

BC BROILER HATCHING EGG COMMISSION

MAY 2019 NEWSLETTER

INDUSTRY STATISTICS

YTD Hatchability

84.3%

Average Lay Cycle End

58 weeks

Average Breeder Price

Female: \$9.90

Male: \$12.09

2018 Audit Stats

Premises with Outstanding

Corrective Actions: 1

2019 Audit Stats

Total Premises to Audit: 69

Premises Completed: 17

Hatching Egg Tips

Click the link below to find a great article from the Atlantic Poultry Research Institute regarding a research trial studying the reduction of eggshell microbial load.

<https://cdn.dal.ca/content/dam/dalhousie/pdf/sites/apri/Factsheet%2039%20Fumigating%20Broiler%20Hatching%20Eggs.pdf>

AVIAN INFLUENZA INSURANCE UPDATE

Please see www.avianinsurancereview.com/ for important updates.

ANIMAL CARE PROGRAM PRODUCER TRAINING SESSIONS

Please see the attached invitation for the CHEP Animal Care Program training session dates – register with naylene@bcbhec.com

ANIMAL CARE PROGRAM REQUIREMENTS

Please ensure that the Commission office has received the makes and models of your barn equipment, this important to ensure we have the right placement numbers for this quota cycle.

UTILIZATION UPDATE

The Commission updated the utilization for the next quota cycle. Producers should have received a utilization Memo and updated placement sheets this week. Please contact Joshua (joshua@bcbhec.com) if you have not received yours yet.

CATCHING AND LOADING WORKSHOP

Save the Date! June 6, 2019 – More information to come.

PRODUCER REBATE MEMO

Please see attached Memo regarding Producer Levy Rebate.

PRICING AND LINKAGE UPDATE

Please see attached letter from Jim Collins regarding Linkage and one in response from the BC Chicken Marketing Board.

ASIAN BREEDER UPDATE

Please see attached package regarding Asian Breeders

PPAC

Please find attached the Commission's response to PPAC's recommendations, also attached.

BC POULTRY SYMPOSIUM

Please see the attached agenda

Pricing Orders

Period	Live Chicken	Hatching Eggs	Saleable Chicks	Day-Old Broiler Chicks
A-151	169.30 ¢/kg	553.14 ¢/doz	57.62 ¢/chick	76.55 ¢/chick
A-152	165.93 ¢/kg	544.00 ¢/doz	56.67 ¢/chick	75.60 ¢/chick
A-153	164.50 ¢/kg	536.11 ¢/doz	55.84 ¢/chick	74.78 ¢/chick
A-154	162.90 ¢/kg	532.52 ¢/doz	55.47 ¢/chick	74.41 ¢/chick
A-155	165.1 ¢/kg	545.36 ¢/doz	56.81 ¢/chick	75.75 ¢/chick
A-156	164.50 ¢/kg	551.34 ¢/doz	57.43 ¢/chick	76.37 ¢/chick

Production Cycles

Period	Start Date	End Date
A-151	July 8, 2018	Sept 1, 2018
A-152	Sept 2, 2018	Oct 27, 2018
A-153	Oct 28, 2018	Dec 22, 2018
A-154	Dec 23, 2018	Feb 16, 2019
A-155	Feb 17, 2019	April 13, 2019
A-156	April 14, 2019	June 8, 2019



ANIMAL CARE PROGRAM

PRODUCER TRAINING

BCBHEC BOARDROOM

May 29, June 5, and June 12

at 1:30 pm

**ALL PRODUCERS MUST
REGISTER**

BC Broiler Hatching Egg Commission is in the process of rolling out the new National Animal Care Program (ACP), all producers must be trained.

There will be door prizes, giveaways, and snacks.

Two participants maximum per farm – we recommend the person completing the Audits attend the ACP training session. Registration is a first come first serve basis – limited space available in each session.

Register with Naylene Thompson via email (naylene@bcbhec.com) or phone (604-850-1854)



Animal Care Program Implementation & Roll Out: Work Action Plan

Purpose: To ensure Hatching Egg Producers are maintaining Poultry Code of Practice standards using an auditable program.

Stakeholders:

- BC Hatching Egg Producers
- BC Broiler Hatching Egg Producers' Association (BCBHEPA)
- Canadian Hatching Egg Producers (CHEP)
- BC Egg Hatchery Association (BCEHA)
- BC Ministry of Agriculture (BCMA)
- BC Farm Industry Review Board (BCFIRB)

Outcome:

- All Hatching Egg Producers in BC compliant with the CHEP Animal Care Program

Background:

Animal Welfare is a top priority for the Canadian Hatching Egg Producers (CHEP). Canadian broiler hatching egg producers are committed to providing the highest level of animal care and are pleased to launch the CHEP Animal Care Program (ACP), an on-farm assessment program for Canadian broiler hatching egg producers with a focus on animal care.

The ACP is a product of months of consultations with producers and industry stakeholders. CHEP's ACP will build on and recognize the efforts of Canadian broiler hatching egg producers. At the farm level, the ACP will be integrated with the pre-existing on-farm food safety program, Canadian Hatching Egg Quality (CHEQ) Program, to allow for better efficiencies and smoother implementation on the farm.

The ACP audit tool criteria are based on the requirements set out in the Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chickens, and Turkeys (2016) (Codes). The Codes are nationally developed guidelines for the care and handling of farm animals and serve as the national understanding of animal care requirements and recommended practices. CHEP had an active role in the review of the Codes. Through the National Farm Animal Care Council (NFACC) process, the Codes are scientifically informed, practical, and reflect societal expectations for responsible farm animal care. (CHEP ACP Manual 2017)

Phase 1: Production Implementation & Development

Approach:

- Review ACP limiting factors
- Producer provide Commission staff with Equipment makes and models for new set of ACP records
- Update and review barn specifications
- Review interaction of new limiting factor with the Official Flock Schedule
- Producers to provide all barn and equipment specifications
- Identify gaps in the management of the Official Flock Schedule

- Educate Producers on issues arising and are made aware of their own limiting factor challenges

Expected Outcome:

- Producers are aware of their limiting factors as a result of the ACP program
- All barn specifications have been updated: Both provincial and national requirements
- Placement sheets are updated and circulated to Producers
- Gaps in the management of the Official Flock Schedule identified and corrected
- Transition documentation in place for moving to 100% ACP placements
- Edit Audit tool to reflect those changes and have approved by CHEP

Deliverables:

- Producer binders are updated with new barn specifications
- Placement sheets delivered to producers with new information

ANTICIPATED DELIVERY DATE: August 31, 2019

Phase 2: Training of Producers and Staff

Approach:

- Instruct staff to participate in the ACP Audit training sessions
- Instruct staff to adjust the audit cycles to ensure balance between CHEQ™ and ACP full audit years
- Host small group training sessions for Producer training
- Host small group sessions for Pullet Growers
- Ensure Producer concerns and questions have been followed up on and answered

Expected Outcome:

- Staff trained on how to train Producers in ACP
- Staff trained to conduct ACP Audits
- Staff adjusted audit cycles to create balance in the audit schedule
- Producers trained on how to prepare for an audit
- Producers prepared for their first audit
- Pullet Growers are trained on how to prepare for an audit
- Pullet Growers are prepared for their first audit

Deliverables:

- Staff Audit certification
- Audit tool completed
- Producers trained on program expectations and prepared for their first ACP audit experience

ANTICIPATED DELIVERY DATE: August 31, 2019

Phase 3: Audit Implementation On- Farm

Approach:

- Share schedule changes with individual Producers and pullet growers
- Conduct limited tool audit and ensure Producers are aware of the tool change

Expected Outcome:

- BC Producers compliant with the ACP Program by anticipated delivery date
- Appropriate timelines associated with corrective actions
- Producers and pullet growers have received their first full ACP Audit

Deliverables:

- BC Producers and pullet growers compliant with ACP
- BC Producers transitioning to full tool for 2021

ANTICIPATED DELIVERY DATE: August 31, 2020



MEMO

TO: BC Broiler Hatching Egg Producers
FROM: Stephanie Nelson
DATE: May 1, 2019
SUBJECT: Animal Care Program

Good afternoon,

The BC Hatching Egg Commission has introduced and is now implementing the Canadian Hatching Egg Producers' ("CHEP") Animal Care Program.

You will find your placement sheets formatted to include the new limiting factors for both equipment and density.

Attached are the Work Action Plan and the invitation to attend important Producer training sessions as audits are to begin in August 2019.

Please contact me directly if you have any questions or concerns.

Regards,

A handwritten signature in black ink, appearing to read "Stephanie Nelson".

Stephanie Nelson, Executive Director
BC Broiler Hatching Egg Commission

BC Broiler Hatching Egg Commission



May 1, 2019

TO: B.C. BROILER HATCHING EGG PRODUCERS AND OTHER STAKEHOLDERS

RE: 2018 COMPLIANCE REBATE

As discussed at the last producer meeting and in response to producers' concerns about the 2017 rebate process, the BC Broiler Hatching Egg Commission ("the Commission") has simplified the process and is planning a Compliance Rebate for all compliant hatching egg producers.

In order to be eligible for this rebate you must have:

1. Paid a levy in the 2018 calendar year;
2. Completed your 2018 Schedule 5 audits and any resulting corrective actions, if applicable; and
3. Throughput eggs in the Non-Hatching Egg Program.

The 2018 Compliance Rebate will be calculated on your throughput through the Non-Hatching Egg Program. No forms are necessary to receive your rebate as staff have records of both your audit status and your non-hatching egg throughput.

Please note, the Commission reserves the right to adjust and require different eligibility criteria as it deems fit.

If you have any questions or concerns, please call me directly.

Regards,

A handwritten signature in black ink, appearing to read "Stephanie Nelson".

Stephanie Nelson, Executive Director
BC Broiler Hatching Egg Commission



April 29, 2019

Mr. Harvey Sasaki, Chair
British Columbia Chicken Marketing Board
#101 – 32450 Simon Avenue
Abbotsford, BC V2T 4J2

Dear Harvey,

This is to confirm, as outlined in the April 18, 2019 notice to stakeholders, that the BC Broiler Hatching Egg Commission is advising that it wishes to withdraw from the Pricing Linkage Agreement with the BC Chicken Marketing Board effective the beginning of Period A158 (August 4, 2019).

This is not the Commission's preference, as it fully understands why the linkage was originally put in place and overall, the Linkage Agreement has well-served hatching egg producers and chicken growers. The Commission remains hopeful that this will continue to be the case if certain issues can be resolved prior to the start of Period A158 or alternatively, at some future date when re-establishing a linkage might work for both boards within a new strategic context. It must be understood that any time the live price affects the hatching egg price through a linkage, the Commission has a direct regulatory interest in how that price is determined.

Regardless of the circumstances with respect to pricing, both the Commission and Chicken Board need to continue an effective working relationship as co-regulators of the BC Chicken sector. Nevertheless, it is prudent at this time, and in the best interests of hatching egg producers, for the Commission to have contingency plans in place with respect to pricing.

The April 18, 2019 notice to stakeholders provides a general outline of the Commission's concerns. Correspondence over the last 12 months has also communicated to stakeholders the Commission's position on issues. The linkage has been in place for almost 25 years. Pricing certainty has become increasingly rare and premiums now reflect the actual price of chicken in BC. Other circumstances have also changed as BC processors and hatcheries have expanded into western Canada. In response, both the Chicken Board and the Commission are increasingly engaged with their western counterparts about how chicken and hatching eggs are priced in other provinces, including with those same processors and hatcheries. In short, the BC chicken sector is much changed since the linkage was first determined to be sound marketing policy.

BC Broiler Hatching Egg Commission

#180 – 32160 South Fraser Way, Abbotsford, BC V2T 1W5 • www.bcbhec.com



As also advised in the April 18, 2019 notice, the Commission will continue conducting a thorough SAFETI analysis prior to its final decision(s) in support of "the sustainability of the BC hatching egg sector as part of a successful BC chicken sector". That analysis will be forwarded in support of this notice prior to Period A158.

Yours truly

A handwritten signature in black ink, appearing to read "J. Collins".

Jim Collins, Chair
BC Broiler Hatching Egg Commission

Cc: Peter Donkers, Chair, BC Farm Industry Review Board
Bill Vanderspek, Executive Director, BC Chicken Marketing Board
Bryan Brandsma, President, BC Broiler Hatching Egg Producers' Association
Ryan Whitmore, President, BC Egg Hatchery Association
Jim Byrne, Chair, Commission Pricing and Production Advisory Committee
Dale Krahn, President, BC Chicken Growers' Association



April 29, 2019

BC Broiler Hatching Egg Commission

#180 – 32160 South Fraser Way,

Abbotsford, BC V2T 1W5

BY EMAIL: jimcollins@telus.net
stephanie@bcbhec.com

Re: April 18, 2019 letter sent to BC Hatching Egg Producers and Other Industry Stakeholders

Dear Jim,

At their regularly scheduled meeting held on April 25, 2019, the Board reviewed and discussed your April 18, 2019 letter to BC Hatching Egg producers and other industry stakeholders which included the *outstanding issues* document.

For quota period A-156 (which began on April 14, 2019) the BCCMB agreed to implement the update to the pricing linkage in accordance with the BCCMB/BCBHEC memorandum of understanding signed in 2016. As you are aware, the MOU did not contemplate or include any changes to the hatchery margin or the inclusion of incentives provided to chicken growers in excess of the posted live price.

Please be advised that the BCCMB will not be in a position to consider further amendments to the existing pricing linkage until such time as the BCFIRB decision on the outstanding pricing appeals (N1809 & N1810) are rendered and the results of the Ontario Cost of Production Formula have been determined.

Thank you for your attention to this matter.

B. Vanderspek
Executive Director
BRITISH COLUMBIA CHICKEN MARKETING BOARD

cc: Ms. K. Pedersen, BCFIRB

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BRITISH COLUMBIA CHICKEN MARKETING BOARD



May 2, 2019

TO ALL ASIAN BREEDER SECTOR, MAINSTREAM PRODUCERS AND OTHER INDUSTRY
STAKEHOLDERS

**RE: AMENDING ORDER 22
ASIAN BREEDER PRODUCTION**

As advised in a letter dated April 10, 2019, all stakeholders were previously consulted about an earlier proposed Amending Order. That Order foundered, in part, because of difficulties experienced by all stakeholders in defining the regulated product as a "specialty" production. Other questions arose, and the Commission reassessed its approach to an Amending Order that would meet the expectations outlined in the July 17, 2018 decision of the BC Farm Industry Review Board (BCFIRB).

A revised draft Amending Order was circulated with the April 10, 2019 letter. Asian Breeder Producers and other stakeholders were invited to submit comments by April 23, 2019. (None were received.) In addition, this Order was discussed at the April 15, 2019 Pricing and Production Advisory Committee meeting, and a follow up meeting with Asian breeder producers was conducted on April 17, 2019. That meeting also discussed processes through which the Commission could obtain 2019 production information and streamlined administrative measures for implementing the requirements of the revised Order.

The Commission finalized the new Amending Order at its April 25, 2019 meeting, incorporating a utilization (production sleeve) provision in response to concerns raised at the April 17, 2019 meeting.

As this Amending Order has more interface with the Commission's current Consolidated Order (i.e., is more complicated), here is an overview:

1. A breeder is a breeder, and a hatching egg is a hatching egg. In order to produce this regulated product in BC, you need the following from the Commission: quota, a permit such as the Small-Lot Innovative Self-Marketer Program, or a specific exemption. The question for the upcoming review is not whether Asian breeder production falls under the jurisdiction of the Commission; rather, it is how it should be regulated.
2. In order to provide for production controls as directed by BCFIRB, the Commission had to exercise its authority under the British Columbia Broiler Hatching Egg Scheme to issue quota. However, in order not to forestall the purpose of the review by predetermining an outcome, this quota will expire effective December 31, 2019 unless the Commission determines otherwise following the review.
3. Persons eligible for this temporary quota must have been in production in 2010 and provide flock information to the Commission for 2018.
4. This temporary quota will be based on chicks placed with licensed BC chicken producers in 2018, as verified by records of the BC Chicken Marketing Board.

BC Broiler Hatching Egg Commission



5. Given its temporary nature, this quota will not be subject to LIFO and 10/10/10.
6. The Commission does not have a surplus removal program, but Asian breeder producers will be eligible for the Commission's small egg program where such eggs can be marketed through the Commission and producers receive the breaker price.
7. Asian breeder producers will pay a levy of \$0.015 per saleable chick effective the date of Amending Order 22.

It must be again stressed that Amending Order 22 is a temporary measure to provide short-term certainty without locking stakeholders into a predetermined outcome. This certainty will provide everyone with opportunity to fully engage in the review process, which must be completed before the end of this year. The Commission will be issuing a work plan so that this process can commence as soon as possible.

Asian breeder producers have been advised that compliance with Amending Order 22 and ongoing cooperation and constructive engagement with the Commission during the term of this Order is critical.

Yours truly,

A handwritten signature in black ink, appearing to read "J. Collins".

Jim Collins, Chair
BC Broiler Hatching Egg Commission

Attach.

Cc: BC Broiler Hatching Egg Producers' Association
BC Asian Breeder Hatching Egg Producers
BC Farm Industry Review Board
BC Chicken Marketing Board
BCBHEC website

BC Broiler Hatching Egg Commission



**AMENDING ORDER 22
TO THE
CONSOLIDATED ORDER OF MAY 1, 2016**

**MADE BY
THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
ON APRIL 25, 2019**

The British Columbia Broiler Hatching Egg Commission orders as follows:

1.
 - (1) *Subject to subsection (2), the Consolidated Order of May 1, 2016 is amended by replacing the words "Placement Quota", wherever they appear, with the word "Quota".*
 - (2) *Subsection (1) does not apply to:*
 - (a) *The definitions of "Placement Quota" and "Special Allotment" in section 2 of the Consolidated Order of May 1, 2016;*
 - (b) *Paragraph 8(2)(d) of the Consolidated Order of May 1, 2016;*
 - (c) *Sections 9, 10, 20 and 21 of the Consolidated Order of May 1, 2016;*
 - (d) *Sections 4, 5, 6 and 7 of Schedule 1 to the Consolidated Order of May 1, 2016; and*
 - (e) *Sections 3, 4, 5 and 6 of Schedule 7 to the Consolidated Order of May 1, 2016.*
2. *Section 2 of the Consolidated Order of May 1, 2016 is amended by adding the following definitions:*

"Temporarily Regularized Producer" means a Registered Producer who has been allotted Temporarily Regularized Producer Chick Quota in accordance with the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program Rules set out in Schedule 8.

“Temporarily Regularized Producer Chick Quota” means the maximum quantity, as determined by the Commission, of Chicks that may be hatched in a Quota Period from Broiler Hatching Eggs produced by a Temporarily Regularized Producer. All Temporarily Regularized Producer Chick Quota shall expire, without renewal, on December 31, 2019.

“Quota” means Placement Quota or Temporarily Regularized Producer Chick Quota, as the case may be.

3. *Section 2 of the Consolidated Order of May 1, 2016 is amended by replacing the definition of “Special Allotment” with the following:*

“Special Allotment” means:

- (a) a general allotment of Placement Quota by the Commission;
- (b) a special allotment of Placement Quota in accordance with the New Producer Program Rules set out in Schedule 1;
- (c) a special allotment of Placement Quota in accordance with the Small-Lot Innovative Self-Marketer Program Rules set out in Schedule 8;
- (d) a special allotment of Temporarily Regularized Producer Chick Quota in accordance with the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program Rules set out in Schedule 8; or
- (e) a general allotment of Temporarily Regularized Producer Chick Quota.

4. *Section 2 of the Consolidated Order of May 1, 2016 is amended by replacing the definition of “Underweight Broiler Hatching Eggs” with the following:*

“Underweight Broiler Hatching Eggs” mean Broiler Hatching Eggs (other than Silkie or Taiwanese Broiler Hatching Eggs) weighing less than 52 grams.

5. *The Consolidated Order of May 1, 2016 is amended by adding the following section immediately after section 10:*

Special Allotment of Temporarily Regularized Producer Chick Quota Under Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program

10.1 The Commission may allot Temporarily Regularized Producer Chick Quota in accordance with the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program Rules set out in Schedule 8.

6. *Subsection 16(2) of the Consolidated Order of May 1, 2016 is replaced with the following:*

(2) For the purposes of subsection (1), the Placement Quota being Transferred is deemed to be the Placement Quota most recently allotted to the Transferor. The Commission may, in its sole discretion, deem Placement Quota to have been allotted on a date that precedes the date of allotment recorded by the Commission where a Producer has satisfied the Commission, on satisfactory evidence, that there are good and sufficient reasons to do so.

7. *Section 18 of the Consolidated Order of May 1, 2016 is replaced with the following:*

Placement of Flocks by Hatcheries and Payment by Producers

18. (1) Each Hatchery must:
- (a) order and arrange for the placement of flocks of day-old broiler breeder pullets in accordance with the Official Flock Schedule, except with respect to a Temporarily Regularized Producer;
 - (b) pick up Marketable Eggs produced by each Producer assigned to that Hatchery pursuant to the Official Flock Schedule, except with respect to a Temporarily Regularized Producer;

- (c) place Marketable Eggs produced by the Producer or Producers referred to in the preceding paragraph into its incubators in a timely fashion and as soon after such Marketable Eggs are laid as is reasonably possible, except with respect to a Temporarily Regularized Producer;
- (2) Each Hatchery shall inform the Commission in writing of its chosen strain or strains of broiler breeders to be ordered and placed in accordance with the Official Flock Schedule, except with respect to a Temporarily Regularized Producer.
- (3) Unless otherwise agreed in writing, every Producer, , other than a Temporarily Regularized Producer, shall pay for day-old broiler breeders ordered and arranged by a Hatchery within 30 days from the date of placement of such day-old broiler breeders.
- (4) Where a Producer has failed or refused to pay the full amount due (without deduction, set-off or abatement) for a flock of day-old broiler breeders ordered and arranged by a Hatchery on behalf of that Producer:
 - (a) within 30 days from the date of placement of that flock; or
 - (b) within such other time as may have been agreed in writing between that Hatchery and that Producer with respect to that flock;

the Hatchery may:

- (c) forthwith deduct and withhold from the total payable to such Producer amounts sufficient to pay for that flock; and
- (d) commencing 30 days prior to the date of placement of the next flock of day-old broiler breeders, deduct and withhold from the total payable to such Producer amounts sufficient to pay for that next flock.

8. *Paragraph 23(b) of the Consolidated Order of May 1, 2016 is replaced with the following:*

- (b) all such Broiler Hatching Eggs (other than Silkie or Taiwanese Broiler Hatching Eggs) weigh at least 52 grams each; and

9. *Subsection 25(1) of the Consolidated Order of May 1, 2016 is replaced with the following:*

25. (1) Every Producer other than a Temporarily Regularized Producer shall market their broiler breeder flocks as directed by the Commission, and subject to:

- (a) any extraordinary kill age as may be directed by the Commission, after consultation with the Hatchery, where:

- (i) a broiler breeder flock has failed to produce Broiler Hatching Eggs with a consistent Hatchability of 70%; or

- (ii) there are other extraordinary circumstances warranting an extraordinary kill age.

- (b) any extraordinary kill age as may be directed by the Producer, after consultation with the Hatchery, where a broiler breeder flock has failed to produce at levels acceptable to that Producer.

10. *Section 26 of the Consolidated Order of May 1, 2016 is replaced with the following:*

Payment of Base Price for Broiler Hatching Eggs

26. Every Hatchery shall pay for Broiler Hatching Eggs at the base price set out in Schedule 2, provided that a reasonable surcharge may be imposed by a Hatchery to recover additional costs actually incurred by the Hatchery as a direct consequence of having to pick up Broiler Hatching Eggs from a Producer (other than a Temporarily Regularized Producer) who keeps less than 12,000 broiler breeders per Quota Period.

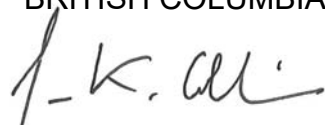
11. Section 1 of *Schedule 3 to the Consolidated Order of May 1, 2016* is replaced with the following:

Producer Levies

1. (1) Subject to subsections (2) and (3), levies are fixed and imposed upon each Producer at a rate of \$0.019 per Saleable Chick.
 - (2) Notwithstanding subsection (1), levies are fixed and imposed upon each Producer engaged in Broiler Hatching Egg production under the Small-Lot Innovative Self-Marketer Program at a rate of \$0.015 per Saleable Chick.
 - (3) Notwithstanding subsection (1), levies are fixed and imposed upon each Producer engaged in Broiler Hatching Egg production under the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program at a rate of \$0.015 per Saleable Chick.
12. Paragraph 7(4)(a) of *Schedule 6 to the Consolidated Order of May 1, 2016* is replaced with the following:
- (a) of a minimum weight of 52 grams, unless they are Silkie or Taiwanese Broiler Hatching Eggs;
13. *The Consolidated Order of May 1, 2016* is amended by adding *Schedule 8* as attached.
14. *All amendments provided for herein as more particularly described in paragraphs 1 through 13 of this Amending Order shall be automatically repealed, effective January 1, 2020, without further order of the Commission.*
15. *This Order comes into effect on May 1, 2019.*

DATED at Abbotsford, British Columbia, on April 25, 2019

BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION


Jim Collins, Chair

**SCHEDULE 8
TO THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER**

**Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese
Producers Program Rules**

Definitions

1. In these Rules:

“**Spouse**” means a partner in a marriage, or a Person with whom there has been cohabitation in a conjugal relationship, having so cohabitated for a continuous period of at least one year.

Application Under Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program

2. (1) Applications to participate in the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program are made by filing with the Commission, on or before 3:00 p.m., May 16, 2019:
- (a) an application form, obtainable from the Commission, duly completed by the applicant;
 - (b) a copy of the applicant’s birth certificate or other proof of age acceptable to the Commission;
 - (c) proof of Canadian citizenship or permanent resident status; and
 - (d) proof of permanent residence status in the Province of British Columbia.
- (2) Spouses may submit a joint application, but no more than one application may be submitted by both Spouses, or either of them.
- (3) An applicant under the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program may be a partnership in which case each partner must qualify under subsection (4).
- (4) A Person seeking to participate in the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program must have the following qualifications:
- (a) the Person must be a Canadian citizen or permanent resident of Canada;

- (b) the Person must be a permanent resident in the Province of British Columbia;
- (c) the Person must be at least 19 years of age at the time of application;
- (d) the Person must have been continuously engaged in the production of Silkie or Taiwanese Broiler Hatching Eggs from January 1, 2010 to December 31, 2010 without a licence issued by the Commission and without Placement Quota allotted by the Commission;
- (e) the Person must have been continuously engaged in the production of Silkie or Taiwanese Broiler Hatching Eggs from December 31, 2010 to the date of application without a licence issued by the Commission and without Placement Quota allotted by the Commission; and
- (f) the Person must have submitted a complete flock information report to the Commission for 2018.

Entry in Program

- 3. (1) The applicant must submit to the Commission, within 60 days from the date application:
 - (a) proof, in a form satisfactory to the Commission, that the applicant has been continuously engaged in the production of Silkie or Taiwanese Broiler Hatching Eggs from January 1, 2010 to December 31, 2010 without a licence issued by the Commission and without Placement Quota allotted by the Commission;
 - (b) proof, in a form satisfactory to the Commission, that the applicant has been continuously engaged in the production of Silkie or Taiwanese Broiler Hatching Eggs from December 31, 2010 to the date of application without a licence issued by the Commission and without Placement Quota allotted by the Commission;
 - (c) proof, in a form satisfactory to the Commission, that the applicant has submitted a complete flock information report to the Commission for 2018;
 - (d) proof, in a form satisfactory to the Commission, of the applicant's financial ability to maintain or to establish an acceptable Independent Production Unit for the production of Silkie or Taiwanese Broiler Hatching Eggs;

- (e) proof, in a form satisfactory to the Commission, that the applicant has economically viable plans to sustain the production of Silkie or Taiwanese Broiler Hatching Eggs;
 - (f) proof, in a form satisfactory to the Commission, that the applicant's Independent Production Unit is within economic access of a licensed Hatchery;
 - (g) proof, in a form satisfactory to the Commission, that the applicant is able to directly order and arrange for the placement of day-old Silkie or Taiwanese broiler breeder pullets;
 - (h) proof, in a form satisfactory to the Commission, that the applicant has made arrangements with a licensed Hatchery in good standing with the Commission for the hatching of day-old Silkie or Taiwanese broiler Chicks from the applicant's production;
 - (i) particulars of any exceptional circumstances as might justify an allotment of Temporarily Regularized Producer Chick Quota in amounts other than as provided for in subsection (2); and
 - (j) any other information deemed necessary by the Commission.
- (2) Subject to subsection (3), an applicant who has complied with subsection (1) to the satisfaction of the Commission will be allotted 1 unit of Temporarily Regularized Producer Chick Quota for every Silkie or Taiwanese Chick hatched from Broiler Hatching Eggs produced by the applicant and placed with licensed chicken growers within the Province between January 1, 2018 to December 31, 2018, as verified by the Commission from records kept by the British Columbia Chicken Marketing Board.
- (3) Where an applicant has submitted particulars of exceptional circumstances in accordance with paragraph 3(1)(i), the Commission may allot Temporarily Regularized Producer Chick Quota in amounts other than as provided for in subsection (2). In that event, Temporarily Regularized Producer Chick Quota allotted and issued to other persons in accordance with subsection (2) will be proportionately reduced in order to accommodate all allotments and issuances to such applicants.
- (4) The Commission may, at any time, and in its sole discretion, adjust the permitted utilization rate of Temporarily Regularized Producer Chick Quota allotted hereunder.

Special Restrictions on Temporarily Regularized Producer Chick Quota Allotted Under the Program

4. (1) Temporarily Regularized Producer Chick Quota allotted under the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program shall expire, without renewal, on December 31, 2019.
- (2) Temporarily Regularized Producer Chick Quota allotted under the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program may be held for production by the entrant only for so long as the entrant:
 - (a) permits Commission audits of the farm operation to ensure compliance with Commission orders and all applicable legislation, including all terms and conditions of the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program;
 - (b) is in good standing with all applicable Commission orders and all applicable legislation, including all terms and conditions of the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program;
 - (c) is actively engaged in Silkie or Taiwanese Broiler Hatching Egg production; and
 - (d) uses the Temporarily Regularized Producer Chick Quota exclusively for the production of Silkie or Taiwanese Chicks;failing which the Temporarily Regularized Producer Chick Quota so allotted shall thereupon be subject to immediate cancellation on notice by the Commission to the entrant.
- (2) Temporarily Regularized Producer Chick Quota allotted under the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program may be Transferred provided that it shall continue to be subject to all of the special restrictions described in subsection (1). Notwithstanding any other provision in the Consolidated Order, no surrender of Temporarily Regularized Producer Chick Quota is required on a Transfer thereof.
- (3) Temporarily Regularized Producer Chick Quota cannot be converted to Placement Quota.

Determination as to Whether the Entrant is Actively Engaged in Broiler Hatching Egg Production

5. (1) The Commission will determine, in its sole discretion, whether an entrant is actively engaged in Silkie or Taiwanese Broiler Hatching Egg production for the purposes of the Temporary Regularization of Historically Non-Compliant Silkie and Taiwanese Producers Program. Without limiting the generality of the foregoing, the Commission will have regard to the following factors:
 - (a) whether the Temporarily Regularized Producer Chick Quota is being used for the benefit of the entrant;
 - (b) whether the entrant is active in the day-to-day affairs of the Independent Production Unit, including matters of animal husbandry;
 - (c) whether the entrant operates and controls the Independent Production Unit;
 - (d) whether the entrant owns, leases or rents the Independent Production Unit;
 - (e) whether the entrant pays for feed and other farm supplies utilized on the Independent Production Unit;
 - (f) whether the entrant enjoys the chance of profit and bears the risk of loss in relation to the operations of the Independent Production Unit.
- (2) For the purpose of determining whether the entrant is actively engaged in the production of Broiler Hatching Eggs, the Commission shall have regard to the substance and effect of any arrangement made between the entrant and any other Person, irrespective of the form of that arrangement.
- (3) Where it appears to the Commission that the entrant is primarily engaged in the business of administering Temporarily Regularized Producer Chick Quota, and that some other Person is primarily engaged in the business of Silkie or Taiwanese Broiler Hatching Egg production associated with that Temporarily Regularized Producer Chick Quota, the entrant shall be deemed not to be actively engaged in Silkie or Taiwanese Broiler Hatching Egg production.



May 1, 2019

Mr. Jim Byrne, Chair
Pricing and Production Advisory Committee

Dear Mr. Byrne,

Thank you for your enclosed letter dated March 5, 2019 providing recommendations from the Pricing and Production Advisory Committee ("PPAC") resulting from their February 25, 2019 meeting.

At its regularly scheduled April 2019 meeting, the BC Broiler Hatching Egg Commission ("the Commission") further considered the PPAC's advice and has instructed me to reply to you as follows:

1. **The PPAC recommends the Commission compensate producers who were materially disadvantaged by the early kill date of 56 weeks initiated in 2018 and extending into 2019.**

The Commission believes there is further analysis to conduct before deciding on this matter. Commission staff have been instructed to complete an analysis and to report back to the Commission at its May 2019 meeting. There will be further correspondence when that analysis is completed.

2. **The PPAC recommends the Commission establish a fixed kill date of 59 weeks and concurrently approves a surplus removal program.**

The Commission has instructed staff to adjust utilization to 100% as part of a transition process and to forecast and plan on a 59 week kill age for the 2020 production year. This decision was made in response to the advice of both the PPAC and from a separate meeting with the BC Broiler Hatching Egg Producers' Association ("BCBHEPA"). BCBHEPA received their update placement sheets on May 1, 2019 and the hatcheries adjusted their placement orders.

The Commission cannot guarantee a minimum kill age of 59 weeks. Allocation decisions made at the national level and provincially rely on market demand, outside factors such as trade agreements, and operational decisions made on an ongoing basis. The Commission must be responsive to such factors and retain its discretion with respect to the management of the Official Flock Plan; however, the Commission believes that this is a step in the direction of a more efficient industry with less upfront costs to Producers.

Additionally, Commission staff have been instructed to review whether some form of Surplus Removal Program is warranted and to present their findings at upcoming Commission meetings.

BC Broiler Hatching Egg Commission



3. The PPAC recommends the Commission revive the Quota Task Force (QTF) no later than July 2019 and the PPAC members are invited to participate in the makeup of the QTF, the parameters under which it will operate, the scope and limits of deliberation and the expectations and final reporting of the QTF.

The Commission has the revival of the QTF in the latter half of its 2019 Strategic Plan. It intends at its July 2019 meeting to review terms of reference and membership structure for the QTF in light of pricing developments and the implementation of the Hatching Egg Reporting System (software). The Commission will be consulting further with PPAC with the aim of reactivating the QTF in early fall.

The Commission thanks the PPAC for their time, effort and participation in their industry and encourages them to continue their good work in support of the BC hatching egg sector.

Regards,

A handwritten signature in black ink, appearing to read "Stephanie Nelson".

Stephanie Nelson, Executive Director
BC Broiler Hatching Egg Commission

SN:ts

Encl.

Cc: Bryan Brandsma, BC Broiler Hatching Egg Producers' Association
Ryan Whitmore, BC Egg Hatchery Association
BC Broiler Hatching Egg Producers' monthly newsletter
BCBHEC website

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

Attention: Jim Collins

Dear Mr. Collins

Subject: PPAC Recommendations from February 25, 2019 Meeting

The PPAC met on February 25, 2019 for a duly scheduled meeting to address Agenda items which included a discussion on producer compensation for losses directly resulting from an early kill date of 56 weeks vs the normal life of 58 to 59 weeks. As you can appreciate the production loss in the final weeks is a severe hardship for producers who are reliant on a full and productive life cycle of the breeder birds. After a robust discussion in which both hatchery representatives and producers made contributions the Chair of the PPAC was instructed to make the following recommendation.

- 1. The Production, Pricing Advisory Committee recommends the Commission compensate producers who were materially disadvantaged by the early kill date of 56 weeks initiated in 2018 and extending into 2019.**

The PPAC members are adamant that producers need assurance that their flocks can produce for a full cycle as established by the Commission and that there be established a minimum 59 week kill date. Members present acknowledge that a 'surplus removal' program is necessary if a fixed kill date is agreed upon and would like to have input in the parameters for the creation of such a program. The Hatchery representatives have some reservations with a fixed kill date; however, they could agree to 58 weeks with a sleeve if required. The Hatchery representatives are not offering to participate in the cost of surplus removal and indicated they would not object if the Commission proceeds with the following recommendation.

- 2. The Production, Pricing Advisory Committee recommends the Commission establish a fixed kill date of 59 weeks and concurrently approves a surplus removal program.**

The Members do not see any easy resolution to the problems of matching production with demand and would like to see the Commission revive the Quota Task Force to evaluate the current Official Flock Schedule and all manner of flock management to increase productivity while serving the needs of hatcheries and producers in the most efficient manner possible.

3. **The Production, Pricing Advisory Committee recommends the Commission revive the Quota Task Force (QTF) no later than July 2019 and that the PPAC Members are invited to participate in the make-up of the QTF, the parameters under which it will operate, the scope and limits of deliberation and the expectations and final reporting of the QTF.**

The PPAC Members are grateful for the opportunity to make recommendations to the Commission and respectfully request the Commission act with the utmost expediency and diligence to forestall a repeat of the aforementioned issues. Although not all Members will ever agree with any particular course of action it was agreed that some action needs to be taken for the health of the industry. We thank the Commission in advance for your attention to these matters.

Yours truly

Jim Byrne
Chair, PPAC

Copied to:

Bryan Brandsma - BC Broiler Hatching Egg Producers' Association
Ernie Silveri - BC Egg Hatchery Association

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BC POULTRY SYMPOSIUM

Wednesday May 15, 2019



**QUALITY HOTEL & CONFERENCE CENTRE
36035 NORTH PARALLEL ROAD
ABBOTSFORD, BRITISH COLUMBIA**

**\$20.00 REGISTRATION FEE
REGISTRATION AND ADDITIONAL INFO:**

www.bcpoultrysymposium.com

8:00am REGISTRATION & COFFEE SERVICES

8:30am Welcome:

Dr. Stewart Ritchie, *Canadian Poultry Consultants*

Moderated by Stephanie Nelson, B.C. Hatching Egg Commission

8:40am Dr. Benton Hudson, Aviagen

Pullet Uniformity & Feeding Stages

9:00am Dr. Nelson Ward, D.S.M.

Feed Enzymes - What value do they bring you?

9:20am Dr. Trevor Lank, Sponsored by Bio Agri Mix

Proteobiotics; What are these molecules and how can they help produce healthier birds?

9:40am Dave Van Wallagem, Vetoquinol

Pest Management on Poultry Farms

10:00am Dr. Victoria Bowes, BC Ministry of Agriculture

Case Report: "What the ????"

10:20am COFFEE BREAK

Moderated by Bill Vanderspek, B.C. Chicken Marketing Board

10:40am Matthew Hicks, SKOV

Successful Minimum Ventilation

11:10am Bill Snow, Hyline

The FLAWS of Cage and Cage-Free

11:40am Jesse McCoy, Neogen

Water Treatment Programs

12:00pm Dr. Stewart Ritchie, S.J. Ritchie Research Farms/Canadian Poultry Consultants

Net Zero Energy Study for Commercial Broiler Barn in British Columbia

12:20 pm Continuing Education Announcement:

Dr. Garry Fehr, *University of the Fraser Valley*

Dr. Stewart Ritchie, *Canadian Poultry Consultants*

Dr. Victoria Bowes, *BC Ministry of Agriculture*

12:30pm LUNCH (Sponsored by Ritchie-Smith Feeds, Inc.)

Moderated by Mico Alano, Boehringer-Ingelheim

1:30pm Dr. Elizabeth Santin, Jefe

Managements Practices That Affect Gut Health

1:50pm Dr. Tony Redford, BC Ministry of Agriculture

BC Turkey Disease Challenges

2:10pm Dr. Luke Nickel, Poultry Health Services

Turkey Talk

2:30pm Dr. Kevin Amini, Boehringer-Ingelheim

Immunosuppression in Poultry

2:50pm COFFEE BREAK

Moderated by Randy Carrier, Zoetis

3:10pm Dr. Babak Sanei, Zoetis

Technical considerations in anticipation of removal of preventive use of in-feed antibiotics

3:40pm Dr. Eric Parent, Sponsored by Elanco

Antimicrobial Use Strategy in Broiler Chickens: How can we adapt to the new antibiotic reduction context?

4:00pm Dr. Benoit Lanthier, Cobb

Maintaining High Chick Quality in a Hatchery Without Antibiotics

4:20pm WRAP UP & ACKNOWLEDGEMENTS

4:30pm MEETING ADJOURNED

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