding California-grown strawberries.

Summary of Presentations at the Abbotsford Sitting (October 22, 2013)

Thirty-six individuals attended the Abbotsford sitting. Of those, 15 interveners representing 12 groups presented their views on the request.

British Columbia Raspberry Industry Development Council

The RIDC provided an overview of the proposed Agency and the benefits that could be derived by producers, processors, importers and consumers. They also presented updated numbers on eligible producers in the various provinces, as well as on production and imports.

Also included in the RIDC presentation were more details on the origin of imports, the types of products that are brought in, the market share distribution between fresh and processed (both domestic and imported) products, trends in consumption levels and how changes to per capita consumption would translate into added production.

The presentation also provided a breakdown of levy revenues and projected expenses for the Agency as well as partial details on how the levies would be collected domestically and what options were being considered for collection of levies on imports.

The RIDC also proposed a new structure for the Board of Directors, which would include 12 producers (10 domestic and two foreign), one processor and two importers, adding a provision that the Board composition formula would be determined and reviewed by industry every three years. The RIDC also proposed that two committees be formed: a National Promotion Committee, where the majority of members would be importers and a Research Committee, composed of a majority of producers.

The Applicant also noted that one of the reasons for the steep increase in imported raspberries stemmed from the recent devaluation of the U.S. dollar compared to the Canadian dollar, which facilitated the import of U.S. products. RIDC also pointed to the expansion of the growing season in California and the development of proprietary varieties that are available throughout the year. This makes it more difficult for Canadian raspberries to secure retail space during the short Canadian growing season.

Issues raised by Raspberry Growers

The producers who intervened presented an overview of their situation as producers of raspberries in British Columbia. Some of these interveners were also engaged in processing activities (freezing, packing, etc.). Among the benefits envisioned, they mentioned the following:

- Over the past years, price volatility, coupled with increased on-farm costs, in particular land and labour, have led to difficulties in the industry. In addition, the Canadian industry is facing increased competition from countries where input costs are lower.
- Because it is now difficult for producers to hire labourers to handpick raspberries, fresh production in British Columbia has decreased significantly.
- A PRA is long overdue to address declining production, which peaked at the end of the 1980s.
- British Columbia raspberry producers are price-takers in the marketplace. Although they are considered a significant stakeholder in the province, internationally they are very small. Yet they can still be competitive within a competitive international market.
- In response to decreasing returns in the industry, many raspberry-growing operations are transitioning to blueberry production.
- Producers have little faith in government financial or crop insurance programs.
- Funds are needed to address the decrease in governmental funding for varietal research and development.
- Varietal development could help reverse the current trend of declining production. In the past, producers could expect a good production season every four or five years. This has now fallen to once every eight years.
- It is necessary to take steps to promote the health benefits of raspberries and increase demand, so as to increase prices and improve producers' income.
- In British Columbia, the ballots held by the RIDC clearly indicate the support of raspberry producers in both volume and acreage.
- The creation of an agency in Canada would allow Canadian producers to keep up with the United States where a raspberry commission has been established.
- The development, through research, of new varieties that are more resistant to diseases would provide benefits locally, nationally and internationally.
- Increasing consumer demand for raspberries, through increased awareness of their health benefits, would be beneficial for producers and importers.

- The trend on international markets is towards Individually Quick Frozen (IQF) products, which require specific varieties. The current Canadian varieties are not optimal for IQF type products.

Issues raised by Industry Stakeholders

British Columbia Ministry of Agriculture

- Berries are experiencing strong growth in the market because consumers associate them with various health benefits. These benefits have not materialized evenly across industries and blueberries have been more successful. In particular, there is an absence of raspberry-specific health research.
- The United States Highbush Blueberry Council can be seen as an example of how to capture these benefits through a strong national organization and leveraging of funds for health research and promotion.
- On the Canadian market, processed raspberry consumption is losing ground. While consumption of fresh raspberries has increased, it is mostly due to imported products now being available year-round.
- The Canadian raspberry industry faces many production challenges (productivity, diseases, limited genetics, labour and mechanization issue). A national organization could be crucial in addressing these issues for the benefit of both domestic and international stakeholders.
- Generic promotion would be beneficial for all stakeholders because consumers do not discriminate between domestic and imported raspberries.
- A raspberry PRA would help build collaboration nationally and bring all stakeholders together.

University of the Fraser Valley

- The creation of the Agency would allow for producer education, improve coordination between industry consultants, allow the industry to stay at the forefront of technology, improve success on international markets, facilitate the building of processing capacity and increase targeted marketing.
- A raspberry PRA would also permit issues to be dealt with nationally instead of on a piecemeal basis.
- The Agency could help offset the lack of federal and provincial funding.
- With the increased frequency of extreme climatic events, additional resources are needed to create varieties that are more resistant to weather and diseases.
- Much as with the blueberry industry, health research can help increase consumption and, by extension, production.

British Columbia Vegetable Marketing Commission

- The creation of a raspberry PRA is important because provincial enabling legislation is insufficient to address interprovincial and export trade.
- The Agency would also provide resources to enable health related research, marketing to consumers and the ability to tackle production challenges.
- In the past, processors in the province contributed to a provincial research levy to assist in strawberry research.
- It is important for the industry to be prepared to collaborate with governments to support worthwhile research.

Washington Red Raspberry Commission

- The Washington Commission was created due to a need for mechanisms to promote the health and nutritional benefits of raspberries similar to the blueberry agency, and to address ongoing flat prices coupled with increasing costs.
- Health research can be very expensive and there is a need to find synergies with other countries.
- When creating the Commission, producers and first receivers of raspberries were consulted to ensure that there was support. In order to identify who importers were, the assistance of the United States Department of Agriculture was required.
- Nationally, only health research and promotion are coordinated. Research on breeding and varietal development is handled at the state level.

Summary of Presentations at the Ottawa Sitting (November 5, 2013)

No producers made presentations during the Ottawa sitting. However, eight stakeholders representing five distinct groups shared their views. Two groups were opposed to the request while three were in favour.

British Columbia Raspberry Industry Development Council

The RIDC made a presentation similar to that of Abbotsford, providing information on the motivation for the establishment of a PRA for raspberries, its potential benefits, and the current structure of the industry, both in terms of production, imports and consumption, levy collection and Board of Directors composition.

The presentation also included information on the effects of the establishment of the United States Highbush Blueberry Council on the number of health-related publications on blueberries as well as the correlation between these publications and overall crop value.

In response to questions regarding the impact of the proposed levy on the various stakeholders, RIDC noted that it anticipates the levy will not be passed on to the consumer but will be absorbed by producers. This is based on the experience of both the provincial levy currently being paid on raspberries and the one paid on blueberries exported to the United States,

RIDC also indicated that in the blueberry sector, generic promotion of blueberries led to increases in demand for both fresh and processed blueberries. It anticipates that something similar would happen with generic raspberry promotion.

RIDC also noted that one of the difficulties encountered while trying to engage importers was due to the confidential nature of the information on imports.

Issues Raised by Stakeholders

Driscoll's

- Driscoll's is a major American company that produces and sells berries, including raspberries, on the Canadian market.
- Although Driscoll's does not have offices in Canada, it imports raspberries as the Canadian Border Services Agency allows for non-residents to be listed as the importer of record.
- The raspberry market is healthy and has experienced strong growth over the past years. Therefore, a raspberry PRA is not needed.
- FPCC should distinguish between the processed and fresh raspberry industry and gauge the level of support among the importers of fresh product.
- The needs of the fresh and processed industries are different in terms of variety breeding, soil requirements, farm practices and harvesting techniques.
- The proposed composition of the Board would be unfair to importers. Levy revenue projections indicate that imports of fresh raspberries would account for two-thirds of the funds collected, while importers of fresh raspberries would only represent 13 or 14 percent of the Board.
- The proposed levy would increase the price of berries for consumers, and exporters may decide to sell their products in other countries.
- Because fresh and processed industries do not employ the same varieties, there will be no benefit from genetic research.
- Promotion activities will not create awareness or increase consumption. The most important driver of demand is year-round access to raspberries.

Retail Council of Canada

- The Retail Council of Canada represents over 9,000 retailers and 45,000 storefronts. The grocery division of the organization represents 90 percent of grocery sales in Canada. Many grocers import raspberries.
- Raspberry sales have experienced strong increases in recent years through retail efforts at points of sales and partnerships with Health Canada. The creation of the Agency is therefore not necessary.
- The mandatory levy would increase costs and affect consumption of raspberries. Promotional partnerships are a better way to increase demand.
- All members of the Retail Council of Canada are opposed to the creation of the Agency.
- The Retail Council of Canada can provide the Panel with a list of its members who are importers of record.

Association des producteurs de fraises et de framboises du Québec

- The Association represents over 700 raspberry and strawberry producers, the majority of which cultivate less than three hectares.
- In Quebec, two types of production are grown: Summer and Fall raspberries with the majority of the production destined for the fresh market.
- In 2004, the Association created a coordinated body that includes importers, distributors and retail stores such as Metro and Loblaws.
- In Quebec, there is currently a mandatory levy that is collected from three sources, including strawberry and raspberry plants purchased, strawberry and raspberry containers, and an annual members' levy.
- The main challenges for the industry lie in the development of varieties that are adapted to the climate and how to optimize production methods. Given the recent funding reductions, finding additional sources of funds is becoming increasingly important.
- Members of the Association unanimously support the request, and the project has the support of the provincial Assistant Deputy Minister of Agriculture.
- Promotional activities should help to increase the consumption of both fresh and processed raspberries. Having a coordinating body conducting these activities can improve results.
- Producers are willing to pay a levy because they know that it will help address the difficult market conditions. Better varieties and increased promotion of the product is in the best interest of producers.

Chilealimentos and the International Raspberry Organization

- Chilealimentos is an association that groups the majority of Chilean agribusinesses, including frozen produce. Some members export frozen raspberries.
- The International Raspberry Organization is an informal organization of 12 raspberry-producing countries of which Canada is a member.
- The Chilean raspberry industry produces processed products that are exported to many countries including Canada. In the past, Chile produced fresh raspberries but air transport costs made this prohibitive.
- It supports the establishment of the Agency because it will help increase cooperation between countries and the consumption of raspberries.
- Raspberry consumption has lost ground since the consumption of blueberries has increased following the creation of the U.S. Highbush Blueberry Council in 2001.
- Important challenges in the industry lie in meeting the needs of consumers, improving quality as well as packaging.

Ontario Berry Growers Association

- The Ontario Berry Growers Association (OBGA) is a voluntary association that represents producers of raspberries, strawberries, blueberries and other small acreage berries.
- Ontario's raspberry production is mostly destined to the fresh market with a small amount being sold to processors.
- In Ontario, two different types of production are present, Summer and Fall. Tunnel production is also employed.
- The Association supports the creation of the Agency because it will help increase consumption and awareness of the health benefits of raspberries.
- With the recent cuts to research funding at Agriculture and Agri-Food Canada, a void has been left and a raspberry PRA could help by filling this absence with long-term stable funding.
- The Association has polled its members and producers who either supported the request or were non-committal.
- Membership in the Association is voluntary but it is working towards mandatory membership and levies.
- Steps are being taken to advance the idea of similar PRAs for other berry industries.

Fact Finding

The Panel was tasked with inquiring into a number of elements related to the request by the RIDC for the establishment of a PRA under Part III of the FPAA. The following section provides an overview of the Panel's findings.

Merit of the Request

Domestic Raspberry Industry

Finding #1 The Panel accepts that the Canadian raspberry industry has experienced a decline, in terms of market shares of the domestic market and that research into fields such as production or varietal development could lead to improvements in productivity, yield or the production of fruits that are better adapted to the needs of consumers.

Finding #2 The Panel accepts that additional funding may assist the industry in conducting research that has historically been financed mostly through government programs and where those funds or programs are more difficult to access.

Finding #3 The Panel accepts that, where government funding is available, industry coordination and pooling of resources may assist the raspberry industry in accessing governmental programs and leveraging research funds.

Finding #4 The Panel accepts that the difficulties experienced in the raspberry industry may have prompted producers to cease production or to transition to other industries with more favourable returns, such as blueberries.

Finding #5 The Panel accepts that despite the Canadian raspberry industry being concentrated in three provinces, there is currently no overarching commodity board or association to allow for coordination within Canada or with other associations in other countries.

Support for the Request

Domestic Production and Imports

According to the 2011 Census of Agriculture of Statistics Canada, 2,555 farms reported raspberry production, for a total of 7,407 acres. In terms of both number of producers and acres cultivated, the bulk of the Canadian production is situated in British Columbia, Quebec and Ontario.

Table 7: Raspberry Production in Canada (2001, 2006 and 2011)

Province	Fruits, berries and nuts, 2001		Fruits, berries and nuts, 2006		Fruits, berries and nuts, 2011	
	Raspberries total area		Raspberries total area		Raspberries total area	
	farms reporting	acres	farms reporting	acres	farms reporting	acres
Alberta	189	213	207	239	198	186
British Columbia	693	5,500	708	5,020	770	4,316
Manitoba	96	127	78	159	80	83
New Brunswick	114	175	94	164	85	116
Newfoundland and Labrador	28	52	25	37	24	33
Nova Scotia	105	168	113	159	97	103
Ontario	684	1,299	613	1,153	613	902
Prince Edward Island	21	29	26	32	22	29
Quebec	571	1,829	595	1,931	577	1,537
Saskatchewan	92	83	100	90	89	102
Canada	2,593	9,475	2,559	8,984	2,555	7,407

Source: Statistics Canada, 2011 Census of Agriculture, Farm and Farm Operator Data, catalogue no. 95-640-XWE, 2006 and 2001 Census of Agriculture Archives.

While most of the production from Quebec and Ontario is destined for the fresh market, the majority of British Columbia's production is processed.

Although raspberry production is seasonal, raspberries are consumed throughout the year in Canada. As such, a significant quantity of raspberries, both fresh and processed, is imported. The vast majority of imported fresh raspberries in Canada come from the United States, Chile, Guatemala, Costa Rica and Peru.

Table 8: Imports of Fresh Raspberries*

Country	Quantity in KGM				
	2009	2010	2011	2012	2013
United States	11,208,670	12,615,452	15,427,208	16,926,056	17,874,205
Mexico	3,511,806	5,110,475	6,353,873	8,591,845	8,394,419
Chile	104,977	78,819	93,039	24,337	25,260
Guatemala	1,006	4,166	11,879	10,104	4,761
Peru	1,284	897	2,638	2,202	2,156
Others	10,730	16,919	5,999	3,750	6,746
Total	14,838,473	17,826,728	21,894,636	25,558,294	26,307,547

Source: Statistics Canada and Agriculture and Agri-Food Canada -CATSNET Analytics

* Import volumes for fresh raspberries are based on HS-10 import codes (0810.20.11.00 - active since 2000-01, 0810.20.19.10 & 0810.20.19.20 - active since 2008-07 and 0810.20.19.00 - active from 1988-01 to 2008-06).

With regards to frozen raspberries, imports into Canada come mainly from Chile, the United States, China, Serbia and Mexico.

Table 9: Imports of Frozen Raspberries*

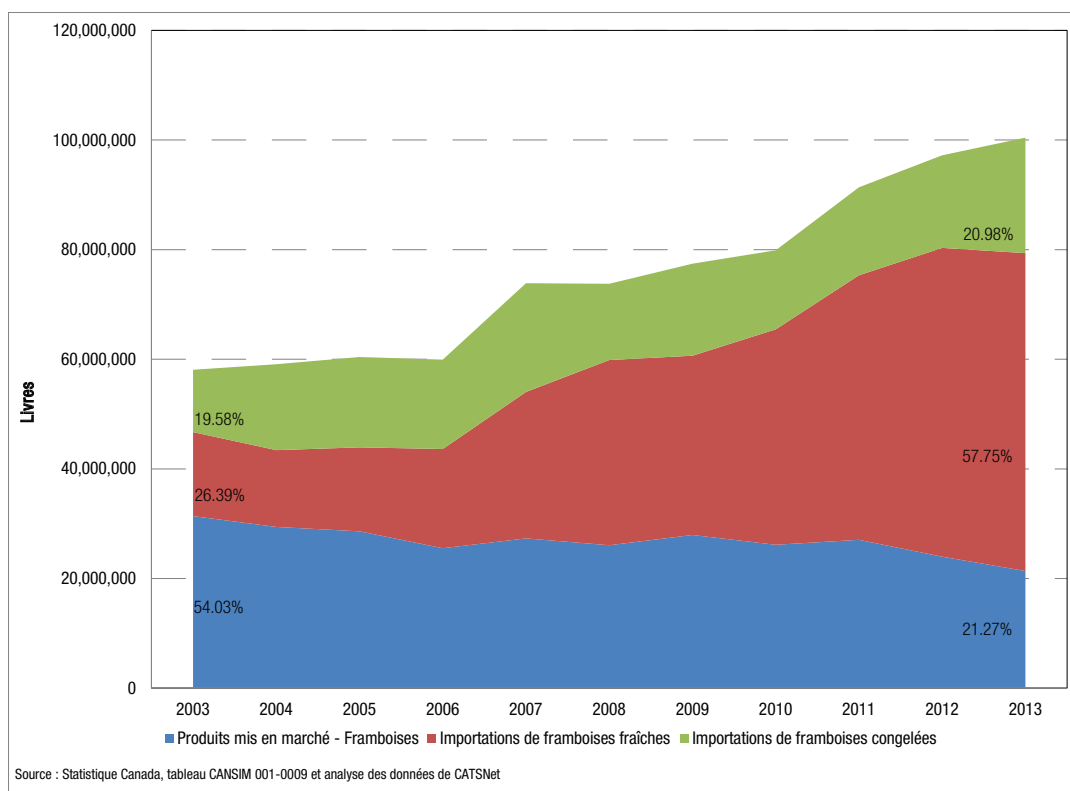
Country	Quantity in KGM				
	2009	2010	2011	2012	2013
Chile	4,684,034	4,112,422	5,221,988	4,706,695	5,476,456
United States	2,334,635	2,000,575	1,697,588	2,022,733	2,216,901
Serbia	103,950	82,153	88,140	305,769	788,705
China	360,474	307,361	260,834	557,243	734,399
Mexico	31,624	748	7,027	205	209,384
Others	100,570	39,216	6,043	69,075	133,589
Total	7,615,287	6,542,475	7,281,620	7,661,720	9,559,434

Source: Statistics Canada and Agriculture and Agri-Food Canada -CATSNET Analytics

* Import volumes for frozen raspberries are based on an HS-10 import code (0811.20.00.00.10 - active since 1999-01).

The following figure presents an overview of the composition of the Canadian raspberry market since 2003.

Figure 2: Composition of the Canadian Raspberry Market – 2003 to 2013



Two main trends can be discerned. First is the gradual decline of the overall domestic raspberry production. This trend echoes some of the comments by stakeholders of difficult market conditions and could also support assertions that some producers are opting to transition their farms to other more profitable productions such as blueberries.

Of note is that while imports of frozen raspberries have remained fairly constant over the past eight years, there has been a significant increase of imports of fresh raspberries, allowing, among other things, for year-round consumption of fresh raspberries.

While the overall Canadian raspberry market has increased, this has occurred mainly due to increases in imported fresh raspberries, which went from representing 26.4% of the market to 57.7%. This increase, along with fairly stable imports of frozen raspberries, is consistent with comments from importers that there had been appreciable growth in the Canadian raspberry market over the past years. While domestic production in 2006 represented some 54.0% of the total market, in 2013, this figure had dropped to 21.3%.

Eligible Producers

The request from the RIDC pertained to raspberry producers who grow more than 10,000 pounds per year. The distribution of these producers mimics that of raspberry producers in general with the majority located in British Columbia, Quebec and Ontario. A number of different figures were presented at the hearings with regards to the number of eligible producers in each province.

In considering the information provided by the Applicant and interveners, the Panel finds that, during any given year, eligible growers are likely to be in operation in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario and Quebec.

Eligible Importers

The request from RIDC pertained to raspberry importers who import more than 10,000 pounds per year. A number of information sources were provided to the Panel in order to assess the number of importers and their support for the request.

Given the presence of a threshold to determine eligibility, the Panel sought information from the Canadian Border Services Agency (CBSA) on products imported under HS codes pertaining to raspberries between September 2012 and September 2013⁸. While the HS codes may include other berries, the Panel is of the opinion that the amounts are likely to be marginal, and that the potential impact of such would be to over-estimate the number of eligible importers of raspberries, mostly for those where the quantity imported is close to the threshold. In reviewing the data provided by the CBSA, the Panel found that in the 12-month period reviewed, 94 importers of record imported more than 10,000 pounds of raspberries.

A review of the import data provided by the CBSA also indicated that not all importers who presented evidence at the sittings or via written submissions were in fact eligible importers⁹ of record who met the 10,000 pounds threshold for the time period reviewed.

⁸ The period was chosen in order to coincide as much as possible with the Public Hearings process, taking into account the date on which the request was filed.

⁹ For the purpose of assessing support, importers were deemed to be eligible importers if they were an importer of record who imported a minimum of 10,000 pounds of raspberries into Canada in a span of 12 months.

Producer Support for the Agency

In order to assess the degree of support for the establishment of a raspberry PRA, data from a number of sources were reviewed and cross-referenced.

Where conflicting information was provided, all efforts were made to prevent any overestimation of support for the request.

- Where different numbers of eligible producers were provided or when a range was provided, the highest number or the upper limit of the range was retained. This occurred for the provinces of Ontario, Nova Scotia and Manitoba.
- For New Brunswick, some of the information received indicated that there was one eligible producer and that he was in support while subsequent information indicated that there were no eligible producers. In this instance, the number of eligible producers for that province was set to zero.

Where several secret ballots were conducted, the expressions of support were not summed, in order to avoid double counting. This same method was also employed when written submissions were received from producers in a province where a secret ballot had been conducted.

Where support was demonstrated through a successful vote by an association representing producers in a province and where membership in that association is mandatory, the assumption was made that at least a majority of producers were in support of the request.

The following table presents the Panel's understanding of the distribution of eligible producers across Canada along with the expressed support and opposition.

Table 10: Provincial Distribution of Support by Eligible Producers

Province	Support	Opposition	Unknown	Total
Alberta	0	1	0	1
British Columbia	80	0	61	141
Manitoba	0	0	1	1
New Brunswick	0	0	0	0
Newfoundland and Labrador	0	0	0	0
Nova Scotia	0	0	4	4
Ontario	8	3	79	90
Prince Edward Island	0	0	0	0
Quebec	37	0	0	37
Saskatchewan	0	0	0	0
Total	125	4	145	274

Source: BC Raspberry Industry Development Council, Establishing a Canadian Red Raspberry Council presentation, presentation, proposal, petition and written submissions on FPCC's hearing website.

Given the number of producers who have not expressed an opinion on the request, it is not possible to determine with certainty whether a majority of producers in Canada support the request. However, the evidence presented on support in Quebec and British Columbia demonstrates that a majority of producers in these provinces support the establishment of a raspberry PRA.

Importer Support for the Agency

To assess support by importers, the documentation provided by CBSA¹⁰ was used to enumerate all eligible importers. This information was then cross-referenced with the admissible written submissions received by importers or submitted during the sittings.

The following table presents the Panel’s understanding of the number of eligible importers across Canada along with the expressed support and opposition.

Table 11: Support by Eligible Importers

Importers	Support	Opposition	Unknown	Total
Total	2	17	75	94

Source: Canada Border Services Agency and written submissions on FPCC's hearing website.

Given the number of importers who have not expressed an opinion on the request, it is not possible to determine whether the majority of importers are in support or opposition to the establishment of a raspberry PRA.

Support from Eligible Producers and Importers

Under Section 7(2) of the FPAA, the support of producers and importers for the establishment of a Promotion and Research Agency must be assessed in an aggregated fashion. However an agency may be established with or without authority to collect levies on imports.

Finding #6 The Panel is not satisfied that the aggregated majority of producers and importers are in favour of the establishment of the Agency.

Finding #7 The Panel is satisfied that the majority of producers in British Columbia are in favour of the establishment of the Agency.

Finding #8 The Panel is satisfied that the majority of producers in Quebec are in favour of the establishment of the Agency.

¹⁰ The information on importers of record was shared with the Panel by the CBSA on a confidential basis.

Impact on Stakeholders

Producers

Finding #9 The Panel accepts that the research activities may lead to production improvements which could have a positive financial impact on producers and may help address some of the financial difficulties they face.

Finding #10 The Panel accepts that promotion activities may lead to increased consumer awareness and demand for raspberries.

However, the levy may have a negative financial impact on producers if its value is not fully transmitted throughout the supply chain.

Finding #11 Given that the majority of producers who have expressed an opinion on the request are in support of the establishment of the Agency, the Panel is satisfied that these producers do not view this impact as a major cost or believe that the benefits, in terms of increased productivity or prices, will outweigh those costs.

Importers

The Panel heard concerns by importers that the levy would translate into increased prices which would need to be passed on to consumers, which could either depress demand by virtue of increased prices or prompt some distributors or foreign producers to sell their products in other countries where no such levies are collected.

Finding #12 The Panel is of the view that in light of the price sensitivity data presented and the proposed levy rate, in proportion to the price of raspberries, even in the presence of a strong price elasticity of demand, the overall impact on market demand is likely to be marginal, even if the cost of the levy is fully passed on to consumers.

Evidence was presented that the processed and fresh markets were distinct and that research for the benefit of one industry sector may not benefit the other.

Evidence was also presented to the effect that the majority of funds collected through an eventual levy would stem from imported fresh raspberries, and arguments were made that funds collected on imported fresh raspberries should not be used to promote the consumption of domestic raspberries.

Finding #13 The Panel accepts that where levies are collected on production and imports, the use of those funds should be coherent with the structure of the Canadian raspberry market and be fair to producers and importers.

Consumers

In line with concerns expressed by importers, the Panel heard evidence that the levy would increase costs for consumers. Data presented by the RIDC suggests that total per capita consumption of raspberries was 1.45 kg per person in 2012. This quantity, which translates into approximately 3.15 pounds or a total financial impact of 1.6 cents per person per year, if the cost of the levy were to be entirely assumed by consumers via retail prices.

Data obtained from Agriculture and Agri-Food Canada on supply and disposition of raspberries suggests a per capita consumption of frozen and fresh raspberries of approximately 1.53 kg per person in 2012. This translates into 3.37 pounds or 1.7 cents per person per year, if the cost of the levy were to be entirely assumed by consumers via increased retail prices.

Finding #14 The Panel is satisfied that this potential financial impact of the proposed levy would not unduly affect the interest of consumers, either through substitution or by limiting their ability to purchase fresh raspberries or processed raspberry products.

Feasibility of the Request

Provincial Coordination and Levy Collection

As currently envisioned, in order to allow for collection of levies on imports, levies would need to be collected in all provinces where there are eligible producers. In light of the information presented during the Public Hearing Process, the Panel believes that eligible producers are likely to operate in Alberta, British Columbia, Manitoba, Ontario, Quebec, New Brunswick and Nova Scotia.

In British Columbia, a mandatory levy is being collected by the RIDC while in Quebec the *Association des producteurs de fraises et framboises du Québec* collects a levy from producers. In Ontario, the OPGA collects a voluntary levy. Membership in the Association is voluntary and it does not possess the authority to collect mandatory levies.

No levy collection is currently occurring in Alberta, Manitoba, New Brunswick or Nova Scotia. In addition, comments provided by the Agricultural Products Marketing Council indicated that the Province of Alberta did not intend to participate in an eventual raspberry Promotion and Research Agency.

The Applicant proposed that where no levy collection systems are in place, or where no authority exists to collect mandatory levies, the collection could be done on an “in faith” basis.

Finding #15 The Panel is not satisfied that the level of federal-provincial cooperation required to allow for the efficient dovetailing of levy collection under federal and provincial jurisdiction has been achieved in all provinces with eligible producers.

Finding #16 The Panel is not satisfied that an “in faith” collection system would be sufficient to meet the national treatment requirements in order to allow the Agency to collect levies on imports.

The development of mechanisms to allow for the collection of mandatory levies in all provinces with eligible producers will be necessary to allow for consistency with Canada's rights and obligations under international trade agreements.

Levy Collection on Imports

Imported products entering Canada are identified through a standardized classification system known as the Harmonized System Codes (HS Codes). Currently, raspberries imported to Canada are classified according to one of the following codes:

- 0810.20.11.00 – Other fruit, fresh. - Raspberries, blackberries, mulberries and loganberries - Raspberries and loganberries, in their natural state: - Imported during such period specified by order of the Minister of Public Safety and Emergency Preparedness or the President of the Canada Border Services Agency, not exceeding 6 weeks in any 12 month period ending 31st March
- 0810.20.19.10 Other fruit, fresh. - Raspberries, blackberries, mulberries and loganberries – Raspberries and loganberries, in their natural state: - Other - Certified organic
- 0810.20.19.20 Other fruit, fresh. - Raspberries, blackberries, mulberries and loganberries - Raspberries and loganberries, in their natural state: - Other - Not certified organic
- 0810.20.90.00 Other fruit, fresh. - Raspberries, blackberries, mulberries and loganberries – Other
- 0811.20.00.10 Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter. - Raspberries, blackberries, mulberries, loganberries, black, white or red currants and gooseberries - Raspberries: - Raspberries

Finding #17 The Panel finds that because the current HS codes include berries other than raspberries, it is not currently possible to separate raspberry imports from those of other berries such as loganberries and mulberries.

In order for an eventual PRA to be able to collect levies on imported fresh and frozen raspberries, new HS codes would have to be put in place.

Finding #18 Following informal consultations with Statistics Canada, the Panel is satisfied that the development of such disaggregation of raspberries in the HS code system is feasible.

Board Composition

The initial request suggested that the Board of the Agency would be composed of 14 directors: nine producers, one processor, one producer foreign seat, two importers or domestic traders and one member at large.

At the Abbotsford sitting, a second Board structure was proposed. This one would be composed of 15 directors: 10 domestic producers, two foreign producers, one processor and two importers. The presentation also suggested that two committees would be formed; a National Promotion Committee composed of six importers and three producers and a Research Committee composed of five producers and two importers.

Subsection 40(2) and (3) of the FPAA state that:

The number of members of an agency shall not be less than three and not be more than sixteen.

Where an agency is authorized by proclamation to exercise its powers in relation to one or more farm products in import trade, the majority of the members of the agency shall be comprised of representatives of the following groups, namely, (a) primary producers of those farm products, and (b) importers of those farm products, and the number of representatives of each such group within that majority shall, subject to there being at least one of each group be in proportion to the share of each such group, in the aggregate of the total intraprovincial, interprovincial and import trade ...

A number of figures have been proposed with regards to the distribution of imported vs. domestic product. It is also likely that these figures will vary from year to year and that the current HS code structure overestimates the imported share slightly through the inclusion of other berries.

The data presented during the hearings suggest that imported fresh and processed raspberries may represent up to 80 percent of the Canadian market.

Finding #19 The Panel finds that neither of the proposed Board structures would fulfill the requirements of subsection 40(3) of the FPAA which states that the majority of the members of the Agency must be comprised of primary producers and importers and that the number of representatives of each of these groups, subject to a minimum of one per group, should be in proportion of their share of the aggregate of intraprovincial, interprovincial and import trade.

Promotion and Research Plan

The request did not include a promotion and research plan but provided estimates on the funds that could be collected from both domestic and import levies.

Table 12: Projected Levy Revenues

Province	Total Production (tonnes)	Total Production (pounds)	Value of Levy (\$0.005/lbr)	Share (%)
British Columbia	10,236	22,621,560	\$113,108	25%
Quebec and Ontario	1,334	2,948,140	\$14,741	3%
Other Provinces	372	822,120	\$4,111	1%
Imports	29,422,986	65,024,799	\$325,124	71%
Canada	29,434,928	91,416,619	\$457,083	100%

Source: BC Raspberry Industry Development Council, Request for a Red Raspberry Reasearch, Market Development Promotion Agency, September 2012.

The request also included estimated costs associated with the operation of the Agency along with proposed breakdown by use for the funds.

Finding #20 The Panel finds that, as the bulk of funds to be collected by the Agency would stem from levies on import, the feasibility of the proposed activities and possibly of operating the Agency will be dependent on the ability to achieve national treatment in order to allow for collection of levies on imports.

Recapitulation of Facts

Raspberries are a seasonal crop that has been historically cultivated mostly in British Columbia, Quebec and Ontario. While British Columbia primarily produces raspberries for the processed product market, Quebec and Ontario produce mostly for the fresh market.

The following presents an overview of the provincial distribution of farms growing raspberries in 2011 as well as the provincial distribution of farms that produce more than 10,000 pounds per year.

Table 13: Provincial Distribution of Producers

Province	Number of Producers ¹	% of Production ²	Number of Eligible Producers ^{3,4}	% of Production
Alberta	198	20.8%	1	0.3%
British Columbia	770	1.4%	141	84.4%
Manitoba	80	12.2%	1	n.a. ⁵
New Brunswick	85	1.6%	0	0.0%
Newfoundland and Labrador	24	2.5%	0	0.0%
Nova Scotia	97	1.1%	4	0.5%
Ontario	613	1.4%	90	4.7%
Prince Edward Island	22	58.3%	0	0.0%
Quebec	577	0.4%	37	10.3%
Saskatchewan	89	0.4%	0	0.0%
Total	2,555	100.0%	274	100.0%

¹ Statistics Canada 2011 Census of Agriculture, Farm and Farm Operator Data, catalogue no. 95-640-XWE

² Based on the number of acres planted.

³ BC Raspberry Industry Development Council, Establishing a Canadian Red Raspberry Council presentation, presentation and proposal.

⁴ Producers are considered eligible if they produce more than 10,000 pounds of raspberry per year.

⁵ No reliable production data available for Manitoba.

As seen in table 13, a large proportion of eligible producers are located in British Columbia and Quebec that account for 65.0% of producers and approximately 94.7% of the eligible production¹¹. The producers of these two provinces also represent nearly half (48.4%) of the aggregate of eligible producers and importers.

Given the seasonal nature of raspberries, the product is also imported, primarily from the United States, Mexico and Chile. Due in part to varietal and production improvements, fresh raspberries are now available throughout the year. Whereas Canadians used to consume slightly more frozen raspberries than fresh ones, year-round availability has led to a pronounced upward trend in the consumption of fresh raspberries.

¹¹ No reliable data was available for Manitoba, but Census data on acres planted in this province would suggest that the production from the sole eligible producer would be marginal.

Over the past years, raspberry producers experienced several challenges. Faced with depressed prices and more volatile climatic conditions, which lead to decreased production, many producers are opting to transition towards more profitable crops such as blueberries. In addition, Canadian raspberry producers must compete with imported raspberries, from countries where input costs are lower.

The raspberry industry has also experienced increased difficulties in accessing government funding that would allow for fundamental research, which could improve productivity or demand for raspberries.

While provincial raspberry organizations exist, there is currently no national body to allow for country-wide coordination of efforts or pooling of funds.

The United States' raspberry industry, which produces most of the raspberries imported into Canada, has established a commission similar in nature to agencies that can be established under Part III of the FPAA. While Canada is not a large exporter of raspberries, those that are sold on the American market are subject to a levy.

Due to the number of producers and importers who have opted not to express an opinion on the request, the demonstration was not made that the support exists among the aggregate of producers and importers. However, given the small number of stakeholders who opposed the request, it is also not possible to discount the possibility that this support exists.

In light of the preceding and evidence gathered, the Panel is satisfied that the majority of raspberry producers in Canada are in favour of the establishment of a raspberry PRA.

- Taken together, the eligible producers of British Columbia and Quebec represent 65.0% of all eligible Canadian producers and no producer in either of these provinces was in opposition to the request.
- As there are 274 eligible producers in Canada, in order for a majority of producers to be in support, 138 eligible growers must support the request. Given the degree of support already expressed, 13 additional producers, or 9.0% of the 145 whose opinion is unknown, would have to support it.
- However, the evidence gathered during the Public Hearing process is not sufficient to assess whether importers support or oppose the creation of a raspberry PRA.
- With the exception of British Columbia, Quebec and Alberta, given the number of producers in Ontario, Nova Scotia and Manitoba who did not express an opinion on the request, it is not possible to establish with certainty whether they support or oppose the creation of a raspberry PRA.
- Those producers who have expressed support for the request represent 45.6% of all eligible producers while those who oppose the request represent 1.5% of all eligible producers.

The Panel is further satisfied that the establishment of a raspberry PRA in Canada is in the public interest.

- The Agency will provide for the coordination needed to allow the industry to pool resources, leverage government research funding and collaborate with other similar associations in other countries on projects of common interest.
- Research activities will assist in varietal development or improvements in productivity, yield or the production of fruits that better meet the needs of consumers.
- Promotion of raspberries and raspberry products will inform consumers of the benefits of raspberries, which could lead to increased consumer awareness and demand for raspberries in Canada.

The Panel is also satisfied that the support of producers in British Columbia and Quebec for a raspberry PRA suggests they do not view any financial impact brought on by the levy as a major hurdle or that the benefits of an Agency will outweigh its cost.

The Panel agrees that demand for raspberries may be price elastic. However the Panel also believes that any potential impact of price increases brought on by the levy, even if fully transmitted to the retail price, is likely to be marginal.

While it is possible that the proposed levy of half a cent per pound of fresh equivalent raspberry may lead to increased retail prices, the Panel is of the view that the overall financial impact on consumers will be negligible.

Appendices

Appendix A: BC Raspberry Industry Development Council Application Letter

Appendix B: Canada Gazette Notice of Public Hearing

Appendix C: Letter from Panel to the Raspberry Industry Development Council

Appendix D: 1st Pre-Hearing Conference Participants

Appendix E: 2nd Pre-Hearing Conference Participants

Appendix F: Abbotsford and Ottawa Sitings Participants



September 28, 2012

Nathalie Vanasse
Senior Advisor and A/Council Secretary
Farm Products Council of Canada
960 Carling Avenue, Building 59
Ottawa, ON K1A 0C6

Dear Nathalie:

Re: Request for a Red Raspberry Research, Market Development Promotion Agency

The Raspberry Industry Development Council (RIDC) of British Columbia BC formally submits a request to establish a national red raspberry research, market development promotion agency. The proposal is included with this letter.

This initiative is supported by the raspberry growers of BC, Quebec (QB) and Ontario (ON). The remaining provinces in Canada do not have substantial raspberry industries. The Ministers of Agriculture for BC and QB also support this initiative and we continue to work with the province of Ontario for their support. The support from importers is inconclusive since the list of importers is incomplete and very few of the importers responded to the ballots sent to them.

The proposal includes sections on substantiating the initiative, the current state of the provincial, national and global raspberry industries, and support for the proposed Agency. In addition, the proposal details the operations and governance and participants of the proposed Agency.

We understand that the Farm Products Council of Canada (FPCC) will be doing national hearings to confirm the support for the proposed Agency shortly after receiving this request. The RIDC is available to assist the FPCC during the national hearings.

If you have any questions or concerns please don't hesitate to ask and appreciate receiving an acknowledgement that you received this letter and the Request for the National Red Raspberry Research, Market Development Promotion Agency. I look forward to hearing from you.

Sincerely



Sharmin Gamiet, M.Sc., P.Ag.
Executive Director

Raspberry Industry Development Council • Rm 265 32160 South Fraser Way • Abbotsford, BC V2T 1W5

voice • 604.854.8010

fax • 604.854.6050

bcraspberries.com

Le 19 janvier 2013

Gazette du Canada Partie I

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<p>2013-6</p> <p>Novus Entertainment Inc. Metro Vancouver, British Columbia</p> <p>Approved — Application for a broadcasting licence to operate a regional video-on-demand programming undertaking to serve Metro Vancouver.</p>	<p>January 9, 2013</p>	<p>2013-6</p> <p>Novus Entertainment Inc. Communauté urbaine de Vancouver (Colombie-Britannique)</p> <p>Approuvé — Demande en vue d'obtenir une licence de radiodiffusion afin d'exploiter une entreprise régionale de programmation de vidéo sur demande pour desservir la communauté urbaine de Vancouver.</p>	<p>Le 9 janvier 2013</p>
<p>2013-7</p> <p>Fight Media Inc. Across Canada</p> <p>Approved — Application for a broadcasting licence to operate The League — Fantasy Sports TV, a national, English-language specialty Category B service.</p>	<p>January 9, 2013</p>	<p>2013-7</p> <p>Fight Media Inc. L'ensemble du Canada</p> <p>Approuvé — Demande en vue d'obtenir une licence de radiodiffusion afin d'exploiter The League — Fantasy Sports TV, un service national de catégorie B spécialisé de langue anglaise.</p>	<p>Le 9 janvier 2013</p>
<p>2013-8</p> <p>HGTV Canada Inc. Across Canada</p> <p>Approved — Application for a broadcasting licence to operate Quest, a national, English-language specialty Category B service.</p>	<p>January 9, 2013</p>	<p>2013-8</p> <p>HGTV Canada Inc. L'ensemble du Canada</p> <p>Approuvé — Demande en vue d'obtenir une licence de radiodiffusion afin d'exploiter Quest, un service national de catégorie B spécialisé de langue anglaise.</p>	<p>Le 9 janvier 2013</p>

[3-1-0]

[3-1-0]

FARM PRODUCTS COUNCIL OF CANADA

FARM PRODUCTS AGENCIES ACT

Notice of public hearings as part of an inquiry into the merits of establishing a red raspberry research, market development and promotion agency

The Farm Products Council of Canada (FPCC) has received from the British Columbia Raspberry Industry Development Council a proposal to establish a red raspberry research, market development and promotion agency, to be funded by levies applied on fresh and processed red raspberries and red raspberry products marketed domestically and imported.

The Council, pursuant to section 8 of the *Farm Products Agencies Act* (the Act), hereby provides notice that pursuant to the direction of the Chairman, a panel, consisting of two members of the Council, will hold public hearings to determine the merits of establishing such an agency, pursuant to section 39 of the Act.

The Panel has determined the place and time of the pre-hearing conference (please see the notice below). The panellists are Council members Mr. Tim O'Connor as Panel Chair and Mr. Phil Klassen.

The Panel will submit the results of its inquiry to the full Council and the Council will make recommendations to the Minister of Agriculture and Agri-Food Canada.

The Panel will inquire into and review

- (a) the current structure of the Canadian red raspberry industry and the degree of support among producers and importers for establishing an agency;
- (b) the potential effects of establishing a national agency on the operations of producers and importers;

CONSEIL DES PRODUITS AGRICOLES DU CANADA

LOI SUR LES OFFICES DES PRODUITS AGRICOLES

Avvis d'audiences publiques dans le cadre d'une enquête sur le bien-fondé de la création d'un office de recherche, de développement des marchés et de promotion pour la framboise rouge

Le Conseil des produits agricoles du Canada (CPAC) a reçu de la part du Raspberry Industry Development Council (RIDC) de la Colombie-Britannique une proposition de création d'un office de recherche, de développement des marchés et de promotion pour la framboise rouge, qui serait financé au moyen de redevances appliquées aux framboises fraîches et transformées ainsi qu'aux produits de la framboise rouge, qui sont commercialisés sur le marché intérieur et importés.

Le Conseil, en vertu de l'article 8 de la *Loi sur les offices des produits agricoles* (la Loi), stipule par la présente et conformément aux directives du président, qu'un comité, formé de deux membres du Conseil, tiendra des audiences publiques en vue d'examiner le bien-fondé de l'établissement d'un tel office, conformément à l'article 39 de la Loi.

Le Comité a déterminé le lieu, le jour et l'heure de la conférence préparatoire (veuillez à cette fin consulter l'avis plus bas). Les membres du Comité sont M. Tim O'Connor, qui présidera le Comité, et un membre du Conseil, M. Phil Klassen.

Le Comité soumettra devant tous les membres du Conseil les résultats de son enquête, et ce dernier présentera ses recommandations au ministre de l'Agriculture et de l'Agroalimentaire du Canada.

L'enquête menée par le Comité du Conseil portera sur les points suivants :

- a) la situation actuelle de l'industrie canadienne de la framboise rouge, ainsi que la mesure dans laquelle les producteurs et les importateurs appuient l'établissement d'un office;

(c) the means for ensuring that an agency has due regard for the interests of producers, importers and consumers;

(d) the degree and nature of federal-provincial cooperation required to implement the proposed national plan, including the proposed "phase-in" approach to provincial participation, the efficient dovetailing of levy collection under federal and provincial jurisdictions and its consistency with the *Agreement on Internal Trade*;

(e) the collection of levies on imported raspberries, including its consistency with Canada's rights and obligations under international trade agreements; and

(f) whether any restrictions should be placed on the activities of a raspberry research and promotion agency or on any of the powers to be exercised pursuant to section 42 of the Act.

Copies of the *Request for a Red Raspberry Research, Market Development and Promotion Agency*, the *General Rules of Procedure* and other related documents are available from the FPCC's Web site at www.fpcc-cpac.gc.ca/index.php/eng/public-hearings, may be requested by email at hearings-audiences@agr.gc.ca, by telephone at 613-759-1165, by fax at 613-759-1566 or by mail at Ottawa's Central Experimental Farm, 960 Carling Avenue, Building 59, Ottawa, Ontario K1A 0C6. Copies will be sent on CD-ROM or by email.

Any interested person or association wishing to comment or intervene on the issues involved in this hearing may do so by completing the electronic form on the FPCC's Web site, or by mailing or delivering by hand a submission to the Hearing Secretary, Ms. Nathalie Vanasse, at the above addresses. The submissions must be signed, include a return address, and be copied to the British Columbia Raspberry Industry Development Council at the following address:

Ms. Sharmin Gamiet
32160 South Fraser Way, Room 265
Abbotsford, British Columbia
V2T 1W5
Email: council@bcraspberries.com

In order to be considered, all submissions must be received by the FPCC on or before close of business on February 21, 2013.

If you wish to speak at the hearing, please notify the Hearing Secretary no later than March 8, 2013. Approval to appear at the hearing will be granted by the Panel Chair.

Please note that all information provided as part of this public hearing, except information designated as confidential and accepted as confidential by the Panel, whether sent by mail, fax, email or through the FPCC's Web site, becomes part of a publicly accessible file and will be posted on the FPCC's Web site. This information includes personal information, such as full names, email addresses, mailing/street addresses, telephone and fax numbers, and any other personal information provided.

Documents received electronically or otherwise will be posted on the FPCC's Web site in whichever official language they are provided.

b) les répercussions potentielles de l'établissement d'un office national sur les activités des producteurs et des importateurs;

c) le moyen de veiller à ce qu'un office conserve l'équilibre entre les intérêts des producteurs, des importateurs et des consommateurs;

d) la portée et la nature de la coopération fédérale-provinciale requise pour la mise en œuvre du plan national de commercialisation proposé, y compris la démarche graduelle proposée de participation provinciale, l'harmonisation efficace des pouvoirs fédéraux et provinciaux de perception de redevances et leur conformité à l'*Accord sur le commerce intérieur*;

e) le prélèvement de redevances sur les framboises importées, y compris la conformité aux droits et obligations du Canada en vertu des accords commerciaux internationaux;

f) le bien-fondé d'imposer quelques restrictions aux activités d'un office de recherche, de développement des marchés et de promotion pour la framboise rouge ou sur tous les pouvoirs qui devront être exercés conformément à l'article 42 de la Loi.

Pour obtenir une copie de la *Proposition de création d'un office de recherche, de développement des marchés et de promotion pour la framboise rouge*, des *Règles générales de procédure* et des autres documents associés, on peut consulter le site Web du CPAC au www.fpcc-cpac.gc.ca/index.php/fra/audiences-publiques, s'adresser par courriel à l'adresse hearings-audiences@agr.gc.ca, téléphoner au 613-759-1165, ou expédier un message par télécopieur au 613-759-1566, ou encore, par la poste, à la Ferme expérimentale centrale d'Ottawa, au 960, avenue Carling, Immeuble 59, Ottawa (Ontario) K1A 0C6. Des copies seront envoyées sur CD-ROM ou par courriel.

Toute personne ou association qui souhaite présenter des commentaires sur les questions examinées lors de cette audience ou intervenir à ce sujet peut le faire en remplissant le formulaire électronique sur le site Web du CPAC, ou en expédiant par la poste ou en remettant elle-même un mémoire en main propre à la secrétaire des audiences, M^{me} Nathalie Vanasse, à l'adresse susmentionnée. Tout mémoire doit être signé, porter une adresse de retour et être envoyé au Raspberry Industry Development Council de la Colombie-Britannique à l'adresse suivante :

Madame Sharmin Gamiet
32160 South Fraser Way, Pièce 265
Abbotsford (Colombie-Britannique)
V2T 1W5
Courriel : council@bcraspberries.com

Pour être considéré, tout mémoire doit parvenir au CPAC au plus tard le 21 février 2013, avant la fermeture des bureaux.

Si vous souhaitez prendre la parole lors de l'audience, veuillez en aviser la secrétaire de l'audience au plus tard le 8 mars 2013. L'approbation de la demande de comparution à l'audience sera accordée par le président du Comité.

Veuillez noter que tous les renseignements fournis dans le cadre de cette audience publique, sauf ceux jugés confidentiels et désignés confidentiels par le Comité, qu'ils soient transmis par la poste, par télécopieur, par courriel ou par l'entremise du site Web du CPAC, seront versés à un dossier accessible au public et seront affichés sur le site Web du CPAC. Ces renseignements comprennent des renseignements personnels, tels noms complets, adresses électroniques, adresses postales et municipales, numéros de téléphone et de télécopieur, ainsi que toute autre information personnelle fournie.

Les documents reçus en version électronique ou autrement seront affichés sur le site Web du CPAC dans la langue officielle dans laquelle ils sont fournis.

Notice of pre-hearing conference

The Panel hereby provides notice that, pursuant to section 30 of its *General Rules of Procedure*, a pre-hearing conference will be held on March 15, 2013, in Ottawa, to determine dates and locations for the hearing, and address any procedural matters. Parties wishing to participate in this conference should notify the Hearing Secretary no later than 8 p.m. (Eastern Standard Time) on March 8, 2013, for the exact location of the conference, call-in information, and draft agenda.

Ottawa, January 19, 2013

[3-1-a]

Avis de conférence préparatoire

Par la présente, le Comité signifie aux intéressés l'avis qu'il tiendra, le 15 mars 2013, à Ottawa, en vertu de l'article 30 de ses *Règles générales de procédure*, une conférence préparatoire afin de fixer les dates et lieux des audiences et de traiter des affaires procédurales. Toute partie qui désire participer à cette conférence devrait en aviser la secrétaire de l'audience au plus tard le 8 mars 2013, à 20 h (heure normale de l'Est) afin d'être informée de l'endroit exact de la conférence, et d'obtenir de l'information sur la participation par téléphone, ainsi que l'ordre du jour provisoire.

Ottawa, le 19 janvier 2013

[3-1-a]

PUBLIC SERVICE COMMISSION

PUBLIC SERVICE EMPLOYMENT ACT

Permission granted

The Public Service Commission of Canada, pursuant to section 116 of the *Public Service Employment Act*, hereby gives notice that it has granted permission, pursuant to subsection 115(2) of the said Act, to Douglas Arthur Narraway, Shift Engineer (HP-2), 17 Wing Detachment Dundurn, Department of National Defence, Dundurn, Saskatchewan, to be a candidate, before and during the election period, for the position of Mayor for the Town of Dundurn, Saskatchewan, in a municipal election held on October 24, 2012.

January 9, 2013

KATHY NAKAMURA
*Director General
Political Activities and
Non-Partisanship Directorate*

[3-1-a]

COMMISSION DE LA FONCTION PUBLIQUE

LOI SUR L'EMPLOI DANS LA FONCTION PUBLIQUE

Permission accordée

La Commission de la fonction publique du Canada, en vertu de l'article 116 de la *Loi sur l'emploi dans la fonction publique*, donne avis par la présente qu'elle a accordé à Douglas Arthur Narraway, mécanicien (travail par quarts) [HP-2], détachement Dundurn de la 17^e escadre, ministère de la Défense nationale, Dundurn (Saskatchewan), la permission, aux termes du paragraphe 115(2) de ladite loi, de se porter candidat, avant et pendant la période électorale, au poste de maire du village de Dundurn (Saskatchewan), à l'élection municipale qui a eu lieu le 24 octobre 2012.

Le 9 janvier 2013

*La directrice générale
Direction des activités politiques
et de l'impartialité politique*
KATHY NAKAMURA

[3-1-a]

Appendix C: Letter from Panel to the Raspberry Industry Development Council



Farm Products Council
of Canada

Conseil des produits agricoles
du Canada

Central Experimental Farm
Building 59
960 Carling Avenue
Ottawa, Ontario K1A 0C6

Ferme expérimentale centrale
Édifice 59
960, avenue Carling
Ottawa, Ontario K1A 0C6

Our File: 1436-1

November 15, 2012

Ms. Sharmin Gamiet, M.Sc., P.Ag.
Executive Director
B.C. Raspberry Industry Development Council
Room 265, 32160 South Fraser Way
Abbotsford, British Columbia
V2T 1W5

Dear Ms. Gamiet:

The following is in response to the Raspberry Industry Development Council (RIDC) application for the creation of a Red Raspberry Research, Market Development Promotion Agency under part III of the *Farm Products Agencies Act* (FPAA or the Act), received by the Farm Products Council of Canada (FPCC or Council) on September 28, 2012.

The Panel held its first meeting on November 5, 2012 to review the information contained in the application and to discuss next steps.

The following presents some topics on which Panel Members would appreciate additional information in order to fully understand the application.

Importer Support

Panel Members recognize that the RIDC attempted to engage and survey importers. The documentation provided in the application presents a partial list of 121 importers and suggests that somewhere between 212 and 222 growers produce more than 10,000 pounds of raspberries in Canada. Given this, importers could represent 35 percent or more of the aggregate of producers and importers.

While the FPAA as well as Public Hearings provide for tools to gauge support from stakeholders, the Panel would appreciate any other information available on the number of eligible importers as well as any support expressed for the application.

.../2

Canada

Producer Support

Throughout the application, information is presented on the steps taken by the RIDC to share information on the application as well as to gauge support. The Panel noted the extent to which the RIDC sought to engage and consult with stakeholders. The Panel would appreciate further details on the results of surveys on provincial producer support. Namely, for each province where growers producing more than 10,000 pounds exist:

- the total number of eligible producers;
- the number of eligible producers surveyed;
- the response rate for each survey conducted, and;
- the number of producers in favour of the establishment of the promotion-research agency.

Board Composition

The application provides detail on the projected board composition with 9 to 10 producers, 1 processor, 1 foreign seat, 1 seat for Canadian exporters and 1 to 2 seats for importers. The proposal further indicates that, in 2011, 71% of the aggregate volume of raspberries in Canada came from imports while the balance came from domestic production.

The Panel would appreciate it if you could provide additional information on the proposed board composition and, in particular, what is meant by “it is assumed that each province would select appropriate representatives for their market, that is, a fair ratio of fresh and/or processed stakeholders”.

Import Data on Fresh Raspberries

In the application, mention is made that, in order to collect import levies on fresh raspberries, a distinct HS code, which does not contain other berries, would have to be created. The application further states that this would lead to the creation of an 8-digit HS code, which falls under the purview of the Department of Finance. However, the overview of the process described in the application, appears to be the one employed for statistical disaggregation at the 10-digit level by Statistics Canada.

The Panel would appreciate it if you could confirm whether the information on imports of fresh raspberries would be done through an 8-digit or 10-digit code as these entail different processes and requirements.

.../3

Impact of Production and Import Threshold

The potential revenue figures presented in the application are based on total Canadian production and imports whereas the proposed agency would only collect levies from producers and importers with volumes greater than 10,000 pounds.

Panel Members would appreciate any data on which proportion of the total production and imports in Canada stems from eligible producers and importers as well as any information on the potential impact of such on projected revenues.

We would appreciate it if you could provide us with this additional information by November 23, 2012, to allow for the publishing of the Notice of Public Hearings in December of 2012. Should you have any questions regarding the preceding or next steps, please do not hesitate to contact me.

Sincerely,



Nathalie Vanasse
Hearing Secretary

Appendix D: 1st Pre-Hearing Conference Participants



National Farm Products Council
Friday March 15 2013 - 1:30 PM

NAME	COMPANY
English Participants	
DAVID MUTZ	BARRIE HAVEN FARM
HENRY BIERLINK	WASHINGTON RED RASPBERRY COMMISSION
RON LEMAIRE	CANADIAN PRODUCE MARKETING ASSOCIATION
WILLIAM CURLY	STENO-TRAN
French Participants	
JEAN LUC POIRIER	ASSOCIATION DES PRODUCTEURS DE FRAISES DU QUEBEC
WILLIAM CURLEY	STENO TRAN



**PARTICIPANTS LIST TO THE 2ND PRE-HEARING CONFERENCE
BRITISH COLUMBIA RASPBERRY INDUSTRY DEVELOPMENT COUNCIL**

Government Teleconferencing Service GTS

Tuesday 11 June 2013 @ 03:00 PM

NAME

English Line

ANTONIO DOMINGUEZ

BILL CURLEY

HENRY BIERLINK

JEFF LANG

MARC SWEENEY

MS. PROCTOR

SHARMIN GARMET

RON LEMAIRE

TOM KRUGMEN

French Line

STENOTRAN SERVICES

LISETTE WATHIER

Appendix F: Abbotsford and Ottawa Sitings Participants

Public Hearing – British Columbia Raspberry Industry Development Council

Location	Hearing	Speakers
Abbotsford, BC 36 individuals attended this session	7 Registered Interveners	Tom Baumann, Fraser Valley University Mark Sweeny, BC Ministry of Agriculture Thomas Demma, GM, BC Vegetable Marketing Commission Adam Enfield, Chair, Washington Red Raspberry Comm. Henry Bierlink, Ex. Dir., Washington Red Raspberry Comm. Rhonda Driediger, Grower Jatinder Sidhu, Grower
	5 Drop Ins	Gurmit Brar, Grower Rudy Janzen, Grower James Bergen, Grower Jatinder Dhaliwal, Grower Arvin Neger, Grower
	Applicant 3 representatives of the BC Rasberry Industry Development Council	Sharmin Garmiet David Mutz Sukh Kahlon
Ottawa, Ontario 12 individuals attended this session	Registered Interveners	Jason McLinton, RCC Caroline Thibault, Assoc. des prod. de fraise et framb. du QC (APFFQ) David Lemire, APFFQ Kevin Schooley, Exec. Dir., Ont. Berry Growers Assoc. Antonio Dominguez, Chili Nishan Moutafian, Driscoll's Tom O'Brien, Driscoll's Michael Hollister, Driscoll's
	0 Drop Ins	
	Applicant 3 representatives of the BC Rasberry Industry Development Council	Sharmin Garmiet Sukh Kahlon David Mutz