

Memo

To: BC Chicken Growers

Date: August 5, 2026

Re: Revised Temporary Changes to Under- and Over- Marketing Sleeves for
Periods A-204 and A-205 (Temporary Changes extended from A-202 and A-203)

BC's domestic chick supply continues to be hit with compounding challenges—including HPAI outbreaks, barn fires, and flooding. We recognize the immense hardship this causes, especially as we look to the end of peak summer months and into the fall season. Managing your business, processor commitments, and planning under such uncertainty is difficult.

While strategies and solutions continue to be pursued and acted upon, the duration of supply challenges is expected to persist into A-204 and A-205.

To help, the Board is extending the following measures:

- **The under-marketing carryforward adjustment rate has been temporarily increased from 6% to 10%, now extended to cover through to A-205.**
- **Over-marketing levies have been temporarily eased to help growers meet market demand, also extended through to A-205. CFC has adjusted the provincial penalty limit from 102% to 104%.**

Growers are encouraged to grow up to 104% without allocation reduced 6 cycles later.

Unfortunately, we must remind all growers that there is no compensation available for losses attributable to chick shortages. Your hatcheries and processors are navigating similar tight supply without a compensation mechanism.

This is an industry-wide challenge, and we will only get through it by working together. We continue to actively engage with industry stakeholders at every level for strong solutions.

If you are facing a situation you cannot resolve with your hatchery or processor, do not hesitate to contact the BC Chicken Marketing Board directly (preferably before placement). We are here.

Thank you for your resilience and your continued commitment to BC's chicken industry.

Periods A-204 & A-205 Amendments to General Orders

To support growers in meeting their allotments, **the Board has approved the following temporary amendments to the BCCMB General Orders for Periods A-204 and A-205.**

The Board has adjusted under- *and* over- marketing allowances as follows:

Under-Marketing:

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

Over-Marketing:

The Board will implement a temporary suspension of Sections 27.2 and 27.6 as follows:

- Growers that produce up to **104%** of their periodic allotment will not have their allotment reduced 6 periods later. Over-marketing adjustments will apply to all production beyond **104%**.
- The Board adjusted how Over Marketing Levies (OML) are calculated beginning in A-202. BC growers will only be assessed an OML penalty if the province is assessed a penalty. Note, CFC adjusted the provincial penalty limit from 102% to 104%, which BC is aligned with for these two periods.

■ To review the information on the updated OML policy, **see the summary and memo.**

■ For the most recent copy of the General Orders, **visit bcchicken.ca/general-orders.**

Further Information/Reminders

The core issue facing the industry is the loss of opportunity due to chick shortages. Since the allocation and quota are fixed each period (set by CFC at the National Level), lost production provincially cannot simply be made up later.

Although increasing the under-marketing sleeve might seem helpful to growers and ease pressure on hatcheries, the benefits may be overstated. Please consider the following:

- A grower's ability to carryforward production depends heavily on available barn space beyond their current quota and prorated allocation.
- Since the sleeve is carried forward 6 cycles, there is no certainty that sufficient chick supply will be available during that cycle.
- Carryforwards amounts *are not an increase in overall provincial production*. It's drawn from the future period's allocation. The same issue arises if shortages are widespread and carryforward was spread across multiple periods.
- The under-marketing sleeve offers limited support to processors, hatcheries, or the public's chicken supply.

The under-marketing sleeve is not designed to address an industry-wide shortage. It offers limited support and only in cases where some growers are affected while others are not.

The core issue remains the domestic chick shortage, which results in lost production and sales across the entire value chain—for growers, hatcheries, and processors. As a province, this lost production simply cannot be recovered in future periods.

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