



# Quota Credit Policy

as amended August 2022

## GENERAL CRITERIA:

1. Egg Farmers of Ontario's Quota Credit Program allows layer producers to recover lost production, as identified below, by issuing credit birds for utilization at a later flock placement.
2. Production Quota (PQ) that is out of production for a minimum of fourteen (14) days may qualify for Quota Credits.
3. The qualifying period is the days the PQ is out of production (disposal to placement, to a maximum of one (1) year minus seven (7) days downtime).
4. The Quota Credit calculation is the product of the qualifying PQ multiplied by the number of days in the qualifying period and divided by the standard 358-day lay cycle. Only Short Placement Quota Credit calculations will include program birds.
5. Producers may accumulate Quota Credits.
6. Quota Credits that are issued by EFO do not expire unless cancelled by EFO.
7. Quota Credits are issued by quota number and cannot be transferred to other registered premises.
8. The Allotment on EFOOnline will automatically include any available Quota Credits subject to capacity limitations. Producers will be able to request a deferral of Quota Credits.
9. Producers must apply for Quota Credits before EFO issues the associated Allotment using the "Application for Quota Credits" form found on EFOOnline.
10. Producers will receive a Quota Credit estimate for inclusion in the Allotment and will be provided with the final amount after the Initial Count. Any differences will be carried over to the following year.
11. Changes leading to out-of-production periods of less than fourteen (14) days will result in void credits. The next available flock Allotment will include negative credits equal to the void amount if credits are determined void after placement in the barn.
12. Producers earning Quota Credits are required to file disposal paperwork with EFO as confirmation of the flock disposal date and inventory.
13. The EFO Quota Credit Program reflects Egg Farmers of Canada's National Quota Credit Program.
14. The placement of Quota Credits is subject to the discretion of the Board with respect to overall provincial allocation utilization.
15. Quota Credits are issued under the following situations:

### *Renovation Quota Credits*

- i. Producers who are building a new barn or renovating an existing barn resulting in their PQ being out of production may apply for a Renovation Quota Credit.

### *PQ Re-alignment Quota Credits*

- ii. Producers can choose to realign the PQ distribution between barns and intentionally short-place one barn so that the PQ is available for later placement. When PQ is out of production, producers may apply for a PQ Re-alignment Quota Credit.
- iii. Any permanent relocation of PQ must be either between two barns on the same registered premises or between commonly owned registered premises.

### *QTS Quota Credits*

- iv. Quota acquired through the QTS may qualify for Quota Credits when purchased prior to flock placement. These credits are issued automatically to eligible producers up to a maximum of the initial purchase amount.

### *Short-Placement Quota Credits*

- v. A short placement is when unexpected mortality in the pullet barn results in layer producers receiving fewer birds than the issued Allotment.



- vi. Producers may be eligible to receive Quota Credits to compensate for the difference between bird inventories at the Initial Count vs. the Allotment.
- vii. Layer producers must apply before the Initial Count by submitting a completed “Application for Short-Placement Quota Credits” form found on EFOOnline.
- viii. The submission of all pullet reporting including the Day-Old report, Two Week and Ten Week Mortality reports, and 19-Week report is required.
- ix. Quota Credits will be issued if the short placement results from high mortality in an Ontario pullet barn.
- x. Quota Credits will be issued when the difference in inventory at flock placement is more than one-quarter of a percent (0.25%) of the Allotment and is more than twenty-five (25) birds.
- xi. Only placements that are short upon delivery and remain below their Allotment at the Initial Count will be eligible.
- xii. Short placement quota credit calculations include program birds; unused credits will not earn additional credits.
- xiii. Credits will not be issued if a producer orders fewer birds than the issued Allotment.
- xiv. If a producer owns more PQ than available barn capacity quota credits will not be issued for the PQ that exceeds the barn capacity.
- xv. All other short placement situations will be reviewed by EFO on a case-by-case basis.

#### *Home Week Change Quota Credits*

- xvi. Quota Credits may be issued if a change to a later Home Week results in the layer barn being out of production for more than fourteen (14) days.
- xvii. An application to request a Home Week change will also act as an application for Quota Credits.