



November 20, 2014

File: 44200-20 EIAC

DELIVERED BY EMAIL

Al Sakalauskas
Executive Director
BC Egg Marketing Board
250-32160 South Fraser Way
Abbotsford, BC V2T 1W5

Dear Mr. Sakalauskas:

EGG INDUSTRY ADVISORY COMMITTEE (EIAC) TERMS OF REFERENCE

On October 24, 2014, the BC Farm Industry Review Board (BCFIRB) received the BC Egg Marketing Board's draft version of the Egg Industry Advisory Committee (EIAC) Terms of Reference. Thank you for the opportunity for BCFIRB staff to provide some informal comments on the draft.

In addition to comments on the Terms of Reference, I also remind you of my March 6, 2013 letter to you on the EIAC and included it for your convenience.

In its July 28, 2014 [Quota Allocation and Core Review Decision](#)¹, BCFIRB required the Egg Board to re-establish the EIAC in a timely fashion. As per previous advice, under the *British Columbia Egg Marketing Scheme, 1967* (Egg Scheme), it is the statutory responsibility of the Egg Board to consult with and consider input from the EIAC before making any decision relating to production and pricing. Developing and consulting on the Terms of Reference is an effective first step in coming back into regulatory compliance.

Re-establishing and consulting with the EIAC should be a priority for the Egg Board. BCFIRB has expressed the view in the past (in respect to a board with a similar statutory duty to consult) that absent demonstrated "extensive consultation" with the industry generally on a pricing and production related matter, a board may have erred procedurally by not referring the matter to its

¹ "The Prior Approval of the British Columbia Egg Marketing Board 2013 Quota Distribution Policy and Egg Core Review Part 1 – Decision" is available online at www.firb.gov.bc.ca/documentation/August_25/14_jul_28_quota_allocation_and_core_review_decision_part_1.pdf

industry advisory committee. This matter could potentially be raised in an appeal of an Egg Board pricing or production decision, or as part of a BCFIRB supervisory prior approval process.

The following are some comments on the draft Terms of Reference for your consideration.

In building the Terms of Reference, the Egg Board may wish to keep in mind section 36(3) in division 3.1 of the Egg Scheme, which sets out:

The board must consult with the committee and consider the committee's advice before the board makes any decision relating to pricing or production. [emphasis added]

The requirement to consult the EIAC on any decisions related to pricing or production should help direct the Egg Board in describing the committee's mandate, as well as establishing effective meeting frequency and format (such as teleconference, other types of electronic communication, or in-person depending on member location and meeting frequency). Currently, the mandate section of the Terms of Reference only refers to a situation where the Egg Board requests EIAC input or the EIAC requests to have input on a pricing or production question (s. 36(2) Egg Scheme).

The Egg Board may also wish to consider the following:

- Provision for a vice-chair and how they will be selected.
- Resources provided (e.g. If travel is required, will those expenses be provided? Can the committee expect Egg Board staff support?)
- Review provisions (e.g. How often will the Terms of Reference be reviewed and by whom?)

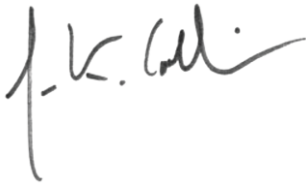
Overall, BCFIRB suggests the Egg Board consult with other supply-managed boards that have similar committee requirements on process and operations—the BC Chicken Marketing Board, the BC Broiler Hatching Egg Commission and the BC Milk Marketing Board. The latter, especially, also uses its committee structure as a training ground for future board members.

Looking forward, the Egg Board may also wish to consider the following opportunities.

- Support the development of committee cohesion by, for example, encouraging development of a Team Charter as a way of coming to a common understanding of the principles the committee will use in reaching recommendations, how disputes can be resolved, and outline its expected outcomes.
- Support use of consensus by the committee whenever when the matter and timing make it appropriate to do so. Consensus encourages collaboration, participation and inclusiveness. To be effective, it may be useful to support the committee in coming to a common understanding of what consensus means, as well as what process would work for the committee, and how to address conflicts and situations where consensus cannot be reached.

Establishing and consulting with the EIAC is a regulatory requirement. It is also an opportunity for the Egg Board to receive expert information as part of its decision-making processes. An effective, strategic committee that benefits the Egg Board, the industry and the public interest will require a sound foundation and on-going support.

Yours truly,

A handwritten signature in black ink, appearing to read "J. K. Collins". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jim Collins
Executive Director

Attachments

cc: BCFIRB web site