

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD

Supervisory Review re 2016 Amendments to Schedule "B" Operating Agreement for Chicken

AFFIDAVIT #2 OF JEFF MCDOWELL

I, JEFF MCDOWELL, of 3340 Orlando Drive, Mississauga, Ontario, businessperson, SWEAR THAT:

1. I am the Vice President of the Poultry Value Chain at Sofina Foods Inc. and as such I have personal knowledge of the facts deposed to herein, except where stated to be based upon information and where so stated I verily believe those facts to be true.
2. I am the CPEPC Western Director for CFC and in that capacity was involved in the allocation decisions at CFC for A-139 and A-140.
3. In relation to the allocation for A-139, all directors voted in favour of a national allocation of 2% over base. However, I do not agree with the method used to distribute the national allocation across the regions and provinces. CFC continues to use the formula set out in the MOU (the "Formula"), to which the Western processors have expressed their objection. The Formula (the use of which will continue under the proposed amendments to the Operating Agreement) distributes the national allocation in a way that results in a significant disadvantage to BC.
4. The CFC vote for the national allocation of 3% in A-140 was not supported by the CPEPC Eastern Director or the FPPAC Director. I did support the allocation of 3% over base as a national allocation. However, I am opposed to using the Formula for the distribution of the allocation across the provinces, as set out above in paragraph 3.
5. I supported the 3% over base allocation in A-140 because the base allocation for A-140 will actually result in 3.1% more domestic production versus last year where A-139 at 2% over base allocation results in 4.2% versus last year. Although the over base allocation percentage was higher in A-140, the percentage growth versus prior year production is lower.
6. The experience in A-139 and A-140 demonstrates the significant negative impact of the Formula. The Western region will receive significantly less on a percentage basis than the Central region, and this is further reflected in the allocation to BC.
7. A-137 and A-138 were periods of unusually high allocations, which were not sustainable, and had the effect of skewing the true impact of the Formula on allocations to BC and the Western region. In A-139 the allocations are returning to more normal levels, and the negative impact of the Formula on BC is highlighted.
8. Attached and marked as **Exhibit "A"** to this affidavit is a true copy of the CFC Allocation Summary for A-138.
9. Attached and marked as **Exhibit "B"** to this affidavit is a true copy of the CFC Allocation Summary for A-139.

10. Attached and marked as **Exhibit “C”** to this affidavit is a true copy of the CFC Allocation Summary for A-140.

SWORN before me

at, Ontario, on
 ___ June, 2016.

A Commissioner for taking affidavits
for Ontario

Jeff McDowell

Period A-138 Allocations (July 10, 2016 - September 3, 2016)
Allocations pour la période A-138 (10 juillet 2016 - 3 septembre 2016)

Eviscerated weight / Poids éviscéré

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
B.C./C.-B.	23,874,018	1,736,274	718,960	26,329,252
Alta/Alb.	16,388,465	73,540	132,372	16,594,377
Sask.	6,127,639	857,869	0	6,985,508
Man.	7,133,709	399,656	0	7,533,365
Ont.	57,570,967	981,554	517,952	59,070,473
Que/Qué.	46,076,330	3,112,560	0	49,188,890
N.B./N.-B.	4,786,960	0	0	4,786,960
N.S./N.-É.	6,005,412	0	0	6,005,412
P.E.I./I-P-É.	621,425	0	0	621,425
Nfld./T.-N.	2,355,437	0	0	2,355,437
CANADA	170,940,362	7,161,453	1,369,284	179,471,099

Live weight / Poids vivant

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
B.C./C.-B.	32,486,077	2,362,599	978,310	35,826,986
Alta/Alb.	22,285,103	100,000	180,000	22,565,103
Sask.	8,336,924	1,167,169	0	9,504,093
Man.	9,705,727	543,750	0	10,249,477
Ont.	77,861,735	1,327,500	700,503	79,889,738
Que/Qué.	62,544,224	4,225,000	0	66,769,224
N.B./N.-B.	6,512,871	0	0	6,512,871
N.S./N.-É.	8,170,629	0	0	8,170,629
P.E.I./I-P-É.	845,476	0	0	845,476
Nfld./T.-N.	3,204,676	0	0	3,204,676
CANADA	231,953,442	9,726,018	1,858,813	243,538,273

February 2, 2016 / 2 février 2016

This is Exhibit "A" referred to in
the affidavit of JEFF McDOWELL
sworn before me at JUNE
this 2016 day of JUNE 2016

A Commissioner for taking Affidavits
for ONTARIO

As per the meeting held on February 2, 2016, please find below the market requirements agreed to by CFC Directors:
Lors de la réunion du 2 février 2016, les administrateurs des PPC ont convenu des besoins du marché ci-dessous:

Period / Période A-138

July 10, 2016 - September 3, 2016 / 10 juillet 2016 - 3 septembre 2016

	Domestic Allocation and/et Production domestique		Market Development Allocation and/et Production à l'expansion du marché		Specialty Allocation and/et Production de spécialité		TOTAL Allocation and/et Production TOTAL(E)	
	A-138	2015	change	A-138	2015	change	A-138	2015
B.C./C.-B.	23,874,018	22,780,660	4.8%	1,736,274	1,172,299	718,960	26,329,252	24,692,247
Alta./Alb.	16,388,465	15,401,581	6.4%	73,540	73,530	132,372	16,594,377	15,501,719
Sask./Sask.	6,127,639	5,533,793	10.7%	857,869	778,738	0	6,985,508	6,312,531
Man./Man.	7,133,709	6,894,921	3.5%	399,656	247,236	0	7,533,365	7,142,157
West/Ouest	53,523,831	50,610,955	5.8%	3,067,339	2,271,803	851,332	57,442,502	53,648,654
Ont./Ont.	57,570,967	54,853,364	5.0%	981,554	795,715	517,952	59,070,473	56,001,789
Que./Qué.	46,076,330	43,326,946	6.3%	3,112,560	2,496,382	0	49,188,890	45,823,328
Central/Centre	103,647,297	98,180,310	5.6%	4,094,114	3,292,097	517,952	108,259,363	101,825,117
N.B./N.-B.	4,786,960	4,442,198	7.8%	0	0	0	4,786,960	4,442,198
N.S./N.-É.	6,005,412	5,727,648	4.8%	0	0	0	6,005,412	5,727,648
P.E.I./Î.-P.-É.	621,425	576,583	7.8%	0	0	0	621,425	576,583
N.L./T.-N.-L.	2,355,437	2,296,115	2.6%	0	0	0	2,355,437	2,296,115
Atlantic/Atl.	13,769,234	13,042,544	5.6%	0	0	0	13,769,234	13,042,544
CANADA	170,940,362	161,833,809	5.6%	7,161,453	5,563,900	1,369,284	179,471,099	168,516,315

	Base Allocation de base	%
B.C./C.-B.	22,897,879	4.3%
Alta./Alb.	15,280,868	7.2%
Sask./Sask.	5,865,660	4.5%
Man./Man.	6,860,695	4.0%
West/Ouest	50,905,102	5.1%
Ont./Ont.	54,523,331	5.6%
Que./Qué.	44,094,320	4.5%
Central/Centre	98,617,651	5.1%
N.B./N.-B.	4,629,837	3.4%
N.S./N.-É.	5,786,361	3.8%
P.E.I./Î.-P.-É.	596,814	4.1%
Nfld./T.-N.	2,264,577	4.0%
Atlantic/Atl.	13,277,589	3.7%
CANADA	162,800,342	5.0%

Recommendations vs base Recommandations vs la base	
Provinces	5.0%
CPEPC/CCTOV	4.0%
FPPAC/ACSV	5.0%
Restaurants Canada	5.0%

February 2, 2016 / 2 février 2016

2.

Supply and Demand Estimates for Period A-138 (Mkg)						
Estimations de l'offre et de la demande pour la période A-138 (M de kg)						
	2016 Projection / Estimation pour 2016				2015	2014
	Provinces (As submitted / Comme présenté)	RC	FPPAC / ACSV	CPEPC / CCTOV	Actual Réal	Actual Réal
Supply / Offre						
Domestic Allocation / Allocation domestique	170.9	170.9	170.9	169.3	161.8	155.3
Dom. Alloc./Base Allocation Alloc. Dom./Alloc. de base	5.0%	5.0%	5.0%	4.0%		
Mrkt Dvlpmnt Allocation / Allocation à l'exp du marché	7.2		6.0		5.6	7.0
Specialty Allocation / Allocation de spécialité	1.4		1.2		1.1	0.0
Total Production / Production totale	179.5		178.1		168.5	162.3
Imports / Importations	13.0		13.0		14.4	13.2
Reduction of inventory / Reduction de l' invent.						1.6
Total Supply / Offre totale	192.5		191.1		182.9	177.1
Demand / Demande						
Exports / Exportations	8.7		7.5		7.1	8.5
Addition to inventory / Ajout à l'inventaire					1.1	
Domestic Consumption / Consom. Domestique	183.8		183.6		174.8	168.6

Period A-139 Allocations (September 4, 2016 - October 29, 2016)
Allocations pour la période A-139 (4 septembre 2016 - 29 octobre 2016)

Eviscerated weight / Poids éviscéré

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
B.C./C.-B.	23,796,768	1,658,049	753,360	26,208,177
Alta/Alb.	16,259,785	128,695	132,372	16,520,852
Sask.	6,008,363	757,050	0	6,765,413
Man.	7,017,532	399,656	0	7,417,188
Ont.	56,187,720	796,704	569,153	57,553,577
Que/Qué.	44,654,692	2,916,507	0	47,571,199
N.B./N.-B.	4,617,600	0	0	4,617,600
N.S./N.-É.	5,788,955	0	0	5,788,955
P.E.I./I-P-É.	626,155	0	0	626,155
Nfld./T.-N.	2,327,007	0	0	2,327,007
CANADA	167,284,577	6,656,661	1,454,885	175,396,123

Live weight / Poids vivant

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
B.C./C.-B.	32,380,961	2,256,156	1,025,119	35,662,236
Alta/Alb.	22,110,124	175,000	180,000	22,465,124
Sask.	8,174,644	1,030,000	0	9,204,644
Man.	9,547,663	543,750	0	10,091,413
Ont.	75,990,966	1,077,500	769,750	77,838,216
Que/Qué.	60,614,486	3,958,877	0	64,573,363
N.B./N.-B.	6,282,449	0	0	6,282,449
N.S./N.-É.	7,876,129	0	0	7,876,129
P.E.I./I-P-É.	851,912	0	0	851,912
Nfld./T.-N.	3,165,996	0	0	3,165,996
CANADA	226,995,330	9,041,283	1,974,869	238,011,482

June 1, 2016 / 1 juin 2016

This is Exhibit "B" referred to in
the affidavit of JEFF McDONELL
sworn before me at _____
this _____ day of JUNE 2016

A Commissioner for taking Affidavits
for ONTARIO

As per the meeting held on June 1, 2016, please find below the market requirements agreed to by CFC Directors:
Lors de la réunion du 1 juin 2016, les administrateurs des PPC ont convenu des besoins du marché ci-dessous:

Period / Période A-139

September 4, 2016 - October 29, 2016 / 4 septembre 2016 - 29 octobre 2016

	Domestic Allocation and/et Production domestique			Market Development Allocation and/et Production à l'expansion du marché			Specialty Allocation and/et Production de spécialité			TOTAL Allocation and/et Production TOTAL(E)		
	A-139	2015	change	A-139	2015		A-139	2015		A-139	2015	change
B.C./C.-B.	23,796,768	21,831,173	9.0%	1,658,049	1,169,664		753,360	705,117		26,208,177	23,705,954	10.6%
Alta./Alb.	16,259,785	15,710,300	3.5%	128,695	73,530		132,372	54,337		16,520,852	15,838,167	4.3%
Sask./Sask.	6,008,363	5,828,065	3.1%	757,050	781,213		0	0		6,765,413	6,609,278	2.4%
Man./Man.	7,017,532	6,768,711	3.7%	399,656	260,190		0	0		7,417,188	7,028,901	5.5%
West/Ouest	53,082,448	50,138,249	5.9%	2,943,450	2,284,597		885,732	759,454		56,911,630	53,182,300	7.0%
Ont./Ont.	56,187,720	53,668,129	4.7%	796,704	703,190		569,153	372,939		57,553,577	54,744,258	5.1%
Que./Qué.	44,654,692	43,258,820	3.2%	2,916,507	2,692,319		0	0		47,571,199	45,951,139	3.5%
Central/Centre	100,842,412	96,926,949	4.0%	3,713,211	3,395,509		569,153	372,939		105,124,776	100,695,397	4.4%
N.B./N.-B.	4,617,600	4,687,770	-1.5%	0	0		0	0		4,617,600	4,687,770	-1.5%
N.S./N.-É.	5,788,955	6,020,786	-3.9%	0	0		0	0		5,788,955	6,020,786	-3.9%
P.E.I./Î.-P.-É.	626,155	560,736	11.7%	0	0		0	0		626,155	560,736	11.7%
N.L./T.-N.-L.	2,327,007	2,246,040	3.6%	0	0		0	0		2,327,007	2,246,040	3.6%
Atlantic/Atl.	13,359,717	13,515,332	-1.2%	0	0		0	0		13,359,717	13,515,332	-1.2%
CANADA	167,284,577	160,580,530	4.2%	6,656,661	5,680,106		1,454,885	1,132,393		175,396,123	167,393,029	4.8%

	Base Allocation de base	%
B.C./C.-B.	23,450,000	1.5%
Alta./Alb.	15,817,399	2.8%
Sask./Sask.	5,918,319	1.5%
Man./Man.	6,917,868	1.4%
West/Ouest	52,103,586	1.9%
Ont./Ont.	54,790,860	2.5%
Que./Qué.	43,920,398	1.7%
Central/Centre	98,711,258	2.2%
N.B./N.-B.	4,564,688	1.2%
N.S./N.-É.	5,711,269	1.4%
P.E.I./Î.-P.-É.	618,392	1.3%
Nfld./T.-N.	2,295,293	1.4%
Atlantic/Atl.	13,189,642	1.3%
CANADA	164,004,486	2.0%

Recommendations vs base Recommandations vs la base	
Provinces	2.0%
CPEPC/CCTOV	2.0%
FPPAC/ACSV	2.0%
Restaurants Canada	2.0%

June 1, 2016 / 1 juin 2016

6.

Supply and Demand Estimates for Period A-139 (Mkg)						
Estimations de l'offre et de la demande pour la période A-139 (M de kg)						
	2016 Projection / Estimation pour 2016				2015	2014
	Provinces (As submitted / Comme présenté)	RC	FPPAC / ACSV	CPEPC / CCTOV	Actual Réal	Actual Réal
Supply / Offre						
Domestic Allocation / Allocation domestique	167.3	167.3	167.3	167.3	160.6	157.9
Dom. Alloc./Base Allocation Alloc. Dom./Alloc. de base	2.0%	2.0%	2.0%	2.0%		
Mrkt Dvlpmnt Allocation / Allocation à l'exp du marché	6.7		6.0		5.7	7.1
Specialty Allocation / Allocation de spécialité	1.5		1.2		1.1	
Total Production / Production totale	175.4		174.5		167.4	165.0
Imports / Importations	14.0		14.5		11.3	13.8
Reduction of inventory / Reduction de l' invent.						
Total Supply / Offre totale	189.4		189.0		178.7	178.9
Demand / Demande						
Exports / Exportations	8.2		7.5		7.2	8.6
Addition to inventory / Ajout à l'inventaire					2.3	0.7
Domestic Consumption / Consom. Domestique	181.2		181.5		169.2	169.5

June 1, 2016 / 1 juin 2016

Period A-140 Allocations (October 30, 2016 - December 24, 2016)
Allocations pour la période A-140 (30 octobre 2016 - 24 décembre 2016)

Eviscerated weight / Poids éviscéré

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
B.C./C.-B.	23,899,948	1,682,745	716,202	26,298,895
Alta/Alb.	16,678,143	441,240	132,372	17,251,755
Sask.	5,985,634	757,050	0	6,742,684
Man.	6,903,746	399,656	0	7,303,402
Ont.	56,551,108	685,794	567,748	57,804,650
Que/Qué.	44,729,132	3,204,648	0	47,933,780
N.B./N.-B.	4,616,348	0	0	4,616,348
N.S./N.-É	5,793,003	0	0	5,793,003
P.E.I./I-P-É.	630,820	0	0	630,820
Nfld./T.-N.	2,314,217	0	0	2,314,217
CANADA	168,102,099	7,171,133	1,416,322	176,689,554

Live weight / Poids vivant

	Domestic Allocation	Market Development Allocation	Specialty Allocation	Total Allocation
	Allocation domestique	Allocation à l'expansion du marché	Allocation de spécialité	Allocation totale
B.C./C.-B.	32,521,361	2,289,761	974,557	35,785,679
Alta/Alb.	22,679,009	600,000	180,000	23,459,009
Sask.	8,143,720	1,030,000	0	9,173,720
Man.	9,392,852	543,750	0	9,936,602
Ont.	76,482,429	927,500	767,850	78,177,779
Que/Qué.	60,715,531	4,350,000	0	65,065,531
N.B./N.-B.	6,280,746	0	0	6,280,746
N.S./N.-É	7,881,637	0	0	7,881,637
P.E.I./I-P-É.	858,259	0	0	858,259
Nfld./T.-N.	3,148,595	0	0	3,148,595
CANADA	228,104,139	9,741,011	1,922,407	239,767,557

June 1, 2016 / 1 juin 2016

This is Exhibit "C" referred to in
the affidavit of JEFF McDOWELL
sworn before me at
this JUNE day of 2016

A Commissioner for taking Affidavits
for ONTARIO

As per the meeting held on June 1, 2016, please find below the market requirements agreed to by CFC Directors:
Lors de la réunion du 1 juin 2016, les administrateurs des PPC ont convenu des besoins du marché ci-dessous:

Period / Période A-140

October 30, 2016 - December 24, 2016 / 30 octobre 2016 - 24 décembre 2016

	Domestic Allocation and/et Production domestique			Market Development Allocation and/et Production à l'expansion du marché			Specialty Allocation and/et Production de spécialité			TOTAL Allocation and/et Production TOTAL(E)		
	A-140	2015	change	A-140	2015		A-140	2015		A-140	2015	change
B.C./C.-B.	23,899,948	22,606,725	5.7%	1,682,745	1,185,533		716,202	619,971		26,298,895	24,412,229	7.7%
Alta./Alb.	16,678,143	15,955,079	4.5%	441,240	110,295		132,372	41,442		17,251,755	16,106,816	7.1%
Sask./Sask.	5,985,634	5,786,789	3.4%	757,050	762,100		0	0		6,742,684	6,548,889	3.0%
Man./Man.	6,903,746	6,632,062	4.1%	399,656	273,329		0	0		7,303,402	6,905,391	5.8%
West/Ouest	53,467,471	50,980,655	4.9%	3,280,691	2,331,257		848,574	661,413		57,596,736	53,973,325	6.7%
Ont./Ont.	56,551,108	54,941,502	2.9%	685,794	758,705		567,748	449,686		57,804,650	56,149,893	2.9%
Que./Qué.	44,729,132	44,453,169	0.6%	3,204,648	2,522,189		0	0		47,933,780	46,975,358	2.0%
Central/Centre	101,280,240	99,394,671	1.9%	3,890,442	3,280,894		567,748	449,686		105,738,430	103,125,251	2.5%
N.B./N.-B.	4,616,348	4,241,841	8.8%	0	0		0	0		4,616,348	4,241,841	8.8%
N.S./N.-É.	5,793,003	5,676,212	2.1%	0	0		0	0		5,793,003	5,676,212	2.1%
P.E.I./Î.-P.-É.	630,820	614,176	2.7%	0	0		0	0		630,820	614,176	2.7%
N.L./T.-N.-L.	2,314,217	2,141,097	8.1%	0	0		0	0		2,314,217	2,141,097	8.1%
Atlantic/Atl.	13,354,388	12,673,326	5.4%	0	0		0	0		13,354,388	12,673,326	5.4%
CANADA	168,102,099	163,048,652	3.1%	7,171,133	5,612,151		1,416,322	1,111,099		176,689,554	169,771,902	4.1%

	Base Allocation de base	%
B.C./C.-B.	23,350,000	2.4%
Alta./Alb.	16,011,278	4.2%
Sask./Sask.	5,844,617	2.4%
Man./Man.	6,748,807	2.3%
West/Ouest	51,954,702	2.9%
Ont./Ont.	54,563,229	3.6%
Que./Qué.	43,603,421	2.6%
Central/Centre	98,166,650	3.2%
N.B./N.-B.	4,531,743	1.9%
N.S./N.-É.	5,670,051	2.2%
P.E.I./Î.-P.-É.	618,391	2.0%
Nfld./T.-N.	2,264,385	2.2%
Atlantic/Atl.	13,084,570	2.1%
CANADA	163,205,922	3.0%

Recommendations vs base Recommandations vs la base	
Provinces	3.0%
CPEPC/CCTOV	0.5%
FPPAC/ACSV	-1.0%
Restaurants Canada	3.0%

June 1, 2016 / 1 juin 2016

9.

Supply and Demand Estimates for Period A-140 (Mkg)						
Estimations de l'offre et de la demande pour la période A-140 (M de kg)						
	2016 Projection / Estimation pour 2016				2015	2014
	Provinces (As submitted / Comme présenté)	RC	FPPAC / ACSV	CPEPC / CCTOV	Actual Réal	Actual Réal
Supply / Offre						
Domestic Allocation / Allocation domestique	168.1	168.1	161.6	164.0	163.0	157.3
Dom. Alloc./Base Allocation Alloc. Dom./Alloc. de base	3.0%	3.0%	-1.0%	0.5%		
Mrkt Dvlpmnt Allocation / Allocation à l'exp du marché	7.2		6.0		5.6	6.4
Specialty Allocation / Allocation de spécialité	1.4		1.2		1.1	1.0
Total Production / Production totale	176.7		168.8		169.8	163.7
Imports / Importations	13.5		14.5		8.8	14.2
Reduction of inventory / Reduction de l' invent.						
Total Supply / Offre totale	190.2		183.3		178.6	177.9
Demand / Demande						
Exports / Exportations	8.7		7.5		7.1	7.9
Addition to inventory / Ajout à l'inventaire					5.1	2.1
Domestic Consumption / Consom. Domestique	181.5		175.8		166.4	167.9

June 1, 2016 / 1 juin 2016