



POLICY CHANGES (December 2017 to November 2018)

Please note the following are excerpts, for full policies please visit: <https://www.getcracking.ca/members/operations-quota>

Pullet Grower Day Old Reporting

At its December 2017 meeting the Board passed a motion that the current version of the Pullet Grower Day Old Report (form GR-PGI-3.10) be mandatory to submit, effective January 1, 2018.

Pullet Leasing Pool Policy, Section 6 – Amended December 2017, Effective January 1, 2018

Pullet Leasing Pool applications must be submitted a minimum of 30 days prior to the placement of day old chicks into the Pullet Quota Holder's facility. Late applications may be subject to sanctions as determined by the Board. [Not applicable to over hatch leases.]

Pullet Quota Policy, QTS Criteria – Amended March 1, 2018

QTS Criteria Sell Bids #15[1]

[1] A Sell Bid shall contain all the information required on QTS Form 1-14 and shall specify the number of units of quota for sale and the price per unit of quota. The sell bid Effective Date (date quota will be available to transfer) cannot be earlier than the Quota Transfer Session date as determined on the QTS Schedule.

QTS Criteria Buy Bids #15[9]

[9] No buyer may acquire more than 12,500 units of quota through any QTS. The number of quota units requesting to buy cannot exceed the number of units of quota offered for sale on the Quota Transfer Session of which the buyer is bidding.

Pullet Leasing Pool Policy Review and Moratorium – March 7, 2018

EFO's Board made a decision to review the Pullet Leasing Pool policy and placed a moratorium on new pullet leases which was announced March 7, 2018. The Board will be reviewing all aspects of EFO's Pullet Leasing Pool policy to ensure it operates to effectively manage the pullet supply. The moratorium is in place until a revised EFO Pullet Leasing Pool policy is released.

EFO Pullet Leasing Moratorium and Development of Revised Pullet Leasing Pool Policy for 2019 – May 9, 2018

On March 7, 2018 the EFO Board placed a moratorium on pullet leases. The Board committed to review all aspects of the Pullet Leasing Pool policy to ensure it operates to effectively manage the pullet supply, and to seek input from farmers during the review process. Responses were requested to 8 questions with a total of 33 submissions received. The feedback was reviewed in detail at a Special Board Meeting held April 20, 2018. The Board discussed the input received and instructed EFO's Pullet Committee to conduct a complete review and asked it to bring a draft 2019 Pullet Leasing Policy back to the Board for approval.

The Board also made decisions at its May meeting that the moratorium will remain in place and any interim pullet lease applications for placements during the remainder of 2018 under the 2018 Pullet Leasing Policy received after March 7 will be considered on a case-by-case basis reviewed by the full EFO Board. Any such applications received after March 7 will have revised interim pullet leasing fees of \$1.40 per bird applied for all housing types with the exception of pullet leases for aviary housing systems which will be charged an interim pullet leasing fee of \$2.40 per bird.

Input from the consultation with farmers will guide the process going forward to ensure the Pullet Leasing Pool policy operates to effectively manage the pullet supply. The review by the Board's Pullet Committee will develop a draft of a proposed 2019 Pullet Leasing Policy for Board discussion and approval expected this summer. Pullet and egg farmers will receive further updates about development of the 2019 Pullet Leasing Pool Policy as the process continues.

2019 QTS Schedule – June 2018

The 2019 Quota Transfer System (QTS) Schedule was emailed/mailed to farmers reflecting a change from four sessions to three sessions per year.

Egg Quota Policy, QTS Criteria – Amended June 2018, Effective January 1, 2019

QTS Criteria Buy Bids #15[9]

[9] No buyer may acquire more than 6,670 units of quota through any QTS. The number of quota units requesting to buy cannot exceed the number of units of quota offered for sale on the Quota Transfer Session of which the buyer is bidding. The buy bid Effective Date (date which the buyer will place the birds at the registered premises) must be a minimum of six (6) months following the QTS session date as determined on the QTS Schedule.

2018 Policy: No buyer may acquire more than 5,000 units of quota through any QTS. The number of quota units requesting to buy cannot exceed the number of units of quota offered for sale on the Quota Transfer Session of which the buyer is bidding. The buy bid Effective Date (date which the buyer will place the birds at the registered premises) must be a minimum of six (6) months following the QTS session date as determined on the QTS Schedule.

QTS Criteria Buy Bids #15[10]

[10] No person may acquire more than 25,000 units of quota over a five [5] year period beginning with the Effective Date of the first unit of quota transferred through a QTS.

(No change.)

QTS Criteria General #15[35]

[35] A quota holder who has acquired quota through a transfer of registered premises is eligible to purchase up to 25,000 units of quota over a five [5] year period beginning with the Effective Date of the first unit of quota transferred through a QTS with a maximum of 6,670 units on any single QTS.

2018 Policy: A quota holder who has acquired quota through a transfer of registered premises is eligible to purchase up to 25,000 units of quota through the QTS with a maximum of 5,000 units on any single QTS.

Pullet Quota Policy, QTS Criteria – Amended June 2018, Effective January 1, 2019

QTS Criteria Buy Bids #15[9]

[9] No buyer may acquire more than 16,670 units of quota through any QTS. The number of quota units requesting to buy cannot exceed the number of units of quota offered for sale on the Quota Transfer Session of which the buyer is bidding.

2018 Policy: No buyer may acquire more than 12,500 units of quota through any QTS. The number of quota units requesting to buy cannot exceed the number of units of quota offered for sale on the Quota Transfer Session of which the buyer is bidding.

QTS Criteria Buy Bids #15[10]

[10] No person may acquire more than 62,500 units of quota over a five [5] year period beginning with the Effective Date of the first unit of quota transferred through a QTS.

(No change.)

QTS Criteria General #15[34]

[34] A quota holder who has acquired quota through a transfer of registered premises is eligible to purchase up to 62,500 units of quota over a five [5] year period beginning with the Effective Date of the first unit of quota transferred through a QTS with a maximum of 16,670 units on any single QTS.

2018 Policy: A quota holder who has acquired quota through a transfer of registered premises is eligible to purchase up to 62,500 units of quota through the QTS with a maximum of 12,500 units on any single QTS.

Increase in Market Growth Allowance (MGA) to 5% – Amended July 2018, Effective January 1, 2019

The EFO Board at the July meeting decided to increase EFO MGA to 5% of a producers' production quota to take effect January 1, 2019 (week # 1). The current Market Growth Allowance is 4% of a producer's production quota and will remain in effect until December 31, 2018. Quota Holders may login online at www.getcracking.ca/members to review their current production quota and current MGA.

Layer Leasing Program (LLP) – Amended July 2018

LLP birds that remain in production in excess of 365 days will incur a cost of 2 cents a bird per day; to be reconciled once disposal information is received by the Board. A Quota Holder who disposes of birds prior to 365 days will not receive a rebate. (Previously 358 days.)

Pullet Quota Policy, QTS Criteria – Amended August 2, 2018

QTS Criteria Buyer and Seller #15[27]

[27] The Board will attempt to match up Sell Bids and Buy Bids with the same Effective Date.

- [i] Existing and new Pullet Quota Holders who acquire pullet quota through the QTS on a new registered deeded property and do not utilize the quota within the calendar year transferred may be eligible for a financial reimbursement subject to:
 - a) The pullet quota eligible for reimbursement is restricted to pullet quota acquired through the QTS within the calendar year.
 - b) Reimbursement will be calculated yearly; qualifying pullet growers must have had no pullet production/utilization on the deeded property.
 - c) Reimbursement for unutilized pullet quota will be determined by the Board on a yearly basis.
 - d) If the quota is not utilized and transferred at a future date either through the QTS, transferred between family and/or sold with registered premises, all payment for unutilized pullet quota reimbursed by EFO must be returned to the Board.

Quota Transfer System, Set Price – Effective for QT-4-2018

Further to the September 7, 2018 memo, Egg Farmers of Ontario's (EFO's) QT- 4-2018 session will continue as originally scheduled, with a price, set by the EFO Board, of \$295/unit for layers and \$25/unit for pullets.

In addition, the Board has made the following policy change: Effective QT-4-2018, all whole farm sales (i.e. sale of quota with land) will be required to place 10% of the quota as a sell bid on the QTS.