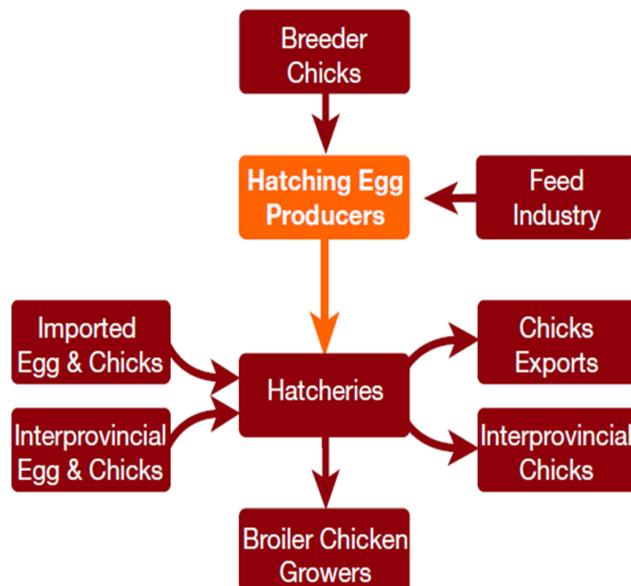


BC Broiler Hatching Egg Industry Snapshot

Industry Facts

- BC broiler hatching egg production is regulated at the provincial and national levels under supply management.
- There are 72 broiler hatching egg premises in BC: 51 hatching egg producers, 10 hatcheries, and 7 pullet growers.
- Broiler hatching egg flocks lay fertilized eggs. The chicks from these eggs are sold to chicken (broiler) producers (see Diagram on right). The growth of the broiler hatching egg industry follows that of the chicken industry.
- BC is the 3rd largest hatching egg producing province (after Ontario and Québec) and supplies 15% of the Canadian market share.
- In 2016, BC produced 105.4M hatching eggs. BC farm cash receipts totaled \$46.8M.
- Based on a 2013 economic impact report, the BC broiler hatching egg industry generates approximately \$92.1M in economic output in direct, indirect, and induced impacts, of which about \$30.9M count towards the GDP. It employs about 480 people (1.8% of BC's agricultural workers) and generates \$7.5M in wages and salaries.
- In 2016, Canadian hatcheries incubated 859.4M broiler hatching eggs—an increase of 20.2M eggs from 2015 (number includes imports). Total farm cash receipts reached \$303.6M in 2016, an increase of \$290.4M.
- The BC Broiler Hatching Egg Producers' Association represents BC hatching egg producer interests.

The hatching egg industry output is the main input for the chicken industry (Source: PWC)

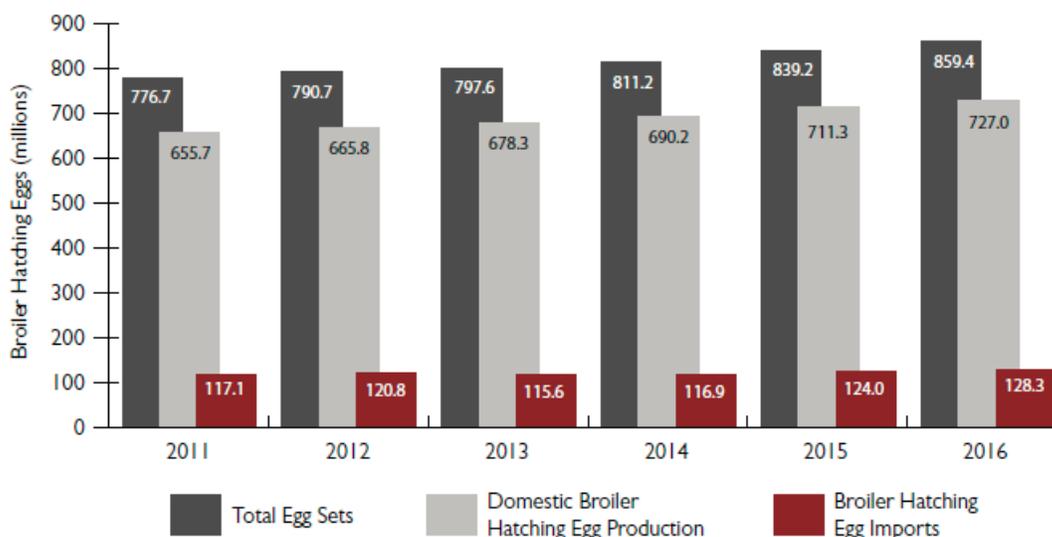


Industry Overview

Growth

- In 2016, growth in chicken demand led to increased demand for broiler hatching egg production. By the end of 2016, the chicken industry saw an annual increase of 4.3%, while domestic broiler hatching egg production grew by 2.2%.

Total Canadian egg sets, including domestic eggs and imports (2011-2016). Sets are broiler hatching eggs from a broiler hatching egg producer that are placed, contemporaneously, in a hatchery's incubator.



Industry Overview—continued...

Trade

- Under trade agreements, border controls were put in place to support supply management. Some broiler hatching eggs (approx. 20% of annual demand) may enter Canada at a low tariff rate. Additional broiler hatching eggs can be imported at a low tariff rate if the importer can show domestic broiler hatching eggs are not available.
- In BC, hatcheries are required to follow an “80% domestic / 20% import” formula for the fertilized eggs they source. This requirement ensures domestically-produced hatching eggs have a market and helps balance competition between hatcheries.

Biosecurity and Animal Care

- Disease prevention and management are central to ensuring a stable, safe supply of poultry products, including hatching eggs. In BC, key industry disease risks for poultry include *Salmonella* and avian influenza (AI). Industry and regulatory bodies continue to work together to develop and implement up-to-date proactive biosecurity protocols and emergency response programs. BC leads the country in its AI emergency response program.
- Animal welfare is increasingly important to consumers. BC’s hatching egg animal care program is based on the national “Code of Practice” for poultry.



Hatching eggs awaiting entrance to a hatching egg facility (left); Newly hatched chicks (bottom)



Sources:

- * Agriculture and Agri-Food Canada; Statistics Canada
- * BC Broiler Hatching Egg Commission
- * Canadian Hatching Egg Producers
- * PWC. (2013). “BC dairy, egg and poultry industries – Economic impact of British Columbia’s dairy, egg and poultry industries – 2011 update”.

Industry Governance

- Canada’s broiler hatching egg industry is supply-managed. It operates under federal and provincial legislation and agreements.
- At the national level, the Canadian Hatching Egg Producers (CHEP) is responsible for the orderly production and marketing of broiler hatching eggs and chicks in Canada and is supervised by Farm Products Council of Canada.
- At the provincial level, the BC Broiler Hatching Egg Commission (the Commission) is the first instance regulator of hatching egg production under the *Natural Products Marketing (BC) Act* and the British Columbia Broiler Hatching Egg Scheme.
- The Commission is responsible for orderly production and marketing of hatching eggs through promoting and regulating the production, transportation, packaging, storage, and marketing of hatching eggs. It sets producer price.
- The Commission works with the BC Chicken Marketing Board (Chicken Board), hatcheries, and the BC Broiler Hatching Egg Producer Association to ensure chicken producers receive quality broiler chicks to supply the chicken meat market. The Commission and the Chicken Board coordinate their efforts to supply chicken meat as part of their commitment to the larger national supply management program.
- The BC Farm Industry Review Board is responsible for ensuring the Egg Board meets its responsibilities in an effective, strategic, and accountable manner that results in sound marketing policy.



BC Farm Industry Review Board

www.gov.bc.ca/BCFarmIndustryReviewBoard

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