Farm Industry Review Board Activity Plan

Fiscal Years 2014-17



Message from the Chairperson

The Farm Industry Review Board (the Board) was established through legislation passed during the 2005 spring session of the House of Assembly under the *Natural Products Marketing Act* (NPMA). In addition to the creation of the Board, this Act has allowed for the creation of commodity boards in the Province; namely, Dairy Farmers of Newfoundland and Labrador (DFNL), Chicken Farmers of Newfoundland and Labrador (CFNL) and Egg Producers of Newfoundland and Labrador (EPNL).

The Board is charged with the responsibility for carrying out the duties and responsibilities that were previously conferred on the Agriculture Products Marketing Board under the *Natural Products Marketing Act* and the Farm Practices Review Board under the *Farm Practices Protection Act*.

Under the *Natural Products Marketing Act*, the Board serves as a supervisory board with the power and authority to control and direct the operations of the provincial commodity boards listed above.

Under the *Farm Practices Protection Act,* the Board provides farmers, who operate in an acceptable manner, with protection against nuisance suits. The Board is empowered to review agriculture-related nuisance cases and determine if a farm is operating according to acceptable farm practices.

Reporting directly to the Minister of Natural Resources, the Board consists of six recently appointed members with diverse backgrounds and experiences, and is supported by a full-time manager. The Board operates from the Fortis Building, Herald Avenue, Corner Brook, Newfoundland and Labrador. Under the *Transparency and Accountability Act*, the Board is defined as a Category 3 government entity and as such is required to submit a 3 year "activity plan" to the Minister of Natural Resources to be tabled in the House of Assembly.

This Activity Plan represents the Farm Industry Review Board's continued efforts to support the three Provincial supply-managed commodity boards as well as the general public in fostering an orderly marketing system which is cognizant of all stakeholders. The entire Board is accountable for the preparation of this Plan and achievement of the objectives listed therein.

On behalf of the Farm Industry Review Board, I am pleased to present our three-year activity plan for fiscal years 2014-15, 2015-16 and 2016-17. In the development of this plan, the Board reviewed the strategic directions provided by the Minister of Natural Resources (Appendix B) and prepared this activity plan consistent with those directions.

Sincerely,

Rita Legge Chairperson

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1. Overview

The Natural Products Marketing Act requires that the Farm Industry Review Board (the Board) shall consist of not less than five and not more than seven members appointed by the Lieutenant-Governor in Council, one of whom shall be a person nominated by the Newfoundland and Labrador Federation of Agriculture. The Farm Industry review Board reports directly to the Minister of Natural Resources. Members of the Board shall be appointed for a three-year term and are eligible for reappointment. The Board is supported by one permanent employee, the Board Manager.

Current representation is as follows:

Ms. Rita Legge
Chairperson
Cartyville
Re-appointed for a 3 year term
June 11/14 to June 11/17

Mr. Kevin Harte Member Gould's Re-appointed for a 3 year term June 11/14 to June 11/17

Mr. Paul Lomond Member Steady Brook Appointed for a 3 year term June 11/14 to June 11/17

Ms. Elaine Wells Member- NL Federation of Agriculture Representative Robinsons Appointed for a 3 year term June 11/14 to June 11/17 Mr. Don MacInnis Member Corner Brook Appointed for a 3 year term June 11/14 to June 11/17

Mr. Roosevelt Thompson Member Point Leamington Appointed for a 3 year term June 11/14 to June 11/17

Ms. Heather Randell Manager Corner Brook

The board was created in May 2005 and the original membership was appointed in November, 2005. Its total budget is included in the annual budget of the Department of Natural Resources. The budget for the 2014-15 year is \$152,800.

Key Statistics*:

Farm receipts for provincial farmers totaled \$107.5 million during the first three quarters of 2013, up 6.7% from the same period in 2012. Livestock and livestock products, which accounted

for 87% of total receipts during this period, were up 7.2% to \$94.1 million. This increase was mainly driven by higher sales of ranch fur totaling \$21.6 million, up 30.3% over the same period of 2012. Farm receipts for chicken production are not published due to confidentiality restrictions; however data from the Chicken Farmers of Canada indicates that the volume of chicken produced in the province in 2013 totaled 13.9 million kilograms, similar to 2012 numbers. Farm gate sales for eggs totaled 13.9 million for 2013, up 1.0 million from the previous year. Crop production receipts were similar to 2012 and amounted to 13.2 million.

Comparatively, these statistics outline the importance of the supply-managed commodities to the agriculture and agri-food sector and to the overall economy of the province. It is imperative that the Farm Industry Review Board work with all stakeholders to support a supply managed system that is administered appropriately in order to maintain a sustainable sector that is fair to producers, processors and consumers.

* Source: The Economy 2014, Department of Finance

Contact Information:

For information about the Farm Industry Review Board and its work, the regulated marketing system in Newfoundland and Labrador, the commodity boards, or about farm practices dispute resolution, please contact us at:

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Email: heatherrandell@gov.nl.ca

http://www.nr.gov.nl.ca/nr/agrifoods/ic/firb/

2. Mandate

The Newfoundland and Labrador Farm Industry Review Board is an administrative tribunal - a statutory appeal body with additional responsibilities for the general supervision of marketing boards operating in the agriculture sectors. Please refer to Appendix A to view the legislated mandate for the Farm Industry Review Board in its entirety.

The mandate of the Board is set out in 2 statutes:

- 1. The Natural Products Marketing Act (the NPMA)
- 2. The Farm Practices Protection (Right to Farm) Act (the FPPA).

Under the NPMA:

The Board is responsible for general supervision of the operations of commodity boards created under that Act; hearing appeals filed by any person who is aggrieved by or dissatisfied with orders, decisions or determination of the commodity boards; and acting as a signatory to federal-provincial agreements for supply-managed commodities.

Under the FPPA:

The Board is responsible for hearing complaints from persons aggrieved by odor, noise, dust or other disturbances arising from agriculture operations, and may also study and report generally on farm practices.

The Board is accountable to Government for its administrative operations, but is independent of government in its decision-making. As an independent tribunal, the Board ensures that the public interest is served and protected.

3. Lines of Business

The Farm Industry Review Board reports directly to the Minister of Natural Resources. The Board receives its mandate from two Acts, the *Natural Products Marketing Act* and the *Farm Practices Protection Act*. Based on legislative requirements, the Board has three lines of business as follows:

1. Supervisory Role

Today, there are three commodity boards administering three marketing schemes:

- Egg Farmers of Newfoundland and Labrador
- Chicken Farmers of Newfoundland and Labrador
- Dairy Farmers of Newfoundland and Labrador

The Board meets regularly with commodity boards to discuss existing and emerging issues in the administration of the marketing schemes and to examine the policies and orders of the board to ensure they fall within the statutory authority of the board and do not unfairly impact individual producers or sectors of the industry. The Board may amend, vary or cancel the orders of a board. The Board may also review issues related to the administration of a marketing scheme or the regulated marketing system, exercise authority to correct irregularities in the composition or operations of a commodity board or take action to ensure compliance with the *Natural Products Marketing Act* (NPMA) and the marketing schemes and can administer schemes in respect of which no commodity board is constituted under the NPMA.

The Board's supervisory role also includes the registration of farmers within the Province. The Board is responsible for registering all producers every 3 years and maintaining contact information. New farmers are added as they enter the industry and are issued an identification number. This number is required by the Department of Finance for the administration of the rebate programs.

2. Appellate Role

As a quasi-judicial appeal body, the Board is empowered to hear appeals from any person who is aggrieved by or dissatisfied by an order, decision or determination of a commodity board in Newfoundland and Labrador. The Board uses various forms of dispute resolution ("DR") processes to assist the parties to resolve issues by agreement. If DR is not used or is unsuccessful, a hearing is convened. After hearing an appeal, the Board may dismiss the appeal, confirm or vary the order, decision or determination being appealed, return the matter to the commodity board for reconsideration or make another order the Board considers appropriate in the circumstances.

The Board is also empowered to hear complaints from any person aggrieved by odour, noise, dust or other disturbances arising from farm operations. If DR is not used or is unsuccessful, a hearing is convened, after which, the Board must dismiss the complaint if the farm operation is determined to be following normal farm practices; or order the farmer to cease or modify his or

her practices if the farm operation is not following normal farm practice.

Where possible, the Board promotes dispute resolution to provide all parties with impartial and fair resolutions to disputes, without the need for formal panel hearings. For farmers, neighbours, local governments, and the public, the Board is an impartial body that can determine whether a farmer follows "normal farm practices."

The Board adheres to the principles of natural justice and administrative law in this quasi-judicial role. Decisions may be appealed only to the Supreme Court of Newfoundland and Labrador, and only on a question of law or jurisdiction.

3. Signatory Role

The Board, the Minister of Natural Resources, the Minister of Municipal and Intergovernmental Affairs and the supply managed commodity boards are the Newfoundland and Labrador signatories to agreements with the Federal Minister, other provincial and territorial ministers, and supervisory and commodity boards in Canada (federal-provincial agreements). These agreements provide for the cooperative use of federal and provincial legislation in managing the production and marketing of eggs, chicken and milk in Canada.

4. Values and Guiding Principles

The Farm Industry Review Board values a working environment of mutual respect, accountability and fiscal responsibility. In exercising its mandate, the Board will be guided by the following principles: proactive, flexible and cooperative leadership, open and transparent consultation, accessible and efficient practices and services, independent, impartial, timely and consistent dispute resolution and decision making, and an ongoing professional development of members and staff.

Values	Action Statements
Responsiveness	Every effort is made by the Board to ensure that client requests are processed in a timely manner as identified in the <i>Acts</i>
Communication	Clients and stakeholders are kept informed of the services provided by the Board
Transparency	The Board will operate in an open manner such that relevant information is readily available to clients and stakeholders
Learning Culture	The Board will operate in a continuous learning environment and accept the opportunity to learn more to assist in the work that we do
Professionalism	The Board is committed to conducting business with fairness, courtesy and respect. The Board will endeavor to always foster an internal culture based on competence, objectivity and excellence

5. Primary Clients

The Farm Industry Review Board identifies its primary clients as those individuals, groups, or organizations who are the principal users and/or beneficiaries of the Board's lines of business, and include the following:

- Commodity Boards and their members
- Other producing/processing farming groups
- Farmers
- Members of the general public who are aggrieved by odor, noise, dust or other disturbances arising from farm operations
- Members of the general public who are aggrieved by or dissatisfied by an order, decision or determination of a commodity board
- Members of the general public who are interested in obtaining information about the farming industry.

6. Vision

The vision of the Farm Industry Review Board is of a regulated marketing system which operates effectively in a sustainable farming environment that is cognizant of the interests of the public and the industry.

7. Mission Statement

The Farm Industry Review Board is committed to promoting a constructive and timely exchange of views between industry stakeholders to foster a supply management system based on cooperation and reflective of the spirit upon which it was created. In carrying out its duties, the Board is committed to conducting Board business with fairness, courtesy and respect, be it with stakeholders or the general public. The work that the Board will undertake towards achieving its mission will help advance the strategic direction of the Provincial Government in the area of agriculture/agrifoods by supporting resource sustainability.

Mission: By March 31, 2017, the Farm Industry Review Board will have enhanced the

capacity of the board in carrying out its mandate.

Measure: Enhanced capacity

Indicators:

- Enhanced practices/procedures of information collection from commodity boards to support decision-making
- Continued to monitor industry sectors on provincial, national and international levels for emerging issues as well as opportunities for growth and /or modernization
- Increased collaboration with commodity boards
- Worked with commodity boards to ensure policies for new entrants are effective
- When required, conducted hearings and made decision on appeals, utilizing enhanced knowledge
- Enhanced governance and learning and development practices
- Enhanced responsiveness to stakeholders

8. Objectives

The following objectives will guide the direction of the Board for the 2014-17 planning period. These objectives, and associated indicators, will apply to all three years and progress will be reported in each of the Board's annual performance reports during this period. The work that the Board will undertake towards achieving its mission will help advance the

Provincial Government's strategic directions by supporting the area of resource sustainability.

Issue 1: Supervision and Control of Commodity Boards

The main function of the Farm Industry Review Board is to provide general supervision to the commodity boards. As such, it is crucial that the Board continue to make this a leading priority in the future, and also to consider ways to strengthen this role. The Board is committed to reviewing and improving its control mechanisms, with the intention of enhancing its supervisory function.

Objective: By March 31, 2017, the Farm Industry Review Board will have continued

supervision/control of commodity boards and strengthened supervisory/control mechanisms, where appropriate.

Indicators:

Provided oversight of commodity board decisions and activities

- Attended commodity board meetings and/or reviewed minutes; ensured boards adhere to planning, reporting and other regulatory requirements; reviewed annual reports and financial statements etc.
- In collaboration with commodity boards, continued to review the legislative/regulatory framework governing FIRB and commodity board operations in the Province
- Began drafting guidelines that provide enhanced clarity for commodity boards in terms of FIRB's role, responsibilities and authority with respect to commodity board operations and the supply management system in the Province
- Provided direction, feedback and other information, as appropriate, to commodity boards, as a means of providing support of overall commodity board operations

Issue 2: Monitoring and Support of Provincial Supply Management System

Under the *Natural Products Marketing Act*, the schemes for the supply-managed commodity boards form the basis for how the commodity groups will market their respective commodities. The Farm Industry Review Board is working to provide support and direction to the commodity groups implementing the schemes; this monitoring provides support and structure for supply management in this Province.

Objective: By March 31, 2017, the Farm Industry Review Board will have continued to monitor and provide support for the Provincial supply management system.

Indicators:

- As signatory to federal-provincial agreements, attended meetings of the National Association of Agricultural Supervisory Agencies and exchanged information with federal, provincial and territorial supervisory boards regarding their respective marketing systems
- Monitored issues and trends on provincial, national and international levels and facilitated information transfer among commodity boards, the Provincial Government, national supply management partners and other stakeholders, as appropriate
- Provided supports to commodity boards in addressing challenges associated with the supply management system, along with other industry-related issues (e.g. food traceability, animal care standards)

Issue 3: Dispute Resolution and other Supports/Services for Stakeholders

The Farm Industry Review Board provides support for both producers and the general public of the Province. One of the Board's responsibilities includes hearing appeals of regulated marketing board orders, decisions and determinations (*Natural Products Marketing Act*), as well as hearing farm practices complaints from persons aggrieved by disturbances arising from agricultural operations (*Farm Practices Protection Act*). Aside from the supply-managed commodities, the Farm Industry Review Board supports all farm commodities through the administration of the *Farm Practices Protection Act*. Another service provided by the Farm Industry Review Board involves registering producers and maintenance of the farm registration system. Continuing these services in a manner that is effective continues to be a central activity of the Farm Industry Review Board.

Objective: By March 31, 2017, the Farm Industry Review Board will have continued to provide effective dispute resolution for farming-related issues along with other supports, as appropriate, for stakeholders.

Indicators:

- When required, reviewed complaints/disputes and responded in a timely manner
- Provided supports, as required, to farming groups not governed by commodity boards
- Continued to update the farm registration system as required

Appendix A: Legislated Mandate

Current Mandate (Source: Natural Products Marketing Act):

Powers and Duties of Board:

- (1) The Board may, under the control and direction of the Minister, or concurrently with the Minister
- (a) purchase, lease or otherwise acquire in the name of the Crown, and sell, lease or otherwise dispose of on behalf of the Crown property, real or personal of every nature and kind, or interest in property, which is considered necessary, convenient or advisable for or incidental to the exercise of the powers, functions or duties conferred by this Act;
- (b) co-operate with the Government of Canada or of a province of Canada or a department, agency, board, council, or body under the jurisdiction of the Parliament of Canada or the Legislature of a province of Canada in the manner and to the extent that may be necessary or desirable to market or promote, facilitate, control, regulate or prohibit the production or marketing of a natural product and to act conjointly with the government department agency, board, council or body;
- enter into an agreement with the governments, departments, agencies, boards, councils
 or bodies referred to in paragraph (b) for the purposes referred to there, including
 the agreements referred to in the Farm Products Marketing Agencies Act (Canada);
- (d) undertake, promote or recommend measures for the development, control and direction of the marketing of natural products in the province;
- (e) collect, compile, analyze and record the statistical and other information relating to the marketing of natural products that may be useful;
- (f) prepare and publish statistics, reports, records, bulletins, pamphlets, circulars and other means of distributing information and advice in relation to the marketing of natural products that may be useful;
- (g) study, report on and advise upon the system and administration of the marketing of natural products;
- (h) foster, through scientific investigation and technology, knowledge of the marketing of natural products and of the means of dealing with conditions relating to the development, control and direction of them;
- (i) receive, from any source, lands, buildings, money or other property, by gift or trust for public use or for the use of the Board;

- investigate the cost of producing, distributing and transporting natural products, prices, price spreads, trade practices, methods of financing, management, grading, policies and other matters relating to the marketing of natural products;
- (k) require persons engaged in the marketing of a natural product in an area designated by the board to register with the board their names, addresses and occupations and the quantity of the natural product marketed by them;
- (I) administer schemes in respect of which no commodity board is constituted under subsection 11(1);
- (m) do those acts and make those orders, regulations and directions that are necessary to enforce the observance and carrying out of this Act, the regulations or a scheme;
- (n) hear and determine appeals from a person engaged in the production or marketing of a regulated product arising out of a matter falling within the jurisdiction of a commodity board under the scheme concerning that regulated product, including the hearing and determination of appeals against
- the allocation of and refusal to allocate quotas for production or marketing a regulated product,
- (ii) the cancellation or reduction of a quota, or a condition imposed upon the holder of a quota,
- (iii) the issuing of licences and permits or the refusal to issue licences and permits, and
- (iv) a matter or thing for which a right of appeal is prescribed in the regulations;
- (n.1) receive applications and make determinations with respect to those applications under Part II of the Farm Practices Protection Act;
- (n.2) conduct a study and prepare a report when required to do so under section 18 of the Farm Practices Protection Act;
- regulate and control the production or marketing of natural products, and establish or designate an agency as a central marketing agency, for collection, assembly, distribution and marketing of a natural product; and
- (p) exercise and discharge those other powers, functions and duties that the minister assigns to it.
- (2) The Minister may by order delegate to a commodity board those powers, functions and duties of the board, other than the powers contained in paragraphs (1)(k), (I) and (n) that may be considered necessary or desirable for the proper application and enforcement of a scheme under which a commodity board is constituted and may terminate the delegation of power.

- (3) Orders of the Minister made under subsection (2) may be made with retroactive effect.
- (4) The Board may require a commodity board to provide information relating to a matter governed by a scheme.
- (5) A member of the Board has, in relation to the hearing and determination of a matter under Part II of the *Farm Practices Protection Act*, all the powers that are or may be conferred upon a commissioner under the Public Inquiries Act.

Appendix B: Strategic Directions

A Strategic Direction is the articulation of a desired physical, social, or economic outcome that would normally require action by, or involvement of, more than one government entity. They are normally communicated through White Papers, or other major platform documents.

The agency has achieved success with the outcomes outlined in our Strategic Plan 2011-14 and the implementation of commitments. In reviewing our progress in the last planning period we will continue to focus on areas such as identifying opportunities, growing the forest and agriculture industries, supporting research and development and sustaining our resources. Outlined below is our strategic direction for the planning period 2014-17.

Outcome: Enhanced utilization, sustainability and public awareness of the forestry, agriculture and agrifoods sectors.

This outcome supports the policy direction of government and will require focus in the following areas:

	Focus Areas of the Strategic Direction	This direction is addressed in/by:	
Strategic Direction		other entities reporting to the Minister	the Board's Activity Plan
Enhanced utilization, sustainability	Industry	*	
and public awareness of the forestry,	Development		
agriculture and agrifoods sectors	Research and	*	
	Development		
	Awareness and	*	
	Education		
	Resource		*
	Sustainability		