

**Red = removal of word “Transitional quota” or references to transitional quota. Includes new policies on domestic leasing/Board member Code of Conduct which were approved by the BCCMB prior to the Specialty changes but not yet published and circulated to industry.**

**Blue = new orders pertaining to Specialty and New Entrant Program as per FIRB instructions. Some overlap may occur.**

## **British Columbia**

### **Chicken Marketing Board**

# ***DRAFT***

## **General Orders**

October 31, 2005

Approved by FIRB XX/XX/XX

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**British Columbia Chicken Marketing Board**

**General Orders made under the**

**NATURAL PRODUCTS MARKETING (BC) ACT, 1996**

**and the**

**BRITISH COLUMBIA CHICKEN MARKETING SCHEME, 1961.**

**Part 1 Definitions**

“**Act**” means the Natural Products Marketing (BC) Act, 1996, as amended;

“**allocation**” means the allocation by CFC to a province for a period fixing the quantity of chicken that may be marketed by producers of that province in intraprovincial, interprovincial and export trade;

“**allotment**” means federal and provincial quota allotted, in any form, to a producer for a period by the Board on behalf of CFC and pursuant to its own jurisdiction respectively;

“**Asian chicken**” is chicken designated by the Board as Asian chicken after consultation with SMAC, and includes Silkies or other differential genetic strains designated by the Board;

“**Board**” means British Columbia Chicken Marketing Board;

“**building**” means a barn used for the production of chicken that has been approved by the Board for such purpose;

“**certified organic chicken**” is chicken certified by the Certified Organic Association of British Columbia as “British Columbia Certified Organic”;

“**CFC**” means Chicken Farmers of Canada;

“**chick**” means a chicken that is less than seven days of age;

“**Chick Broker**” means a person who offers chicks for sale and is not a hatchery;

“**chicken**” means any class of chicken under six months of age not raised or used for egg production, grown in British Columbia, and includes any article of food or drink wholly or partly manufactured or derived therefrom;

“**classes of quota**” refers to primary or specialty quota;



**“custom processing”** means:

- a. the slaughter of chicken by a processor for or on account of a person who produce the chicken for consumption by that person and family members of that person who reside on the premises at which the chicken was produced; or
- b. direct marketing of product up to 3,000 kilograms live weight per 8-week cycle.

**“cycle”** means a period of time measured in days for which the Board may allot a production quota to a grower;

**“declining quota transfer assessment”** is the assessment charged in accordance with Part 36 as a result of the transfer of quota or farm and quota;

**“deemed new entrant grower or DNEG”** is a grower who has initially applied for specialty quota or primary quota in an amount less than 7,716 kg live weight per 8 week cycle or 50,154 kg live weight per year under Part 50. Upon written request and accompanied by an approved modified business plan, DNEG’s will have priority to receive an increase to the maximum of 7,716 kg live weight per 8 week cycle prior to any new issuance of quota in that year and in that class of quota;

**“disaster flock”** means flocks delivered to a processing plant that have very serious problems including, but not limited to, extremely high condemnations, DOA’s and/or contaminations, very wide variability of weight, very low average weights etc.

**“export production”** means product that is raised specifically for export out of Canada under the Market Development Program of the CFC.

**“Federal Provincial Agreement” (FPA)** – means the 2001 Federal-Provincial Agreement for chicken signed, July 16, 2001, by the Federal Minister, the Provincial Ministers, the Provincial Supervisory Boards and Chicken Farmers of Canada;

**“F.O.B.”** means freight on board;

**“grower”** means a person engaged in the production of chicken to whom the Board has allotted quota or issued a permit, which quota or permit has not been cancelled;

**“hatchery”** means the premises in which chicks, not used for the purposes of egg production, are hatched;

**“home week”** means the week or weeks mutually agreed to between the grower and processor for the pick up of a grower’s chicken for delivery to a processor;

**“in good standing”** means not being delinquent in payment of any licence fees, levies, or other monies owing to the Board in respect of any production or marketing pursuant to the quota. Anyone who has incurred a 250 kg penalty is deemed to not be in good standing and anyone found in contravention of these orders is not in good standing;



**“Interior”** means that portion of the Province of British Columbia that is not included in the regions defined as the Lower Mainland or Vancouver Island;

**“Lower Mainland”** means that portion of the British Columbia mainland which is contained within the area commencing at the intersection of the 49<sup>th</sup> Parallel of latitude and the 121<sup>st</sup> meridian of longitude, north to the 50<sup>th</sup> parallel of latitude, west to the 123<sup>rd</sup> meridian of longitude and north to the 51<sup>st</sup> parallel of latitude;

**“mainstream chicken”** is chicken that is not specialty chicken and includes regular broilers, roasters, or cornish derived from a commercially available broiler chick stock, including without limitation, Hubbard ISA, Cobb Vantress, or Ross Breeders;

**“market development quota”** means a form of quota allocation for allotment to producers by the Board pursuant to a provincial market development program that is in accordance with a market development policy developed by CFC;

**“marketing”** includes advertising, assembling, buying, financing, offering for sale, packing, processing, producing, selling, shipping, storing, transporting and weighing, and “market” and “marketed” have corresponding meanings;

**“marketing week”** means the week prior to the home week, the home week, or the week following the home week;

**“new entrant grower or NEG”** is a grower who has successfully completed the requirements under the New Entrant Grower Program contained in Part 50, and has received issuance of either specialty quota or primary quota;

**“new grower”** means a holder of quota or a permit, who prior to the date on which the Board allotted quota or a permit to the grower, was not a holder of quota or a permit;

**“OFFSAP”** means the On Farm Food Safety Program developed by Chicken Farmers of Canada through its Good Production Practices Code and made mandatory by the Board on December 31, 2003, with full implementation required by December 31, 2004.

**“owner”** means the person who has title in fee simple to the registered premises;

**“permit”** means production allotment to a maximum of 3,000 kg live weight per year for intra-provincial use only under Part 50; unless otherwise given permission by CFC or the Board;

**“permit quota”** means quota under Part 51;

**“person”** means a person as defined in the Interpretation Act and includes:

- 1) a partnership as defined in the *Partnership Act*;
- 2) any unincorporated organization that is not a partnership referred to in sub clause (1), or;
- 3) any group of individuals who are carrying on an activity for a common purpose and are neither a partnership referred to in sub clause (1) nor an unincorporated organization referred to in sub clause (2);

**“personal exemption”** refers to Exemptions Section 2.1(e) of the General Orders;

**“primary quota”** means quota in units for the production and marketing of chicken allotted by the Board in respect of registered premises;

**“prescribed form”** means a form specified by the Board for a particular purpose;

**“processing”** means the slaughtering of chicken;

**“processor”** means any person who is engaged in the business of processing chicken;

**“production quota”** means a quota for the production and marketing for a production quota period of a specified number of kilograms of chicken allotted by the Board and may include Market development quota;

**“pro-rata quota ”** means the proportionate allocation of new growth based on each grower’s total quota;

**“quota”** means a specified number of kilograms measured in live weight assigned by the Board to a grower and includes primary quota, specialty quota, pro-rata quota, a market development quota or permit;

**“quota production period”** means a marketing period expressed in a number of days determined from time to time by the Board;

**“quota unit”** means a measurement of a single quota weighing either 1.929 kgs, or a derivative based on cycle length;

**“registered premises”** means building(s) and the lands appurtenant thereto owned by the grower and registered with the Board for the production of chicken under the grower’s quota;

**“Scheme”** means BC Reg. 188/61, the British Columbia Chicken Marketing Scheme, 1961, as amended;

**“specialty chicken”** is chicken which is not mainstream chicken and which as been designated by the Board as specialty chicken, including without limitation certified organic chicken and Asian chicken and may include purebred stock of a traditional or heritage breed or innovative new product that does not fit into any of the previous three categories and does not currently exist in the marketplace;

**“Specialty Market Advisory Committee or SMAC”** is the committee constituted by the Board to advise the Board on matters pertaining to the specialty market;

**“specialty chicken grower”** is a person holding specialty quota;

**“specialty quota or SQ”** is quota in units for the production and marketing of specialty chicken, allotted by the Board in respect of registered premises;

**“third party certification”** is the certification by the Certified Organic Association of British Columbia or such other third party certification authority as has been recognized by the Board for purposes of certifying specialty chicken;

**“transfer of title”** means any document by which the fee simple ownership of a registered premise is changed;

**“transferee”** means a person who files an application to acquire quota or quota and registered premise(s);

**“transferor”** means a person who files an application to dispose of quota or quota and registered premise(s);

**“transporter”** means a person who is licenced by the Board and whose vehicle is registered on that licence engaged in the delivery of live chicken from the registered premises of a grower to any location or from the premises of one processor to any location and includes the owner or lessee and the driver of the vehicle used to deliver the chicken. “Transport”, “transporting”, “transported” and “transportation” have corresponding meanings;

**“targeted weight”** means the average weight per bird of a flock upon completion of the growing cycle that has been agreed to by the grower and the processor or processor representative;

**“Vancouver Island”** means that portion of the Province of British Columbia consisting of Vancouver Island and all the other islands lying along the coast of the Province;

**“vehicle”** means a device in, on or by which a person or thing is or may be transported or drawn on a highway, except a device designed to be moved by human power or used exclusively on stationary rails or tracks;

## **Part 2 Exemptions**

- 2.1 These General Orders apply to all chicken except:
- a. chicks, pullets, and cockerels marketed for the purpose of being used for the production of eggs;
  - b. chicks that are sold to a grower for production of chicken by the grower on the grower's premises and for consumption by the grower on the grower's premises;
  - c. chicks that are sold to a person for production of chicken by that person on that person's premises and for consumption by that person on that person's premises;
  - d. chicken used for the production of eggs or hatching eggs that have completed a normal useful laying cycle or breeding cycle for the production of eggs or hatching eggs; and
  - e. chicken used for home consumption in the amount not exceeding 200 birds per calendar year.

### **Part 3 Production of Chicken**

- 3.1 All chicken shall be produced on a quota unless otherwise determined by the Board.
- 3.2 Only persons to whom a valid quota has been allotted and who currently hold a valid quota shall produce any chicken.
- 3.3 No grower shall produce any chicken in excess of the quota allotted to the grower.
- 3.4 No grower shall produce chicken except on his registered premises.

#### **Part 4 Marketing of Chicken**

- 4.1 All chicken shall be marketed on a quota unless otherwise determined by the Board.
- 4.2 Only persons to whom a quota has been allotted and who currently hold a valid quota shall market any chicken.
- 4.3 No grower shall market any chicken in excess of the quota allotted to the grower.
- 4.4 No grower shall market any chicken other than chicken produced on his registered premises.
- 4.5 A person shall buy chicken only from a grower holding valid quota allotted by the Board.
- 4.6 No person shall sell chicks to any person to whom the Board has not allotted a quota for the marketing of chicken or whose quota has been suspended or cancelled, unless the chicken is for home consumption.
- 4.7 No person shall market, process, pack, or package any chicken that has not been produced and marketed in compliance with these General Orders.
- 4.8 No person shall purchase or otherwise acquire any chicken from a grower that was not produced and marketed by that grower pursuant to that grower's production quota.
- 4.9 Every grower shall immediately report to the Board all chicken marketed by that grower that is not otherwise reported to the Board by a processor in accordance with these Orders.
- 4.10 The Board may grant a permit to a person involved in scientific research in respect of chicken, to market chicken.
- 4.11 Quota holders may not switch their production between classes of quota.
- 4.12 Product marketed outside its class will be subject to penalties as designated in Schedule 15.

## **Part 5 Application for Licence**

- 5.1 The Board may, upon receipt and approval of the completed application and upon payment by the applicant of the licence fee, as from time to time determined by the Board, issue one or more of the following licences:
- a. to operate as a hatchery;
  - b. to market chicken as a grower;
  - c. to process chicken;
  - d. to transport chicken;
  - e. to operate as a chick broker.
- 5.2 A licence authorizes the licensee to engage in the activity specified on the licence. If a person engages in more than one activity listed in Section 5.1, that person must hold a separate licence for each activity.
- 5.3 A licence expires on December 31 of the year for which it is issued.
- 5.4 A licence is not transferable.
- 5.5 A licence is subject to any conditions imposed by the Board on the licence. The Board may refuse to grant, renew, suspend or revoke a licence where:
- a. the applicant is not qualified by experience, financial ability or equipment to engage properly in the business for which the application was made; or
  - b. where the applicant or licensee has failed to comply with or has contravened any provision of the Act, the Scheme, these General Orders or any order or direction of the Board.

## **Part 6 Licence as a Grower**

- 6.1 No person shall commence or continue to engage in the production of chicken except under the authority of a Board licence as a grower of chicken.
- 6.2 No licence shall be issued to any natural person under the age of 19 years or any corporation controlled by any person under the age of 19 years or to any firm, partnership or joint venture where a party thereto is under the age of 19 years.
- 6.3 No licence shall be issued to a grower whose premises and buildings are not held in the grower's name.



## **Part 7 Assurance of Supply**<sup>1</sup>

- 7.1 A processor shall receive a share of provincial supply of chicken in a specific period in proportion to its share of provincial allocation in three equivalent periods in the prior year.
- 7.2 All contracted chicken must be slaughtered in the processor's own facility.
- 7.3 In order to qualify for 100% of its allocation, a processor must have produced between 97.5% and 102.5% of its allotment in the three periods of the prior year. The lower limit of 97.5% will not apply until quota period A-67.
- 7.4 If, in any of the three periods used to calculate the base the processor slaughters over 102.5% or under 97.5%, then the allocation for that period in calculating the base shall be adjusted downward by the percentage the processor either failed to produce at least 97.5% or exceeded 102.5%. The lower limit of 97.5% will not apply until quota period A-67.
- 7.5 Section 7.3 and 7.4 of this order will be effective in period A-62. The first time that processor bases may be adjusted under this policy will be in period A-74.

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### <sup>1</sup> Example

- a. *If in the three periods of the prior year which are used to calculate the base in the upcoming period the processor slaughtered 99.0%, 101.2 % and 103.0%, the processor's base allocation for the period will be:*
- i. *Count the first period as 100% since it is within the sleeve*
  - ii. *Count the second period as 100% since it is also within the sleeve*
  - iii. *Count the third period as 99.5% since it exceeded the sleeve by .5%.*
- b. *The processor's base allocation for the upcoming period would be 99.83% (100+100+99.5 divided by 3) of the average of the three periods in the prior year.*



## **Part 8 New Entrant Program for Processors**

- 8.1 At the end of every third year, if in the preceding three years there has been an average of at least 1.0% growth per year in total BC production, the Board will consider applications for the entrance of a new processor or an increase in allocation of an existing smaller processor. The application period will be between January 1 and April 30 of the year following the end of the third year of the period used to calculate provincial growth.
- 8.2 The Board will allocate up to 2.5% of the average live weight of total BC production of the last six (6) cycles of the three-year period. The total available to New Entrants and Deemed New Entrants will be available for distribution over the ensuing three (3) years.
- 8.3 There will two types of applicants for the growth:
- a. a “deemed new entrant” is an existing processor who can demonstrate a need for additional production. To qualify as a deemed new entrant an existing processor must be processing less than 1.5% of the production of the last six (6) cycles of the three-year period used to calculate provincial growth;
  - b. a “new entrant” may apply for production up to a maximum of 1.5% of the production of the last six (6) cycles of the three-year period used to calculate provincial growth. A new entrant may not be an existing processor or related, either directly or indirectly, to an existing processor;
- 8.4 Provisions for dealing with a “Deemed New Entrant”:
- a. The “deemed new entrant” will have priority over a “new entrant” in the application process.
  - b. The level of production granted to the deemed new entrant or the new entrant will be set at a determined level for six (6) periods, following which the processor will participate in the industry’s standard allocation process.
  - c. The application of a deemed new entrant must demonstrate the growth in the market that justifies the increase in allocation.

## 8.5 Provisions for dealing with a “New Entrant”:

- a. The application of a new entrant must include:
  - i. A marketing plan/business plan;
  - ii. Written confirmation of financing from a recognized financial institution;
  - iii. A commitment to a HACCP compliant plant;
  - iv. A demonstration that all municipal, provincial and federal regulations will be met;
  - v. A set of specific dates for the construction of the processing plant that must be operating within eighteen (18) months of application approval;
  - vi. A \$50,000 bond to be refunded when the plant opens;
  - vii. The processor must have a signed agreement with a hatchery;
- b. The Board will draw down the new entrant’s bond by \$5000 for each month past the committed month to have a fully operational processing plant. In addition the Board reserves the right to audit progress towards construction of a plant at anytime during the eighteen (18) month period between approval and plant opening. Should there be evidence the plant will not be open on the projected date; the Board may withdraw its approval.
- c. Following a preliminary acceptance of the new entrant’s proposal, an applicant will have three (3) months to sign up enough growers to meet the supply needs for the plant for the next year. The sign up will require that each grower post a \$10,000 bond to the Board as a show of commitment to the plant. The bond will be refunded following the shipment of the birds from the sixth (6) consecutive cycle of shipments to the new processor.
- d. Following the beginning of processing, the new entrant must come up to the amount of product that was granted within six (6) cycles. If the processor does not achieve full processing capacity in the 6 cycles, it will lose that amount which it is short and must apply for increases as a deemed new entrant.

8.6 Other General Provisions include:

- a. If there are no applications in the designated timeframe of the designated year, or if the applications do not absorb the total product available to both categories of applicants, applications will be accepted at any time. Once the available product has been absorbed the Board will revert to the policy of the program at the beginning of the next scheduled three-year period. If at the end of a three-year period there is available product remaining it will not be carried forward.
- b. Notwithstanding any of the above provisions on the volume of product to be distributed under this policy, the Board reserves the right to allocate all, some or none of the amount determined to be available for this program.

8.7 Procedure for the “first round” of new entrant applications will be found in Schedule 1.

8.8 In response to the new meat inspection regulations implemented by government and which come fully into effect as of September 2006, and the need for small-scale regional specialty processors in BC, the Board will recognize such small scale processors as those processing up to 77,160 kg live weight per 8-week quota period (annualized at 501,540 kg live weight per year).

8.9 Processors under Section 8.8 will be exempt from Part 7 and 8 of these General Orders, until such time as they reach a processing level exceeding 77,160 kg live weight per quota period.

8.10 Processors upon processing at a level beyond 77,160 kg live weight per cycle would be required to conform to Part 7 & 8 of these General Orders and by doing so would be eligible to apply for additional growth, allocated under the Federal Provincial Agreement for Chicken as a “deemed new entrant”.

## **Part 9 Purchase and Sale of Chicken**

- 9.1 Every processor who contracts with a grower for chicken shall do so in the prescribed form and shall pay the grower for all chicken sold by that grower, pursuant to the form and these General Orders.
- 9.2 All chicken shall be sold to the processor by the grower and bought by the processor from the grower in accordance with the prescribed form and these General Orders.
- 9.3 Every contract for the marketing of chicken in the prescribed form shall be signed by the grower, the hatchery and the processor and shall be filed by the processor or the grower with the Board on or before the deadline date specified on the prescribed form.
- 9.4 Where a provision of these General Orders is in conflict with any term or condition of an agreement between a processor and a grower, the provision of these General Orders shall prevail.
- 9.5 All chicken shall be purchased and sold F.O.B. at the grower's premises.
- 9.6 The processor shall give the grower not less than 48 hours notice of the day of receiving chicken at the registered premises of the grower and reasonable notice of the hour of pick-up. However, the required notice may be less than 48 hours provided the processor and grower mutually agree.
- 9.7 A grower shall give a two period written notice (16 weeks) to a processor of intention to sell his chicken on a continuing basis to another processor, and a processor shall give a like two period notice to a grower of its intention to discontinue buying chicken on a continuing basis from the grower. A copy of any notice shall be accompanied by the prescribed form and given to the Board at the same time it is delivered to a processor or a grower.

## **Part 10 Delivery to Processor**

- 10.1 At the time of sale of chicken the grower shall complete three copies of the grower receipt on the prescribed form for each shipment of chicken received by the processor and shall deliver such copies to the processor or the processor's agent. The grower shall ensure that the form is complete and accurate in all respects. The processor or the processor's agent shall sign the three copies of the form and return two copies to the grower and retain the yellow copy. The yellow copy must accompany the vehicle in transit to the processing plant.

## **Part 11 Transporting Chicken**

- 11.1 Every person prior to commencing or continuing to engage in the transportation of chicken shall, in respect of each vehicle to be used to transport chicken, complete and file with the Board an application for a licence as a transporter of chicken.
- 11.2 A licence as a transporter of chicken, unless suspended or revoked, is valid from the date of issue to December 31<sup>st</sup>, of the same calendar year.
- 11.3 Every transporter of chicken shall, at all times, keep the licence on or in the vehicle in respect of which the licence was issued and shall make it available for inspection by a representative of the Board or by a person appointed by the Board to act on their behalf.
- 11.4 No transporter shall transport chicken that was not produced and marketed under the authority of a quota allotted by the Board to the grower of that chicken.
- 11.5 The Board may refuse to grant, renew or may suspend or revoke a licence as a transporter of chicken where:
- a. the applicant or licensee is not qualified by experience, financial ability or equipment to properly engage in the transporting of chicken; or,
  - b. the applicant or licensee has failed to comply with or has contravened any provisions of the Act, these General Orders, the Scheme, or any order or direction of the British Columbia Marketing Board, or the Board.
- 11.6 No grower shall permit anyone other than a transporter in possession of a valid and subsisting licence to transport chicken produced by the grower under the authority of a quota allotted by the Board to the grower of that chicken.
- 11.7 No transporter shall require a grower to pay a fee for the transportation of chicken from the registered premises of the grower to the premises of the processor or from one processor to another.
- 11.8 Every transporter shall obtain a prescribed form from the grower for each shipment of chicken and shall ensure that the form accompanies the shipment and is delivered to the processor who is buying the chicken from the grower. The transporter shall ensure that the form is complete and accurate in all respects.



11.9 Every transporter shall, in respect of each load of chicken transported from grower to processor, proceed directly from the grower's registered premises to attend at a weigh scale approved by the Board, and obtain a weight ticket for the chicken being transported showing the exact date and time and weight of the chicken including the tare weight, gross weight of the vehicle and net weight of the chicken. The transporter shall, upon arrival at the premises of the processor (obtain the completed weight ticket and deliver the same with the completed prescribed form) deliver the completed weight ticket to the processor.

## **Part 12 Weighing Chicken**

12.1 Rules governing the weighing of chicken are set forth in Schedule 2.

### **Part 13 Payment to Growers**

- 13.1 Every processor shall pay to the grower the Board price for all chicken received, in accordance with these General Orders, other than chicken condemned at the plant of the processor by animal health inspectors by reason of:
- a. disease; or
  - b. emaciation; or
  - c. such other deductions as may be made with the mutual agreement of the grower and the processor.
- 13.2 Only parts condemned by reason of disease or emaciation may be charged to the grower.
- 13.3 Condemnation of chicken, or parts thereof, shall be determined by an inspector of the Canadian Food Inspection Agency or an inspector of the British Columbia Ministry of Health or a local health authority, who shall issue a Certificate of Condemnation to the processor.
- 13.4 Every processor shall pay to the grower the price of chicken sold by the grower to the processor within 7 days of receipt of the chicken by the processor.
- 13.5 The price to be paid by a processor to a grower for chicken shall be the price contracted for the given period.
- 13.6 To obtain advice on the price and production of chicken, the Board constitutes a Pricing and Production Advisory Committee (PPAC) as more particularly set forth in Schedule 3.
- 13.7 When the price for live chicken has been established, the Board shall issue a Pricing Order in the form set forth in Schedule 4.
- 13.8 The Board will not allow an agreement by a grower to sell chicken to a processor who is not in good financial standing with the Board.

## **Part 14 Fees and Levies**

- 14.1 Every grower shall pay to the Board levies and over marketing levies at rates set periodically by the Board on the basis of cents per kilogram live weight, of chicken sold. The current rate for levies are set forth in Schedule 5. The current rate for over marketing levies is found at Part 27.
- 14.2 Any processor who pays a grower for chicken shall deduct from the monies payable for the chicken any levies payable to the Board by the grower from whom the processor purchased the chicken. The levies remain the property of the grower at all times and are held in trust by the processor for the grower. The processor shall forward such levies to the Board without any deductions within 10 working days of the next month following the month in which the chicken was sold.
- 14.3 Every grower shall pay to the Board all levies payable by the grower under Section 14.1 that were not deducted and paid to the Board in the manner prescribed by Section 14.2 in respect of chicken sold in any month, within 10 working days of the next month following the month in which the chicken was sold.
- 14.4 The Board may recover such levies by suit in a court of competent jurisdiction, and the Board may reduce or revoke quota until such levies are recovered.
- 14.5 Interest on late payment of charges and levies shall be calculated at the Board's bank rate plus 1% calculated daily and charged to the processor or the grower.

### **Part 15 Distribution of Board Operating Surplus**

- 15.1 The Board policy is to maintain a contingency fund of \$500,000. This will be in cash or cash equivalent.
- 15.2 Each year, when the audited statements are complete, the Board will assess its overall financial position. Any amount in excess of \$500,000, or holdings that are deemed to be in excess to the set level of contingency, will be distributed to growers in proportion to the amount of levy paid by a grower.
- 15.3 The Board reserves the right to change the amount required in the contingency fund and/or the levy rate at any time.
- 15.4 In order to qualify for a distribution, a grower must be in good standing with the Board at the time that distribution is declared.
- 15.5 This Part will come into effect on January 1, 2005.

## **Part 16 Grower Information**

- 16.1 At the time of receipt of chicks, every grower shall complete, for each load of chicks received, three copies of the prescribed form in respect of the registered premises at which the chicks are placed. The grower shall ensure that the form is complete and accurate in all respects and shows the grower's name, the grower's file number, the date of delivery of the chicks, the location of the registered premises on which the chicks were placed, the number of chicks placed (including extras), the hatchery or dealer broker's name, and the production quota period in which the chicken will be marketed.
- 16.2 The grower shall provide a copy of the form to the delivery personnel of the hatchery or the hatchery's agent at the time of receipt of the chicks and shall file a copy of the form with the Board not later than seven days following the day on which the chicks were received.

## **Part 17 Chick Placements**

- 17.1 Every hatchery which sells or distributes chicks for the production of the regulated product shall:
- a. not later than Monday of the week following placement, complete and file with the Board a weekly chick placement report in prescribed form that is complete and accurate in all respects;
  - b. at the time of delivery of chicks to the grower, obtain a copy of the grower's placement report in the prescribed form, and shall ensure that the form is complete and accurate in all respects and shall ensure that the form accompanies the hatchery delivery truck on its return to the hatchery.
- 17.2 Every chick broker who sells or distributes chicks other than chicks marketed for the purpose of being used in the production of eggs shall complete and file with the Board a report on an approved form, unless another form provided by the broker is approved by the Board, indicating the customer's name, address, phone number, the number of chicks sold or placed and the date of sale or placement. This report in addition to meeting the requirements of Part 56, shall be forwarded to the Board by the first day of the month following the sale or distribution of chicks.
- 17.3 When contracting for the purchase of a grower's chicken that has been allotted to the grower through the Board's allocation process, a processor may not set as a condition of purchase that the grower purchase chicks from any particular hatchery.

## **Part 18 Processor Information**

- 18.1 Each processor shall file with the Board not later than the Monday of the following week, a report of the weekly slaughter in the prescribed form.
- 18.2 Every processor shall prepare a statement at the end of each calendar month showing the name and address and grower number of each grower from whom the processor received chicken, and the number of chicken received from each premise, the number of kilograms, the gross weight and the average weight, and the amount of levies held in trust for the grower. This statement and the monies held for the grower, shall be forwarded to the Board not later than the 10<sup>th</sup> working day of the following month.
- 18.3 Unless specifically ordered by the Board to do so, no processor shall receive, process, pack, store or market any chicken in respect of which there has occurred to the knowledge of the processor, any default or non-compliance with any orders of the Board, and any processor which does so or fails itself to comply with any orders of the Board may have its licence cancelled by the Board.
- 18.4 Unless specifically ordered by the Board no processor shall accept, receive, process, pack, store or market any chicken grown by any grower who does not hold a current, valid grower's licence from the Board.



## **Part 19 Custom Processing Information**

- 19.1 Every processor who custom processes chicken shall, in respect of all such chicken, file with the Board a complete and accurate return in the prescribed form showing with respect to all such chicken, the processing date, name, address, and telephone number of the person on whose account the chicken was processed, number of chicken processed, gross weight of chicken processed, average weight of chicken processed, and the type of chicken, on a weekly basis unless otherwise permitted by the Board.
- 19.2 Every processor who designates chicken to be custom processed shall, forthwith upon request by the Board provide the name, address and telephone number of the person on whose account such chicken is to be custom processed and the number of chicken to be custom processed.

## **Part 20 Cancellation and Non-Fulfillment**

- 20.1 Either a grower or a processor shall be excused for non-fulfilment of their agreement caused by inability beyond the control of either party by acts of God, fire, floods, strikes, explosion or order of civil or military authorities, to the extent the fulfilment of the agreement has been prevented, in whole or in part, by such cause or causes.

## **Part 21 Powers of the Board Regarding Quota**

- 21.1 As provided in the Scheme, the Board may establish, issue, permit transfer, revoke or reduce quotas to any person as the Board in its discretion may determine from time to time, whether or not these quotas are in use, and may establish the terms and conditions of issue, revocation, reduction and transfer of quotas, but such terms and conditions shall not confer any property interest in quotas, and such quotas shall remain at all times within the exclusive control of the Board.

## **Part 22 Quota Production Periods and Cycles**

- 22.1 These General Orders require that a grower produce, within the stated tolerances, in every quota production period, the volume of chicken allotted unless the Board otherwise permits. Failure to produce the allotment in every period may result in the revocation of quota.
- 22.2 The standard quota production period is 56 days (8 weeks) in duration.
- 22.3 The Board may make allotments to growers based on an 8-week cycle or such other cycle as required and the Board permits as set forth in Schedule 6.
- 22.4 A new grower, after discussion with the processor shall complete and file with the Board by the date specified, the prescribed form for each registered premise indicating the length of cycle, home week or weeks. This form requires the signature of a processor if cycle length, homeweek or processor is changed.
- 22.5 Every grower shall complete and file with the Board a contract in the prescribed form signed by the grower, hatchery and processor for the marketing of chicken for each quota production period. The form shall include the precise grower allotment, selection of targeted weight(s), the negotiated placement and slaughter dates within the growers correct homeweek or marketing weeks, the determined number of chicks to be placed and other information as required. The prescribed form is to be filed by the date specified on the form.
- 22.6 Quota holders may not switch their production between classes of quota.
- 22.7 Product marketed outside its class will be subject to penalties as designated in Schedule 15.

### **Part 23 Production Quotas**

- 23.1 The Board will make allotments to growers through a prescribed form for each quota production period.
- 23.2 Quotas in effect when these General Orders come into force shall continue in effect.
- 23.3 A grower must be issued, and be in receipt of the prescribed form indicating allotment, prior to producing and marketing chicken in a quota production period.
- 23.4 Production will be allotted to growers on the prescribed form, on the following basis with respect to each grower's quota and cycle length, as determined by the grower in consultation with the processor:
- a. a grower producing on an 8-week cycle will be allotted 1.929 kilograms per quota unit; or
  - b. if a cycle length other than 8 weeks is used, a derivative weight for the quota unit based on that cycle length would be applied as set forth in Schedule 6.
- 23.5 An allotment of quota from the Board to a grower in the prescribed form is personal to the grower to whom it is allotted. All chicken must be produced and marketed pursuant to the allotment by the grower to whom the quota has been allotted and at the registered premises in respect of which that grower's quota has been allotted.
- 23.6 Notwithstanding anything contained in these General Orders to the contrary, a grower will not be allotted quota, undermarketing, or a market development quota that singly or in combination exceeds the maximum quota that may be allotted in respect of a grower's premises calculated in accordance with Schedule 7.

## **Part 24 Quota Allotment to Growers**

- 24.1 Quotas held by individual growers are used to meet the aggregate demand of the domestic market within their quota class. Allotments above or below 100% of a grower's quota holdings may be issued on a period-by-period pro-rata basis as required by the market.
- 24.2 Pro-rata allotment in each production period will be issued as required to satisfy the provincial allocation. Subsequent adjustments to individual grower allotments will be made to account for all over and under production carried forward and all considerations that must be made to specific grower allotments resulting from changing home-weeks and other factors.
- 24.3 If there is no requirement to allot all quota because of the level of demand, the reduction in the use of quota will be on a pro-rata basis within its quota class. Reductions will be indicated on the grower allotment prescribed form.
- 24.4 The Board will not allot to a grower in any quota production period any class of quota or market development quota if such an allotment causes the grower to exceed the maximum quota that may be allotted in respect of a grower's registered premises calculated in accordance with Schedule 7.
- 24.5 The Board may issue to growers permanent increases in quota on a pro-rata basis to individual quota holdings at levels to be determined by the Board from time to time. These amounts will be added to a growers licence and will be subject to the declining transfer assessment of quota as outlined in Part 36.

## **Part 25 Exception Periods**

- 25.1 Every grower who receives an allotment other than on an 8-week cycle pursuant to Section 23.4 will be subject to an exception quota production period from time to time.
- 25.2 An exception quota production period will occur each time a grower's last home week as designated by the grower in the prescribed form falls in a week that is not within an 8 week quota production period.
- 25.3 Growers who are subject to an exception quota production period will not be allotted production for each quota production period, as determined in Section 25.2.
- 25.4 Where a grower is not allotted production due to an exception quota production period the grower shall be entitled to receive pro-rata quota determined in accordance with these General Orders. This will be referred to as a missed growth.
- 25.5 Where a grower applies to market on greater than an 8 week but less than a 12 week cycle, any missed growth to which the grower is entitled will be allotted to the grower in equal amounts in the three quota production periods immediately following the exception quota production period.
- 25.6 Where a grower applies to market on a 12 week cycle or greater, any missed growth to which the grower is entitled will be allotted to the grower in equal amounts in the two quota production periods immediately following the exception quota production period.
- 25.7 Any overmarketing adjustment, undermarketing adjustment, penalty adjustment or any other increase or decrease to a grower's production quota that the Board may from time to time determine that is not allotted to a grower due to an exception quota production period will be allotted to the grower in the immediately following quota production period.
- 25.8 Where a grower markets chicken in an exception quota production period the chicken shall be deemed to be marketed in the quota production period to which it was allotted provided the chicken was marketed in accordance with the grower's home week(s) as specified in the prescribed form.

## **Part 26 Undermarketing.**

- 26.1 Where a grower, in the quota production period, markets fewer kilograms than indicated on the prescribed form, the grower may be allotted the amount of the undermarketing, not exceeding 6% of the grower's allotment, in the sixth and seventh quota production period following that in which the undermarketing occurred.
- 26.2 Undermarketing exceeding 6% of the allotment to the grower shall be forfeited.
- 26.3 Where a grower and processor amend the targeted weight(s) or shipment date(s) specified in the prescribed form they must deliver a revised form to the Board prior to any marketing in the quota production period.
- 26.4 Notwithstanding Section 26.1, the Board shall not allot production (including any undermarketing from a previous quota production period) to a grower in excess of the maximum number of kilograms that may be produced on registered premises pursuant to these General Orders including Schedule 7.
- 26.5 Section 26.1 does not apply for growers receiving annualized production.
- 26.6 Where a grower has, on approval of the Board, annualized marketings, the period shall be determined as marketings from January 1<sup>st</sup> to December 31<sup>st</sup> of the calendar year. Undermarketings within this time period exceeding 6% of the allotment to the grower shall be forfeit or lost.
- 26.7 Undermarketings within the 6% tolerance for annualized growers will be added to the next immediate marketing period.



## **Part 27 Overmarketing and Overplacement**

- 27.1 A grower shall not produce or market chicken in excess of the grower allotment in any quota production period.
- 27.2 Where a grower produces or markets chicken in a quota production period in excess of the grower allotment the Board shall reduce, by an amount equal to the weight of chicken marketed in excess of the allotment, the grower's allotment in the sixth quota production period following that in which the overproduction was originally marketed. The space made available by said over production shall be deemed eligible for the production of market development.
- 27.3 In addition, a grower who produces and markets chicken in a quota production period in excess of the allotment shall:
- a. pay to the Board over production levies at the rate of 44 cents per kilogram of chicken produced and marketed by the grower that is in excess of 106% but not in excess of 110% of the production allotted; and
  - b. pay to the Board levies at the rate of 66 cents per kilogram of chicken produced and marketed by the grower that is in excess of 110% of the production allotted.
- 27.4 If the levies are not paid within 30 days of demand, the Board may recover same by suit in a court of competent jurisdiction, and the Board may reduce quota allotments to the grower until levies are paid.
- a. bill for over marketing levies due. Failure to pay within 30 days will result in a 250 kg deduction on the grower's next allotment.
  - b. second bill due will state the deduction of 250 kg has occurred and failure to pay within an additional 30 days will result in a 10% reduction of a grower's next allotment.
  - c. all future allotments will be similarly reduced until the account is paid in full.
- 27.5 Where registered premises of a grower have been used for the production or marketing of another's chicken, all such production and marketing shall be deemed to have been that of the grower on whose registered premises the chicken was produced and marketed, and that grower shall be assessed and liable for all such production and marketing and be subject to any subsequent reduction, cancellation, or refusal to allot and any over production levies as the Board may determine.
- 27.6 For growers with annualized production, Section 27.2 does not apply.

- 27.7 Where a grower has, on approval of the Board, annualized marketings, the period in Section 27.3 shall be determined as marketings from January 1<sup>st</sup> to December 31<sup>st</sup> of the calendar year.
- 27.8 Where an annualized grower produces or markets chicken in a quota period (as defined in Section 27.7) in excess of the grower allotment, the Board shall reduce, by the amount equal to the weight of chicken marketed in excess of the allotment, the grower's allotment in the next production period following that in which the over production was originally marketed. (i.e. if over 5000 kg in 2005, 5000 kg deducted from allotment in 2006).

## **Part 28 Market Development**

- 28.1 All market development production is subject to audit, verification of export and sanction for non-compliance under the Market Development Program of the CFC as set out in the Federal Provincial Agreement (FPA).
- 28.2 A processor who has complied with all of the provisions of these General Orders and the Market Development Program of the CFC may apply to the Board in prescribed form for chicken produced for market development. The application shall include:
- a. the number of kilograms live weight of chicken sought by the processor; and
  - b. the quota production period for which the chicken is sought.
- 28.3 The fee payable by a grower shall be determined by the processor unless otherwise agreed by processor and grower, through negotiations at the PPAC.
- 28.4 If the Board determines that the application is acceptable the Board will make an offer of market development quota to all growers in the prescribed form.
- 28.5 A grower may file with the Board in the prescribed form, a request for a share of the market development quota, which the grower is prepared to commit to produce.
- 28.6 The share of market development quota requested by a grower shall not exceed 100% of a grower's primary quota.
- 28.7 If the total kilograms of market development quota requested by growers is less than the amount of production applied for by processors, the Board's offer of market development quota is void unless the processors agree to reduce the amount of production so it equals the amount of quota requested by growers.
- 28.8 If an offer is void under Section 28.7, the Board and the processors may agree that a new offer of market development quota be made to growers, which incorporates a lower fee payable to the processors.
- 28.9 The Board shall distribute the total amount of market development quota available pro-rata among the growers requesting a share. The pro-rata share of market development to each grower shall be a percentage determined by the fraction of which the numerator is the market development quota available, and of which the denominator is the total amount of all grower requests for market development quota.

- 28.10 Each grower who requested market development quota shall be advised by the Board in prescribed forms as to:
- a. the amount of market development quota the grower is eligible to produce as determined under Section 28.9; and,
  - b. the amount payable to the processor specified by the Board, as a fee for the opportunity to produce the market development chicken, as determined in Sections 28.3 or 28.8.
- 28.11 A grower shall submit to the Board a cheque made payable to a processor. The cheque will be forwarded to the processor on the week after the grower's shipment.
- 28.12 Market development quota production shall occur in the quota production period for which it is allotted, and the actual export shall occur in the quota production period, or in the period immediately preceding or following.
- 28.13 The Board levy on market development production shall be shared by the Grower and the Processors.
- 28.14 The product coefficients for market development quota production will be as specified by CFC, which may change from time to time.
- 28.15 All classes of quota will be eligible for Market Development allotment within their classes. Licences required from CFC must be obtained prior to receiving a market development allotment from the Board where applicable. The grower and processor must meet CFC requirements on an on-going basis. Growers producing specialty product must have the approval from their processor, the Board and CFC to receive market development allotment.

**Part 29 Federally Inspected Processor Initial Entry or Re-entry  
into the Market Development Program after an Absence**

- 29.1 A processor entering the program for the first time or a processor re-entering the program must submit a market development request when submitting production requirements for a given period.
- 29.2 Once into market development production that processor earns the right to production at increments of 3.5% of domestic production per period over the next four periods (14% at the end of the wait period).
- 29.3 Once the four-cycle wait period is completed a processor may request any amount between 3.5% and 14%.
- 29.4 If a processor averages below 3.5% in two consecutive cycles, the processor will be deemed to be out of the program and will require 4 periods to re-enter (3.5%, 7.0%, 10.5%, 14%).
- 29.5 The province is limited to 14% of domestic production for market development by the CFC. In any period, if product is available beyond 14% for individual processors it is to be distributed pro-rata based on request to the processors who want it, and are currently in the program.
- 29.6 This policy will not apply to processors exporting below 200,000 kg live weight per period and processing less than 1,428,000 kgs live weight of domestic production.
- a. Processors falling in this category will have a maximum percent of domestic production that they may request as market development based on their historical use of market development.
  - b. The Board will average a processor's percentage of market share (export) based on the total domestic original request from A-52 to A-59.
  - c. The Processors have 2 periods to achieve an average allocation of the level the Board has determined. The two periods will be grouped even/odd (i.e. A-60/A-61). This change is effective with the start of the setting of the A-60 allocation.

### **Part 30 Production and Marketing Specifications**

- 30.1 Each grower shall provide chicken to the processor in accordance with the allotment and the specifications on the prescribed form.
- 30.2 A grower shall provide the allotment for each quota production period in accordance with the grower's home week(s) as specified in the prescribed form.
- 30.3 Notwithstanding Section 30.1, a grower, at the request of the processor, may provide the quota specified in their agreement in the week prior to or the week following the home week for that number of units.
- 30.4 Target weight shall be as specified on the contract.
- 30.5 Tolerance on a flock is plus or minus 6% from targeted weight.
- 30.6 If flock average weight falls within targeted weight tolerances (i.e. weight range plus or minus 6%) but the average weight is in a different price category, the price payable will be determined by the average weight delivered.

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*Once there is agreement on the targeted weight, a tolerance of + or - 6% applies.*

*Price differential categories and normal days to grow are provided on the BC 101 as additional information.*

*Normal days to grow are guidelines and not to be interpreted as a standard.*

*The price to be paid for product will be determined by the average weight of the flock as delivered if the weight falls within the tolerance of + or - 6%.*

**Examples:**

*One: a flock targeted at 1.95 kilos with sleeves of 1.83 to 2.07 delivered at 1.78 kilos will not attract a price differential.*

*Two: A flock targeted at 1.90 kilos with sleeves of 1.79 to 2.01 delivered at 1.81 kilos will attract a price differential.*

*Three: A flock targeted at 1.76 kilos with sleeves of 1.65 to 1.87 delivered at 1.85 kilos will not attract a price differential.*

*Important additional information is included on the rear of the Form*

### **Part 31 Chronically Under-performing Growers**

- 31.1 The Board will take action in counseling growers who are deemed to be chronic under-performers.
- 31.2 Under-performers are growers who frequently fall into one or more of the following categories:
- a. produce chicken out of the targeted weight ranges;
  - b. deliver uneven sized flocks;
  - c. have rates of condemnation, contamination or DOAs well in excess of the industry norm;
  - d. present physical challenges to hatchery delivery and chicken catching staff because of the condition of their facilities;
  - e. fail to submit on a timely basis an accurately completed flock sheet.
- 31.3 The Board will follow a prescribed procedure for dealing with such growers. If, following several efforts to improve the performance of the grower, insufficient improvement is made; the Board may impose graduated sanctions.
- 31.4 The process for resolution of complaints that fall into the above categories will be:
- a. A Board inspector will visit the grower's facility, determine the nature of the problem, determine if the problem results from the failure to adhere to the requirements of OFFSAP and determine, with the grower, what corrective action should be taken;
  - b. Alternate Dispute Resolution (ADR). If the problem is not resolved by way of Board intervention on the farm, an industry committee (ADR Committee) will visit the grower's facility and determine why there has been insufficient improvement on the farm and what further steps need to be undertaken;

- c. This committee will comprise of:
  - i. Board inspection staff;
  - ii. Two producer reps nominated by the BCCGA;
  - iii. Any other person that the Board may consider to have relevant input and may include hatchery/processor representatives.

31.5 If the problem is not resolved the Board will impose graduated sanctions on the grower, which may ultimately lead to the cancellation of the grower's license.



## **Part 32 Disaster Flocks**

- 32.1 The Board will intervene in declaring a flock to be a “disaster” and determine the compensation to the affected party in such circumstances.
- 32.2 The Board will use the following criteria in its determination:
- a. The Board will exercise its discretion in deeming a flock to be a disaster and will determine the level of payment to grower from processor based on the following criteria:
    - i. Approach taken by grower in advising the processor of the state of the flock;
    - ii. Response of processor to an early notification of flock projected to be well outside of specifications;
    - iii. If prior notification is not provided to the processor, whether the processor acted immediately to inform grower that some percentage of the flock was unusable and if the grower was requested to attend while the flock was being processed;
    - iv. How the grower responded to notification by processor that some percentage of the flock was unusable product;
    - v. Impact of the “disaster” flock on: the processor’s productivity and ability to meet customer needs; the costs of rescheduling other growers;
    - vi. Any other factors the Board might consider relevant to the issue;
  - b. Further, in situations where a grower shows, by way of thorough monitoring and supporting documentation, that chick quality has resulted in persistent and high mortality throughout the life of the flock and at slaughter the flock shows excessive condemnation to the extent that the grower’s ability to meet his/her allotment is compromised, the Board may exercise its discretion to reduce under-production penalties. If it is shown that such situations occur on a frequent basis the Board may consider other options in order to address the matter.

### **Part 33 On-Farm Food Safety Assurance Program (OFFSAP)**

- 33.1 Holders of all classes of quota are to be subject to government-approved food safety and bio-security protocols appropriate to their farming operation as a condition of licensing, irrespective of type of licence.
- 33.2 Every Processor and Hatchery will provide the grower with the necessary information in order for the grower to become compliant with the On-Farm Food Safety Assurance Program.
- 33.3 OFFSAP will come into force on December 31, 2003.
- 33.4 In order to achieve OFFSAP compliance, each grower will apply to the Board to obtain OFFSAP inspection and certification from the Board on or before August 1, 2004.
- 33.5 Each grower should achieve OFFSAP compliance at the earliest date possible and, in any event, by no later than December 31, 2004.
- 33.6 Every grower who refuses or fails to comply with OFFSAP will be advised in writing by the Board staff and provided with a date to correct the identified deficiency.
- a. this initial notification in writing will be known as the first letter of non-compliance. Board staff will re-attend the farm at the time the deficiency is to be corrected.
  - b. if the deficiency has not been satisfactorily corrected, the grower will receive a subsequent letter of non-compliance.
  - c. refusal or failure to correct the identified deficiency after a subsequent letter of non-compliance will result in the Board reviewing the matter under Part 51 Failure to Comply. A grower will then be required to show cause to the Board why his quota should not be cancelled, reduced or suspended.
- 33.7 Where at least thirteen consecutive quota production periods elapsed between an initial incident of non-compliance and the immediately preceding incident of non-compliance, the latter incident of non-compliance shall be deemed to be a first incident of non-compliance.
- 33.8 The Board, in its sole discretion, may cancel a grower's licence or may take any other reasonable measures for the grower's failure to achieve OFFSAP compliance by the effective date or maintain OFFSAP compliance.

### **Part 34 Barn Space**

- 34.1 A building must have floor area to accommodate at least 31 kg live weight per square meter (2.88 kg live weight/sq ft) of quota allotted to that barn and the barn must be registered with the Board.
- 34.2 Growers must have sufficient building space to produce their entire quota allotment in an 8-week cycle.
- 34.3 The buildings used for chicken production must be Board approved and meet the requirements specified in this Part as well as Part 33.
- 34.4 Where a building no longer meets the requirements of this Part the grower shall inform the Board at the time when the building fails to meet the requirements.
- 34.5 When a grower intends to increase the size of a building or buildings or to construct a new building for a quota production period the grower must inform the Board in writing, prior to the deadline date in the prescribed form for the quota production period in question, specifying the amount of building space to be added and the completion date.
- 34.6 The grower must satisfy the Board that registered premises are safe, that all buildings suitable for the production and marketing of chicken on a year-round basis, equipped with adequate heating, ventilation, feeders, waterers, loading doors and are accessible at any time by poultry live haul vehicles and shall, where stipulated, meet all the requirements of the On Farm Food Safety Assurance Program (OFFSAP).
- 34.7 A grower may produce the chicken for which the production quota was allotted in any building approved for the production of chicken by the Board on the registered premises of which the grower is the owner.
- 34.8 Where a grower is prevented from producing chicken in a building on a registered premises in respect of which quota was allotted by reason of the destruction of the building by fire, act of God or by reason of major renovation, the Board may consider an application by the grower to produce the production quotas in a leased building for a maximum twelve month period from the date on which the building was destroyed or deemed unsuitable for the production of chicken. The Board may approve the application on the condition that the grower files with the Board a copy of the lease and the leased building complies with the requirements of this Part.

### **Part 35 Quota Limits and Quota Transactions**

- 35.1 There is no minimum farm size requirement, however licenced growers must own quota and produce in a manner consistent with these General Orders.
- 35.2 Maximum farm size is 250,000 of 1.929 kilograms live weight units of primary quota.
- 35.3 An individual, whether alone or through an interest in a corporation or partnership shall not hold in combination more than is 250,000 of 1.929 kilograms live weight units of primary quota allotted by the Board.
- 35.4 Subject to this Part, a corporation or partnership shall not hold more than is 250,000 of 1.929 kilograms live weight units of quota allotted by the Board.
- 35.5 For the purpose of Sections 35.3 and 35.4, the amount of quota must be determined as follows:
- a. the quota holding for an individual is:
    - i. the sum of the quota held by that individual; and
    - ii. the proportionate share of any quota in which that individual has an interest through a corporation or partnership.
  - b. the quota holding of a corporation or partnership is the sum of:
    - i. the quota held by that corporation or partnership; and
    - ii. the proportionate share of any quota that the corporation or partnership holds through an ownership interest in another corporation or partnership.
- 35.6 The Board shall not allot or re-allot any quota if as a result of that allotment, re-allotment or lease any person would hold quota in excess of that allowed under Sections 35.3 and 35.4.

### **Part 36 Quota Transfer Assessment**

- 36.1 All quotas are transferable with the approval of the Board subject to the terms and conditions of this Part.
- 36.2 To apply for a transfer of quota, the holder of the quota must pay the transfer application fee of \$250 plus GST, together with any additional costs or expenses, including where applicable legal expenses, incurred by the Board in considering the application.
- 36.3 No application for transfer of quota will be accepted unless the transferor is in good standing with the Board, with respect to all fees, penalties, or other debts that are due and payable to the Board.
- 36.4 Quotas are transferable within, and not between, classes of quota.
- 36.5 Any quota, irrespective of class, issued by the Board to growers after September 1, 2005 is subject to a declining transfer assessment. The amount retracted declines by 10% per annum after year one, until it reaches a minimum assessment of 10% in year 10 and beyond. The schedule is as follows:

Day 1 to day 365	100% reverts to the Board
Year 2	90% reverts to the Board
Year 3	80% reverts to the Board
Year 4	70% reverts to the Board
Year 5	60% reverts to the Board
Year 6	50% reverts to the Board
Year 7	40% reverts to the Board
Year 8	30% reverts to the Board
Year 9	20% reverts to the Board
Year 10 and beyond	10% reverts to the Board

- 36.6 The starting point for the declining transfer assessment is:
- a. in the case of quota issued in respect of permit conversion, the date established by the Board after consultation with the former permit holder, such date to be not earlier than the date on which the permit was issued and not later than the date on which the quota was issued; or
  - b. in the case of all other quota issued after September 1 2005, the date the quota was issued.

36.7 A condition of quota transfer is that the last quota issued by the Board is the first quota to be authorized for transfer.

- 36.8 Exceptions to declining transfer assessment for all classes of quota are to be permitted only for transfers among direct family members, defined as spouse, son and daughters and for business reorganization where the ownership percentages do not change.
- 36.9 Quota retracted under this Part will contribute to funding the New Entrant Program under Part 50.

### **Part 37 Transfer of Quota with Registered Premises**

- 37.1 Where the owner proposes to transfer title in fee simple of registered premises and to have the quota allotted in respect of the registered premises transferred to the transferee of the registered premises, the owner and the transferee may apply to the Board to cancel the quota allotted in respect of the registered premises and to allot quota to the transferee by completing, signing and delivering to the Board an application in the prescribed form. The transferee must be at least 19 years of age.
- a. The registered premise must hold a current OFFSAP validation. If the Premise(s) does not hold this designation, Board Staff will inspect the premises and report the status to the Board. This report will include a recommendation as to whether the premises meets, or upon making the required changes will be able to meet OFFSAP requirements in the future.
- 37.2 Where the Board is satisfied with the application, the Board will notify the transferor and transferee that it approves the transfer subject to Part 47 and receipt of:
- a. the transferor's declaration in the prescribed form;
  - b. the transferor's certified cheque, bank draft or money order payable to the Board in an amount equal to the transfer assessment fee as referred to in Section 36.2;
  - c. the transferee's declaration in the prescribed form; and
  - d. a certified copy of proof of transfer in a form satisfactory to the Board, showing the transferee to be the owner of the premises.
- 37.3 Upon compliance with the above and Part 47, the Board may cancel the quota allotted to the transferor and allot a like amount of primary quota to the transferee.
- 37.4 Where an application for transfer is approved, the transferee shall be liable for any overmarketing of the transferor and shall receive the benefit of any undermarketing of the transferor, subject to Part 26 and Part 27.
- 37.5 Where an application for transfer pursuant to this Part is approved, the transferee shall assume any marketing and contractual obligations of the transferor at the time of transfer.



### **Part 38 Transfer of Primary Quota without Registered Premises**

- 38.1 A grower may apply to the Board in the prescribed form to transfer primary quota without a transfer of title of the grower's registered premises in respect of which the primary quota is allotted.
- 38.2 A transferee must be, as of the date of application for transfer, at least nineteen years of age, and the owner of the fee simple title to the premises in respect of which the primary quota is to be allotted.
- 38.3 Not less than 30 days following receipt by the Board of the application, the Board may approve the transfer subject to receipt of the prescribed forms duly completed by the transferor and the transferee.
- 38.4 The earliest effective transfer of a quota production period shall be the quota production period commencing not sooner than 21 weeks following the date the application for approval of the transfer was received by the Board unless the Board is satisfied that no processor will be shorted any allocated product.
- 38.5 Where the Board in its discretion is satisfied with the application, the Board will notify the transferor and transferee of approval of the transfer in principle with final approval subject to Part 47 and receipt of:
- a. the transferor's declaration in the prescribed form;
  - b. the transferor's certified cheque, bank draft or money order payable to the Board in an amount equal to the transfer application fee referred to in Part 36;
  - c. the transferee's declaration in the prescribed form; and
  - d. a certified copy of proof of transfer in a form satisfactory to the Board, showing the transferee to be the owner of the premises in respect of which the quota to be transferred is to be allotted.
- 38.6 Upon compliance with the above and Part 47 the Board may cancel the primary quota allotted to the transferor and allot a like amount of primary quota to the transferee.
- 38.7 The Board will only allot quota to the transferee when the Board is satisfied that there is a building approved by the Board pursuant to these General Orders, on the premises in respect of which the quota is to be allotted.
- 38.8 In Sections 38.9 and 38.10, the word "last" means the latest effective quota production period of a transfer of quota.

- 38.9 Where a grower transfers all of the quota allotted to the grower pursuant to this Part, the Board shall decrease or increase the sixth production period quota allotted to the transferee who last acquires the quota by the net amount of any overmarketing or undermarketing (subject to Part 26 and Part 27) of the transferor in the six quota production periods immediately preceding the transfer of quota.
- 38.10 Where more than one transferee last acquires quota, the net amount of any overmarketing or undermarketing shall be allotted to the transferees in such proportion as the quota that each transferee acquired is to the quota last transferred.
- 38.11 A grower who has acquired primary quota without registered premises shall not be entitled to apply for any transfer of primary quota without registered premises to any other person for a period of one year from the date on which primary quota was last allotted to the grower under this Part.

### **Part 39 Changes in Ownership of Corporation or Partnership**

- 39.1 Any changes in the shareholdings of a corporation or in the percentage interest of a partnership where that corporation or partnership is the owner of quota constitutes a transfer of the quota allotted to that corporation or partnership and is subject to the approval of the Board.

#### **Part 40 Information on Ownership**

- 40.1 Every grower which is a partnership or corporation (other than a corporation whose shares are traded on a stock exchange) shall complete, sign and file with the Board a statement in the prescribed form showing ownership prior to consideration of final approval of a transfer by the Board, or when requested to do so by the Board.
- 40.2 Where a corporation or partnership is owned in whole or in part by a corporation or partnership, every such corporation or partnership having any interest therein shall likewise complete and file a prescribed form until the ownership of all corporations or partnerships is determined to the satisfaction of the Board.

#### **Part 41 Disposition of Quota from Vancouver Island**

- 41.1 There are no General Orders respecting the disposition of quota by growers in respect of registered premises on Vancouver Island, except as contained in this Part.
- 41.2 Notwithstanding Section 9.4, Vancouver Island growers and their processors may contract out of these General Orders to the limited extent of agreeing that the growers will rebate ferry costs incurred by the processors in transporting chicken production off the Island. This section shall be effective from June 1, 2000.
- 41.3 In accordance with Order in Council, number 761, approved June 1, 2000, the Board must not permit a disposition or transfer of quota issued to a person to produce regulated product on Vancouver Island to any area of the Province other than Vancouver Island unless the Board sets aside quota exclusively for purposes of the production of regulated product on Vancouver Island in an amount equal to the amount the Board permits disposed of or transferred off Vancouver Island.
- 41.4 Under the authority of the Act and the Scheme, the Board will manage and distribute the pool of quota created under Section 41.3 after consultation with all interested parties.

## **Part 42 Quota Relocation**

- 42.1 A grower may apply to the Board to relocate quota allotted in respect of registered premises to another parcel of land of which the grower is the owner in fee simple. Only growers with registered premises in the Interior, as defined in the definition section, are subject to the terms and conditions described in Sections 42.4 through 42.6.
- 42.2 The grower shall complete and file with the Board:
- a. an application and a declaration in the prescribed forms;
  - b. a certified copy of the title of the premises to which the quota is to be relocated.
- 42.3 Upon compliance with Part 47, the Board may cancel or reduce the quota in respect of which the application was made and allot an equal number of units to the grower in respect of the premises to which the quota is to be relocated.
- 42.4 Subject to Section 42.5, a grower may not transfer a portion of his quota from the Interior to the Lower Mainland or Vancouver Island.
- 42.5 A grower registered in the Interior for at least two years may make application to the Board to relocate his entire quota anywhere in the province.
- 42.6 Where the Board has approved a relocation of quota to a new production unit in accordance with Section 42.5, no transfer of the relocated quota will be approved by the Board before a date two years following the date of actual relocation of the quota.

### **Part 43 Leases of Quota with Registered Premises**

- 43.1 Where an approved lease of registered premises is legally binding and enforceable the Board may allot the production quota to the lessee where:
- a. the owner and lessee complete, sign and deliver to the Board an application in the prescribed form;
  - b. the owner files with the Board a copy of the signed lease which shall not have a total term of more than 3 years; and
  - c. the Board is satisfied that the lease and any arrangement between the lessor (owner) and lessee is not intended to circumvent the General Orders.
- 43.2 Upon expiration or termination of the lease the Board will allot the next production quota to the owner of the registered premise.

#### **Part 44 Lease of Quota Without Premise**

- 44.1 Effective quota period A-70, the Board may permit leasing a portion of a grower's quota allotment, separate from a building to which the quota allotment is attached, upon terms and conditions as the Board stipulates. Leasing of quota shall not be approved for the purposes of circumventing barn space requirements.
- 44.2 The Board may permit a lease in the case of force majeure or for any other reason that the Board deems appropriate.
- 44.3 Procedure for leasing of quota allotment will be found in Schedule 8.



**Part 45 Lease Back by Governmental or Public Authority**

- 45.1 Where registered premises have been sold to or expropriated by governmental or other public authority and leased by same to a grower by a lease with a term of not more than ten years, the grower may apply to the Board for permission to retain the quota allotted in respect of the registered premises until the termination of the lease.

#### **Part 46 Leasehold Interest Revocation**

- 46.1 Section 6(z) of the General Orders (1987), Revised: June 1, 1994 is revoked and no further leasehold interests will be permitted. Existing leasehold interests shall stand and be eligible for renewal providing the lessor and lessee are the persons who are signatories to the leasehold agreement at the time of the implementation of these General Orders.
- 46.2 No further leasehold interests will be permitted. Existing leasehold interests shall stand and be eligible for renewal providing the lessor and lessee are the persons who are signatories to the leasehold agreement at the time of the implementation of these General Orders.

#### **Part 47 Restrictions on Leases, Transfers, Sales and Relocations**

- 47.1 Where a proposed transferor or transferee is a partnership or corporation, it shall disclose to the Board full particulars of partners or shareholders on a yearly basis at the time of licence renewal.
- 47.2 Quota may be revoked by the Board if the quota is issued on the basis of information that is false, misleading or incomplete, or if any person required to furnish information with respect to the quota fails to do so.
- 47.3 Where a proposed transferor or transferee is a partnership or corporation, it shall disclose to the Board full particulars of partners or shareholders.
- 47.4 The Board will not allot or relocate quota to a building where:
- a. the BC Turkey Marketing Board has allotted quota; or
  - b. the BC Egg Board has allotted quota; or
  - c. the BC Hatching Egg Commission has allotted quota; or
  - d. where the building is used for any other purpose other than growing the regulated product.

#### **Part 48 Prohibition of Transfer**

- 48.1 The Board will not approve any transfer or relocation where any licence fees, levies or other monies are owing to the Board in respect of any production or marketing pursuant to the quota, or the transferor is in violation of the Act, the Scheme or these General Orders, or any order or direction of the Board.

#### **Part 49 Liability of Transferee**

- 49.1 A grower to whom quota is allotted pursuant to these Regulation takes the primary quota subject to, and shall be liable to the Board for any overmarketings, unreported marketings or other violations by the transferor or lessee, of the Act, the Scheme or these General Orders, or any order or direction of the Board.

## **Part 50 New Entrant Program for Growers**

- 50.1 Permits issued under the former Part 50 New Entrant Program for Growers are cancelled and are eligible for conversion to quota as specified in Schedule 11. The former New Entrant Program for Growers is discontinued as of the effective date of these General Orders and no new permits will be issued under this program.
- 50.2 The Board will accept applications from prospective new entrants in each of the three geographical areas of the province of British Columbia to apply for spaces on a waiting list to receive specialty quota or primary quota. The procedure for application and eligibility restrictions may be found at Schedules 12, 13, and 14.
- 50.3 Classes of quota are:
- a. Specialty Quota (SQ): SQ may only be used to produce specialty chicken.
  - b. Primary Quota: May only be used to produce mainstream chicken
- 50.4 All quotas are and remain at all times the property of the Board.
- 50.5 Unless authorized by the Board, SQ may not be used to produce mainstream chicken regardless of market conditions. Product that cannot be shipped as specialty may not be disposed of on the regular market without prior approval of the Board and may be subject to penalties and costs as described in Schedule 15.
- 50.6 If third party certification is lost, or production ceased for some other reason, the grower must advise the Board immediately in writing and must include the anticipated date of re-certification and/or resumption of production. If third party certification is not achieved or production resumed within an acceptable amount of time as determined by the Board, the Board reserves the right to cancel the specialty quota. No production for a period of six months may result in the revocation of quota.
- 50.7 There is permitted to be a maximum of one quota per person, or entity per property.
- 50.8 The Board may issue new quota to an applicant in any amount not to exceed 7,716 kg live weight per 8 week cycle.
- 50.9 The Board, at its sole discretion, may increase, decrease or cancel new quota to the maximum of 7,716 kg live weight per 8-week cycle.
- 50.10 Leasing of quota under this program is permitted under terms and conditions as specified by the Board in Part 44 and Schedule 8.

- 50.11 Specialty quota and primary quota issued under this program are transferable but are subject to a declining transfer assessment in accordance for Part 36.
- 50.12 Annualization of primary quota under this program is not permitted. Exceptions may be considered at the discretion of the Board for self-marketers of product.
- 50.13 The Board, at its sole discretion, may permit the annualization of specialty quota upon receipt of a written request from the grower and processor, along with a proposed production schedule.
- 50.14 Approved annualization will be pro-rated for the remaining weeks of the year in which a grower requests it.
- 50.15 Growers entering the industry under this program, after January 1, 2005 will be subject to pro-rata allocations within their class of quota provided they have adequate space at the time of allocation.
- 50.16 Over and under marketing sleeves and penalties apply as per Part 26 and Part 27 of these Orders.
- 50.17 Marketing levies as per Part 14 and Schedule 5 apply. The Board reserves the right to assess marketing levies at different rates to different classes of quota. These rates will be based on the level of services required.
- 50.18 Licensing fees as per Section 5.1 apply.
- 50.19 Priority will be given to specific regions of the province as required under Part 8, New Entrant for Processors based on demonstrated needs of a particular region at the discretion of the Board.
- 50.20 The Board will constitute a committee of the Board that will be known as the Specialty Market Advisory Committee (SMAC) as more particularly set forth in Schedule 9. It will provide advice to the Board on matters related to the specialty sector and provide a forum whereby the specialty sector can discuss areas of mutual interest and concern.
- 50.21 The maximum number of new quotas issued per year is determined based on the formula found at Schedule 10. The Board will provide for a minimum number of new entrants per year of one (1) provided all requirements are met under this Part. The methodology and formula for funding this program is found at Schedule 10.
- 50.22 Where the General Orders of this part conflict with General Orders in another Part, the General Orders in this part will govern. In all other cases, the General Orders apply to this part.

## Part 51 Permits

- 51.1 The permit is intended for small lot growers and self marketers and is for a maximum of 3,000 kg live weigh per annum.
- 51.2 The permit is non-transferable.
- 51.3 Part 5 Application for Licence applies to permit holders.
- 51.4 Permit holders under this part are exempt from Part 14 and Schedule 5. There will be no levy or GST collected on chicken slaughtered under this permit.
- 51.5 Permit holders under this part must report placement and shipments to the Board as per Section 17.2 and Section 4.9 in a timely manner.
- 51.6 No growth will be permitted beyond the 3,000 kg live weight/year maximum. Marketing in excess of the maximum may result in revocation of permit or other actions as deemed appropriate by the Board.
- 51.7 If a permit holder under this program applies for, qualifies and is granted specialty quota or primary quota, the permit will revert to the Board.
- 51.8 The permit expires December 31<sup>st</sup> of each year and application must be made to renew yearly.
- 51.9 One permit per person or property per calendar year is permitted. A permit may not be combined with any class of quota.
- 51.10 Permit holders under this part are exempt from provincial allocation.
- 51.11 Permit holders are exempt from Part 26 Undermarketing and Part 27 Overmarketing and Overplacement. There will be no carry forward of over or undermarketings except where noted in section 51.6.
- 51.12 Permit holders are exempt from Part 22 Quota Production Periods and Cycles and Part 23 Production Quotas. No Quota Production Allotment (QPA) forms and Quota Production Update (QPU) forms will be generated.
- 51.13 There is no requirement for land ownership.
- 51.14 Permit holders are subject to audit by the Board as per Part 56 Access to Information.

51.15 All small lot growers of chicken in the province of British Columbia will be given an opportunity to apply for a permit. Unregistered small lot growers will have 30 days from written notification by BCCMB inspectors to submit an application for licence.



51.16 The Board reserves the right to limit the number of new permits issued in any given year.

51.17 Permit holders are licensed by the Board, but are not listed on the “Register of Growers”.

**Part 52 Disposition of Over Marketing Levies Paid to the Board**

- 52.1 As per the June 15, 2004 memo that accompanied the June 15, 2004 General Orders this Part was not included in the final draft of the June 15, 2004 General Orders due to the financial burden placed on the resources of the Board due to the Avian Influenza crisis.

Previous orders respecting Over Marketing Levies remain in effect and unchanged at this time.

The Board intends to revisit this issue at a later date.

## **Part 53 Transitional to Primary Quota Order**

### **Definitions**

53.1 In this Part,

**“faint hope growers”** means growers who were not issued transitional quota in accordance with Board Order #320 as referred to in Section 24.3 of the June 15, 2004 General Orders;

**“primary-only growers”** means growers who as of June 29, 2005:

- (i) held primary quota but no transitional quota, and
- (ii) were not faint hope growers,

whether or not such growers also held permit;

**“transitional quota”** means quota issued to eligible growers after September 9, 1997 pursuant to Board Order #320, to meet market demands in excess of primary quota.

### **Allocation and Conversion of Transitional Quota**

53.2 Effective June 29, 2005,

- (i) each faint hope grower will be issued 5000 quota units (9,644 kg) of transitional quota;
- (ii) each primary-only grower will be issued an amount of transitional quota equivalent to their respective amounts of primary quota, to a maximum of 5000 quota units (9,644 kg); and
- (iii) all transitional quota, including the transitional quota issued in accordance with this Part is cancelled.
- (iv) An amount of primary quota equal to the transitional quota previously held, is issued to qualified growers.

### **Barn Space Requirements**

53.3 The issuance of quota in accordance with this Part is conditional upon the faint hope growers and the primary-only growers satisfying the Board that they have adequate barn space to produce the quota consistent with the General Orders.

53.4 Growers have until August 1, 2006 to satisfy the Board that they meet the requirements of Part 34 of the June 15, 2004 General Orders with respect to all of the primary quota issued pursuant to this Part. Growers who have not satisfied the Board that they meet the requirements of Part 34 of the June 15, 2004 General Orders by August 1, 2006 will forfeit the amount of primary quota for which they do not have the required barn space.

53.5 In addition to determining the amount of quota that will be issued under this Part, the amount of barn space available that meets the requirements of Part 34 of the June 15, 2004 General Orders will determine the maximum number of quota units that will be allotted to a grower for a particular production period. Growers having inadequate space may only produce to the maximum allowable under this paragraph until such time as the Board is satisfied that additional approved space is available. The additional allotments will be available for the next unallocated period, but growers will not be permitted to catch up on lost allotments.

#### **Application in A-69**

53.6 The first allocation to be calculated using the new pro-rata primary quota allocation methodology will be quota production period A-69. As of A-69 all allocations will be done on a pro-rata basis as defined in the June 15, 2004 General Orders in Part 1 Definitions, and Part 24 section 24.8.

#### **Permit Holders Excepted**

53.7 This Part does not apply to permit holders under the former Part 50 of the June 15, 2004 General Orders except to the extent that they also hold primary quota which is the subject of this Part.

## **Part 54 Failure to Comply**

- 54.1 The Chicken Board may refuse to allot a quota, or may reduce, refuse to increase, or cancel a quota allotted to a grower who fails to comply with or has contravened any provision of the Act, the Scheme or these General Orders, or any order or direction of the Farm Industry Review Board or any order or direction of the Chicken Board. In addition, the Chicken Board may take similar action against every other grower who has been a party with a grower to any production or marketing of chicken contrary to these General Orders.
- 54.2 Notwithstanding the generality of the foregoing, where a grower fails to comply with General Orders governing the submission of prescribed forms or other required documentation, the production quota allotted to the grower for the sixth quota production period following that in which the failure to comply occurred will be reduced by the Board:
- a. in the case of a second occurrence, by 250 kilograms of chicken live weight; and
  - b. in the case of a third or any subsequent occurrence, by 10% reduction of the growers next allotment until compliance is achieved to the satisfaction of the Board.
- 54.3 Where at least thirteen consecutive quota production periods elapse between an occurrence and the immediately preceding occurrence, the latter occurrence shall be deemed to be a first occurrence.

## **Part 55 Seizure**

- 55.1 Any employee of the Board or any individual authorized by the Board so to do may seize any chicken kept, transported, placed, stored or marketed in violation of these General Orders, and such employee or individual may take and remove the whole of the chicken seized by him or a sample thereof and deliver the same as directed by the Board.
- 55.2 Upon seizing any chicken, the employee of the Board or such authorized person shall attach a seizure tag or detention tag on, at or near the location of the chicken being so seized, or shall deliver a notice of seizure in prescribed form, to an adult person in, upon or about the premises where the chicken is found, or to any adult person who appears at the time of the seizure to be in charge of any place, premises, motor vehicle or otherwise in which or in, about or near which such chicken is found.
- 55.3 Where any chicken is seized or detained pursuant to the Act, the Scheme or these General Orders, it may be stored and all costs, fees, charges and expenses in connection with the seizure, detention and storage shall be paid by the owner of the chicken and may at the discretion of the Board be deducted from the proceeds of the sale of that chicken.
- 55.4 Any exemption from these General Orders of any person or class of persons engaged in the production, processing, packing, storing, transporting or marketing of chicken, or any class, variety or grade thereof may, by resolution of the Board, be granted, amended or rescinded, or the power to grant, amend or rescind any such exemption may be delegated, except as it affects the granting or cancellation of a licence, or the fixing and collecting of licence fees, to an officer or employee of the Board.

## **Part 56 Access to Information**

- 56.1 Every person shall keep in the English language complete and accurate books and records of all matters relating to the production, processing, packing, storing, transporting and marketing of the chicken by that person.
- 56.2 For the purpose of ascertaining whether the Act, the Scheme, these General Orders and or Board orders are being complied with, every person shall, upon request, produce for inspection by the Board, or any member of the Board, or any of its employees or any other individual authorized by the Board for that purpose, all such books and records kept by that person.
- 56.3 Every person shall upon request, furnish to the Board any information relating to the production, processing, packing, storing, transporting and marketing by that person of chicken, and shall make specific answers to any questions submitted to that person by any member or employee of the Board or any other individual duly authorized by the Board.
- 56.4 Every person shall permit any member or employee of the Board or any other individual authorized by the Board to inspect all premises occupied or controlled by such person.
- 56.5 The Board may at the expense of a grower, processor or hatchery:
- a. require the auditor of the grower, processor or hatchery to provide to the Board additional information as the Board may require to enable it to determine if these General Orders and orders of the Board are being complied with; and
  - b. appoint an auditor to audit the books and records of the grower, processor or hatchery who shall have access to the books and records of the grower, processor or hatchery for the purpose of determining if these General Orders and orders are being complied with.
- 56.6 A person in good standing and duly licenced by the Board upon giving the notice required under the Scheme shall be entitled to review only those documents of the Board, which pertain to that licensee unless the Board in its sole discretion determines that the licensee has shown sufficient cause to examine other documents of the Board. Any examination of documents of the Board shall take place at the office of the Board during normal business hours of the Board.

**Part 57 Application for an Order, Decision or Determination  
of the B.C. Chicken Marketing Board**

- 57.1 Any person who wishes to apply to the Board for an order, decision or determination in respect of any matter (the “Applicant”) must complete an application in Form A, (Schedule 16) unless the completion of that form is waived by the Board or a Board Staff member.
- 57.2 On receipt of a Form A or other request for decision from a person (the “Application”), the Board staff may complete a Board staff’s briefing note or other document setting out background information in respect of the Application.
- 57.3 If the Applicant wishes to make oral submissions to the Board prior to the Board’s disposition of the Application, the Applicant may do so at a date and time to be arranged with the Board.
- 57.4 The Board will record its decision in respect of an Application on Form B (Schedule 17). The Board will provide the Applicant with a copy of Form B upon the Board’s decision being made.



### **Part 58 Remedies**

- 58.1 The remedies identified in these General Orders shall not be deemed to be exhaustive of all remedies available to the Board in the event of default or non-compliance with these General Orders, the Scheme or the Act, or any direction or order arising therefrom. The exercise of a specific right or remedy by the Board does not preclude it from or prejudice it in exercising any other right, pursuing any other remedy or maintaining any action to which it may otherwise be entitled to either at law or equity.

### **Part 59 Revocation**

- 59.1 Effective [XX/XX/2005](#) the June 15, 2004 General Orders, as amended, and all previous Board policies and guidelines invoked thereunder are revoked, and these General Orders are substituted therefore. For greater clarity and without limiting the generality of the foregoing, this section is intended to revoke all previous Board Orders, policies, guidelines (both formal and informal) relating to chicken produced for market development.
- 59.2 These General Orders shall become effective on [XX/XX, 2005](#), except as otherwise provided in these General Orders and Schedules thereto.

**BY ORDER OF** the British Columbia Chicken Marketing Board

**DATED AT** Abbotsford, October 31, 2005

**Schedule 1**  
(Part 8)  
(Section 8.7)

**Processor new Entrant Program Procedure for the “First Round” of  
New Entrant Applications:**

- 1) The policy will come into force for the year 2004. This is based on BC having achieved more than 1% in provincial growth on average in 2001, 2002 and 2003.
- 2) The total volume of product available in 2004, 2005 and 2006 for new entrant processors and deemed new entrant processors under the New Entrant Program for Processors is 2.5% of the per period average of BC’s total production from periods A-49 through to A-55. That amount is 774,823 kg live weight.
- 3) Due to the late start date of the New Entrant Program for Processors, any new entrant applicant or deemed new entrants must meet all criteria outlined in the policy by September 30, 2004.
- 4) Due to exceptional circumstances, on a one-time basis, the Board will consider an application by Rosstown Farms Ltd. to be the first applicant for a new processor licence and, for this period only, that application from a new entrant, Rosstown Farms Ltd., will be given priority over any application for increased allocation from a deemed new entrant. The maximum volume for which Rosstown Farms Ltd. may apply as a new processor is 1.5% of the average of A-49 through A-55 which is 464,594 kg live weight.
- 5) In consideration of the above-mentioned exceptional circumstances and if Rosstown Farms Ltd. applies for a new processor licence and is approved, Rosstown Farms Ltd. may custom slaughter and market 199,000 kgs live weight per period until the processing plant is in operation. Commencing on the date of approval of Rosstown’s licence a processor that purchases this product will not have its allocation reduced.
- 6) In addition to an application from Rosstown Farms Ltd., the Board will accept applications from deemed new entrants and new entrants for growth that remains available for distribution under this policy.
- 7) Deemed new entrants whose requests for an increase of supply are granted by the Board following the September 30, 2004 deadline will receive an adjustment to their allocations in A-62.

**Schedule 2**  
(Part 12)  
(Section 12.1)

**Weighing of Chicken**

- 1) The chicken shall be weighed immediately upon arrival at a government certified scale equipped with a clock and printer. If the scale is not located at the plant of the processor, the chicken shall be transported directly to the plant of the processor immediately following weighing.
- 2) All classes of chicken shall be weighed by the processor within 6 hours of the time the shipment leaves the grower's premises.
- 3) All classes of chicken shipped from a grower's premises located on Vancouver Island to a processor off Vancouver Island shall be weighed by the processor within 7 hours of the time the shipment leaves the grower's premises.
- 4) For the chicken not weighed by the processor by the time specified in paragraphs (2) and (3), the processor shall pay to the grower a price equal to 2.2 cents per kilogram above the price set by the Board for each such class of chicken.
- 5) Unless the trailer is weighed separately, the fuel tank of the vehicle transporting chicken shall be full when weighing empty and when weighing loaded with chicken. The processor, or the processor's agent, shall make accurate allowances for the tare weight of the empty vehicle and crates.
- 6) The processor or the processor's agent shall ensure that the time and date of weighing is on the tare weight ticket and provide a duplicate copy of the tare weight ticket to the grower at the time of loading.
- 7) Notwithstanding anything to the contrary in this schedule, the Board may by order or direction require a processor to weigh under the direct supervision of the Board or its designated agent at such time or times or within such period of time or times as may be specified in the order or direction of the Board.
- 8) Every approved scale weight ticket shall clearly identify the vehicle weighed and the approved scale at which the chicken was weighed.

**Schedule 3**  
(Part 13)  
(Section 13.6)

**Pricing and Production Advisory Committee**

1) INTERPRETATION

a. In this Schedule, unless the context otherwise requires or is otherwise defined:

Arbitration Panel	means the panel established in Section 5(a) herein;
Board	means the British Columbia Chicken Marketing Board as constituted under the Scheme;
BC Broiler Hatching Egg Commission	means the British Columbia Broiler Hatching Egg Commission as constituted under the British Columbia Broiler Hatching Egg Scheme, BC Reg. 432/88;
BC Chicken Growers Association	means the body corporate incorporated under the Society Act of British Columbia having incorporation number S-000522;
Broilers	means a chicken having a live weight greater than 1.815 kg and under seven weeks of age;
Broiler Quota Period	means an eight week period as defined by the Chicken Farmers of Canada under the pricing and production allocation agreement;
Days	means, unless otherwise qualified, calendar days including weekends and holidays;
Grower Committee	means the committee referred to in Section 2(a)(i) herein; comprised of licenced chicken growers.

Pricing and Production Advisory committee	means the committee constituted pursuant to section 3.20 (i) of the Scheme.
Primary Poultry Processors Association of BC	means the body corporate incorporated under the Society Act of British Columbia having incorporation number S-0026936;
Processor Committee	means the committee referred to in Section 2(a(ii)) herein; comprised of owners or managers or employees of licenced processors.
Production	means volume in live weight of Broilers for a Broiler Quota Period;
Scheme	means the British Columbia Chicken Marketing Scheme (1961), as amended;

- b. All other terms will have the meaning as assigned in the Scheme and Orders of the Board.
- c. Whenever the feminine or singular is used throughout this Schedule, the same will be construed as including the masculine, feminine, plural or body corporate, as the context may require.

## **PRICING AND PRODUCTION ADVISORY COMMITTEE**

### **2. COMPOSITION OF THE PRICING AND PRODUCTION ADVISORY COMMITTEE**

- a. Pursuant to Section 3.20(1) of the Scheme, the Board will establish a Pricing and Production Advisory Committee (the “PPAC”) composed of:
  - i. Three growers to be appointed by the Board after consultation with the BC Chicken Growers Association (BCCGA).
  - ii. Three Processors to be appointed by the Board after consultation with the Primary Poultry Processors Association of BC (PPPA of BC).
  - iii. One broiler hatching egg producer appointed by the Board after consultation with the BC Broiler Hatching Egg Commission (BCBHEC).
  - iv. An independent Chair who presides over the meetings of the PPAC and coordinates the communications between the members of the PPAC and the PPAC and the Board.

- v. Further persons appointed by the Board to broaden the scope and experience available to the PPAC in its deliberations.
- b. The Board will appoint an alternate for each member of the PPAC.
- c. Thereafter, appointments to the PPAC will be for a one-year term.
- d. Each year of the term is the calendar year.
- e. Where the term of a member ends, either through resignation or revocation of appointment, the Board will appoint a replacement for the remainder of the term from names provided by the BCCGA, the PPPA of BC or the BCBHEC, as the case may be.

### 3. ADVICE

- a. Pursuant to Section 3.20(2) of the Scheme, the role of the PPAC is to advise the Board, either on the request of the Board or on the initiative of the PPAC, on any matter relating to the pricing or production decisions the Board has made or may make.
- b. Pursuant to Section 3.20(3) of the Scheme, the Board must consult with the PPAC and consider the PPAC's advice before the Board makes any decision relating to pricing or production.
- c. Advice to the Board will be relayed in writing by the PPAC Chair. Such advice will be provided with majority and minority positions.

### 4. GENERAL PROCEDURES

- a. The PPAC will agree upon and maintain a list of neutral third parties for use, if and when a facilitator or arbitrator is required.
- b. The first order of business of the PPAC will be to choose a facilitator or arbitrator.
- c. The PPAC, will from time to time fix the remuneration for persons appointed to facilitate or arbitrate and the cost will be equally shared between the Growers and the Processors.
- d. Where circumstances warrant, and with the consent of all members of the PPAC, consideration of pricing and production may proceed directly to facilitation or arbitration.
- e. Minutes of the PPAC meetings shall be kept.

## 5. DETERMINATION OF PRICE AND PRODUCTION LEVELS

- a. Prior to the commencement of the upcoming Broiler Quota Period, the PPAC will meet to discuss price and production levels for Broilers for the upcoming Broiler Quota Period or Periods. PPAC may agree to multi cycle strategies concerning production. In such cases, meeting for each period may not be required.
- b. If an informal consensus regarding price and production of Broilers for the Broiler Quota Period has been reached before the PPAC meets, the PPAC will consider and confirm such consensus.
- c. Where the PPAC meets and is unable to reach a consensus, the Chair or another neutral third party may be engaged to facilitate discussions.
- d. The Board will embody any consensus reached under (a) or (b) above as an order of the Board, no later than the commencement of each upcoming Broiler Quota Period.
- e. Where consensus has been reached on pricing and production for multiple Broiler Quota Periods, the Board will, unless the Grower Committee or the Processor Committee raises exceptional circumstances in accordance with Section 7 of this Schedule, embody that consensus as an order of the Board prior to the commencement of each Broiler Quota Period.

## 6. ARBITRATION

- a. In the event that no consensus is reached as a result of facilitated discussions, the opinion of an independent arbitrator will be sought. A panel, composed of one member of each of the Grower and Processor Committees and an arbitrator selected by the PPAC, will be established.
- b. Arbitration will take place no later than the Tuesday before the start of a Broiler Quota Period. Unless the arbitration panel agrees unanimously otherwise, the time allotted to each presentation will not exceed one half day, and the arbitration hearing will not occupy for than one day.
- c. At least one full business day prior to the commencement of the arbitration each Committee will deliver a written proposal with resolved and unresolved pricing and production issues to each member of the arbitration panel.
- d. At the arbitration hearing, a representative of each of the Grower and Processor Committees will make a presentation to the arbitration panel. The Committees may choose to be represented by legal counsel.

- e. Arbitrations will be conducted in accordance with the rules of procedure generally applicable to final offer selection arbitrations. The panel will make provisions for the submission of documentary and oral evidence, as required.
- f. Following the hearing the arbitration panel will issue a written majority opinion with reasons, and deliver this to the parties and the office of the BCCMB not later than 5:00 p.m. on the Wednesday before the commencement of the Broiler Quota Period.
- g. The arbitration panel's opinion will be embodied as a Board order, unless the Grower Committee or the Processor Committee seeks a variation for "exceptional circumstances" in accordance with Section 7 of this Schedule.

#### 7. VARIATION FOR EXCEPTIONAL CIRCUMSTANCES

- a. The Board will not reopen the issue of pricing for a Broiler Quota Period once that period has commenced.
- b. When the PPAC has reached consensus on multi-period pricing or production volumes, the Board may vary, alter or amend such consensus for the second or subsequent period where exceptional circumstances are found to exist.
- c. The Board may also vary, alter or amend an arbitrated opinion where exceptional circumstances are found to exist.
- d. As the statutory authority charged with making pricing and production decisions, the Board will consider whether exceptional circumstances exist sufficient to justify departing from a consensus reached by the PPAC or the opinion of the arbitration panel.
- e. In general, exceptional circumstances will arise where the Board concludes – based on fresh evidence or based on a clear error of law or procedure arising in the arbitration process – that if its conclusion is not adopted, one or more stakeholders would suffer detriment that is serious, demonstrable, and contrary to the public interest.
- f. Before a pricing or production order described in Section 7(b) of this Schedule or an arbitrated opinion described in Section 7(c) of this Schedule may be varied, altered, or amended for exceptional circumstances, the Grower Committee or the Processor Committee must, by noon on the Thursday prior to the commencement of the Broiler Quota Period, deliver notice to the Chair of the PPAC. The notice will be accompanied by an outline of concerns and a request that a meeting of the PPAC be convened to discuss the matter with the Chicken Board.
- g. The Chair of the PPAC will convene and complete a meeting or meetings no later than noon on the Saturday prior to the commencement of the Broiler Quota Period.
- h. Following the completion of the(se) meeting(s) and before the commencement of the Broiler Quota Period, the Board will issue an order.



- i. The BCBHEC, or other industry stakeholders, will be entitled to request that the Board initiate the process of review for exceptional circumstances, by delivering the required notice under Section 7(f) of this Schedule, but the decision whether to proceed will remain with the Board.

#### 8. PRICE OF OTHER CLASSES OF CHICKEN

- a. As the broiler price is the basis for determining the price of other classes of chicken, the Board will consult with the PPAC in establishing an appropriate formula to derive prices for those other classes of regulated product.

#### 9. APPLICATION OF ACT

- a. Nothing in the foregoing limits, relieves or relinquishes the Board of any of its responsibilities, rights and powers under the *Natural Products Marketing (BC) Act, RSBC 1996*, Chapter 330, as amended.

**Schedule 4**  
(Part 13)  
(Section 13.7)

**Pricing Order For Chicken**

TO: ALL PROCESSORS AND GROWERS

**PRICING ORDER #000**

The British Columbia Chicken Marketing Board orders as follows:

The minimum prices to be paid by Processors to Growers for chicken marketed in the Province of British Columbia on all product contracted for or otherwise designated by the Board to be shipped in the period (name of period and dates of the period) shall be as follows:

<u>Average Live Weight</u>	<u>Differential over Broiler Price (dollars)</u>	<u>Price per kilogram live weight</u>
Under 1.60 kg	---	\$
Over 1.60 – 1.70 kg inclusive	+0.035	\$
Over 1.70 – 1.78 kg inclusive	+0.042	\$
Over 1.78 – 1.85 kg inclusive	+0.028	\$
Over 1.85 – 1.95 kg inclusive	+0.015	\$
Over 1.95 – 2.02 kg inclusive	---	\$
Over 2.02 – 2.10 kg inclusive	---	\$
Over 2.10 – 2.17 kg inclusive	---	\$
Over 2.17 – 2.25 kg inclusive	---	\$
Over 2.25 – 2.50 kg inclusive	-0.004	\$
Over 2.50 – 2.73 kg inclusive	-0.010	\$
Over 2.73 – 3.18 kg inclusive	+0.050	\$
Over 3.18 kg	+0.098	\$

All prices are f.o.b. farm.

This order shall remain in effect until rescinded, varied or amended by further order of the Board.

The targeted weight shall be as specified on the contract.

Tolerance on a flock is plus or minus 6% from targeted weight.

If flock average weight falls within targeted weight tolerances (i.e. weight range plus or minus 6%) but the average weight is in a different category, the price payable will be determined by the average weight delivered.

**Schedule 5**  
(Part 14)  
(Section 14.1)

**Levies**

- 1) Every processor shall be required to make a deduction of 1.75 cents per kilogram of live weight on all classes of chicken received from the grower and produced for the domestic market effective on and after January 9, 2005 (start of A-63).
  
- 2) Every processor shall be required to make a deduction of 1.75 cents per kilogram live weight on all classes of chicken received from the grower and produced for export effective on and after January 9, 2005 (start of A-63). This levy is to be paid 50% by the grower and 50% by the processor.

**Schedule 6**  
(Part 22)  
(Section 22.3)

**Cycle Lengths and Quota Units**

<b><u>Number of Weeks in the cycle</u></b>	<b><u>Number of days in the cycle</u></b>	<b><u>Number of kilograms per unit</u></b>
8-week	56 days	1.929
9-week	63 days	2.170
10-week	70 days	2.412
11-week	77 days	2.652
12-week	84 days	2.894
16-week	112 days	3.858
19-week	133 days	4.581

**Schedule 7**  
(Part 23) (Section 23.6)  
(Part 35) (Section 35.1)

**Formula to Determine Available Barn Space Beyond Quota Requirements**

You need to know:

- Your current square footage of usable barn space. The symbol for this will be SqFt.
- Your actual total quota and or permit expressed in kilograms live weight. The symbol for this will be Q.
- The density required as per section 23.6 is 2.88 kilograms live weight per square foot.

To determine the number of kilograms that can be accommodated in your barn space or “A”:

1. Multiply your current square footage by 2.88 kilograms live weight per square foot

$$\text{SqFt} \times 2.88 = \text{kg that fit in your barn space "A"}$$

This is the maximum number of kilograms that fit in your barn.

To determine the number of kilograms available to fill the barn space or “B”:

2. Subtract the total quota and/or permit expressed in kilograms live weight from the product obtained in 1.

$$A - Q = \text{kilograms available to fill barn space}$$

This is the number of kilograms required to maximize your barn space.

To determine the square footage available beyond quota or “C”:

3. Take the answer in 2 or “B” and divide it by 2.88-kilogram live weight per square foot.

$$B/2.88 = \text{square footage available beyond quota "C"}$$

**Schedule 8**  
(Part 44)  
(Section 44.3)

**Lease of Quota without Premise**

- 1) All classes of quota may be leased.
- 2) No leasing in or out of permit is allowed.
- 3) The maximum amount to be leased in or out per period is 30% of a grower's domestic allotment in that specific period. The Board may exercise its discretion to accommodate exceptional circumstances.
- 4) Leases in and out must correspond to the same period.
- 5) A grower may lease in any amount up to the maximum allowed under density requirements as per section 34.1.
- 6) Grower must lease in or out within their assigned processing group and within their marketing weeks. This requirement is necessary to uphold the principle of Assurance of Supply to Processors contained in Part 7 of these General Orders.
- 7) If lease is offered but not taken up as prescribed above, the proposed lessor will be required to grow his entire allotment.
- 8) The lease price will be set by the Board, and will be the Market Development lease price in effect for that period less the levy/GST calculation contained in the MD lease price.
- 9) Market development allocation must not be allowed to be effected by a domestic leasing program.
- 10) Upon receipt of a QPA from the Board office, a grower will have seven days to complete the prescribed form and return it to the Board Office with payment. Failure to comply will result in cancellation of the lease. BCCMB staff will forward payments from leasees to lessors upon receipt and will issue updated QPA's to each party to reflect changes.

**Schedule 9**  
(Part 50)  
(Section 50.20)

**Specialty Market Advisory Committee (SMAC)**

- 1) The Board has constituted a committee of the Board that will be known as the Specialty Market Advisory Committee (SMAC).
- 2) The committee will consist of:
  - a. 3 specialty growers
  - b. 3 specialty processors
  - c. A BCCMB board member
  - d. A Chair

The composition of the Committee shall remain fixed for one year after its implementation. After that time the Board may review and change the composition of the committee to include:

- e. other members as deemed appropriate by the SMAC.
- 3) The Board will appoint a Chair for the committee. However the Board will accept a consensus recommendation from the committee to appoint one of the members of the committee as chair who may not be the BCCMB Board member. If the members appoint a chair from within another representative will be appointed.
- 4) The purpose of SMAC is to provide advice to the Board on matters related to the specialty sector and provide a forum whereby the specialty sector can discuss areas of mutual interest and concern.
- 5) The SMAC is charged with recommending if, when and how the minimum specialty live prices should be established.
- 6) The criteria for designating new specialty classes of quota should be reviewed by the SMAC, and any changes considered appropriate should be recommended by the Committee to the Board for its consideration.
- 7) The SMAC in consultation with the Board is to establish procedures to achieve third party certification for Asian chicken where a certification protocol is not currently available.



**Schedule 10**  
(Part 50)  
(Section 50.21)

**Methodology and Formula for funding Part 50 New Entrant Programs for Growers**

- 1) In January of each year the Board will calculate the prior 3 years quota transfers in kilograms to establish an average. It is understood that quota amounts referred to are eligible to be grown 6.5 times per year, or in the case of SQ, on an adjusted cycle basis as approved by the Board.
- 2) The calculation will include all quota only transfers and farm/quota transfers, and will apply to all classes of quota.
- 3) Five percent (5%) of the number referred to in point 1 above, will be set aside for the new entrant grower programs. This pool (less the amount of quota retracted under Section 36.9) will be used for mainstream new entrant growers and Board recognized specialty new entrant growers. In no case will the pool for allocation to new entrant growers exceed 5% of the 3 year average established in section 1 of this Schedule.
- 4) The allotments given to new entrant growers under this program will be funded from the general allocation to growers, and will occur yearly regardless of the level of industry growth, quota transfers, or the quota retracted under section 36.9. The Board will provide for a minimum number of new entrants per year of one (1) provided all requirements are met under Part 50.
- 5) Distribution to qualifying new entrant growers will be in maximum lots of 7,716 kg live weight per period or 50,154 kg per year.
- 6) The split between specialty and mainstream new entrant growers will be adjusted periodically according to demand as assessed by the Board under Part 8 of the General Orders.

**Schedule 11**  
(Part 50)  
(Section 50.1)

**Former Part 50 New Entrant Program for Growers**

Permits issued under the former New Entrant Program for Growers are cancelled on the effective date of these Orders.

- 1) All permits cancelled under the former Part 50 will be issued as specialty quota or primary quota effective upon payment of all outstanding fees owed to the BCCMB from August 15, 2000 to December 31, 2004.
- 2) The issuance of specialty quota or primary quota will be determined by the growers past production and his or her existing business plan.
- 3) Permit holders under the former Part 50 in good standing with the Board will have permit fees paid to the BCCMB from January 1, 2005 to August 31, 2005 refunded.
- 4) Regulated product grown under the former New Entrant Program for Growers will continue to be subject to an annual licence fee, Board levies and the existing business plans that contain commitments to processors for a specified period of time, landownership, OFFSAP requirements where noted and adherence to minimum bio-security standards as required. Over and under marketing sleeves and production penalties apply as per Part 26 and Part 27.
- 5) Relocation of quota will be permitted upon approval of the Board as per Part 42 of the General Orders.
- 6) New quotas issued under this program are transferable, but are subject to the declining transfer assessment schedule. The declining transfer assessment schedule commences on the date of issuance of the original permit but cannot be dated earlier than August 15, 2000.
- 7) Grower allotments will be issued on a pro-rata basis within each class of quota.
- 8) Proof of landownership is required.
- 9) One licence per person or entity per property per calendar year.

**Schedule 12**  
(Part 50)  
(Section 50.2)

**Eligibility Requirements for Applicants under the New Entrant Program for Growers**

- 1) A notarized affidavit confirming no current or previous SM5 (chicken, table eggs, dairy, broiler hatching eggs or turkey) quota ownership in BC or any other province in Canada is required.
- 2) Applicants will be required to produce proof of the minimum age requirement of 19 years, and residency in BC.
- 3) Proof of land ownership.
- 4) A business plan including processor signature that is acceptable to the Board. A copy of a document to assist applicants in preparing a business plan for submission to the Board is available at the BCCMB website at [www.bcchicken.ca](http://www.bcchicken.ca).
- 5) The application must be accompanied by a \$100 cheque.
- 6) An applicant and their spouse/partner will be considered as one applicant.
- 7) One entry for each list per region maximum.
- 8) An applicant must show a commitment to be involved in the day-to-day operations of the farm.

**Schedule 13**  
(Part 50)  
(Section 50.2)

**Waiting Lists to Receive Specialty Quota or Primary Quota under the New Entrant Program for Growers**

- 1) There will be 2 lists for each geographic region of the Province, defined as the Lower Mainland, the Interior and Vancouver Island.
- 2) One list will be for allocation to grow specialty chicken, the other list to grow mainstream chicken per geographic region.
- 3) The lists will be maintained by the External Auditors of the Board.
- 4) Each list will not contain more than 10 names.
- 5) The existing waiting list will be honored subject to provisions of these orders. Qualified prospective growers will be given the choice of which list or lists they wish to be converted to prior to any new applications being accepted.
- 6) All lists will be managed and maintained by the Board's external auditor, for reasons of transparency, and published on the BCCMB website. Persons on the lists will receive by mail, an update twice a year.
- 7) The Board through the office of the external auditor will advertise vacancies on the lists. The advertisement will commence when the list(s) has been drawn down to 5 names and will be posted on the BCCMB website and applicable farm publications.
- 8) The advertisement will contain specifics of the program and a deadline for application. When the deadline has passed, the external auditor will conduct a random draw for the applicable list(s), announcing the order of placement on the list of potential applicants. Names not drawn will have their application and cheque returned to them with the advice that they may apply for the next openings on the list when the next advertising occurs. No names will be taken or kept in advance of the advertisement for accepting applications.
- 9) Persons on the list(s) will be required to keep the external auditor advised of any change in status or contact information. Persons on the list may not change geographic regions.
- 10) An applicant may request removal from the waiting list at any time, but will forfeit the \$100 registration fee.

- 11) An applicant may be on multiple or all lists, but can only receive one quota. To be on multiple lists, applicants must submit separate applications and applicable fees.
- 12) The Board recognizes that there may be differential market demand requirements between mainstream and specialty chicken production and as such the Board reserves the right to consider the needs of regional requirements as indicated by processors and the requirement of Part 8 New Entrants for Processors contained in these Orders.
- 13) Specialty quota or primary quota available for distribution under this program not successfully taken up in a given year will not be carried forward to the next year except for those applications awaiting Board approval.

**Schedule 14**  
(Part 50)  
(Section 50.2)

**Procedure For Successful Applicants on Waiting lists to receive Quota under the New Entrant Program for Growers**

- 1) Upon notification by Board staff of available specialty quota or primary quota, the applicant has 60 days to submit a detailed business plan to the Board. A copy of a document to assist applicants in preparing a business plan for submission to the Board is available at the BCCMB website at [www.bcchicken.ca](http://www.bcchicken.ca). The applicant will also be required to sign an undertaking to be actively engaged in the management and daily operation of the farm business. The applicant may be contacted and asked to appear before the Board or a committee of the Board for a personal interview.
- 2) Upon notification of acceptance of the business plan and application, the applicant will have a further 30 days to provide a \$5000 deposit that will be held in a non-interest bearing trust account by the external auditor.
- 3) The \$5000 deposit will be refundable upon successful completion of facilities and actual chick placement. Without express written permission from the Board, this timeframe may not exceed a 12-month period from the date the deposit was received by the Board. Failure to complete within the allotted timeframe will result in forfeiture of the \$5000 deposit and cancellation of the application.
- 4) The Board will retain the right to monitor progress and may require the applicant to appear before the Board if there is concern by the Board respecting lack of progress.
- 5) Facilities for the production for the regulated product under this quota must be approved by the Board Inspection staff including OFFSAP compliance where applicable prior to first egg set (ordering of chicks).
- 6) This schedule will be reviewed in three years.

**Schedule 15**  
(Part 4) (Section 4.12)  
(Part 22) (Section 22.7)

**Progressive Penalties for Production Outside of Quota Class.**

- 1) When a grower has prior permission of the Board to market product outside of its class the Board will determine the progressive penalty to be subject to penalties and costs as found in Part 51 Failure to Comply. In the case of annualized production, each year will count as 6.5 (8-week) cycles.
  
- 2) When a grower does not have prior permission of the Board to market product outside of its class or in the case of unauthorized production of the regulated product, the following penalty schedule shall apply. This schedule may be subject to amendment by the Board from time to time.

First offence	Out of market levies at a rate of 44 cents per kilogram of all chicken produced
Second offence	Out of market levies at a rate of 66 cents per kilogram of all chicken produced.
Third offence	Seizure of flock and revocation of quota.

**Schedule 16**  
(Part 57)  
(Section 57.1)

**Form A**

**Application for Board Order, Decision or Determination**

*Board-assigned number:* \_\_\_\_\_

1. The date of this application: \_\_\_\_\_
  
2. Name of person requesting a Board order, decision or determination (the “Decision”) (If you are requesting the Decision on behalf of a company [e.g. your farm], please put the company name here):

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3. Name of person filling out this Application

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4. What Decision do you want from the Board?

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5. Why do you say the Board should make the Decision you have applied for?  
(use additional pages if necessary)

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6. Is there anything else you want the Board to know about your Application? (use additional pages if necessary)

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7. Do you want to appear in person before the Board to make oral submissions before the Board makes its decision on your application?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

**Schedule 17**  
(Part 57)  
(Section 57.4)

**Board Decision**

Form B

*attach applicable Forms A, if available*

1. Date(s) of this decision: \_\_\_\_\_

2. Members of Board present for decision:

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3. What sources of information did the Board consider in coming to its decision?

\_\_\_\_\_ Form A - Application for Order, Decision or Determination

\_\_\_\_\_ Board Staff's Briefing Note

\_\_\_\_\_ Applicant's oral submissions

\_\_\_\_\_ Board's Orders (give reference numbers, if applicable):

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\_\_\_\_\_ Other (explain):

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4. What is the Board's decision?

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5. Why did the Board come to this decision?

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## Schedule 18

### APPEAL PROCESS

#### **FILING A REGULATED MARKETING APPEAL WITH THE BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD**

A person aggrieved or dissatisfied with an order, decision or determination of the following commodity marketing boards and commissions may appeal to the British Columbia Farm Industry Review Board:

- British Columbia Broiler Hatching Egg Commission
- British Columbia Chicken Marketing Board
- British Columbia Cranberry Marketing Board
- British Columbia Egg Marketing Board
- British Columbia Hog Marketing Commission
- British Columbia Milk Marketing Board
- British Columbia Mushroom Marketing Commission
- British Columbia Turkey Marketing  
Board
- British Columbia Vegetable Marketing Commission

#### **What is the British Columbia Farm Industry Review Board?**

Sometimes known as the “Provincial board” or “Superboard”, the British Columbia Farm Industry Review Board (“the FIRB”) consists of up to ten members, usually with an agriculture or food industry background, who are appointed by the Government to supervise the nine commodity boards and commissions in British Columbia. The FIRB reports directly to the Minister of Agriculture, Food & Fisheries.

#### **How long do I have to appeal?**

The FIRB must receive your written notice of appeal not more than 30 days after **you first receive** notice of the order, decision or determination of the commodity board or commission. In other words, **thirty days** after **you first hear** about it. The FIRB may extend this deadline, but only in what **it** considers special circumstances.

### **Do I need legal counsel?**

Only if you want or think you need it. It is your decision to make, and you will be responsible for paying your own lawyer.

### **Where do I send the appeal?**

Either by **registered mail** or **courier**, as follows:

Registered Mail:

Attention: General Manager  
British Columbia Farm Industry Review Board  
PO Box 9129 Stn Prov Govt  
Victoria BC V8W 9B5

Courier:

Attention: General Manager  
British Columbia Farm Industry Review Board  
1007 Fort Street, 3rd Floor  
Victoria BC V8V 3K5

### **What should be included in the notice of appeal?**

The notice **must** describe the matter being appealed, the name and address of the person filing the appeal, and the name and address of the commodity board or commission being appealed from. The notice of appeal **must** be accompanied by a \$100.00 filing fee. Cheques or money orders should be made out to the "Minister of Finance". This filing fee is non-refundable.

### **What happens when the British Columbia Farm Industry Review Board receives the appeal?**

The FIRB will send you a letter acknowledging the receipt of your appeal. This letter will also contain information which explains the appeal process in greater detail. At the same time, the FIRB will notify the commodity board or commission concerned that an appeal has been filed and instruct that it send to the FIRB every bylaw, order, rule and other document pertaining to the appeal. The commodity board or commission will also be given a copy of your notice of appeal. Under the *Natural Products Marketing (BC) Act*, the FIRB has *30 days* from the time it first receives your appeal to schedule the time and place for hearing. This is done by formal letter, and is normally done after consulting both you and the commodity board or commission regarding suitable dates and locations. This letter will also tell you what you should bring to the hearing, and how the hearing is conducted. The hearing of your appeal must be held not more

than *60 days* after the FIRB first receives your notice of appeal; however, either you or the commodity board or commission can request an adjournment to a later date. The FIRB will decide whether or not to grant such a request.

### **What is the most important thing for me to remember?**

That the notice of appeal should be received by the FIRB **within 30 days** after **you first hear** of the commodity board or commission's order, decision or determination. Failure to meet this deadline may result in the FIRB not hearing your appeal.

### **How can I get more information?**

Section 8 of the *Natural Products Marketing (BC) Act* and Sections 6 and 7 of the *Natural Products Marketing (BC) Act Regulations* further describe the appeal process. The standing orders of the commodity board or commission involved may also contain information.

Should you have any questions please feel free to contact the FIRB:

Phone: 250 356-8945

Fax: 250 356-5131

Email: [firb@gems9.gov.bc.ca](mailto:firb@gems9.gov.bc.ca)

Updated 04

## Schedule 19

### BC Chicken Marketing Board Code Of Conduct

#### 1) Purpose of Code

This Code outlines the legal and ethical responsibilities of members of the BC Chicken Marketing Board to assist them in exercising their powers and duties with integrity, independence and expertise.

The BC Chicken Marketing Board is comprised of members who are elected or appointed, and who may be selected because of their active participation in the industry. The Board, and the industry as a whole, benefit from this richness and diversity of experience of its members.

Recognizing that members may have multiple interests, this Code guides members in fulfilling their responsibilities in a way that reasonably accommodates any personal interests they may have as industry participants.

In this way, the Code fosters public confidence in the Board's mandate to direct the industry for the benefit of the public as a whole.

#### 2) Definitions

In this Code,

**“Board”** means BC Chicken Marketing Board.

**“Chair”** means the Chair of the Board.

**“Industry”** means the BC chicken industry.

**“Member”** includes all Board members, whether appointed or elected, and whether full or part-time, and also includes the Chair.

**“Personal interest”** is a financial or non-financial interest of:

- a. member,
- b. corporation or partnership in which a member has a significant interest,
- c. spouse, parent or child of a member, or
- d. business associate of a member.

“Sector of the industry” includes geographic regions, such as the Island, Lower Mainland or Interior, sectors of activity, such as mainstream or specialty growers, processors, hatcheries, or suppliers of goods and services to the industry.

### **3) Role of the Board**

- (1) The role of the Board is
  - a. to develop orders, policies and programs to achieve its economic policy framework objectives,
  - b. to achieve a fair balance between the conflicting economic interests of industry stakeholders,
  - c. to respect obligations arising under the BC Chicken Marketing Scheme (1961), Federal-Provincial Agreements, the *Natural Products Marketing (BC) Act*, the “*British Columbia Chicken Marketing Scheme 1961*”, and from provincial membership in the Chicken Farmers of Canada, and
  - d. to foster constructive working relationships among all sectors of the industry and support open and ongoing dialogue among them.

### **4) Responsibilities of Members**

- (1) Members have both legal and ethical responsibilities. They serve a stewardship role with respect to the industry.
- (2) Members have an overriding obligation to serve the interests of the industry as a whole, in a forward-looking, knowledgeable and open-minded way. This obligation is not affected by how the Member was appointed, the term of appointment, or whether the Member also represents the interests of a particular sector of the industry.
- (3) Every Member is expected to:
  - a. show vision and leadership in the development of the industry, by
    - i. staying informed on issues that may affect the industry,
    - ii. demonstrating respect for the differing opinions of other Members,
    - iii. acting fairly towards those affected by the Board’s actions, and
    - iv. working to build strong positive relationships between the Board industry stakeholders.



- b. exercise the care, diligence and skill a reasonably prudent person would exercise in comparable circumstances when making decisions or taking positions on issues, by:
  - i. being reasonably available for meetings, consultations and other Board activities,
  - ii. being prepared for Board activities, for example, by reading material in advance and soliciting the opinions of others, as appropriate,
  - iii. listening with an open mind to opposing points of view on matters relevant to the Board,
  - iv. participating actively in Board meetings, and
  - v. taking into account only relevant, not improper or irrelevant, considerations when making decisions.
  
- c. maintain the integrity, competence and effectiveness of the Board, by:
  - i. being aware of the conflict of interest policy and complying fully with all disclosure and other requirements,
  - ii. in the case of a Member who is active in a sector of the industry, informing himself or herself fully of the perspectives of that sector in relation to any matter before the Board, and representing those perspectives to the Board so as to contribute to informed and fair outcomes,
  - iii. ensuring that familiarity with a sector of the industry does not detrimentally affect the Member's ability to consider and make decisions that promote the interests of the industry as a whole,
  - iv. presenting a positive image of the Board to the industry and to industry outsiders,
  - v. refraining from publicly commenting on or criticizing the views of other Members, and
  - vi. acting to promote collegiality and respect among Members and with Board staff.

## **5) Conflict of Interest**

- (1) Every Member must avoid any real or perceived conflicts of interest, and must take all reasonable steps to arrange his or her affairs so as to avoid any real or perceived conflict of interest.
- (2) A conflict of interest may be financial or non-financial.
  - a. A financial conflict of interest exists where a member has a personal interest of a financial nature in the resolution or treatment of a matter that is, or is likely to come, before the Board.
  - b. A non-financial conflict of interest exists where a member has a personal interest of a non-financial nature that is, or is likely to be, incompatible with his or her responsibilities as a member.
- (3) A conflict of interest will not arise where a Member who is active in a sector of the industry is or will be affected in the same way as other participants in that sector of the industry by a matter before the Board.
- (4) In considering whether there is a conflict of interest, Members should ask themselves, “Is this personal interest likely to create perception among others, within or outside the industry, that my ability to fulfill my responsibilities as a Member, either generally or with respect to a particular matter, will be influenced by my personal interest rather than by the interests of the industry as a whole?”

## **6) Conflict of Interest Guidelines**

- (1) Without limiting the generality of the foregoing, all Members must follow these guidelines to avoid any appearance of a conflict of interest.
- (2) A Member must not:
  - a. Seek to appeal a decision of the Board that adversely affects a Member’s personal interest, unless the Member steps down from the Board until the matter is resolved,
  - b. Disclose confidential information learned through participation on the Board to others, or use such information directly or indirectly for personal gain, or
  - c. Use his or her position, office, or affiliation with the Board to advance a personal interest, including soliciting clients of the Board for personal gain.

- d. Accept, without prior authorization of the Board, any gift that does or may relate to membership on the Board unless it is less than \$100 in value, is part of a normal exchange of business hospitality or is otherwise customary, and the gift would not be seen by a reasonable person as a bribe or other improper payment, or
  - e. Use Board property to make a gift, charitable donation, or political contribution to anyone on behalf of the Board. A gift that is part of a normal exchange of business hospitality or is otherwise customary may be given, but must not exceed \$100 in value, without prior authorization of the Board.
- (3) A Member should not
- a. Publicly oppose existing Board policies or any position that has been publicly taken by the Board,
  - b. Engage in activities, or accept appointments or elections to office in any organization or association the activities of which are, or are likely to, be in conflict with the activities of the Board or to reflect poorly on the Board, or
  - c. Use Board property for personal purposes.

## **7) Resolving Real or Perceived Conflicts of Interest Raised by a Member**

- (1) Upon assuming office, every Member must disclose any existing conflicts of interest to the Board. Thereafter, every Member must complete an annual disclosure statement, and any supplemental disclosure statement, as necessary. Disclosure statements shall be retained by the Board, in the Member's file.
- (2) Every Member who suspects that he or she is or may be in a conflict of interest that has not been previously disclosed, must disclose his or her concern to the Chair. The Chair must disclose any such concern to the Vice-Chair of the Board. The Chair, or the Vice-Chair, acting on behalf of the Chair, shall determine whether or not a real or perceived conflict of interest exists. If no conflict is found to exist, a record of that determination shall be put in the Member's file. If a conflict is found, it must be referred to the Board for consideration, as set out in (5) below.
- (3) If a Member becomes aware of an existing real or perceived conflict of interest or a conflict of interest that existed previously, but was not previously disclosed, he or she must immediately disclose the conflict to the Board by writing to the Chair or, in the case of a conflict involving the Chair, to the Vice-Chair.

- (4) Where a conflict of interest is brought to the Board, the Board, without the participation of the affected Member, shall confirm whether or not there is a real or perceived conflict of interest:
- a. If there is no conflict of interest, a record of that determination shall be put in the Member's file.
  - b. If there is a real or perceived conflict of interest, but the Board determines that, as a practical matter, it will not have any significant impact on the Board, a record of that finding shall be put in the Member's file and the conflict will be permitted to continue.
- (5) If there is a real or perceived conflict of interest that cannot be resolved as set out above, the Board shall determine how to resolve the conflict of interest in a manner that best promotes the integrity, competence and effectiveness of the Board in the particular circumstances.
- (6) In resolving the conflict of interest, the Board may:
- a. require that the Member excuse himself or herself from any discussion of or voting on a matter or matters,
  - b. require that the Member take no part in the Board's activities for a period of time,
  - c. issue a warning or reprimand to the Member,
  - d. in the case of an appointed Member recommend to the Minister that the Member's appointment be revoked, or, in the case of elected Member, ask for the Member's resignation, or
  - e. make any other direction that is appropriate and fair in the circumstances.

## **8) Contraventions of the Code**

- (1) No member shall contravene this Code.
- (2) For greater certainty, a breach of a General Order of the Board by a Member is not itself a contravention of this Code. A Member who breaches a General Order shall be subject to the usual procedure and sanctions set out in the General Orders in respect of that breach. If the Member's actions also contravene this Code, the Board may consider the member's breach of the General Orders and any sanction imposed in respect of that breach, when considering the Member's contravention of this Code.

- (3) Any person who believes a Member has contravened a provision of this Code may report that alleged contravention to the Chair, by setting out the details of the alleged contravention in writing.
- (4) The Board shall provide a copy of the allegation to the affected Member and give him or her an opportunity to respond in writing. The Board may require the affected Member to refrain from participating in some or all Board activities until the matter is resolved.
- (5) At any time during the process, the Board may delegate a Member or retain an independent expert to assist in informally resolving the complaint. Where such resolution is successful, no further steps are required.
- (6) The Board must delegate one or more of its Members or, where appropriate, retain an independent investigator, to investigate the allegation. The investigation report shall be made in writing, and may or may not include recommendations, as the Board directs.
- (7) Upon receipt of the investigation report, the Board shall determine whether an informal or a formal remedy is appropriate in the circumstances, and shall determine the terms of the remedy. Where a formal remedy is under consideration, the Board must give the affected Member an opportunity to make written submissions to the Board as to remedy.
  - a. An informal remedy is one whose terms are not publicly disclosed. The purposes of an informal remedy are to make the Member aware that his or her conduct was inappropriate, to rectify any injury that the contravention may have caused, and to prevent it from occurring again.
  - b. A formal remedy is one whose terms are publicly disclosed. A formal remedy should only be imposed where the Board determines that such a remedy is necessary to preserve the integrity, competence or expertise of the Board or to avoid injury to the interests of the industry as a whole. In addition to any other terms, a formal remedy may include:
    - i. a written reprimand or warning to the Member,
    - ii. in the case of an appointed member, a recommendation to the Minister that the Member's appointment be revoked, or
    - iii. in the case of an elected member, a request that the member tender his or her resignation.
- (8) The Board shall notify in writing a person who made an allegation as set out in subsection (3), above, when the matter has been resolved.
- (9) Any person who believes that the Chair has contravened a provision of this Code may report that alleged contravention to the Chair of the Farm Industry Review Board, by setting out the details of the alleged contravention in writing. Upon receipt of the

complaint, the Chair of the Farm Industry Review Board shall determine whether to refer the matter to the Board to review under paragraphs (4) through (8) above, or to follow such another process that is appropriate in the circumstances.

Adopted by motion of the BCCMB on April 15, 2005.

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