



May 22, 2014

Mr. John Les, Chair
British Columbia Farm Industry Review Board
PO Box 9129 Stn Prov Govt
Victoria, BC
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VIA EMAIL: firb@gov.bc.ca

John,

BCCMB Request for Changes to the Exemptions in the Transfer Assessment Used for the NEG Program

The British Columbia Chicken Marketing Board (BCCMB) recognizes the importance of facilitating entry to the industry and enhancing market responsiveness for specialty products. Since 2006, through our New Entrant Grower (NEG) Program, we have granted quota to 63 new entrants and have grown the market for organic and Asian breed chicken. However, this has occurred at a time when chicken consumption is stagnant, chicken imports are growing, and regulations are increasing. With BC's national allocation for chicken at a plateau, the success of the NEG program has come at the expense of the remaining mainstream growers and processors.

In 2013, BCCMB's Pricing and Production Advisory Committee (PPAC), which includes representatives from processors, BC Chicken Growers Association and BC Broiler Hatching Egg Producers Association, formed a committee to examine the policy considerations surrounding exemptions for the NEG program. This exemptions committee concluded that a change in policy was needed to help protect historical production-based investments and maximize system efficiencies. BCCMB staff was asked to further investigate this issue.

In the spring of 2014, BCCMB staff prepared a discussion paper that analyzed the issue of exemptions. The PPAC strongly supported the policy analyses and recommendations in this paper, forwarding it to our board for consideration. At our regularly scheduled board meeting on May 20, 2014, the BCCMB moved to bring the policy recommendation to the BC Farm Industry Review Board.

BCCMB requests that the BC Farm Industry Review Board approve the following:

BCCMB's New Entrant Grower program should exempt the following transactions from its funding formula:

1. Transfers to Direct Family Members

2. Business restructuring involving :

a. a change from partnership to corporation with the shareholders remaining the same

OR

b. a change in the percentage of ownership between shareholders of a company.

This request relates to transfers that are not technically transferring the ownership of the quota outside a family, but are merely common transactions among family farm businesses today. The BCCMB, as an administrator of sound marketing policy requests these changes in order to protect historical investments, increase consistency in the sector and maximize supply chain efficiencies

We have attached the Discussion Paper "BCCMB New Entrant Grower Program Exemptions April 24, 2014" for further background.

We hope that you consider this request. If you have any questions, comments or concerns please do not hesitate to contact our Executive Director Bill Vanderspek at 604-859-2868.

Sincerely,



Robin Smith
Chair
British Columbia Chicken Marketing Board
Enclosure
cc: Stuart Wilson, Chair, PPAC