



## What We Heard: Policy Consultation REPORT

New Entrant Grower Program (NEG) and Quota Use and Access (QUAC)

September 2025

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## **What We Heard: Policy Consultation REPORT**

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*The BC Chicken Marketing Board (BCCMB) is grateful to all who participated in our surveys, submitted comments and recommendations, and/or participated in our industry stakeholder committees. The insights, comments, and thoughtful feedback are extremely useful and much appreciated.*

### **A: Background: Two Consultations**

**Why consult?** BC's agricultural commodity boards, including the BC Chicken Marketing Board (BCCMB), are first-instance regulators that wield regulatory authority over industry participants. As such, boards are required to be accountable and responsive to the needs and best interests of those participants.

**The BC Chicken Marketing Board is committed to considering public interest and the maintenance of orderly marketing when making policy decisions. Consultation prior to making decisions helps to:**

- bring current concerns and interests of a broad range of industry stakeholders to the attention of policy decision-makers,
- increase transparency, which is imperative when a regulator is working to balance opposing interests,
- identify possible unintended consequences of proposed policy options. Diverse perspectives make the policy process more robust by bringing the practical realities of farming in BC, as well as processor and consumer interests to the table,
- achieve a fair outcome for all stakeholders. This does not mean all viewpoints will be satisfied with the outcome, but it should lead to a more balanced result that accounts for these perspectives.

**Why two consultations?** One consultation led to another. The New Entrant Grower (NEG) Consultation was launched first in February 2024, and it became evident (especially after the

New Entrant Committee met) that the Board could not design a robust New Entrant program without first reviewing the available tools and access to chicken quota in the province. So, the Board paused its policy decision-making plan for the New Entrant program and launched the Quota Use and Access Consultation (QUAC) in October 2024.

For more on the rationale for the consultation and the Board’s decision to create a revised NEG program, visit the [NEG webpage](#). For more on the QUAC rationale and process, visit the [QUAC webpage](#).

## Consultation Processes Overview

### New Entrant Grower (NEG) Consultation

Target Date	Consultation Activity
Feb 1, 2024	Consultation launched on BCCMB website (NE Consultation webpage); survey link emailed to stakeholders; comments gathered from website link
Feb 14, 2024	Online survey closed; website remained open for comments until April 30, 2024
Feb-Apr 2024	Focused consultation/meetings with NEG Committee (industry stakeholders), tasked with making non-binding recommendations to the Board.
April 30, 2024	Consultation closed.
<b>July 2024</b>	<b><i>The Board put the NEG program decision in abeyance until Quota consultation is completed. Website updated July 5, 2024.</i></b>

### Quota Use & Access Consultation (QUAC)

Target Date	Consultation Activity
Oct 4, 2024	QUAC Committee reviewed survey and confirm key consultation issues.
Oct 10, 2024	Consultation and survey launch (website, online)
Nov 12, 2024	Survey closes; website remained open for email comments.
Dec 12, 2024	QUAC Committee 2 <sup>nd</sup> meeting: survey review and recommendations for Board.
Jan 10, 2025	Consultation closes.
<i>Jun 2025 (revised timeline)</i>	Board review of policy options that consider results from both NEG and QUAC Consultations, including committee(s) recommendations. Board to finalize directions for policy (NE and Quota).
<i>Sep 2025</i>	Final industry written feedback period (2-week) on proposed policy directions (website and email).
<i>Fall 2025</i>	Final internal consultation with key industry stakeholders to clarify remaining questions or details.
<i>Fall 2025</i>	Legal Review & General Orders Updates.
<i>Fall 2025</i>	Board review and approval final policy and program changes.
<i>2026</i>	New and revised policies will be communicated via website and newsletters.

\* Dates remain tentative, depending on the complexities of public and legal policy processes.

## B: NEG Consultation: Key Themes & Findings

### Stakeholder Priorities & Concerns

See Appendix A.1 for the full NEG survey questions and response summaries.

#### Survey Basics: of 101 self-selected respondents:

- 41% identified as established chicken growers
- 22% new growers with less than 10 years in the industry
- 15% aspiring new entrants
- 12% trades/govt/public

#### Highlight Findings:

- 66% said that “long-term sustainability should be a component of the new NEG program.” (33% said it should not be a component)
- 62% said that the NEG program should attempt (if it could) to distribute new production across BC, because of Highly Pathogenic Avian Influenza (HPAI) risk. (15% against; 24% undecided)
- The idea of “non-transferable quota” was supported but concerns were raised about whether banks would view this type of quota as an asset that could be borrowed against.

### NEG Committee Recommendations & Concerns

See Appendix B for the focused questions posed to the committees of both NEG and QUAC consultations.

#### Concerns:

- 1) The NEG committee was unanimous that the **purpose of an NEG assistance program** was to assist new persons with agricultural interest/passion to enter and begin a profitable chicken farm. The committee agreed that it was important to ensure that the chicken-growing industry was not “closed” to newcomers because supply management required an “open” system.

- 2) Many were concerned about the previous program's "incentive" to sell out quota once the 10-year period had transpired. A few suggested the use of "non-transferable quota" to provide entry to new "genuine" chicken farmers, who would desire to become long-term farmers, rather than a program for those who would look to "cash out" as soon as the rules allowed them to do so.
- 3) Public trust in a supply managed commodity was stated as an important goal.
- 4) With respect to the potential amount of kgs granted to assist NEG's, some wanted to maintain the status quo, which refers to the discontinued NE program of 20,000kgs + a BOGO opportunity.
- 5) Nearly all agreed that new entrants should be required to put some "skin in the game." (i.e.: they should be required to purchase some quota, not simply receive free quota, to ensure they are taking on their own financial risk and responsibility).
- 6) Quota allotments need to be aligned with processor needs/shipment concerns (e.g. What is the maximum number of birds that can be shipped on a particular route).
- 7) How new entrants can gain access to quota for purchase without the price being driven up artificially by the "big players" in the marketplace. Many were concerned with the advantage that those who have been in the industry a long time wield over smaller growers and new entrants.
- 8) Current lack of marketplace transparency around price and availability of quota for new entrants was discussed. It was noted that buying quota simply requires asking those in the industry (feed reps, processors, other growers, etc.). Quota transfers occur privately and are approved by the Board after the fact. Financial details are neither tracked nor approved by the Board. The banking representative on the committee expressed strong support for a quota exchange model, because this would allow banks to more clearly evaluate growers' funding requests.
- 9) Divided opinions about whether a public (board-run) quota exchange would help with availability/cost of quota. Opinions were also divided on if new entrants should be given higher priority on a possible quota exchange. Nearly all agreed that it would increase transparency of quota availability and prices, however.

- 10) Lengthy discussion on the practical options for **how to administer a new entrant program to meet the stated goals of access**, looking to support entry for keen growers with some agricultural experience who would prioritize sustainable practices and achieve long-term success in the industry.

### **Resulting Recommendations:**

- 1) Use a merit-based screening process, rather than a “lottery” system.
- 2) Disqualify anyone who has previously owned *any* supply-managed quota (program is to assist *new* entrants, not provide “bonus” quota to existing or past quota-holders).
- 3) The qualification process needs to be fair. It was suggested and agreed that it be a four-part process where:
  - a) minimum requirements are met by applicants,
  - b) the resulting pool of candidates is then narrowed by random drawing, if necessary,
  - c) the remaining pool is asked to provide an essay, business plan, and an industry mentor to sign off on their proposal,
  - d) a committee would interview all candidates and recommend the successful NEG candidates for consideration. It would include a minimum of a Board representative, a previous new entrant grower, a processor representative, and an agri-business representative (banking sector).
- 4) The committee was divided on how many new entrants the Board should approve annually and why. Some argued the Board should maximize new entrants based on BC’s annual quota growth (including transfer assessments). Others felt *all growth should fund new entrants*, while some believed existing growers have “earned” a share of quota growth. They favored a formula allowing one new entrant only when growth supports it, and none when the market is stable or contracting. Opinions on funding the NEG program remain highly divergent.
- 5) The committee was asked: how do we evaluate the success of a future NEG program? Suggestions that all agreed on include:
  - a) Annual surveys of NEGs
  - b) If established, ask potential NEG selection committee for feedback on candidates and the process annually
  - c) NEG farms are growing in quota size

- d) Total number of NEG's trending upwards
- e) NEG's are staying in the industry for over 10 years

### Unresolved Notes:

- 1) The Board should consider if/how to include a possible “Buy One, Get One” option for quota given the lack of transparency/access to quota
- 2) Not all members agreed to the idea of a quota exchange
- 3) The ability of some large growers/processors to “manipulate” the price of quota was noted as problematic
- 4) The Board should explore ways for NEG's to lease quota
- 5) The possibility for growers to operate a co-op or pool of quota to lease out

## Regional or Group-Specific Feedback

### The BC Chicken Growers' Association (BCCGA) official response:

See Appendix C for the BCCGA written submission, including their own member survey.

**“Utilize non-transferable allocation:** Initial quota purchase combined with additional nontransferable allocation can ensure new entrants are both committed and supported.

**Utilize Provincial Allocation Growth for New Entrants:** Recommend using provincial growth allocation as a funding method to align with the program's sustainability goals.

**Promote Geographic Distribution:** Encourage new entrants in diverse locations to balance economic benefits and manage disease risks.

**Ensure Robust Entry Criteria:** Support strong entry requirements and provide ample training and resources to prepare new entrants effectively. Recommend that initial intake does not burden allied trades.”

BCCGA letter, May 14, 2024

### Small-Scale Meat Producers Association (SSMPA) response summary:

See Appendix C for the SSMPA's full written submission.

During the NEG consultation time period (February 1, 2024 – April 30, 2024), the SSMPA submitted a letter to the BCCMB to report that the organization felt it had been “excluded”

from the consultation because not all of their members had received notification of the survey and they did not have a member representative on the New Entrant Committee.

Although it was unfortunate to hear that the organization felt that way, it highlighted a gap in our stakeholder communications system. Everyone who signed up for email communications through the BCCMB website *would have received* notifications of the consultation, but it would not have included any stakeholders who had not done so. Subsequently, we added a communicate to all small-lot chicken permit holders who may not have signed up to our email list (where a new category for small-lot chicken permit-holders communications was then created).

Small-lot permit-holders were not considered for the NEG committee, because the scope of the consultation did not include a review of the chicken permit system (which operates *outside* of the supply management system).

However, given the desire by the SSMPA to be engaged in a consultation on quota, they were invited to join the subsequent QUAC committee where their representative provided valuable insight on the concerns and aspirations of small-lot chicken growers.



## C. QUAC Consultation: Key Themes & Findings

### Stakeholder Priorities & Concerns

See Appendix A.2 for the full survey and results of the QUAC consultations.

*Note: response percentages have been rounded up, using the 0.5 rule.*

Survey Basics: of 118 self-selected individual responses to the survey:

- ~ 60% identified as BC chicken growers,
- ~ 30% included: small-lot (permit) chicken growers, trades, processors, hatcheries, and some public and government representatives,
- ~ 10% of respondents identified as those seeking to enter the industry as new chicken growers.

Q#3: Please rank the following objectives (where the top four values ranked as “very important” were):

- 1- 82% - to ensure local food security
- 2- 81% - to ensure consumer demand and changing preferences are met by the industry
- 3- 77% - to maintain family farms over a long period of time
- 4- 71% - to encourage innovation in the industry

Q#4: What are some of the challenges of BC’s current chicken quota system from your perspective?

- 6) 41% - the system works well, no challenges
- 7) 36% - the cost of quota is too high; 2% said the cost of quota is too low
- 8) 5% - the cost of quota is unpredictable
- 9) 13% - it’s difficult to find quota when you want it
- 10) 34% - it lacks transparency; hard to find quota and know what the cost is
- 11) 25% - it doesn’t accommodate a variety of chicken production
- 12) 1% - they didn’t understand the quota system

Q#5: How easy is it currently to acquire chicken quota in BC?:

- 30% - “neither easy nor difficult”
- 21% - “very easy”

- 20% - “very difficult”
- 17% - “easy”
- 13% - “difficult”

Q#6: Are you generally aware of (and know how to find out) the cost of chicken quota in BC?

- 59% - Yes
- 21% - No
- 17% - I haven’t tried recently, but I’m sure I could find the information
- 3% - I don’t know

Q#7: Do larger growers have an unfair advantage with respect to their ability to acquire quota?

- 49% - Yes
- 35% - No
- 17% - I don’t know

Q#8: What, if anything, would you like to see changed with respect to BC’s chicken quota system?

- 33% - I wouldn’t like to see any changes
- 32% - I would like to see a central marketplace (view availability/cost of quota)
- 21% - I would like to see a Board managed quota exchange
- 8% - I don’t really understand the current system and/or unfamiliar with quota exchanges
- 7% - No opinion

Q#9: Would a centralized, mandatory quota exchange for quota transfers, like the BC Milk and BC Egg Marketing Boards currently use, be a good idea for the BC chicken industry?

- 32% - Yes
- 43% - No
- 24% - I don’t know

Q#10: If a quota exchange was established for the BC chicken industry, should any buyers of quota be assigned priority access to available quota on the exchange?

- 28% - No, everyone same access

- 6% - Yes, NEGS should have priority access
- 30% - Yes, NEGS and smaller growers should have priority access
- 9% - I don't know
- 28% - I'm opposed to a QEX, so [priority doesn't apply]

Q#11: If a quota exchange was established for the BC chicken industry, should any sellers of quota be assigned priority to sell their quota before others?

- 40% - No, everyone same access
- 11% - Yes, growers who are looking to sell ALL quota and exit the industry should have priority access
- 9% - Maybe [...]
- 12% - I don't know
- 28% - I'm opposed to a QEX, so [priority doesn't apply]

Q#12: If you do not support the idea of a quota exchange for the BC chicken industry, please choose the preferred option below or describe any other ways that you think the Board could improve transparency and access to quota.

- 19% - I would prefer the Board simply "track" quota transfers and report publicly on its website
- 24% - I DO support a QEX
- 18% - I prefer the status quo
- 27% - I'm not sure about a QEX, but I would like to see more transparency and access
- 12% - No opinion

Q#13: Should the Board consider issuing growers permanent increases in quota holdings more frequently? \*Please note, issuing quota does not mean more production as it would replace some of the pro rata allocations done each period (i.e. "re-basing")

- 62% - Yes, I agree with more frequent issuance of quota, even if a small amount
- 19% - No, I'd rather that the Board only issue quota when there is a significant amount to be distributed (10% or more)
- 19% - No opinion

Q#14: Currently, when individual growers sell quota, they are not assessed individually for a 5% deduction. Rather, these 5% assessments (the purpose of which is to give back to

industry & fund NEG) are done in January every year with the Board calculating the prior three years of quota transfers to establish a “rolling” average of kgs transferred per year. Then, 5% of that average number is the assessed amount (kgs) for the year. This amount of kgs is then deducted from the overall industry pro-rata distribution. This amount (kgs) is, in turn, used to fund the New Entrant Growers Program. **Should the Board re-evaluate this method?**

*Note: This method of calculating quota transfer assessments for funding the NEG program is found in Schedule 9 of the BCCMB General Orders.*

- 26% - Yes, it might be fairer to assess growers who transfer quota (when they occur)
- 39% - No, the system works fine
- 35% - No opinion

Q#15: Pro rata distribution is where growers all receive the same percentage (for example, say 5%) of Board-issued (no cost) quota. This quota is distributed periodically to meet growth in demand. Example (using 5%): a grower with 10,000 kgs of quota will receive 500kgs; and a grower with 100,000 kgs of quota will receive 5,000 kgs. (Keep in mind that growers cannot accept quota if they do not have the barn space to grow it.) **Should the Board reconsider how it currently distributes growth allocation (pro rata distribution method), where larger growers receive larger net growth?**

- 42% - Yes
- 42% - No
- 17% - No opinion

Q#16: Should the Board reconsider if regionally assigned quota should (or can be) adjusted/shifted in any way? (i.e. Interior quota is tied to the Interior, Vancouver Island quota is tied to Vancouver Island)

- 40% - Yes
- 38% -No
- 22% - No opinion

Q#17: The Board is required to take a transfer assessment on any Board-issued quota, if/when it is sold. This is commonly referred to as the "declining transfer assessment of 10-10-0." 10% is assessed for each of 10 years after the quota was issued. Assessments are 0% at year 10 and beyond. (Part 35, page 50 of the BCCMB General Orders) Currently direct

family transfers are exempt from the declining transfer assessment (10-10-0). Direct family is defined as spouse, sons & daughters, and siblings. **Should the Board consider expanding the current exempt transfers?** If you answer “yes,” please explain who, for example, you think should be eligible for any exempt quota transfer? Please include this in the space provided.

- 21% - Yes
- 53% - No
- 26% - No opinion

Q#18: Currently all leases need to be submitted for approval to the Board within 30 days of the production allocation being issued to growers. With “after-the-fact” leasing, growers may submit leases after they’ve shipped and thus, they can make production adjustments to balance their over or under-production (after-the-fact). However, this does create an increased risk of over-production penalties at a national level, which would have to be paid by growers. It also could mean that over and under production sleeves may need to be adjusted. **Keeping these factors in mind, should the Board consider allowing “after-the-fact” leasing in BC?**

- 30% - Yes
- 14% - No
- 22% - No, I would prefer it if the Board considered increasing the over/under production sleeve
- 34% - I don’t know

## QUAC Committee Recommendations & Concerns

See Appendix B for the focused questions posed to the committees of both NEG and QUAC consultations.

### Goals and Values:

- 1) Agreed that a key goal of quota policy is ensuring family farms remain sustainable long term. After discussion, the committee adopted the FCC perspective that a family farm is any farm planning to transition to the next generation. It was further noted that as long as the farm “provides income for a family,” it need not require family involvement (or even one family member) in daily operations. It was also agreed that chicken-growing returns alone are insufficient to support a family (as most growers pursue other economic ventures).
- 2) Agreed that production must keep up with consumer demand and changing preferences, so quota policies/mechanisms should support flexibility to meet this demand.
- 3) Agreed that ensuring local food security is a higher goal than keeping BC chicken farms sustainable will help to achieve. Here, policy should seek to encourage processing and growing in other regions, where feasible.
- 4) Concerns were raised about the increasing consolidation of farms. Can quota policy provide the means to maintain existing smaller farms and increase the distribution of new farms in different regions?
- 5) Agreed that the Board should encourage innovation by keeping the industry accessible to new entrants and new “specialty” production. The Board should consider annualized quota to assist growers who self-market their product and those who may self-process and market. Find a way to allow them to grow and innovate within supply management.

### Specific Recommendations:

- 1) The committee held an in-depth discussion about a potential Quota Exchange (QEX), covering arguments for and against as well as *how* one might operate to minimize risk. In short, the committee recommended implementing a QEX but stressed the Board should avoid price-setting, be cautious about the 8-week growing cycle and exchange timing, while one member argued the Board should regulate price and consider

‘annualized production’ for differentiated growers. The committee was divided on whether to give new entrants priority access.

- 2) The committee recommended that the Board *not* change its current system of providing quota increases on a pro rata basis. The committee stated however that the Board should find *other* ways to support smaller growers (who are not benefitting as much from pro rata distributions). The committee agreed that future New Entrant Growers should be given a ‘good start’ to assist sustainability, rather than offer a BOGO like in the past.
- 3) If the Board allows “after-the-fact leasing,” the committee noted that some growers would be able to take advantage this, while others would not and would essentially “subsidize” those positioned to “over-produce.” Concerns were raised about how the Board would potentially pay CFC Over-Marketing Levies if they allowed the policy. Consensus was “no” to “after-the-fact leasing.”
- 4) Currently the Board issues quota (from market growth) in intermittent and often unpredictable periods and amounts (sometimes very large and requiring barn builds/expansions in order for growers to accept the quota). The committee agreed (some with reluctance) that an annual, regular issuance of quota was preferred to current intermittent system. It was noted that some were concerned about the rule (Part 24, General Orders) whereby growers cannot get an increase if they had sold quota within the last year.

 To view or download the General Orders, visit [bcchicken.ca/general-orders](https://bcchicken.ca/general-orders).

## Regional or Group-Specific Feedback

### The BC Chicken Growers’ Association (BCCGA) official response summary:

 See Appendix C for the BCCGA written submission, including their own member survey.

*“In summary, the BC Chicken Growers Association respectfully recommends that the Board:*

**Improve Accessibility:** *Address the concentration of quota control held by processors to ensure equitable access for all growers, including smaller processors and those pursuing self-marketing opportunities.*

**Retain Pro Rata Allocation:** *Maintain the pro rata allocation system while exploring alternative supportive measures for smaller growers.*

**Examine Regional Restrictions:** Analyze regional assignment rules—particularly regarding interior quota—to determine if easing restrictions could promote balanced industry growth.

**Explore Flexible Leasing Options:** Evaluate alternative leasing mechanisms (such as before-end-of-period leasing or expanded sleeve options) that provide production flexibility while minimizing OML risks.

**Implement a Market-Responsive QEX:** Develop a centralized quota exchange platform that:

- i. Operates in line with the eight-week production cycle,
- ii. Allows producers to set their own pricing and determine the quantity of quota to be sold,
- iii. Maintains confidentiality of individual transactions while publishing aggregate data,
- iv. Distributes sales and purchases on a pro rata, equitable or blend basis without priority access,
- v. And includes the exploration of a complementary leasing platform with appropriate flexibility measures.

**Maintain Existing Assessment Methods:** Continue with the current collective approach to quota transfer assessments while ensuring transparency in quota transfers.

**Adopt a Dynamic Quota Expansion Model:** Replace the issuance of new quota with an expansion of production entitlements on existing quota units. This approach—similar to the model used by Chicken Farmers of Alberta—would preserve quota liquidity by avoiding the FIRB 10-10-0 restrictions, reduce administrative complexity, and ensure that quota value remains aligned with production capacity.”

BCCGA letter, February 11, 2025

### Small-Scale Meat Producers Association (SSMPA) response:

See Appendix C for the full SSMPA written submission.

A concluding paragraph from the SSMPA’s official response:

“The pasture-based poultry sector employs unique production methods, distribution systems, and seasonal cycles that require a progressive framework for inclusion in supply management. Developing a tailored program with quota access for pasture-based producers would demonstrate the BCCMB’s commitment to fair, balanced governance and innovation.”

SSMPA letter, January 17, 2025



## D. Summary Table: Key Themes & Feedback

Topic	Key Feedback Points	Suggested for Action
<b>Long-term sustainability of family farms</b>	<p>Concerns about “windfall gains” and previous lottery programs, where new entrants cashed out their quota as soon as the 10/10/0 assessments expired.</p> <p>Concerns about smaller growers (not just NEG's) being able to grow and sustain their farms, quota allocations that are currently pro rata are skewed to continue to make large growers grow their quota holdings at a faster rate than smaller growers.</p>	<ul style="list-style-type: none"> <li>• Create non-transferable (production) quota for new entrants.</li> <li>• Implement initial “buy-in” of quota requirement for new entrants to ensure viability.</li> <li>• Create merit-based screening criteria and interviews to help assure candidates who are likely to follow all regulations and stay long term (10+ years).</li> <li>• Find a balanced approach to distribution of quota among farms. Seek to support smaller growers, not just new entrants.</li> </ul>
<b>Public trust in BC chicken-growing industry</b>	<p>Long term sustainability (environmental and economic viability) of farming practices and family farms are key to maintaining social contract.</p> <p>Innovation and responsiveness to consumer demand and preference are important.</p>	<ul style="list-style-type: none"> <li>• Merit-based criteria for NEG program to help assure serious candidates who are more likely to follow all regulations.</li> <li>• Ensure processor concerns are considered in assigning NEG's.</li> </ul>
<b>Quota source for NEG's</b>	<p>Preference for provincial allocation growth for NEG start-up quota (committee).</p> <p>Good support for a mix of provincial allocation growth and transfer assessment.</p>	<ul style="list-style-type: none"> <li>• Start a minimum of one NEG per year but seriously consider more if combination of growth and transfer assessments allow.</li> </ul>
<b>Lack of transparency for availability and cost of quota</b>	<p>Current quota system negatively affects the ability of new entrants to succeed, as one must already be in the system to access it.</p> <p>Difficult for small-lot producers to increase production outside the quota system. An SSMPA survey found 61% of permit-holders were interested in buying quota, while 59% supported “a separate program outside supply management for pasture-raised chicken.”</p>	<ul style="list-style-type: none"> <li>• Consider a public quota exchange where all have access to availability and cost of quota on a regular basis.</li> <li>• Ensure mechanism has fair means of distribution of sellers’ quota.</li> </ul>

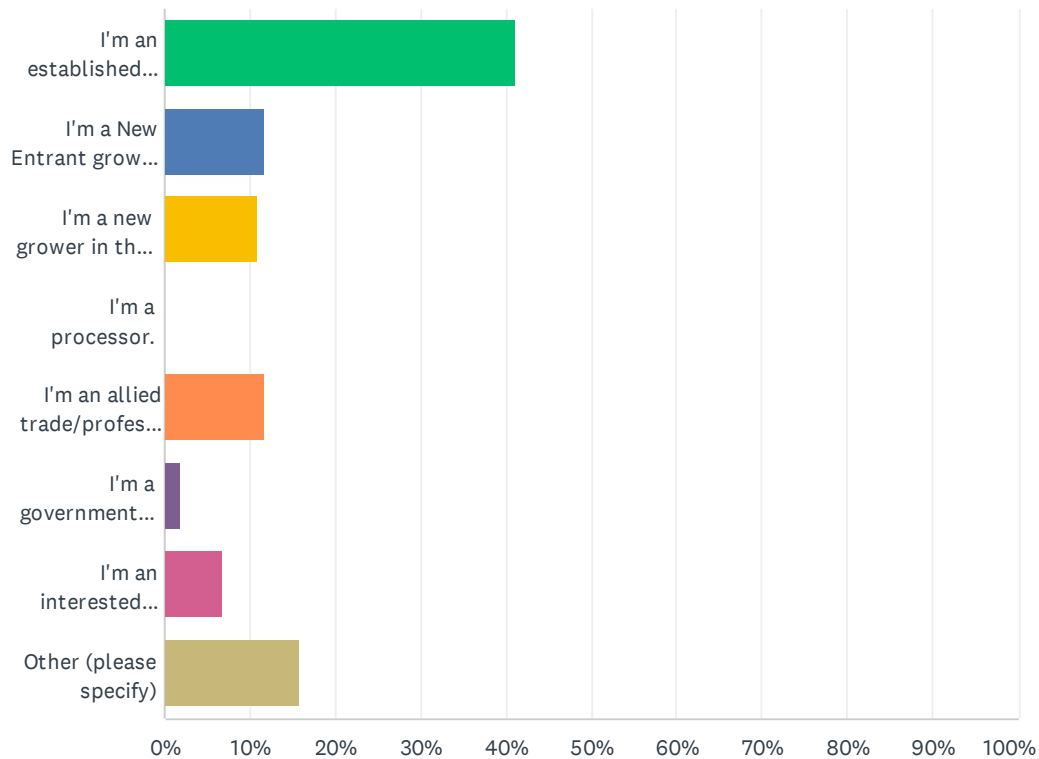
	<p>Large processor/growers have an advantage knowing when quota is for sale and buying or selling strategically. While there is no dispute with growth for large processors/growers, concerns about transparency and broader access <i>for all</i> quota-holders.</p> <p><i>“Earning a living should be from raising the chickens and not on the speculation of the price of the quota.”</i> -QUAC committee member</p> <p><i>“Banks definitely prefer a public quota exchange, where they can more clearly evaluate a grower’s assets, when needed for borrowing requests.”</i> - QUAC committee member</p>	<ul style="list-style-type: none"> <li>• Future review of permit-holder system.</li> </ul>
<b>Confusion about quota terms and definitions and pricing</b>	<p>Examples of terms heard during consultation but often unclear or contradictory meanings:</p> <p><i>“Primary quota”</i></p> <p><i>“Secondary quota”</i></p> <p><i>“Transition quota”</i></p> <p><i>“O.I.C. quota”</i></p> <p><i>“Mainstream quota”</i></p> <p><i>“Faint-hope quota”</i></p> <p><i>“BOGO quota” (and implications for NEG)s</i></p> <p><i>“Conventional quota”</i></p>	<ul style="list-style-type: none"> <li>• Ensuring quota is sold consistently ‘by kg’ to align with other commodities and some provinces. Rather than mix of by “bird” and kg.</li> <li>• Clarify meaning of different types of quota, which still apply, are “grandfathered”, and/or have particular conditions.</li> </ul>
<b>Confusion and dissatisfaction with existing regional quota restrictions</b>	<p>Division between Island growers claiming chicken-growing is economically viable (lower property costs and taxes) and those claiming it is not viable.</p> <p>One NEG claims he has struggled to stay viable for the seven years he has been growing chicken (but did not give a clear explanation).</p> <p>Most but not all quota produced on Vancouver Island is tied to the Island processor.</p> <p>Interior growers might expand production given quota incentives. Fraser Valley growers might move their production to the Interior given quota incentives.</p>	<ul style="list-style-type: none"> <li>• No suggestions beyond review policies for all regions to both achieve widespread distribution of farms (HPAI risk and local food security) and allow flexibility for growers who seek to maintain profitability.</li> <li>• Ensure processors are consulted <i>before</i> quota incentives are adjusted or implemented in any regions.</li> </ul>

## **APPENDIX A.1**

### **What We Heard - BCCMB NEW ENTRANT GROWER (NEG) SURVEY QUESTIONS AND RESPONSE SUMMARIES**

## Q1 What is your role in the chicken industry? Check only one box please.

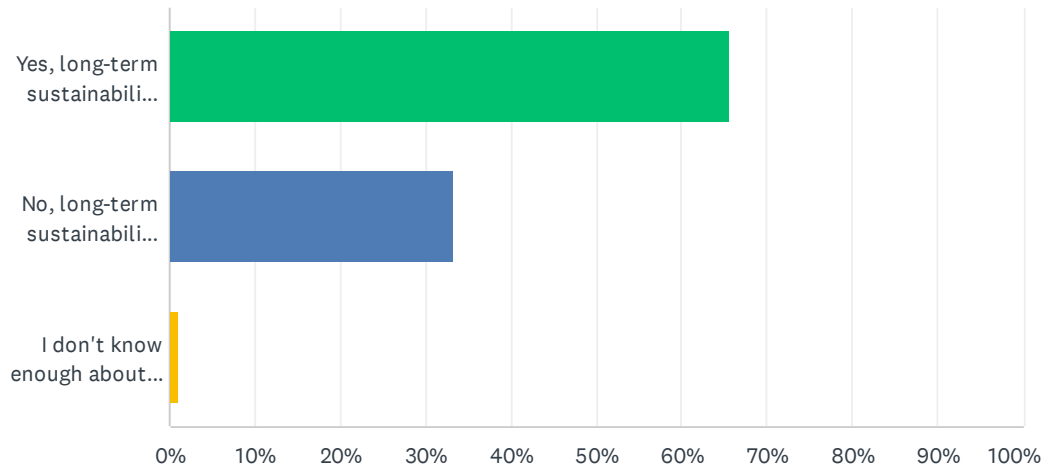
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
I'm an established chicken grower. I've been in the industry for 10 years or more.	41.18%	42
I'm a New Entrant grower who received incentive quota from the Board less than 10 years ago.	11.76%	12
I'm a new grower in the industry (less than 10 years), but I bought my own quota and/or received a family transfer.	10.78%	11
I'm a processor.	0.00%	0
I'm an allied trade/professional who supports the chicken industry.	11.76%	12
I'm a government employee with interest in agriculture and/or the chicken industry specifically.	1.96%	2
I'm an interested member of the public/consumer with no business interests in the chicken industry.	6.86%	7
Other (please specify)	15.69%	16
Total Respondents: 102		

## Q2 New Entrant programs focus on enabling entry into an industry, but not on long-term sustainability. Should the Chicken Marketing Board (the Board) consider long-term sustainability in its new program?

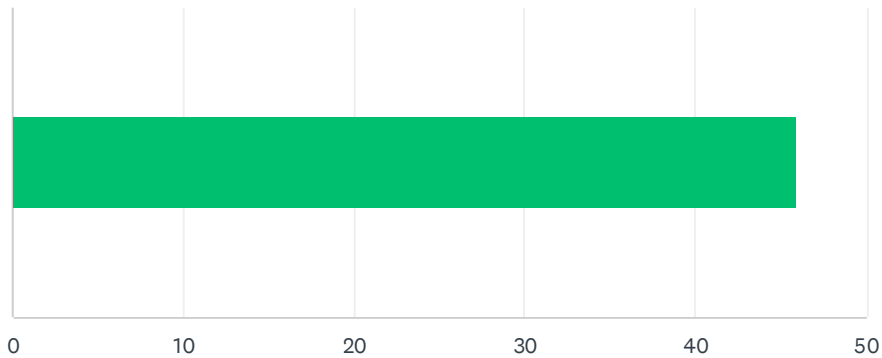
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, long-term sustainability should be a component of the new program.	65.69%	67
No, long-term sustainability is the responsibility of the new entrant, once they have incentive quota granted.	33.33%	34
I don't know enough about the economics of the industry to say.	0.98%	1
TOTAL		102

Q3 To what extent, do you consider the New Entrant program to be a succession planning tool? click on the button (left-side) and slide to reflect your answer.

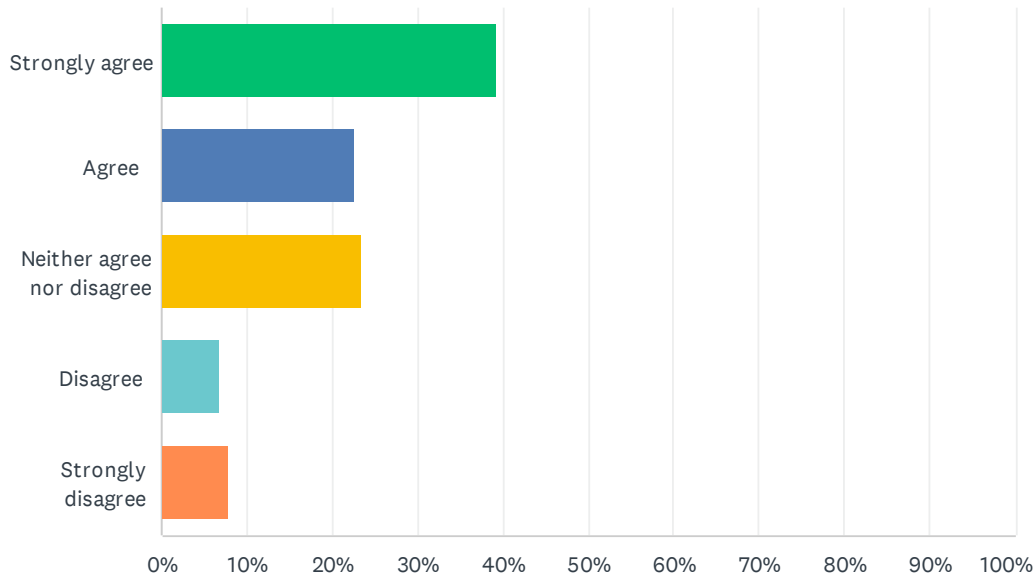
Answered: 102    Skipped: 0



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
	46	4,690	102
Total Respondents: 102			

Q4 The concentrated nature of the poultry industry in the Fraser Valley exacerbates the effects of avian influenza outbreaks. Should the New Entrant program (in cooperation with processing requirements where possible) make an effort to distribute production across BC?

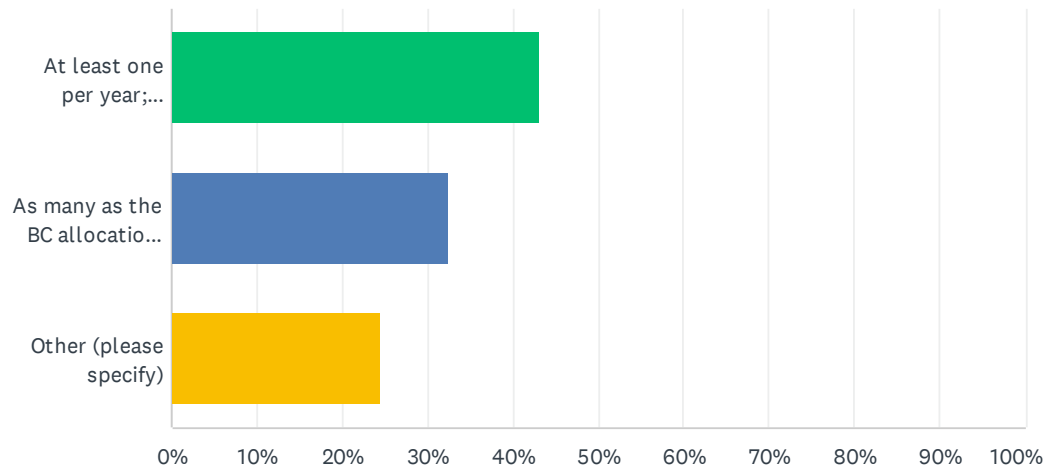
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	39.22%	40
Agree	22.55%	23
Neither agree nor disagree	23.53%	24
Disagree	6.86%	7
Strongly disagree	7.84%	8
TOTAL		102

## Q5 How many New Entrants should the Board aim to start annually?

Answered: 102 Skipped: 0

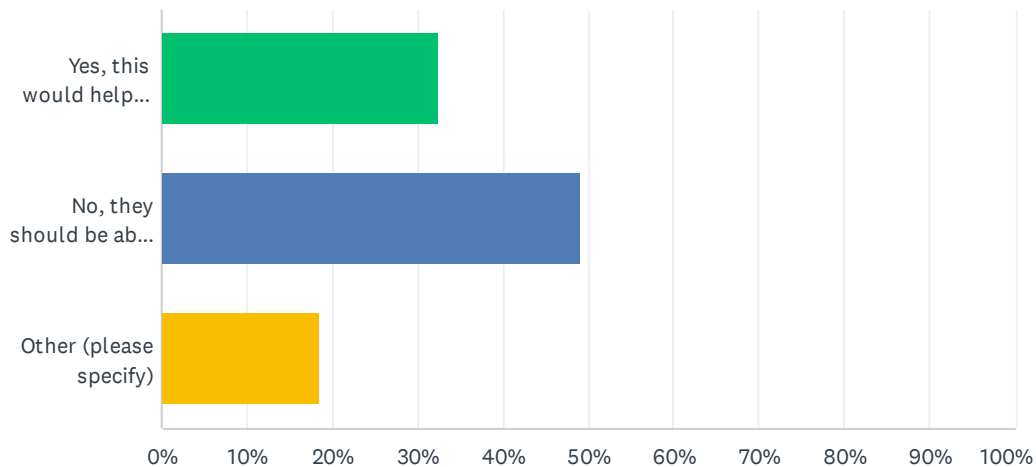


ANSWER CHOICES	RESPONSES	
At least one per year; renewal is important and the production allocation is steady (or increasing) sufficiently to support this	43.14%	44
As many as the BC allocation increases will allow.	32.35%	33
Other (please specify)	24.51%	25
TOTAL		102



**Q6 Should the Board consider using non-transferable quota to allow New Entrants to enter the industry? In other words, the Board grants "production" quota and it is available to the NE for as long as they want to produce, but they can never sell the quota as an asset. However, it could potentially be transferred under existing or future family transfer exemption rules (maintain the non-saleable rule).**

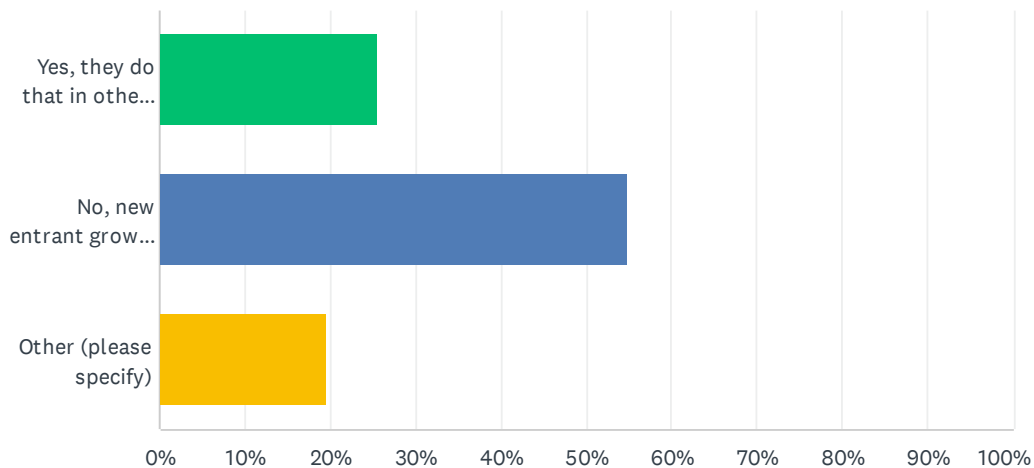
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, this would help ensure that NEs were in the industry to produce and have a sustainable business, not just sell out as soon as they were able.	32.35%	33
No, they should be able to sell their quota as an asset just like all growers, after a reasonable amount of time, like 10 years.	49.02%	50
Other (please specify)	18.63%	19
TOTAL		102

**Q7 Should the Board consider providing quota that is "clawed back" over time from New Entrants? In other words, incentive quota would be clawed back at a rate of perhaps 10% per year starting in year 5 or later, allowing the NE to buy their quota over time, as they become profitable. The clawed-back quota could be returned to the pool for future NEs.**

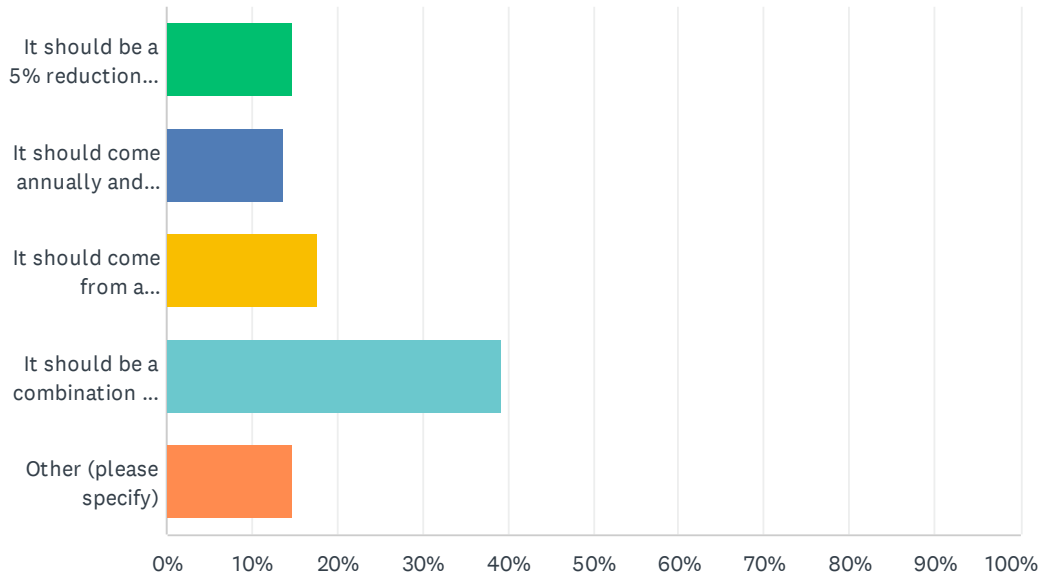
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, they do that in other provinces and it works great!	25.49%	26
No, new entrant growers should not have that additional burden placed on them.	54.90%	56
Other (please specify)	19.61%	20
TOTAL		102

## Q8 How should the New Entrant program be funded? In other words, where should the Board-provided quota come from?

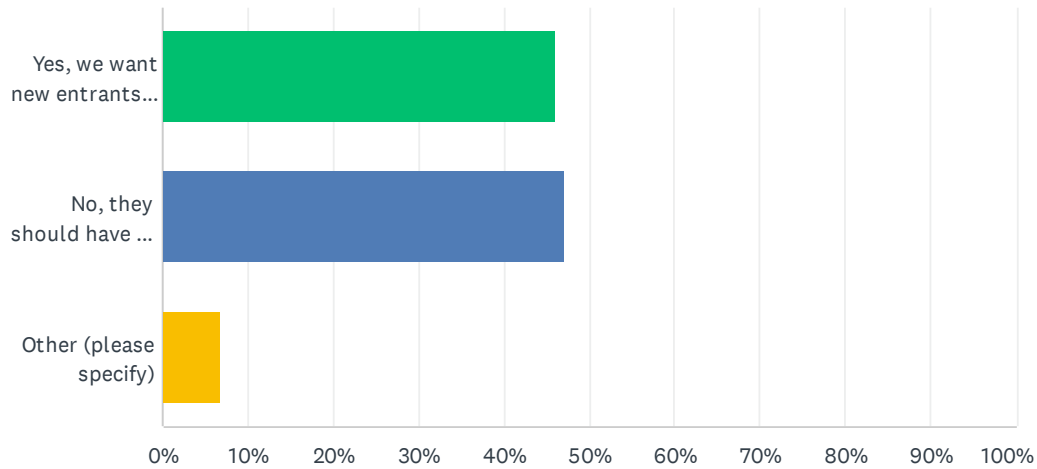
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
It should be a 5% reduction (from the industry as a whole) of the allotment that BC receives as part of the national allocation process and distributes to growers. This is how individual transfer assessments are administered currently (from the industry as a whole), and where the quota for New Entrants is sourced.	14.71%	15
It should come annually and directly from a 5% assessment from individual quota sales. These assessments are currently taken from the industry as a whole, as in option 1 above.	13.73%	14
It should come from a redistribution annually. To do this, the Board would reduce pro-rata allotments to very large producers (quota-holders greater than 500,000 kgs) by a small amount (1-2%).	17.65%	18
It should be a combination of option 2 and 3 above.	39.22%	40
Other (please specify)	14.71%	15
TOTAL		102

## Q9 Should New Entrants have priority access to additional quota if they want to purchase more quota to expand their operations and realize efficiencies?

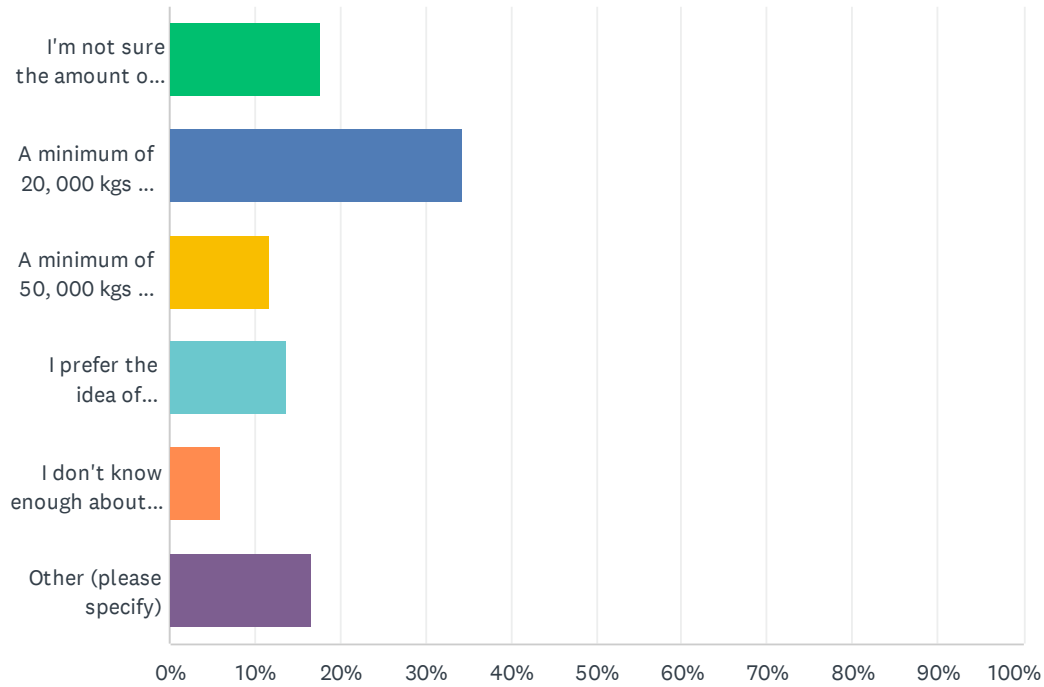
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, we want new entrants to be able to invest in the industry whenever possible. But this should only be in place for a limited time period and/or a quota size maximum, after which they are considered regular growers.	46.08%	47
No, they should have the same access as everyone else.	47.06%	48
Other (please specify)	6.86%	7
TOTAL		102

## Q10 How much initial incentive quota per cycle should a New Entrant be granted by the Board?

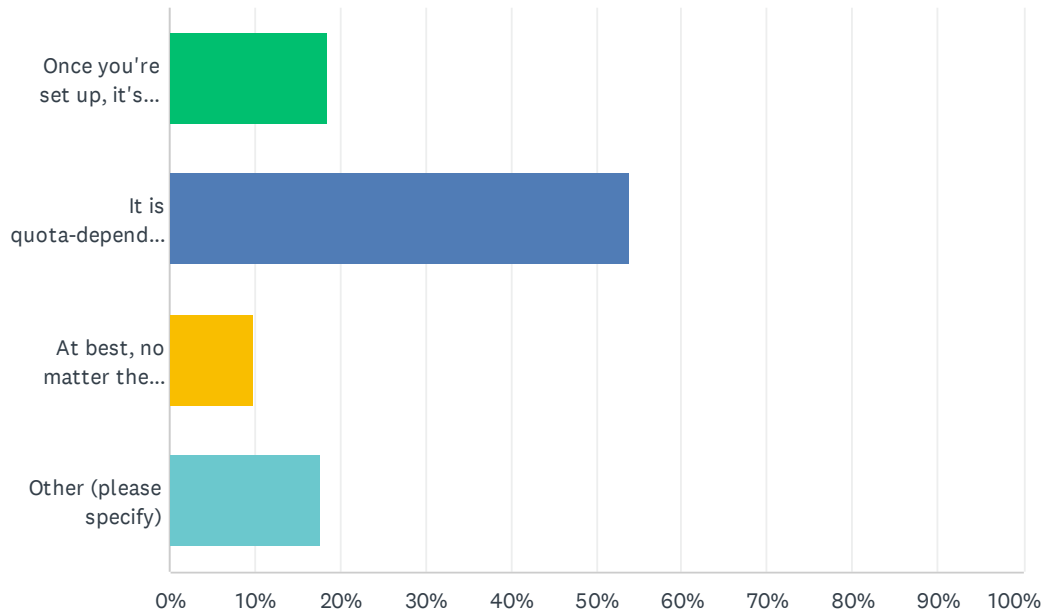
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
I'm not sure the amount of incentive quota, but they should have to buy some minimum amount of quota to show their commitment to the industry first.	17.65%	18
A minimum of 20,000 kgs per cycle, plus a Buy One Get One option (with a maximum of 10,000 kgs) and for a specified time limit.	34.31%	35
A minimum of 50,000 kgs per cycle, plus a Buy One Get One option (with a maximum of 10,000 kgs) and for a specified time limit.	11.76%	12
I prefer the idea of non-transferable quota that cannot be sold, and then you can grant them a higher amount of quota, because it is only a means to produce and not an asset.	13.73%	14
I don't know enough about the quota system to give an informed answer here.	5.88%	6
Other (please specify)	16.67%	17
<b>TOTAL</b>		<b>102</b>

# Q11 When you think of chicken growing in terms of daily/weekly effort, which of the following do you think best reflects the time and work commitment required to be an efficient chicken grower?

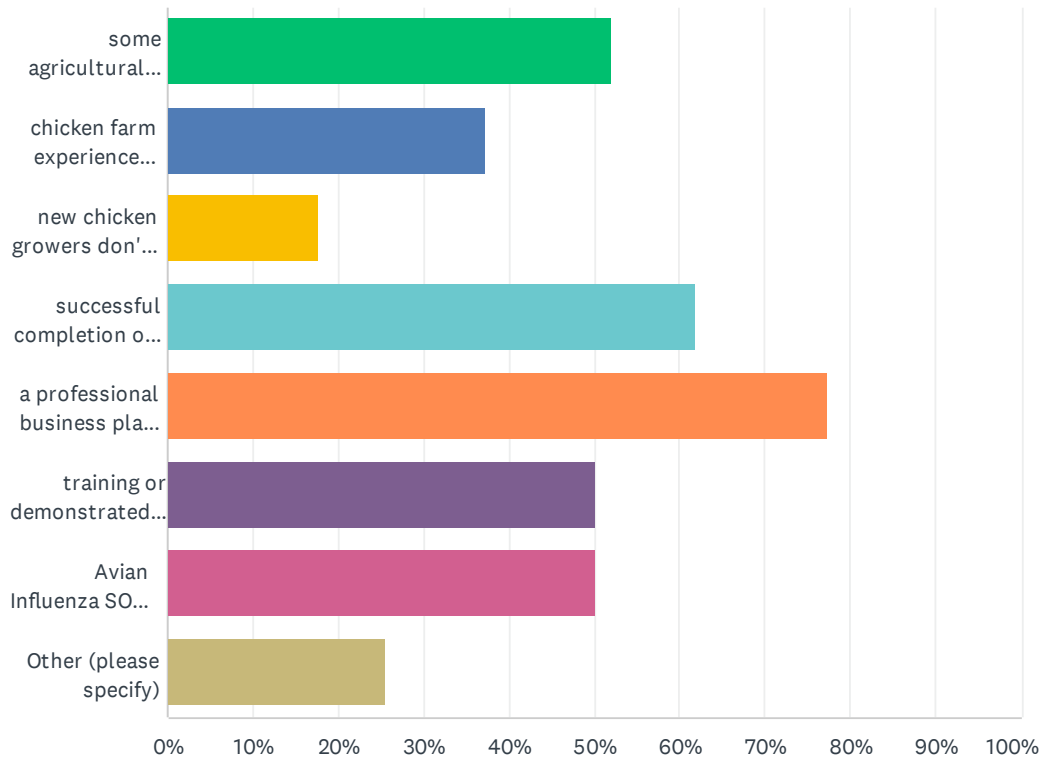
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
Once you're set up, it's a part-time job. I work another full or part-time job, in addition to running a chicken farm.	18.63%	19
It is quota-dependent, the more chickens you have, the more work it is.	53.92%	55
At best, no matter the amount of quota, it is a part-time job to walk through the barns a couple times per day.	9.80%	10
Other (please specify)	17.65%	18
TOTAL		102

**Q12 What are the minimum requirements that should be in place before the Board grants incentive quota to a New Entrant? Check all that apply and please write in any additional requirements that you would like to see.**

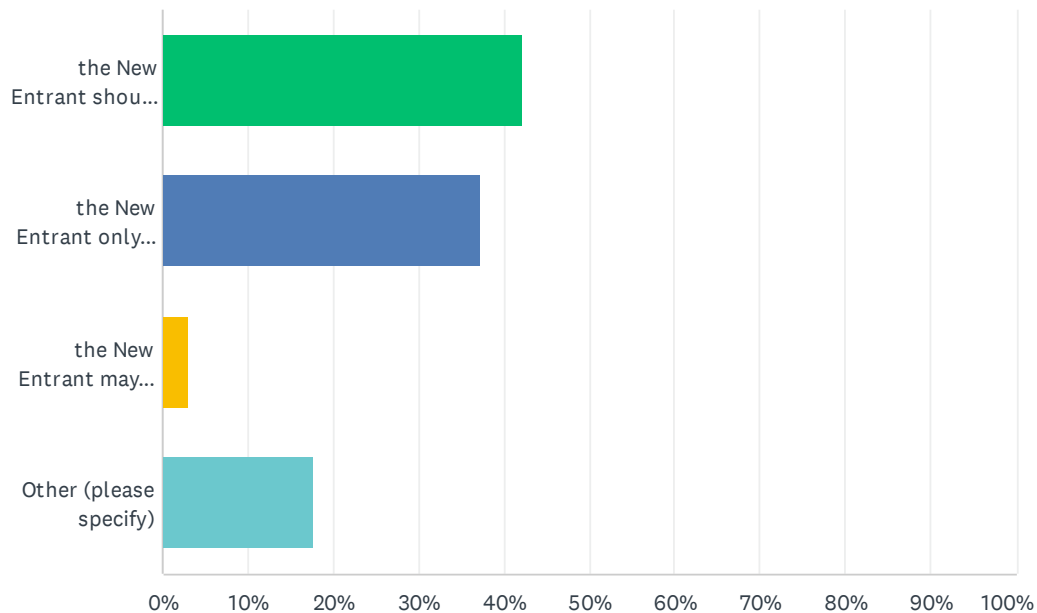
Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
some agricultural experience (could be other commodities besides chicken growing)	51.96%	53
chicken farm experience (volunteer or paid work on a chicken growing operation)	37.25%	38
new chicken growers don't need any agriculture experience, because the industry (processors/hatcheries/trades) provide all the training and support once you have the quota/signed contract	17.65%	18
successful completion of a chicken growing course like the Platinum Brooders Course	61.76%	63
a professional business plan, which includes a proposed site for a commercial chicken growing operation	77.45%	79
training or demonstrated knowledge of the OFFSAP and ACP programs	50.00%	51
Avian Influenza SOP training completion, including an SOP specific to their proposed site (assumes proposed site is part of the requirements)	50.00%	51
Other (please specify)	25.49%	26
Total Respondents: 102		

**Q13 What should "actively involved" in the operation of a chicken farm look like? check only one box, but please write in additional thoughts not represented here.**

Answered: 102 Skipped: 0

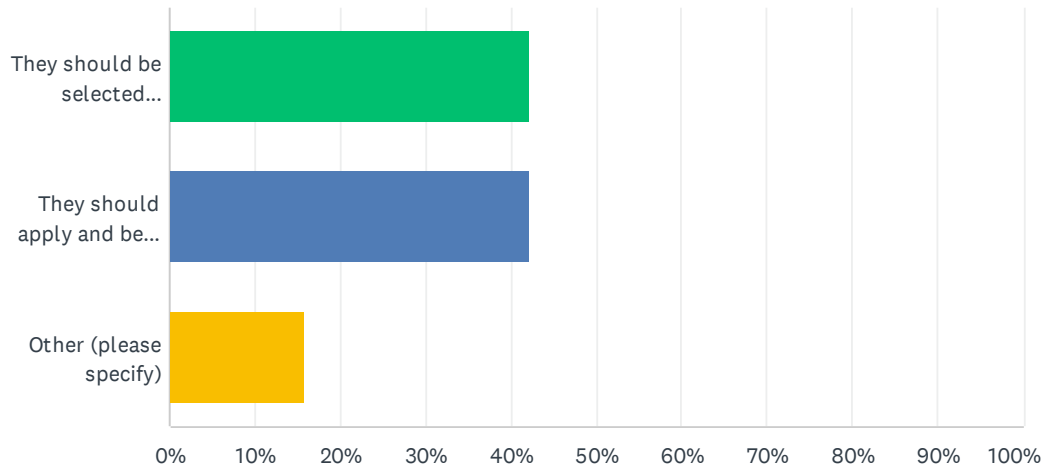


ANSWER CHOICES	RESPONSES	
the New Entrant should live on the premises of their chicken operation	42.16%	43
the New Entrant only needs to live close enough to visit the farm twice daily or they could hire a manager to run the operation	37.25%	38
the New Entrant may live outside the region (or province) so long as they have hired a manager to run the operation	2.94%	3
Other (please specify)	17.65%	18
TOTAL		102



**Q14 How should New Entrants be selected, once they've met the minimum requirements, age, residency, etc.? Check your preferred method below or write in a new one.**

Answered: 102 Skipped: 0



ANSWER CHOICES	RESPONSES	
They should be selected randomly through a draw and be invited on a first-come, first-served basis in the order they were drawn.	42.16%	43
They should apply and be chosen through a merit-based application/interview process, which is rooted in agricultural experience and/or interviews conducted by industry (eg. chicken growers, processors).	42.16%	43
Other (please specify)	15.69%	16
TOTAL		102

## Q15 Do you have any additional comments or feedback that you would like the Board to consider?

Answered: 54   Skipped: 47

#	RESPONSES	DATE
1	This survey should have been distributed to all permit holders. We only found out about it from the BCCMB newsletter which was sent two days AFTER this survey was supposed to close and as such, were not able to distribute it in time. In order to ensure that their voices are considered, we will be undertaking to gather the feedback of permit holders and other producers who are interested in the New Entrant program and will provide a further written submission. Thank you for the opportunity to participate in this process. Small-Scale Meat Producers Association	2/16/2024 4:26 PM
2	It frustrates me that in most new entrant programs it is a child of an existing farmer. This is not a new entrant in my opinion.	2/16/2024 7:08 AM
3	Consider alternative growing and marketing methods be allowed in the program such as pastured chicken and direct marketing	2/15/2024 5:57 PM
4	Please think about the absolute ineffectiveness of the current NE program. The lottery and free quota has created a monster in our industry, of people who are not committed farmers. Delayed purchase is the ONLY benefit that can be offered to a NE. I worked in the Ontario industry, and helped dozens of young families get into the business. I have been in BC for 3 years now, and the new young families here that have "won the chicken lottery" are an embarrassment to the industry. Over 90% are going to sell out at the earliest time, to make the most free money. They are cancer in our group discussions, they are mad they had to farm for 10 years in order to get their "lottery winnings" This is a major fail, to the industry and committed stakeholders.	2/15/2024 11:49 AM
5	It would be a beneficial discussion if NE were able to lease facilities with awarded quota, rather than having to also purchase farmland and buildings, decreasing the initial start up costs.	2/15/2024 8:47 AM
6	NEG program should be extended to new growers that had to purchase small amounts to get into industry within the past 10 years, at the very least, a top up to the existing NEG KG amount or a BOGO offering. A new grower is a new entrant without the free quota, with a higher risk. New growers that have proven they want to be in the industry long term but cannot remain viable with quota holdings below NEG should be given a opportunity to increase quota holdings as they have taken on more risk than lottery winners to enter the industry. NEG is intended to maintain future growers viability, why not also assist new growers who already have experience but cannot afford to expand to remain viable and evade an industry exit.	2/14/2024 3:43 PM
7	No	2/14/2024 11:10 AM
8	I do not support a new entrant program but I guess we have no choice as it is ordered by FIRB so if we can make a program that takes the least amount of quota from existing growers who paid for their quota somehow, that would be best.	2/14/2024 11:00 AM
9	really try to make this new entrant program as available and transparent as possible. No opportunity for perceived corruption or favoritism.	2/14/2024 8:46 AM
10	New entrants should be able to rent facilities	2/13/2024 10:25 PM
11	I think it's important to make any entrant successful any less is a detriment to the industry	2/13/2024 8:15 PM
12	Land price is a huge issue for NE, 20,000/lb per cycle Won't pay the mortgage on 5 acres, effectively running a new farm at a loss due to land costs.	2/13/2024 5:45 PM
13	Random draws and waitlists are a wait of time.	2/13/2024 3:13 PM
14	This program has been a blessing & a curse. The only way we have survived financially is by luck. When starting a farm there is a huge learning curve. When we would have a very productive flock and make extra \$, we would have to pay some of it back to the BCCMB. We	2/13/2024 1:13 PM

## New Entrant Grower (NEG) Program Consultation

found this extremely frustrating when we were barely making our mtg. payments. Also, NEG should get priority on over placement market development to help with extra income.;

15	I believe a new entrant should be allowed to lease barn space for a specified time frame(10 Years) once they have been drawn.	2/13/2024 1:07 PM
16	THE KEYS TO A SUCCESSFUL NEW ENTRANT PROGRAM 1. Non transferable quota issued to NEW ENTRANTS 2. The accessibility for NEW ENTRANTS to purchase quota to grow when they need it **That gives NEW ENTRANTS the income to start and to grow. That will bring in NEW ENTRANTS that are absolutely serious about farming! You will need very few draws or interviews as all applications will be well thought out, financially sound, and an applicant that is serious about farming.	2/13/2024 1:03 PM
17	no	2/13/2024 10:32 AM
18	These answers are based on the assumption that land ownership and lease rules will be adjusted prior to the new entrant program being released. If the neg does not need to own land or building to be a successful applicant in the new entrant program, they would have fewer barriers to entry/carrying costs. It seems reasonable that they would then have the ability to purchase more quota to become more efficient.	2/13/2024 10:31 AM
19	The new entrant program has been sitting there without any movement for a number of new years and seems to be stalled. It needs to be more robust and continuous	2/13/2024 10:27 AM
20	Focus on new entrants in the Interior and increase the spacing per farm for biosecurity reasons.	2/13/2024 9:29 AM
21	Litter management is easier in the north Okanagan than in the Fraser Valley. Therefore more new entrants in the Okanagan.	2/12/2024 11:05 AM
22	Changes need to be made very soon to ensure new growers have a opportunity to enter the industry	2/11/2024 9:33 PM
23	No	2/11/2024 9:37 AM
24	I have filled out this survey as someone who has extended family in the industry for many years, but has not had an opportunity to buy in or have the benefit of a New entrant program. We have been in agriCulture for a number of years and sincerely want an opportunity. I hope the board truly balances the need to have new growers and takes the results of this survey with a grain of salt as the questions may very much favor the opinions of existing growers who benefitted under the old system, and a system that lent itself to asset building and profitability. We aren't opposed to major financial investment but it needs to make sense. Right now that makes sense more so for young farmers (42 so not that young!) to make those investments in non supply managed sectors. I would welcome offering my views if anyone cares to hear them as someone who would love to be in the industry, but can't make the investment and risk make sense without a sustainable New entrant program incentive.	2/8/2024 5:46 PM
25	NA	2/8/2024 3:55 PM
26	The current NEG (20,000 + bogo) is definitely better than the 7716 kg we started with in 2012. We were fortunate to have a 20 acre land base with lots of equity to get started. We borrowed to build barns and buy quota and our returns barely cover those investments. We survive on off farm earnings. There is no profit to support improvements and growth. We are only building equity after 10 years. There is no money to support payments for further borrowing. Its no wonder this NEG model cannot be sustained by growers like us. At our age we will never live long enough to pay off the debt. Constantly rising costs without any foreseeable cost recovery pretty much guarantees that fact. The board needs to decide what is the true purpose of a NEG program and build a plan to achieve that purpose.	2/8/2024 12:31 PM
27	Beware: FIRB wants the General Orders to apply to EVERYONE, with very few exceptions. They want the opportunity available to all regions of the province.	2/8/2024 8:17 AM
28	I am familiar with the dairy NEP and they have a very good framework to how they chose their applicants which we could retro fit for chicken	2/7/2024 10:24 AM
29	I am glad that you're revisiting this. We need.a strong NEP	2/6/2024 4:30 PM
30	no	2/5/2024 1:27 PM
31	no	2/5/2024 8:59 AM

## New Entrant Grower (NEG) Program Consultation

32	no	2/5/2024 4:02 AM
33	The amount of new entrants that have entered the industry in the past 10 years is an absolute joke, compared to the increases in quota that existing growers have received at no cost to them. This needs to be shared with new entrants.	2/4/2024 8:24 PM
34	None not already mentioned	2/4/2024 2:35 PM
35	No	2/3/2024 12:08 PM
36	As a NEG, it's been the most difficult undertaking of my life so far! In an industry where COP doesn't account for any debt servicing, it makes it a rich mans game. You either need family help with financing, be independently wealthy or be willing to work 60-80 hrs a week, on and off the farm in order to be able to finance it. So far, it's been the worst investment of my life! If I had half the debt required or live price up .25-30 cents /kg it would be sustainable long term. Losing \$3500-\$4000 a month for the last 7 years isn't sustainable. At this rate, I can't imagine farming much longer.	2/2/2024 2:32 PM
37	A person entering the chicken business is in it to make money and build equity.If that can't be done the potential farmer will exit the business.	2/2/2024 1:29 PM
38	Land ownership is an important component of being a long term active producer.	2/2/2024 11:21 AM
39	I would be happy to consult further if requested.	2/2/2024 10:33 AM
40	a minimum amount of quota allowing sufficient income to cover cost minimum # of years quota should be held before being allowed to sell for full value >20 years	2/2/2024 10:19 AM
41	Deleted at request of respondent	2/1/2024 10:12 PM
42	This is a serious business and the wish to enter it is serious when people can get 'assistance' to enter. You know, lots of people have the rosy, skipping through the daisies attitude about farming. There's a lot of work, commitment and seriousness involved but if, that your thing, it's a wonderful lifestyle for the whole family!	2/1/2024 9:26 PM
43	Based on the latest information on COP, the Board has made it clear that to raise chicken efficiently, a farm needs to be a certain size. In order to benefit the industry as a whole, those farms under that size criteria should also have access to this program.	2/1/2024 8:42 PM
44	it is a business and investment vehicle , i recommend claw back up to 50% , 5% per year , with option to purchase it , and if they do purchase it , give them an additional 5 % it encourages investment and expansion, similar incentives should be explored to encourage continual investment	2/1/2024 7:00 PM
45	As a new entrant the 20,000kg and bogo worked out very well for me. I also purchased my farm right when I was drawn so it was much cheaper. Additional allocation with less or no sellable assets might work better going forward. The returns will be better and it will create a full commitment to the industry.	2/1/2024 6:13 PM
46	I feel this should focus on growing our Poultry Business while encouraging family farming practices. Keeping the family farming mindset forefront in the decision process. Farm managers/employees in time I think are a good thing depending on size of farms, but if we are trying to grow our Poultry Farming Business it would be great to encourage young farming families to benefit from such a program.	2/1/2024 5:36 PM
47	Yes, I would like to be appointed to the committee providing feedback on this important mater. Paul Wendt	2/1/2024 4:50 PM
48	I believe it is very important that applicant commit to being actively involved in the farm. The process should be transparent. The list should be short enough that applicants will likely be building within 5 years of being selected.	2/1/2024 3:58 PM
49	People are getting into it for the lucrative "its free and quota is worth a lot and I can farm it for 10 years and then sell it" or "I'm going to farm this for 10 years, and then its my pension or my holiday house fund". Ive personally seen it and had it said to me from 3 different new entrants. I don't think they should ever be allowed to sell the quota that they got for free, and the "buy one get one" is a great idea as well, but don't give them the ability to sell the 1 free one they received with the purchase. I'm all for offering opportunities but I don't think they need to be handouts that have the ability to be exploited. Whatever you received for free should be	2/1/2024 3:02 PM

## New Entrant Grower (NEG) Program Consultation

returned to the board after 10 years. Encourage the New Farmers, give them the opportunity they need, but don't handout freebies.

50	Thank you for doing this, the program is critical to the growth of family run chicken farms. The industry is nearly impossible to get into otherwise. However the program also needed a revision desperately. So again, thank you for doing this	2/1/2024 2:25 PM
51	I think the board should also consider assisting transitions from older established growers to new entrants. Currently there is a family transitional clause but this should be broader to include anyone the current owner wants to work with. Also, it would be helpful to loosen the restrictions of land ownership, as the combined capital required to purchase land, build a barn, and hopefully get some BOGO is so large that it creates the low profitability problem. Allowing a NE to raise their allotment on long term leased premises or approved transitional farms (with no tie to family requirement) could be helpful.	2/1/2024 1:54 PM
52	An educational piece around farm operational finances should be a large part of the process. As a financial professional, the biggest failure for new entrants in other programs stems from a lack of ability to understand the financial aspect of the operations.	2/1/2024 12:10 PM
53	I think the information of a new entrance grower should have more detail like this will not support your livelihood financially, but it will give you a start in chicken farming. I started as a new entrance and worked off farm to help support my payments. Any farming business takes a while to support itself if you are a 1st gen farmer.	2/1/2024 11:52 AM
54	first choice is previous new entrant lottery winners .	1/31/2024 3:45 PM

**Q16 Thank you for taking the time to complete our survey. If you would like to participate in the draw for a \$200 restaurant gift card, please provide your name and contact info below. You must reside in BC to be eligible.**

Answered: 82   Skipped: 20

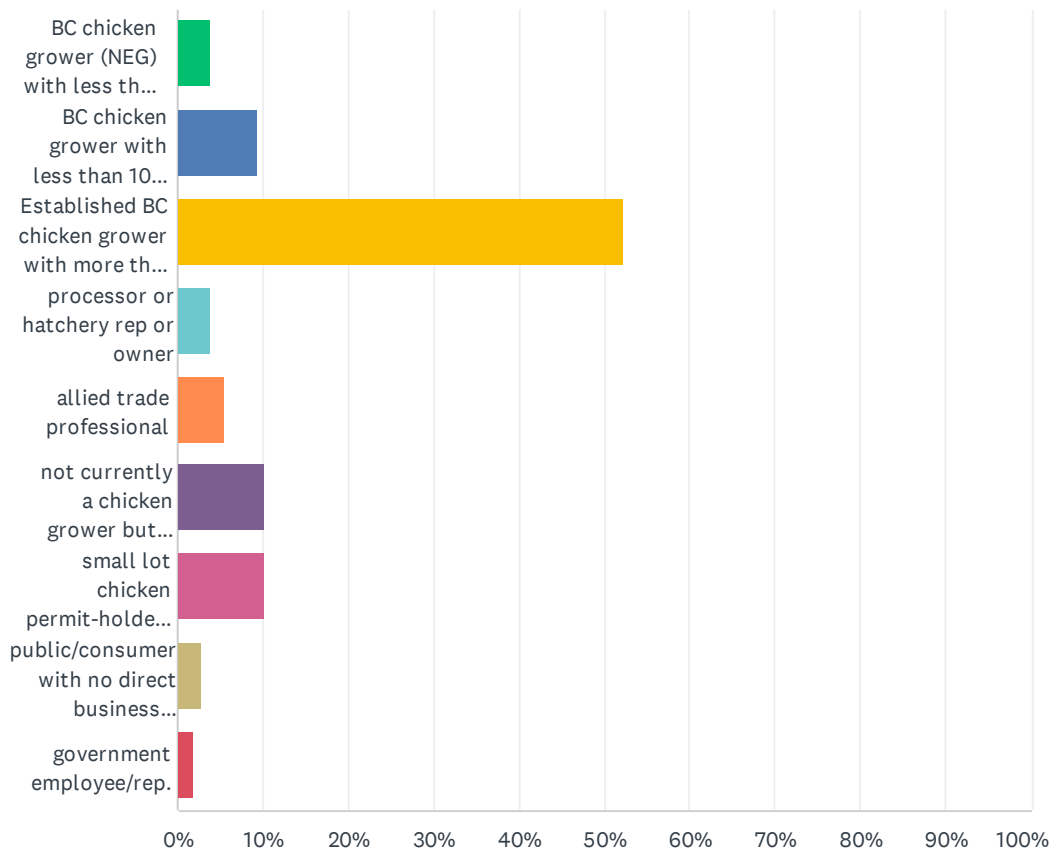
ANSWER CHOICES	RESPONSES	
Name	100.00%	82
Company	0.00%	0
Address	0.00%	0
Address 2	0.00%	0
City/Town	93.90%	77
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	95.12%	78
Phone Number	93.90%	77

## **APPENDIX A.2**

### **What We Heard - BCCMB QUOTA USE AND ACCESS (QUAC) SURVEY AND RESULTS**

**Q1 SECTION I: Interests & Values** What is your role/interest in the BC chicken industry? If more than one category applies to you, please check the one that best represents your interest in the industry.

Answered: 107    Skipped: 8

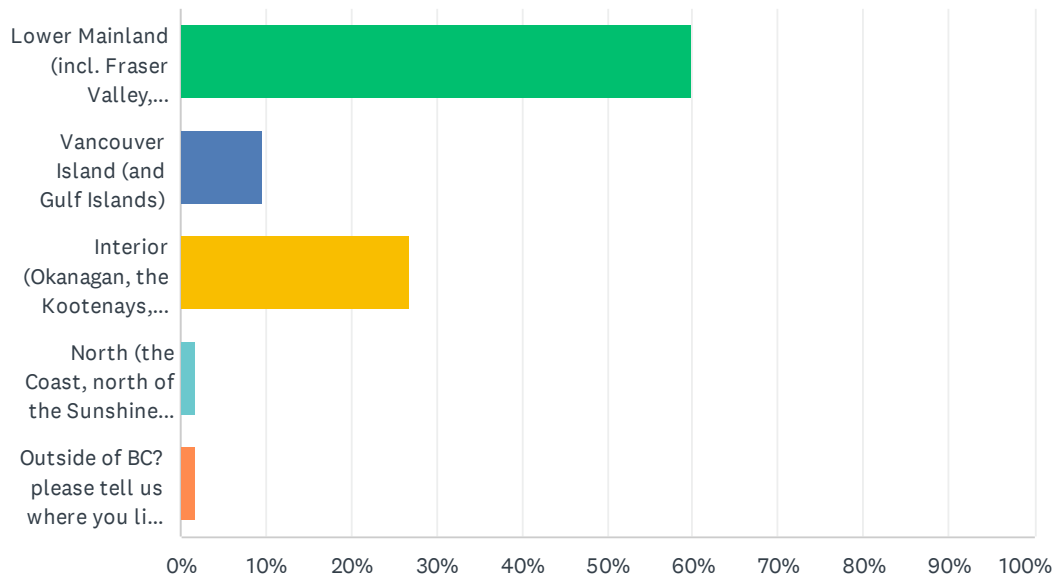


ANSWER CHOICES	RESPONSES	
BC chicken grower (NEG) with less than 10 years in the industry (received BCCMB NEG incentive quota)	3.74%	4
BC chicken grower with less than 10 years in the industry (did NOT receive BCCMB NEG incentive quota)	9.35%	10
Established BC chicken grower with more than 10 years in the industry (may or may not have received incentive quota)	52.34%	56
processor or hatchery rep or owner	3.74%	4
allied trade professional	5.61%	6
not currently a chicken grower but interested in entering the industry	10.28%	11
small lot chicken permit-holder who may be interested in acquiring/expanding chicken production	10.28%	11
public/consumer with no direct business interests in the chicken industry	2.80%	3
government employee/rep.	1.87%	2
<b>TOTAL</b>		<b>107</b>



## Q2 In what BC region do you mainly work and live?

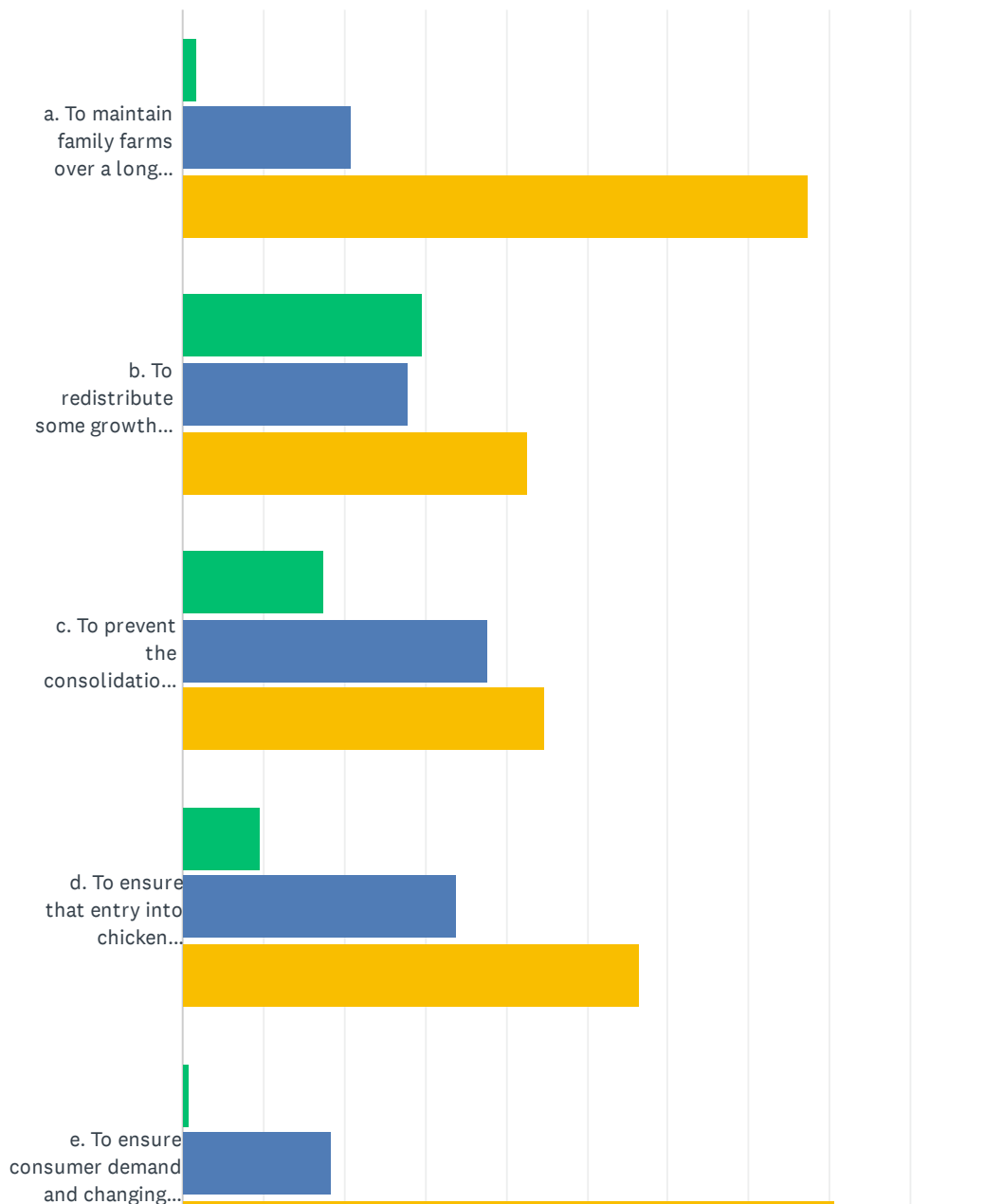
Answered: 115 Skipped: 0



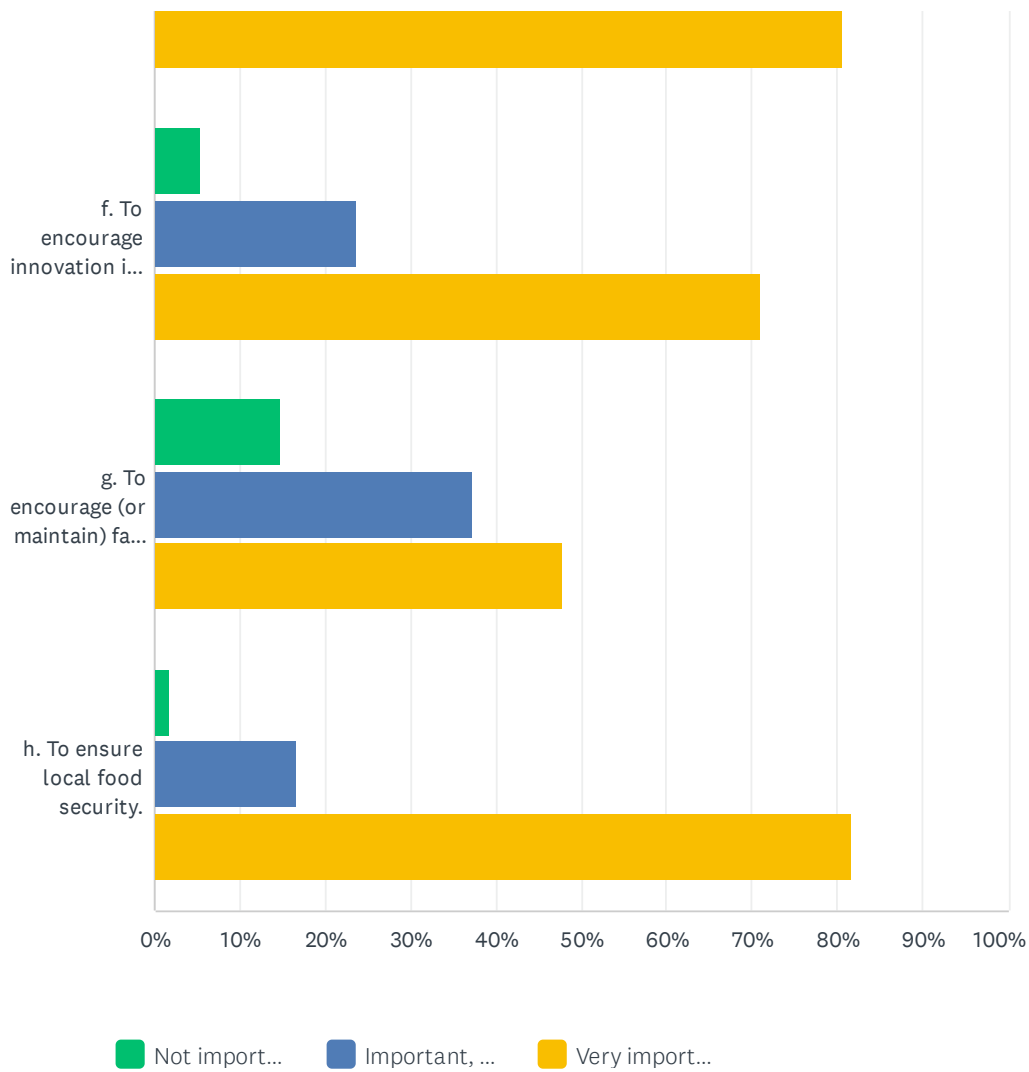
ANSWER CHOICES	RESPONSES	
Lower Mainland (incl. Fraser Valley, Sunshine Coast and Squamish-Lillooet)	60.00%	69
Vancouver Island (and Gulf Islands)	9.57%	11
Interior (Okanagan, the Kootenays, Thompson-Nicola and the Cariboo)	26.96%	31
North (the Coast, north of the Sunshine Coast, Bulkley-Nechako and the Peace)	1.74%	2
Outside of BC? please tell us where you live and what your role/interest in the chicken industry is...	1.74%	2
<b>TOTAL</b>		<b>115</b>

Q3 Managing the chicken supply through a quota system accomplishes several primary objectives. For example, one objective is to ensure that production meets consumer demand in an efficient manner at a fair return to producers. However, a quota system may also accomplish a few other supplementary objectives. From your perspective, what supplementary objectives should the Board look to enhance/maintain for the industry when it considers future quota policy options? Please rank the following objectives as: Not important; Important, but not essential; or Very important

Answered: 115 Skipped: 0



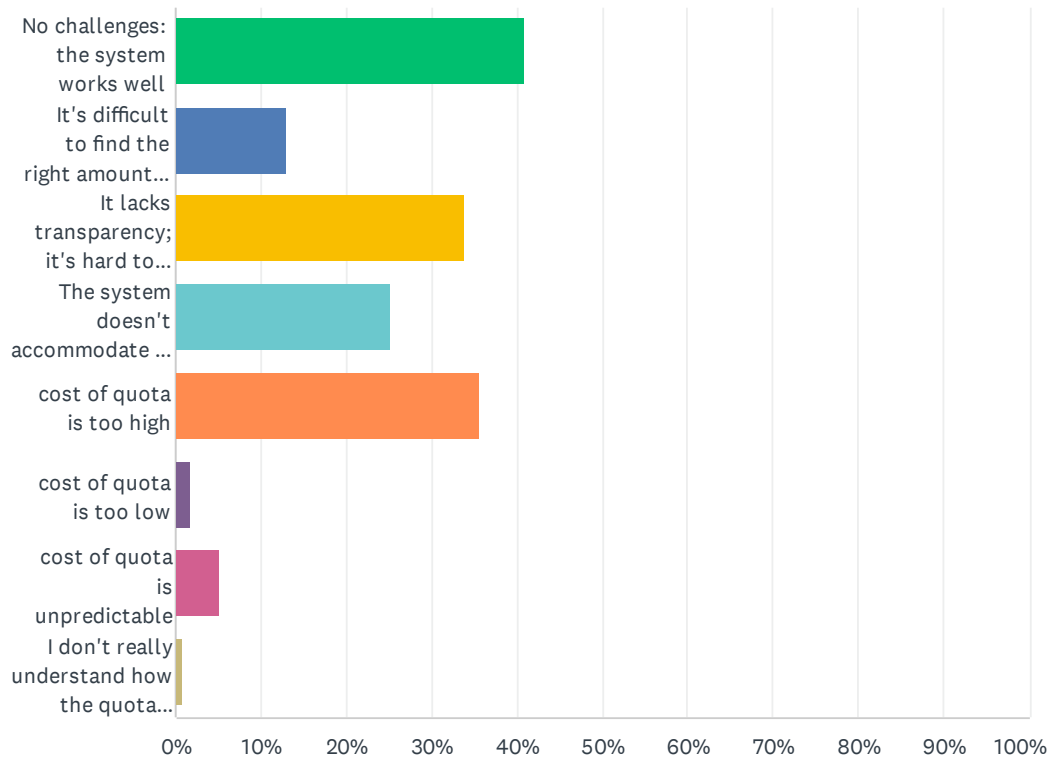
## QUAC Online Survey



	NOT IMPORTANT AT ALL	IMPORTANT, BUT NOT ESSENTIAL	VERY IMPORTANT	TOTAL
a. To maintain family farms over a long period of time.	1.74% 2	20.87% 24	77.39% 89	115
b. To redistribute some growth from very large farms to smaller farms.	29.57% 34	27.83% 32	42.61% 49	115
c. To prevent the consolidation of farms	17.54% 20	37.72% 43	44.74% 51	114
d. To ensure that entry into chicken production is accessible for new, young growers.	9.57% 11	33.91% 39	56.52% 65	115
e. To ensure consumer demand and changing preferences are met by the industry.	0.88% 1	18.42% 21	80.70% 92	114
f. To encourage innovation in the industry.	5.26% 6	23.68% 27	71.05% 81	114
g. To encourage (or maintain) farms in regions outside of the Lower Mainland.	14.78% 17	37.39% 43	47.83% 55	115
h. To ensure local food security.	1.75% 2	16.67% 19	81.58% 93	114

## Q4 SECTION II: Current access to chicken quota in BC What are some of the challenges of BC's current chicken quota system from your perspective? Please click as many as apply.

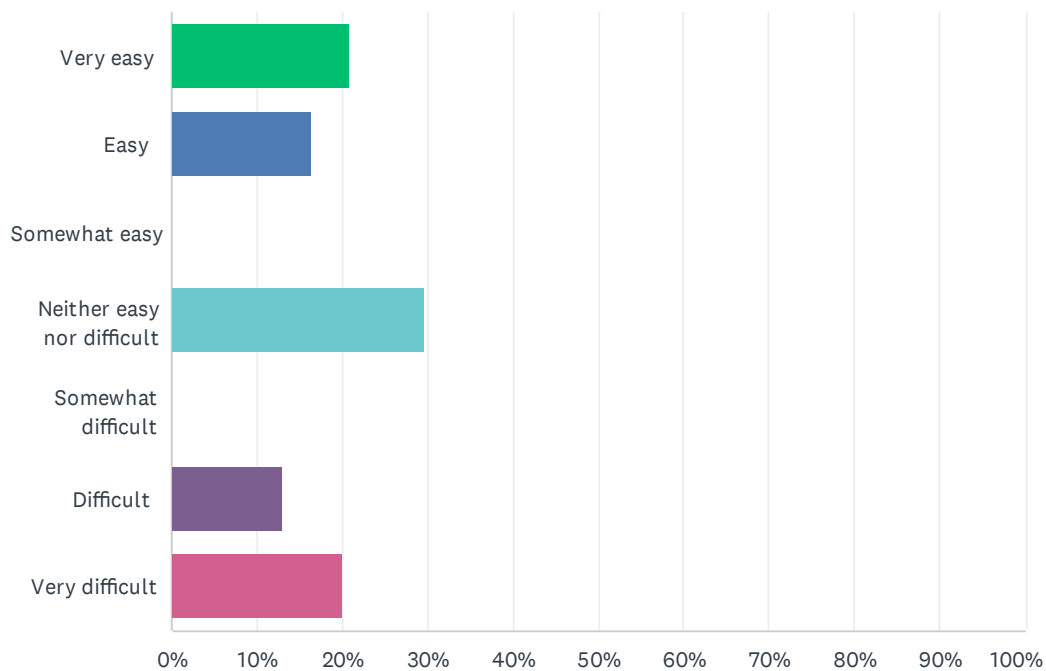
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
No challenges: the system works well	40.87%	47
It's difficult to find the right amount of quota when you need it	13.04%	15
It lacks transparency; it's hard to know where to find quota and/or what the quota cost is	33.91%	39
The system doesn't accommodate a variety of chicken production types. For example, seasonal/pastured birds	25.22%	29
cost of quota is too high	35.65%	41
cost of quota is too low	1.74%	2
cost of quota is unpredictable	5.22%	6
I don't really understand how the quota system works, so can't answer this	0.87%	1
Total Respondents: 115		

## Q5 How easy is it to acquire chicken quota in BC?

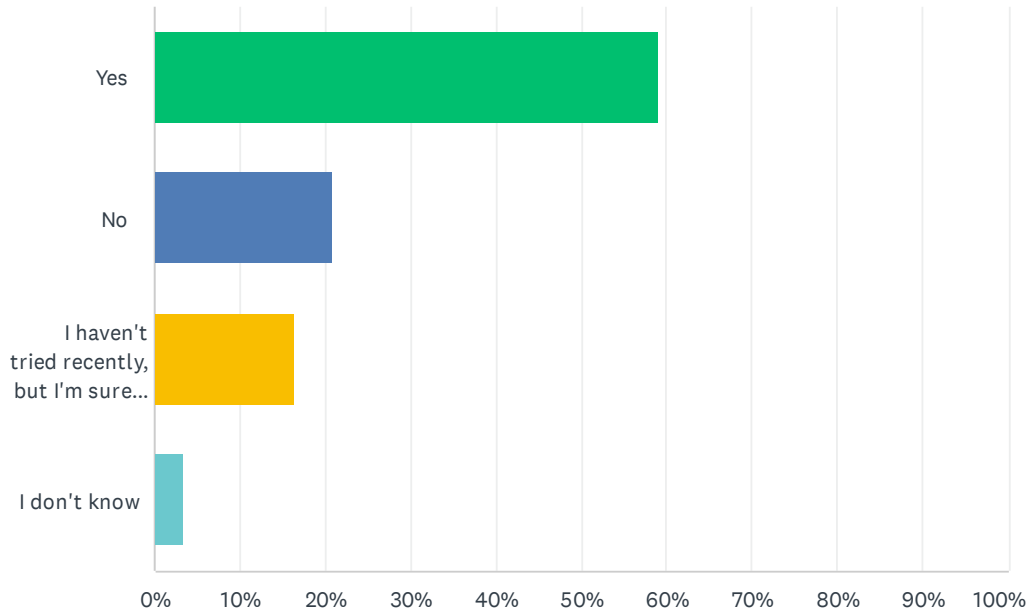
Answered: 115    Skipped: 0



ANSWER CHOICES	RESPONSES	
Very easy	20.87%	24
Easy	16.52%	19
Somewhat easy	0.00%	0
Neither easy nor difficult	29.57%	34
Somewhat difficult	0.00%	0
Difficult	13.04%	15
Very difficult	20.00%	23
TOTAL		115

## Q6 Are you generally aware of (and know how to find out) the cost of chicken quota in BC?

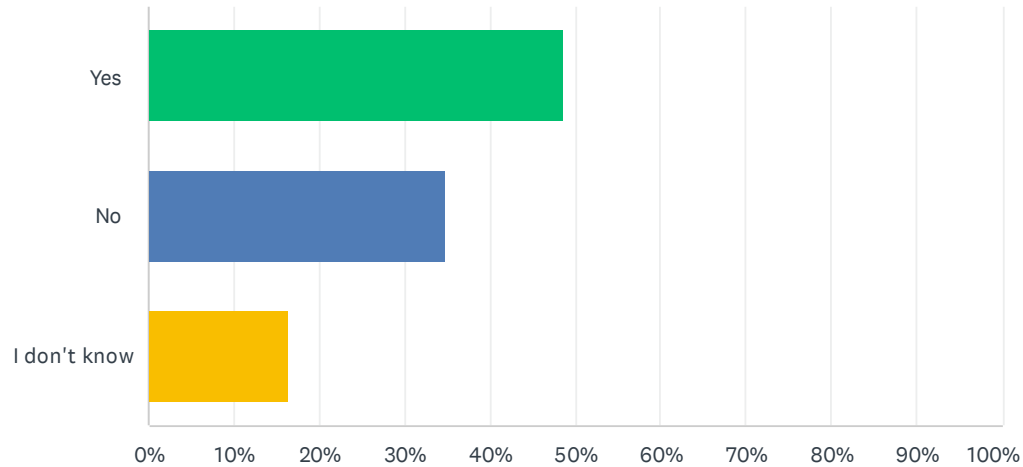
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	59.13%	68
No	20.87%	24
I haven't tried recently, but I'm sure I could find that info if needed	16.52%	19
I don't know	3.48%	4
TOTAL		115

## Q7 Do larger growers currently have an unfair advantage with respect to their ability to acquire quota?

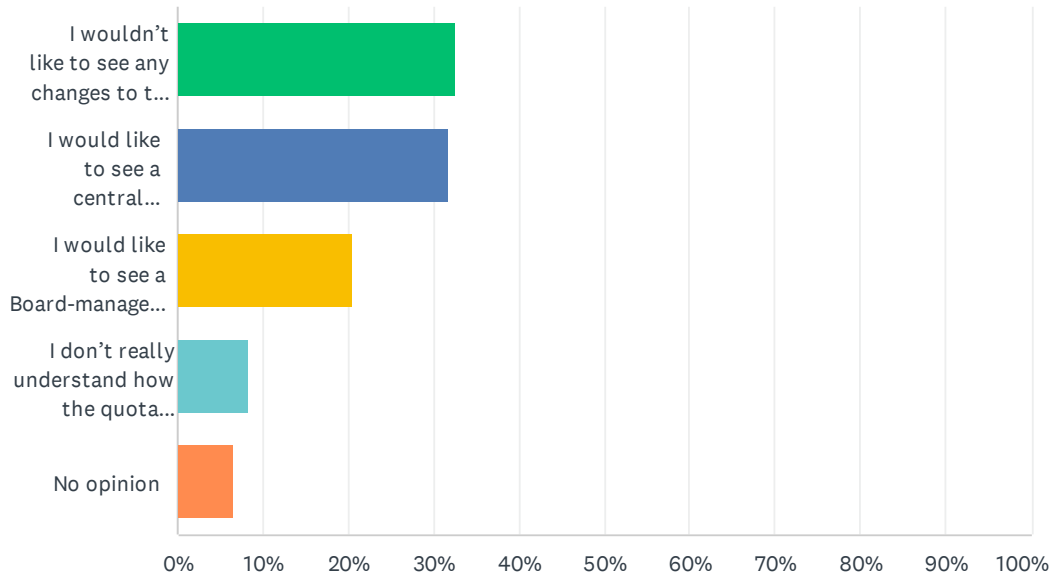
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	48.70%	56
No	34.78%	40
I don't know	16.52%	19
TOTAL		115

## Q8 What, if anything, would you like to see changed with respect to BC's chicken quota system?

Answered: 107 Skipped: 8



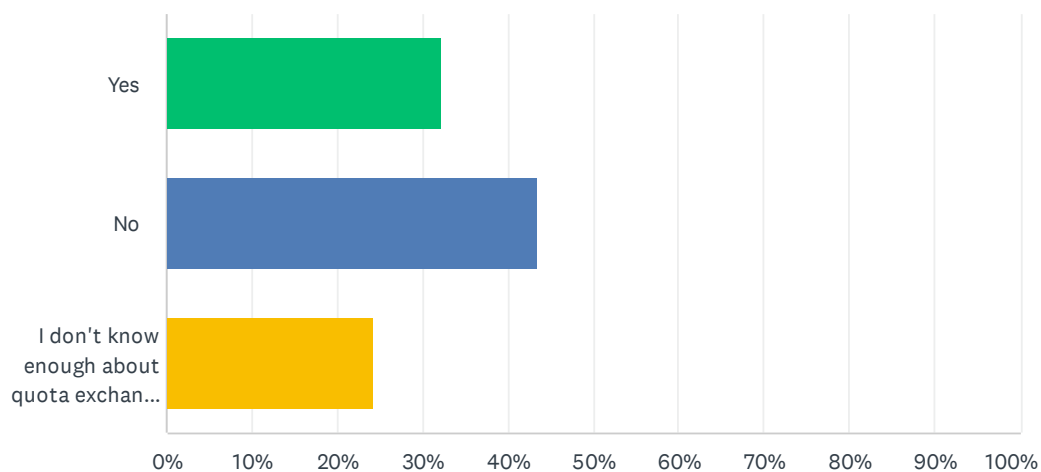
ANSWER CHOICES	RESPONSES	
I wouldn't like to see any changes to the system; it works well	32.71%	35
I would like to see a central marketplace maintained, where I could view all available quota for sale and the price	31.78%	34
I would like to see a Board-managed quota exchange, similar to the quota exchanges provided by BC Milk or BC Egg Marketing Boards	20.56%	22
I don't really understand how the quota system works and/or I'm unfamiliar with quota exchanges; I need more information to answer	8.41%	9
No opinion	6.54%	7
<b>TOTAL</b>		<b>107</b>



### Q9 Section III: Potential Centralized Platform(s) for Quota Transfers

Currently there is no centralized platform of any kind for growers to transfer chicken quota in BC. Rather, quota is transferred privately through hatchery/processor/industry professionals and grower connections. A centralized platform for quota transfers could range from simply a virtual “bulletin board” with voluntary postings for quota advertisements to Board-required (mandatory) quota transfer postings or a central (mandatory) quota exchange, which provides a medium for quota transfers that is published and managed by the Board. This last option is the type of quota exchange currently operated by the BC Milk and BC Egg Marketing Boards. In your opinion, would a centralized, mandatory quota exchange for quota transfers, like the BC Milk and BC Egg Marketing Boards currently use, be a good idea for the BC chicken industry?

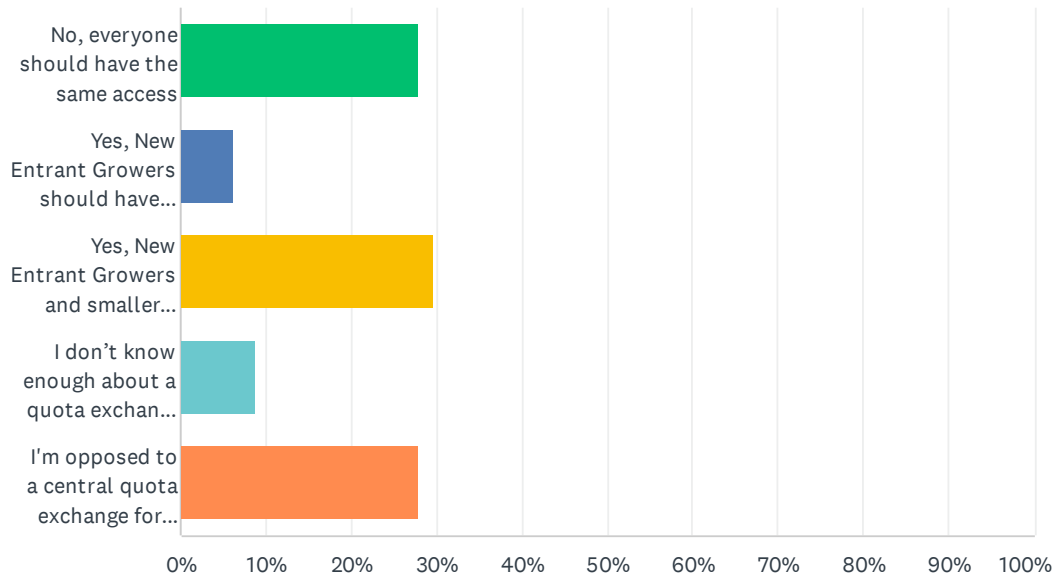
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	32.17%	37
No	43.48%	50
I don't know enough about quota exchanges to say	24.35%	28
TOTAL		115

**Q10 If a quota exchange (mentioned in Q9 above) was established for the BC chicken industry, should any buyers of quota be assigned priority access to available quota on the exchange?**

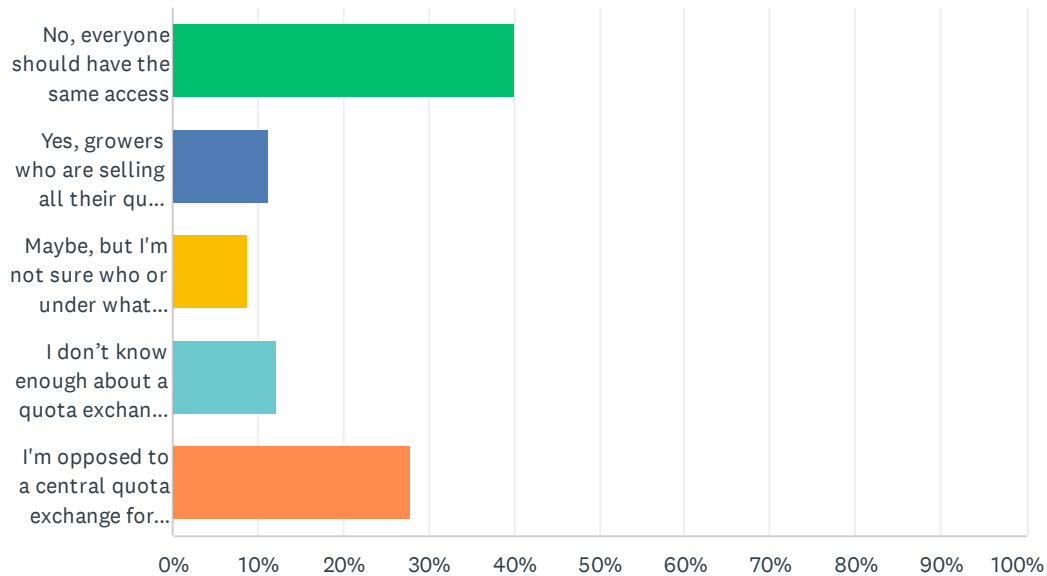
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
No, everyone should have the same access	27.83%	32
Yes, New Entrant Growers should have priority access	6.09%	7
Yes, New Entrant Growers and smaller growers, below a specified size should have priority access	29.57%	34
I don't know enough about a quota exchange to answer this question	8.70%	10
I'm opposed to a central quota exchange for chicken, and would thus rather not consider priority buyers/sellers	27.83%	32
<b>TOTAL</b>		<b>115</b>

## Q11 If a quota exchange (mentioned in Q9 above) was established for the BC chicken industry, should any sellers of quota be assigned priority to sell their quota before others?

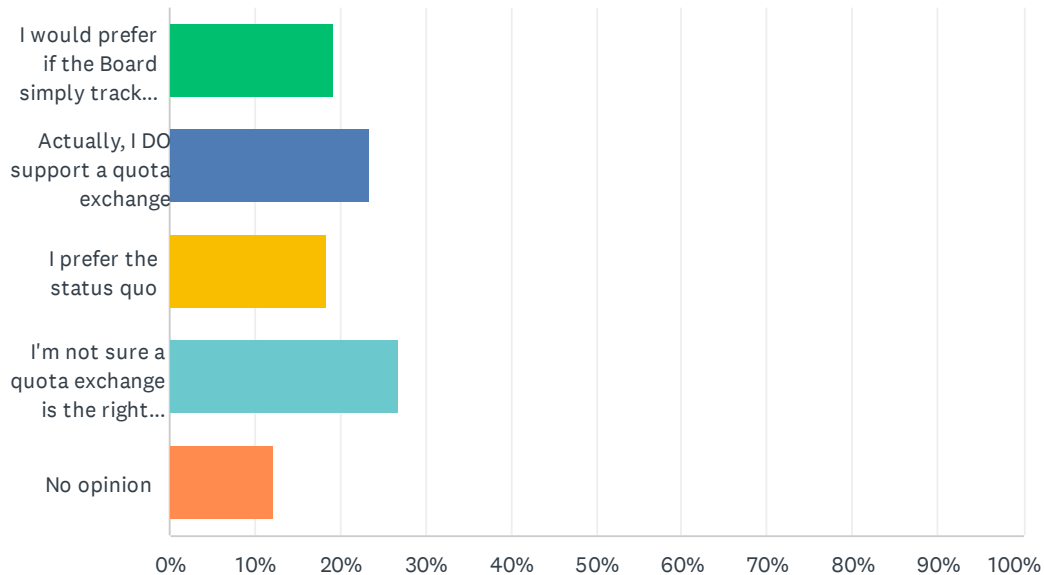
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
No, everyone should have the same access	40.00%	46
Yes, growers who are selling all their quota and exiting the industry should have priority to sell	11.30%	13
Maybe, but I'm not sure who or under what circumstances priority to sellers should be assigned	8.70%	10
I don't know enough about a quota exchange to answer this question	12.17%	14
I'm opposed to a central quota exchange for chicken, and would thus rather not consider priority buyers/sellers	27.83%	32
TOTAL		115

**Q12 If you do not support the idea of a quota exchange for the BC chicken industry, please choose a preferred option below or describe any other ways that you think the Board could improve transparency and access to quota.**

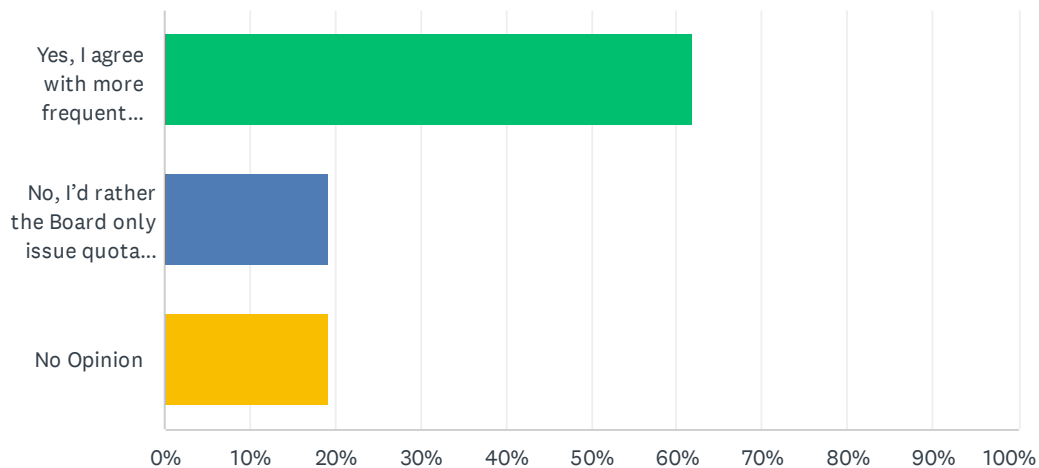
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
I would prefer if the Board simply tracked quota transfers publicly (not including farms/names) on its website to increase transparency	19.13%	22
Actually, I DO support a quota exchange	23.48%	27
I prefer the status quo	18.26%	21
I'm not sure a quota exchange is the right move, but I would like to see more transparency and access to quota	26.96%	31
No opinion	12.17%	14
<b>TOTAL</b>		<b>115</b>

**Q13 Section IV: Quota Use, Issuance, Assessments** Should the Board consider issuing growers permanent increases in quota holdings more frequently? \*Please note, issuing quota does not mean more production as it would replace some of the pro rata allocations done each period (i.e. rebasing)

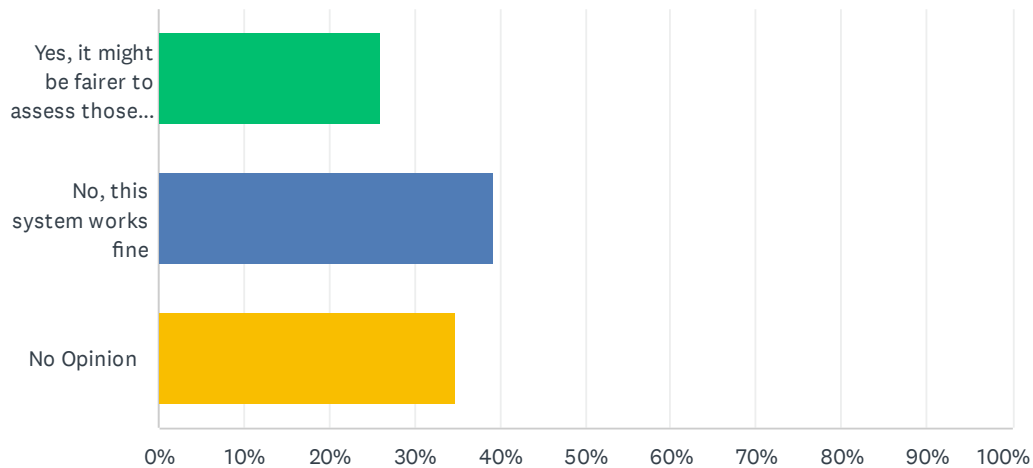
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, I agree with more frequent issuances of quota, even if this is a small amount (2-5%).	61.74%	71
No, I'd rather the Board only issue quota when there is a significant amount to be distributed (10% or more)	19.13%	22
No Opinion	19.13%	22
TOTAL		115

**Q14** Currently, when individual growers sell quota, they are not assessed individually for a 5% deduction. Rather, these 5% assessments (the purpose of which is to give back to industry & fund NEG's) are done in January every year with the Board calculating the prior three years of quota transfers to establish a "rolling" average of kgs transferred per year. Then, 5% of that average number is the assessed amount (kgs) for the year. This amount of kgs is then deducted from the overall industry pro-rata distribution. This amount (kgs) is, in turn, used to fund the New Entrant Growers Program. Should the Board re-evaluate this method?  
 Note: This method of calculating quota transfer assessments for funding the NEG program is found in Schedule 9 of the BCCMB General Orders

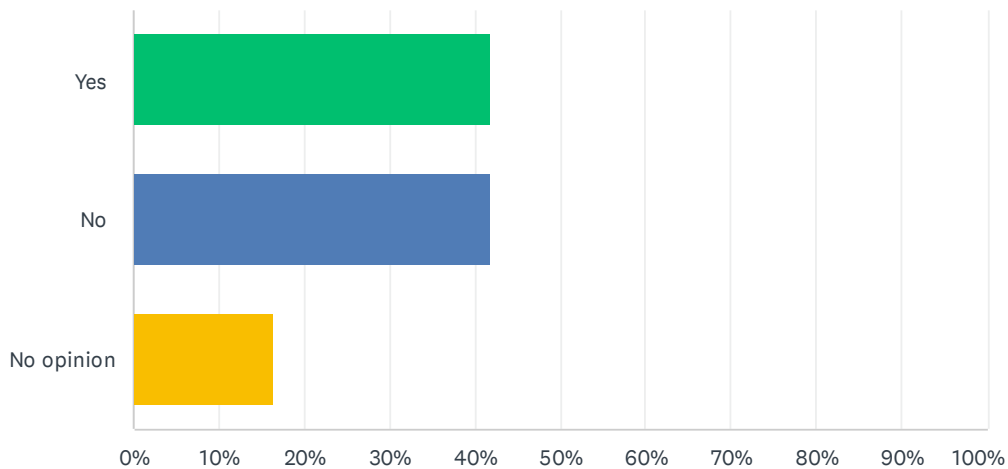
Answered: 115   Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, it might be fairer to assess those growers individually when their quota transfers occur	26.09%	30
No, this system works fine	39.13%	45
No Opinion	34.78%	40
TOTAL		115

Q15 Pro rata distribution is where growers all receive the same set percentage (for example, say 5%) of board-issued (no cost) quota. This quota is distributed periodically to meet growth in demand. Example (using 5%): a grower with 10,000 kgs of quota will receive 500kgs; and a grower with 100,000 kgs of quota will receive 5,000 kgs. (Keep in mind that growers cannot accept quota if they do not have the barn space to grow it.) Should the Board reconsider how it currently distributes growth allocations (pro rata distribution method), where larger growers receive larger net growth?

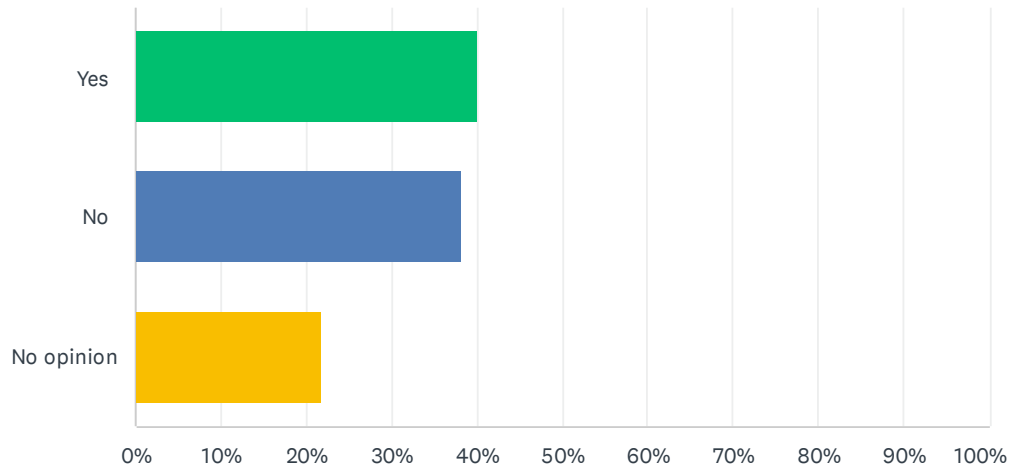
Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	41.74%	48
No	41.74%	48
No opinion	16.52%	19
TOTAL		115

**Q16 Should the Board reconsider if regionally assigned quota should (or can be) adjusted/shifted in any way? (i.e. Interior quota is tied to the Interior, Vancouver Island quota is tied to Vancouver Island)**

Answered: 115 Skipped: 0

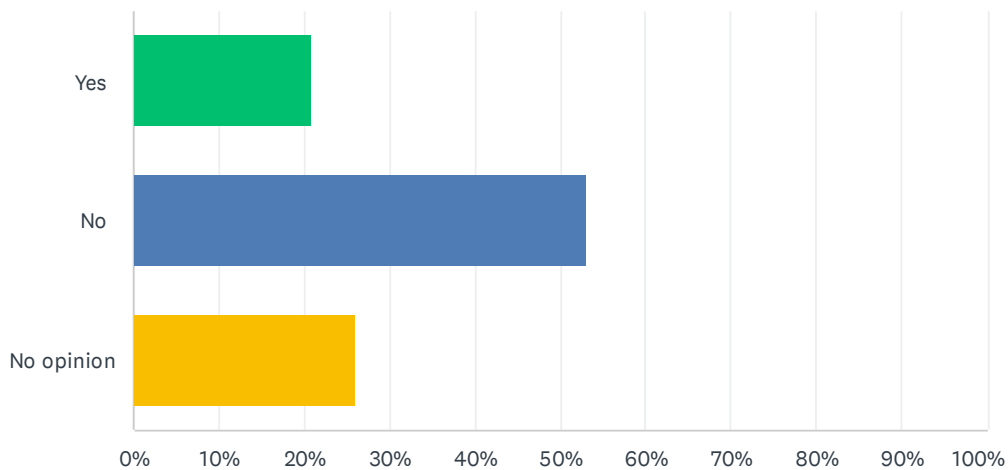


ANSWER CHOICES	RESPONSES	
Yes	40.00%	46
No	38.26%	44
No opinion	21.74%	25
TOTAL		115



Q17 The Board is required to take a transfer assessment on any Board-issued quota, if/when it is sold. This is commonly referred to as the "declining transfer assessment of 10-10-0." 10% is assessed for each of 10 years after the quota was issued. Assessments are 0% at year 10 and beyond. (Part 35, page 50 of the BCCMB General Orders)Currently direct family transfers are exempt from the declining transfer assessment (10-10-0). Direct family is defined as spouse, sons & daughters, and siblings. Should the Board consider expanding the current exempt transfers?If you answer "yes," please explain who, for example, you think should be eligible for any exempt quota transfer? Please include this in the space provided.

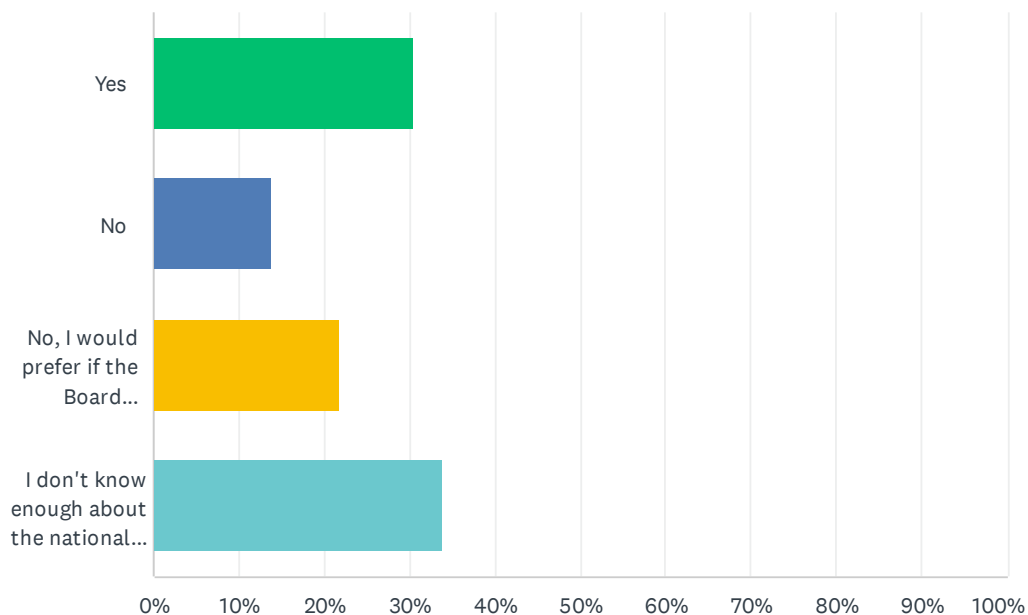
Answered: 115 Skipped: 0



ANSWER CHOICES		RESPONSES	
Yes		20.87%	24
No		53.04%	61
No opinion		26.09%	30
TOTAL			115

Q18 Currently all leases need to be submitted for approval to the Board within 30 days of the production allocation being issued to growers. With “after-the-fact” leasing, growers may submit leases after they’ve shipped and thus, they can make production adjustments to balance their over or under-production (after-the-fact). However, this does create an increased risk of over-production penalties at a national level, which would have to be paid by growers. It also could mean that over and under production sleeves may need to be adjusted. Keeping these factors in mind, should the Board consider allowing “after-the-fact” leasing in BC?

Answered: 115 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	30.43%	35
No	13.91%	16
No, I would prefer if the Board considered simply increasing the over/under production sleeve	21.74%	25
I don't know enough about the national production (quota) system and/or "after-the-fact" leasing to say	33.91%	39
TOTAL		115

## Q19 Do you have any other comments/concerns or suggestions related to the access and use of chicken quota in BC that you would like to share with the Board?

Answered: 49    Skipped: 66

#	RESPONSES	DATE
1	Thanks for the survey and thanks for asking. It's a tall order to manage demand, supply, processing and marketing.	11/15/2024 2:26 PM
2	Any discussion is better than none.	11/15/2024 11:14 AM
3	no	11/15/2024 10:14 AM
4	Processors should not be allowed to control more than 50% of the quota in their province.	11/14/2024 6:35 PM
5	We need more neg's on the island if my business is to grow	11/14/2024 6:07 PM
6	KT	11/14/2024 5:48 PM
7	I am very interested in discussing with someone the opportunity of acquiring new entrant quota on the island (Cowichan Bay area). I believe I am set up very well to produce on my property. name and phone deleted	11/14/2024 4:32 PM
8	I think people should be allowed to sell coda after purchasing it within two cycles instead of six.	11/14/2024 3:25 PM
9	Do not think a quota exchange is a good idea. I have seen it in both eggs and dairy. Eggs it means virtually no quota ever comes to the exchange. The dairy exchange price rarely changes which could result in producers not able to exit in a timely fashion.	11/14/2024 1:34 PM
10	I'm a young person (under 30 years old) that wants to get into poultry farming. My family owns a farm. I have a barn (approximately 2000 square feet) with land to potentially build more. I feel like I can contribute to this industry as a young person. I have innovative ideas however, access to quota is currently challenging. Need funds to buy existing quota and New entrant program needs to allow micro quotas so young people can get into poultry farming.	11/14/2024 10:26 AM
11	i would like to see an option where a grower can do a total lease out every 7-10 years. for barn rest and or mental health reasons.	11/14/2024 8:21 AM
12	I support an increase to the numbers for small-lot production, but that cannot be the only solution for small and new entrant growers. If it went up to 10K birds, what do we do when we want to raise 20K? I would be interested in learning more about how organic was introduced as a specialty production, and eventually came into mainstream. It may offer an example for pasture-based production. Or, we could recognize pasture-raised poultry as outside of the current system and exempt it. In any case, the current system is an unfair, smacks of old boys' club and nepotism, and limits the growth of small-scale meat production throughout the province.	11/14/2024 7:59 AM
13	As you move forward, keep uppermost in your mind that family farms provide an essential source of food security for residents in smaller centres who do not want to buy factory farmed chicken from the big stores that is more often over-priced and the quality is less than the chicken that is raised on family farms.	11/14/2024 6:25 AM
14	More allocation to New Entrants	11/13/2024 8:47 PM
15	Regarding after the fact leasing: This would be very nice. Sometimes you have an exceptional flock, or a dud flock.	11/13/2024 4:16 PM
16	This is an "issue" that is not an issue that does not require more regulation to solve, leave it alone.	11/13/2024 1:54 PM
17	I am a permit holder in the Okanagan producing a small number of pasture raised birds.	11/13/2024 1:37 PM

## QUAC Online Survey

Currently production is limited by processing availability. However if that was addressed then 2000 birds is not enough to make it financially viable. An increase in number should be considered before requiring quota.

18	I think this was a great survey and these were good questions to be asked. I personally do not want to have a quota exchange. Thanks for your hard work	11/13/2024 1:24 PM
19	The length of time in correcting our COP for specialty, losses were incurred. Therefore to have to sell quota and lose a percentage to stay in business seems unfair	11/13/2024 12:48 PM
20	No	11/13/2024 12:18 PM
21	No the present system is working very well no one has ever been barred from getting quota in over 50 years if they are truly interested	11/13/2024 12:16 PM
22	They have no business keeping smaller producers from raising enough broilers to support their farming enterprises. If we can sell them, then we can raise them.	11/12/2024 5:03 PM
23	Ultimately, I think the BC chicken marketing board should disappear.	11/12/2024 2:58 PM
24	Producers who want to sell direct to consumer should not have to be under the quota system, and there should be no limit to the number of birds allowed to produce. Pastured poultry doesn't and shouldn't fit under the quota model, as it is more about quality vs kg's produced.	11/12/2024 1:23 PM
25	Current system unfairly benefits large scale traditional growers concentrated in large scale operations and regions. This does not reflect consumer demand nor best practices for food security, or animal welfare. It also makes it difficult for smaller non traditional growers to be profitable.	11/12/2024 11:41 AM
26	For the new entrant program, can i suggest that they are given the ability to purchase "x" amount of quota at current rates (say 5000 kgs) and then given a "lifetime" allocation of say 5000 kgs which would remain in the NEP. So the recipient would be able to transfer to spouse or child only, but otherwise upon sale of quota or farm, the allocation would revert back to the NEG program	11/4/2024 11:00 AM
27	I think that management of quota should be used to ensure that small farms and new entrants are able to enter the industry, and to innovate, in addition to the base reasons of fulfilling consumer demand and managing pricing to make farming viable	11/2/2024 9:17 AM
28	Adding complicated systems that require administration and management and incur costs, while also putting power in the hands of governing bodies is worrisome. Every time the board expands it's role, it expands it's payroll and our levies go up. It is important to keep costs down. I believe there are far simpler methods to increase transparency, than a full exchange system.	11/1/2024 1:32 PM
29	When considering programs staffing requirements should be taken into account keeping in mind that the growers bear these costs.	11/1/2024 10:02 AM
30	No	11/1/2024 12:28 AM
31	Quota's should be abolished	10/31/2024 11:56 AM
32	I would like to see the NEG program run on a regular basis, so it is a little more predictable. 28 days notice is not very much...	10/26/2024 11:55 PM
33	No.	10/25/2024 8:37 PM
34	No	10/25/2024 2:30 PM
35	For growers who have owned and farmed at least 50% their own quota for 10 years, should not be affected by any rules or changes the board makes. We worked for a system that worked for us, and to have it adjusted or taken away will cause financial impact to those with business plans. We suggest that NEG must also farm at least 50-75% of quota they purchase for at least 10 years before being allowed to be removed from any changes the board makes. Large scale growers should be limited on how much quota they can purchase in a year. Large growers have banking backup to fund large quota purchases whereas NEG do not.	10/24/2024 3:22 PM
36	I have been a producer in this province for 3.5 years. I have purchased quota 5 times to reach the 95,000kgs I am currently at. The purchases worked excellent, as I had purchased an existing barn to put the quota into. There is a major failure in BC structure, for people buying	10/22/2024 12:01 PM

## QUAC Online Survey

quota without a completed barn. Once again, Ontario system works for producers looking to get into the system and producer broilers. BC needs to allow purchases of quota, without a registered approved growing space completed. Building a complete barn and having it approved prior to being able to make a deal on any quota for it is a failure. It creates a lot of hesitancy, and thus limits the amount of new farms. New farmers should be able to get a site picked, all contractor quotes and equipment options ready, and then purchase their quota and move ahead with the whole initiative at the same time. One great commitment at once. If the barn is not completed when the quota is ready to be transferred, it should not be able to be leased out. This encourages fair timelines for construction, because the investment will yield zero till the barn is ready. Ontario has been enabling transfers with this recipe, for 2 decades. An industry professional, a banker and the farmer can sit together and come up with the timeline, and the quota access and commitment gets the whole ball rolling. No one wants to build a barn, without first securing quota to grow chickens in it!!!! You are losing dozens of interested individuals, by not understanding their point of view. Major fail, and this shows by how many new farmers are joining the industry compared to better models in different provinces.

37	Too much regulation and oversight is not necessarily a good thing. Learn from the other SM's and don't repeat their mistakes.	10/21/2024 9:32 AM
38	No	10/18/2024 7:58 AM
39	We do not need to "overthink" this current topic at hand with quota access. If certain stakeholders want more transparency, make it Mandatory that all quota for sale needs to be posted to a platform/website for a certain period of time. We don't need a quota exchange in BC.	10/18/2024 4:34 AM
40	Remember what supply management was created for and don't get carried away	10/17/2024 10:08 PM
41	Please allow more quota on Vancouver Island	10/17/2024 7:45 PM
42	Start actually marketing BC chicken. You're not doing your real job	10/17/2024 7:31 PM
43	There should be a way for quota to be on an annual basis for paster poultry. For example if I bought 5000 kilos of quota this would give me the kilos per cycle if I am correct which would amount to approx. 30,000 kilos grown for the year? If this is the case I would like to grow 3 cycles of 10,000 kilos so I don't have to grow any in the winter when the weather is not ideal for pastured poultry.	10/17/2024 7:28 PM
44	Don't advertise quota sales. It will cause more speculation. Not a good idea.	10/17/2024 7:05 PM
45	Not for now	10/17/2024 6:23 PM
46	No	10/17/2024 5:59 PM
47	I've been pretty pointed in this. I won't say anymore :-)	10/17/2024 5:36 PM
48	I would like to lease quota from another "processor camp". It seems odd that the processors control where I can lease my quota from.	10/17/2024 3:58 PM
49	n/a	10/17/2024 3:52 PM

# **APPENDIX B**

## **What We Heard - BCCMB**

### **FOCUS QUESTIONS POSED TO**

### **NEG AND QUAC CONSULTATION COMMITTEES**

#### NEG Consultation Committee Key Questions

- 1) What are we trying to achieve with a New Entrant Program? What is long-term sustainability?**
- 2) What level of production does a New Entrant need to be sustainable?**
- 3) How do we choose the New Entrants? What's the application process? Minimum requirements?**
- 4) How many to start annually?**
- 5) How do we evaluate the success of the program?**

#### QUAC Committee Key Questions

- 1) Do you agree that the Board should keep the following goals/values in mind when updating policies for the BC chicken industry?**
  - a. Keep family farms sustainable over the long term (what does this mean to you?)
  - b. Ensure production keeps up with consumer demand and changing preferences (quota must be produced and mechanisms to distribute quota to growers who can/wish to meet these preferences)
  - c. Ensure local food security (keep BC farms sustainable)
  - d. Encourage innovation (keep industry accessible to new entrants and new "specialty" production)
- 2) Should the Board consider creating a platform to facilitate transparency and the exchange of quota?**
  - a. Why or why not?
  - b. You do not have to agree with the survey or the people in the room, but state your case, so the Board can consider it.
- 3) If a quota platform/exchange was created, please provide your thoughts on the following aspects (or design your ideal):**
  - a. How frequently should it be held?
  - b. Should any buyers or sellers be given (limited) priority access?
  - c. Other design features to consider? (eg. Floating price mechanism)

- 4) Do you support the CMB *considering changing* exclusively pro rata allocation to possibly a mix of pro rata and flat allocations (to assist smaller growers)?
- 5) Do you support after-the-fact leasing (why or why not?)
- 6) Do you support the annual issuance of quota (even small amounts?) (why or why not?)

# APPENDIX C

## What We Heard - BCCMB FORMAL SUBMISSIONS FROM ASSOCIATIONS



May 14, 2024

### DELIVERED BY

### EMAIL

To: BC Chicken Marketing Board

Re: New Entrant Program Consultation

Dear BC Chicken Marketing Board,

The following is the feedback of the BCCGA on the proposed new entrant program.

#### 1. Quota Purchase and Allocation System

**BCCGA Feedback:** The BCCGA is of the opinion that an initial required purchase of quota prior to receiving incentive production allocation demonstrates commitment. This could be a small amount such as 5000kg.

This should be followed by (more importantly) a non-transferable allocation to encourage long-term production. If quota issuance with a declining transfer assessment is used there is a strong incentive to enter the program just for the purpose of extracting value from the quota once it becomes transferable, however long that is. The purpose of a non-transferable allocation is to encourage long term farm sustainability; it eliminates any concern of a "windfall" in the program. In the direction by FIRB dated September 1, 2005 there is a direction to the BCCMB to apply a declining transfer assessment to any quota's issued, but does not mandate that quota needs to be issued. It is our opinion that a "New entrant incentive allocation" is separate from Quota, just as any positive periodic adjustment in allocation to a grower currently is not 'quota'.

The BCCGA is of the opinion that up to 20,000kg non-transferable new entrant allocation is an appropriate amount to aid a new entrant in building an economically viable farm. This allocation should be permanent until the farm is sold and transferable only to direct family members in the same way that the CRA's Family Farm Exemption functions for property transfer tax where, to qualify, the transfer must be to an immediate family member, such as a child, grandchild, or spouse.

**Comparison with BCCMB:** Aligns with the BCCMB's interest in ensuring long-term engagement and sustainability of new entrants, though BCCGA emphasizes the initial purchase which is not explicitly outlined in the BCCMB paper.



## 2. Long-Term Sustainability and Accountability

BCCGA Feedback: The program should structurally disincentivize the rapid turnover of quotas for profit, ensuring that new entrants are focused on long-term farming. This is primarily accomplished with the non-transferable entrant incentive allocation described in point 1. The BCCGA is of the opinion that pro-rata growth could be applied to the whole amount allowing the new entrant to acquire transferable quota naturally through growth over time; this will add to the long-term sustainability of their farm.

Comparison with BCCMB: Both BCCGA and BCCMB view sustainability as crucial, though BCCMB discusses broader sustainability and renewal, while BCCGA focuses more on structural incentives to maintain production continuity.

## 3. Funding Mechanisms

BCCGA Feedback: New entrant incentives should be sourced from growth quotas primarily, utilizing small percentage of quota transfers to determine the amount. The BCCGA suggests that new entrant allocation issued should not exceed a set percentage of provincial annual growth so that existing BC chicken growers do not encounter a declining allocation due to the start of excess new entrants compared to provincial growth.

Comparison with BCCMB: The discussion paper does not detail specific funding sources for the new quotas. BCCGA's proposal to use growth quotas could complement BCCMB's aim to support new entrants without unduly impacting existing growers.

## 4. Geographic Distribution and Biosecurity

BCCGA Feedback: The BCCGA supports distributing production across BC to mitigate disease risks such as HPAI and enhance market stability. The BCCMB could accomplish this by increasing the incentive to areas that are more remote or in areas of BC that are not currently producing chicken.

Comparison with BCCMB: Aligns with the BCCMB's interests, where both see the need to distribute production to manage risks like avian influenza more effectively.

## 5. Selection and Training Requirements

**BCCGA Feedback:** The BCCGA recommends rigorous entry requirements including agricultural experience, formal training, and comprehensive business planning. However, the initial intake of the program should be as streamlined as possible utilizing an application fee and short criteria declaration/application form, prior to a random draw so as not to burden allied trades and auxiliary support services. Once a smaller pool is selected, advanced screening can occur via interviews and submission of detailed documents. The BCCGA recommends that the screening is accomplished by a committee that consists of members of both the BCCGA, BCCMB, and other qualified individuals.

**Comparison with BCCMB:** Both BCCGA and BCCMB advocate for stringent requirements.

### BCCGA's Official Response Summary:

**Utilize non-transferable allocation:** Initial quota purchase combined with additional non-transferable allocation can ensure new entrants are both committed and supported.

**Utilize Provincial Allocation Growth for New Entrants:** Recommend using provincial growth allocation as a funding method to align with the program's sustainability goals.

**Promote Geographic Distribution:** Encourage new entrants in diverse locations to balance economic benefits and *manage disease* risks.

**Ensure Robust Entry Criteria:** Support strong entry requirements and provide ample training and resources to prepare new entrants effectively. Recommend that initial intake does not burden allied trades.

Thank you for allowing the BCCGA the opportunity to provide feedback on the development of the New Entrant program.

Sincerely,



Brad Driediger, President

BC Chicken Growers' Association

## APPENDIX C

### What We Heard - BCCMB FORMAL SUBMISSIONS FROM ASSOCIATIONS



**SMALL-SCALE  
MEAT PRODUCERS  
ASSOCIATION**

April 29, 2024

#### **Re: BC Chicken Marketing Board New Entrant Program Review**

##### Submission of the Small-Scale Meat Producers Association

The Small-Scale Meat Producers Association (SSMPA) is submitting this report to BCCMB as part of their New Entrant Program Review. SSMPA counts many members who raise broilers or who are interested in getting into the industry. SSMPA represents all small-scale meat producers and wanted to ensure that their voices were heard through this important review process.

##### The Survey

SSMPA designed and disseminated a [poultry survey](#) from April 16-24. The survey aimed to gain an understanding of the demographics of small-lot producers in BC, their challenges, their production methods, where they sell and market their products and their aspiration for growth. The following are selected and preliminary results from the survey that we believe should be considered in the current BCCMB New Entrant Program Review. The survey will remain open for another month and SSMPA will publish a comprehensive poultry industry report by the Fall of 2024.

##### Preliminary Results

Small-scale broiler producers are geographically dispersed across the province (Figure 2), they predominantly raise their birds outside (91%) and on rotational pasture (75%), their operations are seasonal (93%), and they engage in direct marketing (100%). Producers say that increasing production, reliable access to slaughter, and being able to purchase bulk feed are the 3 main factors that would help their operations become more profitable. Their biggest barriers to growth

include availability of slaughter services, the cost of acquiring a production quota, and government regulations.

Demographics

The survey received 115 responses from current, past, and aspiring broiler producers from all over BC.

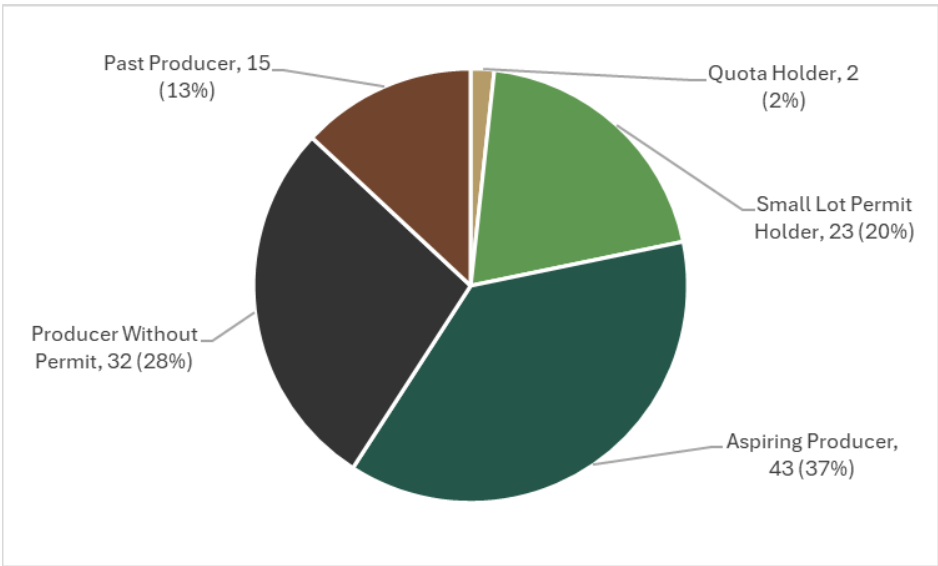


Figure 1. SSMPA Survey Respondent Chicken Sector Roles

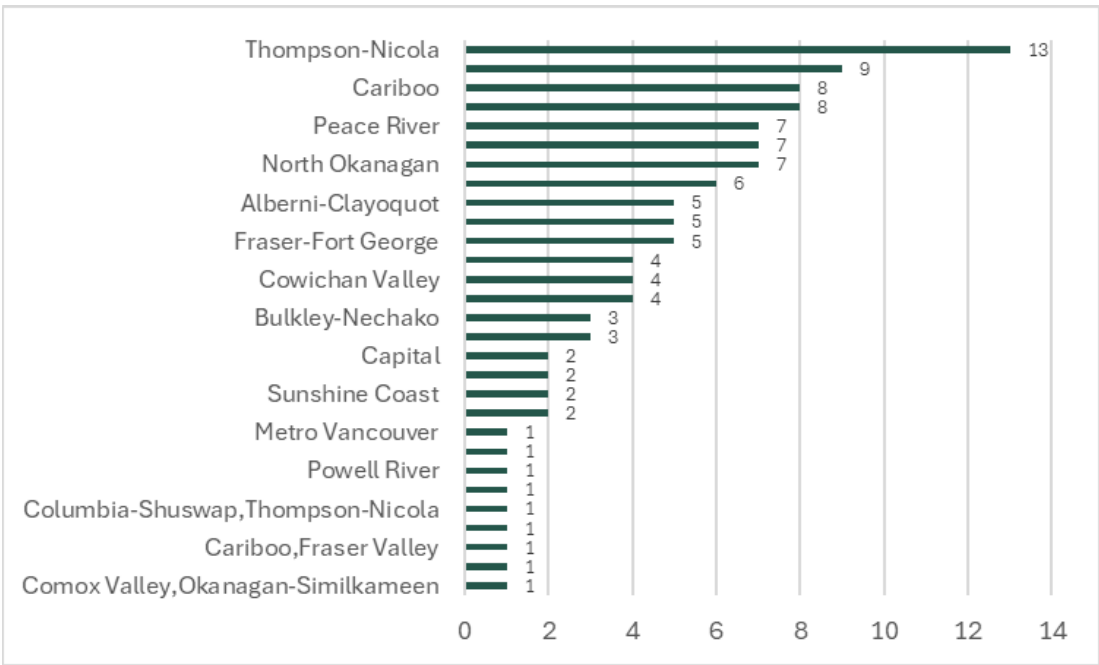


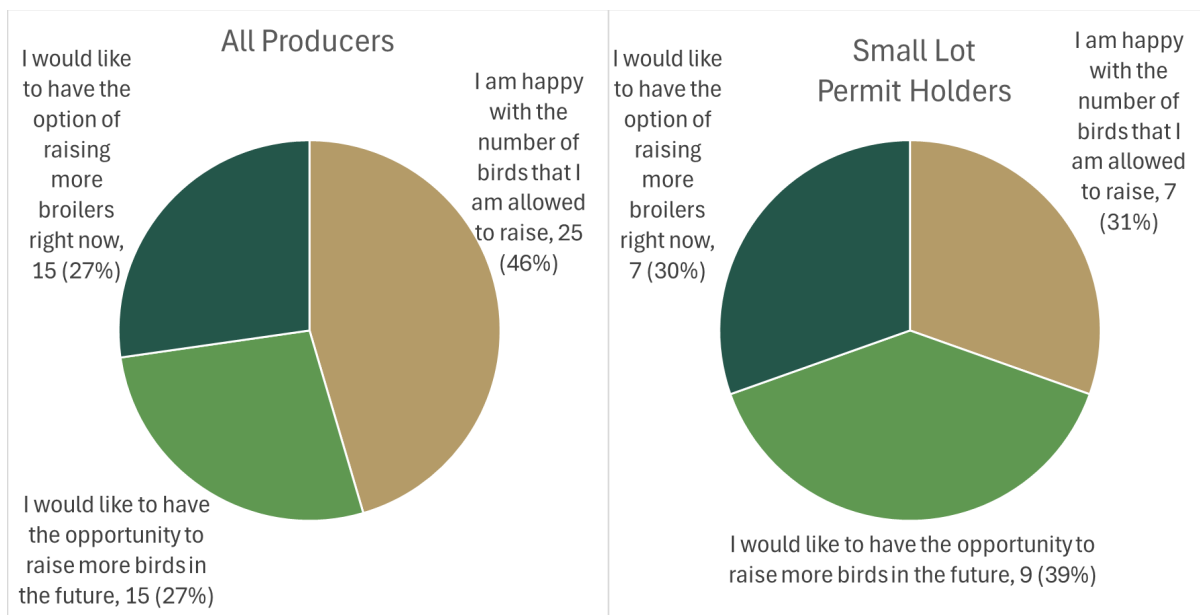
Figure 2. SSMPA Broiler Survey Respondents by Regional Districts

## Production Methods

93% of respondents to the SSMPA survey raise broilers outdoor and on rotational pasture, and respondents raise a median of 2 batches of broilers per year.

## Interest in Growing Business

When asked if they would raise more broilers if there were no supply-management restrictions, 30% of Small Lot Permit holders said they would like to raise more birds right now, 39% said that they would like to raise more birds in the future and 31% were happy with the number of birds they raised.



**Figure 3. SSMPA Broiler Survey Respondents' Interest in Scaling Up Production**

## Market Trends

100% of current producers sell direct to consumers. When asked why their customer base chose to buy their chicken from them rather than the grocery store the top 3 answers selected were:

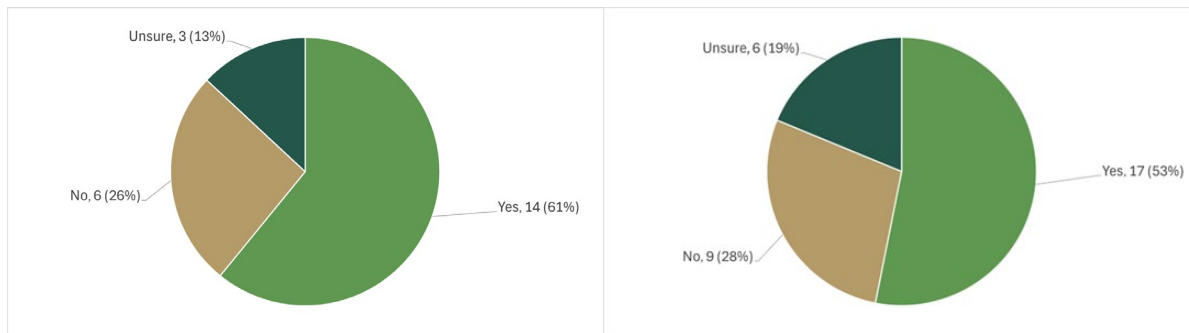
- They value knowing where their food comes from
- Quality of our products
- Our farming practices

87% of the direct-marketing producers stated that, based on their interactions with customers, they would be able to sell more chicken if they were allowed to raise them. 100% of pasture, seasonal

and outdoor based producers encountered unmet demand for their differentiated product. These producers sell their chicken for an average of \$15.50/kg for whole birds.

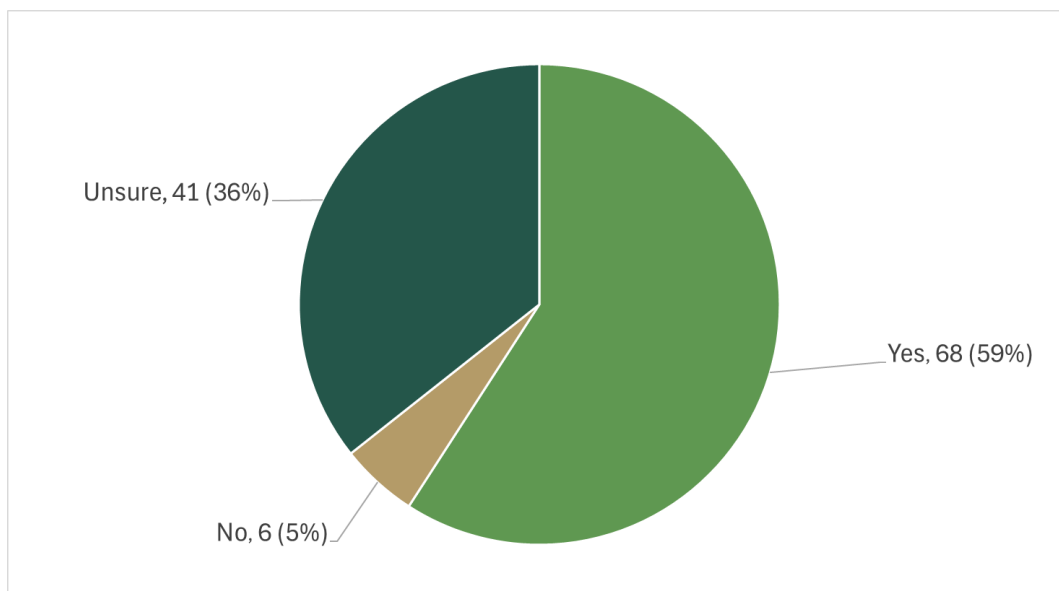
## Path to Growth

When asked if they would be interested in buying quota, 61% of permit holders and 51% of producers without permits said yes (Figure 4).



**Figure 4. Interest in buying quota: Small Lot Permit holders (left) and producers without permits (right)**

However, the cost of acquiring quota was identified as the most important barrier to entering the industry by all respondents identifying as producers and aspiring producers. When asked if there should be a separate program outside of supply management for pasture-raised chicken, 59% of all respondents said yes, 36% were unsure and 5% said no.



**Figure 5. Should there be a separate program outside of supply management for pasture-raised chicken?**

## Past Producers

The top 3 reasons cited by past producers for leaving the broiler business are:

- Lack of slaughter availability
- Not being able to raise enough broilers legally to make it worthwhile
- Lack of profitability

Asked if they would return to production if those issues were resolved, 40% said yes, 53% said maybe and 7% said no.

## BCCMB and the New Entrant Program

Respondents were asked to comment on what the BCCMB should do to support Small Lot Permit holders and New Entrants in becoming chicken producers. Responses are in the appendix below.

## Appendix

Appendix. All unedited responses to the question ***What should the BCCMB do to help aspiring Small Lot Permit holders and New Entrants become chicken producers in BC?*** Responses are separated by industry roles.

Role in the broiler industry	What should the BC Chicken Marketing Board do to help aspiring Small Lot Permit holders and New Entrants become chicken producers in BC?
Quota Holder	no comments
	no comments
Small Lot Permit Holder	Ensure we always have access to chicks just like the quota growers
	Allow us to raise up to 10000 a year
	I feel there should be a tiered licensing system as I don't want to hold quota but would like the opportunity to raise more chickens. Possibly a small, medium and large lot permit with priority given to those raising in alternative methods not traditional barn raised

	Increase the small lot permit limit to at least 10,000 annually. Or give away new entrant quota in smaller amounts, starting with 5,000 birds or less, and allowing seasonal production.
	Permits are easy to obtain, it would be nice if the maximum quantity was doubled.
	Help reduce costs of feed and processing
	At the moment, insurance is an issue
	Open it up. No more lottery
	Grants
<b>Producers Without Permits</b>	lol. we are chicken producers. maybe start considering us that way.
	Create a supportive system rather than a prohibitive one so all small scale producers can access their markets with their high quality meat.
	Advocate for reduced government oversight!
	More abattoir
	Larger limits for pastured poultry
	Farmers don't want a system where they don't know if they will get the 2000 quota one year and the next not get it. I don't want to invest in a building that might get used.
	Remove more restrictions and increase availability of local slaughter services.
	Set up a separate category for pasture raised birds
	Make farm insurance cheaper for small scale farmers
	More abattoirs, there is only one near us
	Leave pasture chicken producers alone, we don't need the chicken marketing board



	Having amounts available in smaller numbers for seasonal producers with permit costs being sliced accordingly
	mobile slaughter services
	Make it harder to raise meat in factory farms
	Allow small farmers to expand without having to purchase quota and help farmers access grants to purchase build infrastructure and equipment required to expand operations and to support bulk feed use.
	Keep the supply management system but decapitalize quotas, and allow some quotas to be broken up into smaller segments that can be shared by multiple operations who are engaging in lower-density, higher quality production methods (pasture raised, etc. - BUT NOT ORGANIC NECESSARILY!!!! Small, ethical, and environmentally sustainable DOES NOT HAVE TO MEAN CERTIFIED ORGANIC). We need supply management to keep our food sovereignty, and we can bring it into the 21st century by helping smaller operations participate. I personally do not have the land to expand my operation, but I want the option available for others that do have the land available.
	Spread quota out to more than just the lower mainland. Raise small lot numbers to allow people to make it a profitable venture
	No longer regulate pastured producers and small lot holders
	Keep things simple and less overreaching. People are tired of regulation on regulation on everything they can think of.
	Create a second step of 200-3000, like BC Egg has 400-3000 as the step above small lot. Same process but for broilers/turkey.
<b>Aspiring Producer</b>	Open the system to allow more birds on a small lot or make quota available to smaller producers at a reasonable price
	Make it part of the new entrant program

	<p>Increase production limits so that new entrants can scale enough to bring cost of feed down. IE trucking costs more then it's worth because 100 birds worth of feed isn't enough to fill a truck and yet you pay full trucking</p>
	<p>Make it more accessible for small scale meat producers to raise larger quantities on pasture</p>
	<p>Have a lottery system for young entrants</p>
	<p>Allow more non quota allowance</p>
	<p>The issue we can see is the need to take the chickens to a slaughter facility many miles away.</p> <p>We are set up to do the slaughter on site and ensure a better product for the local community through farmers market</p>
	<p>Scale of a producer matters. Small scale don't have the same disease pressure but also don't have the same resources to navigate systems or build infrastructure that is used a limited amount</p>
	<p>Make it easier to get into, navigate and find places to butcher and wrap</p>
	<p>Support establishment of simple cost effective on-farm poultry slaughter</p>
	<p>Most effective for accessible local agriculture would be to eliminate this (and all other) Marketing Boards.</p>
	<p>Allow more access to larger quota</p>
	<p>Educate and help set up with infrastructure and mentoring</p>
	<p>Increase the availability of quota, lower cost for quota or raise the limits on existing permits.</p>
	<p>Provide financial support/and or training support to encourage more mobile butchers. Provide more free training on how to enter the broiler production market.</p>
	<p>Increase the small lot stocking numbers</p>

	Offer greater support and grants to early stage producers
	Education, lobbying, technical support
	Remove the red tape
	Offer a yearly new entrant program.
	Allow people to raise more than 2000 birds without having to have quota.
	Separate pasture-raised chicken from the quota system. It isn't the same product and it doesn't attract the same customers.
	Provide grower knowledge to encourage local food production
	Not sure...but it can't just be the rich who should be able to access the broiler market.
	Support for on farm slaughter, cut and wrap options.
	Have access to more processing plants
	Areas of the province that experience winter and have less supporting industries (feed mills, hatcheries, etc.) cannot compete with Fraser valley production making quota a non-starter. The returns are not the same when expenses are higher (as a result of heating/feed costs)
	Make it easier to get into seems to be rigged system
	Provide more info, give medium sized quotas for reasonable price
<b>Past Producers</b>	I would say having more options for slaughter to get the animals marketable. Maybe create an incentive program or farm incentive program to get more producers involved. Smaller flocks focusing on quality and local food sustainability.
	increase the availability of slaughter options and number of birds allowed

	<p>More awareness on the health benefits of pasture raised. Reasons why the meat costs so much. Dealing with predators, climate and processing costs. Remote locations extra cost for feed.</p>
	<p>I'm not sure, subsidizing feed costs isn't in their purview. I found profitability more of a problem than issues with marketing board.</p>
	<p>Lower quota numbers and cost, stop trying to water down organic standards, increase amount of small-lot organic quota.</p>
	<p>Ensure ability to have timely meat inspections to coincide with slaughter</p>
	<p>Reduce the cost, provide funding, fix the abattoir issue</p>
	<p>Tell Gov't to back off. We're just fine on our own, albeit needing regulations for food safety, but over regulating everything agriculture is killing the industry (which may be their goal).</p>
	<p>Have another system for smaller scale pasture raised chickens</p>
	<p>I don't think it is wise to require all Small-Lot Permit holders to come under the control of the BCCMB. Historically the BCCMB has done its best to put the competition (people such as Bill Friesen who served the Asian market) out of business, stolen their unique flocks and then gradually diluted the unique products until they are barely distinguishable from the mainstream commercial birds. They aren't a marketing board in the European sense, they are a cartel that should not be given more power. BC is a very diverse market for chicken products and includes a lot of small local markets that want to be loyal to local producers - this is wise and should be protected.</p>
	<p>involve the small producers</p>
	<p>Acknowledge and celebrate this niche market. There is a great opportunity here to diversify chicken production in BC. Consumers are demanding this differentiated product. Why isn't the BCCMB excited about this and making a place for it within their regulations? They need to get out of their comfort zone and see this as an exciting opportunity for the industry to grow and evolve.</p>

	Demonstrate leadership, innovation and an interest in regenerative agriculture. Seriously, get with the times!
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BC Chicken Growers'  
ASSOCIATION

## APPENDIX C What We Heard - BCCMB FORMAL SUBMISSIONS FROM ASSOCIATIONS

February 11, 2025

### DELIVERED BY EMAIL

Kevin Klippenstein, Chair  
BC Chicken Marketing Board  
1848 McCallum Rd  
Abbotsford, BC V2S 0H9

### Re: Position Submission on Quota Utilization & Access – QUAC Discussion Paper (October 2024)

Dear Members of the Board,

The BC Chicken Growers Association (BCCGA) is pleased to submit our position in response to the Quota Utilization and Access Consultation (QUAC) Discussion Paper. Our submission is guided by our commitment to sustaining BC family farms, ensuring local food security, fostering innovation, and maintaining transparent, equitable access to quota.

#### 1. Industry Sustainability and Core Values

We firmly believe that the long-term sustainability of BC's chicken industry depends on supporting family farms—as defined by Farm Credit Canada (i.e., farms that provide income for the family and are positioned for intergenerational transition). In addition, our view is that:

- **Production Must Meet Consumer Demand:** Quota should be actively produced and allocated to growers capable of meeting consumer preferences and a growing market.
- **Local Food Security Remains Paramount:** Our supply management system is a key strength, ensuring that BC's population is fed by locally produced chicken while also encouraging regional production.
- **Innovation and Accessibility is important:** While the industry has a proud history of innovation—including specialty, organic, and self-marketing operations—access to quota must be equitable for all growers. Currently, control over quota (or information on available quota for sale) is often held by industry groups who are reluctant to release quota from their established markets, thereby limiting access for smaller processors, new industry entrants and growers seeking self-marketing opportunities.

101 - 32450 Simon Avenue, Abbotsford, BC V2T 4J2

tel 604.556.0378 | [www.poultryinmotion.ca](http://www.poultryinmotion.ca) | [office@bcchickengrowers.ca](mailto:office@bcchickengrowers.ca)

## **2. Addressing Issues Raised in the Discussion Paper**

### **a. Current Access & Fairness**

Our position is that the size of a grower does not, in itself, confer an advantage in obtaining quota. However, the current system often results in quota being controlled by self-interested industry groups (by the withholding of information or other tactics) which restricts access for smaller processors, self-marketing growers or potential entrants to the industry. We encourage the Board to explore measures that enhance accessibility.

### **b. Quota Transfer Assessments & Tracking**

We do not believe that the Board should re-evaluate its current method for calculating quota transfer assessments. The existing methodology—where assessments are calculated on a collective basis (allocating a portion of aggregate annual transfers to new entrants)—has proven functional. We support transparency by way of public reporting of the total amount of quota assessed.

### **c. Allocation Methods**

We are adamant that the industry should continue to use the pro rata allocation system. Historical decisions to transition from flat to pro rata allocation were made to ensure fairness and predictability. While we recognize the need to support smaller growers, we believe that altering the allocation method would be counterproductive and unequitable.

### **d. Regional Adjustments and Exempt Transfers**

We believe that the regional assignment of quota warrants further analysis. In particular, we support a removal of restrictions on interior quota movements. Removing such restrictions could encourage growers to relocate from the Fraser Valley, where capacity allows, without inadvertently reconcentrating quota in that region. While regionalization rules can serve a purpose for ensuring production in less-served areas, any modifications must be carefully evaluated to ensure balanced industry growth. We note also a concern in the interior that unbridled increase in poultry farm density in certain areas of the interior region increases the risks of High Path Avian Influenza (HPAI) transmission. Farm proximity restrictions *may* be a solution to this although we recognize any restrictions would have to be done in conjunction with the other feather industries to have any positive affect and not disproportionately disadvantage chicken growers.

### **e. After-the-Fact Leasing**

Although there is general caution regarding after-the-fact leasing—primarily due to concerns about increasing Over Marketing Levy (OML) penalties—we believe that options to provide additional flexibility should be analyzed. Alternatives, such as before–end-of-period leasing or the expansion of sleeve options (with proper documentation such as veterinary reports), may allow growers to manage production fluctuations, disease risk (IBH, ILT etc.) and chick supply issues without significantly increasing OML risk.

### **f. Annual Issuance - Quota Growth Management & Market Efficiency**

Regarding annual issuance of quota, we oppose moving toward more frequent, smaller quota allocations. As the BC chicken industry continues to expand, it is critical to ensure that quota management policies align with FIRB's regulatory framework while maintaining market efficiency.

Currently, industry growth is managed through pro-rata increases in production allowances. However, recently, when pro-rata allocations reached 120% of a grower's quota holdings, the BCCMB issued new growth quota to reset pro-rata production back to 100%. While this does not increase the kilograms produced by a grower, it formally issues new quota units, triggering FIRB's 10-10-0 policy, which restricts saleability, complicates holdings and unnecessarily impacts market liquidity.

A more effective approach, already in use by Chicken Farmers of Alberta, would be to expand the production entitlement of existing quota units rather than issuing new quota. Under Alberta's system, quota units represent a scalable production right, and production allowances are adjusted dynamically without issuing additional quota units. Adopting this model in BC would:

- Preserve quota liquidity by maintaining full transferability, avoiding the restrictions imposed by the 10-10-0 rule.
- Align with FIRB's policy intent by ensuring quota remains an active production license while eliminating artificial barriers to farm succession and business restructuring and increasing flexibility.
- Reduce administrative complexity by eliminating the need to track multiple quota classes while maintaining transparent industry growth management.
- Ensure quota value remains aligned with production capacity by preventing market distortions caused by separating quota into tradeable and non-tradeable units.

By implementing this quota expansion model instead of issuing new quota, BCCMB can continue orderly growth management while ensuring that regulatory restrictions do not create unnecessary inefficiencies. This approach maintains full compliance with FIRB's principles and strengthens the long-term stability of BC's chicken sector.

#### **f. Market-Responsive Mechanisms & Production Cycles: Proposed QEX Dynamics**

We believe that a centralized quota exchange (QEX) platform can play a pivotal role in enhancing market transparency and equitable access. In designing such a platform, we advocate that the following key principles be incorporated:

- **Producer-Set Pricing:**  
Producers must have the ability to set the price at which they are willing to sell their quota, ensuring that sales occur on terms acceptable to the individual seller.
- **Flexible Sales Volume:**  
Producers should have the discretion to choose the amount of quota they wish to sell. If only a portion of their quota can be sold during a given exchange period—based on the number of purchasers—they should have the option to elect to sell that portion without being forced to sell the entire lot.
- **Confidentiality of Participants:**  
The identities of buyers and sellers should remain confidential to protect the privacy and competitive position of each participant.



- **Aggregate Transparency:**  
While individual identities remain confidential, aggregate information—such as the total amount of quota sold, the prices, and the number of buyers and sellers—should be made public. This level of transparency is critical to building trust and ensuring market responsiveness.
- **Fixed Exchange Frequency:**  
It is our opinion that any QEX should operate every eight weeks, in alignment with the CFC production cycle. This regularity will enable growers to adjust their quota holdings in a timely manner.
- **No Priority Access:**  
There should be no priority access given to any particular group (such as new entrants or large growers). Sales and purchase distribution should be based on pro rata, equitable distributions or a mix of both principles derived from the size of the sale or purchase requests.
- **Pro Rata-Based Distribution:**  
Sales and purchases on the platform should be executed on a pro rata basis, equitable distribution or a mix of the two, ensuring that all participants receive a fair opportunity in proportion to their expressed demand or supply. The exact mechanics of this could be further evaluated as we have had differing opinions in our consultations.
- **Integration with Leasing Options:**  
If a QEX is implemented, a similar platform for leasing should be explored. This integrated approach would provide additional flexibility for producers, especially in managing periods of excess or shortfall in production.
- **Suspension of Leasing Restrictions When Necessary:**  
If a producer is attempting to sell all of their quota, we recommend that the existing rule—limiting producers to leasing only 50% of their quota—be suspended until either the quota is fully sold or a corresponding amount is leased. This provision is necessary to ensure that barns are operated efficiently and that producers are not unduly constrained by inflexible leasing rules. Parameters could be placed around this to limit the risk of abuse of the provision and ensure producers remain actively engaged in farming.
- **Whole Farm Sales:**  
If a producer is exiting the industry and selling a going concern farm with land and quota, this should be able to occur outside of any QEX.

These principles ensure that a QEX would be market-responsive, transparent, and fair—aligning with the industry’s needs and production cycles.

### 3. Recommendations and Conclusion

In summary, the BC Chicken Growers Association respectfully recommends that the Board:

- **Improve Accessibility:** Address the concentration of quota control held by processors to ensure equitable access for all growers, including smaller processors and those pursuing self-marketing opportunities.
- **Retain Pro Rata Allocation:** Maintain the pro rata allocation system while exploring alternative supportive measures for smaller growers.

- **Examine Regional Restrictions:** Analyze regional assignment rules—particularly regarding interior quota—to determine if easing restrictions could promote balanced industry growth.
- **Explore Flexible Leasing Options:** Evaluate alternative leasing mechanisms (such as before–end-of-period leasing or expanded sleeve options) that provide production flexibility while minimizing OML risks.
- **Implement a Market-Responsive QEX:** Develop a centralized quota exchange platform that:
  - Operates in line with the eight-week production cycle,
  - Allows producers to set their own pricing and determine the quantity of quota to be sold,
  - Maintains confidentiality of individual transactions while publishing aggregate data,
  - Distributes sales and purchases on a pro rata, equitable or blend basis without priority access,
  - And, includes the exploration of a complementary leasing platform with appropriate flexibility measures.
- **Maintain Existing Assessment Methods:** Continue with the current collective approach to quota transfer assessments while ensuring transparency in quota transfers.
- **Adopt a Dynamic Quota Expansion Model:**  
Replace the issuance of new quota with an expansion of production entitlements on existing quota units. This approach—similar to the model used by Chicken Farmers of Alberta—would preserve quota liquidity by avoiding the FIRB 10-10-0 restrictions, reduce administrative complexity, and ensure that quota value remains aligned with production capacity.

We remain committed to supporting policy measures that enhance the long-term sustainability, growth, and transparency of BC’s chicken industry and welcome further dialogue on these matters.

Thank you for your consideration.

Sincerely,



Brad Driediger  
President  
BC Chicken Growers Association

# APPENDIX C - What We Heard - BCCMB

## FORMAL SUBMISSIONS FROM ASSOCIATIONS



**SMALL-SCALE  
MEAT PRODUCERS  
ASSOCIATION**

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January 17, 2025

BC Chicken Marketing Board  
1848 McCallum Rd #220  
Abbotsford, BC V2S 0H9

### **Re: Quota Use & Access Consultation**

To Whom it May Concern

The Small-Scale Meat Producers Association (SSMPA) appreciates the opportunity to contribute to the BC Chicken Marketing Board's (BCCMB) Quota Use and Access Consultation (QUAC). SSMPA represents small-scale, pasture-based poultry producers across British Columbia who operate outside the traditional quota system. These producers serve a growing niche market for high-quality, pasture-raised poultry, offering opportunities for innovation and differentiation as envisioned by the 2004 Regulated Marketing Policy.

Despite facing significant barriers under the current regulatory framework, these producers align with the BCCMB's goals of sustainability, diversity, and inclusivity while contributing to regional food security. The BCCMB's vision of "Leading a healthy, growing, and profitable BC chicken industry" highlights the importance of diverse production systems, such as pasture-based poultry, which advance environmental sustainability and meet increasing consumer demand for differentiated products.

### **Key Alignments with BCCMB Strategic Goals**

#### **1. Sustainability and Diversity**

The BCCMB's 2024-2027 strategic plan prioritizes sustainability and diversity. Pasture-based poultry aligns with these objectives through rotational grazing, cover cropping, and soil health improvements. These practices complement large-scale operations by diversifying the market and enhancing regional food security, offering innovative and sustainable pathways to growth.

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## 2. Fairness and Inclusivity

Removing systemic barriers will strengthen the BCCMB's commitment to fairness and inclusivity. Establishing a path for small-scale producers to access the quota system would enable them to thrive alongside larger operators, fostering a resilient and equitable poultry sector.

## 3. Consumer Demand and Market Potential

Consumer demand for pasture-raised poultry remains unmet. Integrating small-scale producers into quota policies would address this demand while supporting local economies and evolving preferences for pasture-raised products. Programs like specialty allocation and organic production demonstrate the Board's ability to adapt to consumer trends, and expanding pathways for pasture-raised production will further position BC as a leader in innovation.

## Application of SAFETI Principles and Accountability Framework:

The BCCMB's decisions regarding quota use and access should adhere to the SAFETI principles and the BC Farm Industry Review Board's Accountability Framework to ensure inclusive, transparent, and effective governance. By embracing policies that support small-scale, pasture-based poultry systems, the BCCMB has an opportunity to achieve its strategic goals while fostering a more inclusive and resilient poultry sector. Applying the SAFETI principles and addressing the systemic challenges faced by small-lot producers is another way the BC Chicken Marketing Board can demonstrate leadership and position BC as a model for innovation and diversity in supply-managed agriculture.

## New Entrant Consultation

When the BC Chicken Marketing Board (BCCMB) opened a consultation process for new entrants in spring 2024, SSMPA expressed concerns about the initial exclusion of small-scale producers and small-lot permit holders from the process. In response, SSMPA conducted a survey of small-scale broiler producers across British Columbia and submitted a summary of their feedback in April 2024 to help inform the consultation.

The survey captured responses from 115 participants, including current, past, and aspiring broiler producers from across the province. The group included:

- 2 quota holders
- 23 small-lot permit holders
- 43 aspiring producers
- 32 producers without permits

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- 15 past producers

Notably, the majority of these operations were located outside the Fraser and Okanagan valleys, reflecting the broad geographic diversity of small-scale poultry production in BC.

## Key Findings from the Survey

**Production Practices:** 93% of respondents raise broilers outdoors on rotational pasture, operating on a seasonal production cycle.

**Expansion Interest:** Among small-lot permit holders, 39% indicated they would like to raise more birds in the future.

**Profitability Challenges:** Producers identified the following as their top three issues impacting profitability:

1. Increasing production.
2. Reliable access to slaughter facilities.
3. The ability to purchase bulk feed.

**Operational Barriers:** The top three barriers to production were:

1. Limited availability of slaughter services.
2. The high cost of acquiring production quota.
3. Regulatory constraints.

**Interest in Quota:** While 61% of permit holders and 51% of producers without permits expressed interest in purchasing quota, this must be contextualized against the cost, which all producer groups identified as a significant barrier.

## Quota Use and Access Consultation

Following the New Entrant consultation, the BCCMB paused the process to address quota use and access through a related but separate consultation. This time, a small-lot permit holder producer was included on the steering committee, ensuring representation for small-scale producers. This representative, along with SSMPA members who contributed to the consultation, raised several critical points, which are detailed in the following section.

## Challenges with the Current Quota System

### 1. Quota Valorization as a Barrier

A central issue that should be considered during these discussions is the unexamined valorization of quota. While regulators emphasize that quota is a market-access tool without inherent value, it has become a significant financial asset, embedded in producers' business investments. This dual role creates barriers for new entrants and differentiated

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producers, such as pasture-based poultry operators, who often lack the capital to overcome these costs.

## **2. Misalignment Between Supply and Demand**

In addition to being a licence to produce, quota is a means to balance supply to market demand. Where existing quota management fails, is that it defaults to what is already there. It's a false logic that says consumers buy this chicken so that must be what they want and if the market for this chicken is filled, market demand has been satisfied. Where in fact there is demand for other kinds of chicken that is not acknowledged, recognized or taken into account, and specific businesses and the sector as a whole lose opportunities for differentiation and overall growth. SSMPA hears from pastured poultry producers that they experience significant local market demand that they are unable to meet.

## **3. Inequities in Quota Distribution**

The self-fulfilling prophecy problem is made worse if quota distributions are pro-rated, so the large get larger at the expense of the smaller or the marginalized who are not yet in the system at all. This entrenches inequities and limits innovation. SSMPA advocates for reforms, including increasing the mandatory quota forfeiture from 5% to 10% during sales and dedicating this forfeited quota to a pool for new entrants and differentiated producers.

## **SSMPA's Engagement in Policy Development**

Since May 2024, SSMPA has worked on policy proposals to support pasture-based poultry businesses within the supply management framework. This initiative includes:

- Contracting an agricultural economist to assess the market potential for pasture-raised poultry in British Columbia.
- Analyzing costs of production to understand the economic viability of pasture-based systems.
- Reviewing regulated marketing laws and policy frameworks at both provincial and national levels.

These efforts aim to provide a comprehensive, evidence-based case for the inclusion of pasture-based systems in supply management. Draft materials are expected by Spring 2025, and we look forward to sharing this work with the Board to inform future policy discussions.

## **The Bigger Picture: Supply Management and Market Demand**

Supply management plays a vital role in ensuring a stable and reliable supply of poultry products while maintaining fair prices for producers. However, evolving consumer preferences for pasture-raised products highlight the need for greater flexibility within the

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system. By adapting supply management policies to accommodate niche markets, the BCCMB can better align with these trends and address unmet demand. This approach supports consumer choice while enhancing the resilience and diversity of the poultry sector.

## Global Demand for Differentiated Poultry Products

Demand for pasture-raised poultry has been clearly demonstrated in other regions where production is less constrained by regulation. For example:

- **Perdue Farms**, the largest chicken producer in North America, has embraced pasture-based systems, raising one million birds annually on pasture and preparing to scale further. Ryan Perdue stated, “Perdue is going to do what the consumer wants.”
- **France’s Label Rouge Program** produces high-attribute poultry on pasture, achieving significant market share through a network of small-scale operations, each producing up to 16,000 birds per year.

While British Columbia’s market dynamics differ, these examples highlight the potential for growth in differentiated poultry markets and underscore the importance of enabling local producers to compete effectively.

## The Bigger Picture: Supply Management and Trade Implications

The return of a Trump administration and renewed tariff threats against Canadian agricultural products amplify the need for a resilient supply management system. Historically, supply-managed commodities have faced pressure in trade negotiations, making it critical for Canada to showcase its ability to innovate and adapt.

Without opportunities to scale their operations, Canadian pasture-based producers will be unable to meet domestic demand, creating a market gap that international suppliers like Perdue are well-positioned to exploit. This not only undermines local farmers but also threatens the integrity of supply management. By enabling domestic farmers to scale pasture-based production, the BCCMB can strengthen the sector, protect against external competition, and position Canada as a leader in sustainable agriculture.

## Request for Consideration

SSMPA will continue addressing these issues in 2025 and will submit detailed recommendations to the BC Ministry of Agriculture, the BC Farm Industry Review Board, the BC Turkey Marketing Board, and the BC Chicken Marketing Board. We respectfully request that interim policies consider these forthcoming proposals and include accommodations for the development of pasture-based poultry markets.

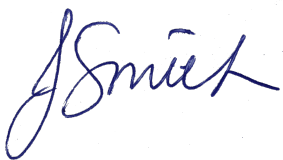
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## Conclusion

The pasture-based poultry sector employs unique production methods, distribution systems, and seasonal cycles that require a progressive framework for inclusion in supply management. Developing a tailored program with quota access for pasture-based producers would demonstrate the BCCMB's commitment to fair, balanced governance and innovation.

SSMPA believes that by adopting policies that support the unique needs of pasture-based systems, the BCCMB can achieve its strategic goals while fostering a more diverse, inclusive, and resilient poultry sector. We welcome further dialogue and appreciate the opportunity to contribute to this consultation process.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J Smith', with a light blue circular stamp or watermark behind it.

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Cc: The Honourable Lana Popham, Minister of Agriculture and Food, Province of British Columbia

Cc: Martha Anslow, British Columbia Farm Industry Review Board