BC Farm Industry Review Board

May 19, 2021 File: 44200-60\BHEC CMB

Delivered by email

Blair Shier
President
Primary Poultry Processors'
Association of British Columbia

Dear Mr. Shier:

Re: Chicken Sector Pricing Review Process - Further Concerns

Thank you for your letter of May 14, 2021 written on behalf of the Primarily Poultry Processors' Association of BC (PPPABC). Your letter was provided to the BC Farm Industry Review Board (BCFIRB) supervisory panel on chicken pricing.

PPPABC expresses strong concerns and questions about the draft pricing models distributed by the BC Chicken Marketing Board (Chicken Board) and BC Broiler Hatching Egg Commission (Commission) to stakeholders on May 6, 2021. Given its concerns, the PPPABC states it will not attend any further stakeholder roundtables and will provide its feedback on the draft pricing models to the BCFIRB supervisory panel directly, as opposed to the Chicken Board and the Commission as part of their established Review process.

The BCFIRB panel discussed the PPPABC's statements that it will no longer participate in the established Review process with the Chicken Board and Commission. The panel concluded that it is not prepared to hear party submissions directly on the draft pricing models. The panel expects the PPPABC to provide its feedback to the first instance regulators as part of the established Review process. As per my May 5, 2021 letter, the panel continues to take the following position:

The panel wishes to confirm with you that it intends to review all aspects of the engagement process with all parties and that it will seek the input of stakeholders to the proposed long-term pricing strategy once the strategy (formula) has been submitted by the BC Chicken Marketing Board [and BC Broiler Hatching Egg Commission][emphasis added]. The panel has been consistent in its desire for a process that is transparent and collaborative and supports sound marketing policy. The concerns described in your letter will be taken seriously by the panel.

The Chicken Board and Commission remain the first instance decision-makers who are tasked with submitting final recommendations to BCFIRB. The established process allows several opportunities for PPPABC to communicate and discuss its questions and concerns with the draft pricing models directly with the Chicken Board, Commission and

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PPPABC May 19, 2021 Page 2

other supply chain stakeholders before the pricing recommendations are submitted to BCFIRB. These opportunities include: in writing (prior to and following the June 2, 2021 Roundtable); at the June 2, 2021 Roundtable, and at a closing Roundtable to be scheduled in mid-June.

I note the June 2, 2021 Roundtable was rescheduled from May 10, 2021 at the request of the Chicken Board and PPPABC given the current COVID-related plant closure. It is surprising and very disappointing to hear PPPABC does not now plan to attend the rescheduled Roundtable. The panel hopes PPPABC reconsiders its decision and brings its knowledge and experience to this key discussion that will play a role in shaping the future of BC chicken pricing.

Based on the process concerns voiced, the BCFIRB Executive Director and Manager of Issues and Planning are available to attend the June 2, 2021 Roundtable as observers, in addition to the BCFIRB Liaison who is facilitating the Roundtable.

On behalf of the panel, thank you for PPPABC's comprehensive letter. The panel emphasizes again that supply chain cooperation and coordination is critical for a successful outcome for BC's chicken sector. Particularly in this latter stage of the process established by the Chicken Board and Commission.

In closing, it recognizes the supply chain coordination and cooperation recently demonstrated in effectively managing the COVID-related plant closure.

Regards,

Kirsten Pedersen Executive Director

cc: Harvey Sasaki

Chair

BC Chicken Marketing Board

Jim Collins

Chair

BC Broiler Hatching Egg Commission

Bill Vanderspek
Executive Director and Pricing Liaison
BC Chicken Marketing Board

cc's con't

PPPABC May 19, 2021 Page 3

> Stephanie Nelson Executive Director and Pricing Liaison BC Broiler Hatching Egg Commission

Craig Evans
Executive Director and Pricing Liaison
Primary Poultry Processors' Association

Jennifer Curtis Manager and Pricing Liaison BC Chicken Growers' Association

Art Deruiter
Executive Director and Pricing Liaison
BC Broiler Hatching Egg Producers' Association

Ernie Silveri President and Pricing Liaison BC Egg Hatchery Association

Wendy Holm BCFIRB Pricing Liaison

BCFIRB web site