

# Applying the *Natural Products Marketing (BC) Act* and its Regulations in a Principles based Framework

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Presentation by Executive Director, British Columbia  
Farm Industry Review Board  
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# Presentation Outline

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Introduction by John Les, Chair, BCFIRB

Accountability Framework and SAFETI

Principles based Regulation Overview

*Natural Products Marketing (BC) Act*

Natural Products Marketing (BC) Act Regulations

“Schemes”

Concluding Comments

Questions and Answers



# Introduction by BCFIRB Chair

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“Suspicious Minds”

“All Shook Up”

## Provincial Agricultural Policy

Policies affecting Agriculture & Regulated Marketing Agricultural Sectors in BC

- Maintaining & gaining Markets
- National Systems
- Public Interest
- Meeting BC Demand
- Regional Industries
- First Nations
- Entry of New Producers
- The Value Chain
- Safety & Quality
- Recognition of Standards

# An Accountability Framework for BCFIRB

## BCFIRB Governance

Board Composition & Autonomy  
Board Terms of reference  
Code of Conduct  
Strategic Planning & Reporting  
Orientation & Professional Dev  
Board & Member Assessments

## Legislation & Agreements

Legitimacy & authorities established in provincial & national legislation  
*Natural Products Marketing Act (BC)*

*Farm Practices Protection Act*  
*Agricultural Products Grading Act*  
*Prevention of Cruelty to Animals Act*

Various federal-provincial agreements for commodities

## Principles-based Regulatory Environment

SAFETI Lens or Filter (Strategic, Accountable, Fair, Effective, Transparent, Inclusive)

BCFIRB Supervisory Expectations

Risk Management Principles

Administrative Fairness Principles

Sound Marketing Policy/Normal Farm Practices

BCFIRB Supervisory Directions under NPMA

BCFIRB Appeal Decisions under NPMA

BCFIRB Reports & Complaint Decisions under FPPA

BCFIRB Appeal Decisions under PCAA

Expectations of Individual Commodity Boards, the Farming Community, the Animal Welfare Community and the Public

Social License and the Public Interest

Accountability & Compliance

Follow-up reporting & Consultation



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**Term****Definition****S  
A  
F  
E  
T  
I**

Strategic

*Identify key opportunities and systemic challenges, and plan for actions to effectively manage risks and take advantage of future opportunities.*

Accountable

*Maintain legitimacy and integrity through understanding and discharging responsibilities and reporting performance.*

Fair

*Ensure procedural fairness in processes and decision-making.*

Effective

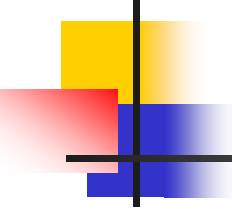
*A clearly defined outcome with appropriate processes and measures.*

Transparent

*Ensure that processes, practices, procedures & reporting on exercise of mandate are open, accessible and fully informed.*

Inclusive

*Ensure that appropriate interests, including the public interest, are considered.*



# Principles based Regulation Overview (I)

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- THERE WILL BE RULES!
- soccer – 17 Laws of the Game
- requires expertise and sound, informed judgement
- not for the fainthearted



# Principles based Regulation Overview

## – (II)

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1. behavioural change
2. applying a risk-based or evidence-based approach
3. develop expertise and judgement capabilities
4. focus on outcomes vs. prescribing details
5. increase flexibility in how to achieve required outcomes





# Principles based Regulation Overview – (II), contd.

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6. measure performance against outcomes
7. create helpful and clearly sign-posted info
8. invest in training, communication, research and knowledge management processes
9. sector and consumers benefit from a more innovative and competitive sector
10. well managed boards that engage openly & positively strive for outcomes will benefit



# *Natural Products Marketing (BC) Act* (I)

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- source of authority for Cabinet, BCFIRB and boards – all have to stay within jurisdiction
- sections 4-7: federal-provincial delegation of authority is a two way street
- *Agriculture Products Marketing Act (Canada)*
  - “by order” (20<sup>th</sup> century) v. website (21<sup>st</sup> century)



# *Natural Products Marketing (BC) Act* (II) – Supervisory Role of BCFIRB

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- s. 7.1(1)(a) “has general supervision over all marketing boards or commissions”
- s. 7.1(2) “The Provincial board may exercise its powers under this section or without a hearing, and in the manner it considers appropriate to the circumstances.”



# *Natural Products Marketing (BC) Act* (III) – Appeals (section 8)

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- distinct but one way in which BCFIRB provides “general supervision”
- broad right of appeal – “a person aggrieved by or dissatisfied with”
- “every bylaw, order, rule and other document touching on the matter under appeal”



# *Natural Products Marketing (BC) Act* (IV) – Delegation (section 11(1)(p))

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- with some exceptions, a commodity board may:
  - “delegate its powers to the extent and in the manner the board considers necessary or advisable for the proper operation of the scheme”



# *Natural Products Marketing (BC) Act* (V) – Cabinet Regulations (s. 22)

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- NPMA Regulations
- schemes
- in accordance with s. 41 of the *Interpretation Act*:
  - s. 41(1)(a) make regulations as are considered necessary and advisable, are ancillary to (the *NPMA*), and are not inconsistent with (the *NPMA*)



# NPMA Regulations (I)

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- Cabinet regulations that are often forgotten but further outline authority – and responsibilities – of BCFIRB and boards/commissions
- governance/management of boards
- apply generally – schemes sometimes may specify something different



# NPMA Regulations (II) - s. 3 Powers of marketing boards

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- 3(a): “copies of all minutes, orders, reports, rules and regulations shall be forwarded forthwith, as they are made or amended, to the Provincial board”
- impact on right of appeal
- mid-20<sup>th</sup> century transparency requirement
- s. 3(b): audits





## NPMA Regulations (III)

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- s. 4: powers of BCFIRB
- s. 4.1: BCFIRB authority to investigate irregular action by boards, agencies and licensees
- s. 9: Ministerial authority to order publication of schemes or amendments in “newspapers”



# “Schemes”

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- authorize boards and their powers
- don't forget *NPMA* and its Regulations
- sometimes specify roles for BCFIRB
  - generally (e.g., election rules)
  - due to past issues
- review of powers (MMB and EMB)
- authority to accept federal delegation



# Concluding Comments

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- still many of “rules” to apply
- how many more “rules” wanted/needed?
- how to apply and publish in 21<sup>st</sup> century?
- leave room to manoeuvre
- demonstrated knowledge, expertise, flexibility
- defined and supportable principles – SAFETI and issue specific expectations



# Thank you

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- **QUESTIONS AND ANSWERS**