



BC CHICKEN MARKETING BOARD UPDATE for February 2020

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1. Period A-162 Pricing Information.

Mainstream:

The live price in BC for period A-162 (marketing's from March 15 to May 9, 2020 inclusive) have been set by the Board at \$1.694 per kilogram live weight. This represents an increase of \$0.0008 from the previous period.

Linkage:

The price linkage calculations done by Serecon for period A-162 reflect the live price of \$1.694 per kilogram live weight. The calculations indicate a cost recovery parity between the two commodities of 93.38% will be achieved at the following prices:

	Price	Change from A-160
Live Chicken	\$1.694/kg	Up \$0.0008/kg
Hatching Eggs	\$6.0295/dozen	Up \$0.0203/dozen
Day old chicks	\$0.8170/chick	Up \$0.0021/chick

Organic:

The live price for certified organic chicken for period A-162 has been set by the Board at **\$3.78per kilogram live weight** which represents an increase from the previous period of 2 cents/kg live weight.

Specialty Chicken:

Silkie:

This is the second period of the two-period pricing block (A-161/A-162) for Silkie chicken. The price for A-162 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-161/A-162) for TC chicken. These prices represent 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

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.**

Period	BCCMB sets Allocation
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.

3. Appeals Update:

Appeals to BCFIRB:

PPPABC & BCCGA v BCBHEC re: removal of spent fowl and salvage egg revenue from linkage and change to kill age:

On November 27, 2019 BCBHEC issued notice of its intention to remove spent fowl and salvage egg revenues from the BCCMB/BCBHEC pricing linkage eggs and to amend the kill age for spent fowl from 58 weeks to 56 weeks. On December 23, 2019 the PPPABC filed an appeal of this decision and on December 27, 2019 the BCCGA followed suit. The BCCMB applied for intervenor status on February 6, 2020.

On January 27, 2020 the BCBHEC requested BCFIRB to defer the two appeals pending BCFIRB’s supervisory consideration of a forthcoming SAFETI rationale setting out why an exit from the pricing linkage would be in the best interests of the hatching egg sector and the overall chicken supply chain.

On February 25, 2020 BCFIRB ruled to defer the two appeals and did not rule on the BCCMB’s application for intervention as the appeals were deferred until such time as BCFIRB rules on the BCBHEC’s request to exit the linkage.

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.

4. 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.

5. BC Chicken Marketing Board 2019 Annual Report.

The BCCMB's external auditor, MNP presented the audited 2019 BCCMB financial statements at the open session of the BCCMB/BCCGA meeting at the Sheraton Wall Center on March 5, 2020.

In order to minimize cost and increase efficiency, the BCCMB discontinued the practice of mailing printed copies of their Annual Report in 2017.

The full version of the BCCMB 2019 Annual Report can be accessed on our website under BCCMB Reports and Orders or by clicking [here](#).

6. Security Tip: Wi-Fi

- Activists can (and have) set up Wi-Fi signals in barns.
- Look and be aware for new Wi-Fi signals in your area.
- Change Wi-Fi passwords on a regular basis.

7. A-160 Period Summary

Mainstream Grower's Only	A-160			
	# Growers	% of Total Growers	Kgs Over/(Under)	% Of Allocation
Mainstream Growers Receiving Allotment	274			
Growers over 110% of allotment	49	17.88%	624,926	7.53%
Growers over 106% of allotment	97	35.40%	1,074,875	23.64%
Growers between 100% and 105.9% of allotment	101	36.86%	476,797	33.26%
Growers between 94% and 99.9% of allotment	50	18.25%	-134,077	27.71%
Growers below 93.9% of allotment	26	9.49%	-276,760	15.40%
Column Totals	274	100.00%	1,140,835	100.00%
BC Utilization	102.74%			

Growers Cycle Length	A-160			
	# Growers	% of Total Growers	Kgs Live Wt	% Of Allocation
Mainstream Growers Receiving Allotment				
7 Week Cycle	7	2.55%	717,543	2.00%
8 Week Cycle	253	92.34%	34,386,067	95.66%
9 Week Cycle	5	1.82%	269,127	0.75%
10 Week Cycle	2	0.73%	248,101	0.69%
11 Week Cycle	1	0.36%	89,717	0.25%
12 Week Cycle	2	0.73%	102,759	0.29%
16 Week Cycle	4	1.46%	131,351	0.37%
Column Totals	274	100%	35,944,665	100%

Average Live Weight	A-160			
	# Growers	% of Total Growers	# Kgs Produced	% Of Production
Mainstream Growers Rec'd Allotment	274			
1.600 kg and below	2	0.73%	77,672	0.21%
1.601 – 1.700 kg	5	1.82%	384,477	1.04%
1.701 – 1.780 kg	4	1.46%	409,449	1.10%
1.781 – 1.850 kg	5	1.82%	486,776	1.31%
1.851 – 1.950 kg	12	4.38%	1,336,854	3.60%
1.951 – 2.020 kg	26	9.49%	3,664,257	9.88%
2.021 – 2.100 kg	23	8.39%	3,516,567	9.48%
2.101 – 2.170 kg	26	9.49%	3,594,212	9.69%
2.171 – 2.250 kg	22	8.03%	3,237,280	8.73%
2.251 – 2.500 kg	107	39.05%	14,698,441	39.63%
2.501 – 2.730 kg	38	13.87%	5,466,785	14.74%
2.731 – 3.180 kg	4	1.46%	212,731	0.57%
3.181 kg and above	0	0.00%	0	0.00%
Column Totals	274	100.00%	37,085,501	100.00%

8. Return of over marketing sleeves to traditional levels in period A-164

On March 6, 2020 the following communiqué was sent to industry:

Please be advised that effective for period A-164 which begins with shipments on July 5, 2020 the Board has ordered that over marketing sleeves will be rolled back from 102% to 100%.

Part 27 *Overmarketing and Overplacement* of the BCCMB General Orders states:

- 27.1 *A grower shall not produce or market chicken in excess of the grower allotment in any quota production period.*
- 27.2 *Where a grower produces or markets chicken in a quota production period in excess of the grower allotment the Board shall reduce, by an amount equal to the weight of chicken marketed in excess of the allotment, the grower's allotment in the sixth quota production period following that in which the overproduction was originally marketed. The space made available by said overproduction shall be deemed eligible for the production of market development.*
- 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 previously 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-164 will not be set until approximately May 10, 2020.

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:

- Leasing IN up to the equivalent of 100% of allotment.
- Leasing of unregistered space has been extended to period A-175.

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 chick placement for period A-164.

9. Save On Foods Chicken Event March 5-11, 2020

Thank you to the five growers who volunteered to participate in the Save On Foods chicken promotion from March 5-10, 2020. Unfortunately, this was not enough participation to proceed so the Overwaitea Food Group cancelled the event. Another chicken promotion event will be held in mid-November. We will announce the dates as soon as they are confirmed.

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

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