



August 5, 2009

File: 44200-60 EM REV

DELIVERED BY EMAIL

Peter Whitlock
Chair
British Columbia Broiler Hatching
Egg Commission
180 – 32160 South Fraser Way
Abbotsford BC V2T 1W5

Blaine Gorrell
Chair
British Columbia Milk Marketing Board
200 – 32160 South Fraser Way
Abbotsford BC V2T 1W5

Ron Kilmury
Chair
British Columbia Chicken Marketing Board
101 – 32450 Simon Ave
Abbotsford BC V2T 4J2

Ron Charles
Chair
British Columbia Turkey Marketing Board
106 – 19329 Enterprise Way
Surrey BC V3S 6J8

Richard King
Chair
British Columbia Egg Marketing Board
150 – 32160 South Fraser Way
Abbotsford BC V2T 1W5

Dear Sirs:

2009/10 ENHANCING MARKETS REVIEW – UPDATE ON PROCESS

I write to follow up on past correspondence and meetings concerning the British Columbia Farm Industry Review Board's (BCFIRB) Enhancing Markets Review (EMR).

Originally, as you know, the EMR was intended to be a broader review in consultation with all marketing boards and commissions and industry stakeholders regarding means by which the overall ability of the British Columbia regulated marketing sector to create, respond to and expand market opportunities could be enhanced. This included an assessment and potential amendment of policies implemented in the 2005 Specialty Review of supply managed sectors and the identification of opportunities for removing regulatory constraints that limit the system's ability to respond effectively to market opportunities.

British Columbia
Farm Industry Review Board

Mailing Address:
PO Box 9129 Stn Prov Govt
Victoria BC V8W 9B5
Telephone: 250 356-8945
Facsimile: 250 356-5131

Location:
3rd Floor, 1007 Fort Street
Victoria BC V8V 3K5
Email: firb@gov.bc.ca
Website: www.firb.gov.bc.ca

However, the current budget situation facing Government has required BCFIRB to scale back the EMR to an assessment and potential amendment of the 2005 Specialty Review policies in the supply managed sector; which review BCFIRB and the Ministry of Agriculture and Lands (Ministry) committed to as part of the Specialty Review. This said, it must also be noted – as recognized in the 2005 Review – that specialty production and marketing in the sector can be affected by a variety of issues, including national allocation systems, quota management, exemption levels, support to regions, levies and fees, governance, biosecurity and food safety.

As any regulated marketing system should on an ongoing basis be identifying and assessing potential constraints on its ability to meet market challenges, this also will be part of the Specialty Review policies assessment.

Resource restraints have also impacted on the review process. In order to reduce costs, while ensuring there is broad and transparent consultation, BCFIRB will be maximizing the use of its website and other electronic means of communication to facilitate discussion. To the extent that resources allow, there will still be some in-person meetings with the boards, industry stakeholders and the public.

At its June 16, 2009 board meeting, BCFIRB formally revised its approach to the EMR.

1. Develop a document that will summarize stated Ministry policy expectations and BCFIRB supervisory expectations and directions. The boards will then be asked to prepare written assessments comparing their current programs to these policy expectations and directions in a “consultation ready” form. This is only an information gathering exercise to establish a basis upon which further consultation can take place as outlined below. BCFIRB will consult with the boards as may be required at this stage to make sure there is a common understanding between the regulatory agencies as to where things currently stand. BCFIRB expects to have this document to the boards by mid September.
2. Prepare internally, and in discussion with the Ministry, a list of the issues, concerns and complaints that have been expressed to date (from boards, industry stakeholders and the public) with respect to the current policy framework and board programs. We anticipate this document, also to be used as basis for further consultation, should be available approximately mid-September.
3. BCFIRB consultation with boards, industry and the public based at the start on information at #1 and #2. We currently anticipate this taking place November 2009 through January 2010 and expect to work jointly with the boards on much of this consultation.
4. Review and analysis of information received, further consultation as required (including with the Ministry regarding its policy expectations), culminating with a BCFIRB supervisory report outlining updated expectations and principles for the management of specialty production and marketing in the BC supply managed sector by end April 2010.

5. Boards use these updated expectations and principles as basis for revision/development of their orders and programs going forward.

In preparation for step #1, we would like to draw your attention to the following, which establish the current policy framework and expectations upon which BCFIRB's [September 1, 2005 Specialty Review Directions](#) (as well as the [BCFIRB Strategic Plan](#)) are based:

- a. the Ministry's July 2004 [Regulated Marketing Economic Policy](#);
- b. the December 20, 2004 report, [Recommendations for Managing Specialty Agri-Food Products in British Columbia's Supply Managed System](#) prepared for and adopted by the Ministry and which established the policy framework for specialty production and marketing in BC¹; and
- c. the 2005 [Memorandum of Understanding](#) (MOU) between the Minister of Agriculture, the chair of BCFIRB and the chair of the British Columbia Egg Marketing Board (BCEMB) which, although not currently in effect, provides guidance as to expectations arising from the "policy framework established in the provincial Regulated Marketing Economic Policy...and through the Specialty Production Program Review."

These documents are available on our website along with our Strategic Plan, which has taken the stated Ministry policy framework outlined in all three of these documents into consideration. As BCFIRB and the boards have already discussed, each board's own strategic planning should also take this policy framework into account generally, as well as in managing specialty production and marketing in their sector, as contemplated in the BCEMB MOU:

The BCEMB chair will ensure that the BCEMB develops a forward-looking, long-term industry strategy after consultation with all industry participants. The strategic plan, once approved by BCFIRB, will establish performance objectives consistent with implementation of the Economic Policy, the policy framework established by the Specialty Production Program Review and any other objectives identified to ensure a strong and vibrant industry. The strategic plan will form the basis to measure the performance of the BCEMB. The BCEMB will identify in consultation with BCFIRB the performance measures it will use to describe progress.

BCFIRB would like to thank the boards and other interested persons for their patience while we restructured the approach to fulfilling our commitment to review this important matter. Please do not hesitate to contact BCFIRB if you have any questions at this time.

Yours truly,

Richard Bullock

¹ In a February 7, 2005 letter, the Minister of Agriculture in reference to this document stated that "implementing the policy framework...provides a good path forward" and that the "framework is consistent with the *Regulated Marketing Economic Policy*."

Chair

pc: Harvey Sasaki, Assistant Deputy Minister
Strategic Industry Development
Ministry of Agriculture and Lands

John Savage, Chair
British Columbia Cranberry Marketing Commission

George Leroux, Chair
British Columbia Hog Marketing Commission

David Taylor, Chair
British Columbia Vegetable Marketing Commission

Website

2009/10 Enhancing Markets Review Distribution List