

**BRITISH COLUMBIA
BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER OF FEBRUARY 1, 2006**

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PART I - INTRODUCTORY

Purpose of Order

1. The British Columbia Broiler Hatching Egg Commission (the "Commission") has approved this Consolidated Order for the purpose of promoting, regulating and controlling the production, transportation, packing, storage and marketing of broiler hatching eggs, saleable chicks or broiler breeders.

Interpretation

2. In this and all Orders of the Commission, unless the context requires otherwise, the definitions contained in the *Natural Products Marketing (BC) Act*, R.S.B.C. 1996, c. 330 and the *British Columbia Broiler Hatching Egg Scheme* (B.C. Reg. 432/88) shall have effect together with the following additional definitions:

"Bird" means a broiler breeder invoiced as a pullet by a Hatchery and recorded by that Hatchery on its Hatchery Reporting Slip.

"Brooding Barn" means a barn operated by a Producer for the purpose of raising broiler breeders.

"Chick" means a live chick at the time of hatch and includes a Cull Chick.

"Committee" means the Pricing and Production Advisory Committee.

"Cull Chick" means a chick having any one or more of the following characteristics: poor legs, skin tears, club down, missing eye(s), crossed beak, unthrifty appearance, dirty or matted with hatch material, scabby navel, body lesion(s), or curled toes.

"Cull Chick Rate" means the ratio expressed as a percentage by dividing the number of Cull Chicks from a given Set by the number of Chicks from that Set.

"Cull Egg" means a broiler hatching egg not yet placed in a Hatchery's incubator and having any one or more of the following characteristics: soft shelled, cracked, rough shelled, misshapen, too large, stained or dirty.

"Cull Underweight Broiler Hatching Eggs" mean Underweight Broiler Hatching Eggs having any one or more of the following characteristics: punctured, broken, very dirty or mouldy.

"Egg Service Room" means a facility operated by a Producer for the purpose of washing or sanitizing, final grading and packaging of broiler hatching eggs.

“Egg Storage Room” means a facility operated by a Producer for the purpose of storing broiler hatching eggs and packaging for broiler hatching eggs.

“F.A.S.” means freight alongside applies to the terms of sale whereby Producers will deliver their broiler hatching eggs crated and ready for pick up by Hatcheries at the Producer’s Farm.

“Farm” means land on which crops, poultry or livestock are raised.

“Fowl” means spent broiler breeders no longer raised or used for the production of broiler hatching eggs.

“Grower” means a Person operating a Farm for the production of broilers regulated by the British Columbia Chicken Marketing Board, and includes any Person designated by that marketing board as a Grower.

“Hatchability” means:

- (a) where the Cull Chick Rate is 4% or less, the ratio expressed as a percentage by dividing the number of Chicks from a given Set by the number of broiler hatching eggs in that Set; or
- (b) where the Cull Chick Rate is greater than 4%, the ratio expressed as a percentage by dividing:
 - (i) the number of Chicks from a given Set
 - less
 - (ii) the amount by which the number of Cull Chicks from that Set exceeds 4% of the number of Chicks from that Set

by the number of broiler hatching eggs in that Set.

“Hatchery” means a Person operating a facility for the hatching and incubation of broiler hatching eggs into broiler chicks for delivery to a Grower.

“Lay Barn” means a barn operated by a Producer for the purpose of producing broiler hatching eggs.

“Member” means a member of the Commission and includes the Chair of the Commission.

“Official Flock Schedule” means the schedule established, maintained and revised from time to time by the Commission, for the purpose of recording for each Registered Producer:

- (a) The date of placement of each flock of day-old broiler breeder pullets;
- (b) The size of each flock of day-old broiler breeder pullets; and
- (c) The Hatchery responsible for the ordering and placement of each flock of day-old broiler breeder pullets.

“Person” means a person as defined in the *Interpretation Act*, R.S.B.C. 1996, c. 238.

“Pick-Up” means broiler hatching eggs received by a Hatchery from a Producer for transport to that Hatchery.

“Placement Quota” means the maximum quantity, as determined by the Commission, of broiler breeder pullets that may be received by a Producer in a Quota Period for the purpose of producing broiler hatching eggs, excluding any allowances for mortality in shipment.

“Private Interest” does not include an interest arising from the exercise of an official power or the performance of an official duty or function that:

- (a) applies to the general public;
- (b) affects a Member as one of a broad class; or
- (c) concerns the remuneration and benefits of a Member of the Commission.

“Processor” means a Person who receives Fowl and changes its nature by mechanical means or otherwise and delivers or markets Fowl in a processed or manufactured form.

“Producer” means a Person who uses a Farm for the purpose of producing broiler hatching eggs.

“Producer-Hatchery” means a Hatchery that is affiliated with one or more Producers by reason of:

- (a) the Producer or Producers having a direct or indirect interest in the Hatchery, whether by means of shares (and irrespective of the class of shares) or by way of a share interest in a parent corporation;
- (b) the Producer or Producers carrying on business with the Hatchery in partnership; or

(c) the Producer or Producers being controlled by the same Person or group of Persons who control the Hatchery.

“Production Unit” means a Farm where broiler breeders are raised, or where broiler hatching eggs are produced, or both.

“Quota Period” means a twenty four (24) month period commencing April 1st of an odd numbered year and ending on March 31st of an even numbered year.

“Registered Producer” means a Producer registered by the Commission and recorded in the Register of Producers kept at the Commission’s head office.

“Reporting Period” means a one week period commencing on Sunday and ending on Saturday.

“Set” means broiler hatching eggs from a Producer that are placed, contemporaneously, in a Hatchery’s incubator.

“Transfer” means a direct or indirect, legal or equitable, permissible or impermissible transfer of an interest in Placement Quota, or the grant of an option to transfer an interest in Placement Quota, and in the case Placement Quota allotted to a corporation includes a transfer of shares or an interest in shares of the corporation or the issuance of additional shares or redemption of existing shares which results in a change in the proportion of shares held by each shareholder; but does not include the grant of a security interest in Placement Quota in favour of a bona fide lender.

“Transferee” means the Person to whom Placement Quota is being Transferred.

“Transferor” means the Person from whom Placement Quota is being Transferred.

“Transporter” means a Person who owns or operates a vehicle or vehicles for the transportation of regulated product.

“Underweight Broiler Hatching Eggs” mean broiler hatching eggs weighing less than 52 grams.

PART II - LICENSING

Requirement to Hold Licence

3. (1) No Person shall act as a Producer, Hatchery, Processor or Transporter unless in possession of a valid and subsisting licence issued by the Commission, and no Person shall be relieved of compliance with this requirement in respect of any class of licence on the grounds that such Person is the holder of a valid and subsisting licence of another class.
- (2) Notwithstanding subsection (1), every Producer who is the holder of a valid and subsisting Producer licence may act as a Transporter without a Transporter licence.

Licence Classes

4. Every application for a licence must be made to the Commission in the required form.

General Conditions

5. (1) It is a condition of issuance and maintenance of every licence that the applicant or holder complies with the Orders of the Commission from time to time in force and all applicable legislation and regulations.
- (2) No more than one Producer licence shall be issued with respect to a single Production Unit.
- (3) One Producer licence may be issued with respect to more than one Production Unit.
- (4) No licence shall be issued to any individual who is under the age of nineteen years, or to any corporation controlled by any individuals under the age of nineteen years, or to any partnership with respect to which any individual member is under the age of nineteen years.
- (5) When a Producer holding a licence is a partnership or a corporation and undergoes a change in controlling partners or control of the corporation, the licence of such Producer is subject to revocation by the Commission. For the purpose of this subsection, a change in control of a corporation shall be a change in ownership, direct or indirect, of the majority voting shares of the corporation and a change in controlling partners is a change of partner or partners entitled to a 50% or greater interest in the partnership.
- (6) Licences are not transferable.

Special Conditions for Hatcheries

6. (1) It is a condition of issuance and maintenance of every Hatchery Licence that the applicant or holder:
 - (a) make and maintain mutually acceptable arrangements with one or more Producers duly licensed by the Commission for a consistent supply of broiler hatching eggs sufficient to meet the requirements of the applicant or holder;
 - (b) place all broiler hatching eggs produced by the Producer or Producers referred to in paragraph (a) into its incubators in a timely fashion and as soon after such broiler hatching eggs are laid as is reasonably possible;
 - (c) make and maintain mutually acceptable arrangements with one or more chicken growers duly licensed by the British Columbia Chicken Marketing Board for the purchase and sale of all Chicks hatched from broiler hatching eggs produced by the Producer or Producers referred to in paragraph (a);
 - (d) satisfy the Commission that the chicken grower or growers referred to in paragraph (c) have each made mutually acceptable arrangements with one or more chicken processors duly licensed by the British Columbia Chicken Marketing Board for the purchase and sale of all chicken grown from Chicks hatched by the applicant or holder, for a term not less than six production periods of eight weeks each; and
- (2) Without limiting the application of subsection (1), every Producer-Hatchery must comply with one of the following additional conditions for the issuance and maintenance a Hatchery Licence:
 - (a) the applicant or holder must place all broiler hatching eggs produced by the affiliated Producer or Producers into its incubators in a timely fashion and as soon after such broiler hatching eggs are laid as is reasonably possible; or
 - (b) the applicant or holder must make mutually acceptable arrangements with another Hatchery to receive and purchase any and all broiler hatching eggs produced by the affiliated Producer or Producers that cannot be placed by the applicant or holder into its incubators in a timely fashion and as soon after such broiler hatching eggs are laid as is reasonably possible; or

- (c) the applicant or holder must:
 - (i) make mutually acceptable arrangements with another Hatchery to receive and purchase all broiler hatching eggs produced by the affiliated Producer or Producers; and
 - (ii) the applicant or holder must accept and purchase broiler hatching eggs other than from the Producer or Producers affiliated with the applicant or holder.

Renewal

7. At the commencement of a Quota Period, the Commission will renew:
- (a) Producer licences upon receipt of the prescribed application, provided that the Producer has maintained compliance with all Orders of the Commission from time to time in force and all applicable legislation and regulations;
 - (b) Hatchery licences upon receipt of the prescribed application, provided that the Hatchery has maintained compliance with all Orders of the Commission time to time in force and all applicable legislation and regulations;
 - (c) Processor licences, without application, provided that the Processor has maintained compliance with all Orders of the Commission from time to time in force and all applicable legislation and regulations; and
 - (d) Transporter licences, without application, provided that the Transporter has maintained compliance with all Orders of the Commission from time to time in force and all applicable legislation and regulations.

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PART III - ALLOTMENT AND REGISTRATION OF PLACEMENT QUOTA

Allotment of Placement Quota

8. (1) The Commission may allot Placement Quota to Producers or adjust, reduce, alter or cancel Placement Quota allotted to such Producers, at such time or times, in such amounts and in such a manner as may be determined by it.
- (2) Unless otherwise determined by the Commission:
 - (a) Placement Quota shall not be allotted to any individual who is under the age of nineteen years, or to any corporation controlled by any individuals under the age of nineteen years, or to any partnership with respect to which any individual member is under the age of nineteen years.
 - (b) Placement Quota allotted to a Producer is subject to cancellation by the Commission if the Producer's Production Unit cannot accommodate that allotment of Placement Quota within one year from the date of allotment, by meeting or exceeding the minimum floor space requirement of 2.0 square feet of laying barn per day-old broiler breeder pullet.
 - (c) Placement Quota allotted to a Producer that is not produced by that Producer in a Quota Period is subject to cancellation by the Commission, except in the event of exceptional circumstances as determined by the Commission in its sole discretion.
 - (d) No Producer shall hold an allotment of Placement Quota exceeding 5% of the Placement Quota allotted by the Commission to all Registered Producers. This limitation applies to all Placement Quota allotted by the Commission to a Producer including that in which the Producer may have an interest by means of partnership, corporate agreement or share equity.
 - (e) No Producer shall be permitted to hold an allotment of Placement Quota of less than 12,000 broiler breeder pullets per Quota Period, except where the Producer is an entrant under the New Producer Program Rules set out in Schedule 1.
- (3) All Placement Quota is a revocable licence to produce only and remains the exclusive property of the Commission.

Special Issuance of Placement Quota Under New Producer Program

9. The Commission may issue Placement Quota in accordance with the New Producer Program Rules set out in Schedule 1.

Registration of Placement Quota to Production Unit

10. (1) Placement Quota allotted by the Commission to a Producer shall be registered to the Production Unit or Units described in the Producer licence.
- (2) Where a Producer operates more than one Production Unit under a single Producer licence, Placement Quota allotted to that Producer will be apportioned by the Commission and registered to each such Production Unit as directed by the Producer or, in the absence of such direction, in such amounts and in such a manner as may be determined by Commission.
- (3) All broiler breeders shall be kept on and marketed from the Production Unit or Units described in the Producer licence in a manner consistent with the Placement Quota registered to the Production Unit or Units, as the case may be, unless the Commission otherwise consents in writing.
- (4) The location of a Production Unit to which Placement Quota is registered shall not be changed in whole or in part, unless the Commission otherwise consents in writing.

Registration of Placement Quota to Producer

11. (1) Placement Quota allotted to a Producer who is a sole proprietor will be registered by the Commission in the name of the Producer. If the Producer requests that the Placement Quota be registered to a business name that is different from the Producer's name, the Placement Quota will be registered to both the business name and the Producer's name.
- (2) Placement Quota allotted to a Producer which is a partnership will be registered by the Commission in the partnership name and individual names of all of the partners. At the time of first registration, and subsequently as required by the Commission, the partnership shall file with the Commission a true copy of the partnership agreement showing the name of each partner and the interest that each partner has in the partnership. The partnership shall inform the Commission in writing one calendar month before any subsequent change is made in the partners or in the interest each has in the partnership.
- (3) Placement Quota allotted to a Producer which is a corporation will be registered by the Commission in the corporate name and the name of the president or majority shareholder. At the time of first registration, and subsequently as required by the Commission, the corporation shall file with the Commission a true copy of the Certificate of Incorporation and the Register of Members. The corporation shall inform the Commission in writing one calendar month before any subsequent change is made to the share allotment within, or structure of, the corporation.

- (4) Placement Quota allotted in the name of a corporation is deemed to have been allotted to each shareholder, whether holding voting shares or not, in proportion to their share holdings of issued shares in the corporation.
- (5) The Commission may require a Producer, which is a partnership or a corporation, to file with the Commission at any time subsequent to first registration, a true copy of the partnership agreement or register of members of the corporation.
- (6) Failure by a Producer to provide the Commission with any of the documents required by the Commission within the time period stated by the Commission shall result in the suspension of the offending licensee's licence and Placement Quota until the required document is filed and approved by the Commission.

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PART IV - TRANSFER AND LEASE OF PLACEMENT QUOTA

Application for Transfer of Placement Quota

12. (1) Placement Quota may only be Transferred upon application by the Transferor to, and with the written approval of, the Commission.
- (2) Applications for Transfer of Placement Quota must be accompanied by:
 - (a) an administration fee of \$250.00 payable by the applicant to the Commission;
 - (b) a letter from the applicant's Hatchery releasing the applicant from any outstanding accounts with the Hatchery.
- (3) Where the Commission incurs legal or other professional expenses in connection with the processing of an application for Transfer, such expenses may be charged to the applicant as a condition of approval of the application by the Commission.
- (4) Applications for Transfer of Placement Quota made within six months of an approved Transfer of Placement Quota are not subject to payment of additional administration fees or additional legal or other professional expenses incurred by the Commission in connection with the processing of such applications.

Limitations on Transfer of Placement Quota

13. (1) The Commission may refuse to approve a Transfer of Placement Quota where:
 - (a) The Transferor or Transferee is not in compliance with the Orders of the Commission from time to time in force and all applicable legislation and regulations; or
 - (b) The Transfer would result in the Transferee holding, either directly or by way of partnership interest, corporate agreement or share equity, an allotment of Placement Quota exceeding 5% of the Placement Quota allotted by the Commission to all Registered Producers.
 - (c) The Transferee is an individual who is under the age of nineteen years, or a corporation controlled by any individuals under the age of nineteen years, or a partnership with respect to which any individual member is under the age of nineteen years.
- (2) The Commission may require a Transferee of Placement Quota to be interviewed by the Commission.

- (3) The Commission may impose conditions with respect to any approval of a Transfer of Placement Quota.
- (4) The Commission may suspend the approval of Transfers for a definite or indefinite period of time.

Deemed Transfer of Placement Quota

- 14. (1) A Transfer of Placement Quota allotted to a partnership is deemed to occur when a partnership interest is transferred.
- (2) A Transfer of Placement Quota allotted to a corporation is deemed to occur when:
 - (a) The shares of that corporation are transferred;
 - (b) An interest in the shares of that corporation is transferred;
 - (c) Additional shares of that corporation are issued resulting in a change in the proportion of shares held by each shareholder; or
 - (d) Existing shares of that corporation are redeemed resulting in a change in the proportion of shares held by each shareholder.

Surrender of Placement Quota on Transfer

- 15. (1) Subject to subsection (5), where Placement Quota is Transferred, the Transferor shall surrender to the Commission an amount of Placement Quota calculated as follows:
 - (a) 5% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor prior to February 1, 2006;
 - (b) 100% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within one year from the date of the proposed Transfer;
 - (c) 90% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the second year preceding the date of the proposed Transfer;
 - (d) 80% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the third year preceding the date of the proposed Transfer;

- (e) 70% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the fourth year preceding the date of the proposed Transfer;
 - (f) 60% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the fifth year preceding the date of the proposed Transfer;
 - (g) 50% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the sixth year preceding the date of the proposed Transfer;
 - (h) 40% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the seventh year preceding the date of the proposed Transfer;
 - (i) 30% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the eighth year preceding the date of the proposed Transfer;
 - (j) 20% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within the ninth year preceding the date of the proposed Transfer;
 - (k) 10% of the amount of Placement Quota being Transferred, where such Placement Quota was allotted to the Transferor after February 1, 2006, and within, or prior to, the tenth year preceding the date of the proposed Transfer.
- (2) For the purposes of subsection (1), the Placement Quota being Transferred is deemed to be the Placement Quota most recently allotted to the Transferor.
 - (3) Where the interest of a Producer in a partnership is increased, decreased or transferred, a proportionate Transfer of the Placement Quota deemed to have been allotted to such Producer is deemed to occur.
 - (4) Where the direct or indirect interest of an individual in a corporate Producer is increased, decreased or transferred, a proportionate Transfer of the Placement Quota deemed to have been allotted to such individual is deemed to occur.

- (5) A surrender of Placement Quota is not required where:
- (a) Placement Quota is Transferred, or deemed to have been Transferred, to the Transferor's spouse, child, or child and the child's spouse;
 - (b) two or more Producers enter into an agreement of partnership and the partnership interest of each such Producer is proportionate to the Placement Quota registered in that Producer's name;
 - (c) the amount of Placement Quota deemed to have been allotted to a Producer having an interest in a partnership remains registered in that Producer's name upon dissolution of the partnership.

PART V - FLOCK PLACEMENT

Official Flock Schedule

16. (1) The Official Flock Schedule is available for inspection at the Office of the Commission during regular business hours, provided that the Commission may withhold information from the Official Flock Schedule that does not pertain to the Person requesting inspection.
- (2) Placements for each Producer in the first year of a Quota Period shall be 50% of that Producer's Placement Quota for that Quota Period.

Placement of Flocks by Hatcheries and Payment by Producers

17. (1) Each Hatchery shall order and arrange for the placement of flocks of day-old broiler breeder pullets in accordance with the Official Flock Schedule.
- (2) Each Hatchery shall inform the Commission in writing of its chosen strain or strains of broiler breeders to be ordered and placed in accordance with the Official Flock Schedule.
- (3) Unless otherwise agreed in writing, every Producer shall pay for day-old broiler breeders ordered and arranged by a Hatchery within 30 days from the date of placement of such day-old broiler breeders.
- (4) Notwithstanding subsection (1), a Hatchery may decline to order and arrange for the placement of day-old broiler breeders on behalf of a Producer that has failed or refused to pay for a previous flock of day-old broiler breeders ordered and arranged by that Hatchery on behalf of that Producer within 30 days from the date of placement of that previous flock, or within such other time as may have been agreed in writing between that Hatchery and that Producer with respect to that previous flock, unless that Producer tenders to the Hatchery funds sufficient to pay for the previous flock, and the day-old broiler breeders to be placed, in advance of the order.

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PART VI - PRODUCTION REQUIREMENTS AND LIMITATIONS

Over Quota Placements

18. Where a Producer has placed a quantity of broiler breeders pullets in a Quota Period in excess of the Placement Quota allotted to that Producer, the Producer is liable to pay to the Commission an over placement levy as may be fixed and imposed by the Commission from time to time.

Under Quota Placements

19. Where the Placement Quota allotted to a Producer exceeds the quantity of broiler breeders pullets placed by that Producer in a Quota Period, the Producer is liable to pay to the Commission an under placement levy as may be fixed and imposed by the Commission from time to time.

Operational Standards

20. Every Hatchery, Producer and Transporter shall carry on operations in accordance with the Standards set out in Schedule 2.

Acceptance of First Broiler Hatching Eggs Produced by a Flock

21. No Hatchery shall refuse to accept the first broiler hatching eggs produced by a breeder flock provided that:
- (a) such first broiler hatching eggs are not more than 7 days old and are available in quantities of not less than 720 broiler hatching eggs;
 - (b) all such broiler hatching eggs weigh at least 52 grams each; and
 - (c) each flock's eggs must be packaged and labeled separately.

Marketing of Underweight Broiler Hatching Eggs

22. (1) Every Producer shall dispose of all Cull Underweight Broiler Hatching Eggs, at the Producer's own expense. No such Cull Underweight Broiler Hatching Eggs shall be marketed through the Commission.
- (2) Every Producer shall market through the Commission all Underweight Broiler Hatching Eggs, other than Cull Underweight Broiler Hatching Eggs, at such time or times and in such manner, as the Commission may from time to time direct.
- (3) The Commission may conduct a pool for the distribution of proceeds received from the marketing of Underweight Broiler Hatching Eggs, and may distribute the proceeds, after deducting all necessary and proper disbursements, expenses and charges, as the Commission may, in its sole discretion, deem appropriate.

Fowl

23. (1) Every Producer shall market their broiler breeder flocks at 60 weeks of age, plus or minus one week, and subject to:
 - (a) any earlier kill age as may be directed by the Commission, after consultation with the Hatchery, where a broiler breeder flock has failed to produce broiler hatching eggs with a consistent Hatchability of 70%; and
 - (b) any earlier kill age as may be directed by the Producer, after consultation with the Hatchery, where a broiler breeder flock has failed to produce at levels acceptable to that Producer.
- (2) All Fowl shipped from a Producer's Farm to a Processor shall be weighed by the Processor before 10:00 a.m. on the date of delivery.
- (3) Every Hatchery or Processor, as the case may be, shall provide to the affected Producer a minimum of two weeks' advance notice of any kill of Fowl.

PART VII - PRICES AND METHOD OF PAYMENT

Payment of Base Price for Broiler Hatching Eggs

24. Every Hatchery shall pay for broiler hatching eggs at the base price set out in Schedule 3, provided that a reasonable surcharge may be imposed by a Hatchery to recover additional costs actually incurred by the Hatchery as a direct consequence of having to pick up broiler hatching eggs from a Producer who keeps less than 12,000 broiler breeders per Quota Period.

Time of Payment for Broiler Hatching Eggs

25. (1) Every Hatchery shall pick up broiler hatching eggs from each Producer designated to it at least twice weekly.
- (2) Payment shall be made to each Producer by each Hatchery within 10 days from the date that such broiler hatching eggs are picked up by the Hatchery.
- (3) Notwithstanding subsection (2), each Hatchery may, at its discretion, withhold payment with respect to:
- (a) the first two consecutive Pick-Ups; and
 - (b) Sets consisting of broiler hatching eggs produced after the broiler breeder flock is 59 weeks of age;
- until 10 days after the time of hatch for each such Pick-Up or Set, as the case may be.

Adjustments to Price for Broiler Hatching Eggs

26. (1) The base price for broiler hatching eggs shall be adjusted according to the Hatchability of each Set as follows:

<u>Hatchability</u>	<u>Percentage of Base Price</u>
100% to 85%	104%
84.99% to 70%	100%
69.99% to 65%	85%
64.99% to 55%	70%

- (2) Where the Hatchability of a Set is below 55%, the base price for such broiler hatching eggs may be adjusted in any manner at the sole discretion of the Hatchery.

Price Penalties for Broiler Hatching Eggs

27. A Hatchery may impose against a Producer a penalty of \$0.50 for each Cull Egg in a given Pick-Up in excess of 0.25% of the total number of broiler hatching eggs in that Pick-Up. A Hatchery may impose against that Producer an additional penalty of \$0.50 for each such excess Cull Egg that rots or explodes in a Set.

Manner of Making Adjustments to Price and Imposing Price Penalties

28. (1) Where the aggregate of all adjustments and price penalties in relation to a given Pick-Up or Set, as the case may be, results in an amount owing from the Hatchery to the Producer, that amount shall be paid by the Hatchery to the Producer within 10 days from the time of hatch.
- (2) Where the aggregate of all adjustments and price penalties in relation to a given Pick-Up or Set, as the case may be, results in an amount owing from the Producer to the Hatchery:
- (a) the Hatchery may set-off that amount against any other payment that is then or may become, owing by the Hatchery to the Producer; or
 - (b) that amount shall be paid by the Producer to the Hatchery within 10 days from the time of hatch.

Authorized Withholdings

29. Where a Producer has failed or refused to pay for a flock of day-old broiler breeders ordered and arranged by a Hatchery on behalf of that Producer within 30 days from the date of placement of that previous flock, or within such other time as may have been agreed in writing between that Hatchery and that Producer with respect to that flock, the Hatchery may withhold the amount so due from any payments due to that Producer by that Hatchery.

Review of Culling Practices

30. Where a Hatchery reports a Cull Chick Rate in excess of 4%, the Commission may inspect and review the culling practices of that Hatchery, and the culling practices of the Producer.

Payment of Base Price for Chicks Under 2 Days Old

31. Every Grower shall pay for chicks under 2 days old hatched from broiler hatching eggs at the base price set out in Schedule 3.

Payment of Base Price for Fowl

32. Every Processor shall pay for Fowl at the base price set out in Schedule 3.

PART VIII - LEVIES

Producer Levies

33. Levies are fixed and imposed on each Producer as set out in Schedule 4, irrespective of whether any such Producer has been allotted Placement Quota or is the holder of a valid licence issued by the Commission.

Hatchery Responsibility Regarding Producer Levies

34. (1) Each Hatchery, before making payments to a Producer, shall deduct from the total payable to such Producer the amount of levies assessed against the Producer under Schedule 4, and shall within 14 days of receipt of broiler hatching eggs from that Producer, remit the amount so deducted to the Commission.
- (2) In the event levies so assessed against a Producer are greater than the total amount payable to the Producer by the Hatchery, the deficient levy amount shall be added to subsequent levy assessments, and the Hatchery shall deduct from subsequent payments to that Producer the aggregate amount of such levies assessed against that Producer, and shall forthwith thereafter remit the amount so deducted to the Commission.
- (3) Should any Hatchery:
- (a) fail to deduct from amounts payable to a Producer the levies assessed against that Producer under Schedule 4; or
 - (b) fail to remit such levies to the Commission;

then at the Commission's direction, any other Hatchery who has received regulated product from the defaulting Hatchery shall deduct from the payment due to the defaulting Hatchery the levies due to the Commission and shall immediately remit such levies to the Commission.

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PART IX - REPORTING AND INSPECTION

Hatchery Reporting to Commission

35. (1) Every Hatchery shall, on or before the 5th day of the next Reporting Period, furnish the Commission with a true and detailed report disclosing:
- (a) the name and address of each Producer from whom the Hatchery received broiler hatching eggs;
 - (b) the number of broiler hatching eggs received from each Producer;
 - (c) the number of broiler hatching eggs received from other than Registered Producers;
 - (d) the amount of levies deducted from amounts payable by the Hatchery to each Producer;
 - (e) the amount of levies remitted by the Hatchery with respect to broiler hatching eggs received from other than Registered Producers;
- (2) Every Hatchery shall complete and forward weekly to the Commission the "B.C. Broiler Hatching Egg Market Summary".

Processor Reporting to Commission

36. Every Processor shall, on or before the 5th day of the next Reporting Period, furnish the Commission with a true and detailed report disclosing:
- (a) the name and address of each Producer from whom the Processor received Fowl; and
 - (b) the number of Fowl received from each Producer and the date of slaughter.

Books, Records and Accounts

37. (1) Every Hatchery, Processor and Producer shall keep complete and accurate books, records and accounts of all matters relating to the production, transportation, packing, storage and marketing of broiler hatching eggs, saleable chicks or broiler breeders.
- (2) All books, records and accounts required to be kept under subsection (1) must at all times be available for inspection by the Commission, or any officer or auditor of the Commission, or any other Person as may be authorized by the Commission from time to time to make an inquiry or report.

- (3) Every Hatchery, Processor and Producer shall retain and have available for inspection by the Commission all original records, whether contained in books or accounts, for a period of three years.

Licensees to Furnish Information and Permit Inspection

38. Every Person licensed by the Commission shall, upon request, furnish to the Commission any information relating to the production, transportation, packing, storage and marketing of broiler hatching eggs, saleable chicks or broiler breeders, and shall make specific answers to any questions submitted to that Person by any Member, employee or agent of the Commission for that purpose, and shall permit any Member, employee or agent of the Commission to search vehicles in which the regulated product is transported, and to inspect all Farm or business premises owned, occupied or controlled by such Person.

PART X - PROHIBITIONS

Producer

39. No Producer shall engage in the production, transportation, packing, storage and marketing of broiler hatching eggs, saleable chicks or broiler breeders unless the Producer:
- (a) is the holder of a valid and subsisting licence issued by the Commission; and
 - (b) has an allotment of Placement Quota in accordance with the Orders of the Commission.

Hatchery

40. (1) No Hatchery shall receive regulated product from a Producer:
- (a) who is not the holder of a valid and subsisting licence issued by the Commission; and
 - (b) who does not have an allotment of Placement Quota in accordance with the Orders of the Commission.
- (2) No Hatchery shall receive regulated product from a Transporter or a Processor who is not the holder of a valid and subsisting licence of the appropriate class issued by the Commission.

Processor

41. (1) No Processor shall receive regulated product from a Producer:
- (a) who is not the holder of a valid and subsisting licence issued by the Commission; and
 - (b) who does not have an allotment of Placement Quota in accordance with the Orders of the Commission.
- (2) No Processor shall receive regulated product from a Transporter or a Hatchery who is not the holder of a valid and subsisting licence of the appropriate class issued by the Commission.

Transporter

42. (1) No Transporter shall receive regulated product from a Producer:
- (a) who is not the holder of a valid and subsisting licence issued by the Commission; and
 - (b) who does not have an allotment of Placement Quota in accordance with the Orders of the Commission.
- (2) No Transporter shall receive regulated product from a Hatchery or a Processor who is not the holder of a valid and subsisting licence of the appropriate class issued by the Commission.

PART XI - COMPLIANCE

Suspension or Cancellation

43. (1) In addition to any other remedies available to the Commission in respect of a contravention of an Order of the Commission, the *Natural Products Marketing (BC) Act*, R.S.B.C. 1996, c. 330, the *British Columbia Broiler Hatching Egg Scheme* (B.C. Reg. 432/88), or other applicable legislation and regulations, the Commission may suspend or cancel the licence held by, or Placement Quota allotted to, a Person determined by the Commission to be in contravention.
- (2) Where a licence has been suspended for a definite period for a contravention and that contravention has not been rectified within the period of suspension and the contravention continues, the Commission may forthwith cancel the licence.

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PART XII - PRICING AND PRODUCTION ADVISORY COMMITTEE

Committee

44. The Pricing and Production Advisory Committee is hereby continued and is composed of:
- (a) 3 voting Registered Producer representatives (who are not Members of the Commission) appointed by the Commission after consultation with the British Columbia Broiler Hatching Egg Producers Association;
 - (b) 3 voting Hatchery representatives appointed by the Commission after consultation with the British Columbia Egg Hatchery Association;
 - (c) 1 voting Grower representative appointed by the Commission after consultation with the British Columbia Chicken Marketing Board;
 - (d) 1 non-voting member (who is not a Registered Producer, a Hatchery representative, a Grower representative or a Member of the Commission) appointed by the Commission to serve as the Chairperson of the Committee; and
 - (e) 1 non-voting observer (who is a Member of the Commission) appointed by the Commission.

Appointment of Members

45. All appointments to the Committee:
- (a) shall be communicated by the Commission in writing to the Person or representative so appointed; and
 - (b) shall be held at the pleasure of the Commission.

Duties of the Committee

46. The Committee shall advise the Commission, upon the request of the Commission, or upon the initiative of the Committee, concerning any matter relating to the pricing or production decisions the Commission has made or may make.

Manner of Providing Advice

47. (1) The Committee shall endeavour to provide advice to the Commission in the form of a written unanimous recommendation.
- (2) Where the Committee is unable to formulate a unanimous recommendation, the Chairperson of the Committee shall provide to the Commission a written position report detailing the majority and minority positions of the Committee members, and the number of votes cast in favour of each such position.

Time

48. Where the Commission has requested the advice of the Committee, the Committee shall provide its advice, whether by way of a written unanimous recommendation or by way of a written position report, within such period of time as the Commission may request.

PART XIII - MISCELLANEOUS

Conflict of Interest

49. Members of the Commission shall conduct themselves in a manner consistent with the Conflict of Interest Rules set out in Schedule 5.

Revocation and Transition

50. This Consolidated Order supersedes and replaces all Orders made by the Commission prior to the effective date hereof and all such prior Orders are hereby revoked, but such revocation shall not affect any contraventions committed or any penalties incurred under the Orders so revoked.

Commencement

51. This Consolidated Order comes into effect on February 1, 2006.

DATED AT ABBOTSFORD, BRITISH COLUMBIA, THIS 1st DAY OF FEBRUARY, 2006.

BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Bruce Cook - Chair

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**SCHEDULE 1
TO THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER**

New Producer Program Rules

Application Under New Producer Program

1. (1) A Person may apply to participate in the New Producer Program only when the Commission has announced on its website that a lottery will be conducted for the purpose of selecting applicants to fill unoccupied places on the prospective producer list hereunder.
- (2) Applications to participate in the New Producer Program are made by filing with the Commission:
 - (a) an application form, obtainable from the Commission, duly completed by the applicant;
 - (b) a copy of the applicant's birth certificate or other proof of age acceptable to the Commission;
 - (c) proof of Canadian citizenship or permanent resident status;
 - (d) proof of permanent residence status in the Province of British Columbia; and
 - (e) a non-refundable application fee of \$250.00, payable to the Commission by way of cheque.
- (3) Spouses may submit a joint application, but no more than one application may be submitted by both spouses, or either of them.
- (4) An applicant for the New Producer Program may be a partnership in which case each partner must qualify under subsection (5).
- (5) A Person seeking to participate in the New Producer Program must have the following qualifications:
 - (a) a genuine intention to be actively engaged in broiler hatching egg production;
 - (b) be a Canadian citizen or permanent resident of Canada;
 - (c) be a permanent resident in the Province of British Columbia;
 - (d) be at least 19 years of age at the time of application; and

- (e) neither the applicant, nor the spouse of the applicant, nor any co-applicant, may have, or have had at any time, any financial interest in a transferable production right issued or allotted by a supply management commodity board or commission in British Columbia, including Placement Quota, whether directly or indirectly, through any organization or entity.

Prospective Producer List

- 2. (1) The first five eligible applicants on the prospective producer list under the New Producer Program as it existed prior to [effective date of revised program] are deemed to be on the prospective producer list hereunder, and the order in which such applicants were placed on that previous prospective producer list is unchanged.
- (2) When there are three or less eligible applicants on the prospective producer list, the Commission will arrange for an independent third party to conduct a lottery for the purpose of selecting eligible applicants to fill the unoccupied places on the prospective producer list.
- (3) Where an applicant is in breach of Commission Orders, or applicable legislation, that applicant will not be eligible to participate in the lottery and will not be placed on the prospective producer list.
- (4) Positions on the prospective producer list are:
 - (a) non-transferable, under any circumstances; and
 - (b) not available to be pledged as security.
- (5) Persons on the prospective producer list may have their applications rejected and their prospective producer list position cancelled for any of the following:
 - (a) breach of Commission Orders or applicable legislation;
 - (b) making false statements on the application form;
 - (c) changes in circumstances such that an applicant no longer qualifies under the New Producer Program;
 - (d) changes in legislation adversely affecting the New Producer Program; or
 - (e) an NSF cheque for the application fee.

Entry in Program

3. (1) The Commission will maintain a new producer allocation pool. All Placement Quota surrendered pursuant to the transfer assessment provisions of the Commission's Consolidated Order will be allocated to that pool by the Commission for the purpose of issuing Placement Quota under the New Producer Program.
- (2) When the new producer allocation pool contains 5,000 units of Placement Quota not already assigned by the Commission for the issuance of Placement Quota under the New Producer Program, the Commission will invite one applicant to enter the New Producer Program.
- (3) Where an applicant from the prospective producer list is invited by the Commission to become an entrant to the New Producer Program, the applicant shall submit to the Commission, within 60 days from the date of such invitation:
 - (a) proof, in a form satisfactory to the Commission, of the applicant's financial ability to establish an acceptable Production Unit for the production of broiler hatching eggs; and
 - (b) proof, in a form satisfactory to the Commission, that the applicant has economically viable plans to sustain the production of broiler hatching eggs;
 - (c) proof, in a form satisfactory to the Commission, that the applicant will be able to establish an acceptable Production Unit for the production of broiler hatching eggs within [time] from the date of the invitation to become an entrant to the New Producer Program;
 - (d) proof, in a form satisfactory to the Commission, that the applicant's Production Unit will be within economic access of a licensed Hatchery; and
 - (e) any other information deemed necessary by the Commission.
- (4) An applicant who has complied with subsection (3) to the satisfaction of the Commission will be issued 5,000 units of Placement Quota when the acceptable Production Unit has been established.

Special Restrictions on Placement Quota Issued Under the Program

4. (1) Placement Quota issued under the New Producer Program may be held for production by the entrant only for so long as the entrant:
 - (a) permits Commission audits of the farm operation to ensure compliance with Commission orders and all applicable legislation, including all terms and conditions of the New Producer Program;
 - (b) is in good standing with all applicable Commission orders and all applicable legislation, including all terms and conditions of the New Producer Program; and
 - (c) is actively engaged in broiler hatching egg production;failing which the Placement Quota so allotted shall thereupon be subject to immediate cancellation on notice by the Commission to the entrant.

Purchase or Acquisition of Additional Placement Quota

5. (1) An entrant may purchase or acquire Placement Quota.
- (2) Entrants under the New Producer Program are eligible to receive general allotments of new Placement Quota and are subject to general adjustments or reductions of Placement Quota, and for that purpose, such receipts, adjustments or reductions shall be calculated against the Placement Quota then allotted to the entrant.

Determination as to Whether the Entrant is Actively Engaged in Broiler Hatching Egg Production

6. (1) The Commission will determine, in its sole discretion, whether an entrant is actively engaged in broiler hatching egg production for the purposes of the New Producer Program. Without limiting the generality of the foregoing, the Commission will have regard to the following factors:
 - (a) whether the Placement Quota allotted under the New Producer Program is being used for the benefit of the entrant;
 - (b) whether the entrant is active in the day-to-day affairs of the Production Unit, including matters of animal husbandry;
 - (c) whether the entrant operates and controls the Production Unit;
 - (d) whether the entrant owns, leases or rents the Production Unit;
 - (e) whether the entrant pays for feed and other farm supplies utilized on the Production Unit; and

- (f) whether the entrant enjoys the chance of profit and bears the risk of loss in relation to the operations of the Production Unit.
- (2) For the purpose of determining whether the entrant is actively engaged in the production of broiler hatching eggs, the Commission shall have regard to the substance and effect of any arrangement made between the entrant and any other Person, irrespective of the form of that arrangement.
- (3) Where it appears to the Commission that the entrant is primarily engaged in the business of administering Placement Quota allotted under the New Producer Program, and that some other Person is primarily engaged in the business of broiler hatching egg production associated with that Placement Quota, the entrant shall be deemed not to be actively engaged in broiler hatching egg production.

Changes to the New Producer Program

- 7. (1) Applicants on the prospective producer list and entrants under the New Producer Program are subject to all changes that the Commission may make from time to time to the terms and conditions of the New Producer Program.
- (2) Notwithstanding subsection (1), the Commission may, in its sole discretion, provide to an entrant a written exemption from any term or condition of the New Producer Program that has come into effect after the entrant's entry into the New Producer Program, in which event the entrant shall continue to be governed by the terms and conditions of the New Producer Program as they existed at the time of the entrant's entry into the New Producer Program except insofar as those terms and conditions may conflict with any subsequent term or condition for which a written exemption had not been granted.

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**SCHEDULE 2
TO THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER**

Standards

PART I - PRODUCTION UNIT STANDARDS

General

1. (1) Every Production Unit shall have a bio-security sign posted at the driveway entrance as follows:

“DO NOT ENTER

**BIO SECURITY
IN EFFECT**

**PLEASE REPORT
TO HOUSE”**

- (2) Producers shall designate an area for permitted parking on the Production Unit.

Brooding Barns

2. (1) Brooding Barns shall:
- (a) be equipped so as to be capable of maintaining a minimum ambient temperature of 60° Fahrenheit.
 - (b) be equipped with a minimum of:
 - (i) 1 foot of feed trough, capable of a minimum travel rate of 60 feet per minute, for every 5 Birds in that Brooding Barn; or
 - (ii) 1 pan feeder for every 20 Birds in that Brooding Barn.
 - (c) be equipped with a minimum of:
 - (i) 1 plasson drinker for every 100 Birds in that Brooding Barn; or
 - (ii) 1 nipple drinker for every 10 Birds in that Brooding Barn.

- (d) be equipped with a sufficient number of brooding units to accommodate the Birds in that Brooding Barn, consistent with the recommendations and specifications published by the manufacturer of such brooding units.
- (e) be equipped with locks at every entrance.
- (f) have the following sign posted at every entrance:

**“AUTHORIZED
PERSONNEL ONLY”**

- (2) Drinkers shall be distributed evenly throughout a Brooding Barn.

Lay Barns

- 3. (1) Lay Barns shall:
 - (a) be equipped so as to be capable of maintaining a minimum ambient temperature of 60° Fahrenheit.
 - (b) be equipped with a minimum of:
 - (i) 1 foot of feed trough, capable of a minimum travel rate of 60 feet per minute, for every 5 Birds in that Lay Barn; or
 - (ii) 1 pan feeder for every 15 Birds in that Lay Barn.
 - (c) be equipped with a minimum of:
 - (i) 1 plasson drinker for every 100 Birds in that Lay Barn; or
 - (ii) 1 nipple drinker for every 10 Birds in that Lay Barn.
 - (d) be equipped with a minimum of:
 - (i) 1 manual nest hole for every 5 Birds in that Lay Barn; or
 - (ii) 4 modern mechanical nest holes for every 25 Birds in that Lay Barn.
 - (e) be of a minimum area equivalent to 2 square feet for every Bird in that Lay Barn, calculated from the exterior dimensions of the Bird housing area of that Lay Barn.

- (f) be equipped with a system of ventilation of a minimum capacity equivalent to 6 cubic feet per minute (“cfm”) for each Bird in that Lay Barn, calculated in accordance with the following schedule:

<u>Fan Size</u>	<u>Presumed Capacity</u>
16”	2500 cfm
18”	3600 cfm
20”	4300 cfm
24”	5500 cfm
36”	9500 cfm

- (g) be equipped so as to be capable of providing a minimum light intensity of:
 - (i) 1 foot/candle; or
 - (ii) 200 watts for every 1,000 square feet of area in that Lay Barn.
- (h) be equipped with locks at every entrance.
- (i) have the following sign posted at every entrance:

**“AUTHORIZED
PERSONNEL ONLY”**

- (2) Drinkers shall be distributed evenly throughout a Lay Barn.

Egg Service Rooms

- 4. Every Production Unit shall have an Egg Service Room which shall be equipped with hot and cold running water.

Egg Storage Rooms

- 5. (1) Egg Storage Rooms shall:
 - (a) be large enough to accommodate one week’s production of broiler hatching eggs and:
 - (i) packaging for four day’s production of broiler hatching eggs; or
 - (ii) egg buggies for four day’s production of broiler hatching eggs.
 - (b) where the Production Unit is serviced by egg buggies, be of a minimum area equivalent to 2 square feet for every 100 Birds in production.

- (c) be equipped with operational cooling, heating and humidifying equipment.
- (d) be equipped with an operational wet/dry bulb thermometer.
- (e) be equipped so as to be capable of maintaining a minimum ambient temperature of 60° Fahrenheit and a maximum ambient temperature of 65° Fahrenheit.
- (f) be equipped so as to be capable of maintaining a minimum humidity of 75%.
- (g) be equipped with locks at every entrance.
- (h) have the following sign posted at every entrance:

**“AUTHORIZED
PERSONNEL ONLY”**

- (i) be accessible by way of a well maintained gravel or hard surfaced loading area.
- (2) Egg Storage Rooms shall be equipped with cooler doors and load-out doors having a minimum width of 4 feet.
 - (3) Egg Storage Rooms constructed after October 1, 1999 shall be accessible by way of a loading dock or other loading apparatus suitable for the loading of broiler hatching eggs onto a vehicle that is not equipped with a hydraulic lift gate.
 - (4) Production Units constructed after May 25, 1999 shall have no more than one Egg Storage Room.

PART II - PRODUCTION UNIT MANAGEMENT STANDARDS

General

- 6. (1) Producers shall:
 - (a) properly maintain and keep clean all equipment and facilities situate on the Production Unit.
 - (b) remove dead broiler breeders from the Brooding Barn and Lay Barn daily.
 - (c) dispose of dead broiler breeders as necessary.

- (d) implement and maintain on the Production Unit an effective rodent and insect control program.
 - (e) maintain the perimeter area extending 15 feet from the exterior of a Brooding Barn, Lay Barn or Egg Storage Room in a well groomed state.
 - (f) maintain at every entrance to a Brooding Barn, Lay Barn or Egg Storage Room:
 - (i) a disinfectant foot bath; and/or
 - (ii) separate footwear for exclusive use in that Brooding Barn, Lay Barn or Egg Storage Room, as the case may be.
 - (g) manage ventilation in Brooding Barns and Lay Barns so as to:
 - (i) provide a uniform environment for Bird health;
 - (ii) keep litter dry; and
 - (iii) minimize ammonia levels.
 - (h) use a Hatchery's packaging and egg buggies only for the purpose of packaging and storing broiler hatching eggs.
- (2) No Producer shall raise or manage on a Production Unit any species of animal other than broiler breeders.
- (3) Except with prior notice to the Hatchery, no Producer shall place or maintain on a Production Unit broiler breeders originating from another Producer's Production Unit.

Records

7. Producers shall maintain legible and current records of broiler breeder weights, daily feed consumption, mortality, and vaccination activity.

Breeder Flock Management

8. Producers shall:
- (a) raise and feed broiler breeders using sound management and animal care practices.
 - (b) raise and feed cockerels separately from hens until they are at least one week of age.

- (c) place broiler breeders in a Brooding Barn in numbers less than or equivalent to:
 - (i) one Bird for every 1.00 square foot in that Brooding Barn, where the Birds are 6 weeks of age or younger;
 - (ii) one Bird for every 1.50 square feet in that Brooding Barn, where the Birds are between 6 weeks and 20 weeks of age; or
 - (iii) one Bird for every 1.75 square feet in that Brooding Barn, where the Birds are 20 weeks of age or older.
- (d) administer health and vaccination programs as may be prescribed by the Hatchery.
- (e) administer re-vaccinations to broiler breeders as may be determined to be necessary by the Animal Health Monitoring Laboratory.
- (f) remove all Cull Chicks and brother roosters when identified.
- (g) immediately submit a sample of dead broiler breeders to an approved laboratory whenever the mortality of such broiler breeders exceeds:
 - (i) 3% of cockerels; or
 - (ii) 5% of pullets;within the first two weeks of life.

Production Management

- 9. (1) Producers shall:
 - (a) bring broiler breeders into production using sound management and animal care practices.
 - (b) with prior notice to the Hatchery, spike broiler breeder flocks with replacement roosters when necessary to maintain or improve fertility rates.
 - (c) permit the testing of any or all replacement roosters.
 - (d) immediately report any significant drop in production or any indication of disease to the Hatchery.

- (e) provide the Hatchery with copies of any laboratory reports regarding any significant drop in production or any indication of disease.
 - (f) properly maintain and keep clean all nest hole material.
 - (g) sanitize nest holes and nest belts when the broiler breeder flock is out of production.
- (2) The Commission may:
- (a) on its own initiative;
 - (b) upon the written request of a Producer; or
 - (c) upon the written request of a Hatchery;

take samples of broiler hatching eggs from a Producer, a Hatchery, or both, for the purpose of testing broiler hatching egg fertility.

Egg Washing and Sanitation

10. (1) Producers shall wash broiler hatching eggs when requested to do so by the Hatchery.
- (2) Where broiler hatching eggs are washed, they shall be washed with clean water of approximately 105o Fahrenheit, with a detergent approved or recommended by the Hatchery.
- (3) Where bucket-type washers are used:
- (a) broiler hatching eggs shall not be immersed for more than 4 minutes; and
 - (b) fresh washing solution shall be used with each wash.
- (4) All washed broiler hatching eggs shall be marked for identification so as to be distinguishable from unwashed broiler hatching eggs.
- (5) Producers shall sanitize broiler hatching eggs when requested to do so by the Hatchery.

Egg Gathering, Storage and Packing

11. (1) Producers shall, while the broiler breeder flock is in production:
- (a) gather broiler hatching eggs a minimum of 3 times daily.

- (b) sweep the Egg Service Room floor daily.
 - (c) sanitize the Egg Service Room floor at least once each week.
 - (d) sanitize gathering tables at least once each week.
- (2) Broiler hatching egg packaging shall be stored in a cool place, or cooled before using.
 - (3) Broiler hatching eggs shall be cooled before or during packaging.
 - (4) Cull Eggs shall be removed by Producers before packaging, such that no more than 0.25% of the total number of broiler hatching eggs in any Pick-Up shall be Cull Eggs.
 - (5) All Cull Eggs identified by a Hatchery shall be made available to the originating Producer.
 - (6) All broiler hatching eggs packaged by a Producer shall be:
 - (a) of a minimum weight of 52 grams.
 - (b) packaged with the large end of each broiler hatching egg facing up.
 - (7) No Producer shall package broiler hatching eggs for sale while the presence of a federally reportable disease within the Production Unit has been confirmed by Agriculture Canada.

PART III - HATCHERY AND TRANSPORTER STANDARDS

Transport

- 12. Transporters shall properly maintain and keep clean all vehicles used for the purpose of transporting broiler hatching eggs.

Setting

- 13. Hatcheries shall place broiler hatching eggs in their incubators in a timely fashion and as soon after such broiler hatching eggs are laid as is reasonably possible.

PART IV – BREEDER STANDARDS

Broiler Breeder Hatching Eggs

- 14. Broiler breeder hatching eggs shall be of a minimum weight of 52 grams.

Broiler Breeder Chicks

15. Day-old broiler breeder pullets should not have any one or more of the following characteristics: poor legs, skin tears, missing eye(s), crossed beak, unthrifty appearance, dirty or matted with hatch material, scabby navel, body lesion(s), or curled toes.

Genetics

16. Every Producer must be provided with all available manuals and guidelines applicable to any new strain of day-old broiler breeder pullets provided to that Producer.
17. New strains of day-old broiler breeder pullets should not be placed unless there has first been consultation between the applicable Hatchery, the applicable Producer and the Commission.

PART V - INSPECTIONS

Commission Inspection Officer

18. The Commission may from time to time appoint a representative to be known as the Commission Inspection Officer.

Inspections

19. (1) The Commission may:
 - (a) on its own initiative;
 - (b) upon the written request of a Producer; or
 - (c) upon the written request of a Hatchery;direct the Commission Inspection Officer to conduct an inspection, with or without notice, for the purpose of assessing the degree of compliance or non-compliance with the Standards.
- (2) Following an inspection, the Commission Inspection Officer shall report to the Commission the degree of compliance or non-compliance with the Standards.
- (3) Where, upon consideration of the report made by the Commission Inspection Officer, the Commission determines that a Producer or Hatchery, as the case may be, has not adequately complied with the Standards, the Commission may, in its sole discretion, do one or more of the following:
 - (a) direct the Producer or Hatchery, as the case may be, to rectify any deviation from the Standards within a specified time;

- (b) cancel the Producer's licence;
- (c) suspend the Producer's licence for such period as the Commission may, in its sole discretion, deem appropriate;
- (d) alter or cancel any Placement Quota issued to the Producer, in whole or in part;
- (e) prohibit the Transfer of any Placement Quota by the Producer, in whole or in part;
- (f) impose conditions on the Transfer of any Placement Quota by the Producer, in whole or in part;
- (g) prohibit the production, buying, selling, shipping for sale, offering for sale, storing, packing or transportation of broiler breeders or broiler hatching eggs, by the Producer or Hatchery, as the case may be, in whole or in part;
- (h) impose conditions on the production, buying, selling, shipping for sale, offering for sale, storing, packing or transportation of broiler breeders or broiler hatching eggs, by the Producer or Hatchery, as the case may be, in whole or in part.

**SCHEDULE 3
TO THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER**

Prices

Broiler Hatching Eggs

1. (1) For Period A68 the base price to be paid by Hatcheries to Producers for broiler hatching eggs is \$3.46 per dozen broiler hatching eggs. Saleable chick price is \$0.360 per chick.
- (2) The base price for broiler hatching eggs is F.A.S. the Producer's Farm.

Chicks Under 2 Days Old

2. (1) For Period A68 the base price to be paid by Growers to Hatcheries for chicks under 2 days old hatched from broiler hatching eggs (exclusive of any charges that may be imposed by the Hatchery for vaccination or sexing services requested by the Grower) is \$0.530 per chick under 2 days old.
- (2) Notwithstanding subsection (1), Hatcheries may, at their discretion, provide to Growers chicks under 2 days old at no cost in addition to the number of chicks under 2 days old invoiced per flock placement.
- (3) The base price for chicks under 2 days old hatched from broiler hatching eggs is F.A.S. the Grower's Farm.

Fowl

3. (1) The base price to be paid by Processors to Producers for Fowl is:
 - (a) \$0.30 per kilogram live weight for broiler breeder hens; and
 - (b) \$0.00 per kilogram live weight for broiler breeder stags.
- (2) For Fowl not weighed by the Processor before 10:00 a.m. on the date of delivery, the amount of \$0.02 per kilogram live weight shall be added to the base price for each of broiler breeder hens and broiler breeder stags.
- (3) The base price for Fowl is F.A.S. the Producer's Farm.

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**SCHEDULE 4
TO THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER**

Levies

Producer Levies

1. Levies are fixed and imposed upon each Producer as follows:
 - (a) National Agency Levy at a rate of \$0.0288 per dozen broiler hatching eggs received by a Hatchery;
 - (b) Administration Levy at a rate of \$0.1712 per dozen broiler hatching eggs received by a Hatchery;

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**SCHEDULE 5
TO THE BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION
CONSOLIDATED ORDER**

Conflict of Interest Rules

Conflict of Interest

1. For the purposes of these Rules, a Member has a conflict of interest when the Member exercises an official power or performs an official duty or function in the execution of his or her office and at the same time knows that in the performance of the duty or function or in the exercise of the power there is the opportunity to further his or her Private Interest.

Apparent Conflict of Interest

2. For the purposes of these Rules, a Member has an apparent conflict of interest when there is a reasonable perception, which a reasonably well informed person could properly have, that the Member's ability to exercise an official power or perform an official duty or function must have been affected by his or her Private Interest.

Conflict of Interest Prohibition

3. A Member shall not exercise an official power or perform an official duty or function if the Member has a conflict of interest or an apparent conflict of interest.

Insider Information

4. A Member shall not use information that is gained in the execution of his or her office and is not available to the general public to further or seek to further the Member's Private Interest.

Influence

5. A Member shall not use his or her office to seek to influence a decision, to be made by another person, to further the Member's Private Interest.

Procedure on Conflict of Interest

6. (1) A Member who has reasonable grounds to believe that he or she has a conflict of interest or an apparent conflict of interest in a matter that is before the Commission shall:

- (a) if present at a meeting considering the matter:
 - (i) disclose the general nature of the conflict of interest or apparent conflict of interest; and
 - (ii) withdraw from the meeting without voting or participating in the consideration of the matter;
- (b) if not present at a meeting considering the matter, forthwith disclose in writing to the Commission the general nature of the conflict of interest or apparent conflict of interest.
- (3) Where a Member has complied with subsection (1), the secretary of the meeting shall record:
 - (a) the disclosure;
 - (b) the general nature of the conflict of interest or apparent conflict of interest; and
 - (c) the withdrawal of the Member from the meeting.

Disclosure Statement

- 7. (1) Every Member must, prior to the first meeting of the Commission following the date that such Member was elected, and thereafter within 30 days of January 1 of each calendar year, file with the Commission a disclosure statement in the form prescribed by the Commission.
- (2) The disclosure statement must contain:
 - (a) the name of every company in which ten percent (10%) or more of the issued shares are held, directly or indirectly, by the Member, the Member's spouse or minor children, or any trustee or nominee on their behalf, together with a brief description of the business carried on by each such company;
 - (b) the name of every non-corporate business enterprise from which, directly or indirectly, the Member, the Member's spouse or minor children receive income, together with a brief description of the business carried on by each such non-corporate business enterprise; and

- (c) the name of every company or organization with respect to which the Member is an officer, director, elected official or appointed official.
- (3) After filing a disclosure statement, a Member must continue to disclose any material changes to the information recorded thereon by promptly filing with the Commission a revised disclosure statement.

Accepting Extra Benefits

8. (1) A Member shall not accept a gift or personal benefit, except compensation authorized by law, that is connected directly or indirectly with the performance of his or her duties of office.
- (2) Subsection (1) does not apply to a gift or personal benefit that is received as an incident of the protocol or social obligations that normally accompany the responsibilities of office.
- (3) Where a gift or personal benefit referred to in subsection (2) exceeds \$250.00 in value, or where the total value received directly or indirectly from one source in any 12 month period exceeds \$250.00, the Member shall immediately disclose:
- (a) the nature of the gift or personal benefit;
 - (b) its source; and
 - (c) the circumstances under which it was given and accepted.

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