

Memo

To: BC Chicken Growers & Industry

From: BCCMB Date: February 18, 2025

Re: Temporary changes to Under and Over marketing sleeves for A-195

The Board acknowledges the tightness of the current chick supply caused by the 2024 HPAI outbreak and limited imports of eggs and chicks. The duration of this shortage is uncertain, and we are actively working with industry stakeholders to find solutions. The BCBHEC continues to adjust hatchery allocations based on domestic egg availability. We recognize the strain this places on chicken growers and the broader industry.

However, no compensation is available for losses due to chick shortages, if they are to occur. To provide some relief, the Board has temporarily increased the carryforward adjustment from 6% to 10% for period A-195. Additionally, overmarketing levies have been eased to help meet market demand.

Growers are expected to collaborate with hatcheries and processors, who are also facing a tight supply without compensation.

To support growers in meeting their allotments, the Board has approved the following temporary amendments to the BCCMB General Orders for A-195. Effective for quota period A-195, beginning April 6th, the Board has adjusted under- and over-marketing allowances as follows:

Under Marketing:

Section 26.2 will be temporarily amended for A-195 to increase the under-marketing sleeve from 6% to 10%, in the sixth quota production period following that which the under marketing occurred.

However, it is crucial for growers to be aware that the 10% sleeve amount is <u>dependent on your available barn space</u>. If your farm does not have sufficient barn space to allow the pro rata allotment + up to the 10% sleeve in the sixth quota production period following that which the under marketing occurred, it is a lost opportunity. The 10% sleeve, if applicable, is not carried over to additional A-periods.

Over Marketing:

The Board will implement a temporary suspension of section 27.2 and 27.6 of the General Orders for A-195.

- Growers that produce up to 102% of their periodic allotment will not have their allotment reduced 6 periods later. Over marketing adjustments will be made on all production beyond 102%.
- Monetary over marketing levies between 106% and 109.9% will be suspended.
 Marketing's above 109.9% will attract levies at the rate of \$0.66 per kilogram live weight.

These temporary measures will be reviewed on a period-by-period basis as we continue to evaluate the market conditions.