

**British Columbia**

**Chicken Marketing Board**

**General Orders**

**August 26, 2011**

## **Index**

<b>Part 1</b>	<b>Definitions</b>	<b>Page 5</b>
<b>Part 2</b>	<b>Exemptions</b>	<b>Page 11</b>
<b>Part 3</b>	<b>Production of Chicken</b>	<b>Page 12</b>
<b>Part 4</b>	<b>Marketing of Chicken</b>	<b>Page 13</b>
<b>Part 5</b>	<b>Application for Licence</b>	<b>Page 14</b>
<b>Part 6</b>	<b>Licence as a Grower to Market Chicken</b>	<b>Page 15</b>
<b>Part 7</b>	<b>Assurance of Supply</b>	<b>Page 16</b>
<b>Part 8</b>	<b>New Entrant Program for Processors</b>	<b>Page 17</b>
<b>Part 9</b>	<b>Purchase and Sale of Chicken</b>	<b>Page 18</b>
<b>Part 10</b>	<b>Delivery to Processor</b>	<b>Page 19</b>
<b>Part 11</b>	<b>Transporting Chicken</b>	<b>Page 20</b>
<b>Part 12</b>	<b>Weighing Chicken</b>	<b>Page 21</b>
<b>Part 13</b>	<b>Payment to Growers</b>	<b>Page 22</b>
<b>Part 14</b>	<b>Fees and Levies</b>	<b>Page 24</b>
<b>Part 15</b>	<b>Distribution of Board Operating Surplus</b>	<b>Page 25</b>
<b>Part 16</b>	<b>Chick Placement Information Provided by Growers</b>	<b>Page 26</b>
<b>Part 17</b>	<b>Chick Placements Provided by Hatcheries and Chick Brokers</b>	<b>Page 27</b>
<b>Part 18</b>	<b>Processor Information</b>	<b>Page 28</b>
<b>Part 19</b>	<b>Custom Processing Information</b>	<b>Page 29</b>
<b>Part 20</b>	<b>Force Majeure Event</b>	<b>Page 30</b>
<b>Part 21</b>	<b>Powers of the Board Regarding Quota</b>	<b>Page 31</b>
<b>Part 22</b>	<b>Quota Production Periods and Cycles</b>	<b>Page 32</b>
<b>Part 23</b>	<b>Production Quotas</b>	<b>Page 33</b>
<b>Part 24</b>	<b>Quota Allotment to Growers</b>	<b>Page 34</b>
<b>Part 25</b>	<b>Exception Periods</b>	<b>Page 35</b>
<b>Part 26</b>	<b>Undermarketing</b>	<b>Page 36</b>
<b>Part 27</b>	<b>Overmarketing and Overplacement</b>	<b>Page 37</b>

<b>Part 28</b>	<b>Market Development</b>	<b>Page 39</b>
<b>Part 29</b>	<b>Production and Marketing Specifications</b>	<b>Page 41</b>
<b>Part 30</b>	<b>Chronically Underperforming Growers</b>	<b>Page 42</b>
<b>Part 31</b>	<b>Disaster Flocks</b>	<b>Page 44</b>
<b>Part 32</b>	<b>On-Farm Food Safety Assurance Program (OFFSAP) &amp; Mandatory BC Bio-Security Program</b>	<b>Page 45</b>
<b>Part 33</b>	<b>Barn Space</b>	<b>Page 47</b>
<b>Part 34</b>	<b>Quota Limits and Quota Transactions</b>	<b>Page 48</b>
<b>Part 35</b>	<b>Quota Transfer Assessment</b>	<b>Page 49</b>
<b>Part 36</b>	<b>Transfer of Quota with Registered Premises</b>	<b>Page 51</b>
<b>Part 37</b>	<b>Acquisition or Disposition of Quota without Registered Premises</b>	<b>Page 52</b>
<b>Part 38</b>	<b>Changes in Ownership of Corporation or Partnership</b>	<b>Page 54</b>
<b>Part 39</b>	<b>Information on Ownership</b>	<b>Page 55</b>
<b>Part 40</b>	<b>Disposition of Quota from Vancouver Island</b>	<b>Page 56</b>
<b>Part 41</b>	<b>Quota Relocation</b>	<b>Page 57</b>
<b>Part 42</b>	<b>Leases of Quota with Registered Premises</b>	<b>Page 59</b>
<b>Part 43</b>	<b>Lease of Quota Without Premise</b>	<b>Page 60</b>
<b>Part 44</b>	<b>Lease Back by Governmental or Public Authority</b>	<b>Page 61</b>
<b>Part 45</b>	<b>Leasehold Interest Revocation</b>	<b>Page 62</b>
<b>Part 46</b>	<b>Restrictions on Leases, Transfers, Sales and Relocations of Quota</b>	<b>Page 63</b>
<b>Part 47</b>	<b>Prohibition of Transfer</b>	<b>Page 64</b>
<b>Part 48</b>	<b>Liability of Transferee</b>	<b>Page 64</b>
<b>Part 49</b>	<b>New Entrant Program for Growers</b>	<b>Page 65</b>
<b>Part 50</b>	<b>Permits</b>	<b>Page 67</b>
<b>Part 51</b>	<b>Disposition of Overmarketing Levies Paid to the Board</b>	<b>Page 68</b>
<b>Part 52</b>	<b>Failure to Comply</b>	<b>Page 69</b>
<b>Part 53</b>	<b>Seizure</b>	<b>Page 70</b>
<b>Part 54</b>	<b>Access to Information</b>	<b>Page 71</b>
<b>Part 55</b>	<b>Application for a Decision or Determination of the BCCMB</b>	<b>Page 72</b>

<b>Part 56</b>	<b>Remedies</b>	<b>Page 73</b>
<b>Part 57</b>	<b>Effective Date of General Orders</b>	<b>Page 73</b>

## Schedules

<b>Schedule 1</b>	<b>Weighing of Chicken</b>	<b>Page 74</b>
<b>Schedule 2</b>	<b>Pricing and Production Advisory Committee (PPAC)</b>	<b>Page 75</b>
<b>Schedule 3</b>	<b>Pricing Order for Mainstream Chicken</b>	<b>Page 80</b>
<b>Schedule 4</b>	<b>Levies</b>	<b>Page 81</b>
<b>Schedule 5</b>	<b>Cycle Length and Quota Units by Cycle Calculations</b>	<b>Page 82</b>
<b>Schedule 6</b>	<b>Formula to Determine Available Barn Space Beyond Quota Requirements</b>	<b>Page 83</b>
<b>Schedule 7</b>	<b>Lease of Quota without Premises</b>	<b>Page 84</b>
<b>Schedule 8</b>	<b>Specialty Market Advisory Committee (SMAC)</b>	<b>Page 85</b>
<b>Schedule 9</b>	<b>Methodology and Formula for funding Part 49 New Entrant Programs for Growers</b>	<b>Page 86</b>
<b>Schedule 10</b>	<b>Eligibility Requirements for Applicants under the New Entrant Program for Growers</b>	<b>Page 87</b>
<b>Schedule 11</b>	<b>Waiting Lists to Receive Specialty Quota or Mainstream Quota under New Entrant Program for Growers</b>	<b>Page 88</b>
<b>Schedule 12</b>	<b>Procedure for Successful Applicants on Waiting Lists to Receive Specialty Quota or Mainstream Quota under New Entrant Program for Growers</b>	<b>Page 89</b>
<b>Schedule 13</b>	<b>Penalties for Production Outside of Quota Class</b>	<b>Page 90</b>
<b>Schedule 14</b>	<b>Application For Board Decision or Determination</b>	<b>Page 91</b>
<b>Schedule 15</b>	<b>Board Decision or Determination</b>	<b>Page 93</b>
<b>Schedule 16</b>	<b>Appeal Process</b>	<b>Page 95</b>
<b>Schedule 17</b>	<b>Mandatory BC Bio-Security Program Standards</b>	<b>Page 98</b>
<b>Schedule 18</b>	<b>Failure to Comply with Mandatory BC Bio-Security Standards</b>	<b>Page 102</b>
<b>Schedule 19</b>	<b>Pricing Model</b>	<b>Page 104</b>

**British Columbia Chicken Marketing Board**

**General Orders made under the**

**NATURAL PRODUCTS MARKETING (BC) ACT, 1996**

**and the**

**BRITISH COLUMBIA CHICKEN MARKETING SCHEME, 1961.**

**Part 1 Definitions**

**“Act”** means the Natural Products Marketing (BC) Act, 1996, as amended;

**"allocation"** means the allocation by CFC to a province for a period fixing the quantity of chicken that may be marketed by producers of that province in intraprovincial, interprovincial and export trade;

**“allotment”** means federal and provincial quota allotted, in any form, to a producer for a period by the Board on behalf of CFC and pursuant to its own jurisdiction respectively;

**“Animal Care Program”** means the Animal Care Program developed by Chicken Farmers of Canada;

**“Asian chicken”** is chicken of a distinct genetic strain designated by the Board and includes Silkies and Taiwanese chicken;

**“BC Mandatory Bio-Security Program”** means the program developed by the British Columbia Poultry Association (BCPA) to serve the poultry industry and made mandatory by the Board on March 17, 2007;

**“Board”** means British Columbia Chicken Marketing Board;

**“building”** means a structure used for the production of chicken that has been approved by the Board;

**“certified organic chicken”** is chicken certified as organic by an agency accredited by the Organic Associations of British Columbia or such other certifying authority as has been recognized by the Board;

**"CFC"** means Chicken Farmers of Canada;

**“chick”** means a chicken that is less than seven days of age;

**“chick broker”** means a person who offers chicks for sale and is not a hatchery;

**“chicken”** means the regulated product;

**“class of quota”** refers to mainstream or specialty quota;

**“custom processing”** means providing for a fee, the service of processing chicken by a processor, where ownership of the chicken is maintained by:

- a. a grower,
- b. a person producing chicken for home consumption not exceeding 200 chickens per calendar year,
- c. a processor not restricted by Part 7.3(a)(ii) Assurance of Supply;

**“cycle”** means a period of time measured in days for which the Board may allot a production quota to a grower;

**“declining quota transfer assessment”** is the assessment charged in accordance with Part 35 as a result of the transfer of quota or farm and quota;

**“deemed new entrant grower (DNEG)”** is a grower who has initially applied for specialty quota or mainstream quota in an amount less than 7,716 kg live weight per 8-week-cycle or 50,154 kg live weight per year under Part 49. Upon written request and accompanied by an approved modified business plan, DNEG’s will have priority to receive an increase to the maximum of 7,716 kg live weight per 8-week-cycle prior to any new issuance of quota in that year and in that class of quota;

**“density”** means kilograms per square meter; calculated as the kilograms of chicken grown divided by square meter, not including service areas;

**“disaster flock”** means flocks delivered to a processor that do not meet the reasonably accepted specifications caused by, but not limited to, disease or pests, contaminations, emaciation, wide variability of weights, and significantly lower than average expected weights;

**“Federal Provincial Agreement (FPA)”** – means the 2001 Federal-Provincial Agreement for chicken signed, July 16, 2001, by the Federal Minister, the Provincial Ministers, the Provincial Supervisory Boards, Provincial Chicken Boards and Chicken Farmers of Canada;

**“floor”** means the registered barn space within a building as defined by its unique Premise ID number;

**“F.O.B.”** means freight on board;

**“grower”** means a person engaged in the production of chicken to whom the Board has allotted quota or issued a permit, which quota or permit has not been cancelled;

**“hatchery”** means the premises in which chicks are hatched;

**“home week”** means the week or weeks in a given period for the pick-up of a grower's chicken for delivery to a processor;

**“in good standing”** means being in compliance with the General Orders;

**“Interior”** means that portion of the Province of British Columbia that is not included in the regions defined as the Lower Mainland or Vancouver Island;

**“Lower Mainland”** means that portion of the British Columbia mainland which is contained within the area commencing at the intersection of the 49<sup>th</sup> Parallel of latitude and the 121<sup>st</sup> meridian of longitude, north to the 50<sup>th</sup> parallel of latitude, west to the 123<sup>rd</sup> meridian of longitude and north to the 51<sup>st</sup> parallel of latitude;

**“mainstream quota”** is a class of quota expressed in kilograms of live weight for the production and marketing of chicken allotted by the Board. Mainstream quota is for the production of regular broilers, roasters, or cornish derived from a commercially available broiler chick stock, such as, but not limited to, Hubbard ISA, Cobb Vantress, or Ross Breeders;

**“market development quota (MD)”** means a form of quota allocation for allotment to producers by the Board pursuant to a provincial market development program that is in accordance with a market development policy developed by CFC;

**“marketing”** includes producing, buying, selling, disposing of and offering for sale or other disposition;

**“marketing week”** means the week prior to the home week, the home week, or the week following the home week;

**“new entrant grower (NEG)”** is a grower who has successfully completed the requirements under the New Entrant Program for Growers contained in Part 49, and has received issuance of either specialty quota or mainstream quota;

**“OFFSAP”** means the On Farm Food Safety Assurance Program developed by Chicken Farmers of Canada;

**“open sign-up process”** is the manner in which processors that are not covered by Part 7, Assurance of Supply to Processors, secure their supply by entering into contracts with growers for the purchase and sale of live chicken;

**“owner”** means the person who has title in fee simple to the registered premises;

**“permit”** means production allotment to a maximum of 2,000 chickens per calendar year for intra-provincial use only under Part 50; unless otherwise given permission by CFC or the Board;

**“person”** includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law;

**“personal exemption”** means chicken used for home consumption in the amount not exceeding 200 birds per calendar year;

**“prescribed form”** means a form specified by the Board for a particular purpose;

**“processing”** means changing the nature of the regulated product by mechanical means or otherwise;

**“processor”** means any person who changes the nature of the regulated product by mechanical means or otherwise, and markets, offers for sale, sells, stores or transports the processed or manufactured product;

**“processor allocation”** means the percentage of the domestic allocation in a given period, expressed in kilograms live weight, distributed to qualifying processors consistent with Section 7.3(a) Assurance of Supply;

**“producer”** is a term that is interchangeable with the term “grower”;

**“production allotment”** means the percentage of quota (domestic and may include Market Development quota) plus any adjustments, for the production and marketing of a quota production period specified by the number of kilograms of chicken allotted by the Board to a grower;

**“pro-rata quota”** means the proportionate allocation of new growth based on each grower’s total quota;

**“quota”** means a specified number of kilograms measured in live weight assigned by the Board to a grower and includes mainstream quota, specialty quota, pro-rata quota, or market development quota. It does not include permits issued under Part 50;

**“quota production period”** means a marketing period expressed in a number of days or weeks determined from time to time by the Board;

**“quota unit”** means a measurement of a single quota unit weighing either 1.929 kgs, or a derivative based on cycle length;

**“registered premises”** means building(s) or portions of buildings and the lands appurtenant thereto owned by the grower and registered with the Board for the production of chicken under the grower’s quota;

**“regulated product”** means any class of chicken under six months of age not raised or used for egg production and includes any article of food or drink wholly or partly manufactured or derived from the regulated product;

**“research quota or research permit”** means permission given by the Board to a person with regard to a non-transferrable production allotment for scientific purposes to a maximum amount of 7,716 kg/8-week cycle granted by the Board for a specific calendar year, which may be renewed yearly;

**“Scheme”** means BC Reg. 188/61, the British Columbia Chicken Marketing Scheme, 1961, as amended;

**“self-marketer”** means a grower that has his production or a portion thereof custom processed;

**“Specialty Market Advisory Committee (SMAC)”** is the committee constituted by the Board to advise the Board on matters pertaining to the specialty chicken industry;

**“specialty chicken grower”** is a person holding specialty quota;

**“specialty quota (SQ)”** is a class of quota expressed in kilograms of live weight for the production and marketing of chicken allotted by the Board. Specialty quota is designated by the Board for the production of specialty chicken including certified organic chicken and Asian chicken. The Board may designate specialty quota for the production of innovative new products that do not currently exist in the marketplace including those derived from a traditional or heritage breed;

**“third party certification”** is the certification by a qualified authority skilled in assessing, verifying, monitoring and assuring the production and marketing protocols required to meet the standards of being classified as a specialty chicken, including the Certified Organic Associations of British Columbia or such other authority recognized by the Board for the purposes of certifying specialty chicken;

**“transfer of title”** means any document by which the fee simple ownership of a registered premise is changed;

**“transferee”** means a person who files an application to acquire quota or quota and registered premise(s);

**“transferor”** means a person who files an application to dispose of quota or quota and registered premise(s);

**“transporter”** means a person who is licensed by the Board and whose vehicle is registered on that license, engaged in the transportation of the regulated product;

**“targeted weight”** means the average weight per bird of a flock that has been agreed to by the grower and the processor or processor representative;

**“Vancouver Island”** means that portion of the Province of British Columbia consisting of Vancouver Island and all the other islands lying along the coast of the Province;

**“vehicle”** means a device in, on, or by which a person transports the regulated product.

## **Part 2 Exemptions**

- 2.1 These General Orders apply to all chicken except:
- a. chicks, pullets, and cockerels marketed for the purpose of being used for the production of eggs or hatching eggs;
  - b. chicks that are sold to a grower for production of chicken by the grower on the grower's premises and for consumption on the grower's premises not exceeding 200 chickens per calendar year;
  - c. chicks that are sold to a person who is not a grower for production of chicken by that person on that person's premises and for consumption on that person's premises not exceeding 200 chickens per calendar year;
  - d. chicken used for the production of eggs or hatching eggs that have completed a normal useful laying cycle or breeding cycle for the production of eggs or hatching eggs.

### **Part 3 Production of Chicken**

- 3.1 Regulated product shall be produced with a quota or permit unless otherwise determined by the Board.
- 3.2 Only persons who hold a valid quota or permit shall produce the regulated product.
- 3.3 No grower shall produce any chicken in excess of the quota or permit allotted to the grower.
- 3.4 No grower shall produce chicken except on his registered premises.
- 3.5 The Board may grant a permit to a person involved in scientific research in respect of chicken, to market chicken.
- 3.6 Quota holders may not switch their production between classes of quota.

#### **Part 4 Marketing of Chicken**

- 4.1 Regulated product shall be marketed with a quota or permit unless otherwise determined by the Board.
- 4.2 Only persons who hold a valid quota or permit shall market the regulated product.
- 4.3 No grower shall market any chicken in excess of the quota allotted to the grower.
- 4.4 No grower shall market any chicken other than chicken produced on his registered premises.
- 4.5 A person shall buy chicken only from a grower holding valid quota or permit allotted by the Board.
- 4.6 No person shall sell chicks to any person to whom the Board has not allotted a quota or permit for the marketing of chicken or whose quota or permit has been suspended or cancelled, unless the chicken is exempt as per Part 2 of these orders.
- 4.7 No person shall market, process, pack, or package any chicken that has not been produced and marketed in compliance with these General Orders.
- 4.8 No person shall purchase or otherwise acquire any chicken from a grower that was not produced and marketed by that grower pursuant to that grower's production quota.
- 4.9 Every grower shall immediately report to the Board all chicken self-marketed by that grower that is not otherwise reported to the Board by a processor in accordance with these Orders.
- 4.10 Product marketed outside its class will be subject to penalties as designated in Schedule 13.

## **Part 5 Application for Licence**

- 5.1 The Board may, upon receipt and approval of the completed application and upon payment by the applicant of the licence fee, as from time to time determined by the Board, issue one or more of the following licences:
- a. to operate as a hatchery;
  - b. to market chicken as a grower;
  - c. to process chicken;
  - d. to transport chicken;
  - e. to operate as a chick broker.
- 5.2 A licence authorizes the licensee to engage in the activity specified on the licence. If a person engages in more than one activity listed in Section 5.1, that person must hold a separate licence for each activity.
- 5.3 A licence expires on December 31 of the year for which it is issued.
- 5.4 A licence is not transferable.
- 5.5 A licence is subject to any conditions imposed by the Board on the licence. The Board may refuse to grant, renew, suspend or revoke a licence where:
- a. the applicant is not qualified by experience, financial ability or equipment to engage properly in the business for which the application was made; or
  - b. the applicant or licensee has failed to comply with or has contravened any provision of the Act, the Scheme, these General Orders or any order or direction of the Board.

## **Part 6 Licence as a Grower to Market Chicken**

- 6.1 No person shall commence or continue to engage in the marketing of chicken except under the authority of a Board licence.
- 6.2 No licence shall be issued to any natural person under the age of 19 years or any corporation controlled by any person under the age of 19 years or to any firm, partnership or joint venture where a party thereto is under the age of 19 years.
- 6.3 No licence or quota shall be issued to a grower whose Land Title, premises and buildings are not held in the grower's name with the exception of permit holders under Part 50 of the Orders.
- 6.4 No licence shall be issued to a grower unless the grower has obtained initial certification and yearly recertification in the following programs:
  - a. Chicken Farmers of Canada On Farm Food Safety Assurance Program (Safe, Safer, Safest);
  - b. Mandatory BC Bio-Security Program.

## **Part 7 Assurance of Supply**

- 7.1 Effective with the signing of BC 101 contracts for period A-103 (February 27 to April 23, 2011) Assurance of Supply to all processors at or above 2.0% of the BC domestic allocation is repealed. Processors at or above 2.0% of the BC domestic allocation will participate in an open sign up process subject to the provisions of Part 7 and Part 9 (Section 9.6) of these General Orders.
- 7.2 All processors beginning operations after June 11, 2010 will not be eligible for assurance of supply and must participate in the open sign up process to secure their live product.
- 7.3 A processor that has been licensed by the Board prior to June 12, 2010 and is processing less than 2.0% of BC's domestic allocation may:
- a. Be capped at their average level of processor allocation for the 6.5 cycles prior to and including A-101, or as notified by the Board through correspondence dated June 11, 2010, expressed as a percentage of the total domestic allocation. This will maintain assurance of supply for these processors at an individual maximum percentage of the domestic allocation for future periods. This would not allow them to grow beyond that level, except to participate in the average industry increase or decrease experienced by all processors;
    - i. Assurance of Supply as per Section 7.3(a) of the Part is specific to the processor of record and is non-transferable and cannot be combined with another processor's existing assurance of supply;
    - ii. A maximum of 50% of the allocation under Section 7.3(a) can be custom processed.
  - b. Request in writing to be released from assurance of supply. This would permanently remove the protection provided by assurance of supply, and would require participation in the open sign up process.

## **Part 8 New Entrant Program for Processors**

- 8.1 Effective June 12, 2010 the New Entrant Program for Processors is repealed.
- 8.2 All new processors, irrespective of processing capacity, beginning operations after June 11, 2010 will not be eligible for assurance of supply and must participate in the open sign up process to secure their chicken.

## **Part 9 Purchase and Sale of Chicken**

- 9.1 Every processor who contracts with a grower for chicken shall do so in the prescribed form and shall pay the grower for all chicken sold by that grower, pursuant to the form and these General Orders.
- 9.2 All chicken shall be sold to the processor by the grower and bought by the processor from the grower in accordance with the prescribed form and these General Orders.
- 9.3 Every agreement for the marketing of chicken in the prescribed form shall be signed by the grower and the processor; every agreement for the purchase of chicks in the same prescribed form shall be signed by the grower and the hatchery; and shall be filed by the processor, hatchery or the grower with the Board on or before the deadline date specified on the prescribed form.
- 9.4 All chicken shall be purchased and sold F.O.B. at the grower's premises.
- 9.5 The processor shall give the grower a minimum of 72 hours notice of the date and time of shipping chicken from the registered premises of the grower unless a shorter notice period is necessary due to extraordinary circumstances.
- 9.6 A grower shall give written notice before the next unallocated period (a minimum of 13 weeks) to a processor of intention to sell his chicken on a continuing basis to another processor, and a processor shall give written notice before the next unallocated period (a minimum of 13 weeks) to a grower of its intention to discontinue buying chicken on a continuing basis from the grower. A copy of any notice shall be accompanied by the prescribed form and given to the Board at the same time it is delivered to a processor or a grower. This notice period may be waived by agreement of the grower and the current processor.

## **Part 10 Delivery to Processor**

- 10.1 At the time of shipment of chicken, the grower shall provide a completed Flock Information Reporting Form for each shipment of chicken to be received by the processor and shall deliver such copies to the processor via the transporter. The grower shall ensure that the form is complete and accurate in all respects.

## **Part 11 Transporting Chicken**

- 11.1 Every transporter of chicken shall apply for a licence in the prescribed form describing each vehicle to be used. It is the responsibility of the transporter to advise the Board of any additions or deletions to the vehicle fleet during the calendar year.
- 11.2 Every transporter of chicken shall, at all times, keep a copy of the licence on or in the vehicle and shall make it available for inspection by a representative of the Board or by a person appointed by the Board to act on their behalf.
- 11.3 No transporter shall transport chicken that was not produced and marketed under the authority of a quota or permit allotted by the Board to the grower of that chicken.
- 11.4 The Board may refuse to grant, renew or may suspend or revoke a licence as a transporter of chicken where:
- a. the applicant or licensee is not qualified by experience, financial ability or equipment to properly engage in the transporting of chicken; or,
  - b. the applicant or licensee has failed to comply with or has contravened any provisions of the Act, these General Orders, the Scheme, or any order or direction of the BC Farm Industry Review Board, or the Board.
- 11.5 No grower shall permit anyone other than a transporter in possession of a valid and subsisting licence to transport chicken produced by the grower under the authority of a quota allotted by the Board to the grower of that chicken.
- 11.6 No transporter shall require a grower to pay a fee for the transportation of chicken from the registered premises of the grower to the premises of the processor or from one processor to another.
- 11.7 Every transporter shall, in respect of each load of chicken transported from grower to processor, proceed directly from the grower's registered premises to attend at a government certified weigh scale, and obtain a weight ticket for the chicken being transported showing the exact date and time and weight of the chicken including the tare weight, gross weight of the vehicle and net weight of the chicken. The processor is to supply the above information to the grower at time of payment.

## **Part 12 Weighing Chicken**

12.1 Rules governing the weighing of chicken are set forth in Schedule 1.

### **Part 13 Payment to Growers**

- 13.1 Every processor shall pay to the grower the Board price for all classes of chicken received, in accordance with these General Orders, other than chicken condemned at the plant of the processor by animal health inspectors by reason of:
- a. disease; or
  - b. emaciation; or
  - c. such other deductions as may be made with the mutual agreement of the grower and the processor;
  - d. such other deduction as may be made by order of the Board under Part 31 Disaster Flocks.
- 13.2 Only parts or portions of birds that are condemned by reason of disease or emaciation may be charged to the grower.
- 13.3 Condemnation of chicken, or parts thereof, shall be determined by an inspector of the Canadian Food Inspection Agency or an inspector of the British Columbia Ministry of Health or a local health authority, who shall issue a Certificate of Condemnation to the processor.
- 13.4 Every processor shall pay to the grower the price of mainstream chicken sold by the grower to the processor within 7 days of receipt of the chicken by the processor.
- 13.5 Every processor shall pay to the grower the price of Asian chicken sold by the grower to the processor within 7 days of the final shipping date of each sex of each flock of chicken to the processor.
- 13.6 Every processor shall pay to the grower the price of certified Organic chicken sold by the grower to the processor within 7 days of receipt of the chicken by the processor.
- 13.7 The price to be paid by a processor to a grower for all classes of chicken shall be the price contracted for the given period.
- 13.8 The price to be paid by a processor to a grower for mainstream chicken in each period shall be determined as per the formula found in Schedule 19.
- 13.9 To obtain advice on the price and production of mainstream chicken, the Board constitutes a Pricing and Production Advisory Committee (PPAC) as more particularly set forth in Schedule 2.

- 13.10 To obtain advice of the price and production of specialty chicken, the Board constitutes a Specialty Market Advisory Committee (SMAC), as more particularly set forth in Schedule 8.
- 13.11 When the live price for mainstream chicken has been established, the Board shall issue a Pricing Order in the form set forth in Schedule 3.
- 13.12 When the live prices for specialty chicken have been established, the Board shall issue Pricing Orders.
- 13.13 The Board will not allow an agreement by a grower to sell chicken to a processor who is not in good financial standing with the Board.

## **Part 14 Fees and Levies**

- 14.1 Every grower, except as set out in Part 50 Section 50.4, shall pay to the Board levies and overmarketing levies at rates set periodically by the Board on the basis of cents per kilogram payable live weight, of chicken marketed. The current levy rates are set forth in Schedule 4. The current rate for over marketing levies is found at Part 27.
- 14.2 Any processor who pays a grower for chicken shall deduct from the monies payable for the chicken any levies payable to the Board by the grower from whom the processor purchased the chicken. The levies remain the property of the Board at all times and are held in trust by the processor for the Board. The processor shall forward such levies to the Board without any deductions within 10 working days of the next month following the month in which the chicken was marketed.
- 14.3 Every grower shall pay to the Board all levies payable by the grower under Section 14.1 that were not deducted and paid to the Board in the manner prescribed by Section 14.2 in respect of chicken sold in any month, within 10 working days of the next month following the month in which the chicken was marketed.
- 14.4 The Board may recover such levies by suit in a court of competent jurisdiction, and the Board may reduce or revoke quota until such levies are recovered.
- 14.5 Interest on late payment of charges and levies shall be calculated at bank prime plus 5% calculated daily and charged to the processor or the grower.

## **Part 15 Distribution of Board Operating Surplus**

- 15.1 The Board policy is to maintain a contingency fund of a minimum of \$2,000,000 and not to exceed 1 year of the budgeted Board operating expenses. This will be in cash or cash equivalent.
- 15.2 Each year, when the audited statements are complete, the Board will assess its overall financial position as of December 31<sup>st</sup> of the prior year. Any amount deemed to be in excess of the set level of the contingency or holdings will be distributed to growers in proportion to the amount of levy paid by a grower.
- 15.3 The Board reserves the right to change the amount required in the contingency fund and/or the levy rate at any time.
- 15.4 In order to qualify for a distribution, a grower must be in good standing with the Board at the time that distribution is declared and be a current grower at the time the Board declares an operating surplus to be distributed to growers.
- 15.5 The formula for calculating the Board operating surplus will be:

*(Cash & Term Deposits) plus (Accounts Receivable & Accrued Interest) minus (Accounts Payable & Accruals) minus (1 month of budgeted expenses for the following fiscal year).*

This is the maximum amount available for distribution to qualifying registered growers; however the Board maintains its discretion with regard to any and all surplus distributions.

## **Part 16 Chick Placement Information Provided by Growers**

- 16.1 At the time of receipt of chicks, every grower shall complete, for each load of chicks received, the prescribed form in respect of the registered premises at which the chicks are placed. The grower shall ensure that the form is complete and accurate in all respects and shows the grower's name, the grower's licence number, the date of delivery of the chicks, the location of the registered premises on which the chicks were placed, the number of chicks placed (including extras), the hatchery or chick broker's name, and the production quota period in which the chicken will be marketed.
- 16.2 The grower shall provide a copy of the form to the delivery personnel of the hatchery or the hatchery's agent at the time of receipt of the chicks and shall file a copy of the form with the Board not later than seven days following the day on which the chicks were received.
- 16.3 Any grower who purchases chicks from a hatchery located outside of BC shall, within 7 days of receipt of the chicks, complete and file with the Board an out-of-province chick purchase report in the prescribed form.

**Part 17 Chick Placements Provided by Hatcheries and Chick Brokers**

- 17.1 Every hatchery which sells or distributes chicks for the production of the regulated product shall not later than Monday of the week following placement, complete and file with the Board a weekly chick placement report in prescribed form that is complete and accurate in all respects.
- 17.2 Every chick broker who sells or distributes chicks shall complete and file with the Board a report on an approved form by the Board, indicating the grower's name, licence number, address, phone number, and the number of chicks sold or placed and the date of sale or placement. This report in addition to meeting the requirements of Part 54 shall be forwarded to the Board by the first day of the month following the sale or distribution of chicks.
- 17.3 When contracting for the purchase of a grower's chicken that has been allotted to the grower through the Board's allocation process, a processor may not set as a condition of purchase that the grower purchase chicks from any particular hatchery.

## **Part 18 Processor Information**

- 18.1 Each processor shall file with the Board not later than the Monday of the following week, a report of the weekly slaughter in the prescribed form.
- 18.2 Every processor shall prepare a statement at the end of each calendar month showing the name and address and grower number of each grower from whom the processor received chicken, and the number of chicken received from each premise, the number of kilograms, the gross weight, payable weight and the average weight, and the amount of levies held in trust for the Board. This statement and the levies held for the Board, shall be forwarded to the Board not later than the 10<sup>th</sup> working day of the following month.
- 18.3 Unless specifically ordered by the Board to do so, no processor shall receive, process, pack, store or market any chicken in respect of which there has occurred to the knowledge of the processor, any default or non-compliance with any orders of the Board, and any processor which does so or fails itself to comply with any orders of the Board may have its licence suspended or cancelled by the Board.
- 18.4 Unless specifically ordered by the Board no processor shall accept, receive, process, pack, store or market any chicken grown by any grower who does not hold a current, valid grower's licence from the Board.

## **Part 19 Custom Processing Information**

- 19.1 Every processor who custom processes chicken shall file with the Board a complete and accurate return in the prescribed form showing the processing date, name, licence number, address, and telephone number of the person on whose account the chicken was processed, number of chicken processed, live weight of chicken processed, average weight of chicken processed, and the type of chicken, on a weekly basis unless otherwise permitted by the Board.
- 19.2 Every processor who designates chicken to be custom processed shall, forthwith upon request by the Board provide the name, licence number, address and telephone number of the person on whose account such chicken is to be custom processed and the number of chicken and weight of chicken expressed in kilogram live weight to be custom processed.

## **Part 20 Force Majeure Event**

- 20.1 A grower or a processor may be excused for failure to perform an obligation under the General Orders when the failure to perform is caused by a Force Majeure Event.
- 20.2 A Force Majeure Event is an event that satisfies all of the following conditions:
- a. The event must render performance by the grower or processor impossible, not just difficult; and
  - b. The event must not be reasonably foreseeable; and
  - c. The event must be beyond the grower or processor's control.
- 20.3 The Board will take into account the following guidelines in determining whether a Force Majeure Event has occurred.
- a. Minor difficulties in the ability of the grower or processor to remain within its allowable marketing will not be sufficient to qualify. The event must be of such a magnitude as to radically change the circumstances of the contract. Minor difficulties are already accounted for in the over and under marketing sleeves found in Part 26 Undermarketings and in Part 27 Overmarketing and Overplacement;
  - b. The triggering event should be one that neither the grower nor the processor could have anticipated or addressed through proper planning and diligence. This applies in particular to events that are claimed to delay the ability to keep marketing within allowable sleeves;
  - c. A grower or processor will have a greater difficulty showing that an event cannot be reasonably foreseen if similar events have occurred in the recent past and can be addressed through proper contingency planning;
  - d. A grower or processor cannot claim exemption under Section 20.1 if it has contributed to the event, either through its action or through inaction.

## **Part 21 Powers of the Board Regarding Quota**

- 21.1 As provided in the Scheme, the Board may establish, issue, permit transfer, revoke or reduce quotas to any person as the Board in its discretion may determine from time to time, whether or not these quotas are in use, and may establish the terms and conditions of issue, revocation, reduction and transfer of quotas, but such terms and conditions shall not confer any property interest in quotas, and such quotas shall remain at all times within the exclusive control of the Board.

## **Part 22 Quota Production Periods and Cycles**

- 22.1 These General Orders require that a grower produce, within the stated tolerances, in every quota production period, the volume of chicken allotted unless the Board otherwise permits. Failure to produce the allotment in every period may result in the revocation of quota.
- 22.2 The standard quota production period is 56 days (8 weeks) in duration.
- 22.3 The Board may make allotments to growers based on an 8-week cycle or such other cycle as required and the Board permits as set forth in Schedule 5.
- 22.4 A new grower, after discussion with the processor shall complete and file with the Board by the date specified, the prescribed form for each registered premise indicating the length of cycle, home week or weeks. This form requires the signature of the grower and processor.
- 22.5 Every grower wishing to amend their cycle length, homeweek or change processor must submit a completed prescribed form. This form requires the signature of the grower and processor.
- 22.6 Every grower shall complete and file with the Board an agreement in the prescribed form signed by the grower, hatchery and processor for the marketing of chicken for each quota production period. The form shall include the precise grower allotment, selection of targeted weight(s), the negotiated placement and slaughter dates within the growers correct home week or marketing weeks, the determined number of chicks to be placed and other information as required. The prescribed form is to be filed by the date specified on the form.
- 22.7 Quota holders may not switch their production between classes of quota.
- 22.8 Product marketed outside its class will be subject to penalties as designated in Schedule 13.

### **Part 23 Production Quotas**

- 23.1 The Board will make allotments to growers through a prescribed form for each quota production period.
- 23.2 Quotas in effect when these General Orders come into force shall continue in effect.
- 23.3 A grower must be issued, and be in receipt of the prescribed form indicating allotment, prior to producing and marketing chicken in a quota production period.
- 23.4 Production will be allotted to growers on the prescribed form, on the following basis with respect to each grower's quota and cycle length, as determined by the grower in consultation with the processor:
- a. a grower producing on an 8-week cycle will be allotted 1.929 kilograms per quota unit;  
or
  - b. if a cycle length other than 8 weeks is used, a derivative weight for the quota unit based on that cycle length would be applied as set forth in Schedule 5.
- 23.5 An allotment of quota from the Board to a grower in the prescribed form is personal to the grower to whom it is allotted. All chicken must be produced and marketed pursuant to the allotment by the grower to whom the quota has been allotted and at the registered premises in respect of which that grower's quota has been allotted.
- 23.6 Notwithstanding anything contained in these General Orders to the contrary, a grower will not be allotted quota, undermarketing, or a market development quota that singly or in combination exceeds the maximum quota that may be allotted in respect of a grower's premises calculated in accordance with Schedule 6.

## **Part 24 Quota Allotment to Growers**

- 24.1 Quotas held by individual growers are used to meet the aggregate demand of the domestic market within their quota class. Allotments above or below 100% of a grower's quota holdings may be issued on a period-by-period pro-rata basis as required by the market.
- 24.2 Pro-rata allotment in each production period will be issued as required to satisfy the provincial allocation. Subsequent adjustments to individual grower allotments will be made to account for all over and under production carried forward and all considerations that must be made to specific grower allotments resulting from adjustments to cycle lengths as per Schedule 5 and any other factors.
- 24.3 If there is no requirement to allot 100% of quota because of the level of provincial allocation, the reduction in the use of quota will be on a pro-rata basis within its quota class. Pro-rata allocation levels will be indicated on the grower allotment prescribed form.
- 24.4 The Board will not allot to a grower in any quota production period any class of quota or market development quota if such an allotment causes the grower to exceed the maximum quota that may be allotted in respect of a grower's registered premises calculated in accordance with Schedule 6.
- 24.5 The Board may issue to growers permanent increases in quota on a pro-rata basis to individual quota holdings at levels to be determined by the Board from time to time. These amounts will be added to a growers licence and will be subject to the declining transfer assessment of quota as outlined in Part 35.

## **Part 25 Exception Periods**

- 25.1 Every grower who receives an allotment other than on an 8-week cycle pursuant to Section 23.4 may be subject to an exception quota production period from time to time.
- 25.2 An exception quota production period will occur each time a grower's last home week as designated by the grower in the prescribed form falls in a week that is not within an 8-week quota production period.
- 25.3 Growers who are subject to an exception quota production period will not be allotted production for each quota production period, as determined in Section 25.2.
- 25.4 Any overmarketing adjustment, undermarketing adjustment, penalty adjustment or any other increase or decrease to a grower's production quota that the Board may from time to time determine that is not allotted to a grower due to an exception quota production period will be allotted to the grower in the immediately following quota production period.
- 25.5 Where a grower markets chicken in an exception quota production period the chicken shall be deemed to be marketed in the quota production period to which it was allotted provided the chicken was marketed in accordance with the grower's home week(s) as specified in the prescribed form.

## **Part 26 Undermarketing**

- 26.1 Where a grower, in the quota production period, markets fewer kilograms than indicated on the prescribed form, the grower may be allotted the amount of the undermarketing, not exceeding 6% of the grower's allotment, in the fourth, fifth, and sixth quota production periods following that in which the undermarketing occurred.
- 26.2 Undermarketing exceeding 6% of the allotment to the grower shall be forfeited.
- 26.3 Where a grower and processor amend the targeted weight(s) or shipment date(s) specified in the prescribed form they must deliver a revised form to the Board prior to any marketing in the quota production period.
- 26.4 Notwithstanding Section 26.1, the Board shall not allot production (including any undermarketing from a previous quota production period) to a grower in excess of the maximum number of kilograms that may be produced on registered premises pursuant to these General Orders including Schedule 6.
- 26.5 Section 26.1 does not apply for growers receiving annualized production.
- 26.6 Where a grower has, on approval of the Board, annualized marketings, the period shall be determined as marketings from January 1<sup>st</sup> to December 31<sup>st</sup> of the calendar year. Undermarketings within this time period exceeding 6% of the allotment to the grower shall be forfeit or lost.
- 26.7 Undermarketings within the 6% tolerance for annualized growers will be added to the next immediate marketing period.

## **Part 27 Overmarketing and Overplacement**

- 27.1 A grower shall not produce or market chicken in excess of the grower allotment in any quota production period.
- 27.2 Where a grower produces or markets chicken in a quota production period in excess of the grower allotment the Board shall reduce, by an amount equal to the weight of chicken marketed in excess of the allotment, the grower's allotment in the fourth quota production period following that in which the overproduction was originally marketed. The space made available by said overproduction shall be deemed eligible for the production of market development.
- 27.3 For growers with annualized production, Section 27.2 does not apply.
- 27.4 Where a grower has, on approval of the Board, annualized marketings, the period in Section 27.3 shall be determined as marketings from January 1<sup>st</sup> to December 31<sup>st</sup> of the calendar year.
- 27.5 Where an annualized grower produces or markets chicken in a quota period (as defined in Section 27.4) in excess of the grower allotment, the Board shall reduce, by the amount equal to the weight of chicken marketed in excess of the allotment, the grower's allotment in the next production period following that in which the overproduction was originally marketed. (i.e. if over 5000 kg in 2005, 5000 kg deducted from allotment in 2006).
- 27.6 In addition, a grower who produces and markets chicken in a quota production period in excess of the allotment shall:
- a. pay to the Board overproduction levies at the rate of 44 cents per kilogram of chicken produced and marketed by the grower that is in excess of 106% but not in excess of 110% of the production allotted; and
  - b. pay to the Board levies at the rate of 66 cents per kilogram of chicken produced and marketed by the grower that is in excess of 110% of the production allotted.
- 27.7 If the levies are not paid within 30 days of demand, the Board may recover same by suit in a court of competent jurisdiction, and the Board may reduce quota allotments to the grower until levies are paid.
- a. The grower will be invoiced for overmarketing levies due. Failure to remit within 30 days will result in a 250 kg reduction from the grower's allotment in the next unallocated period;

- b. If payment has not been received following (a), a second invoice will advise the grower that a deduction of 250 kg has occurred and advise that failure to remit outstanding levies within the next 30 days will result in a reduction equivalent to 10% of the amount of quota held by a grower in the next unallocated period;
- c. all future allotments will be similarly reduced until the account is paid in full.

27.8 Where registered premises of a grower have been used for the production or marketing of another grower's allotment, all such production and marketing shall be deemed to have been that of the grower on whose registered premises the chicken was produced and marketed, and that grower shall be assessed and liable for all such production and marketing and be subject to any subsequent reduction, cancellation, or refusal to allot and any overproduction levies as the Board may determine.

## **Part 28 Market Development**

- 28.1 All market development production is subject to audit and sanction for non-compliance under the Market Development Program (MD) of the CFC as set out in the Federal Provincial Agreement (FPA).
- 28.2 A processor who has complied with all of the provisions of these General Orders and the Market Development Program of the CFC may apply to the Board in prescribed form for chicken produced for market development. The application shall include:
- a. the number of kilograms live weight of chicken sought by the processor; and
  - b. the quota production period for which the chicken is sought.
- 28.3 A grower may file with the Board in the prescribed form (BC-100) a request for a share of the MD quota which the grower is prepared to commit to produce.
- 28.4 The MD lease price shall be determined by each participating processor and fees will be collected directly by the processor from the grower.
- 28.5 A grower that is contracted to a processor that has not requested MD in the period for which the allocation is being done will not be eligible for an MD allotment.
- 28.6 The share of market development quota requested by a grower shall not exceed 100% of a grower's mainstream quota. The Board shall distribute the total amount of MD quota available pro-rata among the growers requesting a share within the processing group to which they have signed for the period.
- 28.7 Market development quota production shall occur in the quota production period for which it is allotted, and the actual export shall occur in the quota production period, or in the period immediately preceding or following.
- 28.8 The Board levy on market development production shall be shared equally by the Grower and the Processor. The current levy rate is set forth in Schedule 4.
- 28.9 The product coefficients for market development quota production will be as specified by CFC.

- 28.10 A British Columbia Processor may reduce its market development commitment prior to the start of the targeted production period by providing a revised Market Development Commitment Form to the BCCMB no later than 9 weeks prior to the start of the targeted production period. The BCCMB will forward the revised form to CFC. This Section takes precedence over the Chicken Farmers of Canada Market Development Policy (Section 6.4d) adopted July 6, 2006 and implemented December 11, 2006. Affected growers will receive a revised Quota Production Allocation (QPA).
- 28.11 All classes of quota will be eligible for Market Development allotment within their classes. Licences required from CFC must be obtained prior to receiving a market development allotment from the Board where applicable. The grower and processor must meet CFC requirements on an ongoing basis. Growers producing specialty product must have the approval from their processor, the Board and CFC to receive Market Development allotment.
- 28.12 The province is limited to 14% of domestic production for Market Development by the CFC. Initially, federally inspected processors will be eligible for MD allocation not in excess of 14% of the amount of domestic allocation that they have signed with growers for the period. However, if the aggregate processor MD requests are below 14% of the domestic allocation, the individual processor caps of 14% will not apply and be increased on a pro-rated basis by the kilograms of MD requested by each processor. This Section will not apply to processors that are below 200,000 kg live weight of Market Development allocation per period.

## **Part 29 Production and Marketing Specifications**

- 29.1 Each grower shall provide chicken to the processor in accordance with the allotment and the specifications on the prescribed form.
- 29.2 A grower shall provide the allotment for each quota production period in accordance with the grower's home week(s) as specified in the prescribed form.
- 29.3 Notwithstanding Section 29.1, a grower, at the request of the processor, may provide the quota specified in their agreement in the week prior to or the week following the home week for that number of units.
- 29.4 Target weight shall be as specified on the contract.
- 29.5 Tolerance on a flock is plus or minus 6% from targeted weight.
- 29.6 If flock average weight falls within targeted weight tolerances (i.e. weight range plus or minus 6%) but the average weight is in a different price category, the price payable will be determined by the average weight delivered.

---

*Once there is agreement on the targeted weight, a tolerance of + or - 6% applies.*

*Price differential categories and normal days to grow are provided on the BC 101 as additional information.*

*Normal days to grow are guidelines and not to be interpreted as a standard.*

*The price to be paid for product will be determined by the average weight of the flock as delivered if the weight falls within the tolerance of + or - 6%.*

**Examples:**

*One: a flock targeted at 1.95 kilos with sleeves of 1.83 to 2.07 delivered at 1.78 kilos will not attract a price differential.*

*Two: A flock targeted at 1.90 kilos with sleeves of 1.79 to 2.01 delivered at 1.81 kilos will attract a price differential.*

*Three: A flock targeted at 1.76 kilos with sleeves of 1.65 to 1.87 delivered at 1.85 kilos will not attract a price differential.*

### **Part 30 Chronically Underperforming Growers**

- 30.1 The Board will take action to counsel growers who are deemed to be chronic under-performers.
- 30.2 Under-performers are growers who frequently fall into one or more of the following categories:
- a. produce chicken out of the targeted weight ranges;
  - b. deliver uneven sized flocks;
  - c. have rates of condemnation, contamination or DOAs well in excess of the industry norm;
  - d. present physical challenges to hatchery delivery, live haul, or catching staff because of the condition of their facilities;
  - e. fail to submit on a timely basis an accurately completed flock sheet and a BC 111 chick reporting form.
- 30.3 The Board will follow a prescribed procedure as described in Section 30.4 for dealing with such growers. If, following several efforts to improve the performance of the grower, insufficient improvement is made; the Board may impose graduated sanctions.
- 30.4 The process for resolution of complaints that fall into the above categories will be:
- a. A Board inspector will visit the grower's facility, determine the nature of the problem, determine if the problem results from the failure to adhere to the requirements of OFFSAP or the BC Bio-Security program and determine, with the grower, what corrective action should be taken;
  - b. Alternate Dispute Resolution (ADR). If the problem is not resolved by way of Board intervention on the farm, an industry committee (ADR Committee) will visit the grower's facility and determine why there has been insufficient improvement on the farm and what further steps need to be undertaken;

- c. This committee will comprise of:
  - i. Board inspection staff;
  - ii. Two producer representatives nominated by the BCCGA;
  - iii. Any other person that the Board may consider to have relevant input and may include hatchery/processor representatives.

30.5 If the problem is not resolved the Board will impose graduated sanctions on the grower, which may ultimately lead to the suspension or cancellation of the grower's licence and or quota.

### **Part 31 Disaster Flocks**

- 31.1 Upon written request the Board may intervene in declaring a flock to be a “disaster flock” and determine the consequences to the affected party in such circumstances.
- 31.2 The Board will exercise its discretion in deeming a flock to be a disaster flock and will determine the level of payment to the grower from the processor based on the following criteria:
- a. Approach taken by the grower and the timeline in advising the processor of the state of the flock;
  - b. Response of the processor to an early notification of flock projected to be well outside of specifications;
  - c. If prior notification is not provided to the processor by the grower, did the processor act immediately to inform the grower that some percentage of the flock was unusable and did the processor request the grower to attend while the flock was being processed;
  - d. How the grower responded to notification by the processor that some percentage of the flock was unusable or well outside of product specifications;
  - e. Impact on the processor’s productivity; salvage value of the product; ability to meet customer needs; and the costs of rescheduling other growers;
  - f. Any other factors the Board might consider relevant to the issue.
- 31.3 In situations where a grower shows, by way of thorough monitoring and supporting documentation, that chick quality has resulted in persistent and high mortality throughout the life of the flock and at slaughter the flock shows excessive condemnation to the extent that the grower’s ability to meet his/her allotment is compromised, the Board may exercise its discretion to reduce under-production penalties. If it is shown that such situations occur on a frequent basis the Board may consider other options in order to address the matter.

**Part 32 On-Farm Food Safety Assurance Program (OFFSAP) and  
Mandatory BC Bio-Security Program**

- 32.1 Holders of all classes of quota are to be subject to Board approved food safety and bio-security protocols appropriate to their farming operation as a condition of license. Mandatory BC Bio-Security Program standards as approved by FIRB can be found at Schedule 17.
- 32.2 Every Processor and Hatchery will provide the grower with the necessary information in order for the grower to be compliant with the On-Farm Food Safety Assurance Program.
- 32.3 Each grower must be OFFSAP certified following the completion of his initial three cycles.
- 32.4 BC Mandatory Bio-Security Standards must be initiated on farm at the time the grower commences to grow chicken. Recertification must occur annually.
- 32.5 Every grower who fails to comply with the mandatory BC Bio-Security Standards found in Schedule 17 will be advised in writing by the Board staff and provided with a date to correct the identified deficiencies. Procedures for dealing with non-compliance of the Mandatory BC Bio-Security Program Standards are found at Schedule 18.
- 32.6 Every grower who fails to comply with OFFSAP will be advised in writing by the Board staff and provided with a date to correct the identified deficiencies.
- a. Initial notification of non-compliance will be issued as a corrective action request following an on-farm audit or otherwise;
  - b. If the deficiency has not been satisfactorily corrected, the grower will receive a subsequent letter of non-compliance along with the imposed production penalty found at Part 52 Failure to Comply Section 52.2(a);
  - c. Failure to correct the identified deficiency after a subsequent letter of non-compliance will result in the Board reviewing the matter under Part 52 Failure to Comply Section 52.2(b). A grower may then be required to show cause to the Board why his quota should not be cancelled, reduced or suspended.

- 32.7 Where at least thirteen consecutive quota production periods elapsed between an initial incident of non-compliance and the immediately preceding incident of non-compliance, the latter incident of non-compliance shall be deemed to be a first incident of non-compliance.
- 32.8 The Board, in its sole discretion, may cancel a grower's licence or may take any other reasonable measures for the grower's failure to achieve or maintain OFFSAP and bio-security compliance.

### **Part 33 Barn Space**

- 33.1 A grower must provide sufficient floor space (not including service areas) to accommodate 100% of their total quota holdings on an 8-week cycle to a maximum density of 31 kg live weight per square meter (2.88 kg live weight/sq ft). The space must be approved, certified, measured by Board staff and registered with the Board.
- 33.2 The buildings used for chicken production must be Board approved and meet the requirements specified in this Part as well as Part 32.
- 33.3 Where a building no longer meets the requirements of this Part the grower shall inform the Board at the time when the building fails to meet the requirements. Building space described in this Section will be removed from the grower's profile and will not be eligible for any calculations for future allotments.
- 33.4 When a grower intends to increase the size of a building or buildings or to construct a new building for a quota production period, the grower must inform the Board in writing, prior to the deadline of the date the quota production period in question is being set at CFC, specifying the amount of building space to be added and the expected completion date.
- 33.5 The grower must satisfy the Board that registered premises are safe and suitable for the production of chicken on a year-round basis, equipped with adequate heating, ventilation, feed, and watering systems, and that loading doors are accessible at any time by poultry live haul and chick delivery vehicles. Premises, buildings and equipment shall, where stipulated, meet all the requirements of Part 32 of these Orders.
- 33.6 A grower may produce the chicken for which the production quota was allotted in any building approved for the production of chicken by the Board on the registered premises of which the grower is the owner.
- 33.7 Where a grower is prevented from producing chicken in a building on a registered premises in respect of which quota was allotted by reason of the destruction of the building by fire, act of God or by reason of major renovation, the Board may consider an application by the grower to produce the production quotas in a leased building for a maximum twelve-month period from the date on which the building was destroyed or deemed unsuitable for the production of chicken. The Board may approve the application on the condition that the grower files with the Board a copy of the lease and the leased building complies with the requirements of this Part.

### **Part 34 Quota Limits and Quota Transactions**

- 34.1 There is no minimum farm size requirement, however licenced growers must own quota and produce in a manner consistent with these General Orders.
- 34.2 Maximum farm size is 750,000 kilograms live weight of quota.
- 34.3 An individual, whether alone or through an interest in a corporation or partnership shall not hold in combination more than 750,000 kilograms live weight of quota.
- 34.4 Subject to this Part, a corporation or partnership shall not hold more than 750,000 kilograms live weight of quota.
- 34.5 For the purpose of Sections 34.3 and 34.4, the amount of quota must be determined as follows:
- a. the quota holding for an individual is:
    - i. the sum of the quota held by that individual; and
    - ii. the proportionate share of any quota in which that individual has an interest through a corporation or partnership.
  - b. the quota holding of a corporation or partnership is the sum of:
    - i. the quota held by that corporation or partnership; and
    - ii. the proportionate share of any quota that the corporation or partnership holds through an ownership interest in another corporation or partnership.
- 34.6 The Board shall not allot or re-allot any quota if as a result of that allotment, re-allotment or lease any person would hold quota in excess of that allowed under Sections 34.3 and 34.4.

### **Part 35 Quota Transfer Assessment**

- 35.1 All quotas are transferable with the approval of the Board subject to the terms and conditions of this Part, Part 40, Part 41 and Part 49.
- 35.2 To apply for a transfer of quota, the transferor of the quota must pay a transfer application fee of \$250 plus HST, together with any additional costs or expenses, including where applicable, legal expenses incurred by the Board in considering the application.
- 35.3 No application for transfer of quota will be accepted unless the transferor is in good standing with the Board, with respect to all fees, penalties, or other debts that are due and payable to the Board.
- 35.4 Quotas are transferable within, and not between, classes of quota.
- 35.5 Any quota, irrespective of class, issued by the Board to growers after September 1, 2005 is subject to a declining transfer assessment. The amount retracted declines by 10% per annum after year one, until it reaches a minimum assessment of 10% in year 10 and beyond. The schedule is as follows:

Day 1 to day 364	100% reverts to the Board
Day 365 to 2 <sup>nd</sup> anniversary date	90% reverts to the Board
After Year 3 anniversary	80% reverts to the Board
After Year 4 anniversary	70% reverts to the Board
After Year 5 anniversary	60% reverts to the Board
After Year 6 anniversary	50% reverts to the Board
After Year 7 anniversary	40% reverts to the Board
After Year 8 anniversary	30% reverts to the Board
After Year 9 anniversary	20% reverts to the Board
After Year 10 anniversary and beyond	10% reverts to the Board

- 35.6 The effective date for the purpose of the quota transfer assessment for all new quota issued by the Board after September 1, 2005 will be the date the quota is issued by the Board.
- 35.7 The first quota eligible for transfer by a grower will be the last quota acquired by a grower.

- 35.8 Exceptions to declining transfer assessment for all classes of quota are to be permitted only for transfers among direct family members, defined as spouse, sons and daughters, siblings and for business reorganization where the ownership percentages do not change.
- 35.9 Quota retracted under this Part will contribute to funding the New Entrant Program under Part 49.

### **Part 36 Transfer of Quota with Registered Premises**

- 36.1 Where the owner proposes to transfer title in fee simple of registered premises and to have the quota allotted in respect of the registered premises transferred to the transferee of the registered premises, the owner and the transferee may apply to the Board to cancel the quota allotted in respect of the registered premises and to allot quota to the transferee by completing, signing and delivering to the Board an application in the prescribed form. The transferee must be at least 19 years of age.
- a. The registered premise must hold current OFFSAP & BC Bio-Security certification. If the premise(s) does not hold these designations, Board Staff will inspect the premises and report the status to the Board. This report will include a recommendation as to whether the premises meet, or upon making the required changes will be able to meet OFFSAP and Bio-Security requirements.
- 36.2 Where the Board is satisfied with the application, the Board will notify the transferor and transferee that it approves the transfer subject to Part 46 and receipt of:
- a. the transferor's declaration in the prescribed form;
  - b. the transferor's certified cheque, bank draft or money order payable to the Board in an amount equal to the transfer assessment fee as referred to in Section 35.2;
  - c. the transferee's declaration in the prescribed form; and
  - d. a certified copy of proof of transfer in a form satisfactory to the Board, showing the transferee to be the owner of the premises.
- 36.3 Upon compliance with the above and Part 46 and Part 47, the Board will cancel the quota allotted to the transferor and allot a like amount of quota to the transferee.
- 36.4 Where an application for transfer is approved, the transferee shall be liable for any overmarketing of the transferor and shall receive the benefit of any undermarketing of the transferor, subject to Part 26 and Part 27.
- 36.5 Where an application for transfer pursuant to this Part is approved, the transferee shall assume any marketing and contractual obligations of the transferor at the time of transfer.

### **Part 37 Acquisition or Disposition of Quota without Registered Premises**

- 37.1 A grower may apply to the Board in the prescribed form to transfer quota without a transfer of title of the grower's registered premises in respect of which the quota is allotted.
- 37.2 A transferee must be, as of the effective date of the transfer, at least nineteen years of age, and the owner of the fee simple title to the premises in respect of which the quota is to be allotted.
- 37.3 Not less than 30 days following receipt by the Board of the application, the Board may approve the transfer subject to receipt of the prescribed forms duly completed by the transferor and the transferee.
- 37.4 The earliest effective date for transfer of a quota without registered premises is the next unallocated period.
- 37.5 Where the Board in its discretion is satisfied with the application, the Board will notify the transferor and transferee of approval of the transfer in principle with final approval subject to Part 46 and receipt of:
- a. the transferor's declaration in the prescribed form;
  - b. the transferor's certified cheque, bank draft or money order payable to the Board in an amount equal to the transfer application fee referred to in Part 35;
  - c. the transferee's declaration in the prescribed form;
  - d. a certified copy of proof of transfer in a form satisfactory to the Board, showing the transferee to be the owner of the premises in respect of which the quota to be transferred is to be allotted; and
  - e. the transferor and transferee must be in good standing with the Board with respect to any and all funds or levies owed to the Board as per Part 47 of these Orders.
- 37.6 Upon compliance with the above and Part 46 and Part 47 the Board may cancel the quota allotted to the transferor and allot a like amount of quota to the transferee.
- 37.7 The Board will only allot quota to the transferee when the Board is satisfied that there is a building approved by the Board pursuant to these General Orders, on the premises in respect of which the quota is to be allotted.

- 37.8 In Sections 37.9 and 37.10, the word "last" means the latest effective quota production period of a transfer of quota.
- 37.9 Where a grower transfers all of the quota allotted to the grower pursuant to this Part, the Board shall decrease or increase the sixth production period quota allotted to the transferee who last acquires the quota by the net amount of any overmarketing or undermarketing (subject to Part 26 and Part 27) of the transferor in the six quota production periods immediately preceding the transfer of quota.
- 37.10 Where more than one transferee last acquires quota, the net amount of any overmarketing or undermarketing shall be allotted to the transferees in such proportion as the quota that each transferee acquired is to the quota last transferred.
- 37.11 A grower who has acquired quota by transfer without registered premises shall not be entitled to apply for disposition of quota by transfer without registered premises to any other person for a period of one year from the date on which quota was last allotted to the grower under this Part.
- 37.12 A grower who has disposed of quota by transfer without registered premises shall not be entitled to apply for acquisition of quota by transfer without registered premises from any other person for a period of one year from the date on which quota was last allotted to the grower under this Part.
- 37.13 A condition of quota transfer is that the last quota acquired by a grower is the first quota to be authorized for transfer.

### **Part 38 Changes in Ownership of Corporation or Partnership**

- 38.1 Any changes in the shareholdings of a corporation or in the percentage interest of a partnership, where that corporation or partnership is the owner of quota constitutes a transfer of the quota allotted to that corporation or partnership and is subject to the approval of the Board.

### **Part 39 Information on Ownership**

- 39.1 Every grower which is a partnership or corporation (other than a corporation whose shares are traded on a stock exchange) shall complete, sign and file with the Board a statement in the prescribed form showing ownership prior to consideration of final approval of a transfer by the Board, or when requested to do so by the Board.
- 39.2 Where a corporation or partnership is owned in whole or in part by a corporation or partnership, every such corporation or partnership having any interest therein shall likewise complete and file a prescribed form until the ownership of all corporations or partnerships is determined to the satisfaction of the Board.
- 39.3 Growers are required to inform the Board in writing when any changes are made that affect the ownership or percentage of ownership of any quotas, corporations, or partnerships.

#### **Part 40 Disposition of Quota from Vancouver Island**

- 40.1 Quotas issued by the Board under Part 49 will be restricted to the Region as per the Undertaking of June 16, 2010.
- 40.2 Notwithstanding Section 9.4, Vancouver Island growers and their processors may contract out of these General Orders to the limited extent of agreeing that the growers will rebate ferry costs incurred by the processors in transporting chicken production off the Island. This Section shall be effective from June 1, 2000.
- 40.3 In accordance with Order in Council, number 761, approved June 1, 2000, the Board must not permit a disposition or transfer of quota issued to a person to produce regulated product on Vancouver Island to any area of the Province other than Vancouver Island unless the Board sets aside quota exclusively for purposes of the production of regulated product on Vancouver Island in an amount equal to the amount the Board permits disposed of or transferred off Vancouver Island.
- 40.4 Under the authority of the Act and the Scheme, the Board will manage and distribute the pool of quota created under Section 40.3 after consultation with all interested parties.

## **Part 41 Quota Relocation**

- 41.1 A grower may apply to the Board to relocate quota allotted in respect of registered premises to another parcel of land of which the grower is the owner in fee simple.
- 41.2 The grower shall complete and file with the Board:
- a. an application and a declaration in the prescribed forms;
  - b. a certified copy of the title of the premises to which the quota is to be relocated;
  - c. should the new facilities on the newly registered premise not be ready to receive chicks, the Board may allow the following:
    - i. Upon receipt of a duly executed lease respecting the existing registered premise between the new owner and the grower, the Board may permit the grower to lease the property for a term not to exceed 6 cycles;
    - ii. Subject to (i) the grower must post a bond in favour of the Board prior to the end of the 4<sup>th</sup> cycle. The bond is to be equal to 2 cycles of 44 cents/kg based on the grower's total quota ownership;
    - iii. Failure to produce on the new registered premise in cycle #7 will result in half of the bond being forfeited to the Board. The cycle #7 allotment may be grown in the leased premise but no subsequent allotments will be issued to the grower until such time as the Board is satisfied the new facilities on the new registered premise have been approved for production. Following this approval, allotments can begin for the next unallocated period;
    - iv. Failure to produce on the new registered premise in cycle #8 will result in the remaining half of the bond being forfeited to the Board. The cycle #8 allotment may be grown in the leased premise but no subsequent allotments will be issued to the grower until such time as the Board is satisfied the new facilities on the new registered premise have been approved for production. Following this approval, allotments can begin for the next unallocated period.
- 41.3 Subject to Part 47, the Board may cancel the quota allotted to the first registered premise and allot a like amount of quota to the new registered premise.

- 41.4 In addition to the provisions contained in 41.5, 41.6 and 41.7, all new entrant quotas issued by the Board as per the undertaking of June 16, 2010 will be restricted to the region in which they were issued as long as there is an active processing plant in operation in that region. These quotas are not eligible for transfer to another region of the province by the grower to which they were originally issued or any subsequent transferee of these quotas while there remains an active processing plant in that region.
- 41.5 Subject to Section 41.6, a grower may not transfer a portion of his quota from the Interior to the Lower Mainland or Vancouver Island.
- 41.6 A grower registered in the Interior for at least two years may make application to the Board to relocate his entire quota anywhere in the province.
- 41.7 Where the Board has approved a relocation of quota to a new production unit in accordance with Section 41.6, no transfer of the relocated quota will be approved by the Board before a date two years following the date of actual relocation of the quota.

## **Part 42 Leases of Quota with Registered Premises**

- 42.1 Where an approved lease of registered premises is legally binding and enforceable the Board may allot the production quota to the lessee where:
- a. the owner and lessee complete, sign and deliver to the Board an application in the prescribed form;
  - b. the owner files with the Board a copy of the signed lease which shall not have a total term of more than 3 years; and
  - c. the Board is satisfied that the lease and any arrangement between the lessor (owner) and lessee are consistent with the General Orders. The lessee is required to conform to all provisions of the General Orders including OFFSAP and the BC Bio-Security program.
- 42.2 Upon approval by the Board leases as described in 42.1 may be renewed for terms of up to 3 years in duration.
- 42.3 Upon expiration or termination of the lease the Board will allot the next production quota to the owner of the registered premise.

### **Part 43 Lease of Quota Without Premise**

- 43.1 The Board may permit leasing a portion of a grower's quota allotment, separate from a building to which the quota allotment is attached, upon terms and conditions as the Board stipulates. Leasing of quota shall not be approved for the purposes of circumventing barn space requirements.
- 43.2 The Board may permit a lease in the case of force majeure or for any other reason that the Board deems appropriate.
- 43.3 Procedure for leasing of quota allotment will be found in Schedule 7.

#### **Part 44 Lease Back by Governmental or Public Authority**

- 44.1 Where registered premises have been sold to or expropriated by governmental or other public authority and leased by same to a grower by a lease with a term of not more than ten years, the grower may apply to the Board for permission to retain the quota allotted in respect of the registered premises until the termination of the lease.

#### **Part 45 Leasehold Interest Revocation**

- 45.1 Existing leasehold interests are eligible for renewal providing the lessor and lessee are the persons who are signatories to the leasehold agreement at the time of the implementation of these General Orders.
- 45.2 No further leasehold interests will be permitted.

#### **Part 46 Restrictions on Leases, Transfers, Sales and Relocations of Quota**

- 46.1 Where a proposed transferor or transferee is a partnership or corporation, it shall disclose to the Board full particulars of partners or shareholders annually at the time of licence renewal.
- 46.2 Quota may be revoked by the Board if the quota is issued on the basis of information that is false, misleading or incomplete, or if any person required to furnish information with respect to the quota fails to do so.
- 46.3 Where a proposed transferor or transferee is a partnership or corporation, it shall disclose to the Board full particulars of partners or shareholders.
- 46.4 The Board will not allot or relocate quota to a floor where:
- a. the BC Turkey Marketing Board has allotted quota; or
  - b. the BC Egg Marketing Board has allotted quota; or
  - c. the BC Broiler Hatching Egg Commission has allotted quota; or
  - d. the floor is not fully equipped for the purpose of growing chicken consistent with OFFSAP, BC Bio-Security Program, or these General Orders.

### **Part 47 Prohibition of Transfer**

- 47.1 The Board will not approve any transfer or relocation of quota where any licence fees, levies or other monies are owing to the Board in respect of any production or marketing pursuant to the quota, or the transferor is in violation of the Act, the Scheme or these General Orders, or any order or direction of the Board.

### **Part 48 Liability of Transferee**

- 48.1 A grower to whom quota is allotted pursuant to these Regulation takes the quota subject to, and shall be liable to the Board for any overmarketings, unreported marketings or other violations by the transferor or lessee, of the Act, the Scheme or these General Orders, or any order or direction of the Board.

## **Part 49 New Entrant Program for Growers**

- 49.1 All quotas issued by the Board under this Part will be restricted to the region in which they were issued as long as there is an active processing plant in operation in that region. These quotas are not eligible for transfer to another region of the province by the grower to which they were originally issued or any subsequent transferee of these quotas while there remains an active processing plant in that region.
- 49.2 The Board will accept applications from prospective new entrants in each of the three geographical areas of the province of British Columbia to apply for a random draw. Drawn applicants will be placed on the applicable waiting list in the order that they are drawn. The procedure for application and eligibility restrictions may be found at Schedules 10, 11, and 12.
- 49.3 Classes of quota are:
- a. Specialty Quota (SQ): SQ may only be used to produce specialty chicken;
  - b. Mainstream Quota: May only be used to produce mainstream chicken.
- 49.4 All quotas are and remain at all times the property of the Board.
- 49.5 Unless authorized by the Board, SQ may not be used to produce mainstream chicken regardless of market conditions. Product that cannot be shipped as specialty may not be disposed of in the mainstream market without prior approval of the Board and may be subject to penalties and costs as described in Schedule 13.
- 49.6 If third party certification is lost, or production ceased for some other reason, the grower must advise the Board immediately in writing and must include the anticipated date of re-certification and/or resumption of production. If third party certification is not achieved or production resumed within an acceptable amount of time as determined by the Board, the Board reserves the right to cancel the specialty quota. No production for a period of six months may result in the revocation of quota.
- 49.7 There is a maximum of one quota per person, or entity per property.
- 49.8 The Board may issue new quota to an applicant in any amount not to exceed 7,716 kg live weight per 8-week cycle.
- 49.9 The Board, at its sole discretion, may increase, decrease or cancel quota issued to a new entrant to the maximum of 7,716 kg live weight per 8-week cycle.

- 49.10 Leasing of quota under this program is permitted under terms and conditions as specified by the Board in Part 43 and Schedule 7.
- 49.11 Specialty quota and mainstream quota issued under this program are transferable but are subject to a declining transfer assessment in accordance with Part 35.
- 49.12 Annualization of mainstream quota under this program is not permitted. Exceptions may be considered at the discretion of the Board for self-marketers of product.
- 49.13 The Board, at its sole discretion, may permit the annualization of specialty quota upon receipt of a yearly written request from the grower and processor, along with a proposed production schedule.
- 49.14 Approved annualization will be pro-rated for the remaining weeks of the year in which a grower requests it.
- 49.15 Growers entering the industry under this program, after January 1, 2005 will be subject to pro-rata allotments within their class of quota provided they have adequate space at the time of allocation.
- 49.16 Over and undermarketing sleeves and penalties apply as per Part 26 and Part 27 of these Orders.
- 49.17 Marketing levies as per Part 14 and Schedule 4 apply to new entrant growers under this Part. The Board reserves the right to assess marketing levies at different rates to different classes of quota. These rates will be based on the level of services required.
- 49.18 Licensing fees as per Section 5.1 apply.
- 49.19 At the discretion of the Board, priority will be given to specific regions of the province based on demonstrated needs of a particular region.
- 49.20 The Board will constitute a committee of the Board that will be known as the Specialty Market Advisory Committee (SMAC) as more particularly set forth in Schedule 8. It will provide advice to the Board on matters related to the specialty sector and provide a forum whereby the specialty sector can discuss areas of mutual interest and concern.
- 49.21 The maximum number of new quotas issued per year is determined based on the formula found at Schedule 9. The Board will provide for a minimum number of new entrants per year of one (1) provided all requirements are met under this Part. The methodology and formula for fulfilling the requirement of this program is found at Schedule 9.

## **Part 50 Permits**

- 50.1 A permit is intended for small lot growers and self marketers and will be issued for a maximum of 2,000 chickens per calendar year.
- 50.2 New and existing growers under this Part must apply annually for a permit which expires December 31<sup>st</sup> of each year.
- 50.3 A permit is non-transferable.
- 50.4 Permit holders under this part are exempt from Part 14 and Schedule 4. There will be no levy collected on chicken grown under this permit.
- 50.5 Permit holders under this part must report placement and shipments to the Board as per Section 17.2 and Section 4.9.
- 50.6 No production will be permitted beyond the 2,000 chickens/ calendar year maximum. Marketing in excess of the maximum may result in revocation of permit or other actions as deemed appropriate by the Board.
- 50.7 If a permit holder under this program applies for, qualifies and is granted specialty quota or mainstream quota, the permit will revert to the Board.
- 50.8 A maximum of one permit per person or property per calendar year may be issued. A permit may not be combined with any class of quota or be grown on any premise registered with the Board for production of the regulated product.
- 50.9 Permit holders under this part are not eligible for provincial allocation.
- 50.10 There is no requirement for land ownership.
- 50.11 Permit holders are subject to audit by the Board as per Part 54 Access to Information.
- 50.12 All small lot growers of chicken in the province of British Columbia will be given an opportunity to apply for a permit. Unregistered small lot growers will have 30 days from written notification by BCCMB inspectors to submit an application for licence.
- 50.13 The Board reserves the right to limit the number of new permits issued in any given year.
- 50.14 Permit holders are not listed on the “Register of Growers”.

**Part 51 Disposition of Overmarketing Levies Paid to the Board**

- 51.1 All Overmarketing levies collected under Part 27 Overmarketing and Overplacement of the General Orders shall be put into the Board's general revenue. Disposition of general revenue can be found at Part 15 Distribution of Board Operating Surplus of these General Orders.

## **Part 52 Failure to Comply**

- 52.1 The Board may refuse to allot a quota, or may reduce, refuse to increase, or cancel a quota allotted to a grower who fails to comply with or has contravened any provision of the Act, the Scheme or these General Orders, or any order or direction of the Farm Industry Review Board or any order or direction of the Chicken Board. In addition, the Chicken Board may take similar action against every other grower who has been a party with a grower to any production or marketing of chicken contrary to these General Orders.
- 52.2 Where a grower fails to comply with General Orders governing the submission of prescribed forms or other required documentation or timely remittance of all funds owing to the Board, the production allotment to the grower for the next unallocated period following that in which the failure to comply occurred will be reduced by the Board:
- a. in the case of a second occurrence, by 250 kilograms of chicken live weight; and
  - b. in the case of a third or any subsequent occurrence, by 10% reduction equivalent to the amount of quota held by a grower on the grower's allotment in each subsequent unallocated period until compliance is achieved to the satisfaction of the Board.

### **Part 53 Seizure**

- 53.1 Any employee of the Board or any individual authorized by the Board to do so, may seize any chicken kept, transported, placed, stored or marketed in violation of these General Orders, and such employee or individual may take and remove the whole of the chicken seized by him or a sample thereof and deliver the same as directed by the Board.
- 53.2 Upon seizing any chicken, the employee of the Board or such authorized person shall attach a seizure tag at or near the location of the chicken being seized, or shall deliver a notice of seizure, to an adult person in, upon or about the premises where the chicken is found, or to any adult person who appears at the time of the seizure to be in charge of any place, premises, motor vehicle or otherwise in which or in, about or near which such chicken is found.
- 53.3 Where any chicken is seized or detained pursuant to the Act, the Scheme or these General Orders, it may be stored and all costs, fees, charges and expenses in connection with the seizure, detention and storage shall be paid by the owner of the chicken and may at the discretion of the Board be deducted from the proceeds of the sale of that chicken.
- 53.4 Any exemption from these General Orders of any person engaged in the production, processing, packing, storing, transporting or marketing of chicken, or any class, variety or grade thereof may, by resolution of the Board, be granted, amended or rescinded, or the power to grant, amend or rescind any such exemption may be delegated, except as it affects the granting or cancellation of a licence, or the fixing and collecting of licence fees, to an officer or employee of the Board.

## **Part 54 Access to Information**

- 54.1 Every person shall keep complete and accurate books and records of all matters relating to the production, processing, packing, storing, transporting and marketing of the chicken by that person.
- 54.2 For the purpose of ascertaining whether the Act, the Scheme, these General Orders and or Board orders are being complied with, every person shall, upon request, produce for inspection by the Board, all such books and records kept by that person.
- 54.3 Every person shall upon request, furnish to the Board any information relating to the production, processing, packing, storing, transporting and marketing by that person of chicken, and shall make specific answers to any questions submitted to that person by any member or employee of the Board or any other individual duly authorized by the Board.
- 54.4 Every person shall permit any member or employee of the Board or any other individual authorized by the Board to inspect all premises occupied or controlled by such person.
- 54.5 The Board may at the expense of a grower, processor or hatchery:
- a. require the auditor of the grower, processor or hatchery to provide to the Board additional information as the Board may require to enable it to determine if these General Orders and orders of the Board are being complied with; and
  - b. appoint an auditor to audit the books and records of the grower, processor or hatchery who shall have access to the books and records of the grower, processor or hatchery for the purpose of determining if these General Orders and Board orders are being complied with.
- 54.6 A person in good standing and duly licensed by the Board upon giving the notice required under the Scheme shall be entitled to review only those documents of the Board, which pertain to that licensee unless the Board in its sole discretion determines that the licensee has shown sufficient cause to examine other documents of the Board. Any examination of documents of the Board shall take place at the office of the Board during normal business hours of the Board.

**Part 55 Application for a Decision or Determination  
of the B.C. Chicken Marketing Board**

- 55.1 Any person who wishes to apply to the Board for a decision or determination in respect of any matter (the “Applicant”) must complete an application in Form A, (Schedule 14) unless the completion of that form is waived by the Board or a Board Staff member.
- 55.2 On receipt of a Form A or other request for decision from a person (the “Application”), the Board staff may complete a Board staff’s briefing note or other document setting out background information in respect of the Application.
- 55.3 If the Applicant wishes to make oral submissions to the Board prior to the Board’s disposition of the Application, the Applicant may do so at a date and time to be arranged with the Board.
- 55.4 The Board will provide a response to the applicant’s request for a decision, or determination in writing.

### **Part 56 Remedies**

- 56.1 The remedies identified in these General Orders shall not be deemed to be exhaustive of all remedies available to the Board in the event of default or non-compliance with these General Orders, the Scheme or the Act, or any direction or order arising there from. The exercise of a specific right or remedy by the Board does not preclude it from or prejudice it in exercising any other right, pursuing any other remedy or maintaining any action to which it may otherwise be entitled to either at law or equity.

### **Part 57 Effective Date of General Orders**

- 57.1 These General Orders replace the January 23, 2006 General Orders and become effective on August 26, 2011 except as otherwise provided in these General Orders and Schedules thereto.

**BY ORDER OF** the British Columbia Chicken Marketing Board.

**DATED AT** Abbotsford, August 26, 2011

**Schedule 1**  
(Part 12)  
(Section 12.1)

**Weighing of Chicken**

- 1) The chicken shall be weighed immediately upon arrival at a government certified scale equipped with a clock and printer. If the scale is not located at the plant of the processor, the chicken shall be transported directly to the plant of the processor immediately following weighing.
- 2) Each load of mainstream chicken shall be weighed by the processor within 6 hours of the time the vehicle is fully loaded. The processor will supply the grower, at time of payment, a detailed accounting of gross weight, tare weight, net weight, and time of weighing for each load of chicken.
- 3) Each load of specialty chicken shall be weighed by the processor within 12 hours of the time the vehicle is fully loaded. The processor will supply the grower, at time of payment, a detailed accounting of gross weight, tare weight, net weight, and time of weighing for each load of chicken.
- 4) Each load of all classes of chicken shipped from a grower's premises located on Vancouver Island to a processor off Vancouver Island shall be weighed by the processor within 7 hours of the time the vehicle is fully loaded. The processor will supply the grower, at time of payment, a detailed accounting of gross weight, tare weight, net weight, and time of weighing for each load of chicken.
- 5) For the chicken not weighed by the processor by the time specified in paragraphs (2), (3) and (4), the processor shall pay to the grower a price equal to 2.2 cents per kilogram above the price set by the Board for each such class of chicken.
- 6) Unless the trailer is weighed separately, the fuel tank of the vehicle transporting chicken shall be full when weighing empty and when weighing loaded with chicken. The processor, or the processor's agent, shall make accurate allowances for the tare weight of the empty vehicle and crates.
- 7) Notwithstanding anything to the contrary in this Schedule, the Board may by order or direction require a processor to weigh under the direct supervision of the Board or its designated agent at such time or times or within such period of time or times as may be specified in the order or direction of the Board.
- 8) Every approved scale weight ticket shall clearly identify the vehicle weighed and the approved scale at which the chicken was weighed.

**Schedule 2**  
(Part 13)  
(Section 13.8)

**Pricing and Production Advisory Committee**

1) INTERPRETATION

a. In this Schedule, unless the context otherwise requires or is otherwise defined:

Board	means the British Columbia Chicken Marketing Board as constituted under the Scheme;
BC Broiler Hatching Egg Commission	means the British Columbia Broiler Hatching Egg Commission as constituted under the British Columbia Broiler Hatching Egg Scheme, BC Reg. 432/88;
BC Chicken Growers Association	means the body corporate incorporated under the Society Act of British Columbia having incorporation number S-000522;
Quota Period	means an eight-week period or as defined by the Chicken Farmers of Canada;
Days	means, unless otherwise qualified, calendar days including weekends and holidays;
Grower Committee	means the committee referred to in Section 2(a)(i) herein; comprised of growers;

Pricing and Production Advisory Committee	means the committee constituted pursuant to Section 3.20 (1) of the Scheme;
Primary Poultry Processors Association of BC	means the body corporate incorporated under the Society Act of British Columbia having incorporation number S-0026936;
Processor Committee	means the committee referred to in Section 2(a)(ii) herein; comprised of owners or managers or employees of licensed processors;
Production	means volume in live weight of mainstream chicken for a Quota Period;
Scheme	means the British Columbia Chicken Marketing Scheme (1961), as amended.

- b. All other terms will have the meaning as assigned in the Scheme and Orders of the Board;
- c. Whenever the feminine or singular is used throughout this Schedule, the same will be construed as including the masculine, feminine, plural or body corporate, as the context may require;

## **PRICING AND PRODUCTION ADVISORY COMMITTEE**

### **2. COMPOSITION OF THE PRICING AND PRODUCTION ADVISORY COMMITTEE**

- a. Pursuant to Section 3.20(1) of the Scheme, the Board will establish a Pricing and Production Advisory Committee (the “PPAC”) composed of:
  - i. Three growers to be appointed by the Board after consultation with the BC Chicken Growers Association (BCCGA);
  - ii. Three Processors to be appointed by the Board after consultation with the Primary Poultry Processors Association of BC (PPPA of BC);
  - iii. One broiler hatching egg producer appointed by the Board after consultation with the BC Broiler Hatching Egg Commission (BCBHEC);
  - iv. An independent Chair who presides over the meetings of the PPAC and coordinates the communications between the members of the PPAC and the PPAC and the Board;

- v. Further persons appointed by the Board to broaden the scope and experience available to the PPAC in its deliberations.
- b. The Board will appoint an alternate for each member of the PPAC;
- c. Appointments to the PPAC will be for a one-year term;
- d. Each year of the term is the calendar year;
- e. Where the term of a member ends, either through resignation or revocation of appointment, the Board will appoint a replacement for the remainder of the term from names provided by the BCCGA, the PPPA of BC or the BCBHEC, as the case may be.

### 3. ADVICE

- a. Pursuant to Section 3.20(2) of the Scheme, the role of the PPAC is to advise the Board, either on the request of the Board or on the initiative of the PPAC, on any matter relating to the pricing or production decisions the Board has made or may make.
- b. Pursuant to Section 3.20(3) of the Scheme, the Board must consult with the PPAC and consider the PPAC's advice before the Board makes any decision relating to pricing or production.
- c. Advice to the Board will be relayed in writing by the PPAC Chair. Such advice will be provided with majority and minority positions.

### 4. GENERAL PROCEDURES

- a. Minutes of the PPAC meetings shall be kept.

### 5. DETERMINATION OF PRODUCTION LEVELS

- a. Prior to the commencement of the upcoming Quota Period, the PPAC will be given the opportunity to meet to discuss production levels for chicken for the upcoming Quota Period;
- b. The Board will circulate a recommendation and rationale to the PPAC respecting production levels for a specific period containing a deadline to trigger a conference call to discuss the recommendation. If triggered, a conference call will be scheduled and the PPAC members will be given an opportunity to provide further input to the Board. If no conference call is triggered, the Board will understand it to mean that a consensus has been reached respecting the recommendation. The recommendation will then be sent to CFC approximately 14 weeks prior to commencement of the period;

- c. Where the PPAC meets and is unable to reach a consensus, the Chair will forward a report containing majority and minority positions for the Board to consider prior to its final decision.

#### 6. DETERMINATION OF LIVE PRICE FOR MAINSTREAM CHICKEN

- a. The pricing formula for mainstream chicken can be found at Schedule 19;
- b. This formula will be used to set the live price of mainstream chicken from the date of its implementation unless there is a finding of exceptional circumstances by the Board in accordance with Section 7 of this Schedule.

#### 7. VARIATION FOR EXCEPTIONAL CIRCUMSTANCES

- a. The Board will not reopen the issue of pricing for a Quota Period once that period has commenced unless exceptional circumstances have been triggered no later than the first Monday after the start of the quota period in question;
- b. As the statutory authority charged with making pricing decisions, the Board may consider whether exceptional circumstances exist sufficient to justify departing from the pricing formula;
- c. If a member of the PPAC requests that a pricing order described in Section 7(a) of this schedule be varied, altered, or amended for exceptional circumstances, the Grower Committee or the Processor Committee must, by 3:00 p.m. on the first Monday after the start of the period, deliver written notice to the Chair and Secretary of the PPAC. The notice will be accompanied by an outline of concerns and a request that a meeting of the PPAC be convened to discuss the matter with the Chicken Board;
- d. The Chair of the PPAC will convene a meeting at 1:00 p.m. on the first Wednesday of the Quota Period;
- e. Following the completion of the PPAC meeting and before 4:00 p.m. on the Thursday of the first week of the Quota Period in question, the Board will issue a decision;
- f. Other industry stakeholders, may request that the Board initiate the process of review for exceptional circumstances, by delivering the required notice under Section 7(c) of this Schedule, but the decision whether to proceed will remain with the Board.

#### 8. WEIGHT CATEGORIES OF MAINSTREAM CHICKEN

- a. As the mainstream chicken price established from Schedule 19 is the basis for determining the price of all weight categories of mainstream chicken, the Board will consult with the PPAC in establishing an appropriate price and weight grid to adjust prices for those weight categories. This can be found at Schedule 3.

9. APPLICATION OF ACT

- a. Nothing in the foregoing limits, relieves or relinquishes the Board of any of its responsibilities, rights and powers under the *Natural Products Marketing (BC) Act, RSBC 1996*, Chapter 330, as amended.

**Schedule 3**  
(Part 13)  
(Section 13.7)

**Pricing Order For Mainstream Chicken**

TO: ALL PROCESSORS AND GROWERS

**PRICING ORDER #000**

The British Columbia Chicken Marketing Board orders as follows:

The minimum prices to be paid by Processors to Growers for mainstream chicken marketed in the Province of British Columbia on all product contracted for or otherwise designated by the Board to be shipped in the period (name of period and dates of the period) shall be as follows:

<b><u>Average Live Weight</u></b>	<b><u>Differential from minimum live price (dollars)</u></b>	<b><u>Price per kilogram live weight</u></b>
Under 1.60 kg	---	\$
Over 1.60 – 1.70 kg inclusive	+0.035	\$
Over 1.70 – 1.78 kg inclusive	+0.042	\$
Over 1.78 – 1.85 kg inclusive	+0.028	\$
Over 1.85 – 1.95 kg inclusive	+0.015	\$
Over 1.95 – 2.02 kg inclusive	---	\$
Over 2.02 – 2.10 kg inclusive	---	\$
Over 2.10 – 2.17 kg inclusive	---	\$
Over 2.17 – 2.25 kg inclusive	---	\$
Over 2.25 – 2.50 kg inclusive	-0.004	\$
Over 2.50 – 2.73 kg inclusive	-0.010	\$
Over 2.73 – 3.18 kg inclusive	+0.050	\$
Over 3.18 kg	+0.098	\$

All prices are f.o.b. farm.

This order shall remain in effect until rescinded, varied or amended by further order of the Board.

The targeted weight shall be as specified on the contract.

Tolerance on a flock is plus or minus 6% from targeted weight.

If flock average weight falls within targeted weight tolerances (i.e. weight range plus or minus 6%) but the average weight is in a different category, the price payable will be determined by the average weight delivered.

**Schedule 4**  
(Part 14) (Section 14.1)  
(Part 28) (Section 28.8)

**Levies**

- 1) Every processor shall be required to make a deduction of 1.60 cents per kilogram of live weight on all classes of chicken received from the grower and produced for the domestic market effective on and after January 7, 2007 (start of A-76).
  
- 2) Every processor shall be required to make a deduction of 1.60 cents per kilogram live weight on all classes of chicken received from the grower and produced under the CFC Market Development Program effective on and after January 7, 2007 (start of A-76). This levy is to be paid 50% by the grower and 50% by the processor.

**Schedule 5**  
(Part 22)  
(Section 22.3)

**Cycle Lengths and Quota Units by Cycle Calculation**

<b><u>Number of Weeks in the cycle</u></b>	<b><u>Number of days in the cycle</u></b>	<b><u>Number of kilograms per unit</u></b>
7-week	49 days	1.687
8-week	56 days	1.929
9-week	63 days	2.170
10-week	70 days	2.412
11-week	77 days	2.652
12-week	84 days	2.894
13-week	91 days	3.135
14-week	98 days	3.375
15-week	105 days	3.612
16-week	112 days	3.858
17-week	119 days	4.100
18-week	126 days	4.340
19-week	133 days	4.581

**Mainstream chicken densities:**

- 31 kilograms per square meter (2.88 kilograms live weight per square foot).

**Organic densities**

- In barn = 20 kilograms live weight per square meter.
- Outdoor = 8 kilograms live weight per square meter.

**Taiwanese chicken densities:**

- 31 kilograms per square meter (2.88 kilograms live weight per square foot).

**Schedule 6**  
(Part 23) (Section 23.6)  
(Part 34) (Section 34.1)

**Formula to Determine Available Barn Space Beyond Quota Requirements**

You need to know:

- Your current square footage of usable barn space. The symbol for this will be SqFt.
- Your actual total quota and or permit expressed in kilograms live weight. The symbol for this will be Q.
- The density required as per Section 23.6 is 2.88 kilograms live weight per square foot.

To determine the number of kilograms that can be accommodated in your barn space or “A”:

1. Multiply your current square footage by 2.88 kilograms live weight per square foot

$$\text{SqFt} \times 2.88 = \text{kg that fit in your barn space "A"}$$

This is the maximum number of kilograms that fit in your barn.

To determine the number of kilograms available to fill the barn space or “B”:

2. Subtract the total quota and/or permit expressed in kilograms live weight from the product obtained in 1.

$$A - Q = \text{kilograms available to fill barn space}$$

This is the number of kilograms required to maximize your barn space.

To determine the square footage available beyond quota or “C”:

3. Take the answer in 2 or “B” and divide it by 2.88 kilograms live weight per square foot.

$$B/2.88 = \text{square footage available beyond quota "C"}$$

**Schedule 7**  
(Part 43)  
(Section 43.3)

**Lease of Quota without Premises**

- 1) All classes of quota may be leased.
- 2) No leasing in or out of permit is allowed.
- 3) The maximum amount to be leased in or out per period is 50% of a grower's domestic allotment in that specific period. The Board may exercise its discretion to accommodate extraordinary circumstances.
- 4) Leases in and out must correspond to the same period.
- 5) A grower may lease in any amount up to the maximum allowed under density requirements as per Section 33.1.
- 6) A grower must lease in or out to another grower(s) contracted with their current processor.
- 7) If lease is offered but not taken up as prescribed above, the proposed leasor will be required to grow his entire allotment.
- 8) The lease price will be determined between the leasee and leasor and payment made directly between the parties.
- 9) Upon receipt of a QPA from the Board office, a grower will have twenty-eight days to complete the prescribed form and return it to the Board Office. Updated QPA's will be issued to each party to reflect the changes.

**Schedule 8**  
(Part 49)  
(Section 49.20)

**Specialty Market Advisory Committee (SMAC)**

- 1) The Board has constituted a committee of the Board that will be known as the Specialty Market Advisory Committee (SMAC).
- 2) The committee will consist of:
  - a. 3 specialty growers
  - b. 3 specialty processors
  - c. A BCCMB board member
  - d. A Chair

The composition of the Committee shall remain fixed for one year after its implementation. After that time the Board may review and change the composition of the committee to include:

- e. other members as deemed appropriate by the SMAC.
- 3) The Board will appoint a Chair for the committee. However the Board will accept a consensus recommendation from the committee to appoint one of the members of the committee as chair who may not be the BCCMB Board member. If the members appoint a chair from within another representative will be appointed.
- 4) The purpose of SMAC is to provide advice to the Board on matters related to the specialty sector and provide a forum whereby the specialty sector can discuss areas of mutual interest and concern.
- 5) The SMAC is charged with discussing and advising the Board on the minimum specialty live prices.
- 6) The criteria for designating new specialty classes of quota should be reviewed by the SMAC, and any changes considered appropriate should be recommended by the Committee to the Board for its consideration.
- 7) The SMAC is to recommend to the Board procedures to achieve third party certification for Asian chicken where a certification protocol is not currently available.

**Schedule 9**  
(Part 49)  
(Section 49.21)

**Methodology and Formula for funding Part 49 New Entrant Programs for Growers**

- 1) In January of each year the Board will calculate the prior 3 years quota transfers in kilograms to establish an average. It is understood that quota amounts referred to are eligible to be grown 6.5 times per year, or in the case of SQ, on an adjusted cycle basis as approved by the Board.
- 2) The calculation will include all quota only transfers and farm/quota transfers, and will apply to all classes of quota.
- 3) Five percent (5%) of the number referred to in point 1 above, will be set aside for the new entrant grower programs. This pool (less the amount of quota retracted under Section 35.9) will be used for mainstream new entrant growers and Board recognized specialty new entrant growers. In no case will the pool for allocation to new entrant growers exceed 5% of the 3 year average established in Section 1 of this Schedule.
- 4) The allotments given to new entrant growers under this program will be funded from the general allocation to growers, and will occur yearly regardless of the level of industry growth, quota transfers, or the quota retracted under Section 35.9. The Board will provide for a minimum number of new entrants per year of one (1) provided all requirements are met under Part 49.
- 5) Distribution to qualifying new entrant growers will be in maximum lots of 7,716 kg live weight per period or 50,154 kg per year.
- 6) The split between specialty and mainstream new entrant growers will be adjusted periodically according to market demand as assessed by the Board.

**Schedule 10**  
(Part 49)  
(Section 49.2)

**Eligibility Requirements for Applicants under the New Entrant Program for Growers**

- 1) A notarized affidavit confirming that the applicant has no current or previous supply managed (chicken, table eggs, dairy, broiler hatching eggs or turkey) quota ownership in BC or any other province in Canada is required.
- 2) Applicants will be required to produce proof of the minimum age requirement of 19 years, and residency in BC.
- 3) Proof of land ownership.
- 4) A business plan including processor signature that is acceptable to the Board. A copy of a document to assist applicants in preparing a business plan for submission to the Board is available at the BCCMB website at [www.bcchicken.ca](http://www.bcchicken.ca).
- 5) The application must be accompanied by a non refundable \$100 cheque.
- 6) One entry per region maximum.
- 7) An applicant must show a commitment to be involved in the day-to-day operations of the farm.

**Schedule 11**  
(Part 49)  
(Section 49.2)

**Waiting Lists to Receive Specialty Quota or Mainstream Quota under the New Entrant Program for Growers**

- 1) There will be 1 list for each geographic region of the Province, defined as the Lower Mainland, the Interior and Vancouver Island.
- 2) The one list will be for allocation to grow either specialty chicken or mainstream chicken per geographic region as required by the Board.
- 3) The lists will be maintained by the BCCMB and published on the BCCMB website.
- 4) Each list will not contain more than 15 names.
- 5) When the list on the BCCMB website has been drawn down to two names, the Board will advertise vacancies on the BCCMB website and applicable farm publications.
- 6) The advertisement will contain specifics of the program and a deadline for application. When the deadline has passed, the external auditor will conduct a random draw for the applicable list(s), announcing the order of placement on the list of potential applicants. All applicants will be advised as to whether or not their names have been drawn. No names will be taken or kept in advance of the advertisement for accepting applications.
- 7) Persons on the list(s) must keep the BCCMB advised of any change in status or contact information. Persons on the list may not change geographic regions.
- 8) An applicant may request removal from the waiting list at any time.
- 9) An applicant may be on lists in more than one region, but can only receive one quota. To be on multiple lists, applicants must submit separate applications and applicable fees.
- 10) The Board recognizes that there may be different market demand requirements between mainstream and specialty chicken production and as such the Board reserves the right to consider the needs of regional requirements.
- 11) Specialty quota or mainstream quota available for distribution under this program not successfully taken up in a given year will not be carried forward to the next year except for those applications in progress and awaiting Board approval.

**Schedule 12**  
(Part 49)  
(Section 49.2)

**Procedure For Successful Applicants on Waiting lists to receive Specialty Quota or Mainstream Quota under the New Entrant Program for Growers**

- 1) Upon notification by Board staff of available specialty quota or mainstream quota, the applicant has 60 days to submit an updated business plan on the prescribed form to the Board. The prescribed form for submission to the Board is available at the BCCMB website at [www.bcchicken.ca](http://www.bcchicken.ca). The applicant will also be required to sign an undertaking to be actively engaged in the management and daily operation of the farm business. The applicant may be contacted and asked to appear before the Board or a committee of the Board for a personal interview.
- 2) Upon notification of acceptance of the business plan and application, the applicant will have a further 30 days to provide a \$5000 deposit that will be held in a non-interest bearing account by the BCCMB.
- 3) The \$5000 deposit will be refundable upon proof of land ownership, completion of facilities and first chick placement. Without express written permission from the Board, this timeframe may not exceed a 12-month period from the date the deposit was received by the Board. Failure to complete within the allotted timeframe will result in forfeiture of the \$5000 deposit and cancellation of the application.
- 4) The Board will retain the right to monitor progress and may require the applicant to appear before the Board if there is concern by the Board respecting lack of progress.
- 5) Facilities for the production of the regulated product under this quota must be approved by the Board Inspection staff including OFFSAP and the BC Bio-Security Program compliance where applicable, prior to first egg set.

**Schedule 13**  
(Part 4) (Section 4.10)  
(Part 22) (Section 22.8)

**Penalties for Production Outside of Quota Class**

- 1) When a grower has prior permission of the Board to market product outside of its class the Board will determine the penalty and costs as found in Part 52 Failure to Comply. In the case of annualized production, each year will count as 6.5 (8-week) cycles.
- 2) When a grower does not have prior permission of the Board to market product outside of its class or in the case of unauthorized production of the regulated product, the following penalty schedule shall apply. This schedule may be subject to amendment by the Board from time to time.

First offence	Out of market levies at a rate of 44 cents per kilogram of all chicken produced.
Second offence	Out of market levies at a rate of 66 cents per kilogram of all chicken produced.
Third offence	Seizure of flock and revocation of quota.

- 3) In addition to the provisions of Sections 1 and 2 of this Schedule, Part 26 Undermarketing, and Part 27 Overmarketing and Overplacement will apply to this Schedule.

**Schedule 14**  
(Part 55)  
(Section 55.1)

**Form A**

**Application for Board Decision or Determination**

*Board-assigned number:* \_\_\_\_\_

1. The date of this application: \_\_\_\_\_
  
2. Name of person requesting a Board decision or determination (the “Decision”) (If you are requesting the Decision on behalf of a company [e.g. your farm], please put the company name here):

---

---

3. Name of person filling out this Application

---

---

4. What Decision do you want from the Board?

---

---

---

---

5. Why do you say the Board should make the Decision you have applied for?  
(use additional pages if necessary)

---

---

---

---

---

---

---

---

---

---

6. Is there anything else you want the Board to know about your Application? (use additional pages if necessary)

---

---

---

---

---

---

---

---

7. Do you want to appear in person before the Board to make oral submissions before the Board makes its decision on your application?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

**Schedule 15**  
(Part 55)  
(Section 55.4)

**Board Decision or Determination**

Form B

*attach applicable Forms A, if available*

1. Date(s) of this decision: \_\_\_\_\_

2. Members of Board present for decision:

---

---

---

3. What sources of information did the Board consider in coming to its decision?

\_\_\_\_\_ Form A - Application for Decision or Determination

\_\_\_\_\_ Board Staff's Briefing Note

\_\_\_\_\_ Applicant's oral submissions

\_\_\_\_\_ Board's Orders (give reference numbers, if applicable):

---

---

---

---

\_\_\_\_\_ Other (explain):

---

---

---

---

4. What is the Board's decision?

---

---

---

5. Why did the Board come to this decision?

---

---

---

---

---

---

---

## Schedule 16

### APPEAL PROCESS

#### **FILING A REGULATED MARKETING APPEAL WITH THE BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD**

A person aggrieved or dissatisfied with an order, decision or determination of the following commodity marketing boards and commissions may appeal to the British Columbia Farm Industry Review Board:

British Columbia Broiler Hatching Egg Commission  
British Columbia Chicken Marketing Board  
British Columbia Cranberry Marketing Commission  
British Columbia Egg Marketing Board  
British Columbia Hog Marketing Commission  
British Columbia Milk Marketing Board  
British Columbia Turkey Marketing Board  
British Columbia Vegetable Marketing Commission

#### **What is the British Columbia Farm Industry Review Board?**

The British Columbia Farm Industry Review Board (BCFIRB) is an administrative tribunal that has statutory responsibility for exercising regulatory and adjudicative functions independent of government in its general supervision of BC regulated marketing boards and commissions and in hearing regulated marketing appeals and farm practices complaints.

Originally known as the British Columbia Marketing Board (“BCMB”), BCFIRB was created in 1934 under the NPMA to supervise the commodity boards. Over the years, the role has been expanded and its authority redefined to address changes in the regulated marketing sector.

BCFIRB is composed of up to ten members appointed by Lieutenant Governor-in-Council (LGIC). There are presently six part-time appointees, with experience in production, marketing, law and education related to agricultural issues.

#### **How long do I have to appeal?**

BCFIRB must receive your written notice of appeal not more than thirty **(30) days** after the order, decision or determination of the commodity board or commission is made. BCFIRB may extend this deadline, but only in what it considers special circumstances.

### **Do I need legal counsel?**

Only if you want or think you need it. It is your decision to make, and you will be responsible for paying your own lawyer.

### **Where do I send the appeal?**

Either by **mail, courier, fax or email** as follows:

**Mail:**

Attention: Executive Director  
British Columbia Farm Industry Review Board  
PO Box 9129 Stn Prov Govt  
Victoria BC V8W 9B5

**Courier:**

Attention: Executive Director  
British Columbia Farm Industry Review Board  
780 Blanshard Street  
Victoria BC V8W 2H1

**Email:**  
[firb@gov.bc.ca](mailto:firb@gov.bc.ca)

**Fax:**  
250-356-5131

### **What should be included in the notice of appeal?**

The notice of appeal must be accompanied by a non-refundable \$100.00 filing fee. Cheque or money orders should be made out to the "Minister of Finance".

The notice of appeal must include the following:

- be in writing and signed
- identify the decision being appealed
- state why the decision should be changed
- state the outcome requested from BCFIRB
- include your name, address, telephone number, email (or the contact information of the person handling appeal for you)
- include an address for delivery of any notices related to the appeal

## **What happens when the British Columbia Farm Industry Review Board receives the appeal?**

BCFIRB will send you a letter acknowledging the receipt of your appeal. This letter will also contain information which explains the appeal process in greater detail. At the same time, BCFIRB will notify the commodity board or commission concerned that an appeal has been filed and instruct them of their responsibilities as outlined in the *Rules of Practice and Procedure*. BCFIRB will also ensure that the commodity board or commission has received a copy of your notice of appeal.

BCFIRB will issue notice to the parties requiring them to attend a pre-hearing conference call. The purpose of the pre-hearing conference will be to clarify the issue on appeal and determine the position of each party as well as the remedies sought by the appellant. The pre-hearing conference call will also be used to confirm hearing dates and directions for the appeal hearing.

BCFIRB encourages parties to consider ADR alternatives to facilitate settlements of the matter under appeal and will assist the parties in establishing an ADR process. Parties can apply to BCFIRB requesting ADR. Discussions about possible ADR alternatives will also be an agenda item for the pre-hearing conference.

The hearing of your appeal will normally be held not more than 60 days after BCFIRB first receives your notice of appeal; however, these timelines will be dependent upon the circumstances of all the parties to the appeal.

## **What is the most important thing for me to remember?**

BCFIRB must receive your written notice of appeal within **30 days** of an order, decision or determination of the commodity board or commission. Failure to meet this deadline may result in BCFIRB not hearing your appeal.

## **How can I get more information?**

For further information please refer to the *Rules of Practice and Procedures*. Section 8 of the *Natural Products Marketing (BC) Act*, and the *Administrative Tribunals Act* further describe the appeal process and are available on BCFIRB's website at: [www.firb.gov.bc.ca](http://www.firb.gov.bc.ca). The standing orders of the commodity board or commission involved may also contain information.

Should you have any further questions please feel free to contact BCFIRB:

Phone: 250 356-8945  
Fax: 250 356-5131  
Email: [firb@gov.bc.ca](mailto:firb@gov.bc.ca)

Updated August/ 2010

**Schedule 17**  
(Part 32)  
(Section 32.1)

**Mandatory BC Bio-Security Program Standards**

**1) Farm Access Standards:**

- a. A secure barrier that restricts vehicle entry must be present at all primary and secondary accesses to the controlled access zone;
- b. Approved bio-security signage must be clearly displayed at all primary and secondary accesses;
- c. All primary accesses to the controlled access zone must be constructed of hard surface or gravel that prevents any accumulation of pooled water;
- d. All primary accesses to the controlled access zone must have an approved cleaning and decontamination site for vehicles and personnel;
- e. The controlled access zone must be maintained clean and free of organic debris at all times.

**2) Barn Access Standards:**

- a. All poultry barn entrances shall remain locked at all times that the barn is unoccupied by farm personnel;
- b. Approved restricted access signs shall be posted at all barn entrances;
- c. All poultry barns must have an ante room at all primary entrances that allow personnel to comply with the farm bio-security procedures during entry and exit;
- d. Barn entryways and ante rooms must be maintained clean and free of debris at all times.

**3) Flock Health Management Standards:**

- a. Individual flock health records must be maintained;
- b. Poultry mortalities must be handled and disposed of in an approved manner.

#### **4) Farm Management Standards:**

- a. An effective pest control program must be in place;
- b. A management program that prevents the contamination of feed and water sources must be in place;
- c. All equipment and materials related to the production of poultry that enter or leave the controlled access zone, regardless of size or use, must be clean and decontaminated;
- d. All farms must have a documented manure management strategy;
- e. On-farm bio-security training is required for all growers and farm employees;
- f. Standard operating procedures (SOP) for on-farm bio-security must be available;
- g. An activity logbook for the premises that records visitors and daily on-farm activities relevant to the bio-security standards operating procedures must be maintained;
- h. No unlicensed avian species or porcine species may be kept within a controlled access zone or a restricted access zone where licensed production is occurring.

#### **5) Definitions:**

For purposes of this schedule and of these standards, the following definitions apply to augment the definitions found at Part 1 of these General Orders;

**“ante room”** means a service area or room that immediately precedes the poultry production area and provides a clean, dry transition area from the outside environment into the bird housing section of the barn;

**“approved”** means as approved by the BC Chicken Marketing Board (BCCMB) and Farm Industry Review Board (FIRB);

**“barn”** means any structure that encloses poultry flocks including free range pens;

**“barn entrance”** means an opening into the production area that provides personnel with access to the interior of a barn but that is not normally used by personnel to enter the barn;

**“clean”** means free of any visible accumulation of organic matter and debris that might contaminate the controlled access zone;

**“cleaning and decontamination site”** means a facility just inside a primary access that provides for the cleaning, decontamination and possible disinfection of equipment and personnel that is constructed to withstand repeated use and provides for appropriate containment and management of waste water and disinfectants as required;

**“controlled access zone”** means the area of land and buildings constituting the premises that is accessed through a secure primary access;

**“foreign animal disease”** means a disease that is not normally found in Canada and must be reported to the Canadian Food Inspection Agency (CFIA);

**“hard surface”** means a durable concrete or asphalt surface constructed to maintain a grade that allows for the rapid draining of water;

**“lock”** means a secure fastening device that requires a key, code or key fob to open;

**“organic matter”** means visible debris that is capable of disease organism transmission including, but not limited to, manure, egg white, egg yolk, egg shells, feathers, and soil;

**“poultry”** means chicken as defined in these General Orders;

**“premises”** means a poultry farm that is under the ownership or management of the grower and that is a discreet operational unit with a contiguous property boundary;

**“primary access”** means the main entrance to the premises farm operation that regulates the entry of vehicular traffic, farm personnel and visitors into the controlled access zone;

**“primary barn entrance”** means the point of entry to a barn that would normally be utilized for day-to-day barn access;

**“reportable disease”** means a disease that must be immediately reported to the Canadian Food Inspection Agency (CFIA). These diseases in poultry are Notifiable Avian Influenza, Exotic Newcastle Disease, Pullorum Disease, and Fowl Typhoid. These diseases are referred to as “foreign animal diseases”;

**“residence”** means a dwelling or house that provides living quarters;

**“restricted access zone”** means the interior area of all structures on the premises that are intended to house poultry, regardless of whether or not they are populated;

**“secondary access”** means a farm entrance designed and utilized only for emergencies;

**“secure barrier”** means an obstruction such as a chain, gate or equivalent located at all primary and secondary accesses that delineates a controlled access zone and constrains the passage of vehicles and deters unauthorized foot traffic;

**“treatment”** means any product or procedure to remedy or prevent a disease;

**“visitor”** includes any person that enters the controlled access zone excepting regular farm employees and those persons that are only traveling directly to and from a farm residence.

**Schedule 18**  
(Part 32)  
(Section 32.5)

**Failure to Comply with Mandatory BC Bio-Security Standards**

- 1) Mandatory Bio-Security Standards have come into force March 17, 2007.
- 2) BC Mandatory Bio-Security Standards must be initiated on the farm at the time a grower commences to grow chicken. Each grower must be certified every year.
- 3) Where a quota holder fails, refuses or neglects to comply with the requirements of the mandatory bio-security program, the quota holder's licence may be suspended until such time as they are deemed to be in compliance and certification is reinstated. The Board, in its sole discretion, may cancel a grower's licence or may take any other reasonable measures for the grower's failure to achieve BC Mandatory Bio-Security Standards compliance by the effective date or for failure to maintain BC Mandatory Bio-Security Standards compliance.
- 4) Every grower who refuses or fails to comply with Mandatory BC Bio-Security Program standards will be advised in writing by the Board staff identifying what was expected and provided with a date to correct the identified deficiency. This initial notification will be known as the letter of non-compliance, and may be issued as a corrective action request following an on-farm visit or otherwise.
- 5) If the deficiency has not been satisfactorily corrected by the date identified in (3) or (4), the grower will be ordered to appear before the Board. After giving the grower an opportunity to be heard, the Board will make a determination after considering all the facts of the case as presented. The grower may be required to show cause as to why the licence should not be cancelled, reduced or suspended by the Board. Suspension of licence will result in cancellation of any future allotments until such time as the licence has been reinstated.
- 6) A provisional licence may be issued by the Board to allow the grower to grow out any birds currently in the barns. This provisional licence will end on the first day following the grower's next scheduled shipping date. Any costs associated with the provisional licence may be charged back to the grower.
- 7) All further allocations are suspended including any scheduled egg sets until compliance is achieved. Allocation not eligible to be grown due to a suspended licence may be leased by the Board to other growers with 100% of the associated lease payments being retained by the Board.

- 8) The Board may reinstate the grower's licence upon notification and confirmation from BCCMB staff that the quota holder has corrected the identified deficiencies and is now meeting all standards of the Bio-Security program. Production may resume in the next unallocated period as determined by the Board.
- 9) If the suspension of licence continues by reason of failure to comply with the corrective actions for the equivalent of one year, the Board may forthwith cancel the licence and quota of the grower.

## **Schedule 19 Pricing Model**

(Part 13)  
(Section 13.8)  
(Schedule 3)

- 1) Effective with quota period A-101 the Board set a live price for mainstream chicken in accordance with the formula for price setting directed by FIRB.
- 2) Where consensus has been reached on pricing by the PPAC, the Board will embody that consensus as a pricing order, unless the Grower Committee or the Processor Committee raises exceptional circumstances in accordance with Section 7 of Schedule 2.
- 3) The formula for determining the minimum live price is based on a weighted average (average allocation and weighted current price) of Ontario and Prairie Provinces (Alberta, Saskatchewan and Manitoba) plus a fixed differential.
  - a. The weighting for Ontario, Alberta, Saskatchewan and Manitoba will be based on the established and published CFC initial base allocation set in each 6 period block (1 year);
  - b. The 6 period average for each province will be applied to their respective minimum live price in the current period to determine a weighted average live price base for BC;
  - c. To determine the final minimum live price in the current period for BC, the weighted average live price base for BC from 3(b) will have a differential of 4.35 cents per kilogram live weight added.
- 4) The Board may vary the formula described in 3 above when it makes a finding of exceptional circumstances in accordance with Schedule 2(7) of these orders.