



April 3, 2025

Pricing Order for Mainstream Chicken

To: All Processors & Growers

Pricing Order #M – 186

The British Columbia Chicken Marketing Board orders as follows:

1. The minimum prices to be paid by Processors to Growers for chicken marketed in the province of British Columbia on all product contracted for or otherwise designated by the Board to be shipped in the Period A-195 (April 6, 2025 – May 31, 2025) shall be as follows:

Average Live Weight	Price Per Kilogram Live Weight (\$/kg)
1.600 kg and below	2.2615
1.601 – 1.700 kg	2.3035
1.701 – 1.780 kg	2.3075
1.781 – 1.850 kg	2.2965
1.851 – 1.950 kg	2.2815
1.951 – 2.020 kg	2.2645
2.021 – 2.100 kg	2.2615
2.101 – 2.170 kg	2.2615
2.171 – 2.250 kg	2.2585
2.251 – 2.500 kg	2.2565
2.501 – 2.730 kg	2.2485
2.731 – 3.180 kg	2.3055
3.181 kg and above	2.3595

Included in live price are catching costs of \$0.05 per kilogram, which are charged back to the producer by the processor.

2. All prices are f.o.b. farm.
3. This order shall remain in effect until rescinded, varied, or amended by further order of the Board.
4. The targeted weight shall be as specified in the contract.
5. Tolerance on a flock is plus or minus 6% from targeted weight.
6. If the flock average weight falls within targeted weight tolerances (i.e., weight range plus or minus 6%) but the average weight is in a different category, the price payable will be determined by the average weight delivered.

BRITISH COLUMBIA CHICKEN MARKETING BOARD

Mr. Kevin Klippenstein, Chair



BC Chicken Live Price Formula

On [October 30, 2023](#), the BC Chicken Board submitted a proposal for a new formula for determining the live price of chicken. This proposal was subsequently approved by the BC Farm Industry Review Board on [May 22, 2024](#). The newly adopted pricing formula is based on a cost of production (COP) model designed for the efficient grower. To ensure a smooth transition, the implementation of this new COP pricing model will be phased in over six production periods (48 weeks). This phased approach will gradually close the gap between the previous interim formula and the new COP model. The information below is intended to show the components of the COP, the interim formula, and the 6-period transition until **100% of COP is reached in A-195**.

1. The new Formula for the COP is as follows:

$$(a) \text{ Operating Costs} + (b) \text{ Labour} + (c) \text{ Capital Costs} = \text{COP}$$

“NEW” BC COP Formula

BC Broiler COP - \$ per Kg	A189	A190	A191	A192	A193	A194	A195
A) Operating Costs							
Chicks	0.4709	0.4670	0.4696	0.4779	0.4922	0.4917	0.4829
Day-old Chick Cost	0.4545	0.4506	0.4532	0.4615	0.4759	0.4754	0.4665
Vaccine Cost	0.0163	0.0163	0.0163	0.0163	0.0163	0.0163	0.0163
Feed	1.1510	1.1105	1.1047	1.0941	1.0913	1.0393	1.0359
Utilities	0.0788	0.0835	0.0779	0.0769	0.0752	0.0751	0.0797
Vehicle & Equipment Operation (Fuel & Oil)	0.0092	0.0092	0.0093	0.0093	0.0093	0.0093	0.0094
Repairs & Maintenance	0.0476	0.0484	0.0489	0.0489	0.0489	0.0489	0.0492
Bedding	0.0225	0.0226	0.0229	0.0228	0.0228	0.0228	0.0230
Administrative & Office Costs	0.0127	0.0128	0.0129	0.0129	0.0129	0.0129	0.0130
Insurance	0.0179	0.0180	0.0182	0.0182	0.0182	0.0182	0.0184
Other Custom Costs	0.0061	0.0062	0.0062	0.0062	0.0062	0.0062	0.0063
Custom Catching	0.0485	0.0485	0.0485	0.0500	0.0500	0.0500	0.0500
Cleaning/Washing	0.0095	0.0096	0.0097	0.0097	0.0097	0.0097	0.0097
Board Levy	0.0206	0.0206	0.0206	0.0206	0.0206	0.0206	0.0206
MD Lease Costs	0.0016	0.0016	0.0016	0.0016	0.0016	0.0016	0.0016
Operating Costs (With Levies & With MD Lease Costs)	1.8969	1.8584	1.8510	1.8491	1.8590	1.8064	1.7998
B) Labour							
General Labour	0.0835	0.0839	0.0845	0.0856	0.0859	0.0806	0.0860
Management	0.0495	0.0498	0.0514	0.0521	0.0522	0.0450	0.0480
Labour Costs	0.1329	0.1337	0.1359	0.1377	0.1381	0.1256	0.1341
C) Capital Costs							
Depreciation & Amortization	0.1068	0.1084	0.1096	0.1096	0.1096	0.1096	0.1104
Depreciation - Barns & Associated Equipment	0.0823	0.0835	0.0844	0.0844	0.0844	0.0844	0.0850
Depreciation - Other	0.0245	0.0249	0.0252	0.0252	0.0252	0.0252	0.0254
Investment Cost	0.2035	0.2066	0.2113	0.2099	0.2098	0.1926	0.1938
Investment Cost - Land	0.0051	0.0051	0.0051	0.0050	0.0050	0.0046	0.0046
Investment Cost - Barns & Associated Equipment	0.1682	0.1707	0.1755	0.1747	0.1746	0.1603	0.1613
Investment Cost - Other	0.0302	0.0307	0.0307	0.0302	0.0302	0.0277	0.0279
Operating Interest	0.0265	0.0251	0.0241	0.0231	0.0215	0.0191	0.0173
Taxes	0.0061	0.0061	0.0062	0.0062	0.0062	0.0062	0.0062
Capital Costs	0.3429	0.3461	0.3512	0.3488	0.3470	0.3274	0.3277
Total Cost of Production	2.3727	2.3382	2.3380	2.3355	2.3441	2.2594	2.2615



2. The table below illustrates the phase-in process identified in the May 22, 2024, BCFIRB decision.

Phase in Periods	Reference	1	2	3	4	5	6
Period	A-189	A-190	A-191	A-192	A-193	A-194	A-195
COP based live price formula - includes catching	\$2.3727	\$2.3382	\$2.3380	\$2.3355	\$2.3226	\$2.2594	\$2.2615
Previous Interim Formula - includes catching (par)	\$2.1704	\$2.1678	\$2.1805	\$2.1722	\$2.1636	\$2.1758	\$2.1871
Net Change to Formula Price	\$0.2023	\$0.1704	\$0.1575	\$0.1633	\$0.1590	\$0.0836	\$0.0744
Phase in % of difference	0.00%	16.67%	33.33%	50.00%	66.67%	83.33%	100.00%
\$/kg phased in	\$0.0000	\$0.0284	\$0.0525	\$0.0817	\$0.1060	\$0.0697	\$0.0744
Calculated Live Price						\$2.2455	
Correction						\$0.0143	
Final Posted Live Price (includes catching)	\$2.1704	\$2.1962	\$2.2330	\$2.2539	\$2.2696	\$2.2598	\$2.2615
CHANGE FROM PREVIOUS PERIOD	-\$0.0369	\$0.0258	\$0.0368	\$0.0208	\$0.0157	-\$0.0098	\$0.0018

3. Previous “Interim” Pricing formula:

Below is the “old” 75% formula (including all FIRB ordered amendments) which will be used for the BCFIRB ordered graduated implementation for periods A-190 to A-195 inclusive:

- The Ontario live price at their 2.15 – 2.45 kilogram weight category, **Plus**,
- The current BC catching cost of \$0.0500 per kilogram, **Plus**,
- 75% of the difference in the cost of feed and chicks per kilogram, **Plus**
- The addition of a trigger mechanism to determine when 50% of the current formula costs exceeding the upper guardrail is appropriate to include in the interim pricing formula to account for the wheat-corn gap. The trigger will be a cost gap of \$115.23 between Ontario and BC feed costs per tonne. If the trigger threshold is not met, no adjustment will be made to the live price. If the trigger threshold is met, provisions to cover 50% of the formula costs exceeding the upper guardrail will be made.
- If the above trigger mechanism is met, a provision to cover 50% of the current formula costs exceeding the upper guardrail after adjustment for the cumulative increase or decrease in Ontario grower margins arising from changes to the Ontario Cost of Production formula (COPF) starting in A-181. If the resulting number is negative, no adjustment will be made to the live weight price. (The upper guardrail is currently set at 13.84 cents/kg and the lower guardrail at 11.05 cents/kg due to the increase in the catching costs from \$0.0485 to \$0.0500).



The numbers indicated by the formula to calculate the A-195 minimum live price using the old interim pricing methodology:

Ontario price (2.15 - 2.45 category)	\$2.0380	
Minus CFO modular loading recovery	\$0.0000	
Minus CFO AI Insurance recovery	\$0.0015	
Minus OBHECC chick levy	\$0.0006	
Net Ontario Price (2.15 - 2.45 category)	\$2.0359	= A
Plus BC catching price	\$0.0500	
Plus 75% feed and chick differential	\$0.2238	
Total differential over Ontario	\$0.2738	
BCCMB Pricing Formula - Upper Guardrail value of	\$0.1384	
Total differential over Ontario	\$0.2738	
Total differential over Ontario GREATER THAN Upper Guardrail - use Upper Guardrail	\$0.1384	= B
Differential over upper guardrail = (Total differential over Ontario - Upper Guardrail)	\$0.1354	
A-195 Floating Guardrail Mechanism Triggered (Yes or No)	Yes	
Ontario Producer Margin Period A-180	\$0.6384	
Ontario Producer Margin Period A-195	\$0.7482	
Change to Ontario's Producer Margin (If Positive used in Formula)	\$0.1098	
BCFIRB December 13, 2022 Prior Approval A-180 Interim Pricing Formula: = (Differential over upper guardrail minus change in Ont producer Margin)	\$0.026	
Plus 50% of Differential over Upper Guardrail =	\$0.0128	= C

$$\text{A-195 BC Interim Price} = \$2.0359 + \$0.1384 + \$0.0128 = \$2.1871$$

A B C

4. Levies

A levy of \$0.0206 on all payable weight is to be deducted from the grower by the processor and remitted to the BCCMB as per Part 14 *Fees and Levies* of the BCCMB General Orders

BC Levy Rate Breakdown:

BCCMB portion	\$0.0145 per kilogram live weight
CFC portion	\$0.0061 per kilogram live weight
TOTAL	\$0.0206 per kilogram live weight