



May 30, 2006

File: 44200-60/SPEC REVIEW
44200-60/ORDERS

DELIVERED BY EMAIL OR FAX

Bruce Cook, Chair
British Columbia Broiler Hatching Egg Commission

Ron Kilmury, Chair
British Columbia Chicken Marketing Board

David Taylor, Chair
British Columbia Egg Marketing Board

Blaine Gorrell, Chair
British Columbia Milk Marketing Board

Ron Charles, Chair
British Columbia Turkey Marketing Board

Brian Hughes, Chair
Certified Organic Associations of British Columbia Implementation Team

Dear Sirs/Mesdames:

**REVIEW OF SPECIALTY PRODUCTION AND NEW ENTRANT PROGRAMS –
IMPROVING ACCESS TO THE SUPPLY MANAGEMENT SYSTEM AND QUOTA
TRANSFER**

On September 1, 2005, the British Columbia Farm Industry Review Board (“FIRB”) issued its directions concerning programs for new entrants and specialty production and marketing in the regulated marketing system. The purpose of this letter is to provide a general update and to outline how specialty review issues will be managed going forward.

General Update

FIRB prior approved the orders of the British Columbia Chicken Marketing Board (“Chicken Board”) on January 23, 2006 and the British Columbia Broiler Hatching Egg Commission on February 8, 2006. Both boards have implemented their orders. The Chicken Board has issued over 23 small permits since January and will be bringing 13 new entrants into the industry in 2006, with all but one of the new entrants located outside the Lower Mainland. FIRB and the

British Columbia
Farm Industry Review Board

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Chicken Board are in discussions concerning certain implementation issues that have arisen since January.

At its May 10-11, 2006 meeting, FIRB reviewed the proposed orders of the British Columbia Egg Marketing Board, the British Columbia Milk Marketing Board and the British Columbia Turkey Marketing Board; as well as submissions received from industry stakeholders in response to those proposals. FIRB will be issuing its final directions respecting the proposed orders shortly.

Future Process and Rights of Appeal

The terms of commodity board orders which have been issued as a result of the supervisory directions FIRB issued in September 2005 cannot be appealed to FIRB. However, persons do have a right to appeal to FIRB their own special circumstances or other issues related to the administrative implementation of a commodity board's orders (where a board has exercised its discretion and makes an independent decision as to how a FIRB direction will be implemented or applied). As an example, FIRB has directed that levies "should be based on the cost of providing the service." An order implementing that direction cannot be appealed to FIRB. However, a producer of a certain class of product could appeal an order, decision or determination of a commodity board to impose a levy on the grounds that the levy was not based on actual service provided to that class of quota holder.

Resolution through alternate dispute resolution processes will be the preferred option for resolving issues arising in appeals to FIRB. However, FIRB appeal panels will hear and decide outstanding issues as required. At the request of the parties, a FIRB appeal panel may also make an order confirming the terms of a settlement agreement.

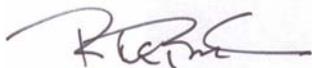
Information on how to file an appeal with FIRB is available on the FIRB website or from the FIRB office.

Three Year Review

FIRB intends to closely monitor the individual board programs on an ongoing basis and conduct a formal review of the performance of the specialty and new entrant programs in 2009.

If you have any questions about this letter, please contact the FIRB office.

Yours truly,



Richard Bullock
Chair

pc: Daphne Stancil, Assistant Deputy Minister
Strategy, Policy and Legislation
Ministry of Agriculture and Lands

Specialty Review Distribution Lists

FIRB Website