

EFO introduced the NEQLP in 2011 to assist individuals coming into the Ontario egg industry. At that time, EFO noted that the NEQLP would be reviewed/evaluated after five years.

Subsequently, the NEQLP program will be placed on hold during the review process.

As part of EFO’s [2016] review process, a survey was forwarded to the other provincial egg organizations requesting information about their current or proposed New Entrant program.

Egg Farmer New Entrant Program Survey

QUESTION: DOES YOUR PROVINCE HAVE OR HAVE PROPOSED AN EGG FARMER NEW ENTRANT PROGRAM?	
PROVINCE	RESPONSE
BC	Yes in place for about 4 years
AB	Yes
SK	Yes. By Policy we set aside 10% of all new allocations and when a lot of 5,000 birds is achieved they are put up for sale through our Auction Board Order to non-quota holders only. They are aware they are applying for a 5,000 lot and of the auction value that will be required. For a number of years this auction value has been \$25 per bird. (The proceeds go to our Trust Fund for research etc.).
MB	Yes, we’ve had one for many years. It is written into our provincial regulations.
QC	Yes
NS	Program developed but not yet in regulation so not yet accepting applications
NB	Yes
PEI	No
NL	Yes
QUESTION: IF THERE IS AN EGG FARMER NEW ENTRANT PROGRAM, IS THAT AN APPLICATION PROCESS?	
PROVINCE	RESPONSE
BC	Yes it is quite extensive, need financial capacity, business case, post a performance bond of 10k; refundable if they complete.
AB	Yes, all successful applicants that meet the criteria are entered into a draw.
SK	The quota is offered at ‘auction’ with a set value of \$25 per bird. At the time of Application submission they are required to provide a business plan and timeline for getting eggs into production. There is a two year limit to have them in production and they would lease the quota out while building their barn etc.
MB	Simple application process; contact info, declarations of age, Manitoba residency, and having never been an egg quota holder before.
QC	Yes
NS	Yes
NB	Yes
PEI	NA
NL	Yes

Egg Farmer New Entrant Program Review

QUESTION: DOES THE PROCESS USE A SELECTION COMMITTEE?	
PROVINCE	RESPONSE
BC	Yes ... administrator is hired; we had 182 applications for 4 positions; we do 2 a year; we have 10 new entrants operating already... some have bought quota already
AB	We have a Committee that reviews to ensure that the applications meet the criteria
SK	There is an initial review by the board office to ensure all requirements are met in the application. We then have a third party review the business plans. Comments and applications are brought to the SEP Board for final approval.
MB	No, it does not
QC	Yes and no. Steered by the Board. Some Board members present on the evaluation committee but mostly members from other organizations (4 members from the banking sector and 2 other producers organization members for a total of 8 members)
NS	No
NB	Yes, but only to review the application and to see if all pieces of the application are in place. If, for example, the applicant did not have his land sited with the Department of Agriculture, his application would be rejected. It does not recommend one applicant over the other
PEI	NA
NL	Yes...some BOD members, industry, and government rep
QUESTION: IF SO IS IT THIRD PARTY, MEANING NO BOARD INVOLVEMENT OTHER THAN ACCEPTING THE RECOMMENDATION OF THE REVIEW COMMITTEE?	
PROVINCE	RESPONSE
BC	No involvement... committee make recommendations to board
AB	It consists of Board and staff members as well as our lawyer
SK	There is an initial review by the board office to ensure all requirements are met in the application. We then have a third party review the business plans. Comments and applications are brought to the SEP Board for final approval.
MB	NA
QC	Yes and no. Steered by the Board. Some Board members present on the evaluation committee but mostly members from other organizations (4 members from the banking sector and 2 other producers organization members for a total of 8 members)
NS	NA
NB	It is third party, but they give the successful applications to the GM
PEI	NA
NL	NA
QUESTION: DOES THE PROCESS USE A LOTTERY PROCESS, PICK A NAME OUT OF A HAT, IF THERE IS MORE THAN ONE QUALIFIED APPLICATION?	
PROVINCE	RESPONSE
BC	Yes that would be the case
AB	Yes
SK	After evaluation, all applications equally qualified would have a name drawn from a hat.
MB	Yes. Last year we directed applicants to send their applications directly to KPMG who checked them for completeness, logged them and ultimately conducted the draw (with two MEF staff present).
QC	Yes, a draw among the 3-4 best candidates based on a calculation
NS	Yes
NB	All names are put in a hat and an applicant chosen.
PEI	NA
NL	No. Selection is independent and objective. Will send format to you.

Egg Farmer New Entrant Program Review

QUESTION: ARE THE SUCCESSFUL APPLICANTS EXPECTED TO PURCHASE QUOTA AFTER BEING SELECTED?	
PROVINCE	RESPONSE
BC	No ... but we are looking at something similar to Ontario
AB	No
SK	Yes, they commit to the purchase as part of the application process
MB	No, they are not.
QC	Not necessarily but they all do as the initial quota (6 000 units) is a bit low for a sustainable layer farm
NS	No
NB	No
PEI	NA
NL	No. Only pay for SF birds
QUESTION: IF SO HOW MUCH?	
PROVINCE	RESPONSE
BC	We may do 2000 birds and you have to buy 1000. We have to fix our quota exchange for this to work. the small guys can't get access or they are out bid
AB	NA
SK	5,000 at \$25 per bird
MB	NA
QC	We've seen purchases from a few hundreds to a few thousand units among the new members on a 10 year period
NS	NA
NB	NA
PEI	NA
NL	NA
QUESTION: IF THE SUCCESSFUL APPLICANTS ARE NOT EXPECTED TO PURCHASE QUOTA, HOW MUCH QUOTA ARE THEY ALLOCATED FROM YOUR ORGANIZATION?	
PROVINCE	RESPONSE
BC	At this time we give 3,000 birds
AB	Maximum 1,500 birds
SK	NA
MB	6,000, with Service Fee attached. We will structure repayment of the Service Fee over a longer period of time rather than a straight upfront expense.
QC	6 000 units, usually with 3-4,000 from leasing pool as they are eligible to that program as well
NS	Currently lots of 300-500 on a no-cost lease basis
NB	3,000 birds
PEI	NA
NL	25% of new quota goes to pool, until reaches 5000 (each time the process is started again)

Egg Farmer New Entrant Program Review

QUESTION: ARE THEY ALLOWED TO SELL THE QUOTA?

PROVINCE	RESPONSE
BC	They are subject to a transfer assessment basically 10/10/10 rule; you get 10 percent after one complete year, 20 percent after 2 complete years and so on for 10 years the 10 new entrants haven't sold anything - we will see who sticks around after 10 years
AB	After 10 years of continuous production
SK	Only after 5 years
MB	Not until 5 years has elapsed, no
QC	Only the portion they purchased or received as an allocation prior to last year where we stated no value to all future allocations
NS	No
NB	Not for 10 years
PEI	NA
NL	No – must keep for 10 years

QUESTION: IF THE FARMER HAD PURCHASED ADDITIONAL QUOTA, DO THEY HAVE TO RETURN TO YOUR BOARD THE ORIGINAL AMOUNT GIVEN TO THEM?

PROVINCE	RESPONSE
BC	No
AB	NA
SK	No. The Board always owns the quota but the producer pays \$25 per bird for the 'right to produce that quota' which they can lease out, transfer to another owner (the Board approves the new owner but in effect it is the sale of the "right to produce") or they can raise the birds themselves. But the new entrant quota and any subsequent quota increases distributed pro-rata to all existing producers (again at \$25/bird) remain the right of the producer to produce. Quota remains in their control as long as they meet all the licensing requirements as set out in our Licensing Board Order or until such time as they transfer/sell.
MB	No
QC	No. The quota only returns to our Board if they stop production
NS	No
NB	No
PEI	NA
NL	No

QUESTION: IF SO AFTER WHAT PERIOD OF TIME?

PROVINCE	RESPONSE
BC	NA
AB	NA
SK	NA
MB	NA
QC	NA
NS	NA
NB	NA
PEI	NA
NL	NA

Egg Farmer New Entrant Program Review

QUESTION: HOW DOES YOUR PROVINCE EITHER SET ASIDE OR OBTAIN THE QUOTA TO USE FOR YOUR PROGRAM?	
PROVINCE	RESPONSE
BC	Yes, but it varies ... from year to year
AB	EFA set aside 10% of new allocations for the new entrant program
SK	NA
MB	By regulation, we must set aside half of each overbase allocation (increase) we receive from EFC.
QC	We started by setting 50% of every allocation aside in our reserve. Now that we have a pool of 240 000 units set aside, we only fill it back up to that level when we draw from it between allocations
NS	We are drawing from a quota reserve which has no service fee attached to it.
NB	NA
PEI	NA
NL	Set aside 25% for new entrant pool
QUESTION: ANYTHING ELSE YOU WOULD LIKE TO SHARE ABOUT YOUR CURRENT OR PROPOSED NEW ENTRANT PROGRAM?	
PROVINCE	RESPONSE
BC	Moving to a credentials based process but the government has put wording in our orders so we are subject to appeal
AB	NA
SK	The policy for 10% being set aside for new entrant program is new as of this year. Previously it was very ad hoc as to how or when a new entrant program was offered. The Regulator likes this much better
MB	It has been a successful program and approach given that our new entrants have been successful themselves
QC	We are very happy about our program, 10 new producers in 10 years and all building on the initial 6,000 units they got and doing very well financially
NS	Successful applicants are required to produce either free run, free range or organic
NB	Attached – New Entrant Policy and old New Entrant Program application form. Needs a reedit, but see sections III and IV. This is what the applicants are judged on. If any of these are missing, incomplete or do not look like they have any thought behind them, the application is rejected
PEI	NA
NL	NA