

June 26, 2018

VIA EMAIL

British Columbia Farm Industry Review Board
780 Blanshard Street (1st Floor)
Victoria, BC V8W 2H1

Attention: Wanda Gorsuch (wanda.gorsuch@gov.bc.ca)

Dear Sirs/Mesdames:

**Re: *British Columbia Broiler Hatching Egg Commission – Supervisory Review re:
Regulation of Specialty Hatching Egg Production***

We write in response to the June 5, 2018 letter of Presiding Member Stancil regarding a meeting held between the British Columbia Farm Industry Review Board (“BCFIRB”) and the British Columbia Hatching Egg Commission (the “Commission”) on May 31, 2018.

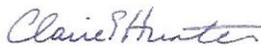
The letter of June 5, 2018 notes the need to provide clear direction for regulation of specialty hatching egg production to give producers some certainty about the future. This is a laudable objective but one that has been undermined by the lengthy delays in resolving these issues. Our clients are concerned that it appears no timeline for resolution of this matter has been set nor has any opportunity for input into the Supervisory Review process by industry stakeholders (including our clients who represent five of the six specialty hatching egg producers) been provided for.

This concern is further amplified by our clients’ subsequent receipt of a memorandum dated June 7, 2018 from the Commission. The memorandum encloses a 2018-2023 Growth Allocation Strategy – Master Work Action Plan “Managing Growth and the Strategic Vision for the Hatching Egg Sector” (“Work Action Plan”), which requests stakeholder feedback on the Work Action Plan. Under Phase 3 of the Work Action Plan, “Development of a Strategic Vision for the Hatching Egg Sector and subordinate work action plans”, it states the Commission will review and make decisions on the following considerations, including “Specialty – post BC FIRB decision – projected completion July 2019” (our emphasis). This item has a footnote, which states “Specialty Exclusion permitting Work Action Plan – In Progress” (our emphasis), suggesting that notwithstanding the June 5 letter indicates no decision in respect of the future of the specialty hatching egg industry has been made, in fact the Commission is proceeding with the proposal to exclude specialty hatching egg production from supply management. We enclose a copy of the memorandum with this letter.

As we noted in our letter of September 12, 2017 opposing the extension of time requested by the Commission at that time, the Supervisory Review process, which followed a lengthy and costly appeal process for the Appellants, has been ongoing for two years. In the summer of 2017 (by letters dated June 30 and July 4), our clients expressly requested an opportunity to be heard in the

Supervisory Review. Notwithstanding those requests and the year that has passed, our clients have not been afforded any opportunity to be heard in the Supervisory Review. No hearing or other process has been established through which they (or any other stakeholders) might make submissions to BCFIRB in respect of the Commission's prior-approval request. Appeals filed by our clients from the June 24, 2016 Commission recommendations were "deferred until the conclusion of the supervisory process" in the summer of 2016. The delays in resolving the matter are causing significant uncertainty in the industry to the prejudice of our clients. What is more, the Work Action Plan circulated by the Commission suggests that the issue will not be resolved until July 2019, over a year from now. The footnote for that projected deadline is troubling – it suggests that either the result of Supervisory Review has already been determined or that the Commission has determined it will exclude the specialty hatching egg sector from supply management regardless of the outcome of the Supervisory Review process.

We again reiterate our concerns about the fairness of the long-delayed Supervisory Review process that provides no opportunity for stakeholder input and appears to have no timeline for completion. The Commission's apparent pre-determination of the issue in the Supervisory Review process, when our clients have not been provided an opportunity to participate and express their position and their appeals have been held in abeyance, appears facially inconsistent with principles of procedural fairness. Our clients continue to be of the view that supply management is beneficial to the specialty hatching egg industry and that any decision that would exclude specialty hatching egg production from supply management is inconsistent with sound marketing policy.



Claire E. Hunter

Counsel for Skye Hi Farms Inc., Casey van Ginkel dba V3 Farms and Bill Friesen and Lillian Fehr dba W Friesen Enterprises



Christopher Harvey, Q.C.

Counsel for Unger's Chick Sales (1974) Ltd. dba Coastline Chicks and Robert & Patricia Donaldson dba Bradner Farms