

BC Farm Industry Review Board

March 21, 2022

File: 44200-60\BHEC CMB

DELIVERED BY EMAIL

Harvey Sasaki Chair BC Chicken Marketing Board

Dear Mr. Sasaki:

MEETING ON LONG-TERM CHICKEN SECTOR PRICING

Thank you to you and your members for agreeing to meet with the BC Farm Industry Review Board's (BCFIRB) Chicken Sector Pricing Review Panel (Panel) on April 12, 2022, from 1:00pm to 3:00pm.

The purpose is to discuss questions, concerns and sound marketing policy considerations on the Chicken Marketing Board's (Chicken Board) final pricing recommendations submitted to the Panel on March 4, 2022

The Panel asks the Chicken Board to provide a brief (<u>10 minute maximum</u>) presentation of its recommendations at the outset of the meeting, allowing the remaining time for questions and discussion.

Key areas of discussion will include:

- how the Chicken Board intends to develop its grower cost-based formula with appropriate guardrails (the proposed formula) and its proposed timeframe. Questions will include how the Chicken Board intends to lead and manage the development of the proposed formula.
- 2. whether the Chicken Board will consider the impact on industry of the proposed formula.
- 3. how the Chicken Board will manage interim pricing and price linkage between itself and the BC Broiler Hatching Egg Commission, to ensure industry stability.

The recommendations indicate that the Chicken Board's Pricing and Production Advisory Committee (PPAC) will undertake a comprehensive stakeholder engagement process, with specific terms of reference. The PPAC will make recommendations to the Chicken Board on the grower cost component of the proposed formula, as well as Mr. Harvey Sasaki March 21, 2022 Page 2

making recommendations on measures for processor competitiveness and reasonable returns to growers.

The recommendations also set out other tasks and four deliverables, which will be carried out by a committee that will be formed in the future.

Additional Written Information Requested by April 6, 2022:

The Chicken Board states that stakeholder engagement is critical and expects stakeholders to meaningfully engage in the process of developing the proposed formula. They will be encouraged to provide input and verifiable data. The Panel asks that the Chicken Board answer the following questions, in writing, by April 6, 2022:

- 1. What leadership actions will the Chicken Board take to ensure that the stakeholders are meaningfully engaged? What is the Chicken Board's plan to ensure this active engagement?
- 2. When will the committee be formed to carry out the other tasks and deliverables, and how will this committee work with PPAC? How will PPAC and the committee differ in their roles and responsibilities?
- 3. What will be the committee's composition, including the Chair and all members, and how will the Chicken Board select them?
- 4. Who is the "Project Manager" for this process? Who will the Project Manager report to, and how will this person communicate and work with the committee, PPAC and the Chicken Board?
- 5. What role does the Chicken Board see for itself in this process? Will the Chicken Board take an active leadership role among PPAC, the committee, the stakeholders and Project Manager?
- 6. What methods, and checks and balances will the Chicken Board put into place to ensure PPAC and the committee fulfill their terms of reference with the stakeholders and effectively balance competing interests?
- 7. Given the on-going divisions and disagreements between the Chicken Board, the growers and processors, what is the Chicken Board's strategy to build cooperative and productive working relationships to support a successful outcome?
- 8. How and how often will the Chicken Board consult stakeholders in this process? How will the Chicken Board evaluate their input and who will carry out this evaluation.

Mr. Harvey Sasaki March 21, 2022 Page 3

Thank you in advance. The Panel looks forward to meeting with the Chicken Board on April 12.

Regards,

Peter Donkers Chair

cc: Jim Collins, Chair, BC Broiler Hatching Egg Commission Woody Siemens, General Manager, BC Chicken Marketing Board Jennifer Curtis, Manager, BC Chicken Growers' Association Craig Evans, Executive Director, Primary Poultry Processors' Association of BC John Franck, President, BC Egg Hatchery Association Angela Groothof, President, BC Broiler Hatching Egg Producers' Association BCFIRB Website