



January 15, 2016

File: 44200-60/FED-PROV DAIRY

DELIVERED BY EMAIL

Bob Ingratta
Chief Executive Officer
BC Milk Marketing Board
200 – 32160 South Fraser Way
Abbotsford BC V2T 1W5

Dear Mr. Ingratta:

NATIONAL PRODUCER-PROCESSOR DAIRY NEGOTIATIONS

National and provincial producer and processor organizations and regulators continue to work together on a negotiated agreement to strengthen and build Canada's dairy system.

The BC Farm Industry Review Board (BCFIRB) understands from your regular communications that an outcome of these negotiations is anticipated in the near future, possibly as early as January 20, 2016.

In support of any timely, strategic, and accountable provincial decisions that may be required, and in follow-up to conversations to date, BCFIRB would like to take this opportunity to briefly set out its responsibilities and process considerations in relation to the negotiation outcomes.

BCFIRB responsibility

In British Columbia, the production and marketing of milk is regulated under the *Natural Products Marketing (BC) Act (NPMA)* and the British Columbia Milk Marketing Board Regulation, 1994 (Regulation). Section 7(2)(c) of the Regulation requires both BCFIRB and the Minister of Agriculture to prior approve the Milk Board entering into agreements with a federal board.

In its prior approval role, BCFIRB must find the proposal to be in accord with the Regulation and in accord with sound marketing policy under s. 9.2 of the *NPMA*.

**British Columbia
Farm Industry Review Board**

Mailing Address:
PO Box 9129 Stn Prov Govt
Victoria BC V8W 9B5
Telephone: 250 356-8945
Facsimile: 250 356-5131

Location:
1st Floor, 780 Blanshard Street
Victoria BC V8W 2H1
Email: firb@gov.bc.ca
Website: www.gov.bc.ca/BCFarmIndustryReviewBoard

Process

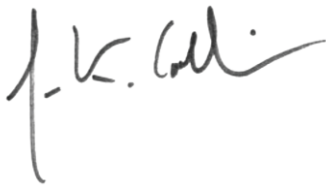
Following the outcome of the negotiations BCFIRB will require the Milk Board, as the first instance regulator, to provide BCFIRB, the Minister, and all stakeholders with its SAFETI¹-based analysis and recommendations on a timely basis.

As part of its own due diligence BCFIRB will provide opportunity to stakeholders, including the BC Dairy Council and the BC Dairy Association, to comment on the Milk Board's recommendations in light of sound marketing policy and public interest considerations.

Consultation process details and timelines will be developed in consultation with the Milk Board and the Ministry of Agriculture and communicated to all stakeholders when negotiation outcomes are available.

BCFIRB staff remain available to address any questions the Milk Board may have going forward.

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

cc: James Mack, Assistant Deputy Minister
Agriculture Science and Policy
Ministry of Agriculture

Dave Eto, Executive Director
BC Dairy Association

Dan Wong, Executive Director
BC Dairy Council

BCFIRB website

¹ Strategic Accountable Fair Effective Transparent Inclusive