BC BROILER HATCHING EGG COMMISSION

BCBHEC

established 1988

AMENDING ORDER 40
TO THE
CONSOLIDATED ORDER OF JANUARY 1, 2021

MADE BY
THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
ON OCTOBER 29, 2025

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 "Permissible Lease" with the following:*

   "**Permissible Lease**" means a Transfer of Quota by way of lease or license for a term of one or two Quota Years, but not more than two Quota Years (Quota Period), and without regard to whether the Transferor has entered into a Permissible Lease in any prior Quota Periods, where:

   (a) the Transferor is a Registered Producer who has been actively engaged in Broiler Hatching Egg production for at least the immediately preceding Quota Period;

   (b) the Transferee is a Registered Producer;

   (c) the lease or license would not constitute a third Transfer of Quota by way of lease or license in any Quota Year;

   (d) the combination of all Placement Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Placement Quota per Quota Year or 20% of the Transferor's total allotment of Placement Quota per Quota Period; and

   (e) the combination of all Regularized Producer Chick Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Regularized Producer Chick Quota per Quota Period.

2. *Section 2 of the Consolidated Order of January 1, 2021 is amended by adding the following definition:*

   "**Quota Year**" means a twelve (12) month period commencing July 1st for Placement Quota and a twelve (12) month period commencing January 1st for Regularized Producer Chick Quota.

3. *Subsection 8(2) of the Consolidated Order of January 1, 2021 is replaced with the following:*

8. (2) Unless otherwise determined by the Commission:

(a) Quota shall not be allotted to any individual who is under the age of nineteen years, or to any corporation controlled by any individuals under the age of nineteen years, or to any partnership with respect to which any individual member is under the age of nineteen years.

(b) Quota allotted to a Producer that is not produced by that Producer in a Quota Period is subject to cancellation by the Commission, except in the event of exceptional circumstances as determined by the Commission in its sole discretion.

(c) No Producer shall be permitted to hold an allotment of Placement Quota of less than 12,000 broiler breeder pullets per Quota Period, except where the Producer is:

(i) an entrant under the New Producer Program Rules set out in Schedule 1; or

(ii) an entrant under the Small-Lot Innovative Self-Marketer Program Rules set out in Schedule 7.

4. *Subsection 17(2) of the Consolidated Order of January 1, 2021 is replaced with the following:*

17. (2) Unless the Commission otherwise consents in writing, no Producer may Transfer Quota by way of a Permissible Lease more than twice with respect to any single Quota Year.

5. *This Order comes into effect on October 29, 2025.*

DATED AT ABBOTSFORD, BRITISH COLUMBIA, ON OCTOBER 29, 2025

BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Bill Vanderspek, Chair

STRATEGIC PRIORITY 1 – REGULATORY ENHANCEMENTS

1.1 Lease Policy Review

Background

The Commission has identified the leasing of quota among the policies it wishes to review to ensure both clarity and continued effectiveness of the policies (and resulting orders) in the broiler hatching egg industry. This is being completed in the broader context of continued quota utilization greater than 100%. The review focuses on the lease of Placement Quota (mainstream) while acknowledging any impacts upon leases of Regularized Producer Chick Quota (specialty), referred to as 'contracted hatches' informally by Regularized Producers.

Appendix A contains relevant excerpts from the Consolidated Order relating to lease and referenced terms.

Current Policies & Orders

The lease policies of the Commission are to balance two competing objectives of BCFIRB's Specialty Review (2005) where "quota is intended to be produced" and "quota is transferable," all while acknowledging the dynamics unique to a long-cycle industry. These objectives require the discouragement of the business of 'owning' quota as a commodity for financial gain while permitting a level of quota liquidity. Given this, leases are permissible but subject to certain limitations.

The Consolidated Order defines a *Permissible Lease* as a "Transfer of Quota by way of lease or license for a term of not more than two years, where:

(a) the Transferor is a Registered Producer who has been actively engaged in Broiler Hatching Egg production for at least the immediately preceding Quota Period; and
(b) the Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Quota."

This is reiterated under paragraph 8(2)(c) in that "[n]o Producer may Transfer Quota by way of lease or licence for a term exceeding two years, and any such Quota so leased or licensed is subject to cancellation by the Commission."

Further stipulated under paragraph 17(2) is "[u]nless the Commission otherwise consents in writing, no Producer may Transfer Quota by way of a Permissible Lease within one year from the date that such Producer last Transferred Quota by way of a Permissible Lease."

Ambiguity of the Orders

The application of a lease term that can be up to two years, not exceeding 10%, and can only be made after one year from the date of a previous lease may be ambiguous and leads to the following questions:

- Two years – does the two years coincide with the Quota Period? If not, can lease cross over Quota Years and/or Quota Periods?
- Up to two years – can the lease be adjusted/amended in the second year if a one-year lease is permitted? Is two years the maximum, period, and no other leases can be processed thereafter?

- Not exceeding 10% – is this applicable to the Quota Period, as Placement Quota is placeable over a two-year Quota Period, or do two 1-year leases each have a maximum of 10% of the lessor's quota allotment (effectively providing a maximum of 20%)? Does the allotment of quota take into consideration the current quota utilization rate?
- No lease within one year of last lease – does this mean actual date of signed lease agreement, only one lease per Quota Year, or one year after date upon which leased quota is actually placed?

In practice, staff have used these clarifying measures:

- Leases align with Quota Years.
- Two-year leases align with Quota Periods (two Quota Years).
- Leases cannot cross over a Quota Year or Quota Period.
- Amendments to a two-year lease have not been considered, as none have been requested.
- Per lease maximum is set at 10% of allocated quota; two single-year leases would equal 20% for a Quota Period.
    - Leasing up to 20% of allocated quota per Quota Period aligns with the previous 'Managing Growth' initiative of 2018 when allocation first exceeded 100% well after more than a decade.
- Quota utilization rate does not factor into the maximum allowable lease.
- Maximum of one lease per Quota Year; this may result in one lease being approved before 365 days have passed since approval of a prior lease.
- Lessees can have more than one lease agreement per Quota Year; lessors are restricted to one lease per year.

Additionally, while not expressly stated, leases are only permitted between Registered Producers; a producer is not permitted to lease a flock to a pullet grower or other party that is not actively engaged in broiler breeder farming.

In accordance with the *Natural Products Marketing (BC) Act*, only an administrative fee is charged to the lessor. The financial arrangements of the lease are left to the producers and are not required to be filed with the office.

Producer Survey

A survey was conducted by BC Council of Marketing Boards on behalf of the Commission in early 2024 which, in part, asked producers questions on the lease policy (the Orders). The full results are provided in Appendix B.

Questions

#1 – I understand the lease policy as it is written [Permissible Lease definition provided]. Describe the policy in your own words.

- Responses ranged from "yes I do" to "I do not understand"
- Most respondents believe you can only lease up to 10% of your quota for a Quota Period

#2 – The current lease policy is adequate to manage utilization of quota and should not be changed.

- 22.3% strongly agree or agree
- 27.8% neither agree nor disagree
- 50.0% disagree or strongly disagree

#3 – The current lease policy does not manage utilization of quota and should be changed.

- 47.4% strongly agree or agree
- 42.1% neither agree nor disagree
- 10.5% disagree

#4 – Producers should be allowed to lease quota out that they do not have room to place to manage the over-utilization (over 100%) on their farm up to a specific allotment higher than 10%.

- 73.7% strongly agree or agree
- 13.2% neither agree nor disagree
- 13.2% disagree or strongly disagree

#5 – Producers should be allowed to lease quota out that they do not have room to place to manage the over-utilization on their farm up to 10% but not longer than one Quota Period.

- 29.7% strongly agree or agree
- 18.9% neither agree nor disagree
- 51.3% disagree or strongly disagree

#6 – Should the Commission set the lease price?

- 18.4% strongly agree or agree
- 26.3% neither agree nor disagree
- 55.3% disagree or strongly disagree

Comments

Highlights of the comments to the lease policy section:

- Allowing producers to manage production for market needs without financial risk
- Allowing increased lease amounts and time; higher percentage and minimum terms; repeatedly
- Allowing lease above 10% for what cannot be placed but not longer than 2 Quota Periods
- Allowing an entire placement to be skipped for renovations
- Allowing time for producers to make business decisions
- Rebasing / crystalizing the overutilization

One response suggested setting a maximum price, while one stated the Commission has no business interfering in pricing activity between producers.

One response also noted the policy does not address changes to the Animal Care Program. For context, this is likely related to changes in underlying parameters that determine the maximum number of birds that can be placed in a barn under the Program (e.g., breeder weights at processing age). The responder also asked for time to make adjustments where necessary.

No responses specifically mentioning Regularized Producer Chick Quota were received; this generally aligns with the Commission's knowledge of the specialty sector through reporting received and meetings with Regularized Producers in that there is minimal Regularized Producer Chick Quota leasing.

Summary

The responses and comments are summarized as follows:

- Producers would favour an order increasing the maximum of 10% of allotted quota per Quota Period
- Producers would favour an order allowing for leases repeatedly
- Producers would favour an order permitting exceptions to the maximum in circumstances where producers are expanding their operations
- Producers would not favour an order setting a lease price

Policy, Orders & Survey Analysis

The noted Order ambiguity and producer responses give rise to key points of consideration – namely the summarized responses against how the current policy is implemented.

Increasing the maximum permitted lease amount and/or number of leases

Growing the size of a hatching egg farm generally requires considerable investment in barns, equipment, or both.

Increasing the capacity of placeable hen space often follows a stepwise line rather than a linear line. This is due to the economics of efficiency often necessitating having a barn at or near capacity and growth being in the form of a new barn being built. This is in contrast to expansion of an existing barn on one end which is chosen less often due to the requirement to situate feed silos at the centre point of a barn – repositioning those adds costs.

Upgrading equipment, should it be the limiting factor to the amount of birds being placed, is less costly. However, it comes with a potential trade-off: a higher density of birds may result in lower productivity, counteracting the producer's objective.

Beyond costs, the availability of quota hens is another key determinate of next steps. Quota may be available by way of a producer's own unplaceable hens, hens available for lease-in, and quota hens available for purchase.

Excluding quota held in the quota pool, used exclusively to launch New Producer Program participants, the average quota held by a mainstream broiler breeder producer is approximately 33,500. At the current quota utilization rate of 107%, if a producer did not have room beyond 100%, as an example, it would equal 2,345 quota hens over a two-year Quota Period (1,173 per year).

With most barns having capacity to house starting from about 5,000 hens, unplaceable hens will not come close to comfortably filling a new barn; the barn would be only 23% utilized. The producer then faces the decision to either lease out 1,173 hens per year to another producer, build and lease in additional hens, build and purchase quota, or not place and allow the hens to expire.

It is in this context that while lessors are only permitted one lease out per year, lessees can have multiple leases to fill up any such room that is available to improve efficiency. Further, as utilization increases the available room available to lease out decreases (without equipment changes or barn builds). These two diverging figures (increasing unplaceable hens and decreasing space availability) may call for a change to a single lease out per Quota Period or year.

As well, limiting each producer to leasing out only 10% over one Quota Period would in effect be limiting leases to 5% per Quota Year, increasing the burden of producers who build to purchase quota immediately (if available) or secure additional leases. In effect, the current practice of permitting leases of up to 10% of allotted quota per year, 20% per Quota Period, best enables producers to adapt to industry growth.

With stability being key, especially in a long-cycle industry, a stated restriction of 10% per Quota Year appears best to avoid producers from leasing nothing out one year to leasing 20% in the next. Although unlikely, it would be disruptive to the Official Flock Schedule; all lease applications are reviewed to ensure there are not negative impacts on egg flow.

It is noted that Regularized Producer Chick Quota has a Quota Period that is only one Quota Year in length; the recommendation will require adaptation for this fact.

An additional benefit of a higher maximum is a reduction of the administrative burden on the whole industry (producers, hatcheries, Commission).

Recommendation: Update the Orders to permit, for Placement Quota, up to two permissible leases (for the lessor) together totalling a maximum of 10% of the lessor's allotted quota for the Quota Period, per Quota Year. Alternatively, permit up to two permissible leases (for the lessor) together totalling a maximum of 20% of the lessor's allotted quota for the Quota Period, per Quota Period; or a combination thereof. For Regularized Producers, this recommendation is adapted to up to two permissible leases (for the lessor) together totalling a maximum of 10% of the lessor's allotted Regularized Producer Chick Quota for the Quota Period.

Allowing leases repeatedly

Producers favour having the ability to lease quota as best seen fit. The current Orders restrict leasing to once per year, which in practice has been a restriction placed upon the lessor only. Also, as noted under the ambiguity of the Orders, paragraph 8(2)(c) can be read to mean no leases whatsoever are permitted beyond a hard cap of two years; this may speak to why Producers seek having the ability to lease repeatedly expressly permitted.

The current Orders do not distinguish leases made where quota utilization is above or below 100%. The ability of a producer to right-size can occur at any point in the business cycle. Such right-sizing includes leasing out, but also selling quota. Financial hardship may occur in situations where the timing of right-sizing does not coincide positively with the business cycle. A significant cost to producers is quota and while no value is ascribed to it by the Commission (or in its cost of production), it is valuable and many producers service debt required for its purchase.

Moreover, based on anecdotal evidence, it is far more valuable to a producer to farm their own quota than it is to lease out; the lease out is more of a release valve than it is a revenue generator.

Regarding utilization rates, they have been increasing steadily over the past few years:

Year	Rate	Year	Rate
2016	93%	**2021**	96%
2017	100%	**2022**	100%
2018	106%	**2023**	104%
2019	100%	**2024**	105%
2020	96%	**2025**	107%

Table 1 - Quota utilization rates beginning July 1

It is observed that since 2016, utilization of quota has risen 14%; however, since 2018 it could be said it has only increased 1%. Although utilization is dependent on breed performance, animal husbandry, and other factors beyond the Commission's control, on average, it takes many years before a 10% increase in utilization is fully realized.

Therefore, as noted previously, if a producer had 10% of their quota being unplaceable and was looking to expand their farm, it is not economically feasible to fill a new 5,000-hen barn at 23% capacity.

Recommendation: Allow producers to lease repeatedly, subject to the maximum of two leases per Quota Year.

Permitting exceptions to the maximum permitted lease amount

There are circumstances which may give rise to a producer seeking to either lease out more quota than the permitted limit, or not lease out and fill their barns at a later time in the current Quota Period or thereafter.

These situations generally fall into two categories: emergencies (natural disasters, diseases, barn fires or collapses) and farm changes (intergenerational transfers, expansion and/or equipment purchases).

The C.O. provides an exceptional circumstances clause at 8(2)(b) that "[q]uota allotted to a Producer that is not produced by that Producer in a Quota Period is subject to cancellation by the Commission, except in the event of exceptional circumstances as determined by the Commission in its sole discretion." This addresses unproduced quota (i.e., unplaced hens) in the event of not leasing out or selling quota to address such situations. However, a distinction should be made that the lease orders themselves are not directly tied to any mechanism for the cancellation of quota**.** It is expected that Producers put in reasonable effort to lease out quota that would otherwise go unproduced. Should any quota allotment not be placed by Producers, this matter appears best addressed separately where an analysis of cancellation, claw back, redistribution or other methodologies can be completed.

In the event that a producer (and Commission) seeks to have the quota utilized in the Quota Period intended, and with regard to the circumstance at hand, an exception to the limit of 10% of quota (per Quota Year, as proposed above) should be permitted. In fact, in previous emergencies, intergenerational farm transfers and farm expansions, leasing out amounts in excess of the limit has been permitted due to the exceptional nature of the circumstance. Outside of such exceptional circumstances, Placement Quota must continue to be utilized over the Quota Period evenly (one-half of Placement Quota holdings per Quota Year) at the prevailing utilization rate.

Recommendation: Allow producers to lease for an amount exceeding 10% per Quota Year, for a period of time suitable to the circumstance, in the event of an exceptional circumstance as determined by the Commission in its sole discretion.

Setting a lease price

The Commission does not set a lease price but a lease fee for the administration of lease agreements received for its consideration. Producers do not favour the setting of a lease price. This may be subject to any intervention necessary by the Commission to cancel and redistribute quota (exercising clause 8(2)(b)).

Recommendation: Allow producers to continue to negotiate their own lease price.

Recommendation

Of note is that should an eventual rebasing of quota utilized in excess of 100% occur (distribution of growth quota), separate guidelines on how producers could receive it, and under what conditions, may ultimately dictate prior movements of quota that may decrease the use of quota lease in that lead up. In other words, should a precondition be that any allotment of growth quota must be placeable on farm and you cannot have sold quota in the year preceding the allotment, producers would conceivably arrange their affairs accordingly to accept any forthcoming allotment.

The preceding recommendations, in summary:

- Update the Orders to permit, for Placement Quota, up to two permissible leases (for the lessor) together totalling a maximum of 10% of the lessor's allotted quota for the Quota Period, per Quota Year. Alternatively, permit up to two permissible leases (for the lessor) together totalling a maximum of 20% of the lessor's allotted quota for the Quota Period, per Quota Period; or a combination thereof. For Regularized producer Chick Quota, permit up to two permissible leases (for the lessor) totalling a maximum of 10% of the lessor's allotted quota for the Quota Year.
- Allow producers to lease repeatedly, subject to the maximum of two leases per Quota Year.
- Allow producers to lease for an amount exceeding 10% per Quota Year, for a period of time suitable to the circumstance, in the event of an exceptional circumstance as determined by the Commission in its sole discretion.
- Allow producers to continue to negotiate their own lease price.

Consultation will include direct discussion with Regularized Producers.

A red-lined draft of the Consolidated Order changes is provided at Appendix C.

A draft amending order is provided at Appendix D.

Consultation

January 2024 – Producers surveyed

August 28, 2025 – Consultation period opens; Review documents distributed

September 2, 2025 – Consultation with BCEHA

September 4, 2025 – PPAC meeting

September 15, 2025 – Consultation with BCBHEPA

September 16, 2025 – Producer Meeting

October 15, 2025 – Consultation period closes

October 29, 2025 – Board meeting; responses considered; decision made

Decision

At its October 29, 2025 Special Board meeting, the Board approved Amending Order 40 clarifying the quota lease rules in the Consolidated Order, effective October 29, 2025.

SAFETI Analysis

Strategic – The Review eliminates the ambiguity within the Consolidated Order through clarification of current procedures and provides part of the groundwork for other matters within the Regulatory Enhancements key initiative (i.e., quota assessment tools and the New Producer Program reviews, currently in progress).

Accountable – The Review was part of the strategic plan's Regulatory Enhancements key initiative as prepared for 2025; the completion maintains accountability to that strategic plan and stakeholders.

Fair – The Review was identified as a key initiative, with successive stakeholder meetings held with opportunities to comment thereafter through written submissions. Responses to the Review were reviewed and the Board made a decision, having ensured procedural fairness in the process.

Effective – The Review identified two objectives "to ensure both clarity and continued effectiveness of the policies (and resulting orders)…in the broader context of continued quota utilization greater than 100%." These objectives were met through Amending Order 40 bringing clarity to the quota lease rules, and a review of the upper lease limit in managing quota in times where utilization exceeds 100%. Further, this Review naturally began discussions centered on building capacity in the industry and where lease could play a role.

Transparent – The Review was identified as part of the strategic plan, notification of strategic initiative work in the Commission newsletter, provided to stakeholders along with having held specific meetings to discuss and hear feedback, and an approved Amending Order communicated in a timely fashion.

Inclusive – All hatching egg stakeholders identified were provided an avenue to discuss and provide feedback, with specific dates noted in the consultation section above.

Appendix A
Consolidated Order Excerpts

Consolidated Order

PART I – INTRODUCTORY

Interpretation

2. In this and all Orders of the Commission, unless the context requires otherwise, the definitions contained in the Natural Products Marketing (BC) Act, R.S.B.C. 1996, c. 330 and the British Columbia Broiler Hatching Egg Scheme (B.C. Reg. 432/88) shall have effect together with the following additional definitions:

…

"**Broiler Hatching Egg**" includes a Breaker Quality Egg, a Cull Egg, a Cull Underweight Broiler Hatching Egg, an Underweight Broiler Hatching Egg, and an Unmarketable Egg.

…

"**Permissible Lease**" means a Transfer of Quota by way of lease or license for a term of not more than two years, where:

(a) the Transferor is a Registered Producer who has been actively engaged in Broiler Hatching Egg production for at least the immediately preceding Quota Period; and
(b) the Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Quota.

…

"**Placement Quota**" means the maximum quantity, as determined by the Commission, of broiler breeder pullets that may be received by a Producer in a Quota Period for the purpose of producing Broiler Hatching Eggs, excluding any allowances for mortality in shipment.

…

"**Producer**" means a Person who uses a Farm for the purpose of producing Broiler Hatching Eggs.

…

"**Quota**" means Placement Quota or Regularized Producer Chick Quota, as the case may be.

"**Quota Period**" means a twenty-four (24) month period commencing July 1st for Placement Quota and a twelve (12) month period commencing January 1st for Regularized Producer Chick Quota.

"**Registered Producer**" means a Producer registered by the Commission and recorded in the Register of Producers kept at the Commission's head office.

…

"**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 Regularized Producer.

…

"**Transfer**" means a direct or indirect, legal or equitable, permissible or impermissible transfer of an interest of Quota, or the grant of an option to transfer an interest in Quota, and in the case Quota allotted to a corporation includes a transfer of shares or an interest in shares of the corporation or the issuance of additional shares or redemption of existing shares which results in a change in the proportion of shares held by each shareholder; but does not include the grant of a security interest in Quota in favour of a bona fide lender.

"**Transferee**" means the Person to whom Quota is being Transferred.

"**Transferor**" means the Person from whom Quota is being Transferred.

…

PART III – ALLOTMENT AND REGISTRATION OF PLACEMENT QUOTA

Allotment of Quota

8. (1) The Commission may allot Quota to Producers or adjust, reduce, alter or cancel Quota allotted to such Producers, at such time or times, in such amounts and in such a manner as may be determined by it.

(2) Unless otherwise determined by the Commission:

…

(b) Quota allotted to a Producer that is not produced by that Producer in a Quota Period is subject to cancellation by the Commission, except in the event of exceptional circumstances as determined by the Commission in its sole discretion.

(c) No Producer may Transfer Quota by way of lease or licence for a term exceeding two years, and any such Quota so leased or licensed is subject to cancellation by the Commission.

…

PART IV – TRANSFER AND LEASE OF PLACEMENT QUOTA

Limitations on Transfer of Quota

17. (2) Unless the Commission otherwise consents in writing, no Producer may Transfer Quota by way of a Permissible Lease within one year from the date that such Producer last Transferred Quota by way of a Permissible Lease.

…

Appendix B
Producer Survey Results

Section 4 – Lease Policy

The current lease policy details the following.

"Permissible Lease" means a Transfer of Quota b way of lease or license for a term of not more than two years, where:

(a) the Transferor is a Registered Produce who has been actively engaged in Broiler Hatching Egg production for at least the immediately preceding Quota Period.

(b) the Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Quota.

Question 1 – I understand the lease policy as it is written. Describe the policy in your own words.

You can only lease out 10% of your allotment
a quota holder can lease up to 10% of their allotted quota for one quota cycle a quota cycle is 2 years
Little confusing
Any producer who is actively farming their quota, can lease out up to 10% of their quota once per cycle.
Yes, partially. You can lease up to 10% of your total quota holdings over one quota cycle (2 years). What's not clear, does it reset after that quota cycle is complete? Then you could use the lease tool again for the next quota cycle, potentially indefinitely.
i can lease up to !0% of my quota in the quota period
if your farming for more then one quota period you can lease out up to 10% of your Quota for one quota period (2 years)
You can lease only 10% and only for a 2 yr period as long as you grew all your quota in the previous period

A producer can lease out upto 10% of their quota for upto 2 years, if they have been actively farming for previous 2 years/quota period.
- A Hatching Egg farmer may lease quota for no more than one hatching egg quota period (two years). - The producer needs to have been using the full allotment of their quota for at least two years before they choose to lease. - The producer cannot lease more than 10% of their allotted quota.
Yes I do.
A producer has to actively farm his quota for at least two years before being able to lease out. The limit it 10% of your quota holding. And no length of lease is specified here.
i can lease out up to 10% of my quota for up to 2 years only
10% doesn't seem like much. The ability to lease out an entire flock for a cycle should be possible. Is it not?
If you have owned quota for one quota period you can lease out 10% of your quota for one quota period.
Leased quota can only be transferred through registered producers, not exceeding a 2 year term at a maximum of 10% of quota holdings.
Sorry, I do not understand.
you can lease up to 10% of your total quota for one quota cycle which is two years
you must have produced 1 cycle of eggs, can only lease out 10% of your quota holdings.
active farmer in Broiler Hatching Egg production who wouldn't exceed leasing 10% of the total allotment of Quota owned
A. Still producing hatching eggs. B. Not renting out more than 10% of their annual allotment in that 2 year quota period.
If you have been actively farming up until the lease you are eligible to lease quota out. The amount you can lease out is 10 % of your owned quota. You cannot lease this out for more than 2 years. At the end of the lease you must grow 100% of your owned quota.

Question 2 – The current lease policy is adequate to manage utilization of quota and should not be changed.

Value	Percent	Responses
1. Strongly Agree	5.6%	2
2. Agree	16.7%	6
3. Do not Agree or Disagree	27.8%	10
4. Disagree	22.2%	8
5. Strongly Disagree	27.8%	10
		Totals: 36

Question 3 – The current lease policy does not manage utilization of quota and should be changed.

Value	Percent	Responses
1. Strongly Agree	21.1%	8
2. Agree	26.3%	10
3. Do not Agree or Disagree	42.1%	16
4. Disagree	10.5%	4
		Totals: 38

Question 4 – Producers should be allowed to lease quota out that they do not have room to place to manage the over-utilization (over 100%) on their farm up to a specific allotment higher than 10%.

Value	Percent	Responses
1. Strongly Agree	26.3%	10
2. Agree	47.4%	18
3. Do not Agree or Disagree	13.2%	5
4. Disagree	5.3%	2
5. Strongly Disagree	7.9%	3
		Totals: 38

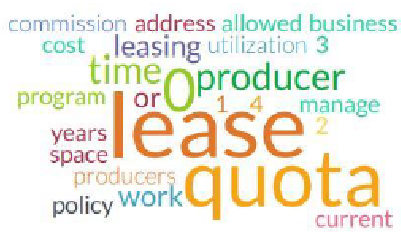
Question 5 – Producers should be allowed to lease quota out that they do not have room to place to manage the over-utilization on their farm up to 10% but not longer than one quota cycle.

Value	Percent	Responses
1. Strongly Agree	8.1%	3
2. Agree	21.6%	8
3. Do not Agree or Disagree	18.9%	7
4. Disagree	29.7%	11
5. Strongly Disagree	21.6%	8
		Totals: 37

Question 5 – Should the Commission set the lease price?

Value	Percent	Responses
1. Strongly Agree	2.6%	1
2. Agree	15.8%	6
3. Do not Agree or Disagree	26.3%	10
4. Disagree	23.7%	9
5. Strongly Disagree	31.6%	12
		Totals: 38

Section 4 – Comments: Do you have any comments you would like to share regarding lease policy?



With the cost of construction, land and other imputs its important to allow producers to manage production allowing for the market needs to be met without financial risk to the producer. Allowing increased lease amounts and time will help.
As we have seen with Spiking males there does need to be a max producer agreed upon price industry wide. If a producer wishes to sell or lease for less than that is fine. With the leasing out space. It needs to be a known max price as some people value their work or space available higher than others. I know it needs to be viable to the leasee too. I think it is a good move to develope a standard price policy. Updated as voted on periodically by the poducers (once a year?)
Current policy does not address changes to our ACP program. If the requirements are modified nationally or internally (breed selection, activist concerns, etc), producers need time to make necassary adjustments.
Need options for higher percentage (20%?)when over 100%, and maybe a minimum 2 years lease term and no maximum..granted allocation stays above what the producer has space for.

I feel the lease program does not suit all circumstances. If I were to require significant renovations I would like to possibly skip an entire placement through lease to complete the work in a timely manner. Trades and supply chain can hamper a Reno timeline significantly even with early planning.
The commission/board/governance - has no business interfering in any sort on pricing activity that takes place between one producer and another. * do not reinvent the wheel * As far as leasing goes. It's a difficult topic. I would like see some flexibility on these rules. As they are written i think it's good frame work. However from time to time there may arise a producer with a situation that needs addressing on a short term basis and the board needs to be aware that some flexiblility on the "rules" may be needed
My thoughts behind a new lease tool. A single policy. Producers should be allowed to lease quota out that they do not have room to place on their farm up to 10% but not longer than 2 quota cycles. (4 years) I think the Commission should also consider a policy around crystallizing quota over the 100% base, this could work in tandem with the 2 quota cycle lease policy, once implemented. This in my opinion would give producers enough time to make the appropriate business decisions for their operations, plus it could give lead way for the Commission to potentially rebased.
I don't think much leasing goes on because of hatcheries and flock schedules. If commission was first receiver or quota was egg based,maybe leases would be easier to manage and utilize
I think the over 100% quota could be leased out if it can be produced in the interior of the province
Question 4 : Farmer needs to be able tooo lease out all the over utilization quota for as long as they want It's not the farmers responsibility to have extra space for over utilization To run a cost effective farm it needs too be 100% full at the animals care code Once the over utilization quota becomes mainstream quota the farmer has 1 cycle to address his problem
We should be able to lease out for more than one quota period.
Should have the rights to lease out as much Quota as you want for how long you want.
not at this time
I understand and appreciate the importance of maintaining a reliable and consistent supply of Hatching Eggs. In times of over 100% utilization, I believe we should have the freedom to choose to lease the additional quota as we see fit. There were many years where we were suppressed on quota utilization and a change to the leasing program will instill new opportunities which producers can use at their discretion.
producers should be allowed to lease out up to 10% of their quota indefinitely to manage over utilization. (over 100%)
we believe anything over 100% utilization should be leasable for an indefinite term. If the over utilization becomes regularized quota, the original amount of quota the producer holds should be the baseline. It is not prudent for a farmer to build for 10% or even 20% more quota at current interest rates and costs to build.

Appendix C
Draft Red-Lined Consolidated Order

Consolidated Order

PART I – INTRODUCTORY

Interpretation

2. …

"**Permissible Lease**" means a Transfer of Quota by way of lease or license for a term of one or two Quota Years, but not more than two Quota Years (Quota Period), and without regard to whether the Transferor has entered into a Permissible Lease in any prior Quota Periods, where:

(a) the Transferor is a Registered Producer who has been actively engaged in Broiler Hatching Egg production for at least the immediately preceding Quota Period;
(b) the Transferee is a Registered Producer;
(c) the lease or license would not constitute a third Transfer of Quota by way of lease or license in any Quota Year;
(d) the combination of all Placement Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Placement Quota per Quota Year or 20% of the Transferor's total allotment of Placement Quota per Quota Period; and
(e) the combination of all Regularized Producer Chick Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Regularized Producer Chick Quota per Quota Period.

…

"**Quota Year**" means a twelve (12) month period commencing July 1st for Placement Quota and a twelve (12) month period commencing January 1st for Regularized Producer Chick Quota.

…

PART III – ALLOTMENT AND REGISTRATION OF PLACEMENT QUOTA

Allotment of Quota

8. (1) The Commission may allot Quota to Producers or adjust, reduce, alter or cancel Quota allotted to such Producers, at such time or times, in such amounts and in such a manner as may be determined by it.

(2) Unless otherwise determined by the Commission:

…

(b) Quota allotted to a Producer that is not produced by that Producer in a Quota Period is subject to cancellation by the Commission, except in the event of exceptional circumstances as determined by the Commission in its sole discretion.

…

PART IV – TRANSFER AND LEASE OF PLACEMENT QUOTA

Limitations on Transfer of Quota

17. (2) Unless the Commission otherwise consents in writing, no Producer may Transfer Quota by way of a Permissible Lease more than twice with respect to any single Quota Year.

…

Appendix D
Draft Amending Order

AMENDING ORDER 40
TO THE
CONSOLIDATED ORDER OF JANUARY 1, 2021

MADE BY
THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
ON OCTOBER 29, 2025

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 "Permissible Lease" with the following:*

   "**Permissible Lease**" means a Transfer of Quota by way of lease or license for a term of one or two Quota Years, but not more than two Quota Years (Quota Period), and without regard to whether the Transferor has entered into a Permissible Lease in any prior Quota Periods, where:

   (a) the Transferor is a Registered Producer who has been actively engaged in Broiler Hatching Egg production for at least the immediately preceding Quota Period;

   (b) the Transferee is a Registered Producer;

   (c) the lease or license would not constitute a third Transfer of Quota by way of lease or license in any Quota Year;

   (d) the combination of all Placement Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Placement Quota per Quota Year or 20% of the Transferor's total allotment of Placement Quota per Quota Period; and

   (e) the combination of all Regularized Producer Chick Quota so leased or licensed does not exceed 10% of the Transferor's total allotment of Regularized Producer Chick Quota per Quota Period.

2. *Section 2 of the Consolidated Order of January 1, 2021 is amended by adding the following definition:*

   "**Quota Year**" means a twelve (12) month period commencing July 1st for Placement Quota and a twelve (12) month period commencing January 1st for Regularized Producer Chick Quota.

3. *Subsection 8(2) of the Consolidated Order of January 1, 2021 is replaced with the following:*

8. (2) Unless otherwise determined by the Commission:

(a) Quota shall not be allotted to any individual who is under the age of nineteen years, or to any corporation controlled by any individuals under the age of nineteen years, or to any partnership with respect to which any individual member is under the age of nineteen years.

(b) Quota allotted to a Producer that is not produced by that Producer in a Quota Period is subject to cancellation by the Commission, except in the event of exceptional circumstances as determined by the Commission in its sole discretion.

(c) No Producer shall be permitted to hold an allotment of Placement Quota of less than 12,000 broiler breeder pullets per Quota Period, except where the Producer is:

(i) an entrant under the New Producer Program Rules set out in Schedule 1; or

(ii) an entrant under the Small-Lot Innovative Self-Marketer Program Rules set out in Schedule 7.

4. *Subsection 17(2) of the Consolidated Order of January 1, 2021 is replaced with the following:*

17. (2) Unless the Commission otherwise consents in writing, no Producer may Transfer Quota by way of a Permissible Lease more than twice with respect to any single Quota Year.

5. *This Order comes into effect on October 29, 2025.*

DATED AT ABBOTSFORD, BRITISH COLUMBIA, ON OCTOBER 29, 2025

BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

[signature]

Bill Vanderspek, Chair

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