

August 23, 2019 File: 44200-70 EMB EFP

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Katie Lowe Executive Director BC Egg Marketing Board

Dear Ms. Lowe:

EGGS FOR PROCESSING TEMPORARY REDUCTION

Thank you for your August 9, 2019 letter notifying BC Farm Industry Review Board (BCFIRB) that the BC Egg Marketing Board (Egg Board) is temporarily reducing its use of the Egg Farmers of Canada Eggs for Processing (EFP) quota from 100,000 layers to 50,000 layers.

Background

The Egg Farmers of Canada Eggs for Processing Program, established in 2001, is intended to support the production of lower cost eggs for processor or "breaker" markets at prices below the standard table egg cost of production. BC was allocated 100,000 layers of EFP quota.

In 2009 BCFIRB recommended that "...the Egg Board place a high priority on facilitating and finalizing an arrangement for production of this quota" given the important role EFP production could play in meeting market needs and providing benefits to BC's egg industry. This recommendation was repeated in 2010. In 2014 BCFIRB approved the Egg Board's EFP distribution proposal and in 2015 directed that the Egg Board "...moves forthwith to distribute the 100,000 layers...".

EFP Temporary Reduction

After discussing the Egg Board's notice on August 14, 2019, BCFIRB agrees with the Egg Board rationale for the temporary reduction given the market conditions in the United States. It was evident the Egg Board explored various options, consulted with BC's egg processor, and took in to account its own financial sustainability.

Overall, BCFIRB's position remains that the production of EFP quota is sound marketing policy. As such, BCFIRB will be following up with the Egg Board on a regular basis on the status of the Eggs for Processing Program.

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Board

If you have any questions or would like to discuss further, please don't hesitate to contact me.

Yours truly,

Kirsten Pedersen, Executive Director

cc: BC Egg Processor Council BC Egg Producers Association

BCFIRB web site