



March 31, 2021

Peter Donkers
Chair
BC Farm Industry Review Board

Dear Peter:

Long-Term Chicken Sector Pricing Timeline Update

The Chicken Board is providing further follow up to our joint March 5, 2021 letter the subject of pricing timelines. Our estimation of the timelines for tabling our proposed new pricing framework in early April was based on an expectation that the new Ontario cost of production formula ("COPF") and Minimum Farm-Gate Live Price would be clarified prior to the end of March. We have yet to receive details on the Ontario A-169 pricing. Further the finalizing of recommendations and preferred position to the Chicken Board by key industry stakeholders is dependent on the outcome of the new Ontario COPF.

From an administrative and procedural fairness perspective, the Chicken Board has determined it is in the best interest of the review process to delay its preliminary decision until such time that all stakeholders have had the opportunity to assess and provide input to the board on the implications of the Ontario COPF for BC pricing. It is not clear, but we expect at least a two week delay before the Chicken Board is able to make its preliminary decision on a new long-term pricing formula. This will likely impact the timing of our submission and scheduled April 29, 2021 joint meeting with the Review Panel.

As acknowledged in your letter of March 17, 2021 the Chicken Board has received on March 4, 2021 a request from the Primary Poultry Processors Association of British Columbia ("PPPABC") to implement a temporary pricing formula for the A-169 production cycle to allow stakeholders to assess the changes in ON COPF and potential impact to the BC industry (copy attached). This has further complicated the pricing review process and timing.

The Chicken Board at its March 10, 2021 board meeting deferred decision on the request to our March 30, 2021 board meeting on the basis that there was no substantive or definitive information on the impact of the changes to the COPF for A-169 pricing. In meetings with the PPPABC, a request was made for the Chicken Board convene a meeting of the stakeholders to discuss this matter. The Chicken Board advised that such a meeting would not yield much discussion until such time that the details of the Ontario A-169 Farm Gate Minimum Live price were made available.

At the March 30, 2021 meeting, the Chicken Board agreed to convene the Pricing and Production Advisory Committee (PPAC) once the specific details of Ontario Farm Gate Minimum Live Price for A-169 became available to discuss the PPPABC request and make a recommendation to the Chicken Board in time for consideration for the A-169 pricing decision on April 9, 2021. The PPPABC was advised in writing of this decision.



The Chicken Board fully understands the Review Panel's order regarding any changes to the current pricing formula requiring the panel's prior approval. The board has made this position clear at every meeting where the subject has been discussed. It will be reiterated at the PPAC if and when it is convened.

We wish to bring to the Review Panel's attention that the Chicken Board has been advised by the PPPABC in recent meetings that failure of the Chicken Board to implement a temporary pricing formula for A-169 will result in a request for a stay order and/or appeal being filed with BCFIRB.

We will keep you posted on the outcome of any further discussion on the A-169 pricing and revised timelines for submission.

Sincerely yours,

Harvey Sasaki
Chair
British Columbia Chicken Marketing Board

