



January 17, 2020

File: 44200-20 CMB

**DELIVERED BY E-MAIL**

Harvey Sasaki  
Chair  
BC Chicken Marketing Board

Jim Collins  
Chair  
BC Broiler Hatching Egg Commission

Blair Shier  
President  
Primary Poultry Processors Association of BC

Dale Krahn  
President  
BC Chicken Growers Association

Dear All:

**URGENT REQUEST FOR POSITIONS: LONG-TERM CHICKEN PRICING FORMULA DEADLINE EXTENSION**

On January 15, 2020 the BC Chicken Marketing Board (Chicken Board) reported to the BC Farm Industry Review Board (BCFIRB), the BC Chicken Growers Association (BCCGA), the Primary Poultry Processors Association of BC (PPPABC) and the BC Broiler Hatching Egg Commission (Commission) that development of a long-term pricing formula was delayed. In turn, the Chicken Board plans to set pricing for A-161 based on an adjustment to the current interim pricing formula (also called the “bridging agreement”).

In 2018 the BCCGA and PPPABC appealed the following chicken pricing formula decision by the Chicken Board:

BC Posted Price = Ontario price + 75% of the difference in feed costs per kilogram of live chicken between BC and Ontario (based on a 6 period rolling average) + \$0.0365 (catching).

- The Ontario price will be the posted price at the weight category (2.45 kgs to 2.65 kgs).

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British Columbia  
Farm Industry Review Board

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- The price is inclusive of catching at 3.65 cents per kilogram. Any increase or decrease to the price of catching will be reflected in the BC live price going forward.

In its May 16, 2019 *PPPABC and BCCGA v BC Chicken Marketing Board*<sup>1</sup> appeal decision, BCFIRB made the following finding and direction regarding the chicken pricing formula:

Finding: The development of the June 27, 2018 pricing formula was based on a procedurally sound process and should remain in place until such time as the Chicken Board establishes a new pricing formula.

...

118. The appeals are dismissed. The Chicken Board is directed to issue its decision regarding a long-term pricing formula not later than period A-161.

In light of the Chicken Board' January 15 letter, an amendment to BCFIRB's appeal direction needs to be made to extend the time for the Chicken Board to conclude its development and adoption of a long-term pricing formula.

Before granting an extension, BCFIRB needs to confirm the positions of the parties on the extension. We also understand the Chicken Board intends to implement an interim bridging pricing formula pending completion of its work developing a long-term pricing model. That decision, as any decision of the Chicken Board, is subject to appeal to BCFIRB.

BCFIRB appeal panel must first hear from all parties and interveners on the extension. The following requests for position arise out of an obligation for procedural fairness. Given period A-161 starts on January 19, 2020, the **deadline for responses is the end of day Monday, January 20, 2020.**

### ***Request for positions***

#### **1. BCFIRB order and long-term pricing formula**

In its January 15, 2020 letter, the Chicken Board notes it will need time do its own due diligence once the Price Working Group makes its long-term pricing formula recommendation. The panel agrees.

The panel is considering amending its appeal decision direction to extend its deadline for a long-term pricing formula from period A-161 to the start of period A-164 in order for the Price Working Group, PPAC and Chicken Board to complete their work.

**The panel asks for your position regarding the above proposed amendment to the long-term pricing formula deadline. If you do not support the proposed deadline extension, please explain why and, if possible, propose an alternative deadline.**

**Please send your responses to [firb@gov.bc.ca](mailto:firb@gov.bc.ca) no later than January 20, 2020, 4:30pm.**

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<sup>1</sup> 2019 May 16. BCFIRB. [In the Matter of the Natural Products Marketing \(BC\) Act and Two Appeals from a Decision Concerning Chicken Pricing.](#)

If you have any questions, please don't hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read 'Al Sakalauskas', with a long horizontal flourish extending to the right.

Al Sakalauskas,  
Vice 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

BCFIRB website