



BC CHICKEN MARKETING BOARD UPDATE for December 2019

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1. Leasing of unregistered space - UPDATE

In October of 2017, the BCCMB announced the following temporary measure in addition to a suite of measures that were announced earlier that were designed to promote 100% utilization of BC's share of the national allocation:

Quote from the October 2017 BCCMB Update:

*For an initial two year period beginning in Period **A-149**, ending in A-161:*

The board will consider a temporary lease of unregistered barn space by a registered grower.

- To qualify a grower must meet the requirements in Part 33 Barn Space at section 33.1 - have room for his entire allotment at a minimum of 31 kg/square meter on his own premise. This includes any additional quota acquired or granted to a grower during the period the lease is in existence.*
- A written lease must be on file at the Board office. The lease must be for a building, not a floor or a portion of a floor. The lease must specify the quota periods it covers and must terminate no later than the end of period A-161.*
- The leased space must be approved in advance by BCCMB field services staff prior to use. Once approved, the leased space may be utilized in the next unallocated period.*

- *Please contact BCCMB field services staff if you have questions or a facility that you are considering to lease or lease out.*

As indicated in the quote from 2017, this was scheduled to end in A-161. Following discussions with industry stakeholders, the BCCMB has approved the extension of this program for a further two years, to the period A-175. All conditions specified in the quote from October 2017 will continue to apply.

2. Period A-160 Pricing Information.

Mainstream:

The live price in BC for period A-160 (marketing's from November 24, 2019 to January 18, 2020 inclusive) have been set by the Board at \$1.697 per kilogram live weight. This represents a decrease of \$0.01 from the previous period.

Linkage:

The price linkage calculations done by Serecon for period A-160 reflect the live price of \$1.697 per kilogram live weight. The calculations indicate a cost recovery parity between the two commodities of 93.14% will be achieved at the following prices:

	Price	Change from A-157
Live Chicken	\$1.697/kg	Down \$0.01/kg
Hatching Eggs	\$5.9871/dozen	Up \$0.2412/dozen
Day old chicks	\$0.8126/chick	Up \$0.0249/chick

Organic:

The live price for certified organic chicken for period A-160 has been set by the Board at **\$3.72 per kilogram live weight** which represents a decrease from the previous period of 3 cents/kg live weight.

Specialty Chicken:

Silkie:

This is the second period of the two-period pricing block (A-159/A-160) for Silkie chicken. The price for A-160 is set at \$4.17, which represents no change from the previous period.

Taiwanese:

This is the second period of the two-period pricing block (A-159/A-160) for TC chicken and as such there is no change from the previous period.

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 n/c	69 & 93	\$2.72 n/c	93	\$2.73 n/c
Bradner Special Dual	52	\$2.79 n/c	53 & 65	\$2.72 n/c	65	\$2.73 n/c
Bradner Long cycle	71	\$2.90 n/c	72 & 86	\$2.84 n/c	86	\$2.85 n/c
Shon don or Hong Kong Golden	68	\$2.81 n/c	69 & 83	\$2.75 n/c	83	\$2.77 n/c

3. Period A-162 Allocation.

The **A-162** (March 15 to May 9, 2020) total national allocation was set at **277,628,567** kilograms live weight on October 1, 2019 at CFC. This represents 2.5% above the adjusted base for the period. Market Development at **11,321,600** kilograms live weight represents 4.28% of the national domestic allocation. Specialty allocation was requested by two provinces (BC and ON) for a total of **2,278,421** kilograms live weight.

BC's share of the A-162 allocation is:

Domestic	36,865,132	kilograms live weight.
Market Development	2,469,000	kilograms live weight.
Specialty	1,193,146	kilograms live weight.
Total	40,527,478	kilograms live weight.

- MD represents 6.70% compared to BC's domestic allocation for the period.
- Specialty represents 3.23% compared to BC's domestic allocation for the period.
- 2.5% % over base yields 2.1% to BC under the current allocation agreement.

4. Save On Foods Chicken Event March 2020

From March 12 – 19, Save On Foods will promoting all things chicken. We are looking for growers who are willing to take four hour shifts to be available in stores to answer questions about chicken farming in BC. We will provide you with training, materials, and

a travel allowance. If you are interested please contact Cheryl Davie at cheryldavie@bcchicken.ca or by phone at 604-859-2868.

5. 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-163 (May 10 – July 4, 2020)	February 5, 2020
A-164 (July 5 – August 29, 2020)	April 1, 2020
A-165 (August 30 – October 24, 2020)	June 2, 2020
A-166 (October 25- December 19, 2020)	July 28, 2020
A-167 (December 20, 2020 – February 13, 2021)	September 15, 2020

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.

6. Appeals Update:

Appeals to BCFIRB:

Since our last update, there are no outstanding appeals awaiting decision and no new appeals registered with BCFIRB.

BC Supreme Court petition:

Andre Patton, dba Cedar Creek Farms has filed a petition to the Supreme Court of British Columbia dated July 2, 2019.

Mr. Patton had filed an appeal to BCFIRB of a January 24, 2019 decision of the BCCMB to deny his December 11, 2018 request for removal of the restrictions on his Vancouver Island New Entrant quota. The BCCMB applied for a summary dismissal of this appeal which was granted by BCFIRB on May 10, 2019.

In his petition to the BC Supreme Court, Mr. Patton is applying for:

- a) An order quashing the decision of BCFIRB dated May 10, 2019 which decision granted the application of the BCCMB to summarily dismiss the appeal of Cedar Creek Farms Ltd dated December 11, 2018 of a decision by the BCCMB dated January 24, 2019.
- b) An order remitting the matter back to the BC Farm Industry Review Board.
- c) That each party bear their own costs.
- d) Such other and further relief as this Court may seem just.

The hearing took place in Nanaimo on October 10, 2019. To date no decision has been rendered.

7. BCCMB Holiday Office Hours:

Tuesday, December 24	Office closed at noon
Wednesday, December 25	Office closed. Merry Christmas!
Thursday, December 26	Office closed for Boxing Day
Friday, December 27	Normal office hours
Monday, December 30	Normal office hours
Tuesday, December 31	Office closed at noon
Wednesday, January 1	Office closed. Happy New Year!

The BCCMB staff wish to thank you for your support during the past year and look forward to working with all of you in 2020.

8. BCCMB 2020 Levy Rate.

The BCCMB levy rate will remain at \$0.02 per kilogram until May 9, 2020. On May 10, 2020 (the first day of A-163) Chicken Farmers of Canada will be increasing their levy from \$0.0055 to \$0.0057 per kilogram. In order to recover the increase from CFC, the BC levy will increase from \$0.020 to \$0.0202 effective with shipments in period A-163 beginning on May 10, 2020.

9. A-157 Period Summary

	A-157			
Mainstream Grower's Only	# Growers	% of Total Growers	Kgs Over/(Under)	% Of Allocation
Mainstream Growers Receiving Allotment	278			
Growers over 110% of allotment	26	9.35%	504,048	7.54%
Growers over 106% of allotment	74	26.62%	934,528	22.33%
Growers between 100% and 105.9% of allotment	105	37.77%	390,388	37.16%
Growers between 94% and 99.9% of allotment	73	26.26%	-346,909	31.89%
Growers below 93.9% of allotment	25	8.99%	-331,579	8.57%
Column Totals	277	99.64%	646,428	99.96%
BC Utilization			100.85%	
	A-157			
Growers Cycle Length	# Growers	% of Total Growers	Kgs Live Wt	% Of Allocation
Mainstream Growers Receiving Allotment				
7 Week Cycle	7	2.52%	1,106,678	2.89%
8 Week Cycle	258	92.81%	35,968,441	93.87%
9 Week Cycle	7	2.52%	655,786	1.71%
10 Week Cycle	3	1.08%	377,850	0.99%
11 Week Cycle	1	0.36%	93,809	0.24%
12 Week Cycle	2	0.72%	114,138	0.30%
16 Week Cycle	0	0.00%	0	0.00%
Column Totals	278	100%	38,316,702	100%
	A-157			
Average Live Weight	# Growers	% of Total Growers	# Kgs Produced	% Of Production
Mainstream Growers Rec'vd Allotment	278			
1.600 kg and below	0	0.00%	0	0.00%
1.601 – 1.700 kg	3	1.08%	196,255	0.50%
1.701 – 1.780 kg	6	2.17%	446,581	1.15%
1.781 – 1.850 kg	7	2.53%	1,196,407	3.07%
1.851 – 1.950 kg	18	6.50%	2,420,498	6.21%
1.951 – 2.020 kg	15	5.42%	2,068,064	5.31%
2.021 – 2.100 kg	25	9.03%	3,507,034	9.00%
2.101 – 2.170 kg	29	10.47%	5,347,850	13.73%
2.171 – 2.250 kg	26	9.39%	3,603,916	9.25%
2.251 – 2.500 kg	115	41.52%	17,020,611	43.70%
2.501 – 2.730 kg	29	10.47%	2,910,314	7.47%
2.731 – 3.180 kg	4	1.44%	231,244	0.59%
3.181 kg and above	0	0.00%	0	0.00%
Column Totals	277	100.00%	38,948,774	100.00%

10. Return of over marketing sleeves to traditional levels in period A-161

On November 5, 2019 the following communiqué was sent to industry:

Please be advised that effective for period A-161 which begins with shipments on January 19, 2020 the Board has ordered that monetary over marketing levies will be rolled back to historic levels.

Part 27 Overmarketing and Overplacement of the BCCMB General Orders states in Section 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.*

The BCCMB had committed to making no changes to the overmarketing policy without providing notice prior to the first egg sets for a new period. This notice meets that requirement as the first eggs for period A-161 will not be set until approximately November 24, 2019.

The balance of initiatives that were intended to reach 100% of BC's share of the national allocation will remain in effect at this time, but may be subject to further amendment by the Board if the current provincial overproduction situation is not resolved.

Remaining in effect until further notice are the following temporary measures that were first announced in 2017:

- No cutback 6 periods in the future for production that does not exceed 102% of allotment.
- Leasing IN up to the equivalent of 100% of allotment.
- Leasing of unregistered space has been extended to period A-175.

We understand that a number of BC 101 contracts for period A-161 may have already been executed and regret any inconvenience that this may cause. Growers, please contact your hatchery representative as soon as possible should you wish to discuss possible amendments to your contract arising from this communiqué prior to eggs being set for your next chick placement.

The British Columbia Chicken Marketing Board monthly update is published by BCCMB staff and forwarded by e-mail 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