



BY EMAIL

August 31, 2018

Regan Khan
Manager
International Trade Policy and Negotiations
Ministry of Jobs, Trade and Technology
Government of British Columbia

RE: TARIFF RATE QUOTA (TRQ) MANAGEMENT

Dear Mr. Khan,

The following is submitted in accordance with your request of August 10, 2018. The BC Broiler Hatching Egg Commission has discussed this issue with other stakeholders in the BC chicken industry. Those stakeholders are providing more detailed submissions and the Commission notes, and is in general agreement with, the August 21 and 31, 2018 submissions of the BC Chicken Marketing Board.

In addition, the Commission offers the following general comments in support of the Chicken Board and other stakeholders in seeking additional TRQ for BC.

There is no question that the underlying cost benefits and flexibility offered by additional TRQ would benefit BC businesses. This includes those that also have operations in other provinces in terms of their overall competitiveness; which in turn should benefit other BC stakeholders.

Issuance of TRQ should be to those persons (businesses) that are able to demonstrate that they are actively and directly operating in the processing or hatchery sectors in the chicken industry as there should be a direct, market-driven rationale for how TRQ is allocated and utilized. Similarly, businesses holding TRQ should demonstrate that they continue to meet these same criteria on an ongoing basis. There should be established activity requirements to measure and monitor such eligibility.

Consideration could be given to allocating TRQ nationally based on population prior to distributing it in accordance market share within a province (or potentially within a region). This would recognize provincial and/or regional interests in a straightforward way without adding regulation.

Given the historical imbalance in the allocation of TRQ – particularly in the chicken processing and further processing sectors – consideration could also be given to having a larger share of new TRQ being issued to operations in provinces or regions currently short of TRQ until a population-based allocation balance is achieved.

BC Broiler Hatching Egg Commission



One comment concerning new hatching egg TRQ specifically is that it should be issued to hatcheries only for eggs, not chicks, and be based on established throughput.

A precondition should be a commitment to enhanced transparency in how TRQ is allocated, managed and utilized. This will help monitor the allocation status of TRQ in Canada (e.g., tracking distribution and utilization within companies operating in more than one province). In the case of hatching eggs, it will also enable the national agency and provincial boards managing domestic allocations to better plan provincial production in coordination with hatcheries and their utilization of TRQ.

Thank you for your attention to this important matter.

Yours truly,

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

Jim Collins, Chair
BC Broiler Hatching Egg Commission

cc: Mr. Wes Shoemaker, Deputy Minister, BC Ministry of Agriculture
Mr. John Les, Chair, BC Farm Industry Review Board
Mr. Robin Smith, Chair, BC Chicken Marketing Board
Mr. Ernie Silveri, President, BC Egg Hatchery Association
Mr. Bryan Brandsma, President, BC Broiler Hatching Egg Producers' Association
Mr. Drew Black, Executive Director, Canadian Hatching Egg Producers
BC Broiler Hatching Egg Commission website