

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTER OF AGRICULTURE, FOOD AND FISHERIES
AND THE
BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD CHAIR
AND THE
BRITISH COLUMBIA EGG MARKETING BOARD CHAIR

PURPOSE

The purpose of this memorandum is to confirm the shared understanding of the Minister of Agriculture, Food and Fisheries (Minister), the chair of the British Columbia Farm Industry Review Board (BCFIRB) and chair of the British Columbia Egg Marketing Board (BCEMB) regarding their respective roles and responsibilities in carrying out the purposes of the *Natural Products Marketing (BC) Act* (the *Act*) and *Natural Products Marketing (BC) Act* Regulations (General Regulations), the British Columbia Egg Marketing Scheme, 1967 (Egg Scheme), the policy framework established in the provincial Regulated Marketing Economic Policy (the Economic Policy) and through the Specialty Production Program Review.

This memorandum is intended to facilitate a positive and cooperative working relationship amongst all of the parties. It does not create any legal or binding obligation on the parties or fetter their discretion in decision-making.

GENERAL ROLES AND RESPONSIBILITIES

The Provincial Government, BCFIRB and the BCEMB have distinct responsibilities within the regulated marketing system.

The *Act* gives the Provincial Government, through the Lieutenant Governor in Council, a series of powers to regulate the marketing and/or production of natural products. The Minister has primary responsibility within the government for the effective administration of the regulated marketing system in British Columbia and for recommending policy and legislative changes to government, as necessary, to support these objectives.

In developing recommendations regarding policy, the Minister seeks and BCFIRB provides advice regarding the effective operation of regulated marketing. BCFIRB has general supervisory powers with respect to commodity boards, adjudicates appeals from their decisions, and performs other duties and functions prescribed by the Lieutenant Governor in Council.

The BCEMB administers the regulated marketing system for the production and marketing of eggs as provided in provincial (*Act, General Regulations, Egg Scheme*) and federal¹ legislation and the Economic Policy. The BCEMB is accountable to BCFIRB for the effective administration of the Egg Scheme. This includes the development of orders, policies and programs that meet statutory requirements, achieve the objectives of the Economic Policy, and maintain a fair balance between conflicting economic interests of industry stakeholders while respecting obligations arising under the federal-provincial-territorial agreement. The administrative structure provided under the regulated marketing system also provides a mechanism to facilitate industry and government response to extraordinary situations.

The BCEMB establishes rules and procedures for electing board members, subject to BCFIRB prior approval. The BCEMB chair is appointed by the Lieutenant Governor in Council, as per the Provincial Government's policy for boards and commissions. The policy requires that all board chairs are recruited through a merit based selection process as established in consultation with the Board Resourcing and Development Office (BRDO).

ACCOUNTABILITY, PERFORMANCE AND CONDUCT

The BCEMB chair will ensure that the BCEMB operates fairly and effectively, adopting best practices to achieve its performance objectives regarding the following:

1. Governance and Operational Standards

a. Code of Conduct

To ensure greater transparency and fairness in the operations of the Board and to meet industry's expectations of BCEMB members, the BCEMB chair will, in consultation with BCFIRB, ensure that the BCEMB establishes a code of conduct for board members, which will include expectations of members, including the chair in:

- development of board policies;
- taking positions and making decisions;
- determining when actions of board members may result in undue influence, bias or conflict; and
- determining the extent that membership limits personal activities.

¹ (The *Farm Products Agencies Act* (Canada), the *Agricultural Products Marketing Act* (Canada) and the federal/provincial/territorial agreement)

The Code will also establish a timely and fair process for determining if a contravention of the Code has taken place, a range of sanctions that can be considered and general guidelines for imposing and publicizing those sanctions.

b. Board Chair and Member Development and Standards

All board members share a common responsibility for the decisions and operations of the Board, but the chair is responsible for ensuring that the members avail themselves of education and development opportunities to promote this performance.

The BCEMB chair will ensure that effective programs are available for orientation and training, to develop the skills necessary for effective teamwork, leadership and decision-making by the Board. The chair will participate in and ensure that all Board members participate in these programs.

Training for all board members should be at a level consistent with provincial expectations for members of administrative agencies, as established through the Administrative Justice Office (AJO) of the Ministry of Attorney General and BRDO and as further specified by BCFIRB.

c. Staff and Management

The BCEMB chair will ensure that all BCEMB staff members are trained to carry out their responsibilities with respect to the efficient administration of an administrative agency.

2. Strategic Planning

The BCEMB chair will ensure that the BCEMB develops a forward-looking, long-term industry strategy after consultation with all industry participants. The strategic plan, once approved by BCFIRB, will establish performance objectives consistent with implementation of the Economic Policy, the policy framework established by the Specialty Production Program Review, and any other objectives identified to ensure a strong and vibrant industry. The strategic plan will form the basis to measure the performance of the BCEMB. The BCEMB will identify in consultation with BCFIRB the performance measures it will use to describe progress.

3. Communications

The BCEMB chair will ensure that the BCEMB will make its best efforts to foster constructive working relationships and establish and maintain regular, visible, open and transparent channels of communication with egg producers, graders and other industry members. Communication efforts will be tailored as necessary using an array of tools, to respond to the range of board issues and industry matters for discussion, with a specific effort to be made on the development of a positive working relationship with the

specialty egg sector. These working relationships will at a minimum include regular meetings with producer associations and representatives of provincial egg graders.

4. Conflict Management and Alternate Dispute Resolution

A strong working relationship is necessary to manage instances of disagreement between the BCEMB and industry members or among industry interests. The BCEMB chair will ensure that the BCEMB works to identify and resolve conflict as early as possible, and identify means to resolve disputes at the industry level. A particular effort will be made to resolve potential disputes with respect to the specialty egg sector.

5. Reporting

In addition to the requisite reporting under the *Act*, General Regulations and the Egg Scheme, the BCEMB chair will provide an Annual Report on its performance to BCFIRB and the Minister. The BCEMB chair may also be called upon to meet with BCFIRB and/or the Minister as required to discuss issues of mutual concern.

INDUSTRY DEVELOPMENT OBJECTIVES

1. Economic Policy

The Economic Policy summarizes the broad objectives to be achieved by commodity boards in facilitating development, market responsiveness and competitiveness of the regulated sectors throughout British Columbia. The Economic Policy provides the basis for implementing specific initiatives at the board level to improve the economic performance of the British Columbia egg sector and specifically to achieve the performance objectives set for industry growth.

2. Federal Provincial Territorial Agreement

BCFIRB and the Minister will proactively support the BCEMB in national and regional negotiations, such as a renewed Federal Provincial Territorial Agreement and Western Provinces Egg Agreement. British Columbia's overall objectives are to secure agreements which will provide ongoing opportunities for industry growth, new opportunities in primary and further processing and sufficient allocations for the development of specialty markets, such as organic and other products differentiated at the farm level.

3. Specialty Production

The egg industry strategic plan will include specific provisions and initiatives to maximize production opportunities for British Columbia and to meet consumer demands for specialty products including organics. The BCEMB chair will ensure that the BCEMB develops programs which are consistent with the frameworks established in the Economic Policy and through the Specialty Production Program Review.

4. Product Safety

On-farm food safety is addressed in the commercial egg industry through the HACCP² based “Start Clean-Stay Clean” program, which is a national program that will change over time to improve and attain higher levels of compliance. The chair will also ensure that the BCEMB implements measures to control the marketing of ungraded eggs directly to retail outlets, hospitality, restaurant and institutional customers by commercial egg producers. Beyond the farm gate, the BCEMB looks to the Canadian Food Inspection Agency, Health Canada and Provincial government regulations to ensure food safety, and to enhance consumer confidence. In support of these goals, the Ministry and BCFIRB will expedite the establishment of policies and regulatory mechanisms as may be required from time to time.

5. Biosecurity and Emergency Response Planning

The chair will ensure that the BCEMB:

- works with all levels of government and industry to improve protection against animal disease;
- plays a key role in implementing biosecurity measures endorsed by the relevant government agencies and industry, including containment measures at times of disease outbreak; and
- works with all levels of government and industry to develop and implement emergency plans.

6. General Industry Development

All parties will work cooperatively on other issues that may require mutual consideration to ensure a strong and vibrant egg industry and an effective regulated marketing system.

² Hazardous Analysis Critical Control Point

SUPPORT FOR MOU COMMITMENTS

BCFIRB and the Ministry will work cooperatively with the BCEMB to support the various expectations identified in this MOU. The BCEMB chair will brief current and future members of the BCEMB to ensure that these expectations are well understood by all members.

This MOU, as well as any amendments to it, are effective on the date they are signed by the parties and remain in effect for a three year period or until a new MOU is signed between the Minister, the BCFIRB chair and the BCEMB chair. The parties to this MOU may also agree, in writing, to amend the terms of the MOU at any time to accommodate relevant changes or circumstances.

(Original signed by):

Honourable John van Dongen
Minister of Agriculture, Food and Fisheries

(Original signed by):

Richard Bullock, Chair
British Columbia Farm Industry Review Board

(Original signed by):

David Taylor, Chair
British Columbia Egg Marketing Board