

# BC BROILER HATCHING EGG COMMISSION MAY 2021 NEWSLETTER



## INDUSTRY STATISTICS

### YTD Hatchability

84.0 %

### Average Lay Cycle End

56 weeks

### Average Breeder Price

Female: \$11.24

Male: \$15.94

### 2021 Audit Stats

Total Premises to Audit: 58

Premises Completed: 15 / 58

### Hatching Egg Tip

Click the link below to find a helpful article on improving your ROI with ventilation.

[https://www.cobb-vantress.com/en\\_US/articles/improving-roi-with-ventilation/](https://www.cobb-vantress.com/en_US/articles/improving-roi-with-ventilation/)

## ANNUAL GENERAL MEETING

Please see the attached notice of the AGM to be held Tuesday, May 18 at 7:00 PM.

## ON-FARM INNOVATION PROGRAM PRESENTATION

CHEP made a presentation recently to producers, it is now posted to the website under the presentations heading.

## HATCHERY AMENDING ORDER REVIEW

Please find attached correspondence circulated to all hatching egg producer stakeholders regarding potential changes to the Consolidated Orders as they pertain to hatchery licensing.

## FLOCK FERTILITY – SPIKING REMINDER

Hatcheries managers noted at our last Hatchery Meeting that hatch rates of some flocks have been dropping fast near the end of the lay cycle. Producers are reminded to keep up flock fertility and spike accordingly.

## BIOSECURITY STATUS MOVES TO GREEN

The Commission has approved the BCPA's recommendation to move to green biosecurity status.

## HPAI TRENDS RISING IN EUROPE & ASIA

"Poland reported its largest-ever outbreak of highly pathogenic avian influenza (HPAI) in recent weeks. The European Union's largest poultry producer announced the culling of more than 6 million birds so far this year as a record high 262 outbreaks hit Poland in late April." Source: <https://www.meatingplace.com/Industry/News/Details/98852>

## COVID-19 REMINDERS

Due to COVID-19, office staff are on rotation, working from home and at the office. We are not accepting visitors at the office without an appointment. It is best to email the staff member you are trying to reach so they may follow up. We appreciate your patience during this time.

On-Farm staff require a minimum of 24 hours notice if you would like to reschedule your appointment. Please see attached information on how to update your farm's COVID-19 safety plan provided by the BCPA.

### Pricing Orders

Period	Live Chicken	Hatching Eggs	Saleable Chicks	Day-Old Broiler Chicks
A-164	1.707 \$/kg	610.09 ¢/doz	63.49 ¢/chick	82.43 ¢/chick
A-165	1.684 \$/kg	608.26 ¢/doz	63.30 ¢/chick	82.24 ¢/chick
A-166	1.690 \$/kg	617.98 ¢/doz	64.31 ¢/chick	83.25 ¢/chick
A-167	1.757 \$/kg	637.62 ¢/doz	66.33 ¢/chick	85.27 ¢/chick
A-168	1.812 \$/kg	658.11 ¢/doz	68.45 ¢/chick	87.39 ¢/chick
A-169	1.950 \$/kg	685.49 ¢/doz	71.27 ¢/chick	90.21 ¢/chick

### Production Cycles

Period	Start Date	End Date
A-164	Jul 05, 2020	Aug 29, 2020
A-165	Aug 30, 2020	Oct 24, 2020
A-166	Oct 25, 2020	Dec 19, 2020
A-167	Dec 20, 2020	Feb 13, 2021
A-168	Feb 14, 2021	Apr 10, 2021
A-169	Apr 11, 2021	Jun 05, 2021

BC BROILER HATCHING EGG COMMISSION



# **NOTICE: ANNUAL GENERAL MEETING**

**Tuesday, May 18, 2021**

**7:00 PM**

**Zoom Link\***

**Please register with Sandra Lepp by emailing**

**[association@bcbhec.com](mailto:association@bcbhec.com)**

**We look forward to seeing you there!**

**\* Should in-person, socially distanced meetings be permitted, this option will be provided.**



Chicken Farmers of Canada  
Les Producteurs de poulet du Canada

1610 – 50 rue O'Connor Street  
Ottawa, ON K1P 6L2



Egg Farmers of Canada  
Les Producteurs d'œufs du Canada

21 rue Florence Street  
Ottawa, ON K2P 0W6



Turkey Farmers of Canada  
Les Éleveurs de dindon du Canada

202 – 7145 avenue W Credit Avenue  
Mississauga, ON L5N 6J7



Canadian Hatching Egg Producers  
Les Producteurs d'œufs d'incubation du Canada

21 rue Florence Street  
Ottawa, ON K2P 0W6

## Newly announced egg and poultry programs to support economic activity and growth in communities across Canada

**OTTAWA, April 13, 2021** - Canada's 4,800 egg and poultry farmers welcome today's announcement of the two new programs that have been created by Agriculture and Agri-Food Canada to mitigate the market impacts caused by the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) over the next 10 years.

The first program will directly support egg and poultry farmers as they make ongoing improvements to their operations and enhance the long-term efficiency and sustainability of their farms. This Poultry and Egg On-Farm Investment Program will in turn generate economic activity and investments in rural and urban communities across Canada at a time where our small businesses are hurting, and our local economies need it the most.

The second program—the Market Development Program for Turkey and Chicken—will help those sectors to enhance consumer engagement and continue to promote Canadian-made products to Canadians.

The combination of these programs will allow farmers to plan for the future, navigate the unique dynamics of our respective industries, and contribute to Canada's goals of growing our agricultural sector. Egg Farmers of Canada, Chicken Farmers of Canada, Turkey Farmers of Canada, and Canadian Hatching Egg Producers thank The Honourable Minister Bibeau and her team for championing poultry and egg farmers.

Today's announcement is about the \$691 million in programs being put in place as a result of the impact of the CPTPP on the egg and poultry sectors. We look forward to continuing this work with the government to address the losses caused by the Canada-United States-Mexico Agreement.

*Egg Farmers of Canada, Chicken Farmers of Canada, Turkey Farmers of Canada and Canadian Hatching Egg Producers are the voice of farmers in Canada's supply-managed poultry and egg sectors. We are a stabilizing force in rural Canada and a part of Canada's economic solution, contributing \$11.1 billion to the GDP and supporting over 144,000 jobs.*



# News Release

For immediate release

## Minister Bibeau announces new programs that deliver full and fair compensation for chicken, turkey and egg farmers

April 13, 2021 – Ottawa, Ontario – Agriculture and Agri-Food Canada

Today, the Minister of Agriculture and Agri-Food, the Honourable Marie-Claude Bibeau, announced details of two new programs designed to help drive innovation and market development for Canada's 4,800 chicken, turkey and egg farmers. These programs, totaling more than \$691 million over ten years, respond directly to requests from producer associations and provide full and fair compensation for market impacts from the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

The **Poultry and Egg On-Farm Investment Program** will provide close to \$630 million over ten years to support poultry and egg farmers through on-farm investments. Producers will be entitled to an amount proportional to their quota holdings. Eligible projects are anything that helps a producer modernize, become more competitive and adapt to changing consumer preferences. This includes new barn construction or upgrading equipment like feeding, watering, lighting, ventilation, heating, and comfort systems that will promote energy efficiency and reduce environmental footprint. The Government of Canada will contribute up to 70% of the project cost, a ratio increasing to up to 85% for young farmers to help ensure a strong future for Canada's farms. The intake of applications for this program will launch later this spring.

Funding will be distributed starting in 2021-22, and will be allocated as follows:

- \$347.3 million for chicken producers;
- \$59.6 million for turkey producers;
- \$134 million for egg producers; and,
- \$88.6 million for broiler hatching egg producers.

The **Market Development Program for Turkey and Chicken** will provide \$36.5 million for the Turkey Farmers of Canada and \$25 million for the Chicken Farmers of Canada over ten years. This funding will help promotional activities that differentiate Canadian-made products' reputation for high-quality, safe and sustainably farmed food that adheres to strict animal welfare standards. Funding will be distributed to the national industry organizations, who will submit a multi-year strategy to Agriculture and Agri-Food Canada for approval. The intake for applications from these organizations launches April 13, 2021.

### Quotes

"The Government is delivering on our commitment to compensate our supply-managed farmers for losses from recent trade agreements. These investments will help ensure continued growth and prosperity for our poultry and egg farmers, who help keep Canada's rural communities strong and vibrant. We have worked hand-in-hand with industry to ensure they have the full and fair support they need to continue to keep our family farms thriving and our grocery shelves full of good Canadian products."

- *The Honourable Marie-Claude Bibeau, Minister of Agriculture and Agri-Food*



"This announcement of programming is welcomed and a positive step by the government in support of turkey farmers and supply management in Canada. These programs, asked for by our industries, will help us grow our customer base and the domestic turkey market, and through on-farm investment enhance long-term competitiveness in preparation for increased imports under the CPTPP. We very much appreciate this commitment by the Federal Government."

- *Darren Ference, Chair, Turkey Farmers of Canada*

"Today's announcement offers new opportunities for our farmers to reinvest in their operations and plan for the future as they navigate the long-term market losses under the CPTPP agreement. By building on current practices, egg farmers will continue to be at the forefront of the sustainable agriculture movement and drive new levels of innovation and efficiency. Egg Farmers of Canada thanks the government for its continued and vocal support for supply management and our strong, domestic agriculture sector."

- *Roger Pelissero, Chair of Egg Farmers of Canada*

"Canada's chicken farmers deliver the highest quality products to Canadians. The Poultry and Egg On-Farm Investment Program and the Market Development Program being announced will allow farmers to plan for the future, adapt to changing consumer preferences, and contribute to Canada's goals of sustainably growing our agricultural sector. We'd like to thank the Government of Canada for upholding its commitment to full and fair compensation for poultry and egg farmers."

- *Benoît Fontaine, Chair, Chicken Farmers of Canada*

"Canada's over 240 hatching egg producers are pleased to receive additional details with today's announcement on the Poultry and Egg On-Farm Investment Program. This program, totaling more than \$88 million for our sector, will mitigate the market impacts from the Comprehensive and Progressive Agreement for Trans-Pacific Partnership by supporting investments in our farm operations including improving efficiency, productivity, and competitiveness. We look forward to continue working with the government on these types of programs to support a strong and thriving Canadian hatching egg sector that contributes to Canadian food security and sustainability."

- *Brian Bilkes, Chair, Canadian Hatching Egg Producers*

## Quick Facts

- The four supply-managed poultry and egg sectors (chicken, broiler hatching eggs, turkey, and eggs) generated \$4.9 billion in farm cash receipts in 2020, 6.8 percent of all farm cash receipts in Canada. According to industry, Canada's poultry and egg sector supports more than 140,000 direct and indirect jobs.
- The Government of Canada remains committed to engaging the sector on full and fair compensation for the Canada-United States-Mexico Agreement (CUSMA).
- As producers and processors depend on each other to be successful, the Government of Canada also remains committed to addressing the impacts of recent trade agreements on processors.

## Additional Links

[Government of Canada announces investments to support supply-managed dairy, poultry and egg farmers](#)

[Poultry and Egg On-Farm Investment Program](#)

[Market Development Program for Turkey and Chicken](#)

[Dairy Direct Payment Program](#)



## Contacts

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## Backgrounder Compensation Programs for Chicken, Turkey and Egg Producers

The Poultry and Egg On-Farm Investment Program and Market Development Program for Turkey and Chicken are delivering on the Government of Canada's commitment to provide full and fair compensation to supply-managed sectors for market access concessions made under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

### Poultry and Egg On-Farm Investment Program

[The Poultry and Egg On-Farm Investment Program](#) will help Canadian poultry and egg increase their competitiveness over the long-term and become more environmentally sustainable and efficient by:

- facilitating producer-made investments for on-farm modernization
- supporting greater efficiency and competitiveness
- helping producers meet changing requirements for production practices
- supporting the sector in better responding to future market challenges

The program will provide non-repayable contributions close to \$630 million over 10 years. The funding allocations include:

- \$347.3 million for chicken producers;
- \$59.6 million for turkey producers;
- \$134 million for egg producers;
- \$88.6 million for broiler hatching egg producers.

The intake of applications for the Poultry and Egg On-Farm Investment Program will launch later this spring. Every producer will be entitled to an amount proportional to their quota holdings on January 1, 2021, which they can apply whenever they are ready to invest. Should applications exceed the program's annual funding allocation, they may be approved to be reimbursed in a future fiscal year in order to avoid delaying the start of the project. Projects will be cost shared between Agriculture and Agri-Food Canada (AAFC) and the applicant with AAFC contributing a maximum of 70% of the project cost.

Youth and young farmers are the future of Canada's agriculture and agri-food sector. In order to assist Canadian young farmers to succeed, AAFC will use a cost share ratio of up to 85% for farmers who were 35 years of age or under on January 1, 2021.



The Poultry and Egg On-Farm Investment Program will consider eligible costs retroactive to the announcement of support for supply-managed sectors made in Budget 2019 (March 19, 2019). The program will allow applicants to apply for eligible activities that started on or after March 19, 2019 ("retroactive activities"). While the program allows for such retroactive activities, the applicant assumes the risk of not being reimbursed should the project not be approved or the costs deemed ineligible.

Under the Poultry and Egg On-Farm Investment Program:

- An average chicken producer, who produces 448, 202 kilos per year, will have access to up to \$122,411
- An average turkey producer, who produces 302,299 kilos per year, will have access to up to \$114,195
- An average egg producer, who produces 654,772 dozen eggs per year, will have access to up to \$111,203
- An average hatching egg producer, who produces 3,413,983 eggs per year, will have access to up to \$375,297

The program has been developed based on extensive consultations with industry and AAFC is working to ensure that sufficient resources are in place to meet program demand.

### **Market Development Program for Turkey and Chicken**

[The Market Development Program for Turkey and Chicken](#) will help promotional activities that differentiate Canadian products and producers from competing imports, and leverage Canada's reputation for high quality and safe food.

Applicants will submit a multi-year strategy (maximum five-years) to AAFC for approval. Funds are to be used for:

- sector-wide advertising and promotion;
- promotional activities that build public trust in Canadian turkey and chicken products;
- market research;
- development and/or expansion of target audiences;
- increasing delivery of current market development activities;
- encouraging product development, product testing and research into new innovative processing and packaging technology at the primary and further processing level;
- adapting current branding to meet changing consumer expectations.

Over the next ten years, the program will provide over \$61 million to the turkey and chicken sector. Funding will be allocated as follows:

- \$36.5 million for the Turkey Farmers of Canada; and,
- \$25 million for the Chicken Farmers of Canada.

Marketing activities will be cost shared with industry with AAFC providing 80 % funding for eligible project costs. AAFC may provide up to 90 % funding for specific projects aimed at promoting inclusiveness and diversity in the market development activities supported by the program. The program and funding allocations are based on feedback received through industry consultations that took place earlier this year.

May 3, 2021

VIA EMAIL

All BC Hatching Egg Producers and Stakeholders,

**RE: PROPOSED HATCHERY LICENSE CRITERIA CHANGES EFFECTIVE DECEMBER 31, 2021**

The BC Broiler Hatching Egg Commission has been reviewing the general hatchery requirements outlined in the Consolidated Order. Considerations in this review include establishing provisions in support of maximizing 80/20 (the balance of 80% domestic and 20% import product) as part of the Commission's 2021 Strategic Plan.

More recently other issues have arisen with respect to mainstream and specialty producer-hatcheries. In the case of the former, producer-hatchery license holders have adjusted their existing or proposed business models from through putting their product to working exclusively via the mutually acceptable arrangements with another hatchery. In the latter case, an existing specialty producer has applied to be licensed as a new specialty producer-hatchery.

These circumstances have caused the Commission to examine its policies with respect to hatchery licensing generally and with respect to producer-hatcheries.

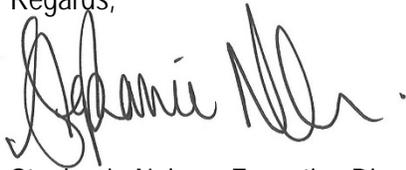
It is thought that mainstream hatcheries and mainstream producer-hatcheries licensed by the Commission should be contributing participants under the Official Flock Schedule and have the capacity to do so. Hatchery and producer-hatchery licenses should not be granted primarily as a means of providing the licensee with the ability to order broiler breeders without the capacity to hatch the production from those breeders.

Currently, all producers are obliged to order broiler breeders through their assigned hatchery. A producer-hatchery may also order its own broiler breeders, which is a financial benefit to the producer. This benefit is compounded if a producer-hatchery is delegating the actual hatching of its production to another hatchery via mutually acceptable arrangements. Whether individual producers, hatcheries (from whom breeder chick prices charged to producers include profit margins) or the Commission should be responsible for ordering broiler breeders is a larger question but here, the question is whether a producer should be able to operate a "shell" hatchery and receive financial benefits denied to other producers.

Although not part of the Official Flock Schedule, the capacity requirements for a specialty producer-hatchery are also being considered by the Commission.

All stakeholders are now requested to review the proposed Amending Order, attached, and provide feedback to the Commission by June 10, 2021. That feedback will be carefully considered by the Commission before reaching any decisions with respect to the proposed Amending Order. Please note that if the Commission should decide to pass the Amending Order, either in its current form or some revised form, it does not anticipate that such an Order would come into effect sooner than December 31, 2021. This would give all hatcheries time to adjust or raise exceptional circumstances for the Commission to consider before an Amending Order comes into effect.

Regards,



Stephanie Nelson, Executive Director  
BC Broiler Hatching Egg Commission

Attachment

**AMENDING ORDER  
TO THE  
CONSOLIDATED ORDER OF JANUARY 1, 2021**

**MADE BY  
THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION  
ON \_\_\_\_\_, 2021**

The British Columbia Broiler Hatching Egg Commission orders as follows:

1. *Section 2 of the Consolidated Order of January 1, 2021 is amended by replacing the definition of “Producer-Hatchery” with the following:*

**“Producer-Hatchery”** means a Hatchery that is affiliated with one or more Producers by reason of:

- (a) the Producer or Producers having a direct or indirect majority interest in the Hatchery and its associated Hatchery facilities, whether by means of shares (and irrespective of the class of shares) or by way of a share interest in a parent corporation; or
- (b) the Producer or Producers being controlled by the same Person or group of Persons who control the Hatchery.

2. *Subsection 3(1) of the Consolidated Order of January 1, 2021 is replaced with the following:*

3. (1) No Person shall act as a Producer, Hatchery, Producer-Hatchery, Processor or Transporter unless in possession of a valid and subsisting licence issued by the Commission, and no Person shall be relieved of compliance with this requirement in respect of any class of licence on the grounds that such Person is the holder of a valid and subsisting licence of another class.

3. *Section 6 of the Consolidated Order of January 1, 2021 is replaced with the following:*

**Special Conditions for Hatcheries**

6. It is a condition of issuance and maintenance of every Hatchery Licence that the applicant or holder:
- (a) own and maintain a facility for the hatching and incubation of Broiler Hatching Eggs into broiler chicks for delivery to a Grower, with sufficient minimum capacity to accommodate all Marketable Eggs produced by 15,000 broiler breeders at peak production;
  - (b) accommodate all production from at least one Producer assigned to that Hatchery pursuant to the Official Flock Schedule;
  - (c) order and arrange for the placement of day-old broiler breeder pullets in accordance with the Official Flock Schedule;
  - (d) pick up Marketable Eggs produced by each Producer assigned to that Hatchery pursuant to the Official Flock Schedule;
  - (e) 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.
  - (f) make and maintain mutually acceptable arrangements (the form and substance of which must also be approved by the Commission in writing) with one or more chicken Growers duly licensed by the British Columbia Chicken Marketing Board for the purchase and sale of all Chicks hatched from Broiler Hatching Eggs produced by the Producer or Producers referred to in paragraph (c); and
  - (g) satisfy the Commission that the chicken Grower or Growers referred to in paragraph (e) have each made mutually acceptable arrangements with one or more chicken processors duly licensed by the British

Columbia Chicken Marketing Board for the purchase and sale of all chicken grown from Chicks hatched by the applicant or holder, for a term not less than six production periods of eight weeks each.

4. *Section 6.1 is added to the Consolidated Order of January 1, 2021 immediately after section 6, as follows:*

**Special Conditions for Producer-Hatcheries**

- 6.1 It is a condition of issuance and maintenance of every Producer-Hatchery Licence that the applicant or holder:
- (a) own and maintain a facility for the hatching and incubation of Broiler Hatching Eggs into broiler chicks for delivery to a Grower, with sufficient minimum capacity to accommodate the greater of:
    - (i) all Marketable Eggs produced by 15,000 broiler breeders at peak production; or
    - (ii) all Marketable Eggs produced by the affiliated Producer or Producers at peak production.
  - (b) place all Marketable Eggs produced by the affiliated Producer or Producers into its incubators in a timely fashion and as soon after such Marketable Eggs are laid as is reasonably possible;
  - (c) make mutually acceptable arrangements with another Hatchery (the form and substance of which must also be approved by the Commission in writing) to receive and purchase any and all Broiler Hatching Eggs produced by the affiliated Producer or Producers that, in extraordinary circumstances, cannot be placed by the applicant or holder into its incubators in a timely fashion and as soon after such Marketable Eggs are laid as is reasonably possible;
  - (d) make and maintain mutually acceptable arrangements (the form and substance of which must also be approved by the Commission in writing) with one or more chicken Growers duly licensed by the British Columbia Chicken Marketing Board for the purchase and sale of all Chicks hatched from Broiler

Hatching Eggs produced by the affiliated Producer or Producers;

- (e) satisfy the Commission that the chicken Grower or Growers referred to in paragraph (d) have each made mutually acceptable arrangements with one or more chicken processors duly licensed by the British Columbia Chicken Marketing Board for the purchase and sale of all chicken grown from Chicks hatched by the applicant or holder, for a term not less than six production periods of eight weeks each; and
- (f) accept and purchase Broiler Hatching Eggs other than from the Producer or Producers affiliated with the applicant or holder whenever directed to do so by the Commission, in which event, the applicant or holder must also:
  - (i) order and arrange for the placement of day-old broiler breeder pullets in accordance with the Official Flock Schedule;
  - (ii) pick up Marketable Eggs produced by each Producer assigned to that Producer-Hatchery pursuant to the Official Flock Schedule; and
  - (iii) 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.

5. *This Order comes into effect on \_\_\_\_\_, 2021.*

**DATED at Abbotsford, British Columbia, on \_\_\_\_\_, 2021**

BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

\_\_\_\_\_  
Jim Collins, Chair