



BRITISH COLUMBIA CHICKEN MARKETING BOARD UPDATE FOR October 2011

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1. Live price for period A-107.

Mainstream:

The live price for period A-107 (marketing's from October 9 to December 3, 2011 inclusive) has been set by the Board at **\$1.7450**. This represents a **decrease of \$0.0013** from the previous period.

As was the case in period A-106, the Board exercised its discretion to not include a special service charge of \$0.001 per kilogram live weight that is in effect in Ontario from A-106 to A-117 inclusive. The special service charge is payable by Ontario processors as their contribution to the cost of the Ontario Industry Strategic Plan for 2013. The Board excluded the Ontario service fee from the Ontario posted live price for the purposes of the calculations contained in the BC pricing formula.

Linkage:

The price linkage calculations done by Serecon for period **A-107** reflect the live chicken price of **\$1.7450** per kilogram live weight. The calculations indicate that cost recovery parity of **106.38%** and a return on assets (minus quota) of **15.90%** will be achieved at the following prices:



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Live Chicken	\$1.7450 per kg	Down \$0.0013 per kg
Hatching Eggs	\$5.3816 per doz.	Down \$0.0421 per doz.
Day-Old Broiler Chicks	\$0.7299 per chick	Down \$0.0044 per chick

Specialty Chicken:

Taiwanese:

The following prices have been set by the Board for Taiwanese chicken for quota period A-107. The SMAC reviewed an update of chick and feed costs that was provided by Serecon and recommended to the Board that the prices for TC's be adjusted accordingly. These prices will be in effect for periods A-107 and A-108.

- TC's up to **82** days of age: **\$2.7100** per kg: an increase of \$0.073 per kg.
- TC's **83 to 110** days of age: **\$2.9222** per kg: an increase of \$0.076 per kg.
- TC's **over 110** days of age: **\$3.1052** per kg: an increase of \$0.086 per kg.

Organic:

- Certified Organic Chicken: **\$3.430** per kilogram: no change from A-106.

2. ILT update.

On September 27, 2011 tissue samples from 39-day-old broiler chickens were submitted by a veterinarian to the Animal Health Centre with a presenting complaint of rising mortality and gross lesions consistent with a diagnosis of ILT. The affected farm is located in the east Chilliwack area. The flock was slaughtered the same day as the samples were submitted to the lab. BCCMB staff assisted the grower with the implementation of the ILT protocol with respect to manure treatment and transportation routes to the processing plant.

3. Appeals update.

Mr. Ben VanEck has appealed the decision of the Board to refuse to issue him a 2,000 birds/annum permit under Part 51 Permits of the January 23, 2006 General Orders. The hearing was heard on October 7, 2011 at the Super 8 Hotel in Abbotsford, BC. A written decision is expected within the next 60 days.

Recent appeal decisions can be accessed on our website at www.bcchicken.ca

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

- As of August 31, 2011, **805.8 Mkg** of fresh chicken was available for the Canadian market, **2.6% more** than in 2010.
- Year to date production to August 31, 2011 was **694.7 Mkg 1.2% or 8.1 Mkg more** than the same period in 2010.
- Year to date imports for 2011 have reached **111.1 Mkg, 12.9% or 12.7 Mkg higher** than during the same period last year.
- Fresh supplies consist of total imports added to domestic production. Fresh supplies in July and August were **2.2% and 1.2% higher**, respectively, than in the corresponding months of 2010.
- Frozen chicken inventories on September 1, 2011 were **37.3 Mkg, 1.4 Mkg lower** than the previous month and **3.9 Mkg higher** than on September 1, 2010.
- Production in July and August was **0.2 Mkg and 1.0 Mkg higher**, respectively, compared to the same months in the previous year.
- Imports (as reported by AAFC) were **15.0 Mkg** in July and **13.7 Mkg in August, 2.1 Mkg and 0.2 Mkg higher** respectively, to the same months of the previous year.
- Producer prices in period **A-106 are 7.3 cents higher** than those of period A-105 in most provinces. On average, the Canadian live price in **A-106 is 31.0 cents higher** than in the corresponding weeks of the previous year. The Ontario live price for A-107 is \$1.689/kg.

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

Product	Sept 11	Sept 10	Change
Market composite	338.3	338.0	0.10%
Whole bird complex	337.5	326.1	3.50%
Breast complex	506.8	524.0	-3.30%
Wing complex	464.4	479.0	-3.10%
Leg complex	281.9	277.4	-1.60%

5. 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-109, the last day that you could provide notice is November 8, 2011.

<u>Period</u>	<u>CFC Sets Allocation</u>
A-109 (January 29 – March 24, 2012)	November 9, 2011
A-110 (March 25 – May 19, 2012)	December 14, 2011
A-111 (May 20 -- July 14, 2012)	February 1, 2012
A-112 (July 15 – September 8, 2012)	March 21, 2012
A-113 (September 9 – November 3, 2012)	May 30, 2012
A-114 (November 4 – December 29, 2012)	July 24, 2012
A-115 (December 30, 2012 – February 23, 2013)	September 25, 2012
A-116 (February 24 – April 20, 2013)	November 21, 2012

6. Animal Care Program update.

As of September 21, 2011 we have **297** of **348** or **85%** of BC chicken farms certified under the CFC Animal Care Program.

Regional breakdown:

32 of 42 Interior farms certified	76%
253 of 290 Lower Mainland farms certified	87%
12 of 16 Vancouver Island farms certified	75%



The Animal Care Program certification signs have arrived and will be distributed to all farms that have achieved certification in the program in the near future.

7. Provincial Levy rates as of September 2011.

**Provincial Levies (per kg) inclusive of CFC
levy of \$0.044 per kilogram**

BC	\$ 0.0160
AB	\$ 0.0160
MB	\$ 0.0174
ON	\$ 0.0184
QC	\$ 0.0176
NS	\$ 0.0139
NB	\$ 0.0124
PEI	\$ 0.0144
NL	\$ 0.0150
SK	\$ 0.0185

8. Provincial Quota Exemption limits.

British Columbia

- 200 birds per year per family or property for personal consumption.
- Permit for a maximum of 2000 birds per year for small lot growers and self marketers.

Alberta

- 2000 chickens per year – per person exempted.
- 6000 chickens per year per communal group with a communal group production quota.

Saskatchewan

- 999 chickens per year – per unregulated grower.
- 5000 chickens per year per communal group with a communal group.

Manitoba

- 999 chickens per year – per unregulated grower.

Ontario

- 300 chickens per year - a person is required to register with and is permitted by the Board to produce and market no more than 300 chickens on an annual basis

Quebec

- 100 chickens per year – per unregulated grower unless specially authorized to market a greater quantity.

New Brunswick

- 200 chickens per year – per unregulated grower.

Nova Scotia

- 200 chickens per year – per unregulated grower.

Prince Edward Island

- 500 chickens per year – per unregulated grower.

Newfoundland

- 100 chickens per year – per unregulated grower.

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:

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