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Impacted Stakeholder Associations

Via Email

Dear Industry Association Stakeholders,

Tomorrow Restaurants Canada is launching a proactive "Chickan't Afford Me Anymore" social media campaign highlighting the impact another large 10% chicken price increase would have on BC restaurants and consumers urging the British Columbia government to take action to help prevent this price jump. The British Columbia Chicken Marketing Board's proposal for a 10% increase in the cost of chicken will mean the restaurant industry and consumers will be hit with another significant price hike. The soaring cost of this widely consumed and versatile meat protein could prove detrimental to restaurants of all sizes in British Columbia, where chicken forms an essential part of menus and dietary preferences.

Collaboration between industry stakeholders and government entities is essential to ensure the viability and sustainability of the foodservice sector, especially now, with 62% of the industry being unprofitable. The BC Farm Industry Review Board can do the right thing by averting this unfair cost increase that would only further financially burden restaurants and consumers at a time they can least afford it.

Earlier this month Restaurants Canada conducted public opinion research asking British Columbians to provide their views on the proposed 10% chicken price increase. Here are some highlights of what we heard from British Columbians:

- 44% of British Columbians recognize that restaurants in their area are struggling. This is partly due to a
 decrease in restaurant usage: 44% of BC residents report using restaurants less often than in the past with only
 14% using restaurants more. Among those using restaurants less, 85% cite rising costs as a rationale.
- 91% of British Columbians say prices are rising at restaurants in their area (65% a lot higher) with 78% saying restaurants are doing their best to cope with a difficult economic situation.
- Only 38% of British Columbians say the price of chicken is currently affordable. 78% say they would be concerned if chicken prices rose 10%, with 21% very upset. If this price increase were to occur, almost half (48%) of BC residents would buy less chicken, and a quarter (24%) would stop buying chicken altogether.

Restaurants Canada became aware of this proposed 10% price increase before Christmas and both Restaurants Canada and several members wrote letters asking the BC Farm Industry Review Board (FIRB) to reject the significant price increase proposal which comes after chicken prices in BC have already increased by more than 8% since the pandemic making BC chicken the most expensive in Canada. Unfortunately, we were informed by BC FIRB that we had no standing at the board and that our letters could not even be distributed to board members for consideration.

Restaurants Canada also contacted the BC Agriculture Minister and the Premier's office to make them aware of the issue and to ask for their involvement in stopping the recommended price increase. We were informed that the board making the decision was independent and had to be permitted to go through the process of price setting, without government involvement.

On Monday January 22nd Restaurants Canada also issued the following <u>BC chicken price press release</u> to inform the public of our opposition to the proposed 10% BC chicken price increase criticizing the approval process where Restaurants Canada and other consumer focused organizations are not recognized as stakeholders by the BC FIRB asking the BC government to intervene on behalf of consumers.

We encourage you to support the "Chickan't Afford Me Anymore" campaign by amplifying the campaign on social media and join us in asking the BC government to intervene to ensure that proposed 10% chicken price increase is rejected by the BC Farm Industry Review Board. A backgrounder is also attached for your information.

If you have any questions on the proposed 10% chicken price increase or the "Chickan't Afford Me Anymore" campaign, please do not hesitate to contact me.

Sincerely,

Mark von Schellwitz

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Vice President, Western Canada

Attachment