



August 6, 2015

Farm Products Council Canada
Central Experimental Farm
Ottawa, ON K1A 0C6

Attention: Ms. Nathalie Vanasse

Re: Complaint from OBHECC of July 8, 2015

Dear Ms. Vanasse,

The Board of Directors for Manitoba Chicken Producers ("MCP") reviewed the Ontario Broiler Hatching Egg & Chick Commission ("OBHECC") complaint, Farm Products Council Canada ("FPCC") communication, and the Canadian Hatching Egg Producers response at its Board meeting on August 6, 2015.

MCP is supportive of supply management in hatching egg production, and the concept of a national allocation system which distributes production allocations to provinces based on requirements.

The three pillars of supply management are maintaining production discipline, responsibly price product, and controlled import levels.

When any one of these three pillars are weakened, it jeopardizes the whole system, both for hatching eggs and other supply managed commodities.

This issue relates to disciplined production. The main reason for disciplined production is to prevent farmers from producing to the lowest common denominator, and to prevent predatory practices.

To enforce this production discipline, a Liquidated Damages Agreement ("LDA") is required. To operate without one is dangerous, and those that refuse to sign an LDA or withhold their signature from an LDA to highjack an agenda are exhibiting very reckless behavior.

That said, provinces that purposefully plan over production in order to cannibalize another signatory member are not operating within the guiding principles of supply management.


MCP firmly believes that production of any live animal requires a sleeve to compensate for production results. We also believe that for hatching eggs, a policy that promotes domestic

FPCC / CPAC	
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Registry <input type="checkbox"/> Corporate <input type="checkbox"/>	
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TO <u>Helene, Nathalie, Céline</u>	
cc <u>Marc, Reg</u>	
ACTION BY <u>7</u>	DUE DATE

hatching eggs at the expense of supplemental import TRQ is a privilege for all signatory members. However, as with any privilege, when it begins to be abused, then all policies that contribute to the abuse must be reviewed.

We look forward to continued discussion at Canadian Hatching Egg Producers (“CHEP”), and any additional consultative process proposed by FPCC.

Sincerely,



Jake Wiebe, Chair

Cc: Jack Greydanus, Chair, Canadian Hatching Egg Producers
Giuseppe Caminiti, Manager, CHEP
Managers, provincial hatching egg boards