



July 4, 2006

44200-60/EMB FPFR

**DELIVERED BY EMAIL**

Myles Materi & Jake Penner  
Mountain Morning Farms  
PO Box 415  
5553 50<sup>th</sup> Street SW  
Salmon Arm, BC V1E 4N5

Arlene Lannon  
General Manager  
British Columbia Egg Marketing Board  
150 – 32160 South Fraser Way  
Abbotsford, BC V2T 1W5

Amy Alibhai  
President  
BC Egg Processors Council  
7745 Berkely Street  
Burnaby, BC V2N 6C5

Ben Woike  
Farmer Ben's Eggs  
1711 Herd Road  
Duncan, BC V9L 5W5

Dear Sirs/Mesdames:

**AN APPEAL BY MYLES MATERI & JAKE PENNER (DBA MOUNTAIN MORNING FARMS) FROM DECISIONS OF THE BRITISH COLUMBIA EGG MARKETING BOARD CONCERNING FARM GATE PICK-UP FEES**

On January 6, 2006, the British Columbia Farm Industry Review Board (the "Provincial board") released its decision in the above captioned appeal. In its decision, the Panel was not satisfied that the British Columbia Egg Marketing Board (the "Egg Board") had properly exercised the authority vested in it by the *British Columbia Egg Marketing Scheme, 1967* to regulate the egg industry and directed the Egg Board to review the transportation program and determine what modifications are necessary to make it fair and transparent.

The Egg Board was directed to consult with the Egg Industry Advisory Committee, all British Columbia graders and any other relevant stakeholders and report back to the Provincial board in its supervisory capacity with recommendations for changes to the transportation program. This consultation has taken place and the Egg Board in a submission received May 23, 2006 provided the Provincial board with its recommendations:

- All graders having to transport eggs from farms to their grading station, on public roads, will be reimbursed a portion of their costs. Eggs moved to a grading station without the need to access

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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:**  
3<sup>rd</sup> Floor, 1007 Fort Street  
Victoria BC V8V 3K5  
Email: [firb@gems9.gov.bc.ca](mailto:firb@gems9.gov.bc.ca)  
Website: [www.firb.gov.bc.ca](http://www.firb.gov.bc.ca)

public roads will not qualify. Grading stations will bill the Egg Board weekly per bird based on rates set from time to time by the Egg Board.

- Current regional rates will apply based on the quota of the producers directed to each station. The grading station shares of the farm gate pick-up allowance will be calculated by the Egg Board using the annual allowance of \$936,000.
- Where a producer ships to more than one grading station, or directly to the Breaker, the quota will be prorated between the stations.
- Adjustments reflecting approved changes in grading stations will be made from time to time. Graders will be advised of changes in the weekly amounts of Post Farm–gate pick-up fees to be billed to the Egg Board.

On June 15, 2006, the Provincial board sent a letter to the Egg Board requiring clarification on several points. By letter dated June 26, 2006, the Egg Board's General Manager wrote to the Provincial board providing the required clarification. The Provincial board had been unclear on the position of the British Columbia Egg Processors Council, an intervener in the appeal, but the Egg Board has confirmed that the Council is in agreement with the proposed recommendations.

The Provincial board has asked the Panel that heard this appeal to complete this supervisory review. We have reviewed the submissions of the Egg Board and on behalf of the Provincial board are satisfied that the Egg Board has complied with the directions set out in paragraphs 48 - 50 of our January 6, 2006 decision. The Egg Board's draft recommendations of May 23, 2006 are hereby approved.

We accept the Egg Board's further recommendation that the new program be effective starting the week of April 30, 2006 and that there will be no retroactive application of the new program to any processor including the Appellants in this appeal.

Yours truly,

*(Original signed by):*

Barbara Buchanan  
Panel Chair