

British Columbia
Farm Industry
Review Board



**“The twin sister to autonomy and freedom
is responsibility and accountability.....”**

- Henry Cloud,
Author and Leadership Consultant

COGA
Ron Kilmury, Chair, BCFIRB
Thursday, January 19, 2012

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Funding provided by:



COMB

COUNCIL OF MARKETING BOARDS

BCFIRB 2010 - 2011

Common Issues , across regulated marketing

- Pricing
- Quota Allocation
- Governance

Appeal Statistics

- 53% of appeals arise from egg, chicken and dairy sectors
- 40 % of appeals settled by mediation (2010/2011)

Farm Practice Complaints

- Majority of complaints under score tensions along urban/rural interface - odour, dust and noise issues. Complaints steadily increasing.

Leadership Initiative

Principles-based Regulation driving:

- Regulated marketing system with effective self governance
- A principles-based, outcomes-oriented approach to regulation
- Effective and fair prevention and resolution of disputes

Baseline Tool

- Accountability Framework and Guiding Principles (SAFETI)

Assessment and Accountability

- Report progress (indicators, survey, assessment, reporting)

WHY?

- Legislated responsibility for Boards demands transparency and accountability



Assessment and Accountability

Reporting Categories

-  **S**TAKEHOLDER ENGAGEMENT
-  **C**OMMODITY & SYSTEM MANAGEMENT
-  **R**eporting & GOVERNANCE
-  **V**ALUE CHAIN
-  **L**EGAL REQUIREMENTS
-  **S**OCIAL LICENSE & LEADERSHIP

Reporting Criteria (Principles)

-  **S**TRATEGIC
-  **A**CCOUNTABLE
-  **F**AIR
-  **E**FFECTIVE
-  **T**RANSPARENT
-  **I**NCLUSIVE

Moving to the Big Picture

- Values-based food production.
- Multi-national businesses setting social price expectations for sustainable production.
 - Off-shore suppliers.

Challenge for BC & Canada agriculture:

Balance food cost pressures while meeting production standards demanded by society.

OCT 31 **Walmart's Sustainable Agriculture Strategy: A Model for the Private Sector and Sustainable Agriculture?**
Nourishing the Planet Agriculture, China, Farmers, India, Local, Mexico, Sustainable
Tweet 14 Like Send 96 likes. Sign Up to see what your friends like.

By Sheldon Yoder

Walmart hopes to base its sustainable agriculture strategy on its biggest strength: purchasing power. "What we do well is issue a purchase order," said Beth Keck, the company's director of sustainability during a [roundtable event](#) Friday at [Johns Hopkins School of Advanced International Studies](#). "It's our number one competency."



Walmart plans to buy and sell \$1 billion worth of product from small and medium farmers around the world. (Photo credit: Bernard Pollack)

In order to do this, the company plans to purchase and sell \$1 billion of food grown by one million small and medium farmers around the world. Walmart also plans to double its sale of locally purchased produce in the U.S by the end of 2015.

"Sustainability is a business strategy, not a charitable giving strategy," said Keck, who has been instrumental in developing the goals. "We're thinking about sustainability from the customer's point of view. We don't want customers to have to choose between products that are sustainable or products that are affordable."

The company plans to produce more food with fewer resources as part of its commitment to [global sustainable agriculture](#). This involves focusing more on agriculture in its

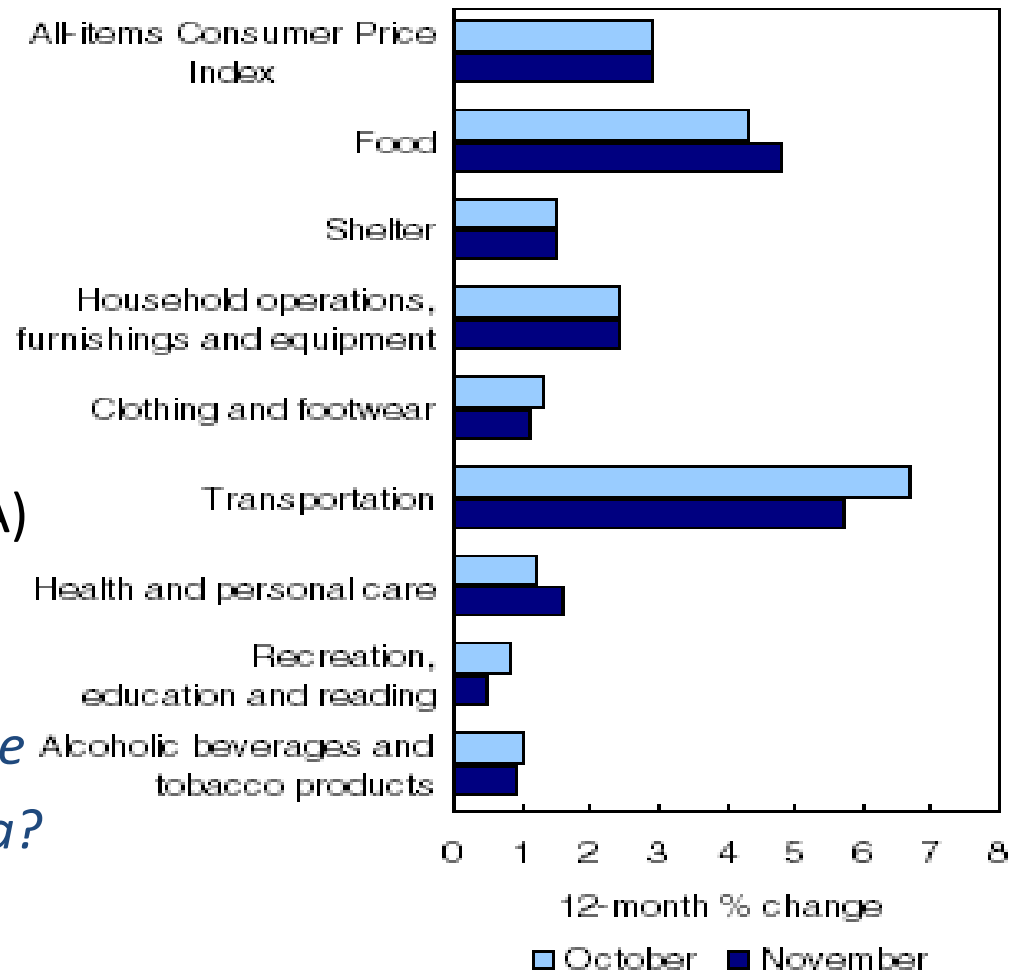
[sustainability index](#), investing money in its supply chain to ensure product freshness, and reducing food waste.

In Relation & Closer to Home...

- Rising food costs
- Vertical integration
- Concentration of production and processing (regional, provincial, national)
- Increasing public scrutiny
- Trade negotiations (TPP and CETA)

What do we need to do to ensure a dynamic, responsive and sustainable agri-food system for BC and Canada?

Role of SM going forward?





“The twin sister to autonomy and freedom is responsibility and accountability. **Where you see boundary confusion, power struggles and control issues, you will also see lapses in accountability.**”

- Henry Cloud,
Author and Leadership Consultant

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...issues for 2012



Agriculture Minister Eugene Whelan, January 4, 1979

Terms of Reference and Procedures of National Farm Products Marketing Council (today's FPCC) -

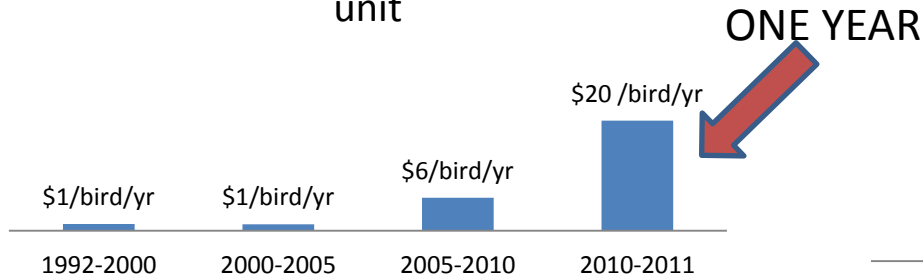
- article 1(3) **to balance the interests of producers and consumers -**

(f) while actual prices are not set out here, the formulae for establishing prices must be carefully scrutinized to ensure the maintenance of a Canadian industry. If quotas acquire values, then such values would be a significant indicator of price adequacy or inadequacy.

BC Quota Values

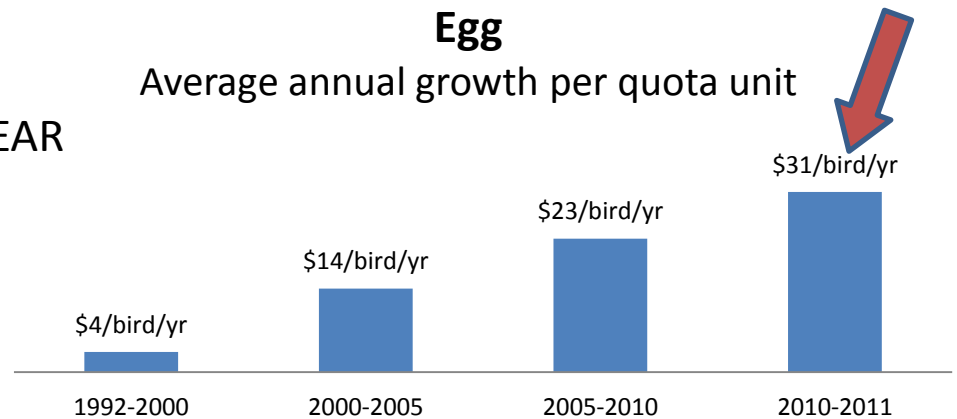
Chicken

Average annual growth per quota unit

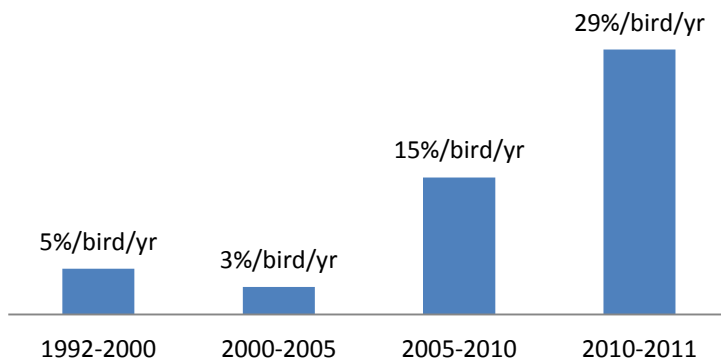


Egg

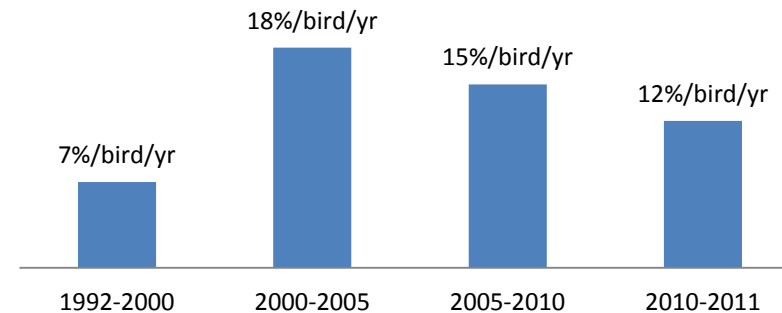
Average annual growth per quota unit



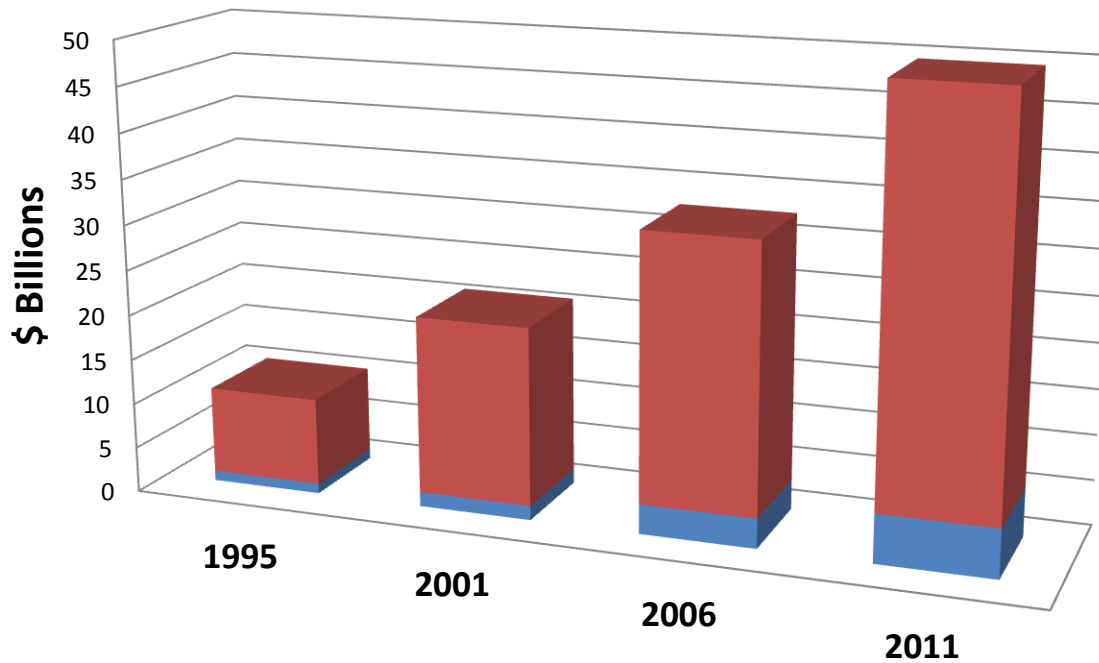
Average annual rate of growth - quota unit value by time period



Average annual rate of growth - quota unit value by time period



BC & National Total Quota Value Estimates



	1995	2001	2006	2011
■ Canada Total Quota Value	9.6	19.6	29.4	44.2
■ BC Total Quota Value	1.1	1.6	3.3	5.4



....a note of reminder

“All business begins with the public's permission and exists by public approval.”

- Arthur W. Page,
Former VP and Director, AT&T

...in regulated marketing there is a public accountability challenge for all of us; *government, regulators and industry.*