BC Farm Industry Review Board

January 18, 2021 File: 44200-20\BHEC

DELIVERED BY EMAIL

Jim Collins Chair BC Broiler Hatching Egg Commission

Dear Mr. Collins:

NEW PRODUCER PROGRAM TEMPORARY SUSPENSION APPROVAL REQUEST

Thank you for your December 23, 2020 letter requesting that the BC Farm Industry Review Board (BCFIRB) approve a temporary suspension of the Broiler Hatching Egg Commission's (Commission) New Producer Program (NPP). The purpose of the temporary suspension is to allow time for the Commission to review and update the program.

Program Status

Currently, there are four persons remaining on the Potential Producer Waitlist (PPL). Under the NPP rules, the Commission would be required to invite a person to start in 2021 as it has more than 5,000 units of quota in its NPP reserve. In turn, the invitation would trigger the requirement for a lottery to repopulate the PPL as there would be three or fewer persons on the PPL.

The Commission originally planned to review the NPP in 2020, but the review, along with other initiatives, was delayed due to COVID-19 related industry impacts. It has committed to reviewing the NPP in 2021, including the integration of newly regulated specialty production, and considering regional diversification. It also plans to concurrently review its quota management in light of BCFIRB's Quota Assessment Tools Evaluation (QATE) supervisory review directions¹. The NPP was reviewed approximately 10 years ago.

Process

The Commission met with those on the PPL in December 2019 to discuss the planned NPP review. On December 23, 2020, it invited persons on the PPL to provide input in

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¹ 2018 February 2. BCFIRB. <u>In the Matter of the *Natural Products Marketing (BC) Act* and Quota Assessment Tools Supervisory Review.</u>

writing by January 6, 2021 on its planned review and proposed request to BCFIRB to temporarily suspend the NPP. Persons on the PPL were informed they would retain their current position on the PPL but would be subject to any changes to the NPP rules following the review. No input was received by the Commission as of January 11, 2021.

Considerations and Conclusion

As reiterated in the QATE decision, BCFIRB expects BC's commodity boards, including the Commission, to regularly review and update new entrant programs to ensure the programs remain effective and strategic. BCFIRB agrees it is strategic to review the NPP concurrently with regional diversification, integration of specialty production entry opportunities and overall quota transfer management.

Regarding the proposed temporary suspension and specialty production opportunities, as per BCFIRB's August 24, 2020 letter concluding the specialty regulation (Asian breed) supervisory review:

BCFIRB agrees it is generally a good management practice to put new entrant applications on hold while substantive regulatory changes are made. However, it is not effective or accountable to put new entrant applications on hold for an undefined period of time and without criteria as to what needs to be completed before new entrant applications will be considered.

BCFIRB's position is similar regarding mainstream entry opportunities. In this situation, the four remaining persons on the PPL were drawn in 2011 (nine years ago). It will be important for the Commission to clearly communicate its review process and timeline to assist persons on the PPL with their planning.

In BCFIRB's view, prior approval of the NPP temporary suspension is not required. BCFIRB does, however, expect the Commission to use its best efforts to conclude the NPP review before the end of 2021.

Regards,

Peter Donkers Chair

cc: BCFIRB web site