

INTERESTED IN AN OPPORTUNITY TO GROW CHICKEN?

To meet the needs of regional processors under assurance of supply, the British Columbia Chicken Marketing Board (BCCMB) with the assistance of the Council of Marketing Boards (COMB) will be conducting a random draw for applicants to form waiting list(s) for the Interior and Lower Mainland Regions of BC. 15 applicants will be drawn from each region.

Drawn applicants will be placed on the applicable waiting list in the order drawn. Upon successfully meeting all eligibility requirements, drawn applicants will solidify their position on the waiting list. Applicants on the waiting lists may be issued quota in any amount not to exceed 7,716 kilograms live weight per 8 week cycle at the discretion of the Board.

An applicant and their spouse/partner will be considered as **one** applicant. The maximum entry is **ONE** for each region. If you wish to apply for more than one region, please submit one application and fee for each region. Each applicant may only receive New Entrant Quota **once** and this quota may be **either mainstream or specialty** as required by the Board. The entire New Entrant Program for Growers rules and application forms are attached.

All applications must be fully completed and received by the COMB along with the non-refundable \$100.00 application fee no later than 4:00 PST on March 23, 2012. Any application received after this time will be ineligible for the draw. An application not accompanied by a valid cheque will be considered to be incomplete and therefore ineligible for the draw.

On March 27, 2012 COMB will conduct a random draw from the fully completed applications and select 15 applicants for the Lower Mainland and Interior regions. All applicants shall be notified by COMB forthwith after the random draw, at the address of the applicant shown on the application form.

Each applicant drawn will receive a complete copy of the August 26, 2011 General Orders and must submit to the Board, within 60 days of the date of the mailing notification by COMB, proof satisfactory to the Board that they meet the eligibility requirements listed below, and in the August 26, 2011 General Orders at Part 49, and Schedules 9, 10, 11 and 12 (see attached).

Eligibility Requirements:

- 1) Have never held SM5 (chicken, table eggs, broiler hatching eggs, turkey or dairy) quota in BC or any other province in Canada.
- 2) Be at least 19 years of age.
- 3) BC a BC resident.
- 4) Own the land on which the quota will be grown.
- 5) Be committed to be involved in the day-to-day business of the chicken farming operation.

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 49th Parallel of latitude and the 121st meridian of longitude, north to the 50th parallel of latitude, west to the 123rd meridian of longitude and north to the 51st 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 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 nd 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 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.

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.
- 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. 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.