



October 24, 2020

DELIVERED BY EMAIL

Peter Donkers
Chair
British Columbia Farm Industry Review Board

Dear Peter:

CHANGES TO THE BC LIVE PRICE OF CHICKEN

The British Columbia Chicken Marketing Board (the “Chicken Board”) did not make a decision on Friday, October 23, 2020 on setting the live price of mainstream chicken for period A-166. The rationale for tabling the decision centres on the British Columbia Farm Industry Review Board Review Panel (the “Review Panel”) direction to the Chicken Board and the British Columbia Broiler Hatching Egg Commission (the “Commission”) to not make changes to the live price formula without the prior approval of the Review Panel, the Board is providing this notice. There are two matters of concern to the Chicken Board with respect to the Review Panel’s directive.

It was brought to the Chicken Board’s attention by the Primary Poultry Processors Association of British Columbia that the Ontario Broiler Hatching Egg and Chick Commission (the “OBHECC”) made changes to its pricing for period A-163 to include a \$0.00117 (plus HST) per chick levy related to emergency depopulation services that has been added to the base chick price. The OBHECC pricing affects the Ontario Minimum Farm Gate Live Price.

The Chicken Board is considering modifications to its Live Price formula to exclude the OBHECC emergency depopulation services levy from the Ontario Farm Gate Minimum Live Price used in the BC Live Price formula effective period A-166. The effect on the BC live price is \$0.0006 cents/kg. The Chicken Board has embarked on a process to determine the full impact and effect of the inclusion of the levy for the previous three periods and will engage stakeholders on the results.

The Chicken Board position is that the removal of the OBHECC levy is consistent with the Chicken Board’s past treatment to exclude the Ontario Minimum Farm Gate Live Price Modular Loading and AI Insurance levies and as such should not be viewed as a modification of the Live Price formula.

The other factor that will impact the A-166 Live Price is the decision of the Commission to adjust the processing age of breeders. While processing age is a production issue, by virtue of the linkage formula, it has a direct impact on the live price of mainstream chicken. The Chicken Board accepts that this is the subject of a pending appeal, however, prior to setting the Live Price for A-166, the Chicken Board would like to know if the Review Panel considers the

adjustment to the processing age within the Linkage formula as being inconsistent with the July 13, 2020 Review Panel directive “Not to change any aspect of the current pricing structures as defined in that decision, unless by way of BCFIRB prior approval or until such time as BCFIRB determines otherwise.”

The Chicken Board will be reconvening at 8:00 AM, Monday, October 26, 2020 to make its decision on setting the Live Price for mainstream chicken for period A-166. Input from the Review Panel is appreciated and will be considered in the Chicken Board’s pricing decision.

Yours truly,

A handwritten signature in black ink, appearing to read 'Harvey Sasaki', written in a cursive style.

Harvey Sasaki
Chair

- c.c. Jim Collins, BC Broiler Hatching Egg Commission
- Dale Krahn, BC Chicken Growers Association
- Blair Shier, Primary Poultry Processors Association of BC
- Bryan Brandsma, BC Broiler Hatching Egg Producers Association
- Ryan Whitmore, BC Egg Hatchery Association
- Wendy Holm, Review Liaison