

Consolidated Order Review – Independent and Egg Production Unit Definitions

The goal is to ensure clarity within the Consolidated Order as to the Egg Production Unit (EPU) and Independent Production Unit (IPU) definitions that have been a source of interest and discussion with producers over the last number of years.

Survey Methodology

The BCEMB sent an on-line survey to 348 industry stakeholders including producers, graders, processor and allied trades. The survey was sent on May 11, 2022, as part of the Consolidated Order Review, and was open for two weeks.

Survey Response Rate

Of the 348 industry stakeholders who were sent the on-line survey, 35 individuals completed all survey questions, representing a 10% response rate overall. Of the 35 respondents, 25 producers responded to the survey representing 71% of survey respondents and 23% of the 149 registered producers in BC.

Survey Results

The results from the survey can be found on the following pages.

Next Steps

The Board will be reviewing the survey results and incorporating feedback into a recommended Consolidated Order update. Once finalized, the draft changes will again be sent out via survey for final comments before being submitted to BCFIRB for approval.

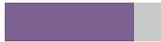
Report for Consolidated Orders Survey: Definitions

Response Counts



Totals: 35

Do you agree with the proposed changes?

| Value | | Percent | Responses |
|-------|---|---------|-----------|
| Yes |  | 82.9% | 29 |
| No |  | 17.1% | 6 |

Totals: 35

Do you have any suggestions for changes or improvements?

ResponseID Response

| | |
|----|--|
| 1 | no |
| 2 | No I think its good |
| 3 | a few edits to the consultation doc -- will provide shortly but also suggest changing the word "strong" in the above intro sentence to "clear" as in "clear definitions...." |
| 7 | No |
| 8 | No |
| 9 | no |
| 11 | No |
| 12 | No |
| 13 | No |
| 17 | 85% must be filled with quota not including quota credits |
| 20 | The word "location" in "each location that houses layers is an Egg Production Unit (EPU)" could use clarification. If you have three consecutive 5 acre parcels of land next to each other, each with a barn holding 5000 birds, is this 1 location and 1 EPU, or 3? What if there were a river in between, or it was across a road? Or another parcel were in between? Also with 3 layer barns on the different parcels, none has 50% of the production and so none meets the Primary Production unit requirement. Also if a producer has 20 EPU and there is an equal distribution, it says they get 1 for being a producer and 1 for each EPU so they would get 21 distributions. |
| 21 | Yes in the definition it should include stakeholders and a producer can own the land that the laying facility sits on. |
| 22 | No |
| 26 | one property one Production number unless you are leasing a barn that has its own cooler and it not touching the other barn. Its easy to control without making different rules in each case. |
| 27 | No |
| 33 | No |
| 35 | For the reasons described below , I don't agree with this new definition . I propose dropping the condition described in #1 (e) and have it that all barns will get future equal distribution allocations . |

Do you have any general comments?

| ResponseID | Response |
|------------|--|
| 1 | no |
| 2 | No |
| 3 | like the brevity of the survey which will still capture producer feedback |
| 7 | No |
| 8 | No |
| 9 | no |
| 11 | No |
| 12 | No |
| 13 | This is pretty clear |
| 17 | No more barns running only credits. Remove board members who are |
| 20 | I do not understand the purpose of a Primary EPU, I know several farmers that do not have a Primary EPU that meets the 50% definition. the 50 |
| 21 | Under the "layer barn" definition it states that two producers cannot share the same air space in a facility. Doss this also include a pullet facility where two flocks r grown together? |
| 22 | No |
| 26 | If a producer is leasing a barn it should have its own cooler and egg collection system. You run the risk of mixing eggs and will make any issues with SE and depopulating a bigger problem then it needs to be. Plus you want to try to stop producers splitting farms or barns to get an advantage of quota allocations. Can you image if you build a barn with one cooler and six rows of equipment with a wall in between all holding 4,000 birds. You have 6 producer numbers under 6,000 quota units. It would look bad as an industry |
| 27 | No |
| 30 | Good work on getting this done! |

ResponseID Response

35

I do not agree with the changes that the Board wants to make in regards to Egg Production Unit Definitions . In my situation , we have 2 barns with layers , on one piece of land . One is in my ownership and one is in my father's ownership . Under the new rules as described in Proposal #1 (e) any future equal distribution allocation will be limited to only one barn. This is not fair , one barn will get it and one will not. I know there are some farmers who are trying to rip off the system and get more quota for themselves , we are not one of those . We have always followed the rules and have done things by the book . The reason we moved 2 barns onto one property many years ago was for the efficiency we gain in labour, equipment , hydro, savings on transportation costs, infrastructure savings , etc. At the time we got Board approval before we started . Now we are in the process of planning to convert the barns into enriched system. This will cost a lot of money . So we need any future equal distribution allocations to go to both barns in order to help pay for the conversion . Setting up this definition of Egg Production Unit will make Farmers think twice about building another barn on the same property. Land is very expensive in the Fraser Valley and in order to save some investment costs farmers will want to build more barns on one farm . This new definition will also hamper some succession planning as well . If a farmer wants to get his children involved in egg farming and builds a new barn on his property , the child or children won't be able to get any extra birds through the future equal distribution allocation because it will only go to one barn. Since we have 2 barns on one property already , which we have been operating that way for many years and it was approved by the Board before we moved them together , we feel this new rule to be very unfair . If the Board does go ahead with this proposal I will pursue an Exemption for my Farm and ask that we will get all future equal distributions allocations for both farms .