# Farm Industry Review Board Activity Plan

Fiscal Years 2020-23



#### **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, Chicken Farmers of Newfoundland and Labrador and Egg Farmers of Newfoundland and Labrador.

The Board is responsible for carrying out the duties of two former boards; the Agriculture Products Marketing Board under the **NMPA** and the Farm Practices Review Board under the **Farm Practices Protection Act** (FPPA).

The amalgamated Board is a regulatory and adjudicative body whose responsibilities are set in two above-mentioned statutes. Under the **NMPA**, the Board serves as a supervisory board with the power and authority to control and direct the operations of provincial commodity boards. Under the **FPPA**, the Board provides farmers, who operate in an acceptable manner, with protection against nuisance suits.

Reporting directly to the Minister of Fisheries, Forestry and Agriculture, the current Board consists of six appointed members with diverse backgrounds and experiences, and is supported by a full-time manager. The Board operates out of 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 three year Activity Plan to the Minister of Fisheries, Forestry and Agriculture to be tabled in the House of Assembly. This Activity Plan meets the requirements for a Category 3 entity under this **Act**.

This Activity Plan represents the Board's continued efforts to support the three Provincial agricultural commodity boards whilst serving the public interest. The entire Board is accountable for the preparation of this Plan and achievement of the objectives listed therein.

On behalf of the Board, I am pleased to present our three-year activity plan for fiscal years 2020-21, 2021-22 and 2022-23. The strategic directions of Government related to the Department of Fisheries, Forestry and Agriculture have been considered in the preparation of this plan.

Sincerely,

Rita Legge Chairperson

Rita Legge

## **Table of Contents**

1.	Overview	4		
2.	Mandate	6		
3.	Lines of Business	6		
4.	Values and Guiding Principles	8		
5.	Primary Clients	8		
6.	Vision	9		
7.	Objectives	9		
Issue 1: Supervision of Commodity Boards				
	Issue 2: Monitoring and Support of the Provincial Supply Management System	10		
	Issue 3: Dispute Resolution and other Supports/Services for Stakeholders	10		

#### 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 Board reports directly to the Minister of Fisheries, Forestry and Agriculture. 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. All other members are volunteers and are reimbursed for expenses related to meetings or their duties of the Board. The following is a list of current board members; the Public Service Commission is actively recruiting new Board members:

Name	Title	Appointment Date (yyyy/mm/dd)	Expiry Date (yyyy/mm/dd)	Area
Harte, Mr. Kevin	Member	2008/06/20	2011/06/19	East
Legge, Ms. Rita	Chairperson	2014/05/29	2017/05/28	West
Lomond, Mr. Paul	Member	2014/05/29	2017/05/28	West
MacInnis, Mr. Don	Member	2014/05/29	2017/05/28	West
Thompson, Mr. Roosevelt	Member	2014/05/29	2017/05/28	Central
Vacant	Member	N/A	N/A	N/A
Vacant	Member	N/A	N/A	N/A

The Board's operational budget is included in the annual budget of the Department of Fisheries, Forestry and Agriculture. The budget for the first year of the Plan (2020-21) is \$211,300 for the payment of salary and operating expenses related to the Board.

#### **Key Statistics\***

Farm cash receipts, which are receipts paid to farmers for products produced on the farm, totaled \$107.1 million during the first three quarters of 2019, up 1.4 per cent from the same period in 2018. Receipts from crop production declined 0.8 per cent to \$13.1 million in 2019. Vegetable producers in specific regions of the province faced challenging drought conditions in 2018 and 2019 resulting in a 9.2 per cent decline in receipts. This was partially offset by increases in Floriculture and Forage revenues. Receipts from livestock products declined 1.1 per cent to \$89.8 million

primarily due to the continuing decline in the Fur industry. AgriStability payments to producers rose 164.4 per cent over the first three quarters of 2019 to \$4.1 million.

Milk production in 2019 declined 0.9 per cent to 49.6 million litres while value remained unchanged at \$47.8 million. Farm receipts for chicken production are not published due to confidentiality restrictions, data from the Chicken Farmers of Canada indicates that the volume of chicken produced in the Province in 2019 totaled 22.7 million kilograms, up 1.5 per cent from 2018. Farm gate sales for eggs totaled \$19.3 million for 2019, up 3.9 per cent from the previous year, with production up 2.8 per cent to 10.2 million dozen eggs.

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 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.

The COVID-19 pandemic is anticipated to have minimal impact on the operations of the Farm Industry Review Board. The Board will continue to meet virtually as needed to address ongoing commodity board issues and requests. The Board will also continue to investigate any complaints made under the **Farm Practices Protection Act** as needed. Any required in-person activities will adhere to established COVID-19 guidelines.

\* Source: Department of Fisheries, Forestry and Agriculture, Government of Newfoundland and Labrador

#### **Contact Information:**

Copies of the 2020 - 23 Activity Plan can be obtained on the House of Assembly's website at: <a href="https://www.assembly.nl.ca/HouseBusiness/Tabled/">https://www.assembly.nl.ca/HouseBusiness/Tabled/</a>. Available in alternate format. Please contact the Board at the following address:

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https://www.gov.nl.ca/flr/faa/agrifoods/

#### 2. Mandate

The Board is a regulatory and adjudicative body, responsible for general supervision of provincial agricultural commodity boards, and for hearing complaints from those aggrieved by board decisions, or by farm practices.

The **mandate** of the Board is set out in **two statutes**:

# 1. The Natural Products Marketing Act (NPMA) <a href="https://www.assembly.nl.ca/legislation/sr/statutes/n02.htm">https://www.assembly.nl.ca/legislation/sr/statutes/n02.htm</a>

The Board is responsible for general supervision of the operations of commodity boards created under this **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.

# 2. The Farm Practices Protection (Right to Farm) Act. (FPPA) https://www.assembly.nl.ca/legislation/sr/statutes/f04-1.htm

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.

#### 3. Lines of Business

The Board reports directly to the Minister of Fisheries, Forestry and Agriculture, and receives its mandate from the **NPMA** and **FPPA**. Based on legislative requirements, the Board has four lines of business as follows:

#### 1. Supervisory Role

There are currently three agricultural commodity boards administering three marketing schemes:

- Chicken Farmers of Newfoundland and Labrador
- Dairy Farmers of Newfoundland and Labrador
- Egg 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 **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 three 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 processes to assist the parties to resolve issues by agreement. If dispute resolution 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.

#### 3. Conflict Management Role (Farm Practices)

The Board is also empowered to hear complaints from any person aggrieved by odour, noise, dust or other disturbances arising from farm operations. If dispute resolution 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, neighbors, local governments, and the public, the Board is an impartial body that can determine whether a farmer follows "normal farm practices."

#### 4. Signatory Role

The Board, the Minister of Fisheries, Forestry and Agriculture, the Minister of Municipal Affairs and Environment 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 Board values a working environment of mutual respect, accountability and good governance. 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 Acts
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 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 Board is of a regulated marketing system which operates effectively and efficiently in a sustainable farming environment that is cognizant of the interests of the public and the industry.

#### 7. Objectives

As the focus of the Board remains the same for the entire plan, the Board will report on the same objective and indicators in all three years.

#### **Issue 1: Supervision of Commodity Boards**

The primary function of the 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, including considering ways to enhance 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, 2021, the Board will have provided oversight for the three commodity marketing boards.

#### **Indicators:**

- Reviewed and approved price adjustments from commodity boards as requested;
- Reviewed and approved policy changes from commodity boards as requested;
- Prepared policy decision requests for legislative amendments as needed;
- Participated in meetings of commodity boards; and
- Provided commodity boards appropriate direction and feedback in support of their day-to-day operations.

#### Issue 2: Monitoring and Support of the Provincial Supply Management System

Under the **NPMA** the schemes for the supply-managed commodity boards form the basis for how the commodity groups will market their respective commodities. The Board continues to provide support and direction to the commodity groups implementing their respective schemes; this monitoring provides support and structure for supply management in this Province.

Objective: By March 31, 2021, the Board will have monitored and provided supports for the supply managed commodities system where appropriate.

#### **Indicators:**

- Attended meetings of the National Association of Agricultural Supervisory Agencies;
- Disseminated information on issues and trends on provincial, national and international supply and demand levels that affect the provincial supply management environment; and
- Provided supports to commodity boards as requested.

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

The Board provides continuous support for both producers and the general public of the Province in instances where they are aggrieved by commodity board decisions, or general farm practices. Another service provided by the Board involves keeping a registration of agricultural producers and associated maintenance of the farm registration system. Ensuring these services continue to serve stakeholders appropriately and effectively will be a key focus for the Board.

Objective: By March 31, 2021 the Board will have delivered dispute resolution services to stakeholders, in addition to other supports and services as appropriate.

#### **Indicators:**

- Reviewed and responded to complaints received;
- Provided supports, if necessary, to other non-supply-managed farming groups that are not governed by marketing boards; and
- Updated the farm registration system as necessary.