



BC Farm Industry Review Board

June 8, 2020

File: 4200-60/BHEC CMB

DELIVERED BY EMAIL

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Dear all:

INTERIM PRICING SUBMISSIONS AND LONG-TERM PRICING NEXT STEPS

The supervisory panel met with the BC Chicken Growers' Association (BCCGA) on May 28, 2020; the Primary Poultry Processors' of BC (PPPABC) on June 3, 2020; and is currently working with the BC Egg Hatchery Association (BCEHA) to schedule a meeting in the next week or so. To date, the BC Broiler Hatching Egg Producers' Association (BCHEPA) has not accepted the supervisory panel's invitation to meet or provide a written submission. The panel strongly encourages the BCHEPA to participate in the process. Its input is needed as the outcomes of this supervisory review will directly impact the interests of broiler hatching egg producers.

The purpose of the meetings has been to discuss:

- What are the long-term pricing barriers and considerations?
- What changes or timelines should the supervisory panel consider to ensure interim pricing stability, pending resolution of the hatching egg linkage exit question and a long-term live chicken price formula?

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At the close of the meetings, the panel invited parties to provide written submissions on the areas discussed, including any specific requests of the BC Farm Industry Review Board (BCFIRB) along with key views on interim and/or long-term pricing matters, what role the panel should take in resolving the chicken sector pricing questions, and any other matters considered relevant.

Meeting Summaries of the meetings between the panel and the Chicken Board/Commission, the BCCGA, the PPPABC, and the BCEHA will be provided to the parties and posted on the BCFIRB web site once they are finalized.

While this information will assist the panel going forward, the panel would like to resolve the specific question of interim pricing and industry stability by the start of A-164 (July 5, 2020).

Interim Pricing Submissions and Schedule

In order to determine what, if any changes are needed to current chicken and hatching egg pricing pending longer-term resolutions, the panel is asking for written submissions from the PPPABC, BCCGA, BCHEPA and BCEHA in response to the following questions:

1. Are one or more of the pricing structures in place currently resulting in industry instability? If yes, please provide your rationale that demonstrates this instability.
2. If you believe current pricing structures are resulting in industry instability, what interim changes do you believe are necessary to create stability? Please provide your rationale.

Please send submissions to Kirsten.Pedersen@gov.bc.ca, copied to the BC Hatching Egg Commission and the BC Chicken Marketing Board by 4:30pm on June 19, 2020.

The BC Chicken Marketing Board and the BC Broiler Hatching Egg Commission will have until **4:30pm on June 26, 2020** to provide their input on interim pricing and industry stability.

Long-Term Pricing Next Steps

The panel will be providing a draft supervisory review “Terms of Reference” for input by all industry stakeholders following resolution of the interim pricing question. Given the chicken growers and hatching egg producers operate as part of the same supply chain, the panel considers an integrated approach involving both of these sectors essential to finding long-term pricing solutions.

Further information about the supervisory review, and related documents can be found on BCFIRB's web site: [Chicken Sector Pricing Review](#).

If you have any questions, please contact me.

Regards,

A handwritten signature in blue ink, appearing to read "Kirsten Pedersen", is positioned above the typed name.

Kirsten Pedersen
Executive Director

cc: BCFIRB web site