

**USE OF REGULATORY AUTHORITY IN DISEASE INSURANCE – JURISDICTION
AND SOUND MARKETING POLICY CONSIDERATIONS
JOINT SUBMISSION
APPENDICES LIST**

Contents

APPENDIX 1 - List of Reports and References.....	2
APPENDIX 2 - CFIA Response Plan For Notifiable Avian Influenza.....	4
APPENDIX 3 - Chronological Summary of Significant Actions 2004 Outbreak of High Pathogenicity Avian Influenza (H7N3) in the Fraser Valley.....	5
APPENDIX 4 - Canadian Poultry Industry Forum - Summary of Recommendations	7
APPENDIX 5 - Risk Management Projects	8
APPENDIX 6 - Interagency Advisory Management Committee	9
APPENDIX 6 - Risk Mitigation Steering Committee	10
APPENDIX 7 - February 2013 Industry Plebiscite and Report to Association Members	11
APPENDIX 8 - BC Poultry Industry Notifiable Avian Influenza Insurance Plebiscite Edition July 2013.....	16
BC Poultry Industry Notifiable Avian Influenza Insurance Plebiscite Edition	18
February 2013 Plebiscite Results	18
Key Elements of the Upcoming Producer Plebiscite.....	18
Plebiscite Process	20
.....	22
APPENDIX 9 - Legal Opinions	27

APPENDIX 1 - List of Reports and References

2004 Avian Influenza Outbreak Reports

Avian Influenza Economic Impact Analysis on the Poultry Industry (Fraser Valley, BC), Federal/Provincial Working Group, October 18, 2004.

Economic Impacts on British Columbia Poultry Industry Due to the Avian Influenza Outbreak, prepared for the BC Poultry Industry Economic Impact Committee, by Serecon Management Consulting Inc., July 28, 2004

Canadian Poultry Industry Forum...Avian Influenza, Lessons Learned and Moving Forward - October 27 & 28, 2004. Abbotsford, British Columbia. December 2004.

http://www.llbc.leg.bc.ca/public/pubdocs/bcdocs/373390/cpif_avian.pdf

Comprehensive Report on the 2004 Outbreak of High Pathogenicity Avian Influenza (H7N3) in the Fraser Valley of British Columbia, Canada. Canadian Food Inspection Agency. June 30, 2004 minor revisions November 24, 2004.

<http://www.collectionscanada.gc.ca/webarchives/20071126095448/http://www.inspection.gc.ca/english/anima/heasan/disemala/avflu/2004rep/introe.shtml>

Avian Influenza Management

Notifiable Avian Influenza Hazard Specific Plan. Canadian Food Inspection Agency. November 2011.

<http://www.inspection.gc.ca/english/anima/disemala/avflu/man/avflue.shtml>

Poultry Industry Strategy Plan and Response

British Columbia Poultry Industry Biosecurity/Emergency Response Strategic Plan – Dec 1, 2005 – June 30, 2008. Poultry Industry Advisory Management Committee. September 2007.

BC Poultry Biosecurity Reference Guide. Prepared by the BC Poultry Association Biosecurity Committee. Editor Dr. Bill Cox, November 2006, Revised January 2012.

BC Poultry Biosecurity Program Audit Procedures and Compliance Manual. March 2007, First Edition; February 2010, Fourth Edition.

Setting the Foundation for Developing Poultry Insurance in B.C. Prepared for the Risk Mitigation Steering Committee by Serecon Management Consulting Inc., January 8, 2009.

A Strategic Plan for Risk Mitigation of Avian Influenza in BC. Prepared for the Industry Government Working Group, by the Risk Mitigation Steering Committee. April 16, 2009.

**Use of Regulatory Authority in Disease Insurance
Jurisdiction and Sound Marketing Policy Considerations
Joint Submission Appendices –2014-01-17**

Poultry Review of Risk Financing Options to Insure Avian Influenza for the British Columbia Poultry Industry. Prepared for the Risk Mitigation Steering Committee by Marsh Canada. January 10, 2010.

Poultry Industry Risk Analysis

Risk Analysis of the BC Poultry Industry - Synopsis Report Risk Management Strategies And Recommendations. Prepared For Risk Analysis Steering Committee On Behalf Of The Poultry Industry Advisory Management Committee by Serecon Management Consulting Inc., May 4, 2007.

Risk Analysis of the BC Poultry Industry - Final Recommendations, Strategies And Analysis Reports. Prepared For Risk Analysis Steering Committee On Behalf Of The Poultry Industry Advisory Management Committee by Serecon Management Consulting Inc., May 2007.

APPENDIX 2 - CFIA Response Plan For Notifiable Avian Influenza

This appendix summarizes the key elements of the CFIA Response Plan and outlines the estimated timelines involved in the response from initial detection to removal of the “infected premise” declarations. The official CFIA Notifiable Avian Influenza Hazard Specific Plan can be found at:

<http://www.inspection.gc.ca/english/anima/disejala/avflu/man/avflue.shtml>

APPENDIX 3 - Chronological Summary of Significant Actions 2004 Outbreak of High Pathogenicity Avian Influenza (H7N3) in the Fraser Valley

Date	Action
Feb 16	BCMAFF notifies CFIA of positive PCR for avian influenza on Premises 1
Feb 18	Samples escorted to NCFAD; BCEOC opened
Feb 19	Public announcement that LPAI was found in the Fraser Valley; NCFAD confirms H7 strain on Premises 1; Emergency Report sent to OIE; index flock depopulated
Feb 23	NCFAD confirms N3 strain on Premises 1; Followup Report #1 sent to OIE
Mar 2	NCFAD confirms LPAI on Premises 1; Followup Report #2 sent to OIE
Mar 8	NCFAD confirms that both LPAI and HPAI were present on Premises 1
Mar 9	BCMAFF notifies CFIA of positive PCR on Premises 2
Mar 10	NCFAD confirms H7 on Premises 2; Followup Report #3 sent to OIE announcing HPAI; High Risk Region and Surveillance Region are designated
Mar 11	NCFAD confirms HPAI on Premises 2; Ministerial Order establishes Control Area and movement restrictions.
Mar 24	Emergency declared and National EOC activated; all flocks in High Risk Region will be depopulated
Mar 29	Positive farm found outside the High Risk Region (but within Control Area)
Apr 1	All flocks testing positive for avian influenza by matrix PCR will be depopulated without waiting for confirmation of H7 strain; news release from public health officials confirming H7 isolation in a poultry worker.
Apr 3	Depopulation of all backyard flocks in the High Risk Region is complete
Apr 3	Weybridge laboratory confirms the results of NCFAD
Apr 5	Ministerial Order to depopulate the entire Control Area; poultry owners will be required to control access to their property; Provincial EOC activated.
Apr 8	Destruction orders issued to hatcheries in the Control Area; poultry products from Control Area can now move directly to domestic retail outlets outside of Control Area (but these products are not eligible for export)
Apr 13	Depopulation all commercial flocks in the High Risk Region is complete; depopulation will now target flocks within 3 km of infected premises
May 13	Samples collected from what will become the last infected commercial farm.
May 16	Samples collected from what will become the last infected backyard flock.
May 20	Depopulation of the last infected commercial premises

May 21	The last farm within the 3 km zones is depopulated.
Jun 4	Depopulation activities within the Control Area are halted.
Jun 8	Industry compensation package announced
Jun 10	Revised High Risk Region is designated (municipal boundaries of the City of Abbotsford).
Jun 11	All compost piles are deemed to be free of influenza virus.
Jun 18	All 41 farms within the Revised High Risk Region have been cleaned and disinfected
Jun 30	All infected premises remain under quarantine, cleaning and disinfection remains to be completed on one farm
July 9	21 days post cleaning and disinfection of infected premises. This meet the OIE standard for freedom in infected zone
Aug 18	Ministerial control area order rescinded

For a detailed, daily chronology of events refer to Appendix A, Report on the Canadian Poultry Industry Forum, December 2004:

http://www.llbc.leg.bc.ca/public/pubdocs/bcdocs/373390/cpif_avian.pdf

APPENDIX 4 - Canadian Poultry Industry Forum - Summary of Recommendations

	LEAD ORGANIZATION/S
1. ANIMAL AND HUMAN HEALTH INTERFACE – ACTION	
a. Convene first Animal Health/Public Health Forum	CFIA/Public Health Agency of Canada (PHAC)
b. Animal and public health experts to combine capabilities to generate better integrated knowledge about zoonotic diseases	CFIA/PHAC
c. Establish protocols including occupational health measures that ensure animal outbreaks are investigated and controlled through a team approach encompassing animal and human health.	CFIA, PHAC, Health Canada (HC) Workplace Health and Public Safety Program (WHPSP) and Provincial agencies
2. BIOSECURITY – ACTION	
a. Establish a multi-stakeholder working group to develop national biosecurity standards and options for effective implementation	AAFC/Industry
b. Implement renewed biosecurity standards	Industry
c. Examine the feasibility of establishing a pre-emptive destruction policy and develop tools and approaches for rapid pre-emptive culls (BC Industry Emergency Response Plan)	CFIA, AAFC, Industry
3. ENHANCED EMERGENCY MANAGEMENT – ACTION	
a. Update FADES plan by implementing lessons learned and increasing emphasis on zoonotic potential of some diseases	BC Government/CFIA. CFIA to undertake with all provinces
b. Consult with BC Livestock Industries and other stakeholders to improve awareness of the FADES plan	CFIA and BC Government
c. Complete and adopt the Industry Emergency Response Plan	BC Industry
d. Develop a national mortality disposal strategy for all livestock specialties	CFIA/Industry
4. INDUSTRY AND COMMUNITY ECONOMIC RECOVERY – ACTION	
a. Undertake a review, in consultation with stakeholders, of the compensation policy available under the Health of Animals Act	CFIA
b. Maintain a periodic review process for the Health of Animals Act schedule of values including new types of farmed animals	CFIA
c. Government-Industry cooperation in the recovery phase to be enhanced by creating an integrated network of support services(financial, social, etc).	BCMAFF
d. Examine opportunities to mitigate community and allied trade economic impacts	BCMAFF
e. Develop and implement Industry Risk Management Insurance Plan	Industry

Source: Canadian Poultry Forum, ...Avian Influenza, Lessons Learned and Moving Forward – October 27 & 28, 2004

http://www.llbc.leg.bc.ca/public/pubdocs/bcdocs/373390/cpif_avian.pdf

APPENDIX 5 - Risk Management Projects

BC Investment Agriculture Foundation

In addition to the funding of biosecurity implementation, the Foundation has provided funding for to the following projects related to the insurance risk management:

- ▶ A0437 – Economic Impacts on BC Poultry Industry (Serecon 2004)
 - \$50,677
- ▶ AIP 001 - Risk Analysis of the BC Poultry Industry (Serecon 2007)
 - \$117,946
- ▶ AIP 005 – Delivery Model Assessment (Marsh 2010)
 - \$18,000
- ▶ AIP 006 – Insurance Model (Serecon 2009)
 - \$17,869.75
- ▶ AIP 007 – Insurance Product Design (Agri-Saki 2011)
 - \$24,639.51
- ▶ AIP 008 – LQM Update and Presentation (Serecon 2011)
 - \$10,621.69
- ▶ AIP 009.01 – Management of Insurance Product Development (Agri-Saki 2012/14)
 - \$202,200
- ▶ AIP 009.02 – Insurance Product Development (Aon Benfield 2012/13)
 - \$127,030
- ▶ AIP 009.03 – Captive Management Services (Aon Risk Solutions 2012/13)
 - \$39,200
- ▶ AIP 009.04 – Actuarial Assessment of Captive (JS Cheng 2013)
 - \$38,700

Federal Private Sector Risk Management Partnership

- ▶ Development of an Avian influenza (AI) Disease Indemnification Program for the British Columbia Poultry Industry
 - \$392,933

APPENDIX 6 - Interagency Advisory Management Committee

Allen James, Chair	BC Poultry Association
Brian Redekop	BC Chicken Growers' Association
Calvin Breukelman	BC Broiler Egg Hatching Commission
Jon Krahn	BC Egg Producers Association
Dr. Neil Ambrose	BC Primary Poultry Processors Association
Michel Benoit	BC Turkey Board
Jake Esau	BC Poultry Association Biosecurity Committee
Walter Siemens	BC Egg Marketing Board
Dr. Daniel Schwartz	Canadian Food Inspection Agency – ex-officio
Janine Gyug	Agriculture and Agri-Food Canada – ex-officio
Dr. Victoria Bowes	BC Ministry of Agriculture, AHB Laboratory– ex-officio
Dr. William Cox	BC Ministry of Agriculture, ex-officio
Coreen Moroziuk	Investment Agriculture Foundation – Initiative Program Manager

APPENDIX 6 - Risk Mitigation Steering Committee

Member	Representing:
Daniel Schwartz	Canadian Food Inspection Agency
Marvin Friesen	BC Poultry Association
Jane Pritchard	BC Ministry of Agriculture
Al Sakalauskas	BC Egg Marketing Board
Bill Cox	BC Ministry of Agriculture
Coreen Moroziuk	Investment Agriculture Foundation
Garnet Etsell	BC Poultry Association
Jake Esau	BC Poultry Association
Tracey Innes	Agriculture and Agri-Food Canada
Katie Lowe	BC Chicken Marketing Board
Lonny Steward	BC Ministry of Agriculture
Michel Benoit	BC Turkey Marketing Board
Bruce Stephen	PSRMP, Agriculture and Agri-Food Canada
Allen James	BC Poultry Association
Peter Whitlock	BC Broiler Hatching Egg Commission

**APPENDIX 7 - February 2013 Industry Plebiscite and Report to
Association Members**

BC Poultry Industry Avian Influenza Insurance Industry Plebiscite

The Directors of the British Columbia Broiler Hatching Egg Producers Association, the BC Chicken Growers Association, the British Columbia Egg Producers Association, the B.C. Turkey Association and the BC Poultry Association have endorsed a recommendation from the Risk Mitigation Steering Committee (RMSC) that British Columbia's regulated poultry industry work collectively and collaboratively to complete the pre-implementation phase of a mandatory avian influenza insurance program for registered poultry producers in British Columbia. The insurance program will complete the four-part BC Poultry Industry Risk Mitigation Strategy. The other three parts, mandatory biosecurity, surveillance and emergency response are already in place. The provision of an insurance program will ensure adequate compensation and timely recovery if avian influenza detected in a flock.

The RMSC also recommended that the poultry associations pursue the establishment of an association captive insurance company, which would be owned and operated by the four regulated associations.

In the event of a highly pathogenic avian influenza discovery or a low pathogenic H5 or H7 avian influenza discovery, the insurance will cover producers whose birds have been ordered destroyed for 90 per cent of

- The gap in mortality compensation provided under the *Health of Animals Act* for poultry ordered destroyed by the Canadian Food Inspection Agency;
- The additional cost of cleaning and disinfection of infected premises to Canadian Food Inspection Agency standards; and
- Up to 8 weeks of business interruption in the event of prolonged delays in repopulation of infected premises beyond normal restocking schedules.

The directors of your association are seeking your feedback on the association participating in the insurance program and holding shares in the captive insurance company.

I support the association proceeding with the completion of the pre-implementation phase

Yes _____ No _____

To assist the association directors understanding of your apprehensions if you have voted not to support, please indicate the reasons for your non-support:

- _____ Insufficient information has been made available to me
- _____ Added cost of the insurance
- _____ Benefits of the program are not worth the cost
- _____ Other, please specify: _____

**BC Poultry Industry Avian Influenza Insurance
February 2013 Industry Plebiscite Results
Report to Association Members**

From February 9 to 25, 2013, members of the British Columbia Broiler Hatching Egg Producers Association, the BC Chicken Growers Association, the British Columbia Egg Producers Association and the B.C. Turkey Association were asked to vote on a plebiscite on the proposed Avian Influenza insurance program to be delivered through an industry-owned captive insurance company. The plebiscite was administered by the Council of Marketing Boards through an electronic voting system where the member had an email address on file with their board or commission or by mail post where there was no email address on file.

The interim directors appointed by each association were seeking feedback on the associations participating in the insurance program and holding shares in the captive insurance company. Producer members were asked whether or not they supported the association proceeding with the insurance program and if not, what was the reasoning for non-support.

The results of the plebiscite are as follows:

Industry-wide Result:

Total ballots issued:	587
Total ballots cast	268
Response rate	44.9%
Percentage in Favour	67.8%

Broiler Hatching Egg Producers:

Total ballots issued:	53
Total ballots cast	39
Response rate	73.6%
Percentage in Favour	89.7%

Chicken Producers

Total ballots issued:	337
Total ballots cast	134
Response rate	39.8%
Percentage in Favour	58.2%

Egg Producers

Total ballots issued:	133
Total ballots cast	59
Response rate	44.3%
Percentage in Favour	69.4%

Turkey Growers

Total ballots issued:	64
Total ballots cast	32
Response rate	50.0%
Percentage in Favour	78.1%

Analysis of the Results

- The total response rate of nearly 45% is good, however, over 50% of the industry members still have not expressed their view directly.
- While overall the result was nearly 70% in favour, the level of support varied between sectors from only 58% from chicken growers to nearly 90% of broiler hatching egg producers.
- The high response rate and high level of support of broiler hatching egg producers is indicative of a high level of support, whereas the low response rate and low support rate amongst chicken growers is not so positive.
- Regional difference also factored into the equation in both chickens and eggs.
 - For chicken growers, of the 56 members on Vancouver Island and in the Interior regions, 24 or 42.9% voted with only 33.3% voting in support.
 - For egg producers, of the 29 regional members, 16 or 55.2% registered votes with only 45.5% voting in support.
 - For turkey growers, of the 16 regional members, 6 or 37.5% registered votes, with 50% voting in support.
- The reasons expressed by members for non-support of proceeding included an equal distribution between:
 - Insufficient information has been made available
 - Concern over added cost of insurance
 - Perceived benefits not warranting the cost of the insurance
 - Other, including
 - Have good biosecurity in place, what are the risks?
 - Concern about coverage for specialty production
 - General opposition to insurance with various reasons cited
 - Support for mandatory C&D but not gap coverage
 - Concern about added costs to industry for “another” industry organization
 - Availability of other government programs or government support will be provided in the event of loss.
 - Regional risk is less than the Fraser Valley and consequently very limited benefits to regional producers.

Key Points for Members:

- For those who provided feedback by voting thank you.
- For those who did not vote, we still need to hear from you.
 - A second plebiscite will be conducted in May, we really want to see a much higher response, in particular from chicken growers, egg producers and turkey growers.
 - As well, if you have strong concerns about the association proceeding with implementation of the insurance program, please contact us.
- With a positive overall result by each association, the Interim Directors will continue to develop the final insurance product taking into consideration the feedback provided through the plebiscite in the design of the final product.
 - Of particular note, we are committed to working with regional groups to address specific concerns raised.
- The next Plebiscite to be conducted in May will:
 - Benefit from the completion of an independent analysis of the program and structure. The Interim Directors will be working with an actuary company with experience in assessing the feasibility of insurance programs and products. We expect a final report in April that will provide valuable information that will be shared with members.
 - Address the comments provided will be addressed either by way of modifications to the program or if not incorporated into the program, reasons provided as to why they were not included.

Respectfully submitted by:

Garnet Etsell
Chair and BC Poultry Association Interim Director

Bruce Apperloo
Broiler Hatching Egg Producers Association Interim Director

Ravi Bathe
Chicken Growers Association Interim Director

Art Friesen
Egg Producers Association Interim Director

Steven Redekop
Turkey Association Interim Director

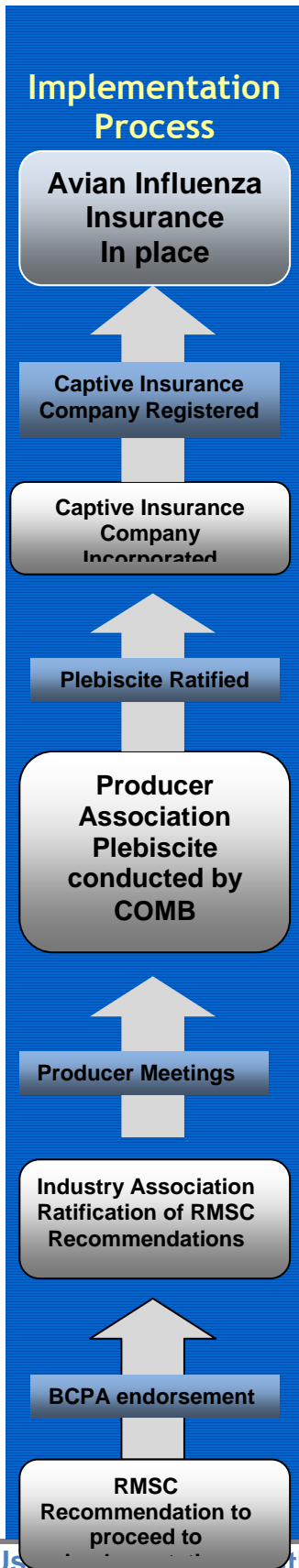
2013-03-05

**APPENDIX 8 - BC Poultry Industry Notifiable Avian Influenza Insurance
Plebiscite Edition July 2013**

British Columbia Poultry Industry Avian Influenza Insurance for BC Chicken Producers

June 2013

Volume 2, Number 4



BC Poultry Industry Notifiable Avian Influenza Insurance Plebiscite Edition

February 2013 Plebiscite Results

The Directors of the proposed captive insurance company appreciate the participation and support of registered producers in the February 2013 plebiscite. The February plebiscite was intended to obtain feedback, gauge association member support for, and the value producers place on the completion of the final phase of the risk mitigation strategy. The first plebiscite sought producer member support for the association’s decision to proceed to the implementation phase.

Each association was required to demonstrate majority support of its members through the plebiscite. As reported at the association annual general meetings and through email distribution of the report, that mandate was received in all four sectors.

Key Elements of the Upcoming Producer Plebiscite

The second plebiscite scheduled for June, will seek member support to put in place the mandatory insurance program and establish the captive insurance company. The plebiscite will ask two questions:

- Do you agree with the association implementing a mandatory avian influenza insurance program through an industry owned captive insurance company?
- Do you agree with the marketing board/commission to use funds to enable the association to set-up the captive?

Details pertaining to the plebiscite questions are as follows:

What does “implementing a mandatory avian influenza insurance program through an industry owned captive insurance company” mean?

- The association will request their respective board/commission to adopt within the General Orders a requirement for licenced producers to insure flocks for loss occasioned by insurable perils, including Notifiable Avian Influenza.
- The association will be the “insured” and by extension, members of the association will be afforded the insurance coverage provided.
- An “industry owned captive insurance company” means

- The association will be a shareholder in the captive insurance company.
- Each association will be responsible for appointing a director to the captive insurance company.
- Each association will be responsible for providing \$50,000 (\$200,000 in total) which will represent shareholder equity in the captive and make up the minimum capital requirements to register with the BC Financial Institutions Commission. This amount will be due at the time of incorporation of the captive.
- Each association will be responsible for contributing to the insurance fund (initial capitalization). This amount will be determined by the share of risk (as measured by annual expected loss calculated by an independent actuary). The initial capitalization has been set at \$2.5 million and is split between the sectors as follows:
 - BC Broiler Hatching Egg Producers Association (Breeders) - \$297,500
 - BC Chicken Growers Association (Broilers) - \$1,495,000
 - BC Egg Producers Association (Layers) - \$552,500
 - BC Turkey Association (Turkeys) - \$155,000

How much will the premium be?

- The annual premium has been set at \$700,000.
- The annual premium includes coverage for:
 - Providing 90% of
 - The difference between the CFIA payments and the actual value of the birds when euthanized;
 - The cost of cleaning and disinfection; and
 - Up to eight weeks of business interruption in the event that scheduled restocking is missed
- The annual premium includes provisions for
 - Annual expected loss as calculated by an independent actuary.
 - Annual operating costs
 - External adjuster costs
 - Premium tax (4%)
 - Reinsurance premiums
- The annual premium broken down by commodity and per unit of production is as follows:
 - Breeders - \$83,300 or for 750,000 birds - \$0.1111 per bird
 - Broilers - \$418,600 or for 96.9 million birds - \$0.0020 per kg
 - Layers - \$154,700 or for 2.6 million birds - \$0.0533 per bird
 - Turkeys - \$43,400 or for 2.9 million birds - \$0.0017 per kg

What is meant by “support the marketing board/commission to use funds for the implementation”?

- As a result of the 2004 Avian Influenza response, the boards/commission included in the producer levies, a portion that would be available to address costs of a future disease event.
- The boards/commission is holding funds from producer levies that could be used to support the implementation of the captive and insurance program.
- The purpose of the question is for producers to consent to the proposed use of levies held by the boards/commission as well as making the transaction transparent to producers.

Plebiscite Process

The captive directors appreciated the 44.9 percent participation rate in the previous plebiscite. The captive directors would like to see the response rate increased significantly to be able to assure government and the regulatory agencies that it has the support of the majority of registered producers.

The Council of Marketing Boards will be conducting the plebiscite. The format will be electronic ballot, except where a registered producer does not have an email address, in which case a mail -in ballot will be provided. Through the first plebiscite there was some confusion that we hope to address in the second plebiscite that will improve the response rate:

- **Multiple licences within a sector attributed to one email address.** A farm having more than one licence, i.e. husband and wife, different corporate holdings, but are all registered with a single email address.
 - **If this applies to you** – the email will provide more than one PIN. You must register a vote for each PIN issued.
- **Licences for more than one type of production.** A farm may have a licence for more than one commodity, i.e. a broiler licence and an egg licence, but are all registered with a single email address.
 - **If this applies to you** – you will likely receive more than one email. Each email will contain a specific PIN associated with your commodity, in other words, if you have both broiler and turkey quota licences you will receive a separate email and have a separate vote to register for your broiler licence and your turkey licence.
- **Check your Spam Folder.** Some producers reported not receiving an email. In some cases the email was considered a security risk by your computer’s email program and sent the “comb” email directly to your SPAM or JUNK or Deleted folders. If you have not received an

email within the first few days of announcement of the plebiscite, please check these email folders. If the email is not in any of these folders, please contact COMB at jackwessel@me.com.

It is important that you vote on the plebiscite as the insurance program or captive insurance company cannot proceed without the majority support of each association. COMB will provide a list to the association of those who have not yet registered a vote after 5 and 10 days of the plebiscite being initiated. You may receive a call from an association director reminding you to register your vote.

Does this mean that my vote is not confidential? No, your actual vote will remain confidential, the electronic balloting system generates reports on who has yet to register a vote and it will automatically send an email reminder to those who have not registered their vote. Association directors will simply receive the list of those who have not registered a vote.

I already voted, why did I receive another email and a phone call? It may be because you hold multiple licences and may have not registered a vote on one or more of the licences.

For further information on the Avian Influenza Insurance Program or Captive Insurance Company, please contact your interim director, Ravi Bathe at 604-835-3529 or ravi@randrfarmsltd.ca or Harvey Sasaki, Project Manager at 250-727-0155 or harveysasaki@gmail.com.

This project was funded in part by the British Columbia Ministry of Agriculture's Poultry Bio-security and Emergency Response Initiative. The Initiative is delivered by the Investment Agriculture Foundation of BC.

Funding provided by:



**BC Poultry Industry Avian Influenza Insurance
June/July 2013 Industry Plebiscite Results
Report to Association Members**

The second plebiscite on the proposed mandatory Notifiable Avian Influenza insurance to be delivered through an industry-owned captive insurance company was conducted from June 24 to July 29, 2013. Members of the British Columbia Broiler Hatching Egg Producers Association, the British Columbia Chicken Growers Association, the British Columbia Egg Producers Association and the B.C. Turkey Association were asked to vote on whether or not they supported:

- The association implementing a mandatory avian influenza insurance program through an industry-owned captive insurance company.
- The marketing boards/commission using funds to enable the association to set-up the captive.

The plebiscite was administered by the Council of Marketing Boards through an electronic voting system where the member had an email address on file with their board or commission or by mail post where there was no email address on file. Follow-up reminders were issued on June 28, July 8 and July 15. Interim Directors of the proposed captive telephoned their association members reminding them to vote throughout the plebiscite period.

Question 1 – Do you agree with the association implementing a mandatory avian influenza insurance program through an industry owned captive insurance company?

Industry-wide Result:

Total ballots issued:	585
Total ballots cast	398
Response rate	68.0%
Percentage in Favour	65.8%

Broiler Hatching Egg Producers:

Total ballots issued:	52
Total ballots cast	41
Response rate	78.8%
Percentage in Favour	90.2%

Chicken Producers

Total ballots issued:	335
Total ballots cast	233
Response rate	69.6%
Percentage in Favour	54.1%

Egg Producers

Total ballots issued:	133
Total ballots cast	82
Response rate	61.7%
Percentage in Favour	76.8%

Turkey Growers

Total ballots issued:	65
Total ballots cast	42
Response rate	64.6%
Percentage in Favour	85.7%

Analysis of the Results

- The Directors had set a target response rate of 67%.
 - The 68% total response rate was considerably higher than the 45% achieved in the first plebiscite.
 - All four sectors achieved higher than a 60% response rate
 - Broiler Hatching Eggs at 78.8% up from 73.6% in February.
 - Chickens at 69.6%, up from only 39.8% in February.
 - Eggs at 61.7%, up from 44.3% in February.
 - Turkeys at 64.6%, up from 50% in February.
 - The response rate is extremely high relative to that experienced on other association matters.
- The overall result was affected by the low level of support of chicken growers (54%), a slight decrease as well from the February plebiscite (58%).
 - Support of the other three sectors was significant and increased:
 - 76.8% of egg producers voting, up from 69.4% in February
 - 85.7% of turkey growers voting, up from 78.1% in February
 - 90.2% of broiler hatching egg producers voting, up from 89.7%.
- Regional difference also factored into the equation in chickens, eggs and turkeys.
 - For chicken growers:
 - Of the 16 members on Vancouver Island only 3 of 9 voting supported the plebiscite (33.3%).
 - Of the 43 members in the Interior, only 9 of 32 voting supported the plebiscite (28.1%).
 - For egg producers:
 - Of the 11 members on Vancouver Island, only 2 of 9 voting supported the plebiscite (22.2%).
 - Of the 16 members in the Interior, 4 of 8 voting supported the plebiscite (50%).
 - For turkey growers:
 - Of the 10 members on Vancouver Island, 5 of 7 voting supported the plebiscite (71.4%)
 - Of the 7 members in the Interior, only 1 registered a vote of non-support.

Question 2 – Do you agree with the marketing board/commission using funds to enable the association to set-up the captive?

Industry-wide Result:

Total ballots issued:	585
Total ballots cast	396
Response rate	67.7%
Percentage in Favour	68.2%

Broiler Hatching Egg Producers:

Total ballots issued:	52
Total ballots cast	41
Response rate	78.8%
Percentage in Favour	92.7%

Chicken Producers

Total ballots issued:	335
Total ballots cast	232
Response rate	69.3%
Percentage in Favour	55.2%

Egg Producers

Total ballots issued:	133
Total ballots cast	81
Response rate	60.9%
Percentage in Favour	82.7%

Turkey Growers

Total ballots issued:	65
Total ballots cast	42
Response rate	64.6%
Percentage in Favour	88.1%

Analysis of the Results

- The results for this plebiscite question are very much in line with those for the first question.
- There were two less votes registered.
- The number of votes supporting the plebiscite question was greater in each sector and by eight in total, increasing the percentage in support to 68.2%.
- The regional responses were consistent on Vancouver Island for all sectors, but minor differences in the Interior, where producers expressed greater support amongst chicken growers and egg producers.

Next Steps:

- The results of the plebiscite will be released via an industry newsletter update.
- The boards and commission will be notified by the Associations Interim Director and by way of newsletter update.
- The results will be included in the Joint Submission to the Farm Industry Review Board.
- A meeting with the allied trades (all sectors) to share the plebiscite results, information on the mandatory insurance and seek their perspectives and views will be set-up in late August. A newsletter update will also be provided.
- Associations will be required to consider a resolution to proceed with incorporation and registration prior to the end of September.
- Assuming associations pass the proposed resolution, the President of the Association will issue a personal letter to each member advising of the decision to proceed.
- The results of the plebiscite will be discussed at fall regional meetings to identify the key issues resulting in the expressed non-support to proceed.
- After the completion of the Farm Industry Review Board’s Supervisory Review, each Association will proceed with a request to the boards/commission to:
 - Implement mandatory insurance
 - Provide the initial shareholder equity contribution (\$50,000)
 - Provide the shareholder portion of the capital funding upon registration of the Captive.

Respectfully submitted by Interim Directors:

Garnet Etsell
Chair and BC Poultry Association

Bruce Apperloo
Broiler Hatching Egg Producers Association

Ravi Bathe
Chicken Growers Association

Marvin Friesen
Egg Producers Association

Steven Redekop
Turkey Association

APPENDIX 9 - Legal Opinions