



## BC FARM INDUSTRY REVIEW BOARD

December 11, 2025

File: 44200-60\BHEC

### DELIVERED BY EMAIL

Bill Vanderspek  
Chair  
BC Broiler Hatching Egg Commission  
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Dear Chair Bill Vanderspek:

**RE: BC BROILER HATCHING EGG COMMISSION APPLICATION FOR APPROVAL OF AN INTERIM DECISION TO DESIGNATE CERTAIN HATCHERIES AS DESIGNATED AGENCIES**

Thank you for your letter of December 1, 2025, sent on behalf of the BC Broiler Hatching Egg Commission (Commission), further to my direction for continued reporting on the Commission's engagement with Hatcheries to resolve key matters of mutual interest.

### **Background**

On December 30, 2024, in response to the decisions of certain hatcheries not to apply for hatchery licenses for the 2025 production year, the Commission issued an interim decision designating those hatcheries as agencies (Interim Decision).

Pursuant to section 8 of the Natural Products Marketing (BC) Act Regulations, the Commission forwarded the Interim Decision to the British Columbia Farm Industry Review Board (BCFIRB) on January 2, 2025, seeking BCFIRB's approval of its decision to designate the specified hatcheries as agencies.

On [January 8, 2025](#), I issued an interim order requiring Western Hatchery Ltd., Okanagan Hatchery (1989) Ltd., Sofina Foods Ltd., and Carleton Hatcheries Ltd. dba Fraser Valley Chick Sales (the Hatcheries) to comply with all orders, rules and requirements applicable to licensed hatcheries as described in the Commission's Consolidated Order of January 1, 2021, until such time that BCFIRB releases a further order. My interim order also required the Hatcheries to produce an affidavit responsive to a list of questions to assist BCFIRB in understanding the issues before it.

On January 17, 2025, instead of producing the required affidavits as directed by BCFIRB, the Hatcheries forwarded their signed 2025 hatchery licenses to BCFIRB and indicated that having

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done so, they assumed they no longer needed to provide affidavits responding to the questions identified in my January 8, 2025, decision.

In my letter of [January 21, 2025](#), I sought the Commission's response on the Hatcheries' position and whether affidavits were still required. In the Commission's January 28, 2025, response, it took the position that the signing of licences should not impact BCFIRB's direction that the Hatcheries produce affidavits. The Commission also requested that designation of the Hatcheries as agencies remain open for BCFIRB consideration.

On February 13, 2025, I found that affidavits were no longer required to ensure orderly marketing at that time. However, I [directed](#) the Commission to report back to BCFIRB by April 15, 2025, on its progress in discussions with the Hatcheries on outstanding sector issues including but not limited to: marketable egg definition, hatchery margin, and financial protection on escalating costs of US sourced eggs.

Upon receipt of the Commission's April 15, 2025 report, I [directed](#) the Commission to report back to BCFIRB by September 15, 2025 on these matters and other related issues that might arise. I received the Commission's report by the specified date. On October 23, 2025, I [directed](#) the Commission to continue to report back to BCFIRB by December 1, 2025. I received the Commission's report by the specified date.

### ***December 1, 2025, Commission Report***

The Commission's December 1, 2025, report to BCFIRB indicates progress to date and further steps it will take with the British Columbia Egg Hatchery Association (BCEHA) on the following issues:

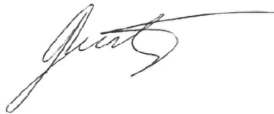
- **2026 Hatchery Licence Applications:** The 2026 hatchery license applications were issued by the Commission in September to ensure that hatcheries had time to submit them before the anticipated HPAI challenges this fall. As of December 1, 2025, all hatchery license applications received from BC hatcheries were processed, and the Commission issued the 2026 hatchery licenses.
- **Marketable Egg Definition and Hatching Egg Reporting System (HERS):** In April 2025, the Commission reported that a pilot project would begin after four consecutive weeks of on-time and accurate reporting from the BCEHA. The marketable egg pilot project began on November 5, 2025. The Commission continues to note some challenges with timely and accurate reporting; however, the hatcheries are actively working on these challenges. The Commission also recently implemented additional program functionality to ensure improved usability for all HERS users.
- **Hatchery Margin:** On August 18, 2025, BCEHA submitted to the Commission its four key inputs cost report, updated by Serecon with 2024 data, and sought a two-cent increase. The two-cent increase request was on the Commission's October 23, 2025, meeting Agenda. The Commission has now increased the hatchery margin to reflect the 2024 increases as requested from the BCEHA. This increase will be implemented for period A-199.
- **Hatchery Cost of Production:** The Commission accepts the existing four key inputs approach as a temporary solution while BCEHA actively seeks more effective and sustainable pricing alternatives.

- **Spot Market Pricing:** On September 2, 2025, BCEHA suggested that the hatchery margin increase would be sufficient to manage the additional costs associated with imported eggs.
- **Vaccination Costs:** BCEHA was informed that to receive vaccination increases it needed to provide a letter documenting the increase to the Commission. The vaccination input was increased in A-197. Additionally, the BCEHA has committed to providing the Commission with advanced notice of increases to ensure they are reflected in the Commission's COP.

### **Conclusion**

I would like to thank the Commission for its hard work and diligent reporting on these matters. I am pleased by the ongoing progress and by the Commission's plans to work with BCEHA towards further resolution. I encourage the Commission and BCEHA to maintain their collaborative efforts to move these matters forward.

Regards,



**Gunta Vitins**  
Chair  
BC Farm Industry Review Board

cc:

Stephanie Nelson, Executive Director, BC Broiler Hatching Egg Commission  
Ryan Whitmore, President, BC Egg Hatchery Association  
Ernie Silveri, Executive Director, BC Egg Hatchery Association  
Kevin Klippenstein, Chair, BC Chicken Marketing Board  
Woody Siemens, Executive Director, BC Chicken Marketing Board  
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