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

December 14, 2023

Mr. Darren Ference
Chairman
Turkey Farmers of Canada
7145 West Credit Avenue
Building 1, Suite 202
Mississauga, Ontario L5N 6J7

Dear Mr. Ference,

At its December 12, 2023, meeting, the Farm Products Council of Canada (FPCC or Council) reviewed the proposed amendment to the *Canada Turkey Marketing Levies Order (2019)*, presented by the Turkey Farmers of Canada (TFC) in its submission to Council dated November 6, 2023.

Following a thorough review and analysis of the rationale provided by TFC, Council members found that the amendment was necessary for the implementation of TFC's Marketing Plan as contained in the *Turkey Farmers of Canada Proclamation*. The Order will come into force on the date it is registered.

Should you have any questions, please do not hesitate to contact me the Council Secretary at fpcc.secretariat.cpac@fpcc-cpac.gc.ca.

Sincerely,

Brian Douglas
Chairman

CANADIAN TURKEY MARKETING AGENCY
c.o.b. TURKEY FARMERS OF CANADA

MARKETING/PROMOTION LEVY ORDER SUBMISSION 2023

Prepared for submission to the
FARM PRODUCTS COUNCIL OF CANADA

November 2023

MARKETING/PROMOTION LEVY ORDER SUBMISSION
2023

I N D E X

SECTION I

LETTER OF TRANSMITTAL

TURKEY FARMERS OF CANADA™
LES ÉLEVEURS DE DINDON DU CANADA[MC]

November 6, 2023

Mr. Brian Douglas
Chairman
Farm Products Council of Canada
Central Experimental Farm
960 Carling Avenue,
Building 59
Ottawa, ON K1A 0C6

Dear Mr. Douglas:

Enclosed is the Turkey Farmers of Canada (TFC) Marketing/Promotion Levy Order submission for consideration by the Farm Products Council of Canada. By this submission, the members of the TFC are requesting the Council's prior approval of the Levy Order amendment at that time.

The Directors have passed the extension of the Levy Order Schedule 2 for one (1) year, at the Directors, Alternates and Managers meeting of November 1, 2023. The purpose of this levy is the funding of a national marketing campaign. Drawing on its legislative and regulatory provisions, the Agency members are placing a levy on both producers and processors in the amount of 1.25 cents per live kilogram marketed/processed, respectively.

Included in the enclosed submission are the following:

- Draft Levy Order amending the expiry date of Schedule 2 from December 31, 2023, and extending the term to December 31, 2024

- Explanatory Note

- Domestic Turkey Per Capita Status

- The budget for fiscal year 2023. The budget for fiscal year 2024 is still in the works.

In the meantime, if there are any questions related to our submission, please feel free to contact the undersigned.

Sincerely,

Phil Boyd
Executive Director

Encls.

CANADIAN TURKEY MARKETING AGENCY c.o.b.
TURKEY FARMERS OF CANADA

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www.leseleveursdedindonducanada.ca

SECTION II

DRAFT LEVY ORDER

Schedule 2 – Marketing Promotion Levy Order

Whereas the Governor in Council has, by the *Canadian Turkey Marketing Proclamation*[a], established the Canadian Turkey Marketing Agency under subsection 16(1)[b] of the *Farm Products Agencies Act*[c];

Whereas that Agency has been empowered to implement a marketing plan under that Proclamation;

Whereas the proposed *Order Amending the Canada Turkey Marketing Levies Order (2019)* is an order of a class to which paragraph 7(1)(d)[d] of that Act applies, by reason of section 2 of the *Agencies' Orders and Regulations Approval Order*[e], and has been submitted to the National Farm Products Council under paragraph 22(1)(f) of that Act;

And whereas, under paragraph7(1)(d)[d] of that Act, the National Farm Products Council has approved the proposed Order after being satisfied that it is necessary for the implementation of the marketing plan that that Agency is authorized to implement;

Therefore, the Canadian Turkey Marketing Agency makes the annexed *Order Amending the Canada Turkey Marketing Levies Order (2019)* under paragraphs 22(1)(f) and (g)[f] of the *Farm Products Agencies Act* and section 10 of Part II of the schedule to the Canadian Turkey Marketing Agency Proclamation[a].

Mississauga, 2023

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[a] C.R.C., c. 647

[b] S.C. 2015, c. 3, s. 85

[c] R.S., c. F-4; S.C. 1993, c. 3, s. 2

[d] S.C. 1993, c. 3, s. 7(2)

[e] C.R.C., c. 648

[f] S.C. 2015, c. 3, s. 88

Order Amending the Canada Turkey Marketing Levies Order (2019)

Amendment

1 Subsection 8(2) of the *Canada Turkey Marketing Levies Order (2019)* is replaced by the following:

Marketing

8(2) Paragraph 2(b) and section 4 cease to have effect on December 31, 2024.

Coming into Force

2 This Order comes into force on the day on which it is registered.

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[1] SOR/2019-54

Attendu que, en vertu du paragraphe 16(1)[a] de la *Loi sur les offices des produits agricoles*[b], la gouverneure en conseil a, par la *Proclamation visant l'Office canadien de commercialisation des dindons*[c], créé l'Office canadien de commercialisation des dindons;

Attendu que cet office est habilité à mettre en œuvre un plan de commercialisation, conformément à cette proclamation;

Attendu que le projet d'ordonnance intitulé *Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)* relève d'une catégorie à laquelle s'applique l'alinéa 7(1)d)[d] de cette loi, aux termes de l'article 2 de l'*Ordonnance sur l'approbation des ordonnances et règlements des offices*[e], et a été soumis au Conseil national des produits agricoles, conformément à l'alinéa 22(1)f) de cette loi;

Attendu que, en application de l'alinéa 7(1)d)[d] de cette loi, le Conseil national des produits agricoles, étant convaincu que le projet d'ordonnance est nécessaire à l'exécution du plan de commercialisation que cet office est habilité à mettre en œuvre, a approuvé ce projet,

À ces causes, en vertu des alinéas 22(1)f) et g)[f] de la *Loi sur les offices des produits agricoles*[b] et de l'article 10 de la partie II de l'annexe de la *Proclamation visant l'Office canadien de commercialisation des dindons*[c], l'Office canadien de commercialisation des dindons prend *l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)*, ci-après.

Mississauga, le 2023

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[a] L.C. 2015, ch. 3, art. 85

[b] L.R., ch. F-4; L.C. 1993, ch. 3, art. 2

[c] C.R.C., ch. 647

[d] L.C. 1993, ch. 3, par. 7(2)

[e] C.R.C., ch. 648

[f] L.C. 2015, ch. 3, art. 88

Ordonnance modifiant l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)

Modification

1 Le paragraphe 8(2) de l'Ordonnance sur les redevances à payer pour la commercialisation des dindons du Canada (2019)[1] est remplacé par ce qui suit :

Commercialisation

8(2) L'alinéa 2b) et l'article 4 cessent d'avoir effect le 31 décembre 2024.

Entrée en vigueur

2 La présente ordonnance entre en vigueur à la date de son enregistrement.

1 DORS/2019-54

SECTION III

Explanatory Note

EXPLANATORY NOTE

(This note is not part of the Order.)

The amendment sets out December 31, 2024, as the date on which the levies cease to have effect.

NOTE EXPLICATIVE

(La présente note ne fait pas partie de l’Ordonnance.)

La modification reporte au 31 décembre 2024 la date de cessation d’application des redevances.

Section IV

2023 BUDGET

National Marketing Campaign

	2023 Final Budget
Revenue	**$ 4,679,000.00**
Expenses - Zeno	
Program planning, management, meetings prep & presentations	$ 213,000
National paid media strategy, planning, execution fees, optimization	$ 2,687,000
Advertising creative & production	$ 635,000
PR (earned and sponsored)	$ 130,000
Influencer Programs (English)	$ 280,000
Social content production & communities management	$ 110,000
French market (creative adaptation, translation, influencers)	$ 180,000
Nielsen Marketing Mix	$ 70,000
Monthly Newsletters Management (EN/FR) planning, content and consulting, prizing & fulfillment	$ 50,000
Partnership/Sponsored Content - brand, industry (agriculture) and cause marketing	$ 175,000
Analytics & monthly dashboard reports	$ 68,000
Website Updates (E/F) content management, recipe uploads, carousel & imagery updates, blogs	$ 45,000
Total Expenses	**$ 4,643,000**
Surplus/Deficit	$ 36,000

Surplus / Deficit Summary	**Annual**
2019 Surplus	$ 303,166
2020 Surplus	$ 325,521
2021 Deficit	-$ 492,566
2022 Deficit	-$ 323,411
2023 Forecast	$ 35,000
Cumulative Total	-$ 152,290

SECTION V

Domestic Turkey Market Status

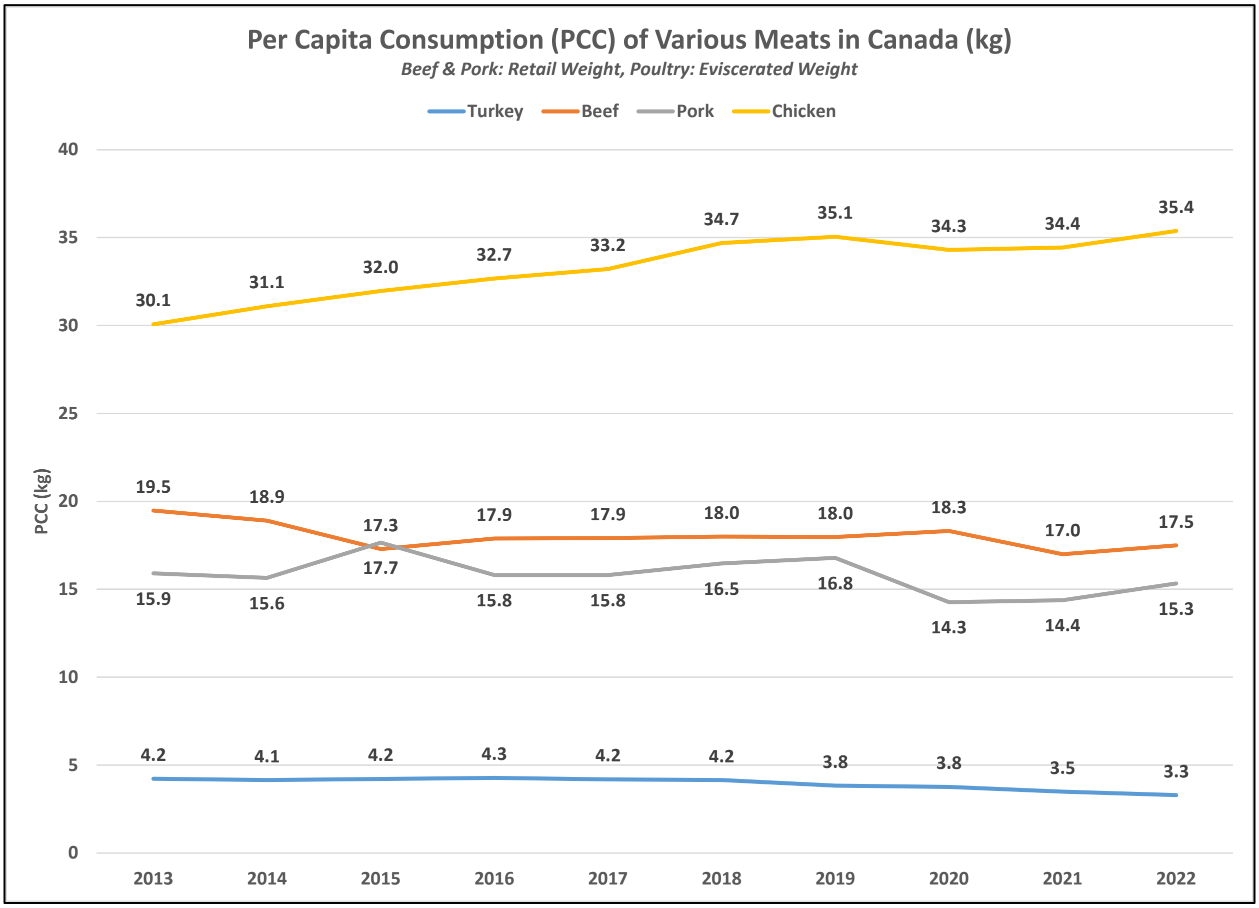
Domestic Turkey Market Status

Immediately below (FIGURE 1) is a graph of the per capita consumption of the four major meat proteins in Canada for the ten years, 2013-2022. Note the following:

Total per capita consumption of the four major meat proteins stayed within a range of 69.3 to 73.6 kg.

The market share for turkey declined from approximately 6% to 4.6% as per capita consumption of turkey meat has declined.

Figure 1:



Figures 2 and 3 show disappearance and production, respectively over the last ten control periods, each broken out by end use – whole bird market and other (further processed products and parts). Some of the challenges facing the domestic turkey sector are clear:

- Market demand, and in response, production of whole birds has declined due to demographic changes.
- Other disappearance, which includes demand for breast meat, ground turkey, et cetera saw a period of growth up to 2019/2020. However, the last few years of the 2010s were a period of unsustainable wholesale prices.
- COVID 19, and the dramatic downturn in turkey sales at foodservice necessitated a dramatic cut in allocation to address a demand hit and excessive inventories.

- Allocations and market demand did improve as the impacts of COVID 19 abated, but in 2022/2023, avian influenza resulted in a shortfall in production and in supplies available to the market.

FIGURE 2

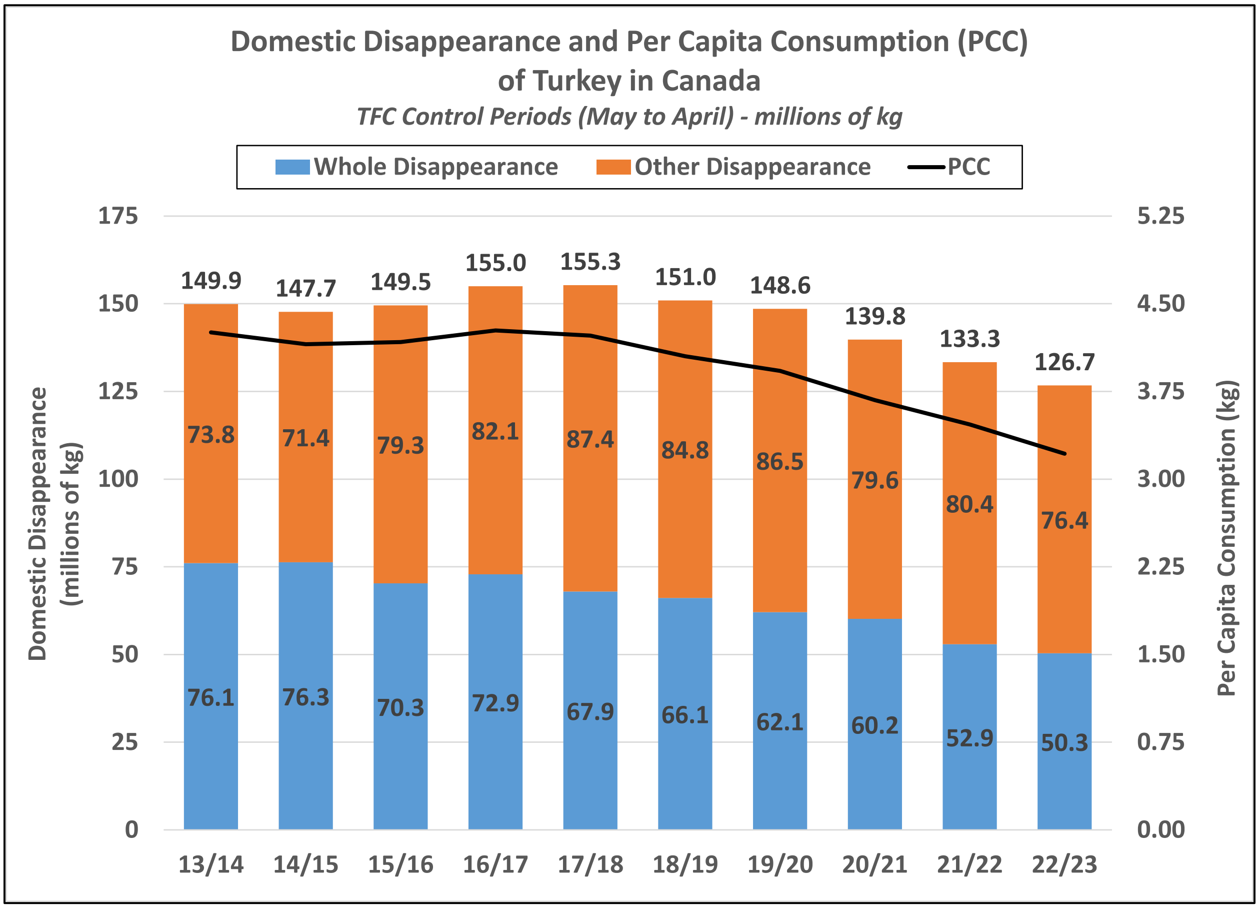
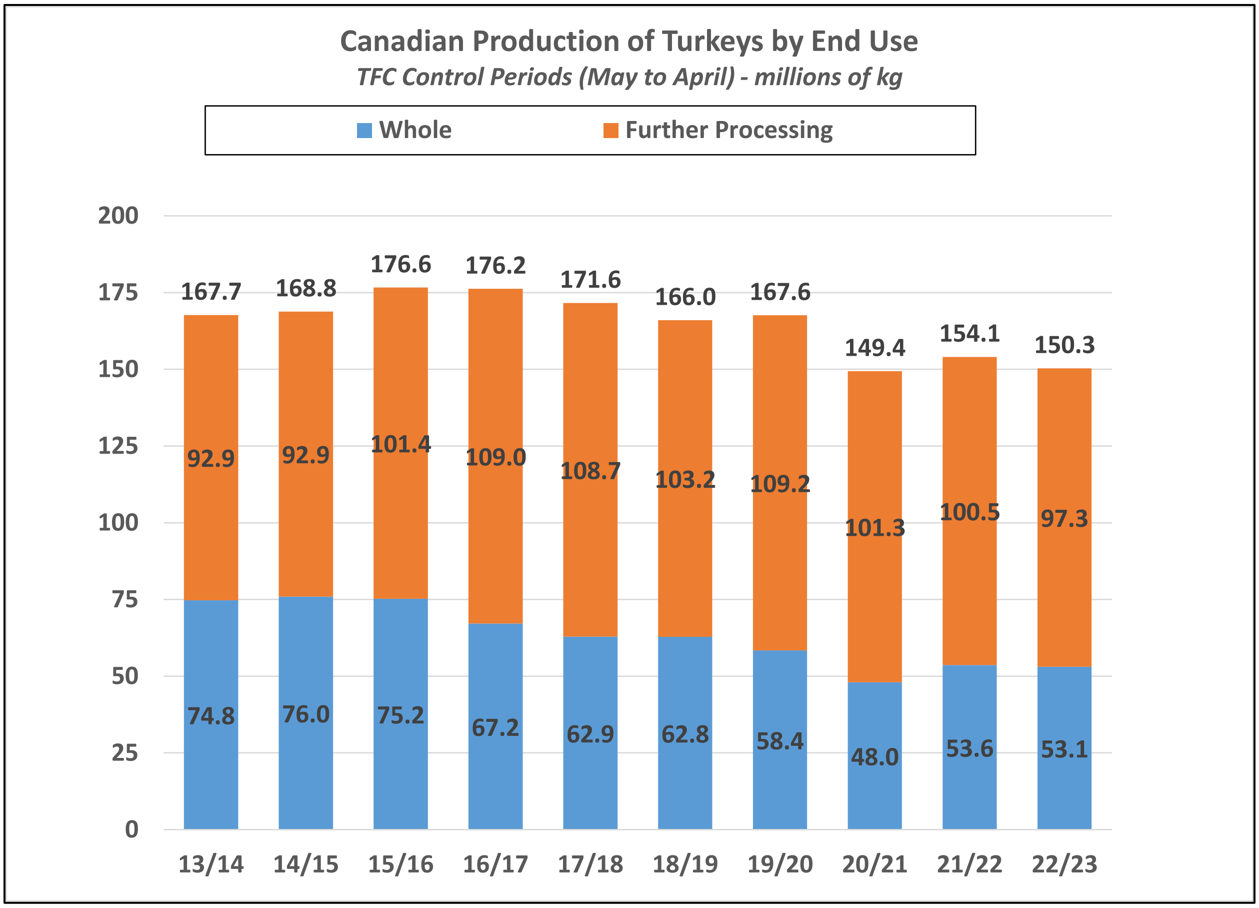


Figure 3



The continuance of the national marketing program will continue to address these factors through an array of tactics with the overall objective to increase per capita consumption and to overcome some of the headwinds that the industry has faced.