



BC Broiler Hatching Egg Producers' Association
PO Box 191
Abbotsford, BC V4X 3R2

May 15, 2017

VIA EMAIL

Stephanie Nelson, Executive Director
BC Broiler Hatching Egg Commission
#180-32160 South Fraser Way
Abbotsford, BC V2T 1W5

Dear Stephanie,

RE: ASIAN BREEDER CONSULTATION

Thank you for the opportunity for further engagement into this matter. The BC Broiler Hatching Egg Producers' Association (BCBHEPA) met to review and discuss the Commission's Update dated April 18, 2017.

The BCBHEPA has unwavering support for supply management. It provides our producers with a fair market price for our hatching eggs; it provides a reliable supply of high-quality hatching eggs to our hatcheries, which results in high-quality chicks for the chicken growers; and eventually safe, affordable chicken for our consumers. And while the BCBHEPA fully understands both the opportunity and responsibility of being a regulated hatching egg producer, it has not delved deeply into the roles and functions of the Asian Breeder market.

When the Commission released their Report on June 24, 2016, the BCBHEPA responded in favour of the Recommendation. The recommendation to not regulate the Asian Breeder market appears reasonable given that the Commission can enforce the required programs (Food Safety, Animal Care, Biosecurity, and Premise ID) outside the regulated market. The BCBHEPA does not necessarily change its position – we still believe that this recommendation is reasonable.



The recommendation also seems to be supported by the BC Chicken Marketing Board (BCCMB) in their March 16, 2017 letter. The BCCMB opines that the Asian Chicken market is still evolving, and would not like to see regulation on the Asian Breeder market that would hamper the ability of Asian Chicken to respond to the market demands.

As regulated hatching egg producers, we see substantive value in this opinion as we continually see the length of time it takes to respond to our own market demands, simply given the age of our breeder flocks. However, the BCBHEPA has also reviewed the correspondence received from legal counsel for the majority of the Asian Breeder market and understand their position on the matter.

Ultimately, the BCBHEPA is responsible for promoting the hatching egg industry. As stated in our letter of July 23, 2016, the BCBHEPA continues to be mostly concerned with the colossal cost this matter has already been to hatching egg producers, and the potential going forward. Regardless of the Commission's final decision whether to regulate the Asian Breeder market, the costs associated with the policies in place must be carried by the Asian Breeders. For example, if the market remains unregulated, the Asian Breeders must carry the costs associated with obtaining compliance with the Food Safety, Biosecurity, Animal Care, and Premise ID programs. And if the market becomes regulated, the Asian Breeders must carry the costs associated with those same programs, and additionally the costs of under/over supply of their market, as well as conducting their own Cost of Production analyses. The BCBHEPA would also support that they establish their own new entrant program, and a 10/10/10 policy from the date the quota is allocated.

We again thank you for the engagement opportunity and look forward to discussing this with you at our meeting on May 30, 2017.

A handwritten signature in black ink, appearing to read "Bryan Brandsma", written in a cursive style.

Bryan Brandsma
President, BCBHEPA