

March
2010

Commission Report

BC Vegetable Marketing Commission Monthly Newsletter

BCVMC
ANNUAL GENERAL
MEETING

APPROVAL OF
AMENDING ORDER
#23 and POLICY
REGARDING
GROWER
MARKETING
AGREEMENTS

COMMISSION ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Thursday, March 25 at the Delta Town & Country Inn. The meeting will begin at 7:00 p.m.

The guest speaker will be the Minister of Agriculture & Lands, Honourable Steve Thomson. Although the Legislative Assembly is sitting, Minister Thomson's office has recently advised the Commission that he will be able to attend the AGM.

The agenda for the AGM is similar to other years; however, time will be taken during the AGM to consult on the matter of

possible changes to the BC Vegetable Scheme. Potential changes go to the question of public interest and how that might be achieved by altering the make-up of the Commission by including a limited number of members who are not licensed producers.

Another potential change is amending Scheme definitions that distinguish producers and commercial producers. A change of this nature would provide flexibility to the Commission when establishing policy.

AMENDMENT TO THE GENERAL ORDER AND GROWER MARKETING AGREEMENT POLICY APPROVED

By way of approving Amending Order Number 23 during the February 25, 2010 regular meeting of the Commission, Section 11 of Part V - *Agencies* – of the General Order was amended. The amended wording is set out below.

An agreement between an Agency and a Producer, which addresses terms and conditions upon which the regulated product shall be provided by the Producer and sold by the Agency (e.g. Grower Marketing Agreement), shall be reduced to writing and is to be consistent with Commission policy.

As well, during the Commission meeting a policy pertaining to Grower Marketing Agreements that is to apply equally to storage and greenhouse vegetable Designated Agencies was approved.

Key elements of the policy are: 1) no GMA is to be longer than 3 years in duration; 2) the duration period is to correspond to the respective crop year for storage or greenhouse vegetable crops; 3) evergreen provisions for automatic renewal are not permitted leaving GMAs to come to a clear end; 4) a termination notice must be set out in a GMA; and 5) the termination notice is to be structured in a manner whereby notice cannot be issued one party to the other until the GMA has been in force and effect for 18 consecutive months and the termination notice dates must fall within the June 1 – October 31 period.

The Commission undertook the changes regarding GMAs for the intended purpose of balancing the interests of producers and agencies within the orderly marketing system framework where producers are required to market regulated product through an agency and in most instances enter into a GMA that focuses on the agency interest of securing over time a supply of regulated product.

For the purpose of assuring future GMA's are consistent with VMC policy Designated Agencies will be contacted by VMC staff.

**POST DISTRICT
POLICY
ENVIRONMENT**

POST DISTRICT POLICY ENVIRONMENT

As a result of the BC Vegetable Scheme being amended in 2004 the Commission undertook the work of adjusting the regulated marketing environment where district definitions could no longer be relied upon for administratively treating producers or regulated crops differently.

After consulting with producers and agencies prior to April 2007 the Commission announced that changes would be made to a bundle of General Order provisions that together forged what was termed District Policy. At that time the Commission announced that changes to the District Policy would come into effect at a time so specified once a two year transition period completed.

Up to the time when District Policy provisions remained in effect the General Order continued to rely on District definitions; however with the approval of Amending Order Number 21 coming into effect April 28, 2009 a revised regulatory environment resulted. The revised regulatory environment, referred to as the Post District Policy environment, is more enabling, flexible and less prescriptive.

Since April 2009 the Commission has consulted with producers and agencies, including the holding of a "listening session" type hearing, regarding the consequential effects of amending the regulatory environment. As well, the Commission has developed and approved a number of policies for guiding administration of producer and agency requests/applications, for example the transfer of Delivery Allocation under specific circumstances and producer requests to transfer agency.

Below is a summary of changes made to the regulated marketing environment:

- The regulated area was defined by eliminating reliance on district definitions; however, as planned they were retained for election purposes only;
- With certain conditions to apply, the transfer of Delivery and Production Allocation between producers and prospective producers may occur within the Regulated Area and is no longer geographically restricted;
- With the provision of advance notice Producers are able to transfer from one agency to another unrestricted geographically;
- Subject to an agency having a Direct Manifest Sales program approved by the VMC, producers may enter into such sales transactions so long as they are conducted with Agency approved customers located within the Regulated Area;
- Storage crop weekly minimum prices to be based on a provincial minimum F.O.B. price, freight not included.

The intended result of the regulatory changes is to have a regulatory framework that is less restrictive; provides more opportunity for sector growth and innovation; and the General Order is more principle based and less prescriptive.

For more information on this topic visit the VMC website [www.bcveg.com], click on "Orders – General and Amended" and navigate to "General Order" for viewing or printing the most current version of the General Order.

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BC VEGETABLE MARKETING COMMISSION
Thursday, March 25, 2010 - 7:00 P.M.
Delta Town & Country Inn

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