

January 28, 2019

File: 44200-60 QATE

## **DELIVERED BY EMAIL**

Bill Vanderspek Executive Director BC Chicken Marketing Board

Dear Vanderspek:

## QUOTA ASSESSMENT TOOLS EVALUATION (QATE) IMPLEMENTATION RESPONSE

Thank you for the BC Chicken Marketing Board (Chicken Board) December 17, 2018 response to the BC Farm Industry Review Board's (BCFIRB) follow-up questions and direction sent on November 5, 2018. BCFIRB's questions and expectation related to implementation of the Quota Assessment Tools Supervisory Review<sup>1</sup> (QATE) directions.

I've been asked to respond on behalf of BCFIRB.

BCFIRB asked the Chicken Board to explain why, in light of BCFIRB's QATE decision reaffirming that all quota was to remain transferable, it was retaining its rule that new entrant growers cannot transfer new entrant quota for a minimum of five years from the date quota was issued.

BCFIRB accepts the Chicken Board's rationale that the rule is intended to close a loophole where some new entrants were transferring quota, using the exempt family transfer provisions, shortly after being issued new entrant quota.

As part of its December response, the Chicken Board included a copy of its amending Order, dated December 14, 2018, incorporating the outstanding three quota management directions in paragraph 179 of the QATE decision as per BCFIRB's November expectations:

- b) Quota holders are to have the option to refuse or accept growth quota.
- c) Quota holders are not eligible to receive growth quota for 12 months following a transfer of <u>any</u> quota, with one exception as follows:

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

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- *i.* If a quota transfer does not result in an overall change in total quota holdings within a business unit (e.g. within a corporation), quota holders within that business unit remain eligible to receive growth.
- *d) Receipt of growth quota cannot be deferred. Offer and acceptance of growth quota is a onetime opportunity.*

Please feel free to call me if you have any questions.

Regards,

Kirsten Pedersen Executive Director

Cc: BC Egg Marketing Board BC Hatching Egg Commission BC Milk Marketing Board BC Turkey Marketing Board BCFIRB website