

B.C. Broiler Hatching Egg Industry 2019

2018 QUICK FACTS

- B.C. broiler hatching egg production is regulated at the federal and provincial levels under supply management. All farmers who produce broiler hatching eggs must be registered with the BC Broiler Hatching Egg Commission (the Commission) and hold quota.
- In 2018, B.C.'s 54 registered broiler hatching egg farmers produced 119 million broiler hatching eggs, valued at \$52.5 million in farm cash receipts.
- All hatching egg production is concentrated in the Lower Mainland.
- The average hatching egg farm in B.C. produced 183,000 dozen eggs in 2018.
- Specialty production represents 3% of B.C.'s allocation.
- There are 11 registered hatcheries in B.C.
- The hatching egg industry supports B.C.'s broiler chicken growing industry. Together, they are the third largest of B.C.'s agricultural commodities, representing more than \$553 million, or 16% of B.C.'s total farm cash receipts in 2018.
- B.C. is Canada's third largest hatching egg producing province.

Canadian Broiler Hatching Egg Production (2018)

| Prov. | Eggs | % |
|-----------|--------------------|------------|
| ON | 247,670,000 | 31% |
| QC | 214,541,000 | 27% |
| BC | 119,124,000 | 15% |
| AB | 83,785,000 | 10% |
| MB | 38,174,000 | 5% |
| NS | 37,455,000 | 5% |
| NB/PE/NL | 33,352,000 | 4% |
| SK | 27,572,000 | 3% |
| Canada | 801,673,000 | 100% |

Adapted from: Canadian Hatching Egg Producers

MARKET TRENDS

The broiler hatching industry is directly affected by the chicken growing industry. Due to its status as a low-cost animal protein, consumer demand is driving an increase in chicken production.

Growth in chicken demand means that broiler hatching egg production goes up as well. In 2018, domestic broiler hatching egg production in Canada increased by 5.9% compared to 2017. B.C.'s increase was 7%.



Broiler hatching flock in lay house.
Photo: BC Broiler Hatching Egg Commission

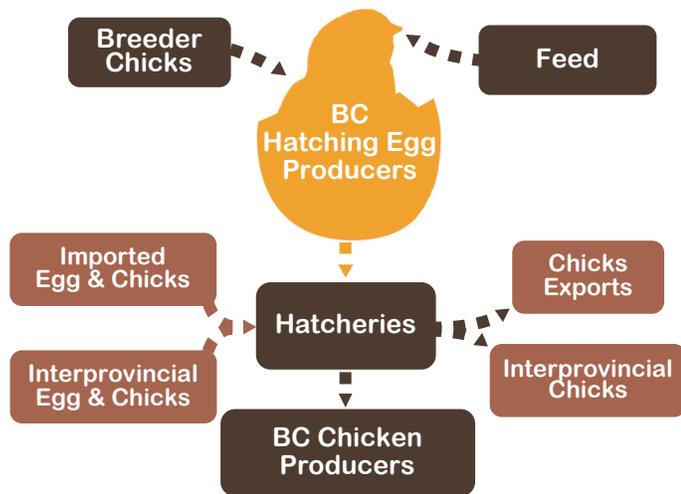
TRADE

In 2018, hatching egg imports totalled 126.8 million eggs, accounting for 13.6% of hatching egg production in Canada. This was a decrease of 11.4% from 2017.

In B.C., hatcheries are required to follow an "80% domestic—20% import" formula for the fertilized eggs they source, which reflects federal trade ratios. This requirement ensures domestically-produced broiler hatching eggs have a market and helps balance competition between hatcheries.

Recent trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the unratified Canada—United States-Mexico Agreement (CUSMA) did not include any provisions for increases of hatching egg imports.

INDUSTRY VALUE CHAIN



Broiler chickens originate from specialized breeding lines. B.C.'s broiler hatching egg farmers obtain their multiplier breeder chicks from suppliers in the United States. After receiving the fertilized eggs, farmers hatch them. The chicks are placed in grow houses where they develop into pullets (female chickens) or cockerels (male chickens). There are seven registered pullet growers in B.C.

The male and female breeder chickens are transferred from the grow house to the lay house when they are between 18 to 20 weeks of age. The broiler hatching egg flocks produce fertilized chicken eggs. Each breeder hen will typically lay 150 to 160 fertilized eggs over the course of a laying cycle that normally runs 34 to 36 weeks in duration.

B.C.'s 11 hatcheries sell the chicks from these eggs to B.C. chicken growers.

BIOSECURITY & ANIMAL CARE

Hens that produce broiler hatching eggs live a relatively long life leading to increased vulnerability to key poultry diseases, such as Salmonella Enteritidis (SE) and Avian Influenza (AI). Therefore, disease prevention and management are central to ensuring a stable, safe supply of broiler hatching eggs.

To combat this, the BC hatching egg industry has mandatory SE surveillance and vaccination programs in place, as well as a biosecurity program (On-Farm Food Safety Assurance Program). The BC poultry industry also leads the country in its AI emergency response program.

GOVERNANCE

Canada's broiler hatching egg industry is supply-managed. It operates under federal and provincial legislation and agreements.

At the national level, the Canadian Hatching Egg Producers (CHEP) is responsible for the orderly production and marketing of broiler hatching eggs and chicks in Canada and is supervised by Farm Products Council of Canada.

At the provincial level, the Commission is the first instance regulator of hatching egg production under the *Natural Products Marketing (BC) Act* and the British Columbia Broiler Hatching Egg Scheme.

The Commission is responsible for orderly production and marketing of hatching eggs through promoting and regulating the volume of production, transportation, packaging, storage, and marketing of hatching eggs. The Commission establishes an Official Flock Schedule, sets the price producers receive for their broiler hatching eggs, and administers a variety of programs addressing disease, food safety, and animal care.

The BC Broiler Hatching Egg Producers' Association represents BC hatching egg farmer interests.

The BC Farm Industry Review Board is responsible for ensuring the Commission meets its responsibilities in an effective, strategic, and accountable manner that results in sound marketing policy.

SOURCES

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BC Farm Industry Review Board

www.gov.bc.ca/BCFarmIndustryReviewBoard

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