

December 23, 2021

VIA EMAIL

BC Hatchery License Applicants

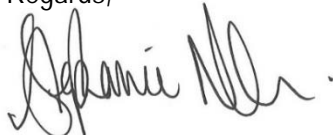
Dear Applicant,

RE: 2022 Hatchery License Application Package

Please find within this package the BC Broiler Hatching Egg Commission's Hatchery License Criteria decision. As a result of that decision, you will note that the hatchery license application form has been updated.

Please fill in your application and submit to the Commission by January 7, 2022, for staff to process.

Regards,



Stephanie Nelson, Executive Director
BC Broiler Hatching Egg Commission

Attachments



2022 Application for Hatchery License

Both forms must be completed and returned to the Commission Office to continue with a Hatchery License for 2022.

Full Legal Name of Hatchery (Applicant)	
First and Last Name of Authorized Signatory	
Mailing Address	
Facility Address	
Phone Number	
Email	

I, _____, hereby confirm that the Applicant:

(please check)

- meets the definition of a hatchery per the Consolidated Order, meaning "...a Person operating a facility for the hatching and incubation of Broiler Hatching Eggs into broiler chicks for delivery to a Grower";
- agrees to obey the orders and regulations of the Commission; and
- will accept the License, if granted, on the understanding that it may be cancelled without notice for violation of any of the provisions of the Scheme, the Commission’s orders or its regulations, and is subject to all restrictions now or hereafter placed on said License by order of the Commission.
- acknowledges Amending Order 10 to the Consolidated Order of January 1, 2021 addressing hatchery criteria which comes into effect on December 31, 2022, and is against which 2023 and future applications will be reviewed.

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IN THIS REGISTRATION IS TRUE, CORRECT AND COMPLETE IN EVERY RESPECT.

_____ Date

_____ Authorized Signatory

Canadian
Hatching Egg
Producers



Les Producteurs
d'œufs d'incubation
du Canada

INTERPROVINCIAL AND EXPORT LICENSE APPLICATION

I, on behalf of myself or as a duly authorized representative of the corporation or partnership listed below, do hereby apply for a (*check one or both*) buyer's seller's license from the Canadian Hatching Egg Producers for the interprovincial and export movement of broiler hatching eggs and chicks for the year _____.

In making this application, I acknowledge that I have received a copy of the Licensing Regulation of the Canadian Hatching Egg Producers and am aware of its contents.

In making this application, I acknowledge that I am aware that licensees are required to report all sales and purchases of broiler hatching eggs and chicks in interprovincial and export trade and such other information as is set out in the Schedule to the Licensing Regulation to the Canadian Hatching Egg Producers directly or through its agents and I agree to complete and forward such reports each week as set out in the license.

NAME : _____

REPRESENTING : _____

STREET _____

MUNICIPALITY : _____

POSTAL CODE : _____

I certify the information contained in this application to be correct and by affixing my signature in the place provided certify that I have read and understand the information contained herein.

Date

Signature

FOR OFFICE USE

License Number Issued : _____

Date : _____



CANADA

CONSOLIDATION

CODIFICATION

Canadian Broiler Hatching Egg and Chick Licensing Regulations

Règlement sur l'octroi de permis visant les œufs d'incubation de poulet de chair et les poussins du Canada

SOR/87-516

DORS/87-516

Current to October 20, 2021

À jour au 20 octobre 2021

Last amended on November 18, 2016

Dernière modification le 18 novembre 2016

Published by the Minister of Justice at the following address:
<http://laws-lois.justice.gc.ca>

Publié par le ministre de la Justice à l'adresse suivante :
<http://lois-laws.justice.gc.ca>

OFFICIAL STATUS OF CONSOLIDATIONS

Subsections 31(1) and (3) of the *Legislation Revision and Consolidation Act*, in force on June 1, 2009, provide as follows:

Published consolidation is evidence

31 (1) Every copy of a consolidated statute or consolidated regulation published by the Minister under this Act in either print or electronic form is evidence of that statute or regulation and of its contents and every copy purporting to be published by the Minister is deemed to be so published, unless the contrary is shown.

...

Inconsistencies in regulations

(3) In the event of an inconsistency between a consolidated regulation published by the Minister under this Act and the original regulation or a subsequent amendment as registered by the Clerk of the Privy Council under the *Statutory Instruments Act*, the original regulation or amendment prevails to the extent of the inconsistency.

LAYOUT

The notes that appeared in the left or right margins are now in boldface text directly above the provisions to which they relate. They form no part of the enactment, but are inserted for convenience of reference only.

NOTE

This consolidation is current to October 20, 2021. The last amendments came into force on November 18, 2016. Any amendments that were not in force as of October 20, 2021 are set out at the end of this document under the heading "Amendments Not in Force".

CARACTÈRE OFFICIEL DES CODIFICATIONS

Les paragraphes 31(1) et (3) de la *Loi sur la révision et la codification des textes législatifs*, en vigueur le 1^{er} juin 2009, prévoient ce qui suit :

Codifications comme élément de preuve

31 (1) Tout exemplaire d'une loi codifiée ou d'un règlement codifié, publié par le ministre en vertu de la présente loi sur support papier ou sur support électronique, fait foi de cette loi ou de ce règlement et de son contenu. Tout exemplaire donné comme publié par le ministre est réputé avoir été ainsi publié, sauf preuve contraire.

[...]

Incompatibilité – règlements

(3) Les dispositions du règlement d'origine avec ses modifications subséquentes enregistrées par le greffier du Conseil privé en vertu de la *Loi sur les textes réglementaires* l'emportent sur les dispositions incompatibles du règlement codifié publié par le ministre en vertu de la présente loi.

MISE EN PAGE

Les notes apparaissant auparavant dans les marges de droite ou de gauche se retrouvent maintenant en caractères gras juste au-dessus de la disposition à laquelle elles se rattachent. Elles ne font pas partie du texte, n'y figurant qu'à titre de repère ou d'information.

NOTE

Cette codification est à jour au 20 octobre 2021. Les dernières modifications sont entrées en vigueur le 18 novembre 2016. Toutes modifications qui n'étaient pas en vigueur au 20 octobre 2021 sont énoncées à la fin de ce document sous le titre « Modifications non en vigueur ».

TABLE OF PROVISIONS

Regulations Respecting the Establishment of a System of Licensing of Persons Engaged in the Marketing in Interprovincial or Export Trade of Broiler Hatching Eggs or Chicks Produced for Chicken Production

- 1 Short Title
- 2 Interpretation
- 3 Application
- 4 Prohibition
- 5 Licence

SCHEDULE I

**SCHEDULE
Information**

TABLE ANALYTIQUE

Règlement concernant l'établissement d'un système d'octroi de permis pour les personnes se livrant, dans le commerce interprovincial ou le commerce d'exportation, à la commercialisation des œufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets

- 1 Titre abrégé
- 2 Définitions
- 3 Application
- 4 Interdiction
- 5 Permis

ANNEXE I

**ANNEXE
Renseignements**

Registration
SOR/87-516 August 14, 1987

FARM PRODUCTS AGENCIES ACT

Canadian Broiler Hatching Egg and Chick Licensing Regulations

Whereas the Governor in Council has, by the *Canadian Broiler Hatching Egg Marketing Agency Proclamation*^{*}, established the Canadian Broiler Hatching Egg Marketing Agency, pursuant to subsection 17(1) of the *Farm Products Marketing Agencies Act*^{**};

And Whereas the Canadian Broiler Hatching Egg Marketing Agency has been empowered to implement a marketing plan pursuant to the *Canadian Broiler Hatching Egg Marketing Agency Proclamation*^{*};

Therefore, the Canadian Broiler Hatching Egg Marketing Agency, pursuant to paragraph 23(1)(f) of the *Farm Products Marketing Agencies Act*^{**} and section 7 of the schedule to the *Canadian Broiler Hatching Egg Marketing Agency Proclamation*^{*}, hereby makes the annexed *Regulations respecting the establishment of a system of licensing of persons engaged in the marketing in interprovincial or export trade of broiler hatching eggs or chicks produced for chicken production*, effective October 1, 1987.

Ottawa, Ontario, June 30, 1987

The National Farm Products Marketing Council, pursuant to paragraph 7(1)(e) of the *Farm Products Marketing Agencies Act*^{*}, being satisfied that the annexed Regulations are necessary for the administration of the marketing plan that the Canadian Broiler Hatching Egg Marketing Agency is authorized to implement, hereby approves the annexed *Regulations respecting the establishment of a system of licensing of persons engaged in the marketing in interprovincial or export trade of broiler hatching eggs or chicks produced for chicken production*, made by the Canadian Broiler Hatching Egg Marketing Agency on June 30, 1987.

^{*} SOR/87-40, 1987 *Canada Gazette* Part II, p. 317

^{**} S.C. 1970-71-72, c. 65

Enregistrement
DORS/87-516 Le 14 août 1987

LOI SUR LES OFFICES DES PRODUITS AGRICOLES

Règlement sur l'octroi de permis visant les œufs d'incubation de poulet de chair et les poussins du Canada

Attendu qu'en vertu du paragraphe 17(1) de la *Loi sur les offices de commercialisation des produits de ferme*^{*}, le gouverneur en conseil a, par la *Proclamation visant l'Office canadien de commercialisation des œufs d'incubation de poulet de chair*^{**}, établi l'Office canadien de commercialisation des œufs d'incubation de poulet de chair;

Attendu que l'Office a le pouvoir d'exécuter un plan de commercialisation conformément à cette proclamation;

À ces causes, en vertu de l'alinéa 23(1)f) de la *Loi sur les offices de commercialisation des produits de ferme*^{*} et de l'article 7 de l'annexe de la *Proclamation visant l'Office canadien de commercialisation des œufs d'incubation de poulet de chair*^{**}, l'Office canadien de commercialisation des œufs d'incubation de poulet de chair prend, à compter du 1^{er} octobre 1987, le *Règlement concernant l'établissement d'un système d'octroi de permis pour les personnes se livrant, dans le commerce interprovincial ou le commerce d'exportation, à la commercialisation des œufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets*, ci-après.

Ottawa, le 30 juin 1987

En vertu de l'alinéa 7(1)e) de la *Loi sur les offices de commercialisation des produits de ferme*^{*}, le Conseil national de commercialisation des produits de ferme, étant convaincu que le projet de règlement ci-après est nécessaire à la mise en œuvre du plan de commercialisation que l'Office canadien de commercialisation des œufs d'incubation de poulet de chair est autorisé à exécuter, approuve le *Règlement concernant l'établissement d'un système d'octroi de permis pour les personnes se livrant, dans le commerce interprovincial ou le commerce d'exportation, à la commercialisation des œufs d'incubation de poulet de chair ou des poussins destinés à la production de*

^{*} S.C. 1970-71-72, ch. 65

^{**} DORS/87-40, *Gazette du Canada* Partie II, 1987, p. 317

Ottawa, Ontario, August 13, 1987.

poulets, ci-après, pris par l'Office canadien de commercialisation des œufs d'incubation de poulet de chair le 30 juin 1987.

Ottawa, le 13 août 1987

Regulations Respecting the Establishment of a System of Licensing of Persons Engaged in the Marketing in Interprovincial or Export Trade of Broiler Hatching Eggs or Chicks Produced for Chicken Production

Short Title

1 These Regulations may be cited as the *Canadian Broiler Hatching Egg and Chick Licensing Regulations*.

Interpretation

2 (1) In these Regulations,

Agency [Repealed, SOR/2013-254, s. 1]

broiler hatching egg [Repealed, SOR/2013-254, s. 1]

buyer means a chicken producer, dealer or hatchery operator who buys broiler hatching eggs or chicks produced for chicken production; (*acheteur*)

chick [Repealed, SOR/2013-254, s. 1]

licence means a buyer's licence or a seller's licence issued pursuant to section 5; (*permis*)

marketing [Repealed, SOR/2013-254, s. 1]

non-signatory provinces [Repealed, SOR/2013-254, s. 1]

producer [Repealed, SOR/2013-254, s. 1]

seller means a producer, dealer or hatchery operator who sells broiler hatching eggs or chicks produced for chicken production. (*vendeur*)

signatory provinces [Repealed, SOR/2013-254, s. 1]

(2) [Repealed, SOR/2016-291, s. 1]

SOR/87-698, s. 1; SOR/90-28, s. 1; SOR/2008-11, s. 1; SOR/2013-254, s. 1; SOR/2016-291, s. 1.

Règlement concernant l'établissement d'un système d'octroi de permis pour les personnes se livrant, dans le commerce interprovincial ou le commerce d'exportation, à la commercialisation des œufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets

Titre abrégé

1 *Règlement sur l'octroi de permis visant les œufs d'incubation de poulet de chair et les poussins du Canada.*

Définitions

2 (1) Les définitions qui suivent s'appliquent au présent règlement.

acheteur Tout couvoirier, négociant ou producteur de poulets qui achète des œufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets. (*buyer*)

commercialisation [Abrogée, DORS/2013-254, art. 1]

œuf d'incubation de poulet de chair [Abrogée, DORS/2013-254, art. 1]

Office [Abrogée, DORS/2013-254, art. 1]

permis Permis d'acheteur ou de vendeur délivré conformément à l'article 5. (*licence*)

poussin [Abrogée, DORS/2013-254, art. 1]

producteur [Abrogée, DORS/2013-254, art. 1]

provinces non signataires [Abrogée, DORS/2013-254, art. 1]

provinces signataires [Abrogée, DORS/2013-254, art. 1]

vendeur Tout couvoirier, négociant ou producteur qui vend des œufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets. (*seller*)

(2) [Abrogé, DORS/2016-291, art. 1]

DORS/87-698, art. 1; DORS/90-28, art. 1; DORS/2008-11, art. 1; DORS/2013-254, art. 1; DORS/2016-291, art. 1.

Application

3 These Regulations apply

(a) to persons engaged in the marketing in inter-provincial or export trade of broiler hatching eggs or chicks produced in a signatory province for chicken production; and

(b) to persons engaged in the interprovincial marketing from a non-signatory province into a signatory province of broiler hatching eggs or chicks produced in the non-signatory province for chicken production.

3.1 (1) These Regulations do not apply to buyers — whose province of operation is set out in column 1 of the table to this subsection — engaged in the interprovincial trade of chicks produced for chicken production and who, in a calendar year, purchase for on-farm consumption no more than the permitted number of chicks set out in column 2.

TABLE

Item	Column 1 Province	Column 2 Permitted Number of Chicks per Calendar Year
1	Ontario	300
2	Quebec	100
3	Nova Scotia	50
4	New Brunswick	200
5	Manitoba	999
6	British Columbia	200
7	Prince Edward Island	500
8	Saskatchewan	999
9	Alberta	2,000
10	Newfoundland and Labrador	100

(2) Buyers referred to in subsection (1) must not knowingly engage in the marketing in interprovincial trade of chicks produced for chicken production except with a person who holds an appropriate licence issued by the Agency under these Regulations and, in the case of chicks produced in a non-signatory province, unless the person holds an orderly marketing quota issued under the *Canadian Broiler Hatching Egg and Chick Orderly Marketing Regulations*.

SOR/2008-12, s. 1.

Application

3 Le présent règlement s'applique aux personnes suivantes :

a) les personnes se livrant, dans le commerce inter-provincial ou le commerce d'exportation, à la commercialisation d'œufs d'incubation de poulet de chair ou de poussins destinés à la production de poulets provenant des provinces signataires;

b) les personnes se livrant, dans le commerce inter-provincial, à la commercialisation d'œufs d'incubation de poulets de chair ou de poussins destinés à la production de poulets en provenance des provinces non signataires à destination des provinces signataires.

3.1 (1) Le présent règlement ne s'applique pas à l'acheteur qui fait le commerce interprovincial de poussins destinés à la production de poulets et qui, au cours d'une année civile, n'achète pas plus que le nombre maximal de poussins prévu, pour sa province, au tableau du présent paragraphe pour consommation à la ferme.

TABLEAU

Article	Colonne 1 Province	Colonne 2 Nombre maximal de poussins par année civile
1	Ontario	300
2	Québec	100
3	Nouvelle-Écosse	50
4	Nouveau-Brunswick	200
5	Manitoba	999
6	Colombie-Britannique	200
7	Île-du-Prince-Édouard	500
8	Saskatchewan	999
9	Alberta	2000
10	Terre-Neuve-et-Labrador	100

(2) L'acheteur visé au paragraphe (1) ne doit sciemment se livrer au commerce interprovincial de poussins destinés à la production de poulets, qu'avec des personnes détenant le permis approprié délivré par l'Office conformément au présent règlement et, dans le cas de poussins produits dans une province non signataire, des personnes détenant un contingent de commercialisation attribué conformément au *Règlement canadien sur la commercialisation des œufs d'incubation de poulet de chair et des poussins*.

DORS/2008-12, art. 1.

3.2 These Regulations apply to the sellers of chicks who sell to the buyers referred to in subsection 3.1(1).

SOR/2008-12, s. 1.

Prohibition

4 (1) No buyer shall engage in the marketing in inter-provincial or export trade of broiler hatching eggs or chicks produced in a signatory province for chicken production unless the buyer holds a buyer's licence.

(2) No seller shall engage in the marketing in inter-provincial or export trade of broiler hatching eggs or chicks produced in a signatory province for chicken production unless the seller holds a seller's licence.

(3) No buyer shall engage in the interprovincial marketing from a non-signatory province into a signatory province of broiler hatching eggs or chicks produced for chicken production unless the buyer holds a buyer's licence.

(4) No seller shall engage in the interprovincial marketing from a non-signatory province into a signatory province of broiler hatching eggs or chicks produced for chicken production unless the seller holds a seller's licence.

Licence

5 Subject to section 8, the Agency shall issue a licence to any person who applies for one.

SOR/88-580, s. 1.

6 A licence

(a) expires on December 31 of the year for which it is issued; and

(b) is not transferable.

7 A licence is subject to the following terms and conditions:

(a) the person to whom a licence is issued

(i) at all times during the term of the licence complies with the orders, regulations or requirements of the Agency or the National Farm Products Council that are applicable to that person,

3.2 Le présent règlement s'applique aux vendeurs de poussins qui vendent à l'acheteur visé au paragraphe 3.1(1).

DORS/2008-12, art. 1.

Interdiction

4 (1) Nul acheteur ne peut commercialiser dans le commerce interprovincial ou le commerce d'exportation des oeufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets provenant des provinces signataires à moins de détenir un permis d'acheteur.

(2) Nul vendeur ne peut commercialiser dans le commerce interprovincial ou le commerce d'exportation des oeufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets provenant des provinces signataires à moins de détenir un permis de vendeur.

(3) Nul acheteur ne peut commercialiser dans le commerce interprovincial des oeufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets en provenance des provinces non signataires à destination des provinces signataires à moins de détenir un permis d'acheteur.

(4) Nul vendeur ne peut commercialiser dans le commerce interprovincial des oeufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets en provenance des provinces non signataires à destination des provinces signataires à moins de détenir un permis de vendeur.

Permis

5 Sous réserve de l'article 8, l'Office délivre un permis à toute personne qui en fait la demande.

DORS/88-580, art. 1.

6 Tout permis :

a) d'une part, expire le 31 décembre de l'année pour laquelle il a été délivré;

b) d'autre part, ne peut être cédé.

7 Le permis est assujéti aux modalités et conditions suivantes :

a) le titulaire du permis :

(i) se conforme aux ordonnances, règlements ou exigences de l'Office ou du Conseil national des produits agricoles qui le visent,

(ii) at all times during the term of the licence complies with the orders, regulations or directives made pursuant to a provincial broiler hatching egg marketing plan referred to in the *Federal-Provincial Agreement for Broiler Hatching Eggs*, authorized by Order in Council P.C. 1986-2653*, that are applicable to that person,

(iii) submits to the Agency in respect of the period set out in the licence a report containing the information set out in the schedule, and

(iv) keeps complete and accurate books and records of all matters related to the marketing in interprovincial or export trade of broiler hatching eggs or chicks produced for chicken production by the person and retains the books and records for a period of not less than six years after the day of the last entry therein; and

(b) the person to whom a licence is issued does not knowingly engage

(i) in the marketing in interprovincial trade of chicks except with a person who holds an appropriate licence or who is a buyer referred to in subsection 3.1(1),

(ii) in the marketing in interprovincial or export trade of broiler hatching eggs produced in a signatory province, except for broiler hatching eggs that have been produced by a producer who has been allotted an interprovincial quota or export quota pursuant to the *Canadian Hatching Egg Producers Quota Regulations*, or

(iii) in the interprovincial marketing from a non-signatory province into a signatory province of broiler hatching eggs produced in the non-signatory province, except for broiler hatching eggs that have been marketed by a person who has been allotted an orderly marketing quota pursuant to the *Canadian Broiler Hatching Egg and Chick Orderly Marketing Regulations*.

SOR/88-580, s. 2; SOR/2008-11, s. 2; SOR/2008-12, s. 2; SOR/2013-254, s. 2.

8 (1) The Agency may refuse to issue a licence to an applicant

(a) who is a producer, if the applicant has not been allotted a quota by the Agency pursuant to the *Canadian Broiler Hatching Egg and Chick Orderly Marketing Quota Regulations* or the *Canadian Hatching Egg Producers Quota Regulations*;

* Not published in the *Canada Gazette*, Part II.

(ii) se conforme aux ordonnances, règlements ou directives pris en vertu d'un plan provincial de commercialisation d'œufs d'incubation de poulet de chair visé à l'*Entente fédérale-provinciale sur les œufs d'incubation de poulet à chair*, autorisée par le décret C.P. 1986-2653*, qui le visent,

(iii) présente à l'Office, pour chaque période indiquée dans le permis, un rapport comportant les renseignements visés à l'annexe,

(iv) tient des registres complets et exacts sur toutes les questions touchant ses activités de commercialisation des œufs d'incubation de poulet de chair ou des poussins destinés à la production de poulets dans le commerce interprovincial ou le commerce d'exportation et conserve ces registres pendant au moins six ans à compter de la dernière inscription;

b) le titulaire du permis ne commercialise pas sciemment :

(i) des poussins destinés à la production de poulets dans le commerce interprovincial, sauf avec une personne qui détient un permis approprié ou qui est l'acheteur visé au paragraphe 3.1(1),

(ii) dans le commerce interprovincial ou le commerce d'exportation, des œufs d'incubation de poulet de chair produits dans une province signataire par un producteur à qui un contingent interprovincial ou un contingent d'exportation n'a pas été attribué conformément au *Règlement des Producteurs d'œufs d'incubation du Canada sur le contingentement*,

(iii) dans le commerce interprovincial, d'une province non signataire à destination d'une province signataire, des œufs d'incubation de poulet de chair produits dans la province non signataire par un producteur à qui un contingent de commercialisation n'a pas été attribué conformément au *Règlement canadien sur la commercialisation des œufs d'incubation de poulet de chair et des poussins*.

DORS/88-580, art. 2; DORS/2008-11, art. 2; DORS/2008-12, art. 2; DORS/2013-254, art. 2.

8 (1) L'Office peut refuser de délivrer un permis à un demandeur :

a) qui est producteur, si celui-ci ne détient pas un contingent attribué conformément au *Règlement des Producteurs d'œufs d'incubation du Canada sur le contingentement* ou au *Règlement canadien sur la commercialisation des œufs d'incubation de poulet de chair et des poussins*;

* Non publié dans la *Gazette du Canada* Partie II

(b) if the applicant does not comply with any order, regulation or requirement of the Agency or the National Farm Products Council that is applicable to the applicant; or

(c) if the applicant does not comply with any order, regulation or directive made pursuant to a provincial broiler hatching egg marketing plan referred to in the *Federal-Provincial Agreement for Broiler Hatching Eggs*, authorized by Order in Council P.C. 1986-2653*, that is applicable to the applicant.

(2) Where a person to whom a licence was issued fails to comply with any term or condition to which the licence is subject, the Agency may suspend, cancel or refuse to renew the licence.

SOR/2008-11, s. 2; SOR/2013-254, s. 3.

9 (1) Where the Agency intends to refuse to issue or renew a licence or intends to suspend or cancel a licence, the Agency shall give notice of its intention to the applicant or the person to whom the licence was issued by personal service or registered mail.

(2) The notice referred to in subsection (1) shall set out

(a) the grounds on which the Agency bases its intention; and

(b) the day on which and the time and place at which the applicant or the person to whom the licence was issued may show cause why the licence should be issued or renewed or should not be suspended or cancelled.

(3) The day referred to in paragraph (2)(b) shall be not less than 30 days after the day of the service or mailing of the notice.

b) si celui-ci ne se conforme pas aux ordonnances, règlements ou exigences de l'Office ou du Conseil national des produits agricoles qui le visent;

c) si celui-ci ne se conforme pas aux ordonnances, règlements ou directives pris en vertu d'un plan provincial de commercialisation d'œufs d'incubation de poulet de chair visé à l'*Entente fédérale-provinciale sur les œufs d'incubation de poulet à chair*, autorisée par le décret C.P. 1986-2653*, qui le visent.

(2) L'Office peut suspendre, annuler ou refuser de renouveler un permis si le titulaire n'a pas respecté l'une des conditions ou modalités du permis.

DORS/2008-11, art. 2; DORS/2013-254, art. 3.

9 (1) Lorsque l'Office envisage de ne pas délivrer ou renouveler, de suspendre ou d'annuler un permis, il en fait part au demandeur ou au titulaire du permis par un avis qui lui est remis en mains propres ou expédié par courrier recommandé.

(2) L'avis visé au paragraphe (1) précise ce qui suit :

a) les raisons qui motivent la mesure envisagée par l'Office;

b) les jour, heure et lieu où le demandeur ou le titulaire du permis pourra se présenter devant l'Office pour faire valoir ses arguments à l'encontre de cette mesure.

(3) Le jour visé à l'alinéa (2)b) doit être au moins 30 jours après le jour de remise ou de mise à la poste de l'avis.

* Not published in the *Canada Gazette* Part II.

* Non publié dans la *Gazette du Canada* Partie II

SCHEDULE I

[Revoked, SOR/88-580, s. 3]

ANNEXE I

[Abrogée, DORS/88-580, art. 3]

SCHEDULE

(Subparagraph 7(a)(iii))

Information

- 1** Name, address and licence number of the person to whom the licence was issued.
- 2** The quantity of broiler hatching eggs or chicks, marketed in interprovincial or export trade during the period set out in the licence.
- 3** The name, address and licence number of the licensee from whom the broiler hatching eggs or chicks were bought or to whom the broiler hatching eggs or chicks were sold.
- 4** In the case of broiler hatching eggs, the price at which the broiler hatching eggs were bought or sold.
- 5** In the case of broiler hatching eggs for export, the name and address of the buyer, the name of the transporter, the date of export and the place of final destination.

SOR/88-580, s. 4; SOR/2013-254, ss. 4(F), 5(E).

ANNEXE

(sous-alinéa 7a)(iii))

Renseignements

- 1** Nom, adresse et numéro de permis du titulaire du permis.
- 2** Nombre d'œufs d'incubation de poulet de chair ou de poussins destinés à la production de poulets commercialisés dans le commerce interprovincial ou le commerce d'exportation durant la période indiquée dans le permis.
- 3** Nom, adresse et numéro de permis du titulaire du permis à qui les œufs d'incubation de poulet de chair ou les poussins destinés à la production de poulets ont été achetés ou à qui ils ont été vendus.
- 4** Le prix des œufs d'incubation de poulet de chair achetés ou vendus.
- 5** Dans le cas d'œufs d'incubation de poulet de chair destinés à l'exportation, les nom et adresse de l'acheteur, le nom du transporteur, la date de l'exportation et la destination finale.

DORS/88-580, art. 4; DORS/2013-254, art. 4(F) et 5(A).

Hatchery Criteria Amending Order Decision

Table of Contents

1. Matter.....	2
2. Background.....	2
3. Consideration.....	3
4. Deliberations.....	3
5. Analysis	6
6. Decision	7
7. SAFETI Analysis.....	8
8. Amending Order.....	9

1. Matter

The BC hatching egg sector is highly regulated as part of the BC Broiler Hatching Egg Commission's strategic approach to the sustainability of its sector. The backbone of that regulation for decades has been the Official Flock Schedule (OFS). The Commission manages the OFS and ensures proper egg flow at each hatchery and orderly marketing through a delicate balance of domestic production and federally obligated imported product. Approximately 80% of hatchery throughput is domestic and 20% is imported, this ratio is referred to as 80/20. Other regulation and pricing in the BC hatching egg sector factors into this approach to sound marketing policy.

Recently that balance has been upset as many hatchery licenses have been obtained without the Commission establishing updated hatchery criteria. This has resulted in challenges managing the OFS and coordinating production with the hatcheries. The hatchery licensing criteria impacts many policies inclusive of pricing as the hatchery margin and other input costs associated with the cost of production model, currently under supervisory review arise from the Commission's regulation of the broiler hatching egg sector.

Other concerns that stakeholders have flagged include the current lack of precision in the definition of hatchery in the Consolidated Order (CO), including that there is no requirement for an actual hatchery facility. In addition, the OFS, hatchery margin and breeder chick pricing take into consideration the investment and risk entailed in the building and operation of a hatchery.

Allowing "shell" hatcheries to operate in and benefit from this system without the investment and risk of building and operating a hatchery facility is not regulatory sound marketing policy, is disruptive to the OFS and is unfair to producers and hatcheries operating within the system. A "shell" hatchery quickly and easily upsets the balance of the OFS for both hatcheries and producers.

As a part of its 2021 strategic plan, the Commission has been reviewing the hatchery sector and identifying the changes needed to support the Commission's overall regulatory strategy in the future.

2. Background

In 2021, and after identifying certain issues arising from the hatcheries in 2020, the Commission reviewed the general hatchery requirements outlined in the Consolidated Order. Considerations in this review include establishing provisions in support of maximizing 80/20 as part of the Commission's 2021 Strategic Plan.

Other issues have arisen concerning mainstream and specialty producer-hatcheries. In the case of the former, producer-hatchery license holders have adjusted their existing or proposed business models from hatching their own production to working exclusively via mutually acceptable arrangements that result in the production being shipped to another, established hatchery. In the latter case, a current specialty producer with custom hatching arrangements has applied to be licensed as a new hatchery while maintaining this

mutually acceptable arrangement with an existing hatchery that will handle almost all this producer's specialty production.

These circumstances have caused the Commission to examine its policies concerning hatcheries generally, the licensing of hatcheries and the status of producer-hatcheries. It is the Commission's view that mainstream hatcheries and producer-hatcheries licensed by the Commission should be contributing participants in fulfilling a need for the industry under the OFS or have the capacity to do so.

In addition to risk and investment costs, benefits and responsibilities accrue to hatcheries holding the regulatory privilege of a licence from the Commission. Benefits include a hatchery margin and assurance of quality supply. Currently all producers must order broiler breeders through their assigned hatchery as a requirement of the US breeder companies. This is a cost to producers and a revenue stream for hatcheries. Producers operating "shell" hatcheries can benefit by ordering breeder chicks without the investment and risk associated with a brick-and-mortar hatchery.

3. Consideration

The Commission staff flagged the hatchery licenses applications for 2021 to the Commission in December 2020, after a new application was received giving rise to some questions from processing that application. In addition, staff reported that several hatchery business models had changed with some hatcheries no longer setting broiler hatching eggs. As a result, there were ongoing import/domestic imbalances, and conducting an appropriate assessment as to which hatcheries still met existing licensing criteria was challenging.

After the Commission exchanged correspondence with the applicable hatcheries, the Commission decided in March 2021 to renew the licenses in question and begin a more comprehensive review of hatchery license criteria prior to renewals for 2022. All hatcheries were made aware of the start of this review and were encouraged to participate.

4. Deliberations

The Commission started the review process with a public letter dated May 3, 2021. This correspondence clearly outlined the Commission's criteria change and the timeline for implementation targeting December 31, 2021.

On June 11, 2021, the Commission made its second of two requests for written feedback, along with an extension on the feedback period, on the proposed changes from the following stakeholders:

Stakeholder	Representative(s):
BC Egg Hatchery Association	Representatives from Western Hatchery Ltd. (and Okanagan Hatchery (1989) Ltd. by extension), Carleton Hatcheries Ltd. dba Fraser Valley Chick Sales, Sofina Foods Inc., and Rosstown Farms Ltd.
BC Broiler Hatching Egg Producers' Association	Angela Groothof
BC Chicken Growers' Association	Dale Krahn
Bradner Farms Hatchery	Sarah Yoder and Pamela Krause
Echo Hatchery dba Coastline Chicks	Kelly Boonstra
Farmcrest Foods Ltd.	Richard Bell
Golden Feather Hatchery	Ken Huttema
Pacific Pride Chicks Ltd.	Marvin Friesen
Royal Feather ULC	Allan Cross
Skye Hi Farms Inc.	Trevor Allen
V3 Farms	Casey van Ginkel

Face-to-face meetings with stakeholders took place on October 29, 2021, following the two rounds of written submissions. The Commission met with eight stakeholders and received written feedback from two others. As much of the information shared with the Commission was proprietary, issues arising from stakeholders are addressed without attribution.

There were three areas of agreement amongst the majority of stakeholders:

1. A physical hatchery should be required to be licensed by the Commission in BC.
2. Commission licensed hatcheries should be required to throughput domestic production at a pre-established volume criterion.
3. Producers with a hatchery license should be expected to throughput their own domestic production.

There were five key areas of concern amongst the stakeholders:

1. Specialty marketing, especially as it pertains to a volume requirement.
2. Historical unfairness between hatcheries with respect to domestic throughput and incurred risk and investment.
3. Concerns about breeder stock access and the infrastructure and services required to place breeder birds.
4. Business models currently based on historical CO criteria.
5. Implementation timelines to pivot those business models to reflect the changes and avoid adverse impacts to supply.

Concerns were expressed about the ability to level up to the volume criteria right away. Labour and investment are the main issues that can stall progress. Can a producer-hatchery currently putting through a small percentage of its specialty production also keep options open to include mainstream at some point. The investment made to date is substantial and based on the historical criteria, which included the throughput of all domestic production unless mutually acceptable arrangements are made. This can be done via arrangements with a licensed hatchery as a custom set arrangement. Holding a Chick Broker License from the BC Chicken Marketing Board provides the necessary authority for those hatching eggs to be marketed to growers.

Another concern was about the ability to provide import chicks to other BC hatcheries should the license criteria change. Currently a hatchery can throughput enough domestic product to qualify for TRQ but be unable to throughput at the suggested quantity. This dramatically impacts the current business plans of one hatchery that are predicated on the fact that import chick paper needed to be used in the west, which is facilitated through this hatchery. As the imported product is regulated, a Commission hatchery license is necessary to qualify for TRQ.

One producer-hatchery does not have a brick-and-mortar hatchery and has no short-term plans to build one, stating market conditions are not favourable currently. This hatchery uses mutually acceptable arrangements made with other hatcheries to market all but a minute fraction of its production. It leans heavily on a separate investment in a broiler farm which has been leveraged to create the mutually acceptable arrangements by committing the broiler production to a hatchery's processor. This producer-hatchery purchases breeders directly from the breeder supplier using the hatchery license. Cost increases associated with the change in hatchery status would be problematical, including in servicing the debt incurred from the purchase of the broiler farm.

Concerns were also expressed about the advantage of producer-hatcheries gain from being able to purchase chicks directly from the parent (breeder) companies without needing to throughput their own or any product. This is unfair to other hatcheries and producers and is a challenge to the OFS and the basis for COP pricing. It was stated that this should not be allowed.

A specialty and mainstream hatchery expressed concerns about the volume criteria, although it currently meets it with all their throughput. Given the production curve, relying only on a single flock would be challenging, and a current mutually acceptable arrangement with another producer-hatchery has served them well.

Another stakeholder agrees with the Commission's hatchery criteria changes entirely, although acknowledges that the specialty sector volume may have to differ. Frustration was expressed about the lack of action from the Commission in creating this uneven "playing field."

There was disagreement with the Commission establishing a volume criterion for hatcheries as processors do not have a similar restriction. A hatchery has been a hatchery for many decades and has provided options for grower needs based on mutually acceptable arrangements. Caution should be taken not to overregulate the industry, potentially stifling innovation. It was agreed that a brick-and-mortar hatchery should be a prerequisite to a hatchery license.

Other concerns were raised about specialty and the related volume criteria. Mainstream volume is reasonable, but the Commission should be careful about establishing a specialty volume. Concern was also expressed about the potential disruption that may be caused to existing marketing channels by the proposed changes to the Consolidated Order.

5. Analysis

Hatcheries can serve various purposes in support of the BC hatching egg sector. Innovation and ensuring specialty and other marketing channels are created and sustained are all considerations for the Commission to take into account should circumstances warrant. The new Amending Order does not interrupt current specialty marketing channels. Established specialty hatcheries already have the necessary capacity to be incorporated into the OFS, and specialty producers with custom broking arrangements can rely on the Chicken Board's Chick Broker License to continue their current operations.

What the Commission cannot accept is issuing hatchery licences to persons who seek to benefit from that status without the risk and investment required to possess and operate a hatchery with the capacity to support the OFS.

The following analysis, in response to stakeholder feedback on the volume criteria, outlines the importance of hatchery capacity to the OFS in support of orderly marketing in the BC hatching egg sector.

Through the OFS, the Commission assigns flocks to hatcheries and provides as predictable an egg flow as possible to each hatchery, based upon market share. Where one under- or over-performing flock or length of lay cycle is easily absorbed by a larger hatchery, such minute changes are drastic at smaller hatcheries.

Further, certain considerations for long-lived flocks are necessary, such as peak production periods, demand for the eggs by way of contracts for broiler placements, and imports. Generally, hatching egg production that meets the standards starts in week 26 and with a target lay cycle of around 58 weeks, this results in 32 weeks of production. Therefore, it is a necessity to assign at least two flocks to one hatchery to provide as consistent of egg flow as possible for an entire 52-week year. If only two flocks are assigned, there will be overlap of 12 weeks.

The Consolidated Order sets the minimum farm size at 12,000 placement quota (hens). If utilization were at 100%, over a two-year quota cycle, a producer would place 6,000 hens per year. It would not be an efficient use to split that into two flocks, thus, two producers would be necessary. In essence, it would require 12,000 quota hens per year at a minimum.

Additionally, all hatcheries would be required and/or eligible for partnering with the Commission in having new entrant producers, in support of the Regulated Marketing Economic Policy (2004). Under the current New Producer Program, Schedule 1 to the CO, each new entrant is allotted 5,000 placement quota (hens) over a two-year quota cycle. This would be 2,500.

In total, a hatchery, to have even egg flow at the smallest number of potential producers and flocks would be 14,500. A figure of 15,000 accommodates a utilization of quota at just over 103%.

As noted above, there would then be a period during the year where three flocks may be producing (the 12 weeks of overlap between the two larger flocks plus the new entrant flock) and being picked up by the hatchery. Although it is unlikely all would be at peak production at the same time, the hatchery would need to be able to set production that comes from those approximate 15,000 hens. The addition of 'peak production' language within the Amending Order is necessary to safeguard against capacity constraints.

6. Decision

Affected stakeholders were made aware of the Commission's issues early in 2021 and, in May 2021, were provided with the Commission's proposed criteria. Stakeholders were provided with two opportunities, and an extension, to make written submissions, to which the Commission responded by requesting additional, clarifying information. All were also invited to appear before the Commission to further support their submissions. The Commission's consideration of the issues was informed by the range of individual circumstances and positions identified during this consultation.

The Commission has carefully reviewed and discussed all the stakeholder submissions. It has concluded its process and has obtained the information necessary for the Commission to finalize its decision prior to issuing hatchery licenses for 2022.

The Commission has determined that no changes are required to the draft Amending Order as it continues to reflect an important component of the Commission's strategic objectives for the orderly marketing and regulation of the BC hatching egg sector. The Amending Order will better ensure hatchery discipline in BC, protect the balance of the OFS and support the goal of 80/20 throughput by all hatcheries. In turn, this will complement a pricing framework that supports the interests of both producers and hatcheries. This increased stability and certainty will be to the benefit of the BC supply chain.

Although the Commission has now approved the Amending Order as attached, the Commission has made its effective date December 31, 2022, to provide current and applicant hatchery licensees to hold a 2022 license during a transition period which will require them to meet the new criteria for 2023.

7. SAFETI Analysis

STRATEGIC – Clarifies and confirms requirements for hatchery licensing in BC to ensure consistency and maximize capacity. Connects hatchery licensing to sound marketing policy initiatives to improve hatching egg sector performance and efficiencies. Provides baseline requirements in support of hatchery and sector capacity and emphasizes clear marketing channels. Prepares hatchery sector to operate within the new pricing framework. Solidifies requirement for hatcheries to address 80/20, facilitates better management of the OFS and the forecasting of domestic and import production. Provides the stability and certainty required to support the Commission in its ongoing strategic initiative to encourage more coordination and cooperation with its western counterparts.

ACCOUNTABLE – Providing an updated and consistent regulatory framework for all hatcheries. Recognizing benefits that should accrue to risk and investment in building and operating hatcheries. Adhering to sound marketing policy objectives of the OFS. Ensuring consistent and fair regulation for all hatcheries and producers. Providing more certainty and capacity to attain domestic production allocation. Provides a one-year transition period for all current and applicant hatchery licensees to comply with the new criteria.

FAIR – All stakeholders notified of issues and provided with opportunities to input through written and in person submissions. Commission reviewed written submissions and responded with requests to stakeholders for more information. Provides a one-year transition period for all current and applicant hatchery licensees to comply with the new criteria.

EFFECTIVE – Establishes expectations for hatchery capacity and improves the effectiveness of production management within the OFS. Establishes clear expectations for future hatcheries. Combined with new reporting requirements (Hatching Egg Reporting System) will improve forecasting and production management. Will incorporate regional and specialty hatcheries into the current regulatory framework and improve overall capacity and efficiency of the BC hatching egg sector. An enhanced OFS supports improved orderly marketing in BC and in combination with a new pricing framework, provides stability and certainty to the BC supply chain and a solid foundation for further development of the strategic initiative to improve coordination among the western provinces.

TRANSPARENT – Commission raised initial issues in early 2021. It ensured all affected stakeholders were advised of the issues, provided a draft of the proposed Amending Order along with the reasons for the proposed Order. The Commission was transparent within the bounds of protecting business proprietary information.

INCLUSIVE – Affected stakeholders notified of issues, provided with a copy of and rationale for the proposed Amending Order and opportunities for written and in person responses.

8. Amending Order

See attachment

**AMENDING ORDER 10
TO THE
CONSOLIDATED ORDER OF JANUARY 1, 2021**

**MADE BY
THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
ON DECEMBER 22, 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 December 31, 2022.*

DATED at Abbotsford, British Columbia, on December 22, 2021

BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION


Jim Collins, Chair