

June 15, 2017 File 0146-0151 EMB

DELIVERED BY EMAIL

Laurent Souligny Chair Federal Provincial Agreement Committee c/o Egg Farmers of Canada 21 Florence Street Ottawa, ON K2P 0W6

Dear Mr. Souligny:

FEDERAL-PROVINCIAL AGREEMENT FOR EGGS – COMMITTEE REQUEST FOR FEEDBACK AND INPUT

The BC Farm Industry Review Board (BCFIRB) thanks the Federal-Provincial Committee (Committee) for the opportunity to provide initial feedback and input on the process to renew the "Federal-Provincial Agreement in Respect of a Comprehensive Marketing Program for the purposes of the marketing of Eggs in Canada" (FPA).

We agree that over the past 45 years the egg industry has evolved significantly. It is important to renew the FPA to ensure it remains a legally sound, strategic and flexible framework for the delivery of supply management in the public interest. Renewal contributes to the overall transparency and accountability of the egg industry.

At the April 26, 2017 Committee meeting in Ottawa, attendees collectively agreed to bring their thoughts early to the process to advance the delivery of a renewed FPA. BCFIRB's initial feedback and input is as follows:

FPA Process

Given the importance of a timely and effective process, we strongly recommend that the FPA Committee develop and communicate a project charter, work plan, milestones and associated dates to all signatories. This will support signatories in providing timely and substantive input throughout the process – including having targets for when any potential intra and interprovincial disputes would need to be resolved by.

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BCFIRB is receptive to the use of addendums to update the FPA. However we observe that an addendum approach does not necessarily support a transparent FPA. Nor is it clear that an addendum approach (versus "opening" the FPA) truly reduces the risk to successful completion if signatories have agreed to focus only on specified sections of the FPA. Regardless of whether an addendum or 'opening the FPA' approach is taken, any changes to the FPA need to be approved by all signatories.

FPA Priorities

In relation to the priority issues to be addressed by the Committee, BCFIRB agrees with the Committee that updating signatory names and including the Northwest Territories (ministry and boards) is a priority.

Regarding administrative housekeeping, there is also opportunity to remove any sections that are obsolete. This action would support clarity and transparency along with ensuring the FPA remains relevant to the business environment today and in the future. In line with these principles, BCFIRB would be in favor of seeing the historical language in the FPA updated so long as the intent was not changed.

BCFIRB also agree with the Committee that it is a priority to address questions regarding the calculation and division of national allocation between provinces, along with egg processing relate questions (e.g. managing markets, service fee). Whether those items should be addressed in the FPA or in a separate Operating Agreement and/or other format(s) is an outstanding question in our point of view. Regardless, resolving these items is key to retaining a strategic and accountable egg industry and must be addressed.

In addition to the priorities raised by the FPA Committee, BCFIRB would like to bring orderly marketing of "specialty eggs" to the Committee's attention. Given that certain "specialty eggs" appear to be destined to be the majority of Canadian egg production in the future, the FPA content should reflect, or at minimum, not hinder, this growing market as appropriate. This may necessitate separate discussions for establishing a national baseline cost of production for "specialty eggs" to support orderly marketing.

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BCFIRB continues to support renewal of the FPA to help ensure accountable and strategic delivery of sound marketing policy as industries and markets evolve over time. We look forward to our on-going involvement in the FPA renewal process and continued engagement with the BC Egg Marketing Board and the BC Ministry of Agriculture to ensure all BC signatories are actively engaged as the renewal moves forward.

Yours truly,

John Les Chair, BCFIRB

cc: James Mack
Assistant Deputy Minister
BC Ministry of Agriculture

Brad Bond Chair BC Egg Marketing Board

BCFIRB website