



British Columbia Chicken Marketing Board Update for April 2011.

1. Allocation A-105:

The total national allocation (including MD) for period **A-105** (June 19 to August 13, 2011) was set by the CFC Board of directors on March 23, 2011 at **220,404,184 kilograms live weight**. This represents **1.20% above** the adjusted base for the period. **MD** represents **5.76%** of the national domestic allocation.

BC's share of the allocation is:

Domestic	30,472,715 kilograms live weight.
Market Development	2,785,000 kilograms live weight.
Total	33,257,715 kilograms live weight.

MD represents **9.14%** of BC's domestic allocation for the period. Allotments to BC growers for period A-105 will be **98.45%** domestic pro-rata.

Assurance of supply leases to growers to fulfill the requirements of regional processors for period A-105 are **256,420 kilograms live weight** or **0.77%** of the total allocation.

2. Chicken Farmers of Canada Board Elections.

On March 22, 2011 the CFC board of directors held their annual internal elections for executive and committee positions. Mr. David Fuller returns as CFC Chair for 2011. Of particular interest to BC:

- **Mr. David Janzen** was re-elected to the Executive Committee and will serve as the First Vice Chair for the next year.
- **Mr. Rick Thiessen** was re-elected as chair of the CFC Policy Committee and was elected as CFC's rep to the National Farm Animal Health Council for the next year.

3. Industry News: Condemnation Reports. (With thanks to CFC)

Effective April 1, 2011, farmers will notice a change in the documentation they receive regarding condemnations for each lot of birds that has been processed. Currently, farmers receive one document, which details the number and reasons for condemnations as well as the CFIA veterinarian signature.

Starting in April, farmers will receive these pieces of information on two separate documents. One document will detail the reasons for condemnations and the other will include the CFIA veterinarian attestation about the process controls at the processing plant.

4. Premiums above the posted minimum live prices.

The BCCMB is aware that some of the members of the Primary Poultry Processors Association of BC (PPPABC) have offered monetary incentives to growers that are willing to commit to long term (2 year) contracts. The Board is also aware that the BC Chicken Growers Association (BCCGA) has issued a letter to growers endorsing the PPPABC's offer. Negotiations that lead to the agreement between the PPPABC and the BCCGA were conducted with no notice to, or any consultation with the Board or the Price and Production Advisory Committee (PPAC) of the Board.

While the Board recognizes that many growers are satisfied with the agreement between the BCCGA and the PPPABC, the Board is acutely aware of the implications of the agreement to the growers who supply processors processing below 2% of market share covered by Part 7 of the General Orders (Assurance of Supply), who were not party to the agreement. The BCCMB is obligated under Part 7 *Assurance of Supply to Processors* of the January 23, 2006 General Orders, to ensure that any processor below 2% of the domestic allocation receives its traditional market share of the domestic allocation. The Board must replace any allocation lost to that plant as a result of grower movement.

The Board is also concerned that the BCCGA has endorsed a program that benefits a certain group of BC chicken growers and excludes others.

The Board is currently evaluating the implications of the agreement from a broad industry perspective. Should you have any comments or wish to discuss this letter, please do not hesitate to contact Daphne Stancil at info@bcchicken.ca or Bill Vanderspek at the Board office or by email at billvanderspek@bcchicken.ca.

5. Interior Board meeting.

The Board will be available to meet with individual growers and stakeholders between 10:00 a.m. and 4:00 p.m. during their scheduled Board meeting scheduled for **Tuesday April 19, 2011.**

Location: **Prestige Hotel and Convention Center, Vernon.**
4411 – 32nd Street, Vernon B.C.

Meeting Room: Check with the front desk re: meeting room location to confirm meeting room remains in the Executive Suite, room # 113.

Please contact Aarti Devi or Christine Rickson at the Board Office 604-859-2868 to book an appointment.

6. BCCMB Annual Financial Report

The Board will present its annual report at a special meeting hosted by the BCCMB to be held

**Thursday MAY 5, 2011 at the BCCMB Offices 32450 Simon Avenue, Abbotsford from
7:00 – 10:00 p.m. In the Atrium**

Draft meeting agenda:

1. Mr. Eben Louw of Meyers, Norris, Penny LLP will present the BCCMB 2010 financial statements and be available for questions.
2. Mr. Bill Vanderspek, BCCMB General Manager will present the BCCMB operating budget for 2011.
3. Ms. Daphne Stancil to present the Chair's Report from the 2010 Annual Report
4. Dr. Bill Cox will give a talk on "bacteria 101" including anti microbial use and resistance.
5. Mr. Harvey Sasaki will provide an update from the Risk Mitigation Steering Committee (RMSC) with regard to AI Insurance options and progress.
6. Mr. Bob Burden of Serecon Consulting Ltd will present an overview of the 2010/2011 price linkage update and sampling methodology.

Your copy of the 2010 BCCMB Annual Report will arrive in the mail in the next couple of weeks. Please bring it with you to the meeting.

Please mark this date on your calendar and plan to attend.

7. Grain-Fed Production Claim

The following memo was sent to provincial chicken boards on March 9, 2011 by Mr. Steve Leech, National Programs Director, Chicken Farmers of Canada and is reprinted with his permission.

In the past few weeks, CFC has received several calls from farmers concerned about requirements around the "grain-fed" production claim, and the fact that they were being asked by their processors to sign an attestation indicating that their flocks were fed feed with a certain percentage of grain. These farmers were concerned because they are not manufacturers of feed, nor would they necessarily be aware of changes in feed formulation that would affect the validity of their attestation.

I'm sending this email to all provincial boards as you may hear from more farmers in the same situation.

I have communicated these concerns with Dr. Mark Bielby of the Label Registration Division at CFIA Ottawa. Dr. Bielby indicated that a signed attestation from farmers is not needed to make this label production claim.

He agreed that a report/attestation from feed mills would be acceptable and even more desirable. At the end of the day, there needs to be proof from an objective validation that the product being labeled as grain fed does indeed meet the requirements, but this does not necessitate farmer attestations, as farmer attestations alone would not meet the requirements to prove that the feed formulation met the grain fed requirements.

For future inquiries on this issue, I would recommend that reports/attestations be obtained from feed mills and that, at most, farmers would only need to indicate from which feed mill they were sourcing their feed.

A follow up email was sent by Steve Leech on March 29, 2011 to further clarify the issue:

After my last email to you on March 9th, there has been quite a few questions come forward on what exact wording and attestation is required from producers.

To clear up this matter I contacted Dr. Bielby via email to obtain a written response from CFIA.

Farmers would not need to sign off on statements that are out of their control (i.e. they would not need to attest that the feed was x% grain) but would rather only need to indicate from which feed mill they purchased their feed and if they had made any alterations to it at the farm level (i.e. added wheat or something of that nature). This attestation, in combination with the attestation from the feed mill, would be sufficient for the auditor.

8. 2010 Operating Surplus

At its Annual General Meeting held on April 5, 2011 the BCCMB adopted its 2010 financial statements and has declared an operating surplus in the amount of **\$500,892.00**. These funds will be distributed to growers pro-rata to their shipments during the period of January 1 to December 31, 2010. In order to qualify for a portion of the surplus distribution, a grower must be in good standing with the Board as of May 15, 2011. Letters will be sent to all growers in the next week that will provide additional information.

9. Allocation Setting Dates:

Future allocation dates will be published in monthly Board updates so that growers can be aware when the next unallocated period is being set. The dates will assist growers in determining when to give notice to change processors, or to have discussions with processors prior to allocation setting with respect to Market Development allotments.

The last available day to give notice of changing processor and to return the completed BC A-99 form to the BCCMB offices is the day **BEFORE** the CFC sets the allocation. Example: If you wished to change processors for period A-107, the last day that you could provide notice is July 11, 2011.

<u>Period</u>	<u>CFC Sets Allocation</u>
A-106 (August 14 – October 8, 2011)	May 11, 2011
A-107 (October 9 – December 3, 2011)	July 12, 2011
A-108 (December 4, 2011 – January 28, 2012)	September 7, 2011
A-109 (January 29 – March 24, 2012)	November 9, 2011
A-110 (March 25 – May 19, 2012)	December 14, 2011

10. Farmers Applaud New Changes to Compensation Paid for Animals Ordered Destroyed

March 24, 2011 (OTTAWA) — Chicken Farmers of Canada, Turkey Farmers of Canada, Egg Farmers of Canada and the Canadian Hatching Egg Producers together applaud new updates to the schedule of maximum amounts payable for compensation to owners of birds ordered destroyed for disease control purposes, announced yesterday by Agriculture Minister Gerry Ritz at a reception organized by the poultry groups.

The newly enhanced compensation program will help lessen the economic and social impact on poultry farmers in the event their flocks must be destroyed and represents the culmination of extensive consultation between industry stakeholders and government.

“Canadian poultry farmers appreciate the work the government has completed in support of their interests and livelihoods,” says Peter Clarke, Chair of Egg Farmers of Canada. “The new compensation figures better reflect the different market values of an egg-laying hen, a breeder bird and a meat bird.”

Adequate compensation is considered a critical component in both effective disease surveillance and pre-emptive cull programs; the ultimate goal is to contain a disease before it spreads and save all partners – governments, the public and industry – the cost of managing a full disease outbreak.

“Poultry farmers and processors have shared in the responsibility and cost of risk prevention through on-farm food safety programs, bio security initiatives and the development and implementation of the pre-emptive cull protocol in the unlikely event that there is a suspicion of avian influenza,” says Turkey Farmers of Canada Chair, Mark Davies. “Compensation values that reflect the true market value of a bird are a logical next step in this process.”

The Canadian Food Inspection Agency provides compensation to owners of animals ordered destroyed under the authority of the Health of Animals Act. The newly revised maximum compensation amounts are effective immediately and will be published in Canada Gazette II on March 30, 2011.

For more information please contact:

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Manager of Communications
Chicken Farmers of Canada
lbishop@chicken.ca
(613) 566-5911

11. Current market conditions. (With thanks to CFC Chicken Fax)

- In the first two months of 2011, **193.72 Mkg** of fresh chicken was available for the Canadian market, **3.8% more** than in 2010.
- Production up to February 28, 2011 was **165.8 Mkg 0.6% or 1.1 Mkg higher** than the same period in 2010.
- Year to date imports for 2011 have reached **27.8 Mkg, 27.1% or 5.9 Mkg higher** than during the same period last year.
- Fresh supplies consist of total imports added to domestic production. Fresh supplies in January and February were **3.8% and 3.7% higher**, respectively, than in the corresponding months of 2010.
- Frozen chicken inventories on March 1, 2011 were **35.3 Mkg, 1.7 Mkg higher** than the previous month and **0.2 Mkg lower** than on March 1, 2010.
- Production in January and February of 2011 was **0.7 Mkg and 0.4 Mkg higher**, respectively, compared to the same months in the previous year.
- Imports (as reported by AAFC) were **15.1 Mkg** in January and **12.7 Mkg in February, 3.1 Mkg and 2.8 Mkg higher** respectively, to the same months of the previous year.
- Producer prices in period **A-103 are 5.9 cents higher** than those of period A-102 in most provinces. On average, the Canadian live price in **A-103 is 12.0 cents higher** than in the corresponding weeks of the previous year.
- The live price for period A-104 has been set in Ontario at \$1.576 which represents an increase of 4.5 cents per kilogram from the previous period.

○ **Canadian Wholesale Chicken Prices. (cents/kg)**

Product	Mar 11	Mar 10	Change
Market composite	326.2	324.6	0.05%
Whole bird complex	329.0	324.1	1.50%
Breast complex	471.1	471.3	-0.10%
Wing complex	450.9	485.7	-7.20%
Leg complex	278.2	261.2	6.50%

12. ILT Update:

The most recent case of ILT was reported in a flock of 13 day old broiler chickens on February 7, 2011 in the east Abbotsford area. There have been no reports of infected flocks since that date.

13. Appeals update.

At this time there are no scheduled appeals or outstanding appeals awaiting decision by BCFIRB. Recent appeal decisions can be accessed on our website at www.bcchicken.ca

14. Animal Care Program update.

As of April 4, 2011 we have **217** of **348** or **62%** of BC chicken farms certified under the CFC Animal Care Program.

Regional breakdown:

Interior region: **27** of **42** farms **(64%)** certified.
 Vancouver Island region: **6** of **16** farms **(38%)** certified.
 Lower Mainland region: **179** of **290** farms **(62%)** certified.

The British Columbia Chicken Marketing Board monthly update is published by BCCMB staff and forwarded by e-mail and fax to all growers and a number of industry stakeholders on our contact list. Should you have any questions or suggestions regarding the content of any monthly update, please contact me directly at:

Phone 604-859-2868 or E-mail to billvanderspek@bcchicken.ca

Bill Vanderspek
 General Manager
 British Columbia Chicken Marketing Board

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