



**Prince Edward Island Marketing Council**

**ANNUAL REPORT**

**2016**

**For the year ended December 31, 2016**

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## LETTER TO THE MINISTER

February 28, 2017

The Honourable J. Alan McIsaac,  
Minister of Agriculture and Fisheries

It is indeed a pleasure to submit Marketing Council's Annual Report to you for the year ended December 31, 2016 as required under subsection 2(11) of the *Natural Products Marketing Act*.

The report also contains brief summaries on the structures and activities of active commodity boards, commodity groups and the Natural Products Appeals Tribunal created under the *Act*. Additional copies of the report are provided so you can transmit the report to the Legislative Assembly during the next session as required under subsection 2(11.1) of the *Act*.

Council had a normal level of activity during the 2016 year after having held a plebiscite for lobster fishers in 2015.

The Potato Board was able to reach negotiated contract prices with potato processors, again in 2016, without having to go to arbitration.

The chicken industry continues to move forward nationally to implement a solution to the allocation dispute with Alberta which has been ongoing for seven years over distribution of new growth quota. Chicken Farmers of Canada has just received the last two required signatures, from the province of Quebec, on the operating amendments. Farm Products Council of Canada will provide input as to whether Governor in Council approval is required.

It is now up to the province of Alberta to take the next step to re-enter the Federal Provincial Agreement for Chicken which will mean having new growth quota allocated based on comparative or competitive advantage. Provinces which are able to produce and process chicken at more competitive prices will receive a larger allocation of any new growth quota based on their present share of the national quota holdings. As a safeguard mechanism for the Atlantic Provinces, a cap was placed on the amount of growth quota the Atlantic Provinces had to forgo. It was expected that the cap would not be reached for several years but the cap has been triggered already. This cap has caused some confusion on behalf of some of the larger provinces but a final understanding on how it is to function was sorted out at meetings held during the week of February 24, 2017. Overall, this deal should translate into lower costs for chicken to consumers at the retail level.

The Canadian dairy industry has been working tirelessly to manage production to meet the demands from the Canadian marketplace. In the past two years butterfat demand in the marketplace has increased by about 5% per year but much of the resulting structural surplus (milk protein and solids non fat) has ended up being put into storage in favour of imported ingredients, such as diafiltered milk, mainly from the US.

The Dairy Farmers of Canada has been negotiating with processors to establish and implement a National Ingredients Strategy where milk protein pricing is more reflective of world prices especially for lower priced milk classes. It is still the responsibility of the CDC to ensure that further processors have access to adequate butter supplies. Imports of butter into Canada in the past year have been more than triple our required trade commitments since most of the surplus butter in Canada continues to be held as private stocks.

The Comprehensive and Economic Trade Agreement between the European Union and Canada has been signed. The implementation phase which may take five to seven years is underway. Council had the opportunity to attend a session on the implementation of the CETA at the Delta in Charlottetown in November of 2016.

The Trans Pacific Partnership (TPP), which would see Canada join eleven other Pacific Rim Countries in a trade deal, appears to have been rejected by the new US administration. The TPP agreement is much broader than just agriculture and seafood. If ratified, the TPP would allow for more access into the Canadian marketplace for supply managed goods but would open up more access to foreign markets for other Canadian exports as well. Canadian legislators will have to scrutinize the long term effects that approving this deal may have on the Canadian economy.

Council participated in discussions with the National Association of Agri-Food Supervisory Agencies (NAASA) on conflict of interest guidelines to get a better understanding of the issues and situations surrounding members being appointed to or elected to boards where they may be able to realize or have influence on situations involving personal gains and when that may become an issue.

There were two new members appointed to Marketing Council in 2016 and there was one member reappointed to a second three year term. Training sessions were organized and held for all new Council members. Council is carrying out its supervisory and other responsibilities in a timely and efficient manner.

Respectfully submitted on behalf of Marketing Council:

Michael Carmichael, (Chair)  
Lyndon Hardy  
Calvin Jollimore  
Ken Mellish

Steven Reeves, (Vice-Chair)  
David Harris  
Kathy MacDonald  
Karen Roche

## **MARKETING COUNCIL**

### **2016 ANNUAL REPORT**

## **Introduction**

Pursuant to section 2(11) of the *Natural Products Marketing Act, R.S.P.E.I. 1988 Cap. N-3*, each year Marketing Council is required to present a report on Council's activities to the Minister responsible for the *Act*.

The *Act* also requires that a copy of the report be transmitted to the Legislative Assembly when in session or within fifteen days of the commencement of the next regular session of the Legislative Assembly.

The following report highlights activities of Marketing Council and the Appeals Tribunal for the period from January 1, 2016 to December 31, 2016. This report also highlights important events that have occurred during the year summarizing Activity Reports generated from active commodity boards, marketing commissions and commodity groups formed under the *Act*.

Several years ago, Marketing Council completed a Strategic Plan which it continues to use to guide its focus and activities. The Plan contains the following Mission Statement and Vision.

## **Mission Statement**

*Acting on behalf of the people of Prince Edward Island, Marketing Council supervises the creation and operation of producer boards, commissions and groups that regulate and control the production, sale, processing, marketing, transportation and pricing of natural products.*

## **Vision**

*The Prince Edward Island Marketing Council is a forward-thinking, pro-active, efficient and accountable public agency that oversees orderly systems for the production and marketing of natural products.*

## Corporate Governance

**Authority** - The Prince Edward Island Marketing Council is a statutory body established pursuant to section 2 of the *Natural Products Marketing Act, R.S.P.E.I. 1988, Cap. N-3*. Under the *Act*, Council has very broad and far reaching powers, some of which include:

**General Powers** – Council may exercise such powers and perform such functions as are vested in it by the Lieutenant Governor in Council, and shall recommend to the Lieutenant Governor in Council the establishment, amendment and revocation of plans for the marketing of natural products and the constitution and powers of commodity boards or of marketing commissions to administer such plans.

**Supervisory Responsibilities** – Council is responsible for the general supervision of commodity boards, marketing commissions and commodity groups established under the *Act*.

**Composition** – Under subsection 2(1) of the *Natural Products Marketing Act*, Council shall consist of no fewer than three persons and not more than eight persons appointed by the Lieutenant Governor in Council. Two new appointments were made to Council effective March 29, 2016 and a reappointment for a second three year term was effective as of July 26, 2016.

At year end, Council consisted of:

<b>Name</b>	<b>Position</b>	<b>Location</b>	<b>Primary Interest</b>
Michael Carmichael	Chair	Albany	Dairy
Steven Reeves	Vice-Chair	Freetown	Dairy
Lyndon Hardy	Member	Foxley River	Lobster
David Harris	Member	O’Leary	Potatoes
Calvin Jollimore	Member	French River	Aquaculture
Kathy MacDonald	Member	New Glasgow	Sheep and Beef
Karen Roche	Member	Vernon River	Consumer Representative
Ken Mellish	Member	New Perth	Dairy (retired)

**Membership Changes** – In March of 2016, Derwin Clow retired from Council and was replaced by Ken Mellish who is a retired dairy farmer. At the same time, Layton Wallace retired from Council and was replaced by Lyndon Hardy who represents lobster fishers. This appointment came as a result of the formation of the Lobster Fishers of PEI Commodity Board. Calvin Jollimore, who represents the aquaculture industry, was reappointed to a second three year term on Council effective July 26, 2016.

**Staff** – In 2016, Marketing Council staff consisted of Ian McIsaac as Secretary & General Manager on a 60% time basis along with his 40% time responsibilities working with the AgriStability Program. Karen Craig, Liaison Officer with the Department of Agriculture and Forestry provided administrative support to Marketing Council and this was greatly appreciated. Karen retired in early 2016 and since that time various Department staff assisted Council recording minutes and reviewing Board Orders for publication in the Royal Gazette. Council would like to thank Dwight Thompson, Jake Larsen, Wanda McLaughlin and Kerry Ellen Nantes for all their assistance to Council throughout the year. Kerry Ellen Nantes will act as Council’s Recording Secretary as of November, 2016.

**Meeting Attendance** – Marketing Council has always achieved a very high attendance rate. Calendar year 2016 was no exception with an attendance rate of 85%.

**Meetings/Focus** – Council held six (6) meetings and conducted one training session during the year. Some Council members attended the annual meetings of some of the commodity boards and groups in addition to the ones they represent. Michael Carmichael attended the EPPEI AGM in Slemon Park in Summerside while Karen Roche attended the Oyster Commodity Group/ PEI Shellfish Association AGM also held in Slemon Park. Throughout the year, Council continued to monitor the activities of commodity boards and commodity groups to ensure they were in general compliance with the *Act* and their Regulations.

## Operational Responsibilities

### Monitoring and Supervision

One of the most important responsibilities of Marketing Council is its role in monitoring and general supervision of commodity boards, marketing commissions and commodity groups formed under the *Natural Products Marketing Act*.

Monitoring activities include reviewing reports that highlight commodity board minutes, board orders, annual reports, audited financial statements and other material received from boards. Council was responsible for monitoring and supervising seven commodity boards and three commodity groups during the past year (see below). Although regulations are in place for a Turkey Marketing Commission, the Commission is inactive.

The Lobster Fishers of Prince Edward Island (Commodity Board) was established in 2015 and began collecting a \$0.01/lb. levy on all lobster landings at the point of first sale in the spring of 2016. Lobster landings were down about 13% in the spring 2016 season over 2015 however, prices were up 22%. The fall lobster fishery saw increased catches and increased prices over 2015. The Board of the Lobster Fishers of PEI is presently putting a marketing plan in place to invest the levy money collected from fishers in the 2016 season. The levies collected from fishers will be matched by a similar levy collected from buyers to do marketing and promotion work.

### Commodity Boards

Chicken Farmers of Prince Edward Island  
Dairy Farmers of Prince Edward Island  
Egg Producers of Prince Edward Island  
Prince Edward Island Cattle Producers  
Prince Edward Island Hog Commodity Marketing Board  
Prince Edward Island Potato Board  
The Lobster Fishers of Prince Edward Island

### Commodity Groups

Prince Edward Island Oyster Commodity Group  
Prince Edward Island Strawberry Growers Association  
Prince Edward Island Wild Blueberry Growers Association

### Marketing Commissions

Turkey Marketing Commission (inactive)

# Monitoring and Supervision Highlights

Following are highlights of Council's activities during calendar 2015.

## Activity Reports

The Council Secretary & General Manager reviews and prepares Activity Reports for Council summarizing each document received from a commodity board or group. Documents reviewed during the past year include minutes, board orders, agreements, audited financial statements, annual reports and material related to federal-provincial agreements discussed at the national meetings. Particular emphasis is placed on member attendance and participation in discussion at meetings, understanding of, and response to industry issues, proper preparation and approval of minutes, decisions and board orders, board reviews of unaudited financial statements at least on a quarterly basis, participation in provincial, regional and national organizations and committees.

## Ratification of Board Orders

During the year, Council ratified thirty-three board orders for publication in the Royal Gazette. Board Orders regulate and control various aspects of the production and marketing of a commodity based on powers conferred on a board by the Lieutenant Governor in Council. At the end of 2016, commodity boards created under the *Act* had the following number of orders in force:

<b>Commodity Board</b>	<b># Orders</b>
Chicken Farmers of PEI	6
Dairy Farmers of PEI	23
Egg Producers of PEI	12
PEI Cattle Producers	2
PEI Hog Commodity Marketing Board	3
PEI Potato Board	<u>7</u>
<b>Total Number of Active Orders</b>	<b>53</b>

## Commodity Board Elections

The Marketing Council Secretary & General Manager acts as Returning Officer for elections held by commodity boards required to hold mail-in-votes. During 2016, mail-in-votes were conducted to fill the following commodity board vacancies:

<b>Commodity Board</b>	<b>Vacancies Filled</b>
Dairy Farmers of PEI	4
Egg Producers of PEI	3
PEI Cattle Producers	2
PEI Potato Board	<u>4</u>
<b>Total Vacancies Filled</b>	<b>13</b>

Chicken Farmers of PEI and the PEI Hog Commodity Marketing Board conduct elections during their annual general meetings.

## Appointments to Commodity Boards

Marketing Council has the authority to appoint registered producers to fill vacancies on commodity boards where an elected producer is unwilling or unable to serve. The power to fill vacancies is normally exercised when only one registered producer expresses an interest in filling a vacancy. Generally, an election will be held when more than one producer expresses an interest in filling a vacancy.

## **Other Activities**

During calendar 2016, Marketing Council also:

1. Created a list of mediators and arbitrators to be used to select an individual or individuals to assist in negotiating an acceptable production contract between the Potato Board and Potato Processors.
2. Recommended to LGiC changes to the Regulations for Egg Farmers, the Hog Board, the Potato Board, Chicken Farmers and the Turkey Commission due to amendments approved to the *Natural Products Marketing Act* in the Legislature. Because of the amendments to the *NPMA*, changes to the above noted Regulations under the were recommended where the term “Order” or “Order in Council” was used when the term “Regulations” should be used.
3. Council reviewed the province’s *Conflict of Interest Act* to gain a better understanding of its role in this important issue following discussions over conflict of interest situations with other members of the National Association of Agri-food Supervisory Agencies (NAASA). The idea of dairy, egg or chicken farmers sitting on a board and distributing quota, which is worth thousands of dollars, to themselves may be seen as a conflict. However, if the quota is passed out on a pro rata basis is that even an issue? If a dairy farmer is allowed to sit on the provincial commodity board as well as the board of a major dairy processor, of which he/she may be a shareholder, could that put him/her in a position of conflict? If a producer holds egg quotas in two separate provinces, should he/she be able to sit on one or both provincial egg boards? Should a non quota holder be able to sit on a supply managed commodity board in any province to avoid the possibility of a conflict or does a non quota holder actually have the best interests of producers’ top of mind? As the oversight body for commodity boards, commodity groups and marketing commissions in this province, Council wants to better understand its role in avoidance of conflict of interest.
4. Worked with the PEI Cattle Producers on revising levy rates and improving their levy collection system. Council also worked with the Cattle Producers to have amendments made to their Regulations to allow the Board to add the position of Past Chair to expand their Board by one member if they so choose. Council also had to make the Cattle Producers Board aware that the Board shall not invest any surplus funds of the Board other than in investment certificates of a chartered bank, trust company, credit union, or the provincial or federal treasury.
5. Monitored the developments of trade agreements mainly the Comprehensive and Economic Trade Agreement with the European Union (CETA).
6. Worked with the PEI Oyster Commodity Group to improve communications between fishers and buyers and to expand levy collection. Their levy is used to enhance the wild fishery.
7. Worked with the CDC and DFPEI to ensure that new appointments were made from PEI to sit on the P5 Arbitration Panel. Council and its Legal Counsel attended meetings to discuss the steps needed to implement the National Ingredients Strategy. Council is still waiting for DFPEI to complete a review of their Regulations so that changes such as the redrafting of district boundaries and any other amendments needed as a result of implementation of the NIS may move forward.

8. Continued to work closely with the Chicken Farmers of PEI to improve their reporting responsibilities on submissions of their minutes, annual report and financial statements to Council. It was good to see their former General Manager return to health and to regain her responsibilities as General Manager.
9. Hosted M. Laurent Pellerin, Chair of Farm Products Council of Canada, and his assistant Nathalie Vanasse to discuss areas of interest and ongoing efforts to solve challenges within the supply managed, except for dairy, and the non supply managed commodity production systems.
10. Worked with the PEI Wild Blueberry Growers commodity board to update their Bylaws to make allowances for the addition of Honorary as well as Associate Memberships.

## **PRINCE EDWARD ISLAND NATURAL PRODUCTS APPEALS TRIBUNAL**

### **Statutory Responsibility**

The Natural Products Appeals Tribunal is a statutory body established pursuant to section 18 of the *Natural Products Marketing Act, R.S.P.E.I. 1988, Cap. N-3*.

The Tribunal is responsible for hearing appeals of orders, directions or decisions made by commodity boards and marketing commissions and of orders, directions or regulations made by Marketing Council.

### **Composition and Staff**

At December 31, 2016, the Natural Products Appeals Tribunal consisted of the following members and staff:

Donald Drake, Member  
Ralph Yeo, Member  
Brian Morrison, CA, Member

Mary Kinsman, Secretary

### **Appeal Activity**

For the year ending December 31, 2016, there were no appeals before the Natural Products Appeals Tribunal.



## Dairy Farmers of Prince Edward Island

**Mandate/Powers** – The powers of Dairy Farmers of Prince Edward Island are found in section 4 of the Natural Products Marketing Act and further clarified in the Dairy Farmers of Prince Edward Island Regulations. This section vests in the Board the powers necessary for it to effectively promote, control and regulate the marketing of milk within the province, including the power to prohibit any aspect of the marketing of milk. The Board has also been delegated federal powers to regulate the marketing of milk in interprovincial and export trade under the *Agricultural Products Marketing Act (Canada)*.

Dairy Farmers of Prince Edward Island is participating, with its partners, in the Agreement on Eastern Canadian Milk Pooling (P5) to share markets and revenues. A committee of the P5 provinces (PEI, ON, QC, NB & NS), makes recommendations on producer quota issues to the provincial boards, which retain the power to implement the policies.

**Board of Directors and Staff** – at 31 December 2016 consisted of the following:

**District Directors:**

<b>West Prince</b>	Harold MacNevin, Chair;	Nelson MacKinnon
<b>Summerside</b>	Ronald Maynard, Secretary;	Ranald MacFarlane
<b>Charlottetown</b>	Brian Craswell;	Gary Hughes;
	Gordon MacBeath	
<b>Montague-Souris</b>	Kent MacDonald, Vice-Chair;	Dannie MacKinnon

**Management Staff:** Douglas Thompson, General Manager

**Industry Statistics** – At 31 December 2016, there were 13,079.98 daily kilograms of butterfat quota issued to 171 active producers, representing a decrease of 5 producers or -2.84% compared to the same date a year earlier.

During the 2016 fiscal year (ended 30 November 2016), PEI dairy farms produced 109.33 million litres of milk, approximately 6.44 million litres more than the previous year. This generated gross farm gate receipts of \$83.56 million, an increase of approximately \$4.37 million dollars or +5.52% compared to the same period one year earlier.

**Activities** –During the year, the Board:

- ⇒ administered producer quotas, including the quota exchange, lease exchange and lease contracts;
- ⇒ administered policies for the production and transportation of raw milk;
- ⇒ administered policies for the licensing of transporters, bulk milk graders/transport vehicle operators, fluid milk distributors and dairy plants;
- ⇒ provided milk component test results to producers;
- ⇒ responded to interprovincial milk movement obligations;
- ⇒ established producer milk prices and minimum wholesale and home delivery fluid milk product prices;
- ⇒ administered the proAction® farm management practices program;
- ⇒ established bulk milk transportation rates; and
- ⇒ participated in numerous provincial, regional and national committees.

**Mandate/Powers** – Section 39 of the Egg Commodity Marketing Regulations confers on the Board the powers to promote, control and regulate the marketing of eggs within the province, including the power to prohibit any aspect of the marketing of eggs. The only powers in the Act not conferred on the Board are those found in subsections 4(3) (r), (s) & (t). The Board has also been delegated federal powers to regulate the marketing of eggs in interprovincial and export trade under the *Agricultural Products Marketing Act* (Canada).

**Board of Directors:** At December 31, 2016, the Board of Directors consisted of John Dennis, Chair; Peter Stavert, Vice-Chair; Nathan Burns, Secretary; Leith Murray, Egg Farmers of Canada (EFC) Director; and Ian Simmons.

**Management Staff:** Michael Cummiskey is the Board’s General Manager, Julie McCarron is Office Administrator and Janis MacKay is Promotion Coordinator.

**Industry Statistics** – Seven (7) producers were registered with the Board at year end. Quota issued or available to registered producers was 139,355 layers. Farm Gate Receipts from registered producers during 2016 is estimated to be \$6.78 million compared to \$6.76 million during 2015, an increase of 0.30% mainly due to more layers being in production in 2016 compared to 2015.

Of the 3.72 million dozen eggs marketed during 2016, 43.0% were consumed as table eggs in PEI and the Maritimes and the remaining 57.0% were exported to Nova Scotia for the table market or sold to Quebec and Ontario for processing. Between January and October, grading stations reported that it imported an additional 24,660 dozen eggs to supply the table market, an increase from 23,700 dozen imported during 2015 for the same period.

Registered egg farms are rated on a HACCP based, Start Clean-Stay Clean (SCSC), food safety program and Egg Farmers of Canada Animal Care Program. Scores achieved by producers during an independent SCSC inspection are used to determine the compensation producers will receive for eligible losses in the event a flock must be destroyed due to a human health risk associated with salmonella enteritidis (Se). Commercial pullet farms and registered egg farms have their egg laying environments tested for Se once and twice respectively per laying cycle.

The Egg Producers of Prince Edward Island continue to purchase administrative support services from the Dairy Farmers of Prince Edward Island Board.

**Activities** – The Board was involved in the following activities during the year:

- ⇒ held four face to face board meetings and one conference call in order to discuss and make recommendations on national, provincial, and producer issues;
- ⇒ held an Annual General Meeting to review the previous year’s financial statements and report on the previous year’s activities;
- ⇒ attended one Atlantic Directors’ meetings to discuss potential changes to animal care and quota allocations;
- ⇒ the Board Chairman, Board Manager and Egg Farmers of Canada (EFC) director and other directors participated in various EFC meetings and committees of EFC;
- ⇒ established producer, spot and wholesale egg prices;

- ⇒ allocated and administered producer quotas, quota credits, producer leases and quota transfers;
- ⇒ collected levies and EFC service fees on quota allocations and made payments to EFC on behalf of registered egg producers;
- ⇒ purchased and sold surplus eggs from/to registered egg grading stations and sold surplus eggs to EFC through its Industrial Products Program;
- ⇒ participated in the Canadian Egg Industry Reciprocal Alliance (CEIRA) which is a poultry insurance program for Se, which provides coverage for birds from breeder flocks to spent hens;
- ⇒ reviewed various EFC documents and prepared comments in regards to proposed changes to EFC's Animal Care, SCSC program and Pullet & Layer Code of Practice;
- ⇒ informed producers about changes to EFC's SCSC, Animal Care Program, quota allocations, and levy adjustments; and
- ⇒ participated in various promotion activities and attended various venues, including: PEI Home Show; Festival of Small Halls; Crapaud Exhibition; Old Home Week; PEI Open Farm Day and Farm Day in the City, to increase consumer awareness and the benefits of egg consumption. At these events, promotion and nutrition information along with microwave egg cookers and reusable grocery bags, featuring egg farmers on PEI, were distributed free of charge.



The PEI Cattle Producers (PEICP) held their Annual Meeting on April 13, 2016. Board members include Brian Morrison, Jeremy Stead, Peter Dixon, Sterling Jay, Kenneth MacEachern and Derrick Annema as well as Randal MacFarlane (ex-officio) representing the Dairy Farmers of PEI.

In April of 2016 the PEICP launched its sixth annual PEI Burger Love campaign. This campaign was established to raise the awareness of the importance of the PEI beef industry to agriculture and to PEI in general. This social media campaign saw an increase in all aspects of the campaign from the previous year. Seventy-three restaurants sold over 163,170 hamburgers or 71,821lbs of Island beef during the month of April, again surpassing the number of burgers sold the previous year. It is estimated that the minimum overall economic impact was over \$3.5 million after you factor in the fact that each burger purchase included a combination of side, beverage and tip. The 2016 PEI Burger Love's most loved burger was The Brick-inator, from the Brickhouse Kitchen & Bar. During the month of April we celebrated a pay it forward day, where the goal was to sell 10,000 PEI Burger Love burgers in just 24 hours. When this goal was achieved, Atlantic Beef Products Inc. donated 2,500 lbs of beef to The Upper Room Hospitality's Ministry Inc. and PEI Food Banks. This helped create a better awareness of our only federally inspected beef processing facility, Atlantic Beef Products.

The PEICP continues to deliver the Verified Beef Program in Prince Edward Island by providing information and delivering workshops. We continue to offer third party Age Verification and the number of participating producers continues to grow. The Livestock Development Program for Beef was delivered through the PEICP as well. Funding for this program is provided through Growing Forward II. The program offers qualifying producers money for programs such as: premium sires, genetic heifer renewal, seed stock testing, RFID readers, scales and handling facilities.

The PEICP coordinates the *Prince Edward Island Certified Beef* brand. Prince Edward Island beef is produced by those who are committed to quality, consistency and flavour, drawing on generations of experience. Beef farming and processing have long been a staple of our Island heritage and we take it very seriously. We have developed the Certified Island Brand based on these values. Today's consumers are knowledgeable and demand certain attributes from the food they eat. They want to know that the beef they consume has not been administered synthetic hormones, that antibiotics have not been added to the animals' diet, that the animals have been treated humanely and the beef is traceable and safe to eat.

Today CIB is gaining in popularity. In order to meet growing demand, the committee has made several changes that will increase the beef supply for the brand. We have changed the way premiums are distributed for the cow/calf producer and we are now accepting CIB eligible feeders from all Atlantic Provinces. To date, there are approximately twenty-seven feedlots and 100 cow-calf producers involved in the brand. This premium brand enjoyed continuous growth last year.

The PEICP continues to administer the deadstock removal service for beef producers. The service is cost shared with Dairy Farmers of PEI, and the province, who contributed \$350,000.00 to the service. The remaining cost of \$500,000.00 has to come from industry. There has been uptake of just over 50% of all beef producers, however; this group

represents a higher percentage of overall production. Those who did not pay are not eligible for any programs or services offered to PEI producers and must deal with deadstock removal themselves.

The PEICP is a member of the Maritime Beef Council (MBC). The MBC represents the three Maritime cattle organizations on various issues. The MBC Annual General Meeting took place on September 26, 2016 while quarterly meetings are held throughout the year. The MBC continues to work on various issues that affect producers from the region. The MBC hosted a Maritime Beef Conference in March, 2016 in Moncton, NB. The conference had terrific speakers and was well attended. The next MBC Conference is scheduled for March 18-19, 2017 in Truro, NS. The MBC was pleased to be able to hire Ellen Crane as its General Manager this past year. The MBC hosted a Maritime Forage Strategy Session on December 15, 2016. This session was held to provide input into the development of a Maritime Beef Strategy. The main objective of the strategy is to expand the Maritime herd by 20,000 cows over the next five years. The MBC is also looking into the establishment of a Price Insurance Program for the region as there are limited business risk management tools available to producers in the region to help offset sudden drops in market prices.

Atlantic Beef Products has been consistently processing in excess of 500 head per week. This includes fats as well as culls cows. ABP was successful in negotiating a deal with Sobeys in PEI to sell Island View Farms beef. Island View Farms brand is a brand developed by ABP. In addition to this brand, ABP has been selling Certified Island Beef and several other brands that are doing very well.

A humane handling course was delivered to producers involved in the Certified Island Beef brand by Jane Morigan of Integrity Livestock Services in NS. This practical overview was a great reminder of why we need to keep animal welfare top of mind. This year Jane did an extensive review of our CIB standards to see how they compared to other humane standards in the industry. The CIB Committee is looking to adopt some of her recommendations regarding the humane handling of beef.

The PEICP finances its operations through the collection of a mandatory, non-refundable, levy of \$4.00 per head, collected at the time of slaughter. During 2016, \$61,460.00 in levies was collected from producers. In recent years the cost of running the organization has continued to climb while the dollar value of levies collected has declined. During the 2016 AGM a motion was passed to increase the levy to \$6.00/head on a per transaction basis. The \$6.00 amount breaks down into \$2.50 per head for National Check-Off levy and \$3.50 per head for the provincial Board. An increase in the cost of levies is necessary to meet the PEICP's administrative needs, its obligation to the Canadian Cattlemen's Association (CCA) and Canada Beef. Under the new Levy Order, cattle buyers, who are not producers, will be required to have a Buyer's Registration. At the time of writing of this report, the Levy Order is undergoing legal review in order to be submitted to the Royal Gazette. Once this review is completed, the new levy will be published and implemented.

We are pleased to have Ivan Johnson represent PEI on the CCA Board of Directors and serve as a member of its Executive Committee while David Francis represents the PEICP on the Canada Beef Board of Directors.

Respectfully submitted by:  
Rinnie Bradley, Executive Director of the PEI Cattle Producers

## Chicken Farmers of Prince Edward Island

### **Mandate**

The powers of the Board to regulate and control the marketing of poultry in Prince Edward Island are found at section 38 of the Poultry Meat Commodity Marketing Regulations. The Board has also been delegated federal powers under the *Agricultural Products Marketing Act* (Canada) to regulate the marketing of Prince Edward Island chicken in interprovincial and export trade.

### **Board of Directors:**

At December 31, 2016 the Board of Directors and staff were comprised of the following:

Kevin MacPhail, Chair	Andre Merks, Director
Andrew MacPhail, Vice Chair	Barry Uytterlinde, CFC Rep.
Dean Good, Secretary/Treasurer	

### **General Manager**

Janet Hilliard-Murphy

### **Industry Statistics**

In 2016, eight farmers shipped approximately 5.636 million kilograms, live weight with farm gate receipts of approximately \$9.162 million. While producer prices continued to trend downward in 2016, the volume continued to rise. This is attributable to both the strength of the chicken market with increased national allocation requirements, as well as provincial adjustments on PEI to ship in 7 week cycles rather than the historical 8 weeks.

### **Activities**

The Board reported on the following initiatives and activities during the year:

- Allocation of Quota to Producers;
- Differential Growth- Atlantic Canada Safeguard Agreement
- Antimicrobial Reduction Strategy
- Consumer Relations Strategy

Participation on provincial, national and regional committees, including:

- Chicken Farmers of Canada
- Chair, National CFC Finance Committee
- Atlantic Canada Regional Seat
- Canadian Broiler Council

Chicken farms on PEI continue to maintain their 100% certification status for:

- *Safe, Safer, Safest*, On-Farm Food Safety Program
- Animal Care Program

Negotiations of the new operating agreement have concluded, but remain unsigned by the Quebec Government. This is expected to be concluded in early 2017. This will then allow the re-entry of Alberta into the National Agreement.

A new Code of Practice has been incorporated into our Animal Care Program.

Work continues on the preventative use of Category II and III Antimicrobials.



## PEI Hog Commodity Marketing Board

### PEI Hog Commodity Marketing Board

**Mandate/Powers** – The mandate and powers of the Hog Commodity Marketing Board are found in the Hog Commodity Marketing Regulations. Section 40 of the Regulations vests in the Board the powers necessary to enable the Board to promote, control and regulate the marketing of hogs within the province, including the power to prohibit any aspect of the marketing of hogs. The Board has also been conferred federal power to regulate the marketing of Prince Edward Island hogs in interprovincial and export trade under the *Agricultural Products Marketing Act* (Canada).

**At December 31, 2016, the board and staff consisted of the following:**

#### Board of Directors

Paul Larsen, Chair;	Joel Van Gurp, Director
Dale Murray, Vice-Chair;	Ian Shaw, Director
Scott Dingwell, Secretary;	David MacKenzie, Director

**Executive Director** – Tim Seeber

**Industry Statistics** - The Board reported that 16 commercial hog producers marketed just over 48,000 finished hogs during 2016 with a farm gate receipt value of approximately \$8.3 million. In addition to the market hogs, there were an additional 13,000 isoweans and just under 12,000 weaner and feeder hogs exported from the province mostly to Ontario and the USA which, combined with breeding stock and cull sows, provided for total shipments of over 73,000 head.

The past year saw the demise of a second large breeding herd in PEI leaving one smaller nucleus operation which is a significant decline from a once robust breeding industry that exported first class genetics worldwide. The positive side of the provincial picture is the growth of the “natural production model” with all or part of five operations now producing for this market. This market provides a return based on a cost-of-production-plus formula.

The forecast for 2017 should experience relatively static production with a slight increase in the number of market hogs coming from those supplying the natural pork market. These figures once again do not include approximately 2,000 hogs that are processed through provincial establishments annually.

During 2016, the number of hogs going to market in the United States reached record highs in the latter weeks of the year but in spite of this the market price, though not above the cost of production, remained stronger than expected. With several new slaughter facilities slated to come on-stream in late 2017 or early 2018 the demand for hogs is expected to exceed the supply and the hog price is anticipated to respond accordingly in the third and fourth quarters of 2017.

Porcine Epidemic Diarrhea (PED) seems to have been brought under control in North America; however Seneca Valley Virus has been causing some concern with cross border hog shipments.



**Mandate:** The Lobster Fishers of Prince Edward Island was constituted a Commodity Board under subsection 4(2) of the Act on July 4, 2015. The mandate of the Board is to collect a levy from fishers that hold core lobster licenses on Prince Edward Island. The funds collected are to be used for the marketing and promotion of Prince Edward Island lobster. The Board shall represent and protect the interests of the province's lobster fishers at the provincial and national levels. All the powers conferred on the Board can be found under section 28 of the Lobster Commodity Board Regulations.

**The Current Board Members are as follows:**

Southern Kings and Queens Fishermen's Association

Brodie Creed

Wayne Campbell

Prince County Fishermen's Association

Lee Knox

James Cook

North Shore Fishermen's Association

Ryan Peters

Jamie Gauthier, **Vice President**

Central Northumberland Strait Fishermen's Association

Charlie McGeoghegan, **President**

Malcolm Ferguson, **Treasurer**

Eastern Kings Fishermen's Association

Stephen MacPhee

Travis Gallant

Western Gulf Fishermen's Association

Doug Fraser

Kenneth LeClair

**Meetings:**

In 2016, the Board held four meetings during the year including their Annual General Meeting which took place on March 29.

**Levy Collected (update from Cox and Palmer):**

Spring 2016:

The levy has been fully paid and remitted to the Board through MRSB. The final numbers were checked off against the provincially reported numbers. A number of delinquent accounts arose by way of:

- non-payments, often a mistake or oversight as this was the first time through; or
- inconsistencies with the provincial numbers.

The Board had to pursue eight buyers for deficient amounts. This involved eight demand letters and various telephone calls to secure payment. We were successful in the recovery of all levy amounts due. However, the Board did not pursue deficiencies of nominal amounts. There were a few instances where the deficiency was nominal (less than 100\$) and it was not worth the time to pursue.

Fall 2016:

The levy has been fully paid and remitted to the Board through MRSB. The number of buyers involved in the fall lobster fishery is far fewer than the spring season, this made the process much easier. The buyers in the fall season are mostly large businesses and have more means to complete the accounting; this made initial collection much easier. We have cross referenced the numbers with the provincial numbers and corrected some minor deficiencies. At this point there is one deficiency under \$100. The Board has not pursued this based on the amount.

**Principal Activities for 2016:**

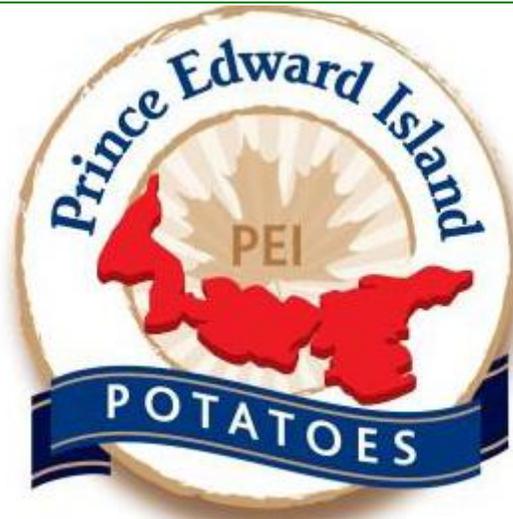
At this point a small allotment of money has been dedicated to a shared asset project. The concept for this project stemmed from the Food Island Partnership so each group involved would have access to numerous high quality images to use for marketing. Some images would be focused on one product while others would focus on numerous Island products.

The Marketing Board also intends to continue with the current marketing campaigns, including the tourism guides, advertising at the airport, seaport and visitor information centers. The Lobster Fishers Board is bringing in other marketing directors to get more information on formulating their marketing plan.

Future plans include but are not limited to:

- Hiring a staff member who would be dedicated to the marketing board;
- Having a market study completed to determine the target demographic for future marketing campaigns; and
- Creating a 5 year plan for the direction of the marketing board.

There have been numerous proposals sent in to the Marketing Board but at this point none has been approved. Until the Board has a clear direction from their market analysis to ensure the money is being spent on activities that will benefit PEI fishers, the Board feels the money collected would be better left in the bank.



## PRINCE EDWARD ISLAND POTATO BOARD

**Mandate** – General and specific authority for the Potato Board to regulate and control the production and marketing of potatoes in Prince Edward Island is found at section 45 of the Potato Marketing Plan Regulations.

**Board of Directors and Staff** – at December 31, 2016 consisted of the following:

### District Directors

#### West Prince

Darryl Wallace, Vice-Chair  
Glen Rayner  
Harris Callaghan

#### Summerside

Fulton Hamill  
John Hogg  
David Francis

#### Charlottetown

Alex Docherty  
Mark MacMillan  
Jason Hayden, Secretary/Treasurer

#### Montague/Souris

Owen Ching  
Wayne Townshend  
Rodney Dingwell, Chair

**Management Staff:** Greg Donald, General Manager

**Industry Statistics** – Approximately 190 potato farms grow potatoes on Prince Edward Island. Farm cash receipts (FCR) for potatoes in Prince Edward Island totaled \$233.68 million in 2015, which was very similar to the 2014 estimate of \$233.57 million. Potatoes continue to contribute almost half of total FCR for our province.

The 2016 has been an interesting year for the Prince Edward Island potato industry. Variable weather across the province and an extended dry spell had many worried about the size of the crop, however late rains allowed most, depending if the area received crucial rains, full season crops to size up and Island growers averaged 290 cwt/acre from 88,700 harvested acres, resulting in a total crop of 25.7 million cwt. This is an increase of 3.5% from 2015. While areas in the northeast (Maine and New Brunswick) also had good crops, drought conditions reduced production in Ontario by 17.2% and in Quebec by 3.6%. Movement has been very strong to both Canada and the US but has dropped off to export markets. As a result, tablestock prices are up approximately 20% over the same time last year.

Contracted potato volume for the processing industry increased in 2016 as for the first time in many years the market is increasing both domestically and in export markets. A professional facilitator was used again in 2016 for contract negotiations between Cavendish

Farms and processing growers. This resulted in a contract being agreed upon without going to binding arbitration with Cavendish Farms. Contracts with McCain's and chip companies were also settled without arbitration in 2016. The Potato Processing Committee continues to be active in collecting information from across North America as well as representing Island processing growers in negotiations with processors.

2016 saw a cooperative effort between the Cavendish Farms contract growers, Cavendish Farms, the PEI Department of Agriculture & Fisheries and the Board take the form of an agronomy initiative to increase marketable yields. An overall steering committee, made up of representatives from the funding partners as well as leaders from local research and educational institutions, oversees the activities of working groups on Soil Management, Seed Management and Science & Technology. The goal of the new initiative is to improve marketable yields of processing potatoes and profitability of potato growers in PEI while also improving environmental sustainability of the industry. Research and extension projects are already underway.

PEI Potatoes had another successful year, and had one of the best years on social media, hitting several milestones, including a yearly Facebook aggregate reach of 2.3 million people, or an increase of 48% from 2015. Our Twitter activity was +16% for the year, and in total, we had 5.3 million impressions! We also added 13,000 new subscribers to our email database to bring us to 42,000 people. Activities included a major contest in February, an increased presence of our "Where to Buy" posts, and focusing on delivering new content. All in all, we were very pleased with our activity. This year, we will be adding Instagram to our social media mix and focusing on new, simple recipe content. PEI Potatoes also developed a new retail bin as a tool for dealers and packers on PEI. Retail bins are used all over, and this is another way for us to have a consumer touch point in the retail space, that typically is hard to gain access to. We also are focused on our new package that was launched last year, and hope to see more on the shelves in the coming year. We thank all of our partners and the tablestock committee for the support to make all of this happen.

The potato industry continued to be active in reaching out to PEI residents and local consumers through participation in Open Farm Day and as title sponsor of Farm Day in the City in 2016. Three potato farms opened their doors on Open Farm Day and served as positive ambassadors for the industry. Over 30 potato producers, family members and Board staff helped to run the information booths and French fry and baked potato stations at Farm Day in the City on October 2. Many one-on-one conversations were held with consumers and neighbours to provide factual information about potato growing on PEI. Over \$4,200 was raised through French fry and baked potato sales. This money was donated to the PEI 4-H Council and the PEI Family Violence Prevention Services.

In partnership with the provincial government, a program was developed in 2015 to assist growers and packers with purchasing foreign material detection equipment following a review of available technology by a consultant. The federal government subsequently announced a further \$1.5 million, combined with an additional \$500 thousand from the provincial government, toward the purchase of equipment as well as the cost of integrating equipment into grading lines as well as improving security on farms. By the 2016/2017 marketing season much of this equipment has been installed and is in use in Island packing sheds. The PEI Potato Board, on behalf of Island growers and packers, is extremely grateful to both levels of government for their support in helping the industry provide assurance to consumers that PEI continues to provide quality, nutritious and safe product to the marketplace.

The Board continues to invest in research projects aimed at improving return for Island growers as well as improving the economic and environmental sustainability of our industry. Wireworm continues to be a major research priority for growers, along with

addressing yield variability, storage optimization, variety evaluation, crop rotations, nutrient management, and more. Additionally, the Board continues to support and promote Fertilizer Canada's Farming 4R Island Nutrient Stewardship initiative in collaboration with the Federation of Agriculture, the provincial government and the Kensington North Watershed Group.

2016 has been a very encouraging year for seed production. Although acreage was down slightly in PEI, low aphid levels combined with greater attention to practices that may help minimize the potential for virus spread early in the season have resulted in extremely good Post Harvest Test results and a quality seed crop for local and off-Island seed markets in 2017. The Elite Seed Farm at Fox Island continues to produce early generation seed for Island growers and adjust varieties to meet grower demand. Seed marketing activities are taking place through collaboration with Trade Team PEI and the Potatoes Canada project.

We also saw transfer of the disinfection program from provincial government operation to the industry in 2016. Disinfection services continued to be offered at Borden Inspection Station for a small fee but following a series of workshops last winter, the majority of growers and packers have taken on responsibility for setting up disinfection equipment at their own facilities.

On the Environmental front, it was also a positive year with the Farmers of Barclay Brook winning a PEI Environmental Award for their collaborative work in this vulnerable watershed. As well, Klondike Farms received the Gilbert C. Clements Award for Sustainable Agriculture. We also were pleased to see the introduction of the Agro-Environment Unit with the PEI Department of Communities, Land & Environment to be the first point of contact with farmers dealing with environmental regulation issues. Feedback on the Unit has been positive so far and we commend the government on this new approach.

Continuing efforts are put into ensuring that our exporters and dealers meet license requirements. Licenses are renewed each year at the end of July. As well, the Board continues to collect shipment volume and price information which it is able to supply to growers and dealers in summary form each week. This information is complemented by information we receive as a member of United Potato Growers of Canada. UPGC works closely with its sister organization, United Potato Growers of America, to provide bi-national market intelligence. These efforts are made to provide growers with as much information as possible to enable them to get the best return available from the marketplace. Board representatives met with elected officials and senior staff at both levels of government to advance the interests of the industry on inspection issues, trade, environment, transportation and other key drivers. We welcomed the appointment of PEI MP Lawrence MacAulay as the federal Minister of Agriculture, and Wayne Easter as the Chair of the House of Commons Finance Committee.

The Board continued to work with Agriculture & Agri-Food Canada, the Canadian Food Inspection Agency, the PEI Department of Agriculture & Fisheries, and Trade Team PEI, and agricultural groups such as the PEI Federation of Agriculture, United Potato Growers of Canada and the Canadian Horticultural Council/Canadian Potato Council on issues of importance to the industry.



## Prince Edward Island Oyster Commodity Group

Part III - **PEI Natural Products Marketing Act**. Pursuant to the *Natural Products Marketing Act (R.S.P.E.I. 1988, Cap. N-3): Section 7(3)(a,b and c)* this Act requires all persons who sell and/or market oysters to pay a one-time (1) annual fee of \$50.00 to the PEI Oyster Commodity Group. Fee are collected at federally registered shellfish plants across PEI and recorded in specifically designed OCG receipt booklets. Collected fees are due and payable to the PEIOCG by December 31 of each calendar year.

### **At a Glance**

The PEIOCG was formed to collect funds designed as a mechanism to partner with PEI Shellfish Association in various initiatives including but not limited to:

- 1) Enhancement activities;
- 2) Services and programs that increase training opportunities as identified by industry;
- 3) Marketing strategy partnerships for PEI wild oysters.

### **Industry initiatives**

The levy collection continues to allow industry contribution to meet the 10% percent funding threshold required by the PEI Department of Agriculture and Fisheries in partnership with PEI Shellfish Association for Enhancement project funding. This project design allows partners to replenish public fishing grounds across PEI. The program is administered at the Bideford Shellfish Station and is recognized by harvesters (public & private) for the value it brings to the wild oyster industry. Unique to PEI, this program supports and sustains one of the last traditional shellfisheries in Canada and is a tremendous Enhancement Program demonstrates that sustainability is achievable when good practices are developed and utilized.

The PEIOCG collections continue to increase efforts to promote the wild oyster industry. In 2016, a unique collaboration was formed between the PEISA, the Canadian Council of Professional Fish Harvesters (CCPFH) and three oyster processing operations. To the best of our knowledge, this is the first-time harvesters, processors and harvester organizations have joined together to focus on a common goal (PEI WILD). The heart of the wild project focuses on re-establishing a quality versus quantity mentality in this Industry. Good harvesting practices start on the water and a quality process should continue throughout the processing chain. Harvesting in this manner will see a higher financial return for harvesters and a superior product delivered to the consumer. The promotion of a wild, sustainable shellfish product - harvested in the clean, cooler waters of PEI can only add more value to our expanding shellfish exports. The wild project is one of several industry driven initiatives that the PEIOCG hopes to accomplish in 2017/18.

Levy dollars provide cost sharing opportunities for projects that increase the ability to offer safety training as identified within the industry sector as a whole. These projects help keep harvesters current in safety requirements as identified by provincial & federal bodies.

**2016 Principal Activities:**

- Contribution to industry driven initiatives across PEI;
- Education & promotion of the oyster fishery as defined under Section 1 (f) of the *Natural Products Marketing Act*;
- Communication that clearly demonstrates the benefit obtained by all industry participants from levy collections continues to impact the number of fees collected;
- Continuation of strategic planning initiative as defined by industry to ensure longevity;
- Development of opportunities and relationships that enable the wild oyster industry to flourish in a sustainable manner.

By using a collaborative approach and positive dialog the OCG will remain focused on its main objectives which are to promote and protect the interests of all industry players, to assist in the production, research and marketing of quality PEI oysters and to encourage efficiency in all branches of the industry. The OCG will continue to increase the level of knowledge in relationship to the importance of commodity fees. Harvesters, processors, and all governmental agencies need to be aware and embrace the value added to our PEI oyster industry due to our levy contributions.

A sometimes overlooked reality in the oyster industry is that harvesters need processors and that processors need harvesters. All products must go through a federally registered plant before entering the market place. This ensures consumer confidence which is a high priority.

**OCG Management Activities 2016**

There were three formal meetings of the OCG between April 1, 2016 and December 31, 2016. Paula Walfield administrative support for the OCG provided relevant information between meetings via email. Board members remain committed and will continue to invest the time required to educate all sectors of the oyster industry regarding the importance of levies as it related to them. Contact with oyster processors is ongoing and in most cases positive; they have been asked to collect and remit in a timely manner. Accountability and transparency remain key priorities in the collection of the annual levy.

**Management Committee Members December 31, 2016:**

1 Year Term:	2 Year Term:	3 Year Term:
Zelda Bernard	Chris Bernard	Brenda Campbell
Manny Gallant	Scott Dennis	Stan Casey (Chair)
Norman Gamble	Alan Acorn	Murray Perry
Administrative Support:	Paula Walfield	

**OCG New Collection Practices**

The 2016 OCG numbered receipt books now demonstrate a clear record of what each processor receives. There remains a small number of duplication of payment to harvesters that sell to more than one buyer. The reimbursement process of participants who have clearly double paid has in 2016 become very efficient. Two (2) harvesters requested a refund of the fee. Approximate levy collections for 2016 to date were \$18,500. The total numbers of harvesters who paid the levy in 2016 was 394 (non-audited at the time of report).

**OCG Challenges**

The processing sector in some areas continues to struggle with misinformation, for some it remains unclear on who is required to pay the levy as stated by the Act. Processors in most cases have opted to collect from everyone. Some unfortunately are of the understanding that all sections of the Act do not apply to them. In 2017 we hope to continue to provide

further clarification on this issue. Efforts remain ongoing for a universal document with a required OCG clause in a fisher declaration to bring standardized information to all harvesters.

**OCG Successes:**

Higher fee collections occurred in 2016, this is a direct result and a positive reflection of increased communication with Island Shellfish Processors.

Pursuant to the *Natural Products Marketing Act*, fishers who do not wish to pay the levy may serve notice to the OCG no later than December 31 for the following year. An information sheet is available upon request. This information sheet also lays out requirements at the processing level.

A list of names, addresses and contact information from all levy contributors continues to be compiled. This remains a work in progress and when completed will provide a means to keep all harvesters informed on issues of importance within the industry.



## Prince Edward Island Wild Blueberry Growers Association

**Mandate** - The Prince Edward Island Wild Blueberry Growers Association was designated a commodity group under Part III of the *Act* on August 10, 2001.

**Board of Directors** - On December 31, 2016, the Board consisted of:

John Handrahan, President	Richard Farmer
Phillip Jennings III, Vice President	Leigh Jenkins
David MacNearney, Secretary	Kevin Carver
Rob MacLean	Colin MacAulay
John MacDonald	

**Executive Assistant** - JoAnn Pineau

**Industry Statistics:** In total, PEI produced approximately 34,000,000 lbs. of blueberries in 2016. This includes a 1% estimate of fresh fruit. In comparison, PEI produced 27,897,006 lbs. in 2015 and 22,741,762 lbs. in 2014.

**Levies:** An annual levy of \$0.008 per pound is collected from wild blueberry growers by processors. During 2016, approximately \$274,000 in levies was remitted to the Board. The Wild Blueberry Association of North America (WBANA) receives 62.5% of the levy and uses it for generic promotion and health benefit research.

**Activities:** In the past year the PEI Wild Blueberry Growers Association (PEIWBGA) was engaged in a broad range of educational, promotional, research and industry advocacy activities. The Association continues to work toward achieving the goals set in its five year business plan.

**Education and Communication:** The PEIWBGA continues to hold producer information sessions, demonstrations and tours in cooperation with the PEI Department of Agriculture & Fisheries.

The 2016 PEI Blueberry Information Day and Annual General Meeting of the PEIWBGA had a significant turnout with more than 130 attendees. A wide range of presentations focused on issues such as pesticide enforcement, pollination, trapping systems, weed management, disease control and production updates.

The Association hosted the PEI Blueberry Field Day on July 21<sup>st</sup> in Savage Harbor. The event was well attended and featured a variety of technical information booths focusing on pollination, weeds, diseases and wildlife management, as well as several equipment displays and industry booths. Attendees also participated in an unmanned aerial vehicle demonstration and a crop protectant question and answer session with industry specialists. In 2016 PEIWBGA also supported events held by the PEI Women's Institute and the St. Peter's Blueberry Festival. The PEIWBGA augments its educational activities with active use of newsletters, a website, Facebook and Twitter.

**Research:** A central objective of the PEIWBGA is to facilitate research initiatives that benefit the wild blueberry industry as a whole. The PEIWBGA continues to fund research projects at the Dalhousie Agricultural Campus and Acadia University. This year the Association aided research initiatives on the effects of red striped fireworm, blueberry flea beetle, fescue management and Atlantic honey bee pollination. The Association has also recently approved financial support for upcoming research focused on field sanitation technology. The PEIWBGA will continue to address issues of importance to the industry and welcomes input. The 2016 research budget was over \$38,000.

**Promotion:** The Association, in cooperation with the other three growers associations of NS, NB and Quebec as well as the major processors, continues to fund national and international promotions through the Wild Blueberry Association of North America (Canada). This organization funds promotional activities in major export countries, including the US, EU, Japan and China. WBANA also hosts information tours for visitors from those areas, which PEIWBGA participated in on the PEI portion. WBANA Canada also, in cooperation with its sister organization WBANA US, funds ongoing research into the health benefits of consuming wild blueberries.

This year, an online directory featuring local producers of fresh, frozen and value added wild blueberry products was launched on the Association's consumer website. The PEIWBGA has also hired a local internet marketing consultant to take on the maintenance, promotion and branding of our consumer website.

**Advocacy:** The PEIWBGA is a proud member of the PEI Federation of Agriculture, with whom it cooperates to advocate for its own sector and all of PEI agriculture. The PEIWBGA participates in national advocacy as a member of the Canadian Horticultural Council. Delegates attended that organization's annual meeting, and members participate on two of the active working groups. In the last year the PEIWBGA also advocated at the federal and provincial levels for the continued importation of honey bee colonies, continued support for the Agri Marketing Program and the reduction of tariffs for wild blueberry export to countries such as China.

Our Executive Assistant, JoAnn Pineau, continues to provide the PEI Wild Blueberry Growers Association with day to day management of operations, in addition to acting as an Industry Development Officer for the PEI Federation of Agriculture. A summer student was hired in 2016 to help complete projects and undertake promotional activities. The 2016 year has been a year of significant advancements and the PEIWBGA is looking forward to hosting the 2017 Blueberry Information Day and AGM in April.

# The PEI Strawberry Growers Association

## **Mandate**

The Prince Edward Island Strawberry Growers Association was designated as a commodity group under Part III of the *Natural Products Marketing Act* on July 3, 2013.

## **Board of Directors**

As of December 31, 2016 the Board consisted of the following individuals:

President: Arnold Nabuurs

Vice President: Alan Rennie

Secretary/Treasurer: Allan Coffin

Member at large: Willem VanderLeeuw

Strawberry Growers Representative on the PEI Federation of Agriculture Board: Willem VanderLeeuw

## **Levies**

A twenty dollar membership fee was established by the Association in 2015. In addition, a refundable levy of five dollars per thousand strawberry plants purchased was put in place for all growers who purchased one thousand or more plants starting in 2014.

## **Principal Activities**

The PEI Strawberry Growers Association was reorganized primarily to respond to an initiative by Québec strawberry producers to form a National Strawberry Marketing (research and promotion) Agency. Our Association continues to monitor progress by our colleagues in Quebec in their efforts to establish this agency. Our Association sees merit in this project because it would bring some order to the importation and marketing of foreign strawberries. The proposed agency would also generate some revenue by way of a levy on imported and domestic strawberries to be used for much needed research and promotion activities. A final decision on the formation of a National Promotion and Research Agency under Part III of the Farm Products Agencies Act rests with Federal Minister MacAulay.

Our industry experienced a relatively quiet year in 2016. The Annual Meeting was held in Summerside on April 13 with good attendance from across the province. It was a very informative day with good presentations on topics from new variety development to strawberry fertility management. As well there was an update on changes to the Workers Compensation Act which will come into effect at the start of 2017. Marketing remains a challenge as always and growers are looking forward to a successful year in 2017.

Respectfully submitted by:

Arny Nabuurs, President