



July 18, 2019

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DELIVERED BY EMAIL

Bill Vanderspek
Executive Director
BC Chicken Marketing Board

Dear Mr. Vanderspek:

CHICKEN OPERATING AGREEMENT SIGNATORY REQUEST -- PROCESS

Thank you for the July 16, 2019 in-person meeting with yourself, Harvey Sasaki, Chair of the BC Chicken Marketing Board (Chicken Board), Al Sakalauskas, panel chair and Tamara Leigh, panel member. BCFIRB staff member Wanda Gorsuch and myself were also in attendance.

As reflected in the BC Farm Industry Review Board's (BCFIRB) May 16, 2019 letter, the purpose of the meeting was to discuss how to best coordinate processes and information to support BCFIRB and Chicken Board decisions on the Chicken Farmers of Canada's (CFC) request to provincial signatories to append the Atlantic Canada Safeguard Agreement to the federal-provincial Schedule "B" Operating Agreement (Operating Agreement).

BCFIRB, as the BC supervisory agency under the *Natural Products Marketing (BC) Act*, is a signatory to the Operating Agreement. Under s. 4.02 of the BC Chicken Marketing Scheme, the Chicken Board requires BCFIRB prior approval to enter in to or amend an agreement with a federal board (the Operating Agreement in this circumstance).

Meeting Summary

The Chicken Board updated BCFIRB on the status of other provincial signatories. All provincial supervisory and chicken boards have signed the amended Operating Agreement with the exception of Ontario, Quebec and BC. The discussion also covered some of the pros and cons of the Atlantic Canada Safeguard Agreement, the background, potential impacts on BC production, and the overall outcome for BC based on the Operating Agreement to date. There was some discussion about the importance of determining BC's interests for when the Operating Agreement comes due for renewal in 2024, along with related considerations such as a potential national cost of production and the current Global Affairs Canada tariff rate quota consultations.

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After discussing the Chicken Board's process to date, and the responses received from the BC Chicken Growers Association and the Primary Poultry Processors Association, BCFIRB and the Chicken Board agreed to the signatory review process set out below.

Signatory Review Process

Based on the July 16, 2019 meeting, the Chicken Board and BCFIRB agree to establish the following overall process:

Chicken Board

The Chicken Board will request further information, based on specific questions, from stakeholders, including the BC Chicken Growers Association, the Primary Poultry Processors Association of BC and the BC Broiler Hatching Egg Commission.

Once the Chicken Board has completed its information collection and analysis, it will submit its decision and rationale to BCFIRB.

BCFIRB expects the Chicken Board will keep its stakeholders and BCFIRB informed on its process and timelines.

BCFIRB

When BCFIRB receives the Chicken Board's decision and rationale, it will review and determine if there are any information gaps or outstanding questions that need to be addressed through a transparent, inclusive process before it makes its final signatory decisions.

In the meantime the BCFIRB panel is requesting that the Chicken Board provide the outcome of CFC's annual review of the Operating Agreement, as per s. 10.01, along with the performance measures used for the annual review.

On behalf of the BCFIRB panel, thank you again to yourself and Harvey for a productive discussion. Please let me know if you have any questions.

Yours truly,



Kirsten Pedersen
Executive Director

cc: BC Chicken Growers Association
Primary Poultry Processors Association of BC
BC Broiler Hatching Egg Commission
BCFIRB web site