



November 5, 2018

File: 44200-60 QATE

DELIVERED BY EMAIL

Kevin Klippenstein
Chair
BC Turkey Marketing Board
207 – 15252 – 32nd Ave
Surrey, BC V3Z 0R7

Dear Mr. Klippenstein,

QUOTA ASSESSMENT TOOLS EVALUATION (QATE) IMPLEMENTATION

The BC Farm Industry Review Board (BCFIRB) reviewed the BC Turkey Marketing Board's (Turkey Board) actions to date on the implementation of the February 2, 2018 Quota Assessment Tools Supervisory Review (QATE) directions.

As part of its review, BCFIRB considered the Turkey Board amendments to its General Order & Regulation (Order). Two items arose that BCFIRB would like to see addressed by November 30, 2018.

LIFO and new entrants

The Turkey Board's Order is not clear that Last-In-First-Out (LIFO) ceases to apply on the transfer of New Entrant Quota on the 10-year anniversary of the quota.

Although an end date is implied, there is potential for confusion for new entrant growers who are not familiar with the regulated marketing system. While it can be effective to minimize the number of rules growers must follow, it is effective and transparent to establish clear end-dates where they exist.

QATE directions and General Orders

While the Turkey Board is choosing to transition to the 2018 QATE directions from the 2005 Specialty Review directions, the recent changes to its Order do not include three quota management directions contained in paragraph 179 of the QATE decision:

- 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 any quota, with one exception as follows:*
 - 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.*

BCFIRB is aware that the turkey market is stable and is not expected to grow in the near future, beyond some potential for the further-processing market. That being said, incorporating the QATE growth directions into the Order will ensure clarity and mitigate any confusion for producers or stakeholders as to “what the rules are”, should the Turkey Board issue growth quota at some point in the future.

BCFIRB expects paragraph 179 sections b through d of the QATE decision to be incorporated into the Turkey Board’s Order.

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

Regards,



John Les,
Chair

Cc: BC Chicken Marketing Board
BC Egg Marketing Board
BC Hatching Egg Commission
BC Milk Marketing Board
BCFIRB web site