



October 8, 2014

File: 44200-60/EMB QUOTA  
ALLOCATION

**DELIVERED BY EMAIL**

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

Dear Mr. Sakalauskas:

**QUOTA DISTRIBUTION APPROVAL – EXPECTATIONS**

Recently the BC Egg Marketing Board notified the BC Farm Industry Review Board (BCFIRB) that Farm Products Council of Canada is expected to make a decision regarding a recent request by Egg Farmers of Canada to increase the national allocation. This request follows on the heels of a December 2013 increase in the national allocation.

As requested, this letter provides guidance on BCFIRB’s expectations of the Egg Board in a potentially expedited prior approval process. Most of the following will not be new given the previous quota allocation processes and our various discussions and correspondence.

**Prior Approval Requirement**

Section 37(c) of the [British Columbia Egg Marketing Scheme](#) sets out that the Egg Board requires the prior approval of BCFIRB to vary quotas the Egg Board has issued to producers and “...the terms and conditions upon which they [quota] shall be issued or transferred...”.

**BCFIRB Expectations**

BCFIRB’s general expectations of the Egg Board in relation to any prior approval under the Egg Scheme are based on the SAFETI principles<sup>1</sup>.

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<sup>1</sup> SAFETI principles – strategic, accountable, fair, effective, transparent, inclusive. For definitions and further information about principles-based regulation, see the BCFIRB web site “[Governance Initiative](#)”.

As set out in paragraph 7 (and again in paragraph 101) of the July 28, 2014 prior approval decision<sup>2</sup> BCFIRB requires:

- a detailed progress report on the outcome(s) of the July 28, 2014 directions as part of any request for an expedited prior approval process.

The Egg Board should also consider the following when preparing its submission, in addition to any other questions it determines are important from a sound marketing policy and public interest point of view.

*Strategic, Inclusive, Fair*

- Are there changes or new challenges to the egg industry that would require consultation with stakeholders in addition to the previous consultation conducted as part of the earlier allocation process?

*Strategic, Effective*

- Given both the table egg and processing sector are short on eggs, what are all the avenues available to the Egg Board to substantiate that it has made every possible effort to ensure the December 2013 allocation, the Eggs for Processing allocation and the expected allocation (over 170,000 layers of quota in total) are produced in a timely way to supply the market?

*Accountable*

- Is Egg Industry Advisory Committee input reflected in the submission rationale?

*Transparent*

- Is the submission available on-line to all value chain stakeholders including the public?

Effective and strategic planning and actions by your board in relation to its role in the legislated prior approval process will support BCFIRB in providing a timely response to the Egg Board's recommendations. Upfront planning will also allow all sectors of the BC egg industry to move forward quickly in utilizing any new production once the BCFIRB prior approval is completed.

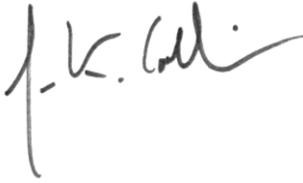
The Egg Board has the opportunity to clearly demonstrate to BCFIRB how its quota management is effective, strategic and accountable in terms of sound marketing policy that balances the business needs of the industry and the public interest through a fair, inclusive and transparent process.

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<sup>2</sup> Prior approval decision arising from the December 2013 Egg Farmers of Canada allocation. British Columbia Farm Industry Review Board. July 28, 2014. [Prior Approval Review of the British Columbia Egg Marketing Board Quota Distribution Policy and Core Review – Part I](#). "...BCFIRB is prepared to address an Egg Board proposal on an expedited basis, subject to that proposal being supported by a detailed progress report on the outcome(s) of the directions in this supervisory decision."

BCFIRB staff remains available to address any questions the Egg Board may have in preparing its prior approval request should FPCC approve the national allocation.

Yours truly,

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

Jim Collins  
Executive Director

cc: BCFIRB web site