



Canadian Poultry and Egg Processors Council
Conseil canadien des transformateurs d'oeufs et de volailles

Ottawa, September 11th, 2015

Sent by email

Ms. Debbie Etsell
Complaint Committee, Chair
Farm Products Council of Canada
960 Carling Avenue, Building 59
Ottawa, Ontario K1A 0C6

Subject: OBHECC Complaint

FPCC / CPAC	
File No.	<u>1203 -3</u>
Registry	<input checked="" type="checkbox"/> Corporate <input type="checkbox"/>
SEP 14 2015	
TO <u>NATHALIE, CELINE</u>	
CC <u>MARC, HELENE, REG</u>	
ACTION BY / DUE DATE	

Dear Ms. Etsell,

In preparation for the informal meeting at the end of October regarding the OBHECC complaint, the Canadian Hatchery Federation (CHF) wants to provide additional comments to those provided in the letter dated July 30. Our comments are at a general level because we have members that are directly involved in this complaint and CHF will likely be unable to take positions on some of the specific issues raised by OBHECC in the complaint.

In our letter dated July 30, we expressed our concerns regarding the absence of LDA in place for hatching eggs in Canada. After reading the documents from the different organizations, it's our understanding that there is an LDA in place but the situation of the Quota Lease Pool is unclear. From our perspective, this is a very important distinction. We also understand the enforceability issue associated with the provinces of Alberta and Saskatchewan that joined the FPA in 2013 and we encourage CHEP and the provinces to make the decision required to maintain the LDA system for hatching eggs.


In our previous letter, we also mentioned that the issue of over-marketings should not be resolved without looking at the issue of under-marketings. We consider that it's important that the complaint committee takes into consideration the issue of under-marketings. In the supply management system, it is important that the domestic allocation be produced. The overall objective is to produce chicks for the broiler producers and this should not be forgotten when finding a solution to the issue raised by OBHECC. When there is regular under-production, it makes it difficult for hatcheries to be able to meet the demand of broiler producers.

Regarding the quota lease pool, our concern is that the rules are changed without notice. Based on the documents submitted by the different organizations, it's not clear whether or not the QLP is available for 2015. If changes are required to the QLP, it's important that the decision be clear and be made in advance to give an opportunity for producers (and also hatcheries) to adjust to the new context.

In this complaint, we consider that it's important that the final decision allows hatcheries to operate in an environment that allows them to supply their customers in an effective and cost-efficient manner.

Should you require additional details, please do not hesitate to contact me.

Sincerely,



PROCY CH...
File No. ...
Register ...

Nicolas Paillat
Manager, Turkey and Hatchery Sectors

Copy: CHF Board of Directors
Robin Horel, President and CEO, CPEPC