



August 22, 2019

File: 44200-20 CMB BHEC

DELIVERED BY E-MAIL

Jim Collins
Chair
BC Broiler Hatching Egg Commission

Harvey Sasaki
Chair
BC Chicken Marketing Board

Dear Sirs:

CHICKEN INDUSTRY STRATEGIC FRAMEWORK AND PRICING

Thank you for your August 7, 2019 notification that the BC Broiler Hatching Egg Commission (Commission) and the BC Chicken Marketing Board (Chicken Board) are proceeding with a joint initiative to establish a “BC Chicken Industry Strategic Plan”.

The BC Farm Industry Review Board (BCFIRB) met and discussed your initiative on August 14, 2019. BCFIRB strongly supports the joint initiative as being in the long-term interest of BC’s chicken supply chain.

Regarding the outstanding pricing matters, including hatching egg pricing and the live chicken pricing formula, BCFIRB acknowledges the joint commitment of your boards to addressing these issues by November 4, 2019 (broiler hatching eggs) and January 2020 (chicken pricing). BCFIRB continues to ask that the Commission and Chicken Board agree to, and communicate, a process and timeline for reaching an interim or longer term solution on hatching egg pricing.

Clarification Regarding Potential BCFIRB Supervisory Review

Following an August 8, 2019 meeting with yourselves, Kirsten Pedersen and I, I think it is reasonable to say there is now a clarified understanding between BCFIRB, the Chicken Board and the Commission regarding a BCFIRB supervisory review on pricing matters at this time.

British Columbia
Farm Industry Review Board

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First, I can confirm that BCFIRB did not initiate, or intend to initiate, a supervisory review of pricing related matters and the chicken supply chain in its June 28, 2019¹ letter. The intent of the letter was to identify and acknowledge some of the context that is necessary to consider when looking at hatching egg pricing and orderly marketing.

At our August 8 meeting, you also both clarified that the Commission and the Chicken Board are not currently asking BCFIRB to initiate a supervisory review.

As such, BCFIRB does not see a need at this time to "... meet with the Chicken Board and the Commission in the near future to get a better understanding of your proposal, including its scope, timelines and objectives. BCFIRB requires further information before it can properly assess how to effectively and strategically engage in this initiative with respect to its supervisory authorities" per its July 31, 2019² letter.

Going forward

Although BCFIRB is choosing not to formally exercise its supervisory authorities at this time in relation to the establishment of a "BC Chicken Industry Strategic Plan", BCFIRB remains responsible for sound marketing policy in regulated marketing under the *Natural Products Marketing (BC) Act*.

For now, BCFIRB asks that it be kept up to date with the Commission's and Chicken Board's processes and timelines on both pricing related matters and the development and progress of the joint industry strategic plan. BCFIRB staff will be in touch with your staff shortly to discuss the best way of ensuring regular updates.

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

Yours truly,



Peter Donkers,
Chair

cc: Bill Vanderspek, Executive Director
BC Chicken Marketing Board
Stephanie Nelson, Executive Director
BC Broiler Hatching Egg Commission
BC Broiler Hatching Egg Producers Association
BC Chicken Growers Association
Primary Poultry Processors Association of BC
BC Egg Hatchery Association
BCFIRB web site

¹ 2019 June 28. BCFIRB. [BC Broiler Hatching Egg Commission Price Linkage Exit Notice](#).

² 2019 July 29. BCFIRB. [Pricing in the BC Chicken Supply Chain](#).