

**STAKEHOLDER SUBMISSIONS ON THE  
BC EGG MARKETING BOARD PROPOSED  
2010 QUOTA ALLOCATION POLICY**

The following submissions were received by the BC Farm Industry Review Board (BCFIRB) and the BC Egg Marketing Board (Egg Board) during the submission period from August 5 to 31, 2010<sup>1</sup>. Each submission will be reviewed and considered by BCFIRB as part of its prior approval review of the Egg Board’s proposed 2010 Quota Allocation Policy. Please note that some contact information has been removed for the protection of privacy; otherwise, the texts of the submissions have been preserved in their original form as received by BCFIRB.

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
1	Jun 27	Susan Davidson, Glorious Organics	The Certified Organic Associations of BC	<p>To endorse lottery systems as proposed and already used by the BC Egg Marketing Board this spring seems to contradict government policy. You have not caused the BC Egg Marketing board to allocate production rights to farmers with a need for more than 99 hens and less than 3000 to serve their established markets. You have not addressed the actual market needs within classes and geographical regions. And you have not addressed your own recommendations made in 2005.</p> <p>If this lottery system really is the best strategy you can come up with, then at least use separate "hats" for each specialty egg; certified organic, free range, omega 3 enhanced, etc and replicate it for each region of the province. You would need about 28 hats (7 classes x 4 regions) to adequately serve all interests.</p>	Y
2	Jul 8	Meeru Dhalwala Vikram Vij, Vij's and		As owners of Vij's and Rangoli Restaurants here in Vancouver, we are writing to stress to you the importance of sourcing a local supply of cage-free, organic eggs. More and more of our customers are requesting them. As well, our own family, and most of our neighbours and friends, are demanding such eggs for home	Y

<sup>1</sup> This table also includes comments (as marked in the right-hand column) which BCFIRB elected to carry forward from the earlier submission period with respect to the Egg Board’s New Producer Program lottery, held from June 25 to July 12.

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
		Rangoli Restaurants		<p>consumption.</p> <p>Having to buy cage-free specialty/organic eggs from outside BC is just silly at best and highly unfair, inefficient and perhaps even bullying at worst. We aren't sure why there is a lottery process for smaller scale specialty egg producers in BC, especially when there is a strong consumer demand. And there are plenty of qualified egg producers who meet all BC health and safety standards.</p> <p>Seriously, it is in your hands to make a change for the better for the British Columbian people and local economy. It isn't that difficult, unless you are beholden to the larger, non-specialty egg producers.</p> <p>Eggs from cramped, tortured hens that are fed antibiotics and unhealthy, cheap feeds are just plain gross. If you must keep the lottery, please make sure that it is a fair one and that it represents the needs and wants of British Columbians. We aren't asking for a disbanding of the existing larger egg producers, we're asking you to make room for more smaller-scale, local speciality egg producers.</p> <p>Thanks for your attention to this important matter.</p>	
3	Jul 10	Steve Easterbrook, Rabbit River Farms (3/3)		<p>In our past correspondence you have always indicated the importance of back up information to substantiate facts. With reference to the decision on how the New BC Quota will be allocated AND in reference to the need for a more effective Specialty Egg New Entrant Lottery I am submitting the below report of Rabbit River Farm's fill rate performance over the past 6 months to one of our bigger customers. Our major customers are asking how we are going to address the supply shortfall. They are asking what is going on with BCEP and FIRB in that they are not addressing the local supply need of Organic, SPCA Certified and other cage free egg types. they want to know what the plan is to get local supply of specialty eggs balanced to the demand.</p> <p>I have included the comments of one of my larger customers below for your reference. Their complaint echo's the complaints we continuously receive from most of the provinces major chain supermarkets. A table of our fill rate for the first 6</p>	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>months of 2010 follows. Note the fill rate is after imports from other provinces averaging 8,000 birds of production per week:</p> <p><i>Hello Steve</i>  <i>One of the areas we take great pride in is our fill rate to our customers and this is one of our continuous improvement programs. We have just completed six month review of our vendor fill rates. Our target fill rate to our customers is 95% and unfortunately your brand has fallen far under target.</i></p> <p><i>As a result of the terrible fill rate we are put in a position where we must ration the eggs we receive, continually disappointing our accounts . Going forward we expect the demand for Organic and Free Range eggs to increase by minimum 30% annually. However given the current embarrassing undersupply we now are not able to meet the basic needs of new customers and existing customers.</i></p> <p><i>We would like a detailed explanation explaining the reason for your <b>58%</b> fill rate (see chart below) on Rabbit River Eggs and an action plan for the next three months to meet our 95% target goal. You keep blaming this on the BC Egg Board - who can we contact there that can make some changes!</i></p> <p><i>If we can be of any assistance please do not hesitate to contact myself.</i></p> <p><i>Thank you for your attention:</i></p> <p><b>Joel Stier</b>                      Brand Manager, Chill and Frozen</p> <p><a href="#">Rabbit River Shorts Document</a></p>	
4	Jul 10	Leanne McConnachie M.Sc. - Animal Science		<p><b>1. Introduction</b></p> <p>The Vancouver Humane Society (VHS) strongly opposes the use of battery cages to house egg-laying hens. The hens' welfare is severely compromised, as they can</p>	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
		Director, Farm Animal Programs Vancouver Humane Society		<p>barely move, let alone express natural behaviours such as nesting, dust-bathing, scratching, foraging and wing-flapping – all fundamentally important behaviours for hens. In April of this year, the Manitoba Egg Board stated in a press release that battery cages fail when it comes to meeting the behavioural needs of hens. Leading poultry and animal behaviour scientists from around the world concur that hens suffer in cages. A summary of the scientific literature can be provided upon request.</p> <p>In the interest of animal welfare, and in the interests of our donors and supporters, over the past year the VHS has submitted feedback, comments and recommendations concerning caged layer housing practices to the BC Ministry of Agriculture (BCMAL), the BC Egg Marketing Board (CEMB) and the BC Farm Industry Review Board (BCFIRB). We have sought a gradual transition away from battery cages to well-managed<sup>1</sup> and certified cage-free (free-run, free-range and organic) practices in an effort to reduce animal suffering and improve animal welfare. Meetings with all three parties have allowed for expanded discussion on the various issues. For further details, we refer you to the binder that was left with Minister Thomson and his assistant RJ Senko at our March 8, 2010 meeting.</p> <p>Although animal suffering should be enough of a reason to quickly transition away from battery cage production, we understand that the CEMB is looking for economic reasons to justify a change in practices. We are therefore re-submitting some of the information from previous correspondence and meetings about demand, along with additional content, as per the instructions of BCFIRB, as our input to the “official” review of the CEMB New Producer Program Lottery and specialty quota allocation.</p> <p>On the surface, how an egg marketing board conducts its allocation of quota, and who it chooses to produce that quota, is of no relevance to a humane society so long as those producers practice high standards of animal welfare and cage-free husbandry. However, it becomes relevant to us when those selected are not “barn-ready”, and thus transitioning from battery to specialty cage-free production is delayed. In other words, no immediate gains are made for animal welfare. This is certainly an outcome of the new entrant specialty quota lottery draw held in March</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>2010.</p> <p>Note 1 - By well-managed, the VHS means barns that offer sufficient space per bird and secluded nest boxes, perches, scratching and dust-bathing areas similar to the standards with BCSPCA Certified and COABC Certified Organic programs. We do not mean open crowded barns with slatted floors and no enrichment or nesting areas.</p> <p><b>2. Lottery Process</b></p> <p>The 2009 lottery to allocate 12,000 units of specialty cage-free production was in the planning stages for over two years and was finally held in March 2010. The process received considerable criticism about its inefficiency, lack of transparency and disregard for appropriately pre-qualifying lottery applicants. The results drew even more scepticism given the relationships of winners to current and former BCEMB directors, the location of their residency and their inability to meet production demands in the short term (none were “barn-ready”). For further details, we refer you to the April 10th and April 14th stories reported in the Vancouver Sun and on CTV (the stories can be viewed on our website at <a href="http://www.chickenout.ca/news.html">http://www.chickenout.ca/news.html</a>). There is no point repeating those criticisms now, as the lottery is over, and we can only go forward from here.</p> <p>The report released on June 22nd by the BCEMB in review of the lottery process addressed how many of these concerns can be resolved in the future. Equally, an email submitted on June 2nd by Steve Easterbrook of Rabbit River Farms provides many excellent ideas on how to improve upon the upcoming 2010 lottery draw for the subsequent allotment of 12,000 units of new entrant specialty quota. Furthermore, comments submitted by other producers to the BCFIRB on October 12th and 13th of 2009 for consideration <i>prior to the March 2010 lottery being conducted</i> also provided valuable direction on how the lottery should proceed, although it appears much of this advice was disregarded.</p> <p>In summary, recommendations include pre-qualification measures before names are entered into the draw to ensure lottery applicants:</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<ul style="list-style-type: none"> <li>• are able to begin production in accordance with the timing needed by the marketplace;</li> <li>• can produce in the region of the province where the demand and shortage exists;</li> <li>• are qualified (e.g. have training/certification/funding in place for the type of specialty eggs needed).</li> </ul> <p>However, we question the use of a lottery to assign quota in the first place. Although a random lottery might work for long-term planning (e.g. getting a few next-generation farmers into the production pool to be called upon when future market needs arise), it does not seem to be the most efficient way to address market insufficiencies in the immediate and short-term.</p> <p>It is our understanding that assigning new-entrant specialty quota is already behind by at least 5 years and by 8 permits of 3000 hens each, and that the gap in BC's specialty market could instantly be addressed with the addition of at least 30,000 hens. A second lottery would only present further delays and bureaucracies that would postpone specialty production unnecessarily. In addition, the expense and time involved with a lottery seems excessive considering the small amount of BC's total production the new entrant specialty quota program represents.</p> <p>Importing is NOT an option. Although in previous meetings with the BCMAL we suggested that BC could consider importing eggs until local production was in place, it appears that cage-free eggs are not readily available for import from other provinces or the US, particularly certified organic eggs. Hence, local production must be activated now and suggest that the BCEMB immediately award the outstanding quota to existing, certified, barn-ready producers (unregistered, small-lot and registered). Referring back to producers who were already on the waiting list for quota prior to the implementation of the lottery would also expedite matters.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p><b>3. Growth in Demand - Global Policies and Trends</b></p> <p>Global, national and local trends demonstrate a growing demand from consumers, farmers and politicians to end the use of battery cages and a preference for cage-free eggs. Since the BCEMB (and the BCFIRB) require evidence of demand in order to justify quota increases/transitions from caged to cage-free production, for future demand, we turn to global trends and initiatives as indicators of where the market is heading in Canada and BC. For current, short-term market trends, we look to national and provincial indicators of demand and supply inequities. Much of this information has been submitted in the past, but we will reiterate the data for the purpose of this review. We hope this information will be considered when making decisions concerning allocation of the existing backlog of quota as well as in any upcoming decisions for further quota increases. For the sake of clarity and brevity, the data has been provided in bullet point form.</p> <p><b>a) European Union</b></p> <ul style="list-style-type: none"> <li>• Initiatives to ban battery cages in Europe began as far back as 1988. Germany, Sweden, the Netherlands and Switzerland have already banned the use of barren battery cages, and the entire European Union will follow suit in 2012.</li> <li>• European Commission trade agreements will require its trading partners to meet their high levels of farm animal welfare standards for livestock rearing, transport and slaughter methods on animal-derived food products entering the EU.</li> <li>• A European Commission report into animal welfare proposes the creation of a European centre for animal welfare and animal health by the year 2012. This would be responsible for the monitoring and enforcement of existing animal welfare legislation, acting as a co-ordinating body to improve standards of welfare across the EU. Key areas of compliance would be a move away from battery cage systems in egg production, along with other live animal transport and livestock rearing systems that interfere with natural behaviours. A Swedish MEP is promoting a resolution for Rural Development</li> </ul>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>funds to be used to finance an increase in animal welfare work.</p> <ul style="list-style-type: none"> <li>• Large multinational companies have already adopted cage-free egg purchasing policies for their European operations, including McDonalds-EU (2010), Hellmann's-UK (2008), and Subway (2007).</li> <li>• Major grocers and food retailers have been recognized with "Good Egg Awards" for their elimination and reduction of eggs from caged hens. Notable names include Ikea, Starbucks, Sodexo, McDonalds, and Cadbury.</li> </ul> <p><b>b) U.S.A.</b></p> <ul style="list-style-type: none"> <li>• The State of California will end the use of battery cages by 2015, thanks to overwhelming public support (63.5%) for the ballot measure on November 8, 2008 - Proposition 2 - the Prevention of Farm Animal Cruelty Act. Prop 2 got more votes than any other citizen initiative in California history. The bill was signed into law by Governor Schwarzenegger on July 7, 2010 and will eventually end the suffering endured by egg-laying hens in battery cages, sows in gestation crates and calves in veal crates. The State of Michigan passed a similar law in 2009, giving egg producers 10 years to phase out battery cages.</li> <li>• In July 2010, the Humane Society of the United States, Ohio agriculture leaders and Ohio Gov. Ted Strickland agreed to a deal that will avoid going to the polls with a similar ballot measure as Prop 2, but will lead to major animal welfare improvements in Ohio, including a moratorium on permits for new battery cage confinement facilities for laying hens.</li> <li>• A 2010 study by Jason Lusk from Oklahoma State University (Title: The Effect of Proposition 2 on the Demand for Eggs in California) demonstrates that since the passing of the Proposition 2, the demand for cage-free eggs in California increased by 180% and the demand for organic eggs increased by 20%. This indicates that as soon as consumers become aware of how most eggs are actually produced they are willing to switch to eggs produced in a more humane manner, even if they are more expensive.</li> <li>• In the food retail sector, Whole Foods Market has removed eggs from caged hens from their shelves. Safeway has instituted a policy that will double its</li> </ul>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>purchase of cage-free eggs by 2014 and all of Walmart's private label eggs now come from cage-free hens. In 2007 fast-food giant Burger King began using cage-free eggs in its North American restaurants, followed similarly by Wendy's, Subway, Red Robin, Quiznos, Denny's, Hardee's, and Carl's Jr. who use cage-free eggs in their U.S. operations.</p> <ul style="list-style-type: none"> <li>• Unilever, makers of Hellmann's brand mayonnaise, announced in February 2010 that its Light Mayonnaise recipe in North America will feature 100% certified cage-free eggs. In the United States, this equates to approximately 3.5 million pounds of eggs, or 350 million eggs.</li> <li>• Compass Group PLC, a major international foodservice company and distributor, instituted a company-wide policy in the US to source only cage-free shell eggs for their customers. This decision affects 48 million eggs annually in the US.</li> <li>• More than 350 universities and colleges in North America have created policies reducing or eliminating the use of eggs from caged hens.</li> </ul> <p><b>c) Canada</b></p> <ul style="list-style-type: none"> <li>• A 2009 Harris/Decima poll commissioned by VHS indicates that 69% of British Columbians would support a legislative ban on the use of battery cages for egg-laying hens in the province. A similar poll from 2007 shows 58% in support of banning cages, indicating an 11% growth in support for a ban since 2007.</li> </ul> <p><i>Note: On February 5, 2010, BCEMB sent correspondence to its members trying to discredit the VHS poll. The BCEMB told members the data collection methods and study were distorted, inaccurate and sub-optimal. Harris/Decima is a well-respected research firm and questions submitted by their clients are vetted so they do not compromise their high standards of data collection and methodology. They are professional pollsters and the BCEMB is not qualified to criticize their methods. Furthermore, as the BCEMB is responsible for providing its members with accurate market data to ensure an efficient supply management system, their actions were of great</i></p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p><i>disservice to their members.</i></p> <ul style="list-style-type: none"> <li>• A 2009 study conducted by a UBC Animal Science graduate on egg preferences indicates that the purchase of cage-free eggs has experienced significant growth in Canada, doubling from 10.3% of total egg retail sales in 2002 to 20.7% in 2006 (The Nielsen Company, 2007). The data also showed that the total specialty eggs market share in BC was higher than elsewhere in Canada (22.9% vs. 16.8%) and possibly even higher than this since the Nielsen data did not account for sales at specialty and health food stores (where the majority of cage-free eggs are sold). One-third of British Columbians indicated they used free-range eggs at home. It also stated the market growth of specialty eggs is faster than for white regular eggs, and is the main reason for the market growth rate of total table eggs. As well, participants stated that bird welfare, environmental concerns and having access to healthy food were the main factors in the selection of cage-free eggs.</li> <li>• In April 2010, Unilever's Canadian operations announced it was moving to 100% cage-free eggs, keeping with the brand's commitment to 'Real Food'. Hellmann's® 1/2 the Fat mayonnaise is the first consumer product of its stature and volume in the packaged foods industry to use 100 per cent free-run eggs. This decision equates to approximately 841,000 pounds (382,000 kilograms) of eggs in Canada, thus sparing 21,950 hens from life in a cage. Over time, Hellmann's® intends to change all its mayonnaise products to free run eggs once consistent supply becomes available in Canada.</li> <li>• 15 Canadian universities serve only cage-free eggs on campus, including 6 BC institutions - BCIT, UBC, SFU, UNBC, UVic and Langara College. Others are currently considering similar initiatives, however lack of supply is preventing them from moving forward.</li> <li>• Chartwells, the education division of Compass Group Canada, would like to institute a similar policy for cage-free shell eggs as they have in the US. In a letter to BCMAL's Deputy Minister on April 29, 2009, Compass Group Canada wrote that they would expand their commitment to cage-free shell eggs if consistent supply was available, and pricing was more in line with</li> </ul>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>current caged-shell egg pricing. In fiscal 2007, Chartwells purchased 3.3million shell eggs.</p> <ul style="list-style-type: none"> <li>• 15 BC municipalities have stated their opposition to battery cage production, and many have adopted cage-free egg purchasing policies for city-run food facilities. Cities include Vancouver, Richmond, Burnaby, Pitt Meadows, Whistler and Victoria, plus the Metro Vancouver Regional District.</li> <li>• The Manitoba Egg Board announced in April 2010 that battery cage barns are on their way out in their province, requiring all new and retrofitted barns as of 2018 to use either enriched caging or other cage-free production methods that support “the five freedoms”.</li> <li>• The Globe and Mail ran a story on February 23, 2010 titled “<i>The ‘egg police’ crack down on local grey market eggs</i>”. The story stated that a black market is growing in Ontario for free-range eggs as small-scale producers sell their ungraded eggs beyond the farm gate to health food stores and others in search of free-range eggs. Organic and free-range producers try to keep their profile low and operate under the radar as they fear fines and raids from the Ontario Egg Farmers marketing board.</li> <li>• In PEI, cage-free farmers are reporting similar pressure from their egg board, stating the PEI Egg Marketing Board wants to lower the amount of hens small-lot unregistered producers can keep, from 300 to only 50 hens. Small-lot producers would then have to pay the Board levies, and feel this is the Board’s way to put them out of business. The Board argues they simply want the eggs to be graded for health purposes.</li> </ul> <p>At VHS, our chickenout.ca website regularly receives requests from consumers asking where they can buy cage-free eggs in their area. Requests come from urban and rural centers, and from across the country. Clearly, demand is growing quickly.</p> <p><b>4. Evidence of Canadian and Provincial Supply Inadequacies</b></p> <p>Despite the obvious growth trends for cage-free eggs, and government policies to develop the specialty egg sector, implementation has been slow. In BC, no new</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>entrant permits have been granted since 2004, and based on comments by farmers, consumers, grocers, restaurants and retailers provincially and nationally, supply is insufficient. Many farmers have told us that they continually sell out of their cage-free eggs and have to turn customers away. Grocery stores often have empty shelves where cartons of certified organic eggs should be, and several restaurants and universities have told us that their food distributor is unable to supply them with cage-free eggs. Those distributors that have cage-free eggs often import them from out-of-province or the US. See Appendix A for a collection of comments from various individuals and organizations giving examples of production and supply frustrations and inadequacies.</p> <p><b>5. Recommended Cage-Free Growth Transition Plan</b></p> <p>Although many countries and governments have chosen to implement an eventual ban on battery cage production, the VHS has chosen to encourage industry to gradually transition away from battery cage production towards cage-free housing. By simultaneously encouraging consumers and businesses to buy cage-free eggs, the market will be there to satisfy the economic needs of producers who convert their practices. We are seeking a transition of at least 50% of BC’s current egg production to cage-free production by 2015. We feel this is a moderate and achievable goal given BC is already 12% cage-free, the EU will be 100% cage-free by 2012, and the State of California will be 100% cage-free by 2015.</p> <p>The VHS would also like to see improved labelling of eggs in grocery stores (as per Strategy 17 from BCMAL’s Agriculture Plan). Terms like “farm fresh” and “natural” mislead customers into thinking these eggs come from pastured free-range hens. A simple “cage-free hens” symbol for cage-free operations, and “eggs from caged hens” on conventional eggs (which is consistent with EU legislation and in parts of the US) would clarify the situation. In our Harris/Decima poll, 78% of British Columbians stated they would support a requirement to label cartons containing eggs from hens raised in battery cages as “eggs from caged hens”.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>The BCMAL has initiated many creative funding programs to develop BC's agricultural sector, and these programs would be an obvious first choice for new entrants to turn to for financial aid to build their specialty production and marketing plans. However, the BCEMB itself could also contribute to and invest in its future through <i>the levies it already collects</i> from all registered producers. Our understanding is that right now, a good portion of these levies go towards writing off the surplus on conventional white table eggs - throwing good money after a declining market while limiting development of a growing market. As well, revisions to breakage fees for specialty eggs should be made to level the playing field and encourage graders to take on more contracts with cage-free producers, and to develop the market of cage-free eggs for the industrial processed pool.</p> <p><b>6. Consequences of Inaction</b></p> <p>BC and Canada are currently at the bottom of the list of western nations in terms of our farm animal welfare standards and regulations. Although BC boasts the largest percentage of its total egg production as cage-free (12% vs. 3% in other provinces), only the province of Manitoba has stated a policy to transition away from battery cages. Refusing to plan and facilitate transition to cage-free eggs fuels negative public perception and accelerates displacement of BC production by US and other provincial imports.</p> <p>By gradually implementing a transition plan that <u>acts</u> on government stated policies now, not only will the balance of supply and demand be restored, but the growth in the specialty sector will provide an added boost for the province as a whole through job creation, succession planning for small-scale farms, tax revenues and development of a sustainable and local food system.</p> <p><b>7. Summary</b></p> <p>From the Government's perspective, ensuring specialty supply is in line with demand complements many of the goals and strategies in the BCMAL Agriculture Plan, and is</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>in compliance with the BCFIRB's policies and directives to the BCEMB. Unlike other government policies that often require some "public pain" to achieve a level of public good, fortunately the opposite is true in the case of specialty eggs.</p> <p>The BCEMB, BCFIRB and BCMAL have the opportunity to embrace or resist change. Given the public sentiment is highly supportive of growth in the specialty and organic sectors, we are optimistic that you will choose to put your policies and words into action. We look forward to your proactive leadership and enforcement of BCFIRB's directives to issue the outstanding specialty egg quota as soon as possible.</p> <p><b>Appendix A: Comments and Examples of Inadequate Supply</b></p> <p><b><u>Universities and Municipalities</u></b></p> <p><b>Metro Vancouver Regional District:</b> Email Feb 9/09 from MVRD Policy Analyst "According to our food service supplier it will cost the consumer 15 cents per egg to change to free range. Our food service supplier Eurest buys from Neptune, who unfortunately does not supply organic eggs. So our senior managers decided to make the change just to free range eggs."</p> <p><b>University of Victoria:</b> Email Feb 25/09 from Manager, Food Services "Through our Purchasing department, I now have pricing on "free-run brown medium" eggs which are the ones we are liable to use, initially at least. The only bulk liquid product Golden Valley carries is "free-run liquid egg white" in 12/500ml cartons, so we'll need to investigate that further as we require 44lb pails of whole liquid egg as well as 10kg pails of cooked and peeled eggs."</p> <p><b>University of BC:</b> email from Food Services Director, Mar 30/09 "We decided to convert to cage free whole eggs only because the price premium for cage free liquid eggs and other value added egg products was too great for our selling price / margin requirements. We continue with only this</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>product as cage free. Total volume of cage free whole eggs last year was 7950 doz.”</p> <p><b>BCIT:</b> phone call with Director of BCIT Food Services/Chartwells, Apr 1/09                      “We would love to be 100% cage-free, but the supply of cage-free boiled/peeled and liquid eggs is so inconsistent. We need certainty and confidence on its availability, because if we say we’re 100% cage-free, and supply doesn’t arrive, either we wind up lying to our customers, or we have to change the prices every time it happens. If you can guarantee me the supply, we’ll happily go 100% cage-free by September 2009.</p> <p><b>Queen’s University:</b> Nov 7/08 excerpt from article from Queen’s Journal                      Queen’s uses factory-farmed eggs, Joli Manson, food services resident district manager, told the Journal... Manson said the vast majority of large institutional users are forced into factory farming because there are not enough cage-free supply chains to manage high consumer demand. “Eggs are subject to supply management. That means that [supply chains] need to buy quota to produce the quantity of eggs that would be required for an account as large as [Queen’s]. I don’t even think Burnbrae could supply free run; they do them for Loblaws, but it’s for a much smaller business. There just is not the supply chain at this point in time.” Manson said...the lack of cage-free farms results in insufficient goods to provide for large institutions.</p> <p><b><u>Producers/Farmers</u></b></p> <p><b>Organic Egg Farmer, Saanich</b> – email from owners/operators Mar 25 and 31,/09                      “Local eggs are a very BIG thing here lately. We cannot keep up with the demand and are having to turn people away.” “The number of dozen of eggs sold over the same period last year and the year before has increased dramatically. From January 1st to March 31st:                      2007 - 228 dozen sold 2008 - 237 dozen sold 2009 - 401 dozen sold                      In the past month (March) demand has gone from our capacity of 33 dozen/week to 108 dozen/week. We cannot meet this demand. Further we are aware of other potential markets that we could explore or will be requesting our eggs later this year.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>We would like to increase our flock size from 95 hens to 300 hens. “</p> <p><b>Battery Egg Producer, northern BC</b> – phone and email with owner, January 27, 2009                      We have fought for years to maintain production in outlying areas... We are never allowed to grow with our markets... Quota is for sale, but it's offered first to the Fraser Valley...It's so screwed up... The Board does nothing to match egg supply to demand... They need people with a business perspective...No one from government is looking after the interests of the consumer.“</p> <p><b>Organic Egg Producer, Fraser Valley</b> – phone call March 20, 2009                      “I don't even know if I'll have a flock next year. I'm so tired of banging my head against a wall just trying to get my permit”.</p> <p><b>Retailers and Grocers</b> (phone discussions)</p> <p><b>Mayonnaise manufacturer/retailer</b>                      Senior brand manager said that although there are real problems getting the supply of free-range eggs, <i>the company is committed</i> to moving to free-range or barn in the US and Canada. Canada: Egg volume 6 million lbs (=59.9 million eggs = 220,000 hens): can go cage-free in 6 months once decision made. She said that because Canadian consumers are buying into messages around local food, there is competition for supply and so they would have to import some of their cage-free egg supply.</p> <p><b>Safeway Langley</b> (20871 Fraser Highway): - there's a narrow supply of free range and organic eggs, especially with organic, since they're from local farms and there are only so many of them</p> <p><b>Safeway</b> (Kitsilano - West 4th Ave in Vancouver, and Richmond -Blundell Road):                      - Managers indicated vendor not supplying enough (popular item). Sometimes cases don't even show up.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p><b>Capers / Whole Foods</b> (Kitsilano and Robson Street): - demand has remained pretty much the same, maybe increasing slightly - customers go to them for free range and organic eggs, so they sell quite a few - sometimes can't get enough eggs from distributors (this happens around 3x a year, when the farms "switch over" or when the hens may be too young and they can't supply medium or large eggs). 9 10 - demand is high, but free range and organic eggs are all they sell. There are supply problems once in a while</p> <p><b>Overwaitea</b> (Salmon Arm store) -Manager indicated lack of organic egg supply on store shelves 50-50 due to not ordering enough or vendors not supplying enough</p> <p><b>Coopers Stores</b> – Kamloops 4 locations – managers indicated if cage-free eggs are not on the shelves then they are sold out/out of stock.</p>	
5	Jul 12	Craig Daniell, Chief Executive Officer, BC SPCA	Steve Thompson, Minister of Agriculture and lands, Richard bullock, Chair, BCFIRB, Al Sakalauskas, General Manager, BCEMB, Rabbit River	<p>The British Columbia Society for the Prevention of Cruelty to Animals (BC SPCA) would like to take this opportunity to comment on the BCEMB New Producer Program Lottery report, and the distribution of quota for the specialty egg market in general.</p> <p>As an animal <i>welfare</i> organization, the BC SPCA is a supporter of animal agriculture and believes that the future success of the egg sector relies, in great part, on fluid reaction to consumer demand and market growth of specialty eggs. As is acknowledged by both the egg industry and market research, consumer demand for specialty eggs continues to increase. We are concerned that the long-term viability and elasticity of the specialty egg sector will not meet current future consumer demands should the quote allocation and new entrant program continue as developed.</p> <p>The BC SPCA receives inquiries from our supporters and the general public for animal welfare friendly products. Consumers have good knowledge about cage free</p>	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
			Farm	<p>eggs, and feel this is a tangible, positive way to support local farms and alternative animal care practices. What stifles their purchase of specialty eggs, in particular cage-free eggs, is the lack of consistent supply.</p> <p>In the BCFIRB's Sep. 22, 2009 letter and to the BCEMB, it was stated:</p> <p><i>"As the BCEMB has recognized in its proposal, the Ministry of Agriculture and Lands' 2004 Regulated Marketing Economic Policy expects that regulated marketing boards ensure that their allocation decisions provide sufficient allocation for the development of specialty markets, and that they serve the demand for organic food and other products differentiated at the farm level"</i></p> <p>The BC SPCA believes that the current quota over-allocation, whereby quota (minus the new producer program allocation) is distributed amongst all registered quota holders on a pro-rata basis, will not address the real need for an increased allocation of quota to specialty egg producers. An allocation system that does not address graders' importation of cage-free eggs from other provinces to the detriment of local specialty egg producers with whom graders can establish a relationship causes us grave concern. We strongly believe the BCEMB should develop a system which allows for processors and graders to quickly meet this market demand, both with new producers and established producers who would like to increase their specialty egg production allocation (i.e. expand their flock size to address the growing consumer demand for their product).</p> <p>We look forward to your reply and further information on the public hearing to be held in late July. Should you wish to discuss this matter, please do not hesitate to contact our SPCA Certified Program Supervisor, Alyssa Bell Stoneman directly by telephone or email.</p>	
6	Jul 12	Ian Christison, Daybreak Farms Ltd		These are my comments and suggestions for changes to the New Producer Lottery Program of the B.C. Egg Marketing Board.	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>1. License should be given out as a "permit" not quota                      2. It should be issued to "Areas of Need" not province wide.                      3. Open to all classes of eggs.                      4. Requirement to own property be removed.                      5. Both Producer and Grader be accountable for all eggs produced (no eggs to be covered by the I.P system)</p> <p>I would suggest you read our original submissions on this matter.</p>	
7	Jul 12	Karl Hann, Biota Farm	Steve Easterbrook, Jon Woodward, CTV, Randy Shore, Vancouver Sun, Consumer Association of Canada, The Certified Organic Associations of BC, RJ Senko, AL, Steve Thomson, MLA, Lana Popham,	<p>First a comment on something that is deemed to be in the public interest. The public knows very little about this subject. Aside from two emails(April 24 and May 20) there is no indication that the FIRB attempted to inform the public at large and request input. From those 2 email it is not evident how many people or groups were reached. Not even the agricultural papers of BC had anything showing that the FIRB requested input into this matter. This whole process seems to take place behind closed doors. For that reason I will try to get this into the public to the best of my ability. I would like to see from the FIRB a media release and inform the public not only the insiders of the PUBLIC HEARING to be held by the end of July.</p> <p>If market needs are supposed to be addressed by a Marketing Board and supervised by the Farm Industry Review Board a lottery system is a poor approach.</p> <p>A lottery may work if a standardized commodity is supposed to be produced and all participants face the same challenges. A lottery has the only benefit that no facts have to be considered in a decision making process by respective boards. Appeals no longer have to be handled by FIRB since Fortuna was in charge.</p> <p>In our case we have a market that is very diverse (over half a dozen types of eggs) and it gets even more complicated because it involves different regions with different needs throughout the province. The concentration of farms in the Central Fraser Valley, especially in Abbotsford, has proven costly to the public during the Avian Influenza. For this reason new production was desired in other regions, as part of</p>	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
			MLA, Katharine McBride and Vancouver Humane Society	<p>government policy, regions which are currently importing from other provinces.</p> <p>Improvements to the lottery system are a waste of time. Look at the outcome of the lottery from March 10, 2010.</p> <p>The facts are that 3 people from Abbotsford won the lottery and none of them have a farm to place the birds. In 2009 no production was allocated and with the constraints faced by the "new entrants" supply of the market is still far away in 2010.</p> <p>Another questionable part is the allocation of 2 blocks of 3000 layers per year. What is the rationale?</p> <p>What if a region requires more than one type of egg? If 3000 is more than needed for one but not enough for the other type of egg, how is the Marketing Board dealing with the situation? And what draw will decide which of the 2 winners gets to produce the omega and who the alpha egg that the market needs? And what if the winner does not want to do organic, but it is the only market short at present?</p> <p>If the BCEMB was confused before about allocation according to market needs this approach is surely not a solution.</p> <p>I wish the government would become the regulator over egg production if the consuming public so desires. If not it should be a free and open market as is the case with most of the Canadian Industry. There is too much conflict of interest at the BCEMB on this issue.</p> <p>This is now made worse, considering the recent appointments to the FIRB, where a regulated producer is on the supervisory board. Which makes me question this whole set-up. Are we really advanced enough to write our own parking and speeding tickets in the future?</p> <p>I look forward to see a date and a place for the public hearing in this matter.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>This issue should also be of great interest to the <b>Consumer Association of Canada, especially the BC chapter</b>. In February of 2010 the price for a dozen of eggs went up by 9 cents to the consumer. This happend two month after the FIRB received public input regarding breaker eggs. I am not sure how many people know about the reason for this. It is just another clear indication that the people in Victoria should look a little bit deeper into what they are endorsing and what privileges and discretionary powers they allocate to a selfserving interest group.</p> <p>The lottery is a poor approach to satisfy changing markets in our society. It was Wheelan in 1972-74 who wanted to help with regulation, because the Egg Marketing Board established in 1969 failed to do the job. It is time for somebody else to come and straighten this 26 billion Dollar mess out. Because the real problem is not about allocating production according to market needs and common sense. The problem is that in BC the <b>Marketing Board is ignoring the MARKET!</b></p>	
8	Jul 12	Christopher Bodnar, Glen Valley Organic Farm		<p>Regarding the call for comments on the new producer lottery, I would like to submit the following points:</p> <p>1) A lottery system does nothing to address market needs based on specialty eggs or geographic location. The result of the recent lottery illustrates this point perfectly: production is allocated to farms in Abbotsford, which is already concentrated to a point where disease outbreaks are endemic and water supplies polluted with excessive nitrate levels. The geographic location of the farms is also problematic when the Egg Marketing Board notes that the majority of the applications were from outside the Lower Mainland. Such a lottery system is not in line with existing government policy, nor does it serve the interests of consumers unable to source specialty eggs (such as small-scale, organic eggs) or the needs of farmers in other parts of the province.</p> <p>2) The BC Egg Marketing Board refuses to acknowledge that small-scale producers (less than 3000 hens, yet more than 99) serve a growing market of food-savy</p>	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>consumers dissatisfied with the quality and sustainability of eggs in the conventional marketing board system. The fact that eggs sell out within an hour of the opening of farmers markets across the province serves as evidence of this fact. This lottery does not take any of this into consideration.</p> <p>3) Recommendations made in 2005 regarding the supply-management system sit unaddressed. Given the time, energy and expense put into those recommendations, they seems like an important (and logical) point to begin examining the supply-management system. These points are too important to leave to chance (i.e. a lottery).</p> <p>A growing body of small-scale farmers is serving a market for sustainably- and humanely-raised eggs, although they are doing so without a policy framework to support their activities and no protection from the existing marketing board. Research has demonstrated the higher nutritional value of eggs from hens provided green pasture space and organic feed in low-stocking rate situations. Consumers who interact with us at farmers markets are aware of this difference and are tired of marketing board interference in their purchasing decisions.</p> <p>Likewise, as a farmer and resident of Abbotsford, where hen stocking rates are obscenely high, my own livelihood and health are routinely impacted by high nitrate levels from the local aquifer -- the direct result of supply-managed poultry farms (as is indicated in government documents). Egg production must be more equally distributed across the province to serve the various regions, to protect the health of local residents and to ensure a more equitable agricultural system amongst farmers across the province.</p> <p>A lottery is the least creative way of addressing these issues and, in fact, does nothing to actually address market trends.</p> <p>Finally, I would like to point out that once again, comments are being solicited at the height of the farming season. It would seem that this is being done (repeatedly) in</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>order to limit the responses to such calls for comment.</p> <p>Thank you for considering my comments.</p>	
9	Jul 12	John and Willy Driesen, Rehoboth Farm,		<p>Thank you for the opportunity to comment on the New Producer Program Lottery. We like to present the following facts and recommendations:</p> <p>Fact:</p> <ol style="list-style-type: none"> <li>1. Specialty Eggs are undersupplied in B.C.</li> <li>2. It takes a minimum of 3 years to achieve Organic Certification</li> <li>3. It takes a serious financial commitment as well as experience and knowledge of poultry farming to become a successful egg producer.</li> <li>4. "Small Lot Authorization producers are eligible for the Specialty New Entrant Program if they wish to grow beyond the 399 layer level, provided they meet the New Entrant requirements". (<a href="http://bcegg.com/files">bcegg.com/files</a>)</li> <li>5. "The intent of the New Producer Program Lottery is to introduce new producers into the production of eggs." (BCEMB letter to FIRB, June 22, 2010)</li> <li>6. The New Entrant lottery that took place on March 1, 2010 "<i>behind closed doors</i>" (as per Laurie Larson) was not part of a clear and transparent process. And we find it suspicious that the 4 names drawn have connections to past and current Egg Board members.</li> <li>7. One of the names drawn is currently operating his own chicken farm (according to the farm name on the property) even though the farm is technically owned by the farmer's parents. This family is experienced and able to start production with his new quota right away through the help of the parents that are poultry farmers, quota</li> </ol>	Y

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>holders as well as a previous Board member of the BCEMB.</p> <p>8. Three of the names drawn are unable to start production promptly because they do not own the facilities required to operate an Egg Production Unit (EPU) and are not third party BC Specialty Egg Certified. Which means BC will continue to be undersupplied, and the import of Specialty eggs from out of province and/or country continues.</p> <p>Recommendations:</p> <p>1. To be eligible to apply for the New Entrant Lottery, a Small Lot Authorization (SLA) permit is required. This will ensure:</p> <ul style="list-style-type: none"> <li>• The applicant has shown a serious commitment to farming before entering their name in the lottery.</li> <li>• The applicant has a business plan/system in place, and has some experience/knowledge of poultry farming with a desire to expand.</li> <li>• The applicant is aware of and able to meet the financial commitment required to operate a successful EPU.</li> <li>• The applicant is already in operation, and will be able to meet production demand much sooner than unauthorized applicants.</li> <li>• The original intent of the SLA was that once Authorization was received, priority would be given to at least 2 SLA Specialty permit holders to start annually under the New Entrants Program beginning in 2006, as per The Standing Order at that time.</li> </ul> <p>2. In order for the Lottery to be a fair and transparent draw, it should be open to, and observed by the general public, and administered by a large reputable third party firm that has no preexisting ties to the BC Marketing Boards.</p> <p>3. Recommend changing the New Entrant Lottery Application criteria to match the Small Lot Application criteria, and add the following definition to family members: “the</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>applicant's parent(s), and/or spouse, parent(s)", for the following reasons:</p> <ul style="list-style-type: none"> <li>• The intent of the New Producer Program is to give an incentive as well as an equal and fair opportunity to start poultry farming for people that do not have the benefit of an inheritance of an existing operation, as is usually the case in a parent child relationship.</li> <li>• Same application criteria should apply for Small Lot and New Producer programs.</li> <li>• We feel this definition was changed by the board members to benefit their own families.</li> </ul> <p>4. Recommend BCEMB and the BCFIRB implement BCEMB Standing Order 7 (t) (i) "The Board may use the Market Responsive Allocation Pool (MRAP) of quota that is set aside to allow, subject to FIRB approval, existing TRLQ &amp; Special Permit holders to increase to 5,000 layer if they so wish" . The market demand of Specialty cage free eggs continues to outweigh the supply. It is very unfortunate that BC has to import these eggs from out of province and country while the BCEMB and FIRB have the authority to increase local production.</p> <p>There appears to be a bias at the BCFIRB and BCEMB level to keep full control over the egg choices available to BC consumers. The past record of new quota distribution and the lack of support and encouragement of new and innovative farming for the "new little guy" continue to be bullied over in favor of the "existing big guys"</p> <p>The objective of our recommendations is to support an open and transparent process which will allow a fair, effective and speedy implementation of the New Producer Program to meet the needs of consumers of Specialty cage free eggs in B.C.</p>	
10	Aug 6	Ralph Regehr Pinegrove Farms Ltd.	BC Egg Marketing Board	I am in support of your new quota distribution policy. I would like to make a request to implement the new producer (organic) program ASAP. Our industry is drastically short on organic product and we are not seeing any movement to alleviate the situation by producers changing flocks over to organic production. Even if you would	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>get the program started now we will see almost a year pass by before we see product. Another solution is to re-instate sale of quota credits but with a priority to short market types. (currently organic) One of the reasons for the lack of producers wanting to switch over is the slim increase in margins over regular production. Thank you.</p>	
11	Aug 7	Ray Nickel President Frontier Farms Ltd.	BC Egg Marketing Board	<p>To whom it may concern, The prior analysis work and public input was significant with the last proposal of issuing quota allotment. I believe the BC Egg Board did a good job of due diligence in that instance and that the current market has not changed. It is disappointing to read that there is a request to reinvent the 'wheel' after so much was put into the last review less than a year ago. I would hope that consideration for what had been done would be acceptable and there would be no need to waste significant time and money on a similar review which will only support the work that has already been done. I am in agreement with the current summary policy decision.</p>	
12	Aug 11	Rob Martens Twin Willows Enterprises	BC Egg Marketing Board	<p>My wife Lori and I have had the dream of becoming egg producers as long as we can remember. We are first generation new producers as of Dec/2007, we purchased our farm with 3000 bird quota paying full market price. A year later made another quota purchase of 1000 birds at full market price. We have had to save every penny and work a lot of hours to make this dream a reality. Lori and I both continue to work full time off of the farm. Managing the farm with the help of our sons we are able to make it work. We both love owning our farm and would not trade it for anything. I often think how much further ahead in life we would be if we were able to win the new producer lottery.</p> <p>I want to commend the board for their decision to allow new producers to enter our vibrant industry. The new producers must bear in mind it takes a lot of time and energy to care for animals. To be successful you must become passionate about it. This is not about winning a lottery it is about becoming a farmer a good steward of land and animals.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>My involvement on the poultry association has given me an insight on how difficult it is for the board to keep all parties happy when there is an increase in market demand. I have reviewed the 2010 Quota Distribution Policy and can tell there was significant work done to appeal to all parties. I would like to thank our BC board and its staff for the work involved in putting this together. Thanks for a job well done.</p>	
13	Aug 15	Fran Kwicien Courtenay, BC	BC Egg Marketing Board	<p>I buy free-run organic eggs because I don't want any life form to be subjected to horrendous conditions like living in a tiny cage. Yes, I do buy free roam chickens to eat too.</p> <p>I'd like to see more local, affordable cage-free egg choices available please. I have even wanted to get my own chickens because I know they would get fed well and looked after.</p> <p>I would like the egg industry to stop using battery cages to confine egg-laying hens! This is an injustice to any creature to live like this. We have to change our ways and come to peace with Mother Earth and her creatures or we will suffer the consequence.</p>	
14	Aug 16	Bodo Goetzke, Feather Creek Farm Ltd.		<p>This letter is to comment on the letter sent out to all and those interested in commenting on the forthcoming increase in egg production units.</p> <p>I am an egg producer and my family have been in the egg business since 1954. We have seen many of the ups and downs of the industry in that time. Since supply management was implemented the industry has been much more stable and we enjoy a reasonable return for our efforts and investment, which we do not take for granted and are grateful for.</p> <p>The industry has been approached by many folks trying to enter the industry and is at times very difficult. What the egg board has done with the supervision of the FIRB created, what I feel is a good opportunity for new entrants to enter the industry. And the way the rules are set up it is for those who want to stay in it for the long haul</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>serving the community and helping keep the industry stable. I feel it is important to supply top quality locally grown food products to the consumers in our neighbourhoods.</p> <p>I feel that fair distribution of the specialty egg products is being allocated and should be continued so. It is also important to realize that we are as always short on classic white eggs, or the egg that the general public buy most of. We must look at the buy back program of the egg board to see if the products that are being grown are always sold or returned to the processor. At this point I feel that slow and steady growth in the specialty market is imperative, but let us not forget where the bulk demand is. In conclusion I would like to recommend that the FIRB allocate the increase in egg production as recommended by the egg board. This allows for new entrants, growth in specialty, and the also some of the growth required by the classic white.</p> <p>Thank you for allowing me to share some of my thoughts.</p>	
15	Aug 16	Lieuwe Meindersma	BC Egg Marketing Board	<p>It has come to my attention that B.C. has difficulties filling the consumer demand for Specialty eggs (free range eggs, free run eggs and organic eggs).</p> <p>As a Small Lot specialty egg producer I'm in favour of supply management, but concerned when I hear that B.C has to import these eggs from outside our Province, especially when I know there have been several requests made by myself and others to start or increase their production of these Specialty Eggs under the New Entrant Program.</p> <p>In order to satisfy the consumer demand I would like to suggest that all 'Farmers', which received a 'Small Lot Permit' (399 birds) be put into a lottery system to earn additional quota of 3000 birds.</p> <p>This will allow the BC Egg Marketing board to control and regulate the production of the specialty eggs, while supporting the growth of these Small Lot farmers who have an active interest in chicken farming. This is a fair and proactive way to satisfy this</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>demand without any 'Tom, Dick and Harry' entering this specialty egg lottery.</p> <p>I want to thank you in advance for your consideration and patience, as I realize this is not the first time this type of request has been brought forward.</p>	
16	Aug 17	Grant Gordon, Comox Valley		<p>Let the chickens of BC run free and lay free run eggs. Up the % of free ranging chickens.</p> <p>Put the members of the egg marketing board in cages for a few weeks and see if they change their tune.</p>	
17	Aug 17	Jennifer Lynn Moore, Courtney, BC	BC Egg Marketing Board	<p>I have lived in BC for 15 years. Spent time on a wooded farm in Port Edward that was home to about 20 chickens and having had them follow me on my walks through the woods on the property and return themselves to their roost in the evening... I will never EVER buy another egg that comes from a tiny/battery caged bird.</p> <p>I would like to add my voice to those speaking out in support of poultry farming using battery-cage FREE egg production.</p> <p>Proud support of Cage Free Egg Choices!</p>	
18	Aug 19	Claire Donovan Courtenay BC	BC Egg Marketing Board	<p>I only eat cage free eggs and ask that you use your influence to secure more cage free egg production in BC. It is more humane to the animals, better for the environment and for the health of those eating the eggs.</p>	
19	Aug 24	Art Friesen, Producer, Five Fry Farms Ltd.		<p>As an existing producer I appreciate the fact that the BC Egg Marketing Board is attempting to increase the number of producers by setting aside a portion of existing quota transfers and allocations to new entrants. Although I feel that a auction system would be better than a lottery system, at least some attempt is being made to broaden the number of producers.</p> <p>I also feel it is important that existing producers be entitled to a generous portion of</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>the proposed increase as the some of the increased production is directed toward the further processing market. The price differential between the producer price and the low world price paid by the processor is funded by every producer with increased levies. Therefore, to not penalize the existing farmer, the profit from the increased allocation of birds should at least equal the increased levy they will be burdened with.</p> <p>In addition, many existing farmers are making significant changes to their production facilities to exceed standards set out by animal rights activists. This allocation would assist them in upgrading their facilities.</p> <p>Finally, I reviewed my clawback/allocation history and discovered that since becoming a farmer in 1994 I have seen allocations of 11.3% but clawbacks of 10%. In essence, I have seen very little increase.</p> <p>Thank you for considering the above-noted points, and should you require further clarification, please do not hesitate to contact me.</p>	
20	Aug 27	Gabriel Day, Comox Valley		<p>My name is Gabriel Dey, and I am a resident of the beautiful Comox Valley, BC. It was just in the last year that I began an exploration of the origin and connection to my food, and the opportunity I have to make a myriad of choices. When it came to egg selection, I was shocked to discover that the majority of eggs in my supermarket were from caged hens. I read that other countries had banned battery cages, and became deeply concerned that our province had not taken this very important step toward ethical stewardship.</p> <p>Upon further explorations, such as: Why are there not more cage free alternatives?, I became aware of the Provinces' Egg Boards, and the process for egg supply increases. I am writing you today, in the hopes my voice will be heard, in an upcoming decision to increase egg production in the province, and the amount that will be allocated to cage-free hens.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>In the BCEMB's proposal, Table 6 indicates that in 2010, ~12% of BC's egg production currently comes from cage-free hens (311,228 hens). The Board's Option 1 proposal is to add 10,768 new cage-free hens. Although 12,000 organic hens were allocated in the 2009 new producer lottery, the hens are not yet in production (and may not be for some time), so I consider these figures (and the numbers associated with the 2010 lottery, still to be drawn) irrelevant in the Board's proposal.</p> <p>If my calculations are correct, this means that there will be 321,996 cage-free hens, which represents a ~3% increase <i>within</i> the cage-free/specialty sector, but represents less than half a percent (0.004%) increase in BC's total egg production. BC's new cage free supply thus amounts to just a fraction above 12% of total egg supply.</p> <p>I feel this proposal is inadequate and unethical. I could point out the importance of regional diversity and the opportunity for growth of sustainable, small-scale, local food production in the beautiful valley where I live, and my concern for its future. I might express concerns over the by-products of battery cage farms on their immediate environment. I may even speak to the growing evidence that there is an increased health risk to the public from such factory farm operations. Upon reflection, I will make my request for an increase in cage-free hens based on the area that holds the greatest significance for myself, and that is ethical stewardship.</p> <p>I do not feel I am a lone voice. I believe if most people took a good look at battery-cage "farms", they would see the need for more humane alternatives. One could go on about the appeals to kindness to animals, but the greater question here is, Do we have a choice? Yes, we do. And the decision-making power to that choice rests with you.</p> <p>While I would like to see BC transitioning existing caged production to cage-free instead of increasing production overall, I assume the Board must be justified in requesting an increase. I therefore request that of the 87,534 hens in the 3.46%</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>increase, instead of allocating only 10,768 to cage-free housing, you allocate all of this increase to cage-free production. If this is not possible, then at least reverse the allocation such that only 10,768 go to battery cages, and the remainder to cage-free farms. This would mean 387,994 cage-free hens, representing~15% of BC's total egg production- still minor, but an improvement indeed.</p> <p>This is a practical solution that is below current market demand estimates of 20-30% for cage-free eggs, and thus ensures farmers are not at economic risk. If new proposals are not being considered, and the only choice will be for Option 1, 2 or 3 of the Board's proposal, then I hope you will at least consider Option 2, for it best addresses the need for more cage-free versus caged production.</p> <p>I want my province to lead the way to a more ethical, humane, and sustainable future. We do not need more hens in cages. It is time to start transitioning away from using cages to confine farm animals. Our policies shamefully trail Europe and parts of the US on this issue. If the province needs more eggs, then let those eggs come from hens whose "five freedoms" have been met.</p>	
21	Aug 30	Laurie Brager Director of Sustainability Compass Group Canada Mississauga, ON		<p>This letter is to be considered as input to the BCFIRB Review Process of the British Columbia (BC) Egg Marketing Board's August 4, 2010 Quota Distribution Policy proposal.</p> <p>Compass Group Canada is the country's leading food service and support services company, with revenues of \$1.25 billion in 2009. We were recognized as a Top 100 Employer (2009 and 2010) and a Top 90 Greater Toronto Area Employer in 2010. In 2007, Compass Canada received the Pinnacle Award for Company of the Year in the category of Foodservice and Hospitality.</p> <p>As leaders, we believe it is critical to integrate sustainable business practices, policies, purchasing initiatives and programs into our corporate culture. One of our social responsibility initiatives has focused on improving the welfare of farm animals</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>with the introduction of cage free eggs.</p> <p>Currently, we purchase over 14,200 dozen cage free eggs annually. We would be pleased to expand on our commitment to cage free shell eggs into all our foodservice locations if there was consistent supply available, and pricing was in line with current caged-shell eggs. We believe that a national cage-free egg commitment to our Canadian clients is certainly within reason, given the achievements with our partners south of the border. In the US, cage-free supply is not only available, but the cost of cage and cage-free eggs are priced at comparable levels.</p> <p>At Compass Group, we will only buy from suppliers that demonstrate and document safe food handling practices, meet our "Good Manufacturing Practices" standards, demonstrate ethical labour practices, and are CFIA certified.</p> <p>We thus hope the BC Egg Marketing Board and the BC Ministry of Agriculture and Lands (via BCFIRB) will work with BC's egg industry and producers to facilitate a more timely transition away from caged "regular" eggs towards certified cage-free eggs so that Compass Group and other food retailers are able to meet the growing market demand for this product. A good start would be to allocate the majority of the proposed quota increase to specialty cage-free production. If this is not possible, we would recommend approval of Option 2 as it will result in a greater supply of cage-free eggs than Option 1.</p>	
22	Aug 30	Clint Robertson, Calgary, AB		<p>It has come to my attention that approximately 87,000 egg-producing hens are scheduled to go into production in BC. However, of these, only 10,000 will be scheduled for cage-free production. Apart from the moral and ethical problem with this, there is currently a shortage of cage-free production in BC and parts of western Canada - specifically Alberta - therefore, such a low target of 10,000 does not make supply/demand sense.</p> <p>In my efforts to source cage-free eggs for City Hall here in Calgary (on behalf of the Civic Cafeteria Society) and for the Calgary Coop (Coop member relations</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>committee) I have found there to be a shortage of cage-free eggs here in Alberta. Therefore, there would be a ready-Alberta market for additional BC-produced cage-free eggs. Additionally, it is my understanding that in BC there is currently more demand for cage-free eggs than there is supply, with the result being that BC imports cage-free eggs from Sask., Man., and elsewhere. As a result it does not make sense for BC to put into production such a low percentage of cage-free hens.</p> <p>Elsewhere, battery cages are being phased out due to their recognized cruelty; because of this, the European Union is scheduled to go 'cage-free' in 2012. California, Michigan and other US states are to follow suit.</p> <p>It has been show that BC and western Canadian consumers want more access to cage-free eggs. It therefore begs the question as to why the BC egg industry is so resistant to this consumer demand.</p> <p>The proposal to introduce only 10,000 cage-free eggs to the total of the 87,000 eggs scheduled to go into production makes no sense from a supply/ demand perspective or an ethical/ moral perspective when consumers have already spoken through their actions.</p>	
23	Aug 30	Craig Daniell, Chief Executive Officer, BC SPCA		<p>The British Columbia Society for the Prevention of Cruelty to Animals (BC SPCA) has read the BC Egg Marketing Board's (BCEMB) Proposed 2010 Quota Distribution Policy and would like to take this opportunity to provide comment.</p> <p>It was duly noted that B.C. is facing challenges with meeting consumer demands for table eggs. However, in light of the BCEMB's proposal, we would like to make the following points:</p> <ol style="list-style-type: none"> <li>1. Option 1: Pro Rata Allocation does not allow for the necessary increase in specialty egg production requirements, as indicated by the graders (through this consultation).</li> <li>2. How will a pro rata allocation assist markets outside of the Fraser Valley? This was not discussed in great detail within the policy paper.</li> </ol>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>3. The market analysis misses key specialty retailers: Choices Markets and Urban Fare, as examples. These specialty retailers play a key role in the marketplace and should not have been excluded from the analysis.</p> <p>4. B.C.'s specialty egg volume share (11.5% in 2009) is significant. With a continued increase in specialty egg demand, we encourage BCEMB directors and members to evaluate policy changes; as the Manitoba Egg Farmers (MEF) did earlier this year. The announcement from MEF of a progressive policy requiring newly built facilities to have alternative housing systems is commendable. Both for its commitment to improve housing standards for laying hens and for its acknowledgement of the advancements in animal welfare science regarding hen care and welfare.</p> <p>We look forward to your reply and further information on the public hearing to be held in September. Should you wish to discuss this matter, please do not hesitate to contact our SPCA Certified Program Supervisor, Alyssa Bell Stoneman, directly by telephone: 604.647.1319 or by email: <a href="mailto:astoneman@spca.bc.ca">astoneman@spca.bc.ca</a>.</p>	
24	Aug 30	Stephanie Cox, Unilever Canada Inc. (on behalf of Hellman's mayonnaise)	BC Egg Marketing Board	<p>On behalf of Hellmann's mayonnaise, I would like to submit the following comments and recommendation as feedback to the BCFIRB's review of the New Entrant (Specialty Egg) Producer Lottery.</p> <p>Unilever Canada is currently using free run eggs in the production of Hellmann's ½ the Fat mayonnaise. We would like to include free run eggs in our other mayonnaise type dressing products; however, we are finding it challenging to source an adequate supply of these eggs.</p> <p>We believe it would be beneficial to Hellmann's and our consumers, if there was an increase in the number of free run eggs available in Canada.</p>	
25	Aug 31	Paul Shapiro Senior Director,	BC Egg Marketing Board	As the BC Farm Industry Review Board assesses the BC Egg Marketing Board's August 4th proposal for increasing egg quota in BC, I hope you'll consider some of the concerns below. In the proposal, the Egg Board is suggesting Option 1, which	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
		<p>Factory Farming Campaign, The Humane Society of the United States</p>		<p>recommends the majority of quota be assigned to "regular" eggs from battery cage hens, with only a smaller percentage going to cage-free hens.</p> <p>At a time when the rest of the world is banning and phasing out battery cages, it seems peculiar that a seemingly forward-thinking province such as BC would opt to continue investing in caged layer systems. Science has proven that hens suffer in battery cages, and the market is responding accordingly.</p> <p>Across the EU, the US and Canada, numerous studies, legislative efforts and sales trends indicate the public strongly opposes the use of cages and crates to confine hens, pigs and calves. More and more, individual consumers and large institutional buyers are opting for cage-free eggs.</p> <p>Nowhere is that more obvious than in the province of BC and the City of Vancouver where sales of cage-free eggs outstrip those in major US cities (see table 9 on page 11 of the Board's proposal). Presumably other cities in BC and the rest of Canada will quickly follow suit and demand for cage-free eggs will escalate nationwide, much like we have seen in the US. Not to be ready to meet that demand will indeed lead to Canadians opting to buy their cage-free eggs cross-border, or for BC and Canadian producers to import cage-free eggs from the US. It's puzzling that an industry board which is supposed to represent the interests of its members would act toward such an end.</p> <p>In addition, the Egg Board's proposal to add more caged layer quota should be rejected for both environmental and public health reasons. The excess manure from factory-style battery cage egg farms can pollute surrounding waterways, causing degradation of streams, rivers oceans, and water aquifers. As well, as we have seen from the egg recall in the US these past two weeks, battery cage operations are more susceptible to <i>Salmonella</i> contamination than cage-free egg operations (see <a href="http://www.HumaneSociety.org/salmonella">www.HumaneSociety.org/salmonella</a>).</p> <p>I understand that three Quota Allocation Options have been presented for</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>consideration, although the BCEMB is recommending Option 1. Because Option 1 and 2 continue to further the use of battery cages, neither of these seems appropriate. Option 3 suggests an auction, which likely would reflect true market demand, as farmers would presumably recognize growth is in the cage-free market, and opt to bid for quota for cage-free production only. However, there may be some disadvantages for smaller farmers in this proposal, and as such, I humbly suggest a fourth option: Keeping with the need for what's described as an increase of 99,534 hens into production, perhaps recommending that all 99,534 hens be allocated solely to cage-free production is the best option for all involved.</p> <p>Thank you for your consideration.</p>	
26	Aug 31	Sandra Harris Ottawa, ON	BC Egg Marketing Board	<p>I am a consumer from Ontario who is concerned about humane treatment of farm animals. For cruelty free eggs, I will pay a two dollar premium per dozen from my local market or big chain grocery store. This is an opportunity for cruelty free producers of eggs (ie, true farmers (not industrial battery egg producers)). They might not like hearing it but the cost of their production is guilt for the consumer. I feel it and so do others. I believe that many people avoid eggs because of the cruelty element. Therefore, BC should produce more, not less cage free eggs.</p> <p>Like the USA, Canada is in the rear of the consumer recognition level of farm animal cruelty, way behind the EU. In the EU, they treat farm animals way better and they are phasing out battery cages, as I'm sure you know.</p> <p>I understand that most of your board is composed of battery chicken egg producers. If your board does not increase (as opposed to your current proposal to decrease it) the quota for cage free eggs, then I will be forced to believe that your provincially mandated board has been hijacked by special interests. Why do it. The benefit to BC is greater if you produce a product like cruelty free eggs, with a seal of certification that tells consumers what to expect - yes the creature that produced this did not sit in a cage with four others in such close quarters that they can never spread their wings and unbelievably can't even stand to their proper height forced to crouch</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>their whole lives. Consumers don't like to eat something like that and people are getting more aware of these things and therefore are more will to pay the appropriate price for all eggs which is much higher! I would think your board would want to do increase a quota for such a desirable product with net benefit to the BC economy. Given the composition of your board, I believe it would be inappropriate not to allow enough quota to satisfy the large demand for cruelty free eggs in BC. People want it, why won't you let the small free range, organic etc produce satisfy the requests for cruelty free product?</p> <p>It is well known that the two creatures who are suffering most under the modern (read since the 1940s only) industrial farming methods are battery egg laying chickens and breeding sows suffering under industrial pig production (read grown animals held in cages that do not allow natural movement for months at a time, no possibility to turn and run in the sunshine.</p> <p>Believe me, the Canadian consumer will pay to get a cruelty free product and then everyone wins!</p> <p>Sandra Harris Ottawa, Ontario</p> <p>Believe me, battery chicken production is only seventy years old and it has morphed into something bad. Battery chickens confined in cages suffer a great deal. The consumer is becoming more aware of this and to the producer's benefit is very willing to pay for it.</p> <p>Major companies like are beginning to recognize this and I forecast that Canadian consumers want to buy something with a seal on it that says the animal did not suffer excessively. It is well known that battery chickens suffer torments. Have some empathy for these sentient creatures. Do the right thing and increase the quota for cage free eggs in BC. The current demand for the cruelty free product which carries a high mark up for both the producer of the cruelty free product and the retailers of</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				BC. Are you not supposed to act in their interest?	
27	Aug 31	John and Willy Driesen, Rehoboth Farm, Chilliwack, BC	BC Egg Marketing Board	<p>We thank you for your invitation to comment on the BC Egg Marketing Board 2010 Quota Allocation Proposal. We appreciate Mr. Sakalauskas' detailed submission presented on behalf of the BCEMB.</p> <p>We are encouraged that there are rules and regulations in place to support a well balanced egg supply in B.C. Unfortunately sometimes the decisions and actions of the BCFIRB and the BCEMB contradict what these rules would imply.</p> <p>We like to address seven statements from the <b>Policy Submission No: 10-03</b> to illustrate this point and make a few recommendations:</p> <p>1. <i>"-effective consultation with all stakeholders is a mandatory part of this process and as first instance regulator of the BC egg industry, the Egg Board must demonstrate that this consultation has been part of its process."</i></p> <p><i>"BCFIRB will ... support boards in identifying and responding to ... emerging market demands and economic issues, and to important environmental concerns and societal values. Specific issues to be considered could include sector-specific economic challenges, animal care and welfare issues, food safety concerns"</i></p> <p>We sent a letter to the BCEMB dated April 9, 2007 outlining our development of a new innovative product, along with the support of a grader, requesting our Small Lot Permit be expanded to 1000 and up to 3000 layers under the NPP at that time. We also appealed to the BCFIRB during the public consultation process of August 2009, outlining our "special circumstances".</p> <p>Up to now our letter to the BCEMB remains unanswered and the request of our "special circumstances" fell on deaf ears and cold hearts at the BCFIRB review panel. We find it very discouraging that our plan to meet this "unexpected market opportunity" for this "innovative product" has been suppressed by the BCEMB and</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review						
				<p>BCFIRB when there clearly is an allowance in the provincial quota allocation and the BCEMB Standing Order to meet this specialty egg market.</p> <p>2. <i>“For the past five years, the BCEMB has kept a sleeve in reserve as an insurance policy. It is now considered that the costs of keeping such a reserve exceed the benefits of supplying eggs in a short market.”</i></p> <p>Even more concerning is that while some of our barns are sitting empty and the BCEMB and FIRB has not (yet) approved our request for expansion under the MRAP, NPP or TRLQ program, (while 27,020 units of unused quota sit in a “reserve/insurance” sleeve) the demand for specialty, cage free eggs in BC continues to grow. And to fill this demand, the BCFIRB and BCEMB do allow the import of these eggs from the USA and other provinces. With the BC consumers growing concern of safety and traceability wouldn’t it make more sense to allow us to produce these eggs right here in Chilliwack?</p> <p>3. <b>“TABLE 1. BC Opening Balance Quota and Reserves”</b></p> <table data-bbox="779 943 1787 1065"> <tr> <td><i>Approx.</i></td> <td><i>As required to support Small Lot Authorization Program and applicants wishing to develop innovative products.</i></td> </tr> <tr> <td><i>25,000</i></td> <td></td> </tr> <tr> <td><i>2,020</i></td> <td><i>As required to balance out production at year-end, to address unexpected crises and/or to meet unexpected market opportunities.</i></td> </tr> </table> <p>We are encouraged by the data laid out in this table. This shows there are 27,020 units available to meet our request.</p> <p>4. <i>“Ontario and BC indicate a reduction in sales of specialty eggs in 2009 versus 2008.”</i></p> <p>We believe the reason for this is the increase in farm gate, specialty stores and farmer’s market sales of specialty cage free eggs, because the BC consumer wants the safety and security of traceability and locally produced food. We would be willing</p>	<i>Approx.</i>	<i>As required to support Small Lot Authorization Program and applicants wishing to develop innovative products.</i>	<i>25,000</i>		<i>2,020</i>	<i>As required to balance out production at year-end, to address unexpected crises and/or to meet unexpected market opportunities.</i>	
<i>Approx.</i>	<i>As required to support Small Lot Authorization Program and applicants wishing to develop innovative products.</i>										
<i>25,000</i>											
<i>2,020</i>	<i>As required to balance out production at year-end, to address unexpected crises and/or to meet unexpected market opportunities.</i>										

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>to provide additional evidence to this fact if the BCFIRB is interested.</p> <p>5. <i>“Free run and free range eggs appear to be gaining market share as reflected by imports and switching between quota categories “</i></p> <p>Based on this fact there is no need for an increase in caged layers.</p> <p>6. <i>“There are, therefore, approximately 47,000 layers available for placement through permit, lottery, or quota issuance from internal sources before 2010 national over base allocation.”</i></p> <p>This reserve is set aside and has been waiting for five years to be used for the purpose of new producers, not registered producers. (see: TABLE 1.) We feel these units should be added to the NPP program and not mixed in with the increase for current registered producers.</p> <p>Therefore we like to support <b>Option #2 with the exception mention above</b> and an additional 47,000 units to be added to the NPP portion for Specialty cage free production.</p> <p>We would like to add, that Option #2 is the best of the three options offered as we understand them. It is unclear if option #3 would require a purchase price at current market value of approximately \$240.00/unit, which obviously would not encourage any new entrants to enter the egg industry, as the financial investment verses the return, does not make any business sense.</p> <p>Ideally there should be a fourth option whereby there is no increase in caged layer quota, as the market trend has not suggested an increase of production required in this area. And all the 2010 new quota is allocated to the Specialty cage free egg market sector where the growth and consumer demand is.</p> <p>7. <i>“-the scores reflect a consensus between the BCEMB Board of Directors and</i></p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p><i>management.”</i></p> <p>The BCEMB board of Directors is largely made up of registered quota holders; according to the following definition found on the BCEMB website, these directors are operating in a conflict of interest, with respect to deciding on the issuance of new quota, which they themselves would benefit from. There for the opinions and decisions of the board members that are registered quota holders should be deemed invalid in this matter.</p> <p style="text-align: center;"><i>SCHEDULE 5 TO THE BRITISH COLUMBIA EGG MARKETING BOARD CONSOLIDATED ORDER Conflict of Interest Rules</i></p> <p><b>“Conflict of Interest</b></p> <p><i>1. For the purposes of these Rules, a Member has a conflict of interest when the Member exercises an official power or performs an official duty or function in the execution of his or her office and at the same time knows that in the performance of the duty or function or in the exercise of the power there is the opportunity to further his or her Private Interest.</i></p> <p>In conclusion we like to add that we continually look forward to receiving support from the BCFIRB and BCEMB for our request of a direct allocation of at least 3000 layers to expand our current Small Lot permit to accommodate our growing market of Specialty Cage Free eggs. According to Mr. Sakalauskas: <i>“There are, therefore, approximately 47,000 layers available for placement through permit, lottery, or quota issuance from internal sources before 2010 national over base allocation.”</i> Our farm is ready, willing and able to increase production under this placement program immediately, and to work with the BCEMB in meeting the growing consumer demands for cage free eggs in British Columbia.</p> <p>We thank you in advance for your attention to this matter,</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
28	Aug 31	Leanne McConnachie Director, Farm Animal Programs Vancouver Humane Society	BC Egg Marketing Board	<p>The BC Egg Marketing Board (BCEMB) is requesting an increase in laying hen quota to produce eggs from both battery cage and cage-free farming operations. The proposal is to grant a 3.46% prorata increase to all existing, registered producers (worth almost \$20 million in quota, plus ongoing production revenues from egg sales). This increase implies that of the 87,534 hens in the pro-rata increase, 76,766 will go to battery cage “regular” egg production, and only 10,768 hens will go to cage-free “specialty” production.</p> <p>Although the Vancouver Humane Society (VHS) commends the BCEMB for putting forth such a comprehensive document, the proposal fails to recognize multiple ethical and business aspects. As well, the presentation of some of the data is confusing, making it difficult to accurately understand the figures and properly interpret the proposal in an expedient manner. Furthermore, the proposal omits other information that is critical to the decision-making process.</p> <p>From a <b>business perspective</b>, the BCEMB’s Option 1 proposal of a pro-rata, across-the-board increase to all registered producers, although administratively cost-effective and simple:</p> <ul style="list-style-type: none"> <li>- does not specifically provide an allocation to unregistered and small lot producers (those with up to 399 hens)</li> <li>- ignores the fact that the “reserve quota” is intended for specialty production by redirecting it to caged production</li> <li>- disregards regional demand, shortages, and grader specified requirements</li> <li>- downplays the relevance to BC/Canada of market trends in the EU, US and other western nations to phase out and ban battery cages</li> <li>- underestimates growth in demand for cage-free eggs in BC, nationally and cross-border</li> <li>- does not account for a growing surplus of regular eggs from other provinces as their consumers demand more cage-free eggs</li> </ul> <p>From a <b>data perspective</b>, some of the key inconsistencies and omissions include:</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<ul style="list-style-type: none"> <li>- excluding sales figures from grocers/channels where an estimated 60% of specialty eggs are sold</li> <li>- not using consistent units of measure (e.g. dozens, '000 dozens, boxes of 15 dozen), making comparisons between tables and figures challenging</li> <li>- inaccurately reporting and/or underestimating import figures</li> <li>- excluding inter-provincial transfer of eggs within national grocery chains and food distributors</li> <li>- contradicting statements/paragraphs within the BCEMB submission and in relation to previous BCEMB and stakeholder documents</li> <li>- ignoring scientific research, feedback and market data submitted in the July 12th round of submissions from the public and industry stakeholders concerning the New Producer Program (NPP) lottery review</li> </ul> <p>Finally, from an <b>ethical perspective</b>, the proposal negatively impacts and ignores:</p> <ul style="list-style-type: none"> <li>- animal welfare considerations</li> <li>- public sentiment and opinions regarding the treatment of farm animals</li> <li>- effects on air and water quality surrounding large battery cage operations</li> <li>- public health risks associated with battery cage production methods</li> </ul> <p>The remainder of this document will outline VHS's concerns on each of the above aspects.</p> <p>Although the ethical implications, and animal welfare specifically, are the main concerns of VHS and much of the general public, we will begin with discussion of the business implications in Section A, followed by ethical implications in Section B. The data errors and omissions will be addressed within the context of these two sections.</p> <p>However, before moving on, we would like to explain and clarify the terms that are used by both BCEMB and VHS to avoid any confusion for readers:</p> <ul style="list-style-type: none"> <li>- "<i>units</i>" or "<i>units of production</i>": a unit refers to an egg-laying hen, not eggs. VHS will often use the term "hen" instead of "unit" to remind readers that we are referring to a</li> </ul>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>living, sentient being, not an inanimate object or food product</p> <ul style="list-style-type: none"> <li>- <i>quota</i>: refers to the number of “units” and thus hens allocated to producers. Like shares in the stock market, each hen has a value and can be bought, exchanged or sold, or in the case of a pro-rata increase “gifted” to producers. Each hen is worth \$225 on the quota exchange (much like shares on the stock market exchange), plus the ongoing revenue from the sale of her eggs</li> <li>- <i>production figures</i>: refers to the number of eggs produced in BC by BC farmers</li> <li>- <i>sales figures</i>: refers to the sales of eggs in BC at major grocery stores. Sales figures in the BCEMB document include imports from other provinces and the US but exclude sales from mid-size grocery chains, independent stores, organic/specialty stores, farmers’ markets, farm gate sales and sales within the wholesale food industry (e.g. food distributors, restaurants, hotels, etc.)</li> <li>- <i>hen to egg ratio</i> – for some of the figures, VHS has converted how many hens would be required to produce a quantity of eggs. We have used the average of 300 eggs per hen/year</li> <li>- <i>regular eggs or cage(d) eggs</i> – eggs from hens housed in battery cages</li> <li>- <i>specialty eggs or cage-free eggs</i>– eggs from hens housed in free-run, free-range &amp; organic environments</li> </ul> <p>Since VHS’s input to the BCFIRB’s July 12th submission<sup>1</sup> regarding the NPP lottery also addresses many questions and concerns about battery cages and regular quota increases, we understand it is being included as part of this Quota Allocation review as well. To avoid repetition, we will simply refer to that submission when relevant in this document.</p> <p><b>Section A - Business Implications</b></p> <p><b>Pro-Rata Increase</b></p> <p>At a general level, a 3.46% increase across all producers does not address the two markets – caged “regular” and cage-free “specialty” eggs - as unique entities with their own changing trends and needs. Nor does it consider the changing consumer</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>demand across the country, where demand for cage-free eggs in other provinces currently lags behind BC, but is expected to follow suit, much like the organic movement in general over the past two decades.</p> <p>Increasing regular cage production by 3.46% means that BC will be caging an additional 76,766 hens. This seems counter-intuitive and counter-productive when other countries (the EU), states (California, Michigan, and recently Ohio) and even provinces (Manitoba) are phasing out and banning battery cages. We found no substantive arguments in the BCEMB quota allocation request submission<sup>2</sup> to justify their demand for an increase in regular egg production. Moreover, as market trends indicate the economic life of capital associated with cage operations will be diminishing, investing capital into additional cages now seems financially unsound. The BCEMB has acknowledged this fact in an April 2010 article for the Vancouver Sun<sup>3</sup> stating “the amortization of buildings and other infrastructure could be 10 to 20 years to amortize”. Why would the BCEMB sanction the installation of more cages that will be economically disadvantageous to BC producers in the longer term? Surely they should be reminding BC egg producers of the strategic advantage that BC’s climate offers for cage-free egg production.</p> <p>Furthermore, this same article<sup>3</sup> stated that BC experienced a 17% surplus of regular eggs in 2008, which was then directed to the industrial pool. As more consumers and businesses who continue to consume eggs switch to cage-free eggs, there will be an even larger surplus of regular eggs on the market. How many more regular eggs can the industrial pool absorb? And what about the growing demand within the industrial pool for surplus cage-free eggs for the food service and wholesale markets<sup>1,4</sup>? Without a surplus of cage-free eggs, how will these needs be met in an economically advantageous manner? We request that the BCEMB address these questions.</p> <p>1 <a href="http://www.firb.gov.bc.ca/reports/eggs/10_jul_16_stakeholder_submissions.pdf">http://www.firb.gov.bc.ca/reports/eggs/10_jul_16_stakeholder_submissions.pdf</a>                  2 <a href="http://www.firb.gov.bc.ca/bcemb_allocation_increase.htm">http://www.firb.gov.bc.ca/bcemb_allocation_increase.htm</a>                  3 <a href="http://www.vancouversun.com/life/Cracks+showing+market/2786849/story.html">www.vancouversun.com/life/Cracks+showing+market/2786849/story.html</a>                  4 <a href="http://unilever.com/brands/nutrition/cookingandeating/articles/good-eggs-for-">http://unilever.com/brands/nutrition/cookingandeating/articles/good-eggs-for-</a></p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p><a href="#">hellmanns.aspx</a></p> <p><b>Quota in Reserve – Small Lot, Unregistered and New Producer Program</b>                      In Table 1 (page 2) of the proposal, the Opening Balance shows a total of 52,300 hens or quota in reserve for future production. Over the years, 49,020 in quota has accumulated and been set aside for developing the specialty market (particularly small lot producers and new entrants) as per directives in the 2005 Leroux report<sup>5</sup> and the BC Ministry of Agriculture and Lands (BCMAL) Specialty Markets Review policies<sup>6</sup>. Table 1 indicates 47,000 of the reserve is to be allocated in 2010.</p> <p>However, Option 1 and Option 2 in the BCEMB submission only return 12,000 of the 47,000 in small lot reserve to the specialty market under the guise of the NPP. Table 1 states that 25,000 in reserved quota is “<b>As required</b> to support Small Lot Authorization Program and applicants wishing to develop innovative products”. If it is required under a government directive, under what authority can the BCEMB move it back into the registered producer pool as part of a pro-rata increase? Furthermore, the proposal defines this 25,000 differently on page 13, calling it “an insurance policy to mitigate the effects of quota reductions and for reducing liquidated damages”, and that this insurance is no longer necessary. This contradicts the definition on page 2. Please clarify.</p> <p>Table 1 also references the 20 small lot producers (with less than 399 hens) in BC, who currently hold quota for 7,980 hens. As a result, quota for 2,020 hens sits in reserve. The proposal does not indicate how it will ensure this reserve remains with small lot producers. In fact, it appears that it too has been absorbed into the general pro-rata allocation across all producers despite requests from several small lot producers in 2009 to put this quota into production. The BCEMB also seems to be clawing back the 10,000 in transfers/credits that BCMAL directed to be used to fund the new entrant specialty producers and allocating it to all registered producers.</p> <p>With regard to the NPP quota, it is our understanding that the 2010 lottery for the 12,000 in NPP quota is in addition to the current reserve of quota shown for the 2009</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>lottery. Please confirm. While we are on the topic of the NPP lottery, since not one of the 2009 winners was able to begin production in 2010, and may not be ready to produce for 1-2 more years, this quota is unable to fulfill any immediate and short term demands from graders to fill orders in the specialty market. Since the 2010 lottery has not yet been conducted, we expect it too will be 1-2 years before this quota is put into production. As a result, this quota should not be counted in the 2010 increase as it will remain in reserve for some time unless alternates are chosen in place of the 2009 winners, and existing certified organic small lot producers are chosen in the 2010 lottery. These delays seem to indicate that the BCEMB is not serious about bringing more specialty eggs to market in the short term.</p> <p>5 <a href="http://www.firb.gov.bc.ca/reports/sup_decisions/leroux_sp_prod_rep_dec_04.pdf">www.firb.gov.bc.ca/reports/sup_decisions/leroux_sp_prod_rep_dec_04.pdf</a>          6 <a href="http://www.firb.gov.bc.ca/specialty_review.htm">www.firb.gov.bc.ca/specialty_review.htm</a></p> <p>In summary, the proposal fails to recognize the historic initiatives and objectives of the BC Government and BCMAL. The BCEMB is attempting to claw back 37,020 of the specialty reserve quota and assign it to registered producers, and of that, 26,252 of this will go to regular cage egg producers (e.g. [25,000 small lot reserve + 10,000 transfer/credits + 2,020 small lot permits] – 10,768 pro-rata =26,252). The specialty quota in reserve should be maintained for specialty producers and issued immediately given current deficits and grader requirements in the specialty market. Some ideas for allocation are provided under VHS Recommendations and Conclusions starting on page 15 of this submission.</p> <p><b>Growth in the specialty egg sector</b>            Before commenting on growth figures in BC’s specialty egg industry, we wish to reiterate that provincial production and sales figures in the BCEMB proposal are impacted by the BCEMB’s own policies and by the data sources chosen for analysis.</p> <p><b>BC’s Egg Production</b>            Tables 2 and 3 (pages 3 &amp; 4) refer to BC’s production of eggs and state that specialty production showed a significant increase in volumes in 2007 over 2006 but a</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>subsequent reduction (albeit minor) in volume for the period of 2009 over 2008. It is important to remember that production levels and quota permits are controlled by the BCEMB and that a growth reduction in specialty production is likely due to the BCEMB policies which restrict and limit growth in specialty production, as well as policies which dictate which type of specialty egg, and how many of each, is produced. Several specialty producers and at least two graders have indicated in previous correspondence<sup>7,8,1</sup> that they have had to short orders or have been denied permits to produce specialty eggs during this period.</p> <p>Furthermore, the specialty egg market has yet to over-supply a single egg, and we are importing specialty eggs from other provinces and the US, so it seems all of BC's production is being absorbed by the BC market (no export data was provided). This indicates demand exceeds supply. In addition, the BCEMB states on page 3 that it has applications from regular egg producers to convert 42,780 hens from regular cage production to specialty cage-free production in 2010 and 2011, thus confirming that producers see growth in the specialty market. If regular cage producers wish to switch to cage-free, why are they now receiving an increase in regular egg quota?</p> <p><b>BC's Egg Sales</b>                      The BCEMB used the Nielsen Market Track service for its evidence and analysis of sales figures for the specialty market. According to Figure 2 and Table 8 (pages 7 &amp; 8 respectively), specialty production in BC seems to double BC sales figures. However, on page 5, the BCEMB acknowledges that the Nielsen service only includes sales from banner and mass merchandising stores (omitting sales from specialty stores) and accounts for 40-50% of provincial production.</p> <p>7 <a href="http://www.firb.gov.bc.ca/reports/eggs/09_oct_16_final%20submissions.pdf">http://www.firb.gov.bc.ca/reports/eggs/09_oct_16_final%20submissions.pdf</a>                      8 three emails from Rabbit River to BCFIRB &amp; BCEMB dated July 10, 2010</p> <p>In BC, there are hundreds of specialty, natural/organic and independent grocers (e.g. Choices, IGA Marketplace, Urban Fare, Whole Foods, Nesters, Stongs, T&amp;T, Planet Organic, Root Cellar, organic home delivery services, etc.) where specialty egg sales</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>excel and, in some cases, are the only eggs these stores sell. Unfortunately, the BCEMB submission does not mention the size and relevance of this omission in terms of sales and growth figures. Furthermore, the Nielsen service does not account for sales in the wholesale food service sector (e.g. food distributors, restaurants, bakeries, hotels, and consumer goods companies) – all major growth areas for cage-free eggs. As well, a lack of product availability on grocery store shelves, particularly in regions outside Vancouver<sup>1</sup>, could factor into the decline in sales. If the eggs aren't there, they can't be bought. Nor are we sure what percentage of these sales include imports or inter-provincial transfers within national grocery store chains. For example, the GoldEgg brand is sold at national chains across Canada yet the eggs are packed in Ontario. Finally, there is no estimate of how many British Columbians buy their specialty eggs during cross-border shopping excursions, at farmers' markets, farm gate or from neighbours with backyard flocks. In A 2009 UBC study one-third of British Columbians say they actually buy cage-free eggs. Alas, specialty growth and sales figures are tremendously underrepresented in the BCEMB's submission.</p> <p>We request that the BCEMB determine the size and growth patterns of specialty eggs in these stores and other distribution channels to determine a proper quota allocation for specialty production. We can only assume that if the Nielsen figures of over 3million dozen account for 40-50% of provincial production, and we know that BC is having to import specialty eggs in addition to its production of 7.4million dozen, that sales are more than double what is reported by the Nielsen figures.</p> <p><b>Imports</b>            Table 4 (page 4) indicates the volume of imports declined from 2007 to 2009 as BC ramped up production, although the table does not provide figures in terms of dozens of eggs, just a percentage of SEg – as an industry outsider, we do not understand the SEg reference and request that BCEMB clarify this term. Interestingly, below Table 4, the BCEMB states that "Alberta can more efficiently service some BC markets", but on page 14 the BCEMB contradicts this statement by saying "BC has an advantage in specialty egg production relative to the rest of Canada".</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>Table 5 (page 5) shows interprovincial movement of specialty eggs. The largest import figures to BC come from Saskatchewan and Manitoba totalling 3,300 boxes of 15 dozen free-run eggs (=594,000 eggs). At 300 eggs per hen, this equates to production from roughly 1980 hens. This was followed by 1236 boxes of 15 dozen organic eggs from the US and Ontario (= 222,480 eggs from roughly 742 hens). The BCEMB submission acknowledges that, for the first time, organic eggs were sourced from the US in 2009 (which suggests there are no organic eggs anywhere in Canada to be imported to BC). These statements and figures call into question BC's and Canada's self- sufficiency in specialty eggs and highlights that not only that there is no concern of a surplus/oversupply of specialty eggs in Canada, but that there is a severe deficit, particularly for organic eggs. This could also explain why it appears that sales in free-run eggs are growing faster than organic eggs – with no organic eggs to buy, consumers are having to opt for free-run eggs instead.</p> <p><a href="http://circle.ubc.ca/bitstream/handle/2429/17409/ubc_2010_spring_bejaei_masoume_h.pdf?sequence=3">http://circle.ubc.ca/bitstream/handle/2429/17409/ubc_2010_spring_bejaei_masoume_h.pdf?sequence=3</a></p> <p>More importantly, however, these figures indicate that 2,722 hens from other provinces and the US produced some of BC's specialty eggs even though several BC producers - who were barn-ready, certified and able to accommodate this growth - were denied the right to produce eggs for our own province. Clearly BC's supply management policies have not adequately forecasted future growth in BC, not served the interests of their own producer members, and are in breach of BCMAL's plans and directives to grow BC's specialty egg sector.</p> <p>We request two points of clarification with respect to Table 5. First of all, do the figures in Table 5 capture interprovincial transfers of specialty eggs within the major grocery retail chains such as Safeway, Walmart, Costco, etc.? Secondly, Table 5 appears to state significant quantities of freerun eggs certified by COABC, Pro-Cert or both. Given free-run eggs do not qualify under organic standards (since free-run barns do not permit outdoor access), the categories in and structure of Table 5 do not make sense. Please clarify.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>We also request clarification on the gap between BC’s production of specialty eggs in Table 3 (7,422,600 dozen) and BC’s sales of specialty eggs in Table 8 (=3,031,787 dozen). How much of this gap of 4,390,813 dozen (= 52,689,756 eggs from 175,652 hens) represents specialty stores sales, farmers’ market/farm gate sales, sales to the food service sector, inter-provincial transfers and imports?</p> <p><b>Comparison to specialty demand in US cities</b>                      We commend BCEMB for commissioning a study of sub-markets and other cities in the US with similar profiles to Metro Vancouver. The results on pages 9-11 indicate that despite 1) the premium pricing for specialty eggs over regular eggs in BC (~\$6 vs. ~\$3); 2) the higher price of eggs generally in BC than in US cities (e.g. organic eggs = ~Cdn\$6/doz vs. US\$4/doz); and 3) BC’s and Vancouver’s smaller population than any of these cities; that there are more specialty egg sales in Vancouver and BC than in each of these other four cities alone. According to Table 9 (page 11), recent sales of specialty eggs in BC are nearly 3 times greater than sales in Seattle, are 6 times greater than in Portland and San Francisco, and 8 times greater than in Los Angeles. Results for the City of Vancouver are similar in scale, given Vancouver sales represent a high percentage of BC’s specialty egg sales. The comparison figures are particularly interesting given they too are based on the Nielsen figures which again exclude key sales figures from specialty stores and other distribution channels.</p> <p>If the Nielsen data accounts for only 40-50% of total sales, this implies that sales figures in Table 9 for BC and Vancouver can be upwardly adjusted to 20% and 28% respectively of the regular egg market. Why then is the BCEMB restricting production of specialty eggs in BC to 12% of total egg production when demand exceeds 20% of BC’s total egg market?</p> <p><b>BCEMB Conclusions</b>                      The BCEMB makes several conclusions on page 11 that are not qualified or are inaccurate: 1. BC is not self-sufficient in meeting market requirements for table eggs.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>This statement needs further qualification to address regular and specialty eggs separately.</p> <p>2. <i>BC leads the Canadian and North American egg industry in matching emerging consumer requirements for egg types differentiated at the farm level.</i> This statement is misleading. BC does produce the highest percentage of specialty eggs as a percentage of its provincial production, but it still falls short of meeting consumer requirements, both provincially and nationally, and represents a very small percentage of Canada’s total egg supply. We request that the BCEMB clarifies in what way or under what terms do they mean BC is leading.</p> <p>3. <i>The retail price (unadjusted for exchange rates) of table eggs in BC is not materially different to the retail price of eggs in US west coast cities, especially for specialty and omega-3 eggs.</i> On August 26, 2010, VHS verified the pricing of organic eggs at a Seattle store at \$4.49 per dozen. At a Vancouver and Victoria grocer, the price was \$5.99 per dozen. How much price difference does there have to be before the gap is considered material?</p> <p><b>Consultation</b></p> <p>The BCEMB references the feedback it received from BC egg graders as to their specialty requirements on page 12. Based on their shorted SKU fill rates, graders indicated they could use approximately 31,250 new hens in specialty production, with 19,250 in organic, 9000 for free-run and 3000 for free-range. The BCEMB states “graders expressed caution about these future requirements given market uncertainty” and later, on page 15, BCEMB states “these figures are not to be trusted as they are a best guess”. How can figures be a “best guess” or uncertain if they are coming from graders who were forced to short their orders? Presumably these graders know exactly how much quota they need in order to fill existing contract orders and they are not worried about over-supplying their own market.</p> <p>On page 15 the BCEMB also says “that caution should be acknowledged to ensure that a high-value high- margin product is not over-supplied”. Unless supply of a product is slightly in excess of demand, how can one ever really determine the true</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>size of a market? As for surplus eggs, in Appendix A, #12, the BCEMB states that “surplus eggs play an important role in supplying markets for industrial productions”. Why should there be so much more caution with specialty surplus than regular surplus? It is our understanding that 19.2 cents of surplus levy is collected per hen per week by the BCEMB. For specialty producers in BC, this amounts to ~\$3million per year in specialty surplus levies that go to insure the regular egg market. To mitigate risk, why can’t the levies collected from specialty eggs be used to support any potential surplus removal of specialty eggs instead?</p> <p><b>Quota Allocation Request, Options and Discussion</b>                      The allocation request on page 13 asks for 99,534 of new hens be put into production, with 62,534 of them resulting from the national increase, 25,000 coming from the provincial specialty reserve and the final 12,000 resulting from the NPP. The BCEMB highlights three options to distribute that allocation, with Option 1 being their preferred method.</p> <p><b>Option 1</b>                      Option 1 requests a 3.46% pro-rata increase across all BC graders, plus a 12,000 quota allocation to the NPP. Not only does Option 1 offer the smallest increase in cage-free specialty production, but with only 10,768 of the 37,020 in specialty reserve going to specialty producers, it re-directs 26,252 of hens assigned to the specialty reserve back to the regular battery cage pool. We also believe that the 12,000 hens in the NPP won’t be producing eggs for at least another year. When there is a request from a grader for 31,250 hens to produce specialty eggs to meet current orders, why would only 10,768 hens be put into specialty production? The BCEMB states that Option 1 meets perceived demands of future markets for specialty eggs through switching and new allocation. On the contrary, it under serves these markets and does not reflect regional demand and shortages.</p> <p><b>Option 2</b>                      The BCEMB states that Option 2 best serves the growing free-run market, but it does not address grader requirements for local organic eggs. Although BCEMB’s proposal</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>comes close to the graders' requests in its offer of 31,278 of specialty quota (short by 122 hens or 36,600 eggs), and maintains a larger percentage of the specialty reserve for the specialty market, by proposing a 10% allocation across all specialty categories, again it does not align with the specifics of the grader requests for certain egg types (19,250 organic, 9000 free-run and 3000 free-range eggs). We realize that the BCEMB has designated the 2010 lottery winners to produce only organic eggs, but when will the lottery draw be held and subsequently when will these hens be in production?</p> <p>Option 2 also states that "graders emphasized that regular eggs are short of market requirements especially on Vancouver Island where it was <i>suggested</i> that some 80,000 units of regular eggs are in a short position". Why can regular producers/graders be granted an increase based on a mere suggestion without providing more substantial data to justify an increase the way specialty producers must? Moreover, if an 80,000 unit gap exists, why are regular producers switching 42,780 of their production away from regular eggs? If supporting data cannot be provided, this request for more regular eggs must be rejected. Besides, once Ontario consumers and businesses begin to switch to more cage-free eggs, surely there will be an excess of regular eggs that BC can import to satisfy any shortfall on Vancouver Island.</p> <p><b>Option 3</b>                      Very little information was given about Option 3, so it is difficult to assess its merits. On the surface, however, it seems that it would be the most market-responsive option, allowing producers to "invest" in the market they feel offers the most growth. We would like to understand if by going to auction bidders would have to pay for the quota as opposed to being gifted the quota as in the other two options. If payment at \$225 per hen is required, this would certainly be disadvantageous to unregistered, small-lot and new entrant producers who may not have the financial means to acquire a meaningful amount of quota. Would the BCEMB allow these producers to acquire the quota at no charge in an effort to develop new entrants in the specialty market? Would there be limits on how much quota any single producer/grader could acquire?</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>Before offering VHS’s recommendations for a more suitable Option 4 based solely on the business implications, we will first address the ethical implications, which should be a major factor in determining the composition of BC’s egg supply.</p> <p><b>Section B – Ethical Implications</b></p> <p>Since the VHS July 12th submission<sup>1</sup> regarding the NPP lottery is being forwarded for inclusion in this review period, we will not repeat the points we made regarding animal welfare, public health, environmental and public sentiment concerns again here. Instead we have summarized the key points below but refer you to the July 12th document for further information.</p> <p>We have however added new supporting information against the case for increasing caged production that has come to our attention since the July 12th submission. Most notably these points are in regard to public health issues as evidenced by the major recall of over half a billion battery cage or “regular” eggs in Iowa due to salmonella contamination, as well as some other studies on public opinion and purchasing behaviour regarding food derived from farm animals.</p> <p>VHS would like to emphasize that any decisions regarding increases in BC’s egg production must consider more than just business interests, but also consider the ethical impacts of the BCEMB’s proposals. Our key areas of concern include:</p> <p><b>1. Animal suffering:</b> the use of battery cages to confine/house egg-laying hens negatively impacts animal welfare. Animals that are built to move should be allowed to move. Animal behaviour and poultry scientists from around the globe agree that hens suffer in cages as cages cannot meet the fundamental behavioural and physical needs of hens<sup>10</sup>. Even the Manitoba Egg Board has stated that cages cannot meet the behavioural needs of egg-laying hens<sup>11</sup>.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>10 <a href="http://www.chickenout.ca/opinions.html">http://www.chickenout.ca/opinions.html</a>                      11 <a href="http://www.winnipegfreepress.com/business/egg-board-embraces-chicken-emanicipation-87560077.html">http://www.winnipegfreepress.com/business/egg-board-embraces-chicken-emanicipation-87560077.html</a></p> <p><b>2. Public health risks</b> - large-scale poultry operations emit ammonia and fine particulates into airways, causing respiratory problems in hens and humans living nearby. The use of antibiotics on hens can also create antibiotic resistance in humans, reducing our ability to fight infections. The inability to properly clean large caged systems after “depopulation” (e.g. when hens are slaughtered after their egg production drops or due to a disease outbreak) and the compromised immune systems of stressed and genetically similar birds in crowded facilities can increase the risk and spread of bacteria and viruses to humans, including salmonella contamination in their eggs and avian flu.</p> <p><b>3. Environmental damage</b> - nitrates from excessive manure leach into the ground from excessive manure build-up, polluting surrounding waterways.</p> <p><b>4. Societal values and public opinion</b> – recent polls and studies indicate that the majority of Canadians are opposed to the use of battery cages for egg laying hens. Public sentiment world-wide is in favour of phasing out such practices. For details on the negative impacts of battery cage production on each of the above 4 points, we refer you to input from VHS to the July 12th NPP lottery review submission1.</p> <p><b>Public health risks:</b>                      VHS recognizes that there can be well-run and poorly-run cage-free farms that can impact not only the welfare of the hens but also the quality of the eggs produced. This is why we suggest that consumers who buy eggs should select specialty cage-free eggs from farms that have been independently inspected and audited for sanitation and animal welfare standards (e.g. BC Certified Organic or BCSPCA Certified eggs).</p> <p>Supporting the case for cage-free eggs are several studies comparing salmonella contamination between cage and cage-free operations. According to the Humane</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>Society of the United States, the majority of scientific studies published in recent years have found that confining hens in cages significantly increases salmonella risk. We have cited some of those studies and the publication sources below:</p> <p>Eggs that are produced by layers kept in cages seem to have a greater risk of being infected by salmonella. Dr. Dewulf's study indicates the contamination can also be influenced by several other production characteristics, such as magnitude of the flock or the herd, age of the building, and probability of previous Salmonella infections on the farm.</p> <p><i>Salmonella thrives in cage housing – May 2010 edition of World Poultry Net</i>  <a href="http://www.worldpoultry.net/salmonella-thrives-in-cage-housing-id7481.html">http://www.worldpoultry.net/salmonella-thrives-in-cage-housing-id7481.html</a>                      By Prof. Dr. Jeroen Dewulf, Faculty of Veterinary Medicine, Ghent University, Merelbeke, Belgium</p> <p>In a 2007 study by the European Food Safety Authority, 30,000 samples from more than 5,000 egg operations across two dozen countries were taken to compare the salmonella risk between caged and cage-free farms. Without exception, there was a significantly lower risk of salmonella infection in cage-free eggs.  <a href="http://www.efsa.europa.eu/en/scdocs/scdoc/97r.htm">http://www.efsa.europa.eu/en/scdocs/scdoc/97r.htm</a></p> <p>A 2002 study by the Johns Hopkins Bloomberg School of Public Health that was published in the American Journal of Epidemiology found that people who ate eggs from caged hens had about twice the odds of coming down with salmonella food poisoning compared to those who did not eat eggs from caged hens.  <a href="http://aje.oxfordjournals.org/cgi/reprint/156/7/654">http://aje.oxfordjournals.org/cgi/reprint/156/7/654</a></p> <p><b>Societal Values and Public Opinion – what consumers want:</b>                      Recent polls<sup>12</sup> indicate Canadian consumers are not all that different in their beliefs about animal welfare than European countries and the US. In fact, 69% of British Columbians would support a legislated ban on battery cages. We feel we are justified therefore in using results from studies and polls in Canada, the US and the EU to substantiate the trends for cage-free eggs in Canada/BC in the short and long term.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>Two recent surveys indicate that animal welfare is playing a greater role in food purchasing decisions in the UK. Market researcher Mintel has found that as many as 4 in 10 UK shoppers say they are concerned about animal welfare overall - 46 per cent of women and 34 per cent of men. The other big concerns were British origin (a priority for 37 per cent), and food additives (36 per cent), and desire for locally produced foods (35 per cent). Data analysis by the UK charity Compassion in World Farming showed that in the 12 month period up to March 2010, there was an increase in sales of free range, barn and organic eggs compared to the previous year – from 62.2 per cent to 66.4 per cent.</p> <p><a href="http://www.foodnavigator.com/Financial-Industry/UK-consumers-more-interested-in-animal-welfarefood?utm_source=RSS_text_news">http://www.foodnavigator.com/Financial-Industry/UK-consumers-more-interested-in-animal-welfarefood?utm_source=RSS_text_news</a> and <a href="http://www.meatradenewsdaily.co.uk/news/250810/italy___welfare_food_labelling_a_spx">http://www.meatradenewsdaily.co.uk/news/250810/italy___welfare_food_labelling_a_spx</a></p> <p>The ballot held in November 2008 showed that the majority (over 63%) of voters in California were in favour of Proposition 2, which will result in a ban on cages by 2015. Big operations in the Midwest and South contributed hundreds of thousands of dollars apiece to the \$7.6 million spent to fight the measure, without success. World Poultry Net - <a href="http://www.worldpoultry.net/background/us-egg-market-at-a-crossroad--7605.html">http://www.worldpoultry.net/background/us-egg-market-at-a-crossroad--7605.html</a> Jun 24</p> <p>In a study funded in part by the U.S. Department of Agriculture, the researchers indicated that “every study we know that ranks egg systems in terms of animal welfare ranks cage-free systems ahead of cage systems in terms of providing animal care (De Mol, 2006; LayWel, 2004). Our research has discovered that consumers believe confining animals to small cages is inhumane and that they believe cage-free systems provide higher levels of well-being (Lusk and Norwood, 2008; Norwood, Lusk, and Prickett, 2007). The question is not whether it will make the animals happier, but whether the animals “suffer” in the current system and would “not suffer” in the alternative</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>12 <a href="http://www.chickenout.ca/2010%20news/survey.html">http://www.chickenout.ca/2010%20news/survey.html</a>                      system. ....The choice of how animals are raised affects not just the consumer but reflects the social norms of everyone...There is general support for laws banning “cruel” practices, and while there are always arguments about what constitutes cruelty, surveys indicate that battery cages and gestation crates are considered inhumane by the public.</p> <p><a href="http://www.choicesmagazine.org/magazine/article.php?article=89">http://www.choicesmagazine.org/magazine/article.php?article=89</a>                      F. Bailey Norwood and Jayson L. Lusk, Department of Agricultural Economics, Oklahoma State University</p> <p>At an Oklahoma Cattlemen’s Conference on July 30, 2010, agricultural economist Jayson Lusk from the Oklahoma State University said “Be careful when you educate the public about agriculture”, “People will become more concerned, not less, when they become informed”. Lusk said many people base their understanding of agriculture on an agrarian ideal from 50 to 100 years ago. The general public's understanding of the reality of modern agriculture is limited. In a recent survey consumers were asked what percentage of the eggs available in the grocery store came from cage-free layers. Consumers said 63 percent, when in reality only three percent of the eggs come from cage-free layers.  <a href="http://www.fbactinsider.org/article.jsf?postId=7371">http://www.fbactinsider.org/article.jsf?postId=7371</a></p> <p>The Animal Welfare Institute in California has collected a number of studies reflecting consumer perceptions of farm animal welfare. We have referenced a few excerpts below:                      - When consumers in a February 2010 survey by Demeter Communications were asked what they would “like to know from farmers about food production that you currently do not know?” 68% said they wanted to know what farmers are doing to ensure animal care. —<i>What “Indicator Consumers” Want to Know Most about How U.S. Foods are Produced</i>, Demeter Communications, April 2010.  <a href="http://demetercommunications.com/demeter-communications-launchesproprietary-market-research-tool-for-agriculture">http://demetercommunications.com/demeter-communications-launchesproprietary-market-research-tool-for-agriculture</a>.</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>- In a 2008 survey on the topic of restaurant social responsibility, more than 75% of restaurant customers identified humane treatment of animals as an issue of concern. Animal welfare was also cited as an issue of concern by a majority of respondents to a similar survey in 2007. It was noted that animal welfare was the highest rated food-related issue, above locally-sourced foods and the offering of organic foods.                      —<i>Market Brief: Tracking and Interpreting Chain Restaurant Trends</i>, Technomic Inc., July 2007.  <a href="http://www.technomic.com/files/Newsletters/Marketbrief/MarketBrief_7-07.pdf">http://www.technomic.com/files/Newsletters/Marketbrief/MarketBrief_7-07.pdf</a>                      Accessed Apr 7, 2010.</p> <p>- In a survey conducted for the International Dairy-Deli-Bakery Association, 55% of American consumers who were aware of the “humane treatment” food claim felt that the claim was very or somewhat important. Of 19 claims studied, only two (“locally raised or grown” and “antioxidants”) were seen by aware shoppers as being more important than “humane treatment certified.”                      – <i>Health &amp; Wellness: The Purpose-Driven Consumer</i> (Executive Summary), International Dairy-Deli- Bakery Association, 2008.  <a href="http://www.iddba.org/prhealthwellness.aspx">http://www.iddba.org/prhealthwellness.aspx</a>. Accessed Apr 7, 2010.</p> <p><b>Real-World Cage-Free Conversions</b>                      Polls and studies are useful to help forecast future trends, but perhaps a better indication of where Canada’s market for specialty eggs may be heading is to turn to real-world examples where major buyers of eggs have converted to using cage-free eggs in the US. This includes companies like Wendy’s, Burger King, Subway, Quiznos, Red Robin, Denny’s, Safeway, Whole Foods, Arby’s, Starbucks, Walmart, Costco, Compass and Hellmann’s, to name a few. Presumably these major, free-market companies, many who must answer to shareholders, do not make decisions based on uncertainty about consumer trends. For them, staying profitable and in business depends on making the right marketing and financial decisions to further their growth. Clearly they believe it is worth investing in animal compassion and cage-free eggs.</p> <p>These same companies exist in Canada, although they have been slower to convert</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>to cage-free eggs for two reasons: 1. our supply management system restricts the quantity of cage-free eggs available; 2. our supply management system inflates the price of cage-free specialty eggs. Several companies have stated that they are anxious to convert more of their egg supply to cage-free eggs when more supply becomes available, and when price differences are more reflective of the true cost of production differences, as in the US.</p> <p><b>VHS Recommendations and Conclusion</b>                      We need look no further than each of the BCEMB’s executive summary highlights to see they are either irrelevant, unsubstantiated and/or contradictory. The fact that BC sells more specialty eggs per capita than other provinces is irrelevant to the decision, other than pointing out the market in BC is strong. The BCEMB has not substantiated anywhere in their submission that the province needs more regular eggs. Moreover, no evidence is given to suggest BC is close to being selfsufficient in specialty eggs. The import data and actual grader shortfalls on orders indicates there is plenty of room for growth.</p> <p>As a humane organization, VHS cannot in good conscience recommend or approve any proposal that places more hens into battery cages. We therefore request that BCFIRB not approve Option 1, nor any of the options in the BCEMB’s proposal. We acknowledge that of the three, Option 2 is the most positive since, with fewer cages, fewer hens will suffer and it fulfills specialty market needs more than in Option 1. Option 3 could potentially offer the most humane and most marketresponsive option (since producers wishing to reap the benefits of the growing specialty market could secure it all for specialty production). However insufficient details were given to assess Option 3 properly.</p> <p>VHS would like to propose a 4th option that allows for the same quantity of quota allocation increase proposed by the BCEMB, maintains the integrity of the specialty reserve and new producer pools, improves the welfare of egg-laying hens, satisfies consumer and market needs, and builds a sustainable and more humane egg industry through development of new producers and the specialty</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>market.</p> <p><b>Option 4</b>  VHS recommends that all new quota allocation combine the Opening Balance categories from Table 1 with some of the aspects of Option 2 plus quota switching to fulfill the quota increase for BC as follows:</p> <p><b>10% pro-rata increase over specialty base</b> 31,128 from Small Lot Authorization Program &amp; national quota allocation increase  <b>Free-run = 9,501</b>  <b>Free-range = 12,062</b>  <b>Organic = 9,565</b>  <b>Specialty Small Lot development</b> 2,020 from small lot permit reserve  <b>Grader Requested organic top-up</b> 10,000 from transfer credits in specialty reserve  <b>2010 Switching</b> 42,780  <b>Free-run = 29,780</b>  <b>Free-range = 12,200</b>  <b>Organic = 800</b></p> <hr/> <p>85,928</p> <p><b>+NPP 2010 organic</b> 12,000 Timeline tbd (pending draw &amp; barn-readiness)  <b>+National Allocation increase top-up</b> 1,606 Remaining balance assigned to specialty producers  <b>Total 2010 Allocation</b> 99,534 across all specialty categories</p> <p>- As per the BCEMB's Option 2, apply the 10% pro-rata increase over the specialty base to reach the figure of 31,128, and use 25,000 reserved for the small lot authorization program to cover the majority of this increase. The quota would be assigned to registered specialty producers of any size to meet grader requirements for specialty eggs;  - Divide the 2020 quota in small lot permit reserves evenly between the 20 producers,</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>such that each gets an increase of 101 hens. If, however, some of the producers do not wish to grow beyond their current number of hens, they could grant or loan their excess to other producers in the program, including those that have reached their cap of 399 hens. For example, a producer with 200 hens who does not wish to increase his/her quota could grant 101 of his/her allowance to a producer with 399 hens, bringing the latter to 501 hens. Or, 5 producers could collectively grant 101 hens each to a single producer with 399 hens, bringing that producer's total to 904 hens (in other words, expand the flock size limitation for small lot permits, adding flexibility for local markets);</p> <ul style="list-style-type: none"> <li>- Apply the 10,000 in transfer credits to top up the organic requirements not met by the 10% pro-rata specialty increase;</li> <li>- Incorporate the requests for quota switching into the increase to appease the BCEMB's concerns about over-supplying the cage-free specialty market;</li> <li>- Incorporate the NPP 2010 organic production as dictated by market needs and producer readiness.</li> </ul> <p>The total allocation in Option 4 maintains the proposed increase of 99,534 hens. As for any needs for additional regular cage eggs in BC, this can be met by importing the regular egg surplus from other provinces as their cage-free demand grows.</p> <p>Not only would Option 4 maintain the integrity of the specialty and enhancing new markets programs and reserve, but it would serve respective growing local markets for farm gate and farmers' market sales. As well, with a larger supply of cage-free eggs on the market, unregistered and registered small lot producers could serve as a backup pool, potentially selling their eggs to graders when the registered specialty pool is short on cage-free supply. With BCMAL and BCEMB making these progressive and positive commitments to offer support for and a higher degree of flexibility within the new entrant and small producer program, they may also encourage and foster succession planning for the next generation of farmers.</p> <p>On behalf of the Vancouver Humane Society and our supporters, ethically-minded consumers, and animal protection groups from coast to coast, I thank the BCFIRB</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				and the BCEMB for the opportunity to provide input to this review process. We look forward to hearing your decision.	
29	Aug 31	Steve Easterbrook	BC Egg Marketing Board	<p>In response to the August 4, 2010 Allocation Proposal I am resubmitting my original analysis and recommendation below which remains a valid and quantitative assessment of the amount of Specialty Quota required to be allocated to Organic, Free Range and Free Run Specialty production. I request that the entire original document be included in the industry feedback review.</p> <p>The BCEMB analysis, while fulsome, does not present an accurate analysis base from which to draw allocation conclusions. Markedly, I make the following observations:</p> <ol style="list-style-type: none"> <li>1) The BCEMB data does not include the Independent and Natural/Organic Retailer sales information which represents from 40 to 60% of the Specialty Eggs sales in the province of BC. For future reference this information can be obtained from SPINS data (an organization that collects sku sales data from the natural retailers industry.</li> <li>2) BCEMB data does not include bakery and food service market segment sales - this is an emerging market that represents a second wave of growth for Specialty Eggs in BC.</li> <li>3) BCEMB is concerned with the accuracy of grader estimates for additional Specialty Egg requirements. I put forward that grader estimates are the most accurate estimate that can be brought forward at this time - especially in view of the lack of comprehensive market data provided in the BCEMB analysis.</li> <li>4) BCEMB indicates that the Specialty market growth has been less robust in 2009. It should be noted that comprehensive inter provincial and US import information is omitted in the data base. Additionally, by merit of the restriction on new Specialty quota, the market growth has been choked off. One can only measure the propensity</li> </ol>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>for growth if supply slightly exceeds demand. In the past recent years supply has always been short of demand. The number one complaint we receive from retailers is LACK OF CONSISTENCY AND ADEQUATE SUPPLY OF SPECIALTY EGGS _ (in particular Organic Eggs).</p> <p>5) BCEMB should use the levies collected on Specialty Eggs (approximately \$3.0M per annum based on SEgg being 12 % of BC production) as a self insurance against the potential risk (albeit minimal) of having a periodic surplus of Specialty Eggs. Currently the Levies are not being used for Specialty Eggs.</p> <p>I request that BCEMB provide an allocation as outline in my document below for Specialty Eggs and would add that an allocation increase should also be afforded to the small lot producers.</p>	
30	Aug 31	Dan Kampen Double D Farms Ltd.		<p>I am writing to address the 2010 Quota Distribution. As a registered BC Egg producer I am keenly interested in how the new quota will be distributed. I want to thank the BCEMB for all the hard work they have done in analyzing consumption data and the pursuant recommendations. I have two comments for your consideration:</p> <p>1) I ask that the BC FIRB stay focussed on the distribution of quota. There are many groups and persons who will take an opportunity to discuss all aspects of farming and animal care when addressing this public consultation. I sincerely hope that these comments are kept for review when appropriate; however, the true goal should be the expedient distribution of quota to the Registered Egg Producers of BC. If I can refer to the last distribution, other provinces were already producing eggs they were allocated while BC was still waiting for the conclusion of the BC FIRB consultation process. This put BC's egg farmers in a relative deficit position for over 6 months. Six months of lost farm revenue and six months of lost tax revenue as well.</p> <p>2) Distributions and allocations in the past have been given out on a pro rata basis, a simple but effective plan that allows all Registered Producers a chance at an increase</p>	

No	Date	Name	Copied to	Comments	Carried forward from the lottery review
				<p>in quota. It is important when distributing quota to attempt to get it right. Perfection is the goal of course, but an ever changing market place is what we are dealing with. The BCEMB has done a lot of work analyzing consumption data and comparative demographics: who will buy organic eggs for perceived health benefits and who will buy eggs that are economical to fit their budget. There is a lot to consider. Please also consider that this distribution is only one avenue for making sure that the right product is on the shelf. Over the past 20 years or so there has been an increased consumer demand toward specialty eggs. Where have these producers come from to produce these specialty eggs? There are a number of new producers but there are also a lot of classic white egg producers who have changed their production systems to accommodate having classic white eggs and specialty eggs on the same farm, with the consumer demand being met. <u>It is important to note that quota is not set to one type of production.</u> For instance, a classic white producer can change to Free Run or Organic. My farm is an example of this change, as I now produce BORN 3 eggs on my farm in addition to classic white. The omega enriched market was almost non-existent ten years ago and now it is close to 10 % of all eggs sold in BC. This change happened inside the system using Registered Producers and showcases the commitment of the farms and farmers of BC to supply the consumers' demands for a certain product.</p> <p>In summary, I want to thank the BCEMB for all the hard work they have done on the Quota Distribution Policy and I support it. I ask for a swift and focussed consultation process that spends its effort on getting the quota in the hands of the Registered Egg Producers as expediently as possible.</p>	