



May 26, 2018

Robin Smith, Chair  
BC Chicken Marketing Board  
32450 Simon Avenue  
Abbotsford, BC V2T 4J2

Dear Mr. Smith,

### **LIVE PRICE FORMULA REVIEW**

The BC Broiler Hatching Egg Commission is taking this opportunity to update the BC Chicken Marketing Board and other industry stakeholders on developments since the April 20, 2018 pricing meeting. The Commission again notes that given its “regulatory authority and responsibility over pricing and the direct connection and impact of the pricing linkage on the BC hatching egg sector, it is appropriate for the Commission to be an active participant in reviewing the live price formula”.

The Commission continues to consider the issues identified in its April 18, 2018 “Initial Positions and Comments” document. The Commission will also be taking into consideration the May 25, 2018 submissions of the BC Broiler Hatching Egg Producers Association and the BC Egg Hatchery Association following a May 12 Commission Pricing and Production Committee meeting. The Commission has not had opportunity to discuss those submissions, but we include them here for the information of the Chicken Board and other stakeholders.

The Commission has had opportunity to review the May 17, 2018 letter of the BC Chicken Growers’ Association. The Commission offers the following comment:

- a. we agree that “this formula can work well for the BC chicken industry” – if it is constructed and managed to effectively balance the interests of all stakeholders;
- b. we support the principle of growers and producers receiving a fair return;
- c. we believe that there should be transparent regulation of the actual price of chicken and hatching eggs (premiums, catching costs and other charges need to be accountable); and,
- d. we strongly support effective guardrails supported by clear, transparent data based on concrete baseline information such as a cost of production formula.

The Commission will be reviewing the Chicken Board’s upcoming June 11, 2018 proposal in consultation with the Commission’s Pricing and Production Committee.

**BC Broiler Hatching Egg Commission**

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Regards,

A handwritten signature in black ink that reads "J. Collins".

Jim Collins, Chair  
BC Broiler Hatching Egg Commission

Attachments:

May 25, 2018: BC Broiler Hatching Egg Producers Association Letter  
May 25, 2018: BC Egg Hatchery Association Letter

cc: BC Broiler Hatching Egg Producers Association  
BC Egg Hatchery Association  
Primary Poultry Processors Association of BC  
BC Chicken Grower's Association  
Website