

Chicken Farmers of Nova Scotia Regulations
made under Section 9 of the
Natural Products Act
R.S.N.S. 1989, c. 308
N.S. Reg. 109/2020 (effective September 1, 2020)
amended to N.S. Reg. 246/2023 (effective January 1, 2024)

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Short title

1 These regulations may be cited as the *Chicken Farmers of Nova Scotia Regulations*.

Part 1 - Interpretation

Interpretation

2 (1) In these regulations, unless the context otherwise specifies,

“A-06” means the 8-week marketing period from April 14, 1996, to June 8, 1996, inclusive;

“A-07” means the 8-week marketing period immediately following A-06;

“A7-0001” means the 7-week marketing period from January 21, 2018 to March 17, 2018, inclusive;

“A7-0002” means the 7-week marketing period immediately following A7-0001;

“aggregate base quota” means the aggregate of the base quota registered to a producer and the total base quota registered to all other persons with whom the producer is associated, determined in accordance with Section 6;

“base quota” means the number of kilograms of chicken registered by the Commodity Board to a producer or to the New Producer Quota Fund in accordance with these regulations, expressed as an annual figure in kilograms of live weight and as adjusted by the Commodity Board;

“base quota period” means the 48-week period used to calculate adjustments to base quota in accordance with Section 9G, beginning with the 48-week period from December 24, 1995, to November 23, 1996, and from then on each consecutive 48 weeks;

“beneficial shareholder” means a person who owns 1 or more shares issued by a corporation, whether or not that person is listed as the registered owner of any such share in the register of members of the corporation;

“Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chicken and Turkeys” means the Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chicken and Turkeys made by the National Farm Animal Care Council, as amended from time to time;

“Eligible New Farmer” means a person whose name is entered in the register of Eligible New Farmers kept by the Commodity Board under subsection 9D[(4)];

“extra-provincial amount” means the number of kilograms of chicken that the Commodity Board determines a producer has been authorized or is otherwise eligible to produce or market under the laws of another province in a base quota period;

“facilities” means the building, lands, fixtures and equipment that are used for producing chicken;

“flock” means any group of chickens housed in a producer’s facilities that are being raised by the producer for marketing at the same or approximately the same live weight at the same or approximately the same time;

“immediate family” of an individual means the individual’s spouse, parent, child and grandchild and the spouse of any parent, child or grandchild of the individual;

“initial acquisition” means the quota transfer in which the Commodity Board first registers base quota in a producer’s name;

“interest in base quota” means a legal or beneficial interest in base quota as described in Section 9;

“licence” means a licence issued by the Commodity Board in accordance with Section 11 to authorize a person to produce and market chicken in the regulated area;

“licensed quantity of chicken”, in relation to a producer licence, means the total kilograms live weight of chicken as determined under Section 21 that may be produced under the licence;

“licensing period” means the period of time during which a licence is valid as follows:

- (i) for a producer, special, or producer-vendor licence, the marketing period for which it was issued,
- (ii) for a vendor licence, the period from the date of issue to December 31 of the calendar year in which it was issued,
- (iii) for a small flock licence, the period from April 1 to November 30 in a calendar year;

“live weight” means the weight of live chicken as measured by a processor on delivery by a producer;

“market development chicken” means chicken produced under a special licence for market development;

“marketing period” means any period established by the Commodity Board during which producers, other than producers with small flock licences, are licensed to market chicken;

“maximum barn capacity” means, in relation to a producer, the producer’s maximum barn capacity as determined under Section 32;

“National Avian On-Farm Biosecurity Standard” means the National Avian On-Farm Biosecurity Standard made by the Canadian Food Inspection Agency, as amended from time to time;

“New Producer” means a person who has acquired the minimum base quota while registered as an Eligible New Farmer, and who remains a New Producer for 30 marketing periods, including the marketing period in which the initial acquisition was made;

“New Producer Quota Fund” means a pool of base quota, expressed in kilograms of chicken, set aside by the Commodity Board for the purpose of issuing one or more Production Loans under Section 9F;

“overmarketing assessment levy” means the levy payable by a producer to the Commodity Board for marketing more kilograms live weight than their licensed quantity of chicken for an overmarketing assessment period as determined under Section 26;

“overmarketing assessment period” means 2 consecutive marketing periods as follows:

- (i) for 8-week licences, A-06 and A-07, and every subsequent 2 consecutive 8-week marketing periods after that, and
- (ii) for 7-week licences, A7-0001 and A7-0002, and every subsequent 2 consecutive 7-week marketing periods after that;

“partnership” includes a limited partnership;

“periodic base quota” means the portion of a producer’s base quota applicable to 1 marketing period, calculated using the formula $PBQ = (BQ/357) \times 56$, in which

- (i) PBQ is the producer’s periodic base quota, and
- (ii) BQ is the producer’s base quota;

“person” means any of the following:

- (i) a natural person,
- (ii) a corporation,
- (iii) a partnership,
- (iv) a trust or estate;

“Plan” means the *Nova Scotia Chicken Marketing Plan* made under the Act;

“plant” means any permanent building or structure containing machinery or equipment used for processing chicken;

“Price Negotiating Committee” means the committee established under Section 9 of the Plan to recommend the minimum price at which chicken must be bought or sold as the base price;

“producer licensee” means a producer who holds a producer licence;

“producer-vendor” means a person who produces and markets, offers for sale, sells or stores all or any parts of chicken in the regulated area;

“production and marketing agreement” means an agreement for each marketing period entered into by a producer and a processor in accordance with Section 27;

“Production Loan” means a share of the total production loaned to a New Producer for one or more marketing periods via special licence, in accordance with Section 9F;

“quota allocation” means the total number of kilograms of chicken allocated by the Chicken Farmers of Canada to the Commodity Board for A-06 and for each subsequent 8-week marketing period after that, expressed in kilograms of live weight;

“small flock chicken” means chicken produced by a small flock producer;

“Specialty Poultry Growers Association of Nova Scotia” means the registered society for specialty poultry growers in Nova Scotia;

“small flock producer licensee” means a producer who holds a small flock producer licence;

“Small Flock Production Committee” means the committee established under Section 40 to provide recommendations to the Commodity Board regarding small flock production;

“total production” means the total kilograms live weight of chicken allotted allocated by the Commodity Board among all producers; [*sic*]

“trust” includes a testamentary trust and an inter vivos trust;

“vendor” means a person who markets, offers for sale, sells or stores chicks in the regulated area.

(2) For the purpose of these regulations, persons are associated with one another if any of the following apply:

(a) they are members of the same immediate family;

- (b) they are trustees, personal representatives or beneficiaries of the same trust or estate;
 - (c) 1 of them is a donor of a power of attorney and the other is the attorney;
 - (d) 1 of them is a corporation and the other is an officer, director or shareholder of the corporation;
 - (e) 1 of them is a partnership and the other is a partner in the partnership;
 - (f) 1 of them is a trust or corporation that owns shares of a corporation or has an interest in a partnership and the other is that corporation or partnership;
 - (g) each of them is a corporation, partnership or trust and they are all controlled directly or indirectly by the same person.
- (3) For the purpose of these regulations, a person owns facilities if any of the following apply:
- (a) the person holds any of the following, whether or not subject to a mortgage or other encumbrance:
 - (i) legal title to the facilities evidenced by a deed registered at the relevant land registration office,
 - (ii) a certificate of title for the facilities issued by the Supreme Court of Nova Scotia,
 - (iii) a Certified Statement of Registered and Recorded Interests for the facilities issued by the Registrar of Deeds under the *Land Registration Act*;
 - (b) the person is a borrower under an agreement of sale with the Nova Scotia Farm Loan Board that applies to the facilities.
- (4) Unless a different definition for the same term is set out in subsection (1), definitions in the Plan apply to these regulations.

Written notice

- 3** (1) For the purpose of these regulations, unless otherwise specified, written notice means written communication sent by
- (a) registered mail;
 - (b) courier;
 - (c) letter mail;

- (d) e-mail.
- (2) Written notice sent by letter mail or registered mail is deemed to be received on the 5th business day after it was postmarked, or accepted, by Canada Post.

Part II - Base Quota

Requirement to hold base quota

- 4 (1) Except as provided in subsection (2), a person is not eligible for a producer licence, a special licence or a producer-vendor licence unless that person has been issued base quota.
- (2) Dalhousie University is exempt from the requirement in subsection (1) for base quota, but it must obtain a producer licence for each flock housed in its research facilities and must pay the applicable fee.

Total production allotted

- 5 Subject to Section 23, the total production allotted among all licences must be equal to the quota allocation.

Associated producers

- 6 (1) If 2 or more producers are associated, the Commodity Board must determine their aggregate base quota by treating the base quota allotted to each of them as having been allotted to all of them.
- (2) If 2 or more producers become associated, the Commodity Board may reduce the base quota of any of the associated producers so that the aggregate base quota held by the associated producers does not exceed the maximum set out in Section 8.
- (3) To determine if producers are associated, the Commodity Board may use all information available that it considers relevant, including a certificate provided by a producer under subsection 63(1) or (2).

Minimum base quota

- 7 (1) The minimum base quota that may be registered to a producer at initial acquisition of base quota is 117,500 kg live weight.
- (2) The Commodity Board may register less than the minimum base quota to a producer if there has been an adjustment to decrease the total base quota under subsection 9G(3).

Maximum base quota

- 8 (1) Subject to subsections (7) and (8), the maximum base quota that may be registered to an individual producer is 5% of the total base quota registered by the Commodity Board.

- (2) Except as provided in subsections (3) and (5) and subject to subsections (6) to (8), the maximum aggregate base quota that may be registered to 2 or more associated producers is 5% of the total base quota registered by the Commodity Board.
- (3) If 2 or more associated producers have a parent-child relationship, the maximum aggregate base quota that may be registered among the parent or parents and all of the children is 10% of the total base quota registered by the Commodity Board.
- (4) A “parent-child relationship” includes a natural person, as well as any corporation, partnership or trust that holds base quota, and in which one or more of the parents or children are the only holders of a legal or beneficial interest.
- (5) The maximum specified in subsection (2) for aggregate base quota does not apply to a producer who, on the date this subsection comes into force, is in an association with 1 or more other producers with an aggregate base quota greater than the maximum specified in that subsection.
- (6) A producer referred to in subsection (5) is not entitled to have additional base quota transferred to them as long as the aggregate base quota held by the producer and their associated producers exceeds the maximum specified in subsection (2) or (3).
- (7) If a producer has been permitted to produce or market an extra-provincial amount, the extra-provincial amount is included in the calculation of base quota and aggregate base quota for determining compliance with subsection (1) or (2).
- (8) A producer who exceeds the maximum specified in subsection (1) or (2) for base quota because of an extra-provincial amount is not eligible to receive a transfer of base quota.
- (9) No transfer of base quota is effective unless the Commodity Board is satisfied that the requirements of this Section have been met.

Interest in base quota

- 9** (1) A person has an interest in base quota if that person is any of the following:
- (a) a person that has a direct interest in base quota;
 - (b) a shareholder of a corporation that has an interest in base quota;
 - (c) a partner in a partnership that has an interest in base quota;
 - (d) a trustee or beneficiary of a trust that has an interest in base quota;
 - (e) the personal representative or a beneficiary of an estate that has an interest in base quota.

- (2) Either of the following is considered to be an interest in base quota:
- (a) a direct interest in the base quota;
 - (b) an interest in the base quota through a series of associated persons with direct or indirect ownership interests in one another.

Applying for approval to transfer base quota

9A (1) In this Section, “application” means an application under subsection (2) for approval to transfer base quota.

(2) A person must apply to the Commodity Board for approval to transfer base quota to another person.

(3) Each of the following is considered a transfer of base quota for the purposes of subsection (2):

- (a) any transfer of all or part of the base quota held by a person to another person;
- (b) any change in the shareholders or beneficial shareholders of a corporation that has been issued base quota;
- (c) any change in the partners of a partnership that has been issued base quota;
- (d) any change in the income beneficiaries or capital beneficiaries of a trust that has been issued base quota, whether the change occurred before or after the final distribution of that trust;
- (e) any change other than those listed in clauses (a) to (d) that results in a person acquiring or disposing of an interest in base quota or that otherwise affects a person’s interest in base quota.

(4) An application must include all of the following:

- (a) the name of the applicant;
- (b) the proposed transferee’s name and contact information;
- (c) the amount of base quota to be transferred;
- (d) a certificate as described in subsection 63(1) or (2) for each of
 - (i) the transferor of base quota after the transfer, if only a part of the transferor’s base quota is being transferred, and
 - (ii) the transferee of base quota after the transfer;

- (e) the facilities to be transferred, if any;
 - (f) written evidence of a binding agreement satisfactory to the Commodity Board, including a specified transfer date;
 - (g) the signatures of the applicant and the proposed transferee;
 - (h) if the proposed transfer is without facilities, details about the facilities where chicken will be produced;
 - (i) if chicken are to be produced in a leased facility, an application under subsection 29(2) from the transferee for approval to produce chicken in a leased facility;
 - (j) any information or documentation in addition to that specified in clauses (a) to (i) that the Commodity Board considers relevant to the application.
- (5) An application for approval must be in the form approved by the Commodity Board and must be submitted to the Commodity Board at least 18 weeks before the beginning of the marketing period on the first day of which the transfer of base quota is intended to take place.
- (6) The Commodity Board may consider any of the following additional information in considering an application:
- (a) information contained in a certificate provided by the applicant or the proposed transferee under subsection 63(1) or (2);
 - (b) information provided to the Commodity Board by a broiler chicken commodity board that is created under the laws of a province other than the Province and has authority over quota for broiler chicken in that other province;
 - (c) Commodity Board records pertaining to the applicant or the proposed transferee;
 - (d) information obtained by the Commodity Board at any time as a result of an inspection under the Plan or the Act;
 - (e) any information in addition to that specified in clauses (a) to (d) that it considers relevant to the application.
- (7) Nothing in these regulations affects the ability of the parties to a transfer to establish terms and conditions in a contract of purchase and sale that are consistent with the Act, the Plan and these regulations.

Commodity Board approval of application to transfer base quota

- 9B** (1) If the Commodity Board is satisfied that an application under Section 9A for approval to transfer base quota is complete, the Commodity Board may approve the transfer.
- (2) A transfer of base quota takes effect on the first day of the next marketing period for which licences have not yet been issued by the Commodity Board.
- (3) Approval of a transfer of base quota may include any condition that the Commodity Board considers appropriate.

When application for transfer of base quota not approved

9C The Commodity Board must refuse an application under Section 9A for approval to transfer base quota in any of the following circumstances:

- (a) as a result of the proposed transfer, any producer's base quota would fall below the minimum base quota specified in Section 7;
- (b) as a result of the proposed transfer, the base quota of any producer or the aggregate base quota of any associated producers would exceed the maximum base quota specified in Section 8;
- (c) subsection 8(5) or subsection 8(8) applies to the proposed transferee;
- (d) if a transfer of base quota without facilities is proposed, the transferee has not complied with Sections 29 to 31;
- (e) the applicant or proposed transferee owes any licence fees, levies, or other money to the Commodity Board;
- (f) the proposed transfer would violate the Act, these or any other regulations made by the Commodity Board, or any policy, order or direction of the Commodity Board;
- (g) the proposed transfer involves quota that was transferred to a New Producer or Eligible New Farmer within the preceding 18 marketing periods, in accordance with subsection 9H(7).

Applying for registration as Eligible New Farmer

9D (1) A natural person who meets all of the following criteria may apply to the Commodity Board at any time to be registered as an Eligible New Farmer:

- (a) the person is at least 19 years old;
- (b) the person does not have, and has never had, any interest in chicken quota as set out in ~~Section~~ [subsection] 9(1) or in any type of quota under the Act, the *Dairy Industry Act*, or similar legislation in other provinces of Canada;
- (c) the person is a resident of the Province.

- (2) A corporation, partnership or trust, in which all natural persons who would acquire an interest, as set out in Section 9, in any base quota acquired by the corporation, partnership or trust, meet the criteria in subsection (1), may apply to the Commodity Board to be registered as an Eligible New Farmer.
- (3) An application for registration as an Eligible New Farmer must be in a form approved by the Commodity Board.
- (4) Within 30 days of receiving the application, the Commodity Board must notify an applicant of its decision to add the applicant's name to the register of Eligible New Farmers.
- (5) An Eligible New Farmer will remain on the register of Eligible New Farmers until the Eligible New Farmer no longer meets the criteria set out in subsection (1) or the Eligible New Farmer requests to be removed.
- (6) Once registered on the list of Eligible New Farmers, an Eligible New Farmer may
 - (a) acquire base quota, if available, in an initial acquisition that is subject to the minimum base quota requirement in subsection 7(1) and to the Commodity Board's approval of a quota transfer, at which time the Eligible New Farmer will become a New Producer;
 - (b) subject to clause 9F(1)(a), apply for a Production Loan when the Commodity Board calls for applications under subsection 9E(4).

New Producer Quota Fund

- 9E** (1) At the end of each base quota period, the Commodity Board must determine each of the following:
- (a) whether to register base quota to the New Producer Quota Fund;
 - (b) whether to issue a call for applications for one or more Production Loans from the New Producer Quota Fund, in accordance with subsection (4).
- (2) The total base quota registered to the New Producer Quota Fund must not exceed 117,500 kilograms.
 - (3) If the Commodity Board decides to register base quota to the New Producer Quota Fund under clause (1)(a), it must provide written notice to all producer licensees, New Producers, and Eligible New Farmers.
 - (4) If the Commodity Board decides to issue a call for applications for one or more Production Loans available under clause 1(b), the Commodity Board must provide written notice to all producer licensees, New Producers, and Eligible New Farmers.

- (5) Any Production Loan under subsection (4) will be issued on special licences for a period of 30 marketing periods, and the base quota remains registered to the New Producer Quota Fund for the duration of the loan.
- (6) Each marketing period, any share of the total production based on base quota registered to the New Producer Quota Fund that is not being used as a Production Loan must be redistributed by the Commodity Board on a pro rata basis among all producer licensees, based on each producer licensee's share of the total base quota registered to producers by the Commodity Board, by way of special licences in accordance with Section 35.

Production Loans

- 9F** (1) Only the following persons are eligible to apply for a Production Loan:
- (a) Eligible New Farmers who do not have any direct or associated interest in base quota, as defined in Section 9; and
 - (b) New Producers who do not have any direct or associated interest in base quota, as defined in Section 9, other than their own direct interest.
- (2) Any Production Loan must
- (a) be issued as a special licence based on 58,750 live kilograms of base quota;
 - (b) have no impact on any base quota registered to the recipient; and
 - (c) only be loaned after the recipient becomes a New Producer, if the recipient is an Eligible New Farmer.
- (3) Applications under subsection 9E(4) must be submitted in a form approved by the Commodity Board and must include confirmation that the applicant has acquired, or can acquire within 12 months of the Commodity Board's approval of their application, the minimum base quota specified in subsection 7(1) through a quota transfer under Section 9A.
- (4) After the Commodity Board issues a call for applications under subsection 9E(4), the Commodity Board must appoint a panel of three independent adjudicators who are familiar with the agricultural industry in Nova Scotia and who do not have any interest in base quota.
- (5) The independent adjudicators appointed under subsection (4) must review all applications and recommend one or more applicants as candidates for a Production Loan.
- (6) If the number of candidates recommended by the independent adjudicators under subsection (5) exceeds the Production Loans available, the recommended candidates will be entered in a random draw, to be administered by the Commodity Board, to determine one or more successful candidates.

- (7) The candidate(s) recommended by the independent adjudicators under subsection (5) or determined by random draw under subsection (6), as the case may be, must be approved by the Commodity Board.
- (8) Any Production Loan will be issued as a special licence
- (a) if the successful candidate is a New Producer, in the first marketing period after the Production Loan is granted;
 - (b) if the successful candidate is an Eligible New Farmer, in the first marketing period after the Eligible New Farmer becomes a New Producer, subject to subsection (10).
- (9) Any Production Loan under subsection (8) will terminate automatically 30 marketing periods after the marketing period in which the Production Loan is first issued.
- (10) The Commodity Board may cancel a Production Loan to an Eligible New Farmer if they fail to acquire the minimum base quota required under subsection 7(1) within 12 months of being notified that they are the successful applicant to receive a Production Loan.
- (11) The Commodity Board may cancel the Production Loan to a New Producer for any of the following reasons:
- (a) the recipient of the Production Loan transfers any part of their base quota while still producing licensed kilograms from the Production Loan;
 - (b) the recipient of the Production Loan dies and their base quota is transferred under Section 9A to a beneficiary who does not meet the criteria for registering as an Eligible New Farmer under subsection 9D(1);
 - (c) the recipient of the Production Loan fails to comply with the Act, these regulations, or any other applicable legislation.
- (12) If a New Producer dies while receiving a Production Loan, the Production Loan may be reassigned to any beneficiary to whom the loan recipient's base quota is transferred, provided the transferee meets the criteria for registering as an Eligible New Farmer under subsection 9D(1).

Adjusting base quota after base quota period

- 9G** (1) The Commodity Board must adjust each producer's base quota after each base quota period to reflect increases or decreases in the quota allocation and to reflect the total kilogram increase or decrease in the Province for the base quota period then ended.
- (2) Subject to Sections 9H and 9I, if there is an increase as described in subsection (1), the Commodity Board must apportion base quota adjustments in the following manner:

- (a) first, if the Commodity Board has decided to register base quota to the New Producer Quota Fund under subsection 9E(1), the Commodity Board must allot some or all of the amount of the increase to the New Producer Quota Fund;
 - (b) second, the Commodity Board must apportion any remaining amount of the increase on a pro rata basis among all producers, based on each producer's share of the total base quota registered by the Commodity Board.
- (3) Subject to Sections 9H and 9I, if there is a decrease as described in subsection (1), the Commodity Board must apportion the amount of the decrease on a pro rata basis among all producers, based on each producer's share of the total base quota registered by the Commodity Board.

Impact of transfer on base quota adjustment

- 9H** (1) When base quota is transferred the increase or decrease with respect to the amount of the transferred quota applies to the transferee on a pro rata basis from the date of the transfer.
- (2) Subject to subsection (4), a producer who transfers all of their base quota does not retain any part of any adjustment to base quota.
- (3) A producer who transfers part of their base quota is not eligible for increases to base quota under subsection 9G(2) if the increase results in the producer having more base quota than they had immediately after the transfer.
- (4) Subsection (3) applies from the beginning of the marketing period for which the transfer was effective until the beginning of the first marketing period of the third full base quota period after the effective date of the transfer.
- (5) Subsection (2) will not apply when a producer who is a natural person applies to and obtains approval from the Commodity Board to transfer all of their base quota and any adjustment to base quota to a corporation, partnership or trust in which the natural person is a beneficial shareholder, partner or beneficiary.
- (6) Subsection (3) does not apply when a producer is transferring part of their base quota to a New Producer or Eligible New Farmer, provided the producer has not done so in the last 18 marketing periods.
- (7) A New Producer or Eligible New Farmer acquiring base quota under a transfer where subsection (6) applies may not transfer their base quota for 18 marketing periods.

Impact of maximum and minimum base quota on base quota adjustment

- 9I** (1) The Commodity Board may modify the amount of an adjustment to increase base quota apportioned to a producer under subsection 9G(2) if necessary to maintain compliance with the maximum base quota and maximum aggregate base quota requirements in Section 8.

- (2) The Commodity Board may modify the amount of an adjustment to decrease base quota apportioned to a producer under subsection 9G(3).
- (3) Any amount of a base quota adjustment that would be apportioned to a producer except that the producer is not eligible for an adjustment under subsection 9H(3) must be apportioned to all remaining producers on a pro rata basis, except to those producers to whom subsection 8(6) or subsection 8(8) applies.

Cancelling base quota or adjustment to base quota

- 9IA** (1) The Commodity Board may cancel all or part of a producer's base quota or the amount of any adjustment to increase the producer's base quota, or both, in any of the following circumstances:
- (a) the producer fails to provide the Commodity Board with any report required under Sections 55 to 65 with respect to the production and marketing of chicken;
 - (b) the producer fails to comply with a condition imposed on an approval to transfer quota issued under Section 9B;
 - (c) the producer raises a flock in facilities not owned by the producer without the prior written approval of the Commodity Board;
 - (d) the producer fails to allow an inspector to inspect the books and records related to and the premises used by the producer in producing chicken;
 - (e) the producer violates the Act, the Plan or these regulations other than as described in clauses (a) to (d).
- (2) Any base quota or amount of an adjustment to base quota cancelled in whole or in part under subsection (1) is transferred to the Commodity Board and may be
- (a) retired; or
 - (b) reissued by the Commodity Board to any other person or persons, subject to any conditions the Commodity Board considers appropriate.
- (3) A producer whose base quota is transferred to the Commodity Board under this Section is not entitled to compensation from the Commodity Board.

Transition

- 9J** The Commodity Board, in its sole discretion, may recognize as valid any transfer of base quota made under any agreement, will or other instrument executed before the date this Section comes into force.

Part III - Licensing, Fees and Production

Requirement to hold licence

- 10** (1) Except as provided in subsection (2), a person must not produce or market chicken unless the person holds a valid applicable licence.
- (2) A person who produces 100 or fewer chickens on their premises in a calendar year for personal consumption is not required to hold a licence.

Types of licences

- 11** The Commodity Board may issue licences for the production and marketing of chicken in any of the following categories:
- (a) producer licence: authorizes the holder to produce and market chicken in the regulated area;
 - (b) producer-vendor licence: authorizes the holder to produce and market, offer for sale, sell or store all or any parts of chicken in the regulated area;
 - (c) vendor licence: authorizes the holder to market, offer for sale, sell or store chicks;
 - (d) special licence: authorizes a producer to produce and market chicken for a specified purpose and time period to meet market requirements in accordance with Section 35;
 - [(e)] small flock licence: authorizes a producer to produce and market small flock chicken during a licensing period in accordance with Section 35.

Applying for licence

- 12** A person may apply to the Commodity Board for a licence by submitting a completed application, in a form approved by the Commodity Board, for each type of licence sought.

Violation of Act or regulations by licence holder

- 13** If a holder of a licence violates the Act or the regulations made under the Act, the Commodity Board may do any of the following:
- (a) refuse to issue a licence, in whole or in part, for future marketing or licensing periods;
 - (b) refer the matter to the Council for a decision on suspending or revoking their licence under Section 10 of the Act.

Licence holder rights

- 14** (1) The holder of a licence is not entitled to any rights other than those specifically stated in the licence.
- (2) The issuance of a licence does not confer any right to receive additional licences or base quota.

Licences not transferable

15 A licence is not transferable, except as provided:

- (a) Section 20, for a producer licence;
- (b) Section 52, for a small flock licence;
- (c) subsection 9F(12), for a special licence for a Production Loan.

Producer Licences

Producer licences

16 A producer licence must include all of the following information:

- (a) the name of the licensee;
- (b) the marketing period for which the licence is issued;
- (c) the licensed quantity of chicken;
- (d) the number of weeks in the licensing period.

Producer licence fees

- 17** (1) Except as provided in Section 18, no later than 7 days after marketing chicken, a producer must pay to the Commodity Board a producer licence fee of \$1.57 per 100 kg live weight of chicken marketed, plus any applicable taxes.
- (2) The kilograms live weight of chicken marketed under subsection (1) includes any chicken marketed under a special licence.

Deduction and payment of producer licence fees by processor

- 18** (1) If a producer licensee is marketing chicken through a processor's plant, the processor must deduct the producer fees set out in subsection 17(1) before making any settlement with the producer.
- (2) Producer licence fees collected by a processor under subsection (1) must be paid to the Commodity Board on behalf of the producer no later than 15 days after the end of the month in which the fee was collected.
- (3) If a processor fails to pay the producer fees in accordance with subsection (2), the producer must immediately pay the fees to the Commodity Board.

Effective date of producer licence

- 19** (1) Subject to subsection (2), a producer licence is effective on the date that the Commodity Board receives the production and marketing agreement.

- (2) A production and marketing agreement must be completed and submitted in accordance with Section 27 by the filing date specified in the production and marketing agreement.
- (3) Despite a producer licence not being in effect, if a person markets chicken after missing the filing date for the production and marketing agreement, the person must still pay all of the following:
 - (a) the producer licence fee set out in Section 17;
 - (b) any applicable overmarketing assessment levy calculated under Section 26, based on the total kilograms live weight of chicken actually marketed by the person and the licensed quantity of chicken.

Transferring producer licence

- 20** (1) A producer licence may be transferred at the end of an overmarketing assessment period if all of the following criteria are met:
- (a) the amount to be transferred does not exceed 20% of the producer's licensed quantity of chicken for the 2nd marketing period of the overmarketing assessment period;
 - (b) if more than 1 licence is involved, the licences are issued for the same marketing period.
- (2) An application for approval of a transfer under subsection (1) must be submitted to the Commodity Board in a form approved by the Commodity Board and within the time limit set by the Commodity Board, together with a licence transfer fee of \$50.

Basis for licensed quantity of chicken

- 21** Subject to Sections 16 and 32, and any adjustment under Section 22 or 23, the licensed quantity of chicken for a producer licence is based on the length of the marketing period for which the licence is issued and the lesser of the following:
- (a) the producer's maximum barn capacity;
 - (b) the producer's periodic base quota as adjusted by
 - (i) that producer's share of any increase or decrease from the quota allocation for the marketing period, with any increase or decrease being subject to Sections 9G, 9H, and 9I, and
 - (ii) any market adjustment for exceptional circumstances granted under Section 23 for the marketing period.

Adjustment to licensed quantity of chicken

- 22** If the Commodity Board adjusts the total production, including a market adjustment under Section 23, the licensed quantity of chicken for a producer licence must be adjusted based on the producer's share of the total production.

Market adjustment in exceptional circumstances

- 23** (1) In exceptional circumstances, the Council may grant a market adjustment to the quota allocation for a marketing period after licences have been issued by the Commodity Board for the marketing period, such that the total licences adjusted may be less than the quota allocation.
- (2) For the purposes of this Section, exceptional circumstances means conditions that are unusual, unforeseen, and out of the ordinary course of events that reduce the market demand for chicken produced in the regulated area.
- (3) The Commodity Board may apply to Council for a market adjustment by making a written request that includes all of the following:
- (a) the proposed market adjustment to the quota allocation;
 - (b) the proposed marketing period for the proposed market adjustment, including the beginning and end date of the marketing period;
 - (c) details of the exceptional circumstances upon which the request is based.

Redistributing producer's unused licensed quantity of chicken

- 24** (1) If the licensed quantity of chicken for a producer licence is limited by the producer's maximum barn capacity, the difference between the licensed quantity of chicken and the producer's maximum barn capacity must be redistributed to eligible producers by special licence based on the eligible producer's share of the total base quota registered by the Commodity Board.
- (2) A producer who has a cumulative total of more than 100 000 kg live weight of chicken redistributed under subsection (1) during a base quota period must acquire additional facilities no later than the end of the next six 8-week marketing periods.
- (3) A producer who does not comply with subsection (2) is not eligible for any adjustment under Section 22 until additional facilities are acquired.

Underproduction by producer

- 25** (1) A producer licensee who markets less than 96% of the total licensed quantity of chicken among all licences held by that producer is considered to be under producing during the applicable time period:
- (a) for a producer with an 8-week licence, a base quota period;
 - (b) for a producer with a 7-week licence, a period covering
 - (i) eight 7-week marketing periods beginning with A7-0001, or

- (ii) any 8 consecutive 7-week marketing periods after the period referred to in subclause (i).
- (2) A producer who is under producing, as described in subsection (1), must appear before the Commodity Board to explain why less chicken was marketed than licensed for.
- (3) If the Commodity Board is not satisfied with the explanation given by the producer under subsection (2), the Commodity Board may do either of the following:
 - (a) refuse to issue a licence, in whole or in part, for future marketing or licensing periods;
 - (b) refer the matter to the Council for a decision on suspending or revoking their licence under Section 10 of the Act.

Overmarketing assessment levy

- 26** (1) Except as provided in subsection (4), if a producer markets more kilograms live weight of chicken during an overmarketing assessment period than their total licensed quantity of chicken for the period, the producer must pay the following overmarketing assessment levy to the Commodity Board:
- (a) \$0.44 for every kilogram live weight of chicken marketed that is over 102% and up to and including 104% of their total licensed quantity of chicken for the period;
 - (b) \$0.88 for every kilogram live weight of chicken marketed that is over 104% of their total licensed quantity of chicken for the period.
- (2) The Commodity Board must send written notice of the amount of any overmarketing assessment levy due under subsection (1) to the producer.
- (3) A person required to pay an overmarketing assessment levy under subsection (1) must send the payment to the Commodity Board no later than 30 days after the date that the written notice under subsection (2) was received.
- (4) A producer is not required to pay all or part of an overmarketing assessment levy if the Commodity Board determines that there are extenuating circumstances for the excess marketed.

Production and marketing agreement

- 27** (1) Before each marketing period, any producer intending to produce chicken under a producer licence during the marketing period and a processor for the chicken must enter into a production and marketing agreement for the marketing period.
- (2) A production and marketing agreement must be in the form approved by the Commodity Board and must specify all of the following:

- (a) the number of chickens to be produced by the producer;
- (b) the target average weight for each chicken at marketing;
- (c) the scheduled processing week for the chickens;
- (d) the marketing period covered by the agreement.

Maximum kilograms of live weight chicken for marketing period

28 (1) The kilograms of live weight chicken that may be produced and marketed under a production and marketing agreement during a marketing period are determined by the following formula:

$$LC \geq (NC - EM) \times TW$$

in which

LC = licensed quantity of chicken for the producer licence plus any additional chicken produced under a special licence for the marketing period

NC = the number of chickens to be produced by the producer during the marketing period

EM = the expected mortality, expressed in number of chickens

TW = the target average weight at marketing.

(2) A producer and processor must not enter into a production and marketing agreement for greater than the maximum kilograms permitted by subsection (1).

Facilities requirements

29 (1) Except as provided under this Section, all chicken produced by a producer licensee, including chicken produced under a special licence, must be produced in facilities owned by the producer and registered with the Commodity Board under Section 30.

(2) To produce chicken in facilities owned by another person, a producer must submit an application to the Commodity Board, in a form approved by the Commodity Board, for approval to produce chicken in leased facilities.

(3) The Commodity Board may approve an application to produce chicken in leased facilities submitted under subsection (2) if all of the following requirements are met:

- (a) the applicant and the owner have signed a written agreement, in a form approved by the Commodity Board, that permits the applicant to produce

chicken in the leased facilities for the marketing period of the applicant's producer licence or special licence;

- (b) there is a clearly segregated and definable space allocated to the applicant in the leased facilities that permits chick placement and marketings to be accurately reported;
- (c) the applicant has agreed to do the following to confirm that the requirement in clause (b) is being met:
 - (i) provide photographic evidence to the Commodity Board, or
 - (ii) allow a designated representative of the Commodity Board to inspect the leased facilities;
- (d) the lease agreement for the leased facilities is for
 - (i) at least 1 full marketing period, and
 - (ii) no more than 12 marketing periods;
- (e) the leased facilities are registered with the Commodity Board under Section 30.

Registering facilities

- 30** (1) The owner of any facility used by a producer licensee in the production of chicken in the regulated area must register their facilities with the Commodity Board.
- (2) A small flock producer licensee is not required to register their facilities under this Section.
- (3) All of the following information must be provided to the Commodity Board to register facilities:
- (a) name and address of each owner of the facilities;
 - (b) the civic address of the facilities;
 - (c) GPS coordinates for the facilities;
 - (d) interior measurements of all buildings that are part of the facilities;
 - (e) the usable production floor space of each building, expressed in square metres.

Examining buildings registered as facilities

- 31** (1) After giving reasonable notice, the Commodity Board may examine any buildings in which chicken will be produced for the purpose of collecting the information required for registering them as facilities under Section 30.
- (2) A producer must allow a representative of the Commodity Board to enter the producer's owned or leased facilities for any of the following purposes:
- (a) to conduct an examination under subsection (1);
 - (b) for leased facilities, to ensure that there continues to be a clearly segregated and definable space as required by clause 29(3)(b).

Maximum barn capacity

- 32** (1) The Commodity Board must determine a producer licensee's maximum barn capacity under a producer or special licence using the following formula:

$$\text{MBC} = 31 \text{ kg} \times \text{RS}$$

in which

MBC = maximum barn capacity

RS = registered space in square metres-registered under clause 30(3)(e), whether owned or leased,

as recorded with the Commodity Board at the time of issuing the licence.

- (2) Despite Section 21 and subject to the maximum in subsection (3), a producer may market more kilograms live weight of chicken in a marketing period than their maximum barn capacity if the producer and the processor specify their agreement to exceed the maximum barn capacity in the production and marketing agreement filed with the Commodity Board for that marketing period.
- (3) A producer who markets more than 38 kg live weight of chicken per square metre of registered space in a marketing period exceeds housing density requirements under the Animal Care Program as defined in the *Animal Care Program and On-Farm Food Safety Assurance Program Regulations* made under the Act and is subject to the consequences of failure to meet program requirements under subsection 6(2) of those regulations.

When chicken marketed

- 33** (1) A person is deemed to have marketed a chicken when any of the following occurs:
- (a) for a producer who is also a processor, when the live chicken is removed from the producer's facilities for the purposes of processing or marketing;

- (b) in all other circumstances other than as described in clause (a), when the chicken is delivered to the plant of the processor who is paying the producer for the chicken.
- (2) Despite clause (1)(b), if chicken is delivered to a plant and not subsequently resold in any form for human consumption because it is condemned by inspectors acting under the *Health of Animals Act* (Canada) or the *Meat Inspection Act* as unsuitable for resale,
- (a) the condemned chicken is not considered to be marketed; and
 - (b) a producer licence fee under Section 17 is not required to be paid to the Commodity Board for the condemned chicken.

Vendor licences

- 34 (1) The Commodity Board may issue a vendor licence at any time.
- (2) A vendor licence expires on December 31 of the calendar year in which it is issued.
- (3) Each vendor of chicks intended to be used for meat production in the regulated area must apply for a vendor licence and be registered as a vendor by the Commodity Board.
- (4) A licensed vendor must pay to the Commodity Board a licence fee of \$0.10 for each chick sold to any person in the regulated area who does not hold a licence issued by the Commodity Board.

Special licences

- 35 The Commodity Board may issue a special licence to a producer licensee for any marketing period for any of the following:
- (a) production requested by a processor for market development fulfillment under Section 88;
 - (b) redistribution of any excess kilograms live weight of chicken determined under subsection 43(2);
 - (c) allotment of any portion of the quota allocation established for small flock production under Section 41 that is not issued through a small flock licence;
 - (d) allotment of a Production Loan for a period not exceeding 30 marketing periods;
 - (e) redistribution of production associated with any base quota registered to the New Producer Quota Fund that is not being produced through a Production Loan under subsection 9E(6);

- (f) any other circumstance that requires licensing of kilograms live weight of chicken from the quota allocation not otherwise licensed.

Small Flock Production and Licences

Small flock licence

- 36** (1) A small flock licence must include all of the following information:
- (a) the producer's name;
 - (b) the licensing period;
 - (c) the number of chickens authorized to be produced under the licence;
 - (d) [repealed]
 - (e) the address of the production facility authorized by the Commodity Board to produce the specialty chicken.
- (2) The Commodity Board must determine the number of chickens authorized to be produced under a small flock licence.
- (3) In determining the number of chickens under subsection (2), the Commodity Board must take all of the following into consideration:
- (a) the amount requested in the licence application under Section 12;
 - (b) the maximum kilograms live weight of chicken available for allotment by small flock licence under Section 41;
 - (c) the maximum number of chickens that may be authorized to be produced under a small flock licence under Section 44.

Small flock chicken labelling

- 37** (1) Small flock chicken must be clearly identified using a "Licensed by Chicken Farmers of Nova Scotia" chicken label to indicate that the chicken is chicken produced under the authority of the Commodity Board.
- (2) A small flock producer licensee may apply to the Commodity Board for approval of a licence holder-generated chicken identification label by submitting the proposed identification label with their application.

Leasing of facilities for small flock production

- 38** (1) A small flock producer licensee may only produce chicken in facilities owned by the small flock producer licensee except as authorized under this Section.
- (2) A small flock producer licensee may apply to produce small flock chicken in facilities leased by the small flock licence holder.

- (3) An application to the Commodity Board to produce small flock chicken in a leased facility must include all of the following:
- (a) a copy of the written permission from the owner of the facilities for the small flock producer licensee to produce small flock chicken in the facilities;
 - (b) written confirmation that the small flock producer licensee currently lives on the land in question, or has a plan satisfactory to the Commodity Board for attending to the chickens;
 - (c) written confirmation that only one licensed producer will be using the facilities.

Renewal of small flock licence

- 39** (1) A small flock producer licensee who is in compliance with these regulations may make a request to the Commodity Board to renew their small flock licence, instead of re-applying under Section 12.
- (2) The Commodity Board must renew a small flock licence if the conditions in subsection (1) are met.
- (3) A request to renew a small flock licence under subsection (1) must be made in a form approved by the Commodity Board.

Small Flock Production Committee

- 40** The Commodity Board must appoint a Small Flock Production Committee annually made up of all of the following:
- (a) 2 members appointed by the Commodity Board;
 - (b) 2 small flock producer licensees selected through an application process open to all registered small flock licensees.

Selection of small flock producers for Small Flock Production Committee

- 40A** (1) Each year, the Commodity Board must issue a call for applications for small flock producers to sit on the Small Flock Production Committee.
- (2) Only the following persons are eligible to sit on the Small Flock Production Committee:
- (a) a small flock producer ~~licensee~~ [licensee] who has been issued a small flock licence for the current calendar year; or
 - (b) a small flock producer ~~licensee~~ [licensee] who is eligible to renew their small flock licence for the current calendar year.

- (3) Applications under subsection (1) must be submitted in a form approved by the Commodity Board and must include all of the following:
 - (a) name of applicant;
 - (b) name and address of small flock producer licensee [licensee] represented by the applicant;
 - (c) statement of applicant qualifications.
- (4) After the Commodity Board issues a call for applications under subsection (1), the Commodity Board must appoint a panel of three independent adjudicators who are familiar with the agricultural industry in Nova Scotia and who do not have any interest in base quota.
- (5) The independent adjudicators appointed under subsection (4) must review all applications and recommend two applicants as candidates for the Small Flock Production Committee.
- (6) The candidate(s) recommended by the independent adjudicators under subsection (5) must be appointed to the Small Flock Production Committee by the Commodity Board.

Small flock production allotment established for licensing period

- 41** (1) The Small Flock Production Committee must recommend to the Commodity Board the number of kilograms live weight of chicken to be allotted for small flock production in each licensing period.
- (2) After considering the recommendations received under subsection (1), the Commodity Board must establish the number of kilograms live weight of chicken to be allotted for small flock production in each licensing period.

Distribution of small flock production allotment

- 42** (1) The number of kilograms live weight of chicken to be allotted for small flock production in a licensing period established by the Commodity Board under subsection 41(2) must be fully distributed to applicants for small flock licences as follows:
- (a) first, to small flock producer licensees who held a small flock licence in the preceding licensing period and whose renewal requests were received by the Commodity Board on or before January 15, on a pro rata basis based on the licensee's share of the total renewal requests received by January 15, up to an amount equal to the licensee's licensed production in the preceding licensing period;
 - (b) second, to small flock producer licensees who have received a small flock production allotment under clause (a) and who have requested an increase, on a pro rata basis, based on the licensee's share of the total increases requested;

- (c) third, to small flock producer licensees who held a small flock licence in the preceding licensing period, who applied after January 15 but on or before February 15, on a first-come, first-served basis;
 - (d) fourth, to first-time small flock licence applicants who have applied to the Commodity Board on or before February 15, on a first-come, first-served basis;
 - (e) fifth, to small flock producer licensees who held a small flock licence in the preceding licensing period, and first-time applicants who have applied to the Commodity Board after February 15 and on or before June 1, on a first-come, first-served basis.
- (2) The Commodity Board will only consider applications to increase, decrease or cancel small flock licences approved for the current licensing period between April 1 and July 1.

Review of small flock production allotment

- 43** (1) After June 1 of each year, the Commodity Board must review the number of kilograms live weight of chicken authorized to be produced under small flock licences for the current licensing period.
- (2) If the review under subsection (1) determines that the kilograms live weight of chicken licensed for the current licensing period is less than the small flock production allotment established under Section 37, the Commodity Board may make adjustments before producer licences are issued for the last marketing period during which small flock production will take place in the licensing period in the following manner until the excess small flock production allotment is completely allocated:
- (a) first, any producers with small flock licences who have applied for, and are eligible for, an increase of more than 1000 chickens under their licence, but who have not yet received that increase, must be offered the opportunity to increase their licence by a maximum of 1000 chickens;
 - (b) second, if any chickens remain unassigned to a small flock producer licence, producers with small flock licences other than those under clause (a) must be offered an opportunity to increase their licence by a maximum of 1000 chickens, except for the following producers:
 - (i) a producer whose production is restricted under Section 47 as a result of underproduction,
 - (ii) a producer who is already licensed to produce the maximum number of chickens that may be produced under a small flock licence under subsection 44(2);

- (c) third, despite subsection 44(2), producers with small flock licences who are already licensed to produce the maximum number of chickens that may be produced under a small flock licence under subsection 44(2) must be offered an opportunity to request up to an additional 500 chickens;
- (d) fourth, any remaining allotment must be allocated by special licence to eligible registered quota holders.

Maximum number of chickens for small flock licence

- 44** (1) After consulting with the Small Flock Production Committee, the Commodity Board must establish the maximum number of chickens that may be produced under a small flock licence.
- (2) In accordance with subsection (1), the maximum number of chickens established by the Board that may be produced under a small flock licence in a licensing period is 11 000 chickens.
- (3) Despite subsections (1) and (2), for a first-time applicant for a small flock licence, the maximum number of chickens in subsection 44(2) that may be produced under the licence in the licensing period is 1000 chickens.
- (3A) An applicant who held a specialty licence expiring on December 31, 2023, is not a first time applicant for the purposes of this Section.
- (4) The maximum increase to a small flock licence from one licensing period to the next is 1000 chickens.

Small flock licence fees

- 45** Before a small flock licence is issued by the Commodity Board, the applicant must pay all of the following fees to the Commodity Board:
- (a) a licensing fee of \$0.09 per chicken applied for, plus any applicable taxes;
 - (b) a non-refundable licence application fee of \$25;
 - (c) a fee covering the cost of any small flock labels issued by the Commodity Board.

Requirement for small flock producer licensees to comply with national standards for biosecurity and animal care

- 45A** A small flock producer licensee must comply with the most current published version of the Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chicken and Turkey and the National Avian On-Farm Biosecurity Standard.

Facilities inspection for small flock licence

- 46** (1) The Commodity Board may visit, examine, measure and photograph a producer's facilities at any time to ensure that they comply with the Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chickens and Turkeys and the National Avian On-Farm Biosecurity Standard.

- (2) The Commodity Board must conduct an inspection of the facilities of a first-time applicant for a small flock licence before July 1.

Underproduction of small flock producer licensee

- 47 If a small flock producer licensee markets less than 92% of the chicken that they are authorized to produce under their small flock licence during a licensing period, then they are eligible for only their actual amount produced plus 10% as the maximum amount that may be produced under a licence in the following licensing period.

Overmarketing assessment levy under small flock licence

- 48 (1) A small flock producer licensee who markets more chicken for a licensing period than is authorized by their small flock licence must pay the following overmarketing assessment levy to the Commodity Board:
 - (a) \$1.40 for every chicken marketed that is over 102% and up to and including 104% of the total number of chickens authorized to be produced under the licence; and
 - (b) \$2.80 for every chicken marketed that is over 104% of the total number of chickens authorized to be produced under the licence.
- (2) The Commodity Board must send written notice of the amount of any overmarketing assessment levy due under subsection (1) to the small flock producer licensee.
- (3) A person required to pay an overmarketing assessment levy under subsection (1) must send the payment to the Commodity Board no later than 30 days after the date that the written notice under subsection (2) was received.

Extenuating circumstances

- 49 (1) A small flock producer licensee's eligibility for the number of chickens to be produced under a small flock licence is not reduced under Section 47 if the Commodity Board determines that there are extenuating circumstances for the underproduction.
- (2) A small flock producer licensee is not required to pay all or part of an overmarketing assessment levy under Section 48 if the Commodity Board determines that there are extenuating circumstances for the excess marketed.
- (3) A small flock producer licensee claiming that extenuating circumstances led to the overproduction or underproduction of chicken during a licensing period must provide a detailed explanation to the Commodity Board outlining the circumstances that led to the overproduction or underproduction.
- (4) The detailed explanation under subsection (3) must be received by the Commodity Board no later than 14 days after the producer receives the written notice specifying the utilization calculation for that licensing period.

Requirements to sell or market small flock chicken for human consumption

50 A person must not sell or market small flock chicken for human consumption unless the chicken meets all of the following:

- (a) the chicken is produced under an annual licence issued by the Commodity Board for no more than the maximum as set out in subsection 44(2);
- (b) the chicken is processed in a provincially-inspected processing plant between April 1 and November 30; and
- (c) the chicken is grown and marketed directly in Nova Scotia to retail or the consumer by the licensee.

Production of small flock chicken by holder of producer licence

51 (1) Except as provided in subsection (2), a person is not eligible to hold a producer licence and a small flock licence at the same time.

(2) A producer may produce small flock chicken under their producer licence if they meet all of the following conditions:

- (a) they produce all or a portion of their licensed quantity of chicken as small flock chicken;
- (b) they report the kilograms live weight of chicken marketed to the Commodity Board in the marketing period for which they were licensed;
- (c) they pay the fee as stipulated in clause 45(a) for all chicken marketed;
- (d) they comply with all requirements for chicken marketed as small flock chicken, including the labelling requirements in Section 37.

Transferring small flock licence

52 (1) Subject to subsection (2), the Commodity Board may approve a transfer of a small flock licence if the transfer meets either of the following criteria:

- (a) it is part of a sale of a complete farm business;
- (b) it is done for the purposes of succession planning.

(2) The Commodity Board may approve a transfer of a small flock licence under subsection (1) only if the small flock licence proposed to be transferred was issued in the farm business name.

(3) A small flock licence transferred under subsection (1) must continue to be produced in the original production facility location for a period of 12 months after the transfer.

- (4) If a small flock licence is transferred in accordance with this Section, the transferee is not considered a first-time applicant.

53 Chicken processed in the regulated area must be processed by

- (a) a federally-inspected processor;
- (b) a provincially-inspected processor.

54 A person licensed by the Commodity Board may only purchase chicks from

- (a) a federally-inspected hatchery;
- (b) a licensed vendor.

Part IV - Records and Reporting

Licensee required to maintain records

55 A licence holder must maintain complete and accurate records relating to their production, marketing, processing and hatching of chicken.

Requirement to give information

56 (1) If requested in writing by the Commodity Board, a licence holder must provide any information relating to their production, marketing, processing, or hatching of chicken to the following:

- (a) the Commodity Board;
- (b) any agent of the Commodity Board authorized for that purpose.

(2) The information provided under subsection (1) must be in the appropriate forms as referred to in this Part.

Forms approved by the Commodity Board

57 Any report, form or certificate required to be provided to the Commodity Board under this Part must be in a form approved by the Commodity Board.

Processor reports

58 (1) A federally-inspected processor must send the Commodity Board a properly completed processor marketing report in relation to all chicken processed by the processor during the previous week no later than 3 business days after the end of each week.

(2) A provincially-inspected processor must send the Commodity Board a properly completed processor marketing report in relation to all chicken processed by the processor during the previous month no later than 10 business days after the end of each month.

Small flock licence holder reports

- 59** A small flock producer licensee must send the Commodity Board a properly completed small flock chicken production report no later than 10 days after the shipment of each flock.

Return recap form

- 60** A producer licence holder must send a properly completed return recap form to the Commodity Board in relation to all chicken marketed by the producer no later than 21 days after marketing the chicken.

Hatchery report

- 61** (1) A hatchery operator must send the Commodity Board a properly completed hatchery report no later than 10 days after the end of each month.
- (2) A hatchery report under subsection (1) must include all of the following information for all chicks delivered within the regulated area:
- (a) the number and variety of chicks delivered to each person;
 - (b) the name and address of each person chicks were delivered to.

Vendor report

- 62** (1) A vendor licence holder who sells chicks to any person must send the Commodity Board a completed vendor report no later than 10 days after the end of each month.
- (2) A vendor report under subsection (1) must include all of the following information:
- (a) the vendor's name and address;
 - (b) the quantity of chicks sold or delivered in the reporting period to each person;
 - (c) the name and address of each person chicks were sold or delivered to in the reporting period.

Certificate of interest in base quota

- 63** (1) At least once every 36 months, a person who has been issued base quota must submit a certificate of interest in base quota to the Commodity Board that identifies all of the following:
- (a) each person who has an interest in the base quota as of March 1 of the calendar year in which the certificate is provided;
 - (b) all persons who are associated with each person identified under clause (a);
 - (c) any creditors with a security interest in an interest in base quota held by any person identified under clause (a).

- (2) At any time, the Commodity Board may require a person who has been issued base quota to submit a certificate of interest in base quota in accordance with subsection (1) to the Commodity Board no later than 30 days after receiving notice of the requirement.
- (3) If a natural person who has been issued base quota or has an interest in base quota dies, that person's executor, administrator or other authorized representative must submit an application for transfer of base quota pursuant to subsection 9A(3) no later than 120 days after the person's death.

Commodity Board required to provide form or report

- 64** The Commodity Board must, upon written request, provide a copy of any form or report to be completed under these regulations.

Failure to provide report, agreement, certificate or form

- 65** If a licence holder or applicant fails to provide any completed report, agreement, certificate or form required by these regulations, the Commodity Board may
- (a) refuse to issue a licence, in whole or in part; or
 - (b) refer the matter to the Council for a decision on suspending or revoking the licence holder's licence under Section 10 of the Act.

Part V - Pricing

Base price

- 66** (1) The Price Negotiating Committee must immediately send the Executive Director of the Commodity Board the price that is
- (a) recommended as the base price under clause 8(1)(b) of the Plan; or
 - (b) established as the base price by final offer arbitration under Part VII.
- (2) The Executive Director of the Commodity Board must do all of the following on receiving the base price under subsection (1):
- (a) publish the base price;
 - (b) distribute the base price as soon as practicable to each producer and processor.
- (3) The base price includes all costs incurred in catching chickens at the facilities of a producer.

Premium added to base price

- 67** (1) In addition to the base price, the Commodity Board may, by motion, determine a premium per kilogram of live weight of chicken to be paid by a processor to a producer.
- (2) The premium paid to a producer by a processor must be based on the average kilograms live weight of chicken contained in each individual truckload shipped by the producer to the processor.

Condemned chicken

- 68** A processor purchasing chickens must pay for all chickens received at the facilities of a producer except for chickens that are condemned at the processing plant by inspectors acting under the *Health of Animals Act* (Canada) or the *Meat Inspection Act* because of reasons of disease or emaciation.

Bruised chicken

- 69** A processor must not seek compensation from a producer for bruised chicken parts or wholly bruised chickens received from the producer.

Requirement to pay base price

- 70** Unless authorized by the Commodity Board in writing, a producer must not sell or offer to sell, and a processor must not buy, chicken at a price less than the base price.

Part VI - Appeals

Right and request to appeal to Council

- 71** (1) An interested person or class of persons affected by a decision of the Commodity Board has the right to appeal to the Council a decision on any of the following:
- (a) cancellation of a licence;
 - (b) refusal to issue a licence;
 - (c) refusal to approve a quota transfer;
 - (d) cancellation of base quota;
 - (e) refusal to issue quota allocation.
- (2) Upon request, Council must hear an appeal of a decision listed in subsection (1).
- (3) An interested person or class of persons affected by a decision of the Commodity Board has the right to appeal to Council for decisions other than those specified in subsection (1) and upon request Council may, in its discretion, determine whether to hear the appeal.

Reconsideration of decision by Commodity Board

- 72** (1) Before requesting an appeal under Section 71, an interested person or class of persons affected by a decision must first make a formal request to the Commodity Board to reconsider its decision.
- (2) A request under subsection (1) must be submitted in writing to the Executive Director of the Commodity Board no later than 30 days after the decision that is the subject of the request was made.

Request to appeal to Council

- 73** A request for appeal under Section 71 must be submitted in writing to the Council no later than 30 days after the date the reconsidered decision was made by the Commodity Board under Section 72.

Requirements for reconsideration by Commodity Board or appeal to Council

- 74** (1) A request for a reconsideration of a decision under Section 72 must set out, concisely and completely, all of the reasons for the reconsideration or appeal, including all of the following:
- (a) the specific act or omission of the Commodity Board;
 - (b) the date of the act or omission of the Commodity Board;
 - (c) the grounds for the request for reconsideration or appeal;
 - (d) the grounds that the appellant has for believing that they have a sufficient personal interest in the subject matter of the reconsideration or appeal.
- (2) A request for an appeal to the Council under Section 73 must be made in the form and manner required by Council.

Part VII - Final Offer Arbitration Procedure

No recommended base price

- 75** If the Price Negotiating Committee fails to agree on a base price to recommend to the Commodity Board, as provided for in clause 8(1)(b) of the Plan, a final offer arbitration hearing must be held.

Parties to final offer arbitration hearing

- 76** The Commodity Board and each federally-inspected processor are the parties to a final offer arbitration hearing.

Setting time and place of hearing

- 77** (1) The Executive Director of the Commodity Board must send a written meeting notice to the parties by e-mail that includes the date and time for the final offer arbitration hearing.
- (2) The date set for a final offer arbitration hearing must be no later than the Thursday immediately after the beginning of a marketing period.

- (3) A final offer arbitration hearing takes place at the office of the Commodity Board, unless the parties and the arbitrator agree on another location.

Approved list of arbitrators

- 78**
- (1) The Commodity Board must maintain a list of at least 3 arbitrators that is agreed to by each party and must update the list at least annually.
 - (2) By April 30 of each year, the Commodity Board must send all of the following by e-mail to each federally-inspected processor:
 - (a) the current approved list of arbitrators;
 - (b) the Commodity Board's recommendations for any names to be added to, or deleted from, the current approved list of arbitrators;
 - (c) a request that the federally-inspected processors make further recommendations for any names to be added to, or deleted from, the current approved list of arbitrators.
 - (3) Each federally-inspected processor must respond to the recommendations and request sent under subsection (2) by providing all of the following to the Commodity Board by e-mail on or before May 31 of each year:
 - (a) their approval or disapproval of the Commodity Board's recommendations under clause (2)(b);
 - (b) their recommendations under clause (2)(c) regarding any names to be added to, or deleted from, the current approved list of arbitrators.
 - (4) Despite subsection (1), if the Commodity Board and federally-inspected processors are unable to agree on a list of arbitrators by June 30 of any year,
 - (a) the Commodity Board must notify Council as soon as possible that an agreement has not been reached; and
 - (b) after receiving notification under clause (a), the Council must provide a list of at least 3 arbitrators to the Commodity Board and each federally-inspected processor.
 - (5) A list provided by the Council under clause (4)(b) is deemed to be the approved list of arbitrators and remains in effect until the Commodity Board and federally-inspected processors agree on an approved list.

Appointment of arbitrator

- 79**
- (1) The Commodity Board must appoint an arbitrator from the approved list of arbitrators at least 5 days before the date set for the final offer arbitration hearing.

- (2) The Commodity Board must appoint arbitrators in the order in which their names appear in the list, on a rotational basis, subject to their availability.

Representation at hearing

- 80** (1) Each party to a final offer arbitration hearing may be represented by counsel or 1 or more agents.
- (2) Except with the consent of the arbitrator, no more than 3 officers or directors of a party may be present during a final offer arbitration hearing.
 - (3) Any of the officers or directors present during a final offer arbitration hearing may speak on behalf of the party that they represent.

Exchange of documents

- 81** (1) At the beginning of a final offer arbitration hearing, each party must provide
- (a) 1 copy of their written submission specifying their final offer regarding price and outlining the facts supporting the final offer to the arbitrator; and
 - (b) 2 copies of the written submission referred to in clause (a) to each other party.
- (2) A party must not remove any written submission from the place of the final offer arbitration hearing until each party has made representations to the arbitrator with respect to their written submissions.

Conducting final offer arbitration hearing

- 82** (1) An arbitrator may conduct a final offer arbitration hearing in accordance with these regulations in any manner the arbitrator considers appropriate, as long as each party is treated fairly and given full opportunity to present their case.
- (2) Except as agreed to by all parties and the arbitrator, a final offer arbitration hearing must begin with oral presentations by each party during which only the arbitrator may ask questions.
 - (3) Except as agreed to by all parties and the arbitrator, there must be a break in the hearing after the parties have made oral representations, for a duration determined by the arbitrator, to permit the parties and the arbitrator to review the written submissions and oral representations.
 - (4) Following the break referred to in subsection (3), each party has the right to cross-examine each representative of each other party on their written submissions and oral representations made.
 - (5) A person must not, at any time, convey any information to the arbitrator except as part of the final offer arbitration hearing and in the presence of all parties to the arbitration.

- (6) An arbitrator must not meet separately with any party or receive information from a party without full disclosure of the information to the other parties.

Confidentiality

- 83** (1) A final offer arbitration hearing must be held in private.
- (2) All documents relevant to a final offer arbitration hearing, including the written decision of the arbitrator, must be kept confidential by the arbitrator and the parties and must not be disclosed to any other person, except with the written consent of all parties.

Evidence at hearing

- 84** (1) Each party must provide a statement of facts and relevant documents in support of its position.
- (2) An arbitrator is the judge of the relevancy and materiality of the evidence offered in a final offer arbitration hearing and is not required to apply the legal rules of evidence.

Examination of parties

- 85** Subject to subsection 82(6), an arbitrator may order a party, or their representative, to submit to examination by the arbitrator under oath or affirmation and to submit all documents that the arbitrator requires.

Decision of arbitrator

- 86** (1) An arbitrator must select 1 of the parties' final offers as set out in the party's written submission as the base price for the purpose of subsection 66(1).
- (2) An arbitrator must provide all of the following to all parties to a final offer arbitration hearing:
 - (a) an oral decision, no later than 24 hours after the conclusion of the hearing;
 - (b) a written decision with reasons, no later than 7 days after the conclusion of the hearing.
 - (3) In making a decision, an arbitrator must consider only the written and oral representations made by the parties during a final offer arbitration hearing.
 - (4) An arbitrator's decision is final and binding upon the parties.

Arbitrator's fees

- 87** An arbitrator's fees for conducting a final offer arbitration hearing must be paid by the Commodity Board.

Part VIII - Market Development

Request by processor for market development production

- 88** A processor requesting market development production must
- (a) have completed a Market Development Commitment Form and have the form approved by Chicken Farmers of Canada; and
 - (b) include the market development production on a production and marketing agreement entered into under Section 27.

Eligibility for special licence for market development

- 89** A producer licensee is eligible to be issued a special licence for market development for a marketing period if their maximum barn capacity is sufficient to accommodate production under both their producer licence and a special licence for market development within 1 marketing period.

Eligibility to receive market development regulated chicken

- 90** A processor is eligible to receive market development chicken for processing if the processor holds a valid market development licence issued by the Chicken Farmers of Canada.

Total market development production permitted

- 91** Total market development production for a marketing period must not exceed 16% of the quota allocation for the marketing period.

Calculation of market development production utilization

- 92** A producer licensee who holds a special licence for market development production will have their production attributed to their licences as follows:
- (a) first, their production will be attributed to their special licence for market development;
 - (b) second, subject to Sections 25 and 26, all remaining production by the producer for that marketing period will be attributed to the producer's producer licence.

Market development fee

- 93** (1) A processor requesting market development chicken for processing must establish a market development fee for each 8-week marketing period, expressed as a dollar amount per live kilogram of market development production.
- (2) A producer providing market development regulated chicken to a processor for processing must pay the market development fee to the processor for each 8-week marketing period.
- (3) A processor must communicate the market development fee for an 8-week marketing period under subsection (1) to the Commodity Board at least 2 marketing periods before the marketing period of production.

Marketing and marketing development production and payment

94 Marketing of market development production and payment for that production by the requesting processor is subject to all of the following provisions respecting payment of fees:

- (a) Section 17, respecting producer licence fees;
- (b) Section 18, respecting deduction of producer licence fees;
- (c) subsection 33(2) and Section 68, respecting condemned chicken.

Legislative History Reference Tables

Chicken Farmers of Nova Scotia Regulations

N.S.
Reg. 109/2020

Natural Products Act

Note: The information in these tables does not form part of the regulations and is compiled by the Office of the Registrar of Regulations for reference only.

Source Law

The current consolidation of the *Chicken Farmers of Nova Scotia Regulations* made under the *Natural Products Act* includes all of the following regulations:

N.S. Regulation	In force date*	How in force	Royal Gazette Part II Issue
109/2020	Sep 1, 2020	date specified	Sep 11, 2020
100/2021 ³	Jun 18, 2021	date filed (not filed within 7 days)	Jul 2, 2021
230/2022	Oct 15, 2022	date specified	Oct 21, 2022
25/2023	Feb 12, 2023	date specified	Feb 10, 2023
198/2023	Dec 1, 2023	date specified	Dec 1, 2023
246/2023	Jan 1, 2024	date specified	Jan 12, 2024

The following regulations are not yet in force and are not included in the current consolidation:

N.S. Regulation	In force date*	How in force	Royal Gazette Part II Issue
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*See subsection 3(6) of the *Regulations Act* for rules about in force dates of regulations.

Amendments by Provision

ad. = added
am. = amended

fc. = fee change
ra. = reassigned

rep. = repealed
rs. = repealed and substituted

Provision affected	How affected
2, defn. of “base quota”	rs. 230/2022
2, defn. of “base quota period”	am. 230/2022
2, defn. of “Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chicken and Turkeys”...	ad. 246/2023
2, defn. of “eligible new entrant”	rep. 230/2022
2, defn. of “Eligible New Farmer”...	ad. 230/2022
2, defn. of “free range chicken”	rep. 246/2023
2, defn. of “initial acquisition”	ad. 100/2021; am. 230/2022
2, defn. of “licensing period”	am. 246/2023
2, defn. of “marketing period”	am. 246/2023
2, defn. of “National Avian On-Farm Biosecurity Standard”	ad. 246/2023
2, defn. of “New Producer”	ad. 230/2022
2, defn. of “New Producer Quota Fund”	ad. 230/2022
2, defn. of “organic chicken”	rep. 246/2023
2, defn. of “Production Loan”	ad. 230/2022
2, defn. of “small flock chicken”	ad. 246/2023
2, defn. of “small flock producer licensee”	ad. 246/2023
2, defn. of “Small Flock Production Committee”	ad. 246/2023
2, defn. of “specialty chicken”	rep. 246/2023
2, defn. of “specialty producer licensee”	
...	rep. 246/2023
2, defn. of “Specialty Production Committee”	rep. 246/2023
2, defn. of “total production”	am. 230/2022
7.....	rs. 100/2021
7(1).....	am. 230/2022
7(2).....	am. 230/2022
9C(c).....	am. 230/2022

ad. = added
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Provision affected	How affected
9C(g).....	ad. 230/2022
9D.....	rs. 230/2022
. 9D(1)(b).....	rs. 198/2023
9E-9F.....	rs. 230/2022
9G.....	rs. 230/2022
9G(3)-(4).....	rs. 100/2021
9G(5).....	ad. 100/2021
9H.....	rs. 230/2022
9H(2).....	rs. 100/2021
9I.....	rs. 230/2022
9IA.....	ad. 230/2022 ⁴
10(2).....	am. 246/2023
11(e).....	rs. 246/2023
15.....	am. 230/2022
15(b).....	am. 230/2022, 246/2023
15(c).....	ad. 230/2022; am. 246/2023
17(1).....	am. 25/2023
21(b)(i).....	am. 230/2022
30(2).....	am. 246/2023
35.....	rs. 230/2022
. 35(c).....	am. 246/2023
36(1).....	am. 246/2023
. 36(1)(d).....	rep. 246/2023
36(2)-(3).....	am. 246/2023
37-48.....	rs. 246/2023
49.....	am. 246/2023
50-52.....	rs. 246/2023
59.....	rs. 246/2023

Note that changes to headings are not included in the above table.

Editorial Notes and Corrections

Note	Effective date
1 Subclauses (i) to (iii) in the definition of “licensing period” that were lettered as clauses (a) to (c) in original text redesignated as	Sep 1, 2020

Note	Effective date
subclauses (i) to (iii) for the purposes of this consolidation.	
2 Original text does not include any other subsections in Section 22. Subsection 22(1) redesignated as Section 22 for the purposes of this consolidation.	Sep 1, 2020
3 The amendment to s. 9H(3) by N.S. Reg. 100/2021 contains instructions to remove the brackets around “[subsection]”, but the brackets were an editorial change by ORR and not part of the regulations as filed. The amendment has not been applied by ORR for the purposes of this consolidation.	Jun 18, 2021
4 Second Section 9J added by N.S. Reg. 230/2022 redesignated as Section 9IA for the purposes of this consolidation.	Oct 15, 2022

Repealed and Superseded

N.S. Regulation	Title	In force date	Repealed date
140/1982	Regulation #1—Interpretation Regulation	May 13, 1982	Jul 17, 1984
141/1982	Regulation #2—Quota Regulations	May 13, 1982	Jul 17, 1984
142/1982	Regulation #3—Licensing and Fee Regulations	May 13, 1982	Jul 17, 1984
143/1982	Regulation #4—Records and Reporting Regulations	May 13, 1982	Jul 17, 1984
144/1982	Regulation #5—Pricing Regulations	May 13, 1982	Jul 17, 1984
145/1982	Regulation #6—Administrative Orders	May 13, 1982	Jul 17, 1984
136/1984	Chicken Marketing Board Regulations	Jul 17, 1984	Jan 19, 2000
13/2000	Chicken Farmers of Nova Scotia Regulations	Jan 19, 2000	Dec 8, 2004
11/2005	Chicken Farmers of Nova Scotia Regulations	Dec 8, 2004	Sep 1, 2020

Note: Only regulations that are specifically repealed and replaced appear in this table. It may not reflect the entire history of regulations on this subject matter.