



BC CHICKEN MARKETING BOARD UPDATE for May 2019

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1. Period A-158 allocation.

The **A-158 (August 4 to September 28, 2019)** total national allocation was set at **274,599,633** kilograms live weight on March 20, 2019 at CFC. This represents 1.5% above the adjusted base for the period. Market Development at **10,316,600** kilograms live weight represents 3.93% of the national domestic allocation. Specialty allocation was requested by three provinces (BC, AB and ON) for a total of **2,186,791** kilograms live weight.

BC's share of the A-158 allocation is:

Domestic	36,351,389	kilograms live weight.
Market Development	2,811,500	kilograms live weight.
Specialty	1,332,034	kilograms live weight.
Total	40,494,923	kilograms live weight.

- MD represents 7.7% compared to BC's domestic allocation for the period.
- Specialty represents 3.66% compared to BC's domestic allocation for the period.
- **Allotments to BC mainstream growers will be at 120.64% pro rata.**
- 1.50% over base yields 1.2% to BC under the current allocation agreement.

2. Allocation Setting Dates.

Future allocation 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 BC99 form to the BCCMB office is the day **BEFORE the BCCMB sets the allocation.**

<u>Period</u>	<u>BCCMB sets Allocation</u>
A-158 (August 4 – September 28, 2019)	May 17, 2019
A-159 (September 29 – November 23, 2019)	June 26, 2019
A-160 (November 24, 2019 – January 18, 2020)	August 23, 2019
A-161 (January 19 – March 14, 2020)	October 1, 2019
A-162 (March 15 – May 9, 2020)	November 29, 2019

The following dates may assist growers in making planning decision respecting the quota expansion and relative deadlines.

<u>Period</u>		<u>BCCMB requires completed documents at office</u>
A-155 (February 17 – April 13, 2019)	Last period to do quota transfers and still be eligible for quota expansion	November 16, 2018
A-164 (July 5 – August 29, 2020)	1 st period growers receive 20% quota expansion (space permitting)	March 27, 2020 *
A-170 (June 6 – July 31, 2021)	Last date to provide registered space for quota expansion. Insufficient space will result in forfeiture of any portion of the growth quota that cannot be accommodated	February 26, 2021 *

* These dates are subject to change.

3. A-156 Pricing April 13 to June 8, 2019)

Mainstream:

The live price in BC for period A-156 (marketing's from April 14 to June 8, 2019 inclusive) have been set by the Board at \$1.6450 per kilogram live weight. This represents a decrease of \$0.006 from the previous period.

Linkage:

The price linkage calculations done by Serecon for period A-156 reflect the live price of \$1.6450 per kilogram live weight. The calculations indicate a cost recovery parity between the two commodities of 92.86% and a return on assets (minus quota) of 1.02% will be achieved at the following prices:

	Price	Change from A-155
Live Chicken	\$1.645/kg	DOWN \$0.006/kg
Hatching Eggs	\$5.5134/dozen	UP \$0.0598/dozen
Day old chicks	\$0.7637/chick	UP \$0.0062/chick

Organic:

The live price for certified organic chicken for period A-156 has been set by the Board at **\$3.58 per kilogram live weight** which represents a decrease from the previous period of 5.0 cents/kg live weight (which was set at \$3.63).

Specialty Chicken:

Silkie:

This is the second period of the two-period pricing block (A-155/A-156) for Silkie chicken. The price for A-156 is set at \$4.14, which represents no change from the previous period.

Taiwanese:

This is the second period of the two-period pricing block (A-155/A-156) for TC chicken.

Category	Age up to (days)	Price per kilogram Live weight	Age Between (days)	Price per kilogram Live weight	Age Over (days)	Price per kilogram Live weight
Loong Kong	68	\$2.77	69 & 93	\$2.71	93	\$2.72
Bradner Special Dual	52	\$2.77	53 & 65	\$2.71	65	\$2.72
Bradner Long cycle	71	\$2.88	72 & 86	\$2.82	86	\$2.83
Shon don or Hong Kong Golden	68	\$2.77	69 & 83	\$2.71	83	\$2.73

4. Appeals Update

K&M Farms denial for Annualization:

K&M Farms, a self-marketer of chicken, has appealed a decision of the Board to deny his **request** for annualized production. The hearing was conducted on Friday June 15th at the Quality Inn in Abbotsford. The decision by FIRB was rendered on May 17, 2019. FIRB has ruled in favour of the grower, who will be permitted annualization of allotment.

PPPABC pricing appeal (A-146 – A-150):

The Primary Poultry Processors of BC (Hallmark, Sunrise, Sofina and Farm Fed) have appealed the BCCMB's method of calculating the live price for periods A-146 through A-150 inclusive. They assert that the mediated agreement reached on September 8, 2017 has been applied incorrectly and that the live price has been set 1.2 cents per kilogram too high for the periods in question.

The Board applied for a summary dismissal which was granted by FIRB on August 27, 2018. The FIRB panel found that no special circumstances exist for extending the time limit for filing an appeal.

PPPABC pricing appeal (A-151 – A-156):

The Primary Poultry Processors Association of BC (Hallmark, Sunrise, Sofina and Farm Fed) have appealed the BCCMB's method of calculating the live price for periods A-151 through A-156 inclusive. They are requesting a stay of the implementation of the decision to the extent necessary to allow the Processors to pay the difference in chicken prices between the 2018 formula and the 2017 pricing formula (excluding the \$0.012 modular loading levy) into trust pending the FIRB's final decision on this appeal. This holdback is calculated at \$0.024 per kilogram for period A-151.

On July 13, 2018 the BCFIRB panel ruled to dismiss the stay of implementation of the partial stay and holdback of the \$0.024 per kilogram stating that the BCCMB's pricing increase was not sufficient to warrant the extraordinary relief sought by the processors.

The relief sought should the processors prevail at appeal is that the price for BC chicken be set in BC (2.021-2.100 kg weight category) based on the Ontario live price (based on 2.15 -2.45 kg weight category) and by adding a fixed differential of 0.0650/kg for a period of 3 years.

The appeal was heard at the same time as the BCCGA pricing appeal; on October 1-5, 2018 and November 1-2, 2018 inclusive in Vancouver BC. The decision of FIRB was for written closing arguments, all of which will be completed by December 19, 2018.

FIRB ruled in favour of the BCCMB on May 16, 2019. The full decision can be found on the BCCMB website.

The Board has been directed to issue a decision regarding a long term pricing formula no later than quota period A-161.

BCCGA pricing appeal (A-151-A-156):

The BC Chicken Growers Association have appealed the BCCMB’s method of calculating the live price for periods A-151 through A-156 inclusive on the basis that does not include the \$0.012 per kilogram modular loading recovery as was the case during the period of the mediated agreement (A-145 through A-150) and only accounts for 75% of the difference in feed costs between BC and Ontario.

The relief sought should the BCCGA prevail at appeal:

1. That the feed cost differential in the formula be amended from 75% to 100% or otherwise return to the original interim decision announced by the Board on June 11, 2018.
2. That the modular loading cost recovery premium of \$0.012 per kilogram be included in the pricing formula. This request for relief was subsequently dropped by the BCCGA.

The appeal was heard in conjunction as the PPPABC pricing appeal. The decision of BVFIRB was for written closing arguments, all of which were completed by December 19, 2018.

FIRB ruled in favour of the BCCMB on May 16, 2019. The full decision can be found on the BCCMB website.

The Board has been directed to issue a decision regarding a long term pricing formula no later than quota period A-161.

5. Catching and Loading Workshop.

BC Eggs and BC Hatching Eggs are hosting this workshop and all chicken growers are invited to attend.

Date: Thursday, June 6, 2019
Time: 9:00 AM to 2:00 PM
Venue: Quality Inn, 36035 North Parallel Rd, Abbotsford

Agenda:

09:45 – 10:00	Welcome and Introductions
10:00 – 11:00	Dr. Penny Lawlis – catching and loading
11:00 - noon	Dr. Jane Pritchard – producer & trades, Provincial obligation
Noon – 1:00	Lunch
1:00 - 2:00	Networking time.

Please RSVP by May 31, 2019 to Naylene Thompson by email naylene@bcbhec.com

6. Building new barns or barn extension:

When a grower intends to increase the size of a building or buildings, or to construct a new building for a quota production period, or remove a building from its grower profile, 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 demolished or added, and the expected completion date. This requirement is found in *Part 33 Barn Space, Section 33.5* of the BCCMB General Orders. Failure to request approval from the Board in advance may result in a forfeiture of the amount of allotment for which there is not sufficient measured, registered space. This may also impact future allotments.

7. Link to 2018 BCCMB Annual Report:

As part of the ongoing BCCMB paperless initiative, an electronic link was sent to industry on April 26, 2018 to allow industry to access the full Annual Report. Hard copies have been sent to provincial counterparts and BCFIRB. Growers can find the report on the BCCMB website at the following link:

<http://bcchicken.ca/BCChickenAnnualReport2018.pdf>

8. Public Accountability Reporting Project (PARP) update:

Good governance (including transparency and accountability) and informed, strategic decision making are essential elements for commodity Boards and FIRB, to deliver sound marketing policy outcomes that matter for agriculture and the public. FIRB has requested all commodity boards participate in a Public Accountability and Report Project (PARP), to demonstrate effective governance and sound leadership of the regulated agriculture sectors. This report is to be annual in nature and is intended to provide a coordinated approach to improve the consistency, effectiveness and transparency of information and collection and public reporting.

Annual PARP reports will help support Boards and FIRB in:

- Publically demonstrating accountability for good governance and strategic decision making through defined performance measures;
- Having consistent baseline data for Board and FIRB decision making (sound marketing policy in the public interest); and,
- Identifying what is working well (governance and decision-making) and areas for improvement.

The BCCMB PARP report is due to FIRB on June 1, 2019 and will be made available on the Board's website shortly thereafter.

8. A-155 Summary Report:

A-155				
Mainstream Grower's Only	# Growers	% of Total Growers	Kgs Over/(Under)	% Of Allocation
Mainstream Growers Receiving Allotment	278			
Growers over 110% of allotment	10	3.60%	207,542	3.67%
Growers over 106% of allotment	32	11.51%	355,662	8.77%
Growers between 100% and 105.9% of allotment	69	24.82%	241,467	22.39%
Growers between 94% and 99.9% of allotment	111	39.93%	-464,233	44.48%
Growers below 93.9% of allotment	66	23.74%	-938,264	24.52%
Column Totals	278	100.00%	-805,368	100.17%
BC Utilization		97.60%		
A-155				
Growers Cycle Length	# Growers	% of Total Growers	Kgs Live Wt	% Of Allocation
Mainstream Growers Receiving Allotment				
7 Week Cycle	6	2.16%	658,860	1.75%
8 Week Cycle	257	92.45%	35,727,658	95.04%
9 Week Cycle	7	2.52%	459,942	1.22%
10 Week Cycle	2	0.72%	265,728	0.71%
11 Week Cycle	1	0.36%	88,333	0.23%
12 Week Cycle	5	1.80%	391,847	1.04%
16 Week Cycle	0	0.00%	0	0.00%
Column Totals	278	100%	37,592,368	100%
A-155				
Average Live Weight	# Growers	% of Total Growers	# Kgs Produced	% Of Production
Mainstream Growers Rec'vd Allotment	278			
1.600 kg and below	2	0.72%	138,825	0.38%
1.601 – 1.700 kg	8	2.89%	768,564	2.10%
1.701 – 1.780 kg	7	2.53%	951,210	2.59%
1.781 – 1.850 kg	8	2.89%	706,852	1.93%
1.851 – 1.950 kg	22	7.94%	2,602,974	7.10%
1.951 – 2.020 kg	25	9.03%	3,139,127	8.56%
2.021 – 2.100 kg	23	8.30%	4,505,530	12.29%
2.101 – 2.170 kg	28	10.11%	3,891,331	10.61%
2.171 – 2.250 kg	47	16.97%	6,323,657	17.25%
2.251 – 2.500 kg	83	29.96%	11,869,257	32.37%
2.501 – 2.730 kg	22	7.94%	1,723,605	4.70%
2.731 – 3.180 kg	2	0.72%	46,688	0.13%
3.181 kg and above	0	0.00%	0	0.00%
Column Totals	277	100.00%	36,667,620	100.00%

9. Tips for Communicating with the Public

Thank you to all the BC chicken growers who tell a positive story about your passion for the farming and agriculture on social media, at events, and in your everyday lives.

But what do you do when you come across negative comments about our industry? Here are some tips to help you remain a positive advocate for agriculture:

- 1. Never engage with activists.** Whether it is on line or in person, remember to respect someone's right to choose what they eat and to protest. No matter how badly you want to respond, understand that you may not be able to sway their opinion.
- 2. Dispel myths with facts.** If you want to respond to misinformation, stick to the facts and don't get lost in arguing personal choices or feelings. Use links to reputable websites such as [Let's Talk Chicken](#) and [Best Food Facts](#) whenever possible. If a negative comment posted on a social media seems to be just a "rant" (and not a legitimate concern), do not respond.
- 3. Screenshot threats.** If you receive concerning messages on social media, document them by taking a screenshot. Contact police if you are threatened or fear for your safety.
- 4. Understand privacy settings.** Be careful with the amount of information you share online, including information about family members and location. Even if you have selected strict sharing and privacy protocols, you are still at risk of being exposed on social media.
- 5. Don't look for activists online.** Social media links people to others they may know or have common interests. Everything you do online leaves a 'trail.' Avoid showing up on activist radar by staying away from their social media pages.

Looking for more information or assistance on managing social media and being an advocate for agriculture? Contact Cheryl cheryldavie@bcchicken.ca

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 by E-mail to billvanderspek@bcchicken.ca