



February 13, 2004

File: 44200-50/MMB 03-26

DELIVERED BY FAX

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Dear Sirs/Mesdames:

**AN APPEAL BY ISLAND FARMS DAIRIES CO-OP ASSOCIATION FROM A
NOVEMBER 26, 2003 DECISION OF THE BRITISH COLUMBIA MILK MARKETING
BOARD CONCERNING AN INCREASE IN THE VENDOR MARKETING COSTS AND
LOSSES LEVY**

The Panel understands that there is some confusion as to the meaning and intent of our Order as contained in our Reasons issued in the subject appeal on February 12, 2004.

The Panel has directed that the implementation of the \$1.96/HL increase to the Marketing Costs and Losses Levy be suspended for a period of 60 days, to allow the British Columbia Milk Marketing Board (the "Milk Board") to undertake consultations and thereafter to take whatever action it considers necessary in the public interest. This means that the Milk Board's November 20, 2003 order is suspended during the 60 day period, subject to the parties coming to

British Columbia
Farm Industry Review Board

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the Provincial board at or earlier than the 60 days and advising that the levy is no longer effective because the Milk Board has cancelled the levy, or issued a new order.

If, as the end of the 60 day period is approaching, it appears that the matter will remain as the present status quo, the parties are to advise the Provincial board so that a decision can be taken whether to continue the suspension pending the hearing and final disposition of this appeal.

Finally, we understand that there is confusion as to whether, in light of the suspension, the levy would be back-dated to January 1, 2004 in the event that Island Farms Dairies Co-operative Association ultimately fails in its appeal. This is an issue of remedy that would have to be argued if the hearing proceeds.

We trust this provides the necessary clarification.

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD
Per

(Original signed by)

Christine J. Elsaesser, Vice Chair