

# Ministry of Agriculture and Food

2023/2024 Estimates Binder

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	ESSB
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# SPEAKING NOTES FOR

Pam Alexis, Minister of Agriculture and Food Estimates Debate – Opening Remarks Thank you, Honourable Chair. I'd like to begin by acknowledging we are on the territories of the Lekwungen [lek-WUN-ghun] speaking peoples of the Songhees and Esquimalt nations.

I'd like to welcome the Opposition Critic and I'm looking forward to talking about the ministry's budget for the 2023 fiscal year and the progress our government is making on strengthening B.C.'s agriculture and food sector.

I'm joined by Peter Pokorny, the Deputy Minister for the Ministry of Agriculture and Food. And I'll also be supported throughout these proceedings by Assistant Deputy Ministers Eric Kristianson, Michelle Koski and Ranbir Parmar, as well as Executive Lead, Paul Squires and CEO of the Agricultural Land Commission, Kim Grout.

Our government has supported the growth of B.C.'s agriculture and food sector with record levels of investment.

This helped B.C.'s agriculture, seafood and food and beverage sectors post record revenues of over \$18.1 billion in 2021 despite the many challenges posed by the COVID-19 pandemic and climate-related weather emergencies.

And with Budget 23, we are in a strong position to continue that upward trend and help our farmers and producers, even as they deal with more challenges such as avian influenza, rising input costs from global inflation and supply chain disruptions.

I'm pleased to note that the ministry's budget has increased by close to \$30 million since our government was elected in 2017. This shows we are serious about supporting B.C.'s hard-working farming families and those who provide us with the food and drinks we all enjoy.

Budget 2023 will continue to support this good work with an increase of \$4.4 million that will go towards government's shared recovery mandate and our ministry's work to support Clean BC and the climate preparedness and adaptation strategy.

Our government is also making changes to support B.C.'s greenhouse growers by replacing the Carbon Tax Relief Grant with a point-of-sale exemption that will improve the cash-flow and efficiency of businesses so growers can focus on producing

the produce and plants British Columbians enjoy. I would note that this is a Ministry of Finance line item, and it will replace the current carbon tax relief grant.

We will continue to support our ministry's hallmark programs of Grow BC, Feed BC and Buy BC through Budget 23. This includes supporting the Province's new school food program through Feed BC.

We will also continue to support the Feed BC partnership between farmers, producers, distributors and our hospitals, care homes and post-secondary institutions. There is more locally grown and processed food being served to patients, care home residents and students than ever before, giving them healthier, nutritious, and delicious meals!

Places like Okanagan College are serving about 40 per cent locally sourced produce, meat and dairy on campus. And the new Market at Okanagan College just opened up in September and is providing students, faculty and visitors with an incredible diversity of Okanagan food highlighting the farm-to-table approach.

Of course, we continue to support Buy BC which makes it easier for British Columbians to identify local food and support local farmers and producers. There are close to 3,500 products now sporting the Buy BC logo and helping farmers and businesses generate increased sales.

And with Grow BC, we continue to help new and young farmers find land through our land matching program with the Young Agrarians.

We've supported 245 farmland matches between new farmers and landholders bringing close to 10,000 acres of B.C. farmland into production.

As mentioned, this budget will continue to support our government's leading edge Clean BC climate plan. As a long-time Fraser Valley resident, I witnessed first-hand, the devastating impacts of the 2021 atmospheric river and flood. And the emotional and financial toll it had on our agriculture community.

I was so proud of the resiliency and community spirit shown in the aftermath of what the worst agriculture disaster ever for B.C. We had farmers helping farmers and neighbours opening up their homes and hearts to make sure people were sheltered and fed. This is something we never want to experience again but we know our changing climate will continue to be unpredictable and we will likely see more and more extreme weather in the future. For their part, farmers know their land and their crops and what needs to be done to prepare for and mitigate these impacts from climate change. And we are here to support them.

Through last year's budget we were able to increase our funding for the Beneficial Management Practices program which enables farmers to take steps to better protect the air, land and water.

We also introduced a new extreme weather preparedness program which is helping farmers and ranchers with projects like retrofitting farm buildings in preparation for potential wildfires, installing flood resilient feed storage and improving barn cooling systems. We will continue to support these programs and more through Budget 23.

In addition, as part of the historic investment in food security we discussed a few weeks ago, farmers and communities will be able to apply for funding that they can use to proactively purchase equipment and make infrastructure improvements that will help in future emergency events.

We know how important it is to our farmers and food processors that we make these types of investments. It is an investment in their future as well as an investment in the supply and affordability of healthy food for British Columbians.

This budget will also support the ministry priorities over the next fiscal year which largely fall under four main areas:

1. Supporting farmers and agricultural business grow by enhancing current programs and implementing new programs so that everyone in British Columbians can enjoy a secure and affordable supply of food. This includes the Feed, Grow and Buy BC suite of programs I mentioned earlier, as well as our Business Risk management programs.

- 2. Our government's commitment to Indigenous communities and meaningful reconciliation. B.C.'s Indigenous Advisory Council on Agriculture and Food is the first of its kind in Canada and we are working closely with them on the best path forward to increasing Indigenous participation in food production and processing. This includes creating new economic opportunities as well as ensuring self-sustainability when it comes to feeding Indigenous communities.
- 3. Making sure are farmers and producers are set up for success so they can benefit from increased domestic trade and international export of B.C.'s agricultural products. As we look at ways to grow and process more food, we will be able to build on our already successful reputation for

high-quality food and beverage products nationally and internationally.

4. And the final theme is one I've already talked about which is the importance of building on our climate change mitigation and adaptation efforts here in B.C. so we can support our famers, ranchers, fishers and processors.

I'm proud to say this is a Ministry of Agriculture and Food that is built for the future and we have a budget that will help accomplish our forward-looking priorities, which reflect many of the things that are most important to our agriculture and food sector as well as to British Columbians.

Our government is investing in a stronger tomorrow and focussing on what matters most to people.

With that, Honourable Chair, I'd be happy to take questions from the Honourable Member.



# SHORT VERSION SPEAKING NOTES FOR

Pam Alexis, Minister of Agriculture and Food Estimates Debate – Opening Remarks Thank you, Honourable Chair. I'd like to begin by acknowledging we are on the territories of the Lekwungen [lek-WUN-ghun] speaking peoples of the Songhees and Esquimalt nations.

I'd like to welcome the Opposition Critic and I'm looking forward to talking about the ministry's budget for the 2023 fiscal year and the progress our government is making on strengthening B.C.'s agriculture and food sector.

I'm joined by Peter Pokorny, the Deputy Minister for the Ministry of Agriculture and Food. And I'll also be supported throughout these proceedings by:

- Assistant Deputy Ministers Eric Kristianson and Michelle Koski;
- Executive Lead, Paul Squires;

- Executive Financial Officer Ranbir Parmar; and
- The Chief Executive Officer of the Agricultural Land Commission, Kim Grout.

I know that the Opposition Critic and his colleagues will have many questions for me, and that our time is somewhat constrained, so with that, Honourable Chair, I'd be happy to dive right in and take questions from the Honourable Member.

# Ministry of Agriculture and Food Operating Budget - 2022/23 Restated to 2023/24 by Group Account Classification (GAC) and Votes (\$000)

<b>Group Account Classification</b>	2022/23	2023/24	Increase	
(GAC)	Restated	Estimates	(Decrease)	% Change
Ministry Operations				
Salaries and benefits	32,376	35,662	3,286	10.15%
Operating costs	11,875	12,504	629	5.30%
Government transfers	52,385	56,070	3,685	7.03%
Other expenses	16,615	13,441	(3,174)	-19.10%
Recoveries	(24,431)	(24,431)	-	0.00%
Ministry Operations Total	88,820	93,246	4,426	5%
<b>Agricultural Land Commission</b>				
Salaries and benefits	2,773	4,114	1,341	48.36%
Operating costs	2,228	1,201	(1,027)	-46.10%
Other expenses	3	3	-	0.00%
Recoveries	(3)	(3)	-	0.00%
Agricultural Land Commission	5,001	5,315	314	6%
Total	3,001	3,313	314	070
Production Insurance Special A	Account			
Operating costs	1,250	1,250	-	0.00%
Other expenses	21,951	21,951	-	0.00%
Other expenses - Elimination	(10,000)	(10,000)	-	0.00%
Recoveries	(1)	(1)	-	0.00%
Production Insurance Special	13,200	13,200	_	0%
Account Total	13,200	13,200		070
Grand Total	107,021	111,761	4,740	4%
	2022/23	2023/24	Increase	% Increase
All Votes & Special Accounts	Restated	Estimates	(Decrease)	(Decrease)
Salaries and Benefits	35,149	39,776	4,627	13%
Operating Costs	15,353	14,955	(398)	(3%)
Government Transfers	52,385	56,070	3,685	7%
Other Expenses	28,569	25,395	(3,174)	(11%)
Recoveries	(24,435)	(24,435)	-	-
	107,021	111,761	4,740	4%

# Ministry of Agriculture and Food 2023/24 Budget changes by Core Business (\$000)

	2022/23		2023/24		2024/25		2025/26
	Restated	Change	Estimates	Change	Plan	Change	Plan
Ministry Operations							
Science, Policy and Inspection	16,146	1,319	17,465	284	17,749	-	17,749
Agriculture Resource	64,373	3,015	67,388	604	67,992	-	67,992
BC Farm Industry Review Board	1,378	49	1,427	10	1,437	-	1,437
<b>Executive and Support Services</b>	6,923	43	6,966	20	6,986	-	6,986
Sub-Total	88,820	4,426	93,246	918	94,164	-	94,164
Agricultural Land Commission	5,001	314	5,315	68	5,383	-	5,383
Production Insurance Account Net	13,200	-	13,200	-	13,200	-	13,200
TOTAL Ministry	107,021	4,740	111,761	986	112,747	-	112,747
Percent Change			4.43%		0.88%		0.00%

#### 2023/24 Changes Include - Increase of \$4.740M

- 3.420 M increase to salary and benefits for the Shared Recovery Mandate
- 1.000 M increase to fund the Climate Preparedness and Adaptation Strategy (CPAS) Budget 2022 decision
- 0.371 M increase to support the implementation of a new School Food Programs Framework
- -0.051 M overall decrease to Minister's Office to reflect current staff complement (B2023 \$62K decrease & B2021 \$11K increase)
- 4.740 Total change

#### 2024/25 Changes Include - Increase of \$0.986M

- 0.717 M increase to salary and benefits for the Shared Recovery Mandate
- 0.269 M increase to support the implementation of a new School Food Programs Framework
- 0.986 Total change

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#### Ministry of Agriculture and Food

		Budget			
Туре	Core Business	2023	2024	2025	2026
CB00 Operating Expenses	NC405 Science, Policy and Inspection	16,146,000	17,465,000	17,749,000	17,749,000
	NC425 Agriculture Resources	64,373,000	67,388,000	67,992,000	67,992,000
	NC440 BC Farm Industry Review Board	1,378,000	1,427,000	1,437,000	1,437,000
	NC445 Executive and Support Services	6,923,000	6,966,000	6,986,000	6,986,000
	NC460 Agricultural Land Commission	5,001,000	5,315,000	5,383,000	5,383,000
	NC470 Production Insurance Account	13,200,000	13,200,000	13,200,000	13,200,000
CB00 Operating Expenses		107,021,000	111,761,000	112,747,000	112,747,000
Total					
CB45 Capital Expenditures	NC445 Executive and Support Services	1,229,000	875,000	853,000	853,000
CB45 Capital Expenditures		1,229,000	875,000	853,000	853,000
Total					

Report name: P2 Core Bus Summary analysis

## Ministry of Agriculture and Food - Budget 2023 Highlights

➤ The Ministry budget of \$111.761M in 2023/24 is made up of the Ministry Operations vote, the Agricultural Land Commission vote, and the Production Insurance Special Account.

#### **Ministry Operations**

Budget 2023 increased by \$4.426M over the restated 2022/23 budget:

- \$3.106M for the Shared Recovery Mandate
- \$1.000M additional funding for Climate Preparedness and Adaptation Strategy (Budget 2022 decision)
- o \$0.371M to support the implementation of a new School Food Programs Framework
- \$0.051M decrease to Minister's Office to reflect current staff complement
- ➤ The Ministry Operations budget (Vote 13) in 2023/24 is \$93.246M \$4.426M or 5% greater than the 2022/23 restated budget of \$88.820M.
- The Ministry Operations budget is \$94.164M for 2024/25 and 2025/26.
  - The \$0.918M increase from 2023/24 is due to \$0.649M additional funding for the Shared Recovery Mandate and \$0.269M additional funding for the School Food Programs Framework

#### **Agricultural Land Commission**

- ➤ The budget for the Agricultural Land Commission (Vote 14) in 2023/24 is \$5.315M this represents an increase of \$0.314M for the Shared Recovery Mandate
- ➤ The budget for ALC is \$5.383M for 2024/25 and 2025/26, an additional increase of \$0.068M for the Shared Recovery Mandate

#### **Production Insurance Special Account**

➤ The budget for the Production Insurance Special Account remains at \$13.200M for all years of Budget 2023.

#### <u>Capital</u>

The Ministry's capital budget in 2023/24 is **\$0.875M** – a decrease of **\$0.354M** from the 2022/23 restated budget.

- ➤ \$0.354M decrease is due to Fleet vehicle replacement reprofiled and uplift for Zero Emission Vehicles received in 2022/23 only
- ➤ The capital budget is \$0.853M for 2024/25 and 2025/26, a decrease of \$0.022M due to the Vehicle Supply Chain Disruption Funding received in 2023/24 only

# Ministry of Agriculture and Food

# 2023/24 - 2025/26 Service Plan

February 2023



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# Minister's Accountability Statement



The Ministry of Agriculture and Food 2023/24 – 2025/26 Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

Honourable Pam Alexis

Minister of Agriculture and Food

February 10, 2023

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# Strategic Direction

In 2023/24, the Government of British Columbia will continue our work to make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations. Government will focus on building a secure, clean, and fair economy, and a province where everyone can find a good home – whether in a rural area, in a city, or in an Indigenous community. B.C. will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in an inclusive and sustainable province. The policies, programs and projects developed over the course of this service plan period will focus on results that people can see and feel in four key areas: attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy that can withstand global economic headwinds.

This 2023/24 service plan outlines how the Ministry of Ministry of Agriculture and Food will support the government's priorities and selected action items identified in the <u>December 2022</u> <u>Minister's Mandate Letter</u>.

# Purpose of the Ministry

The Ministry of Agriculture and Food (the Ministry) is responsible for three main areas of work. The first is the production, marketing, and processing of agriculture and seafood products. The second is the carrying out of research, climate action, food safety and plant and animal health programs, projects and undertakings relating to agriculture, seafood and food and beverage processing. The third is the collection of information and preparation and dissemination of statistics relating to agriculture, seafood and food and beverage processing.

The Ministry is a key contributor to economic development and diversification across the province and a main contributor to rural economic development and province-wide job creation, particularly for small businesses. The Ministry is working towards a secure food supply, by helping B.C. producers and processors to be resilient to the impacts of climate change and making more locally-produced food available to British Columbians. The agriculture, seafood and food and beverage sector creates economic and social benefits for Indigenous and underrepresented groups, attracts provincial investment, and contributes to workforce development and skills training.

The legal and regulatory environment that guides the work of the Ministry includes 30 statutes which relate wholly or primarily to the Ministry. A <u>complete list of legislation for which the Ministry is responsible</u> is available online.

# **Operating Environment**

Building a resilient food system and increasing food security is of key importance to the Ministry. In recent years, the agriculture, food and beverage sector has faced significant challenges; this includes the COVID-19 Pandemic and extreme weather events linked to climate change, such as the atmospheric river flood in November 2021. The Ministry has responded to these challenges by taking meaningful actions focused on a strong recovery. This work has yielded positive results with B.C. agriculture, seafood and processed food & beverage sales reaching \$18.05 billion in 2021, a 12.1 percent increase from 2020. In 2021 B.C. also set a new record for annual exports of \$5.11 billion, a 5.7 percent increase from 2020 with B.C. products being exported to 151 different international markets in 2021.

Over the 2023/2024 fiscal year, the Ministry will be continuing work to build the resiliency of food systems in the province. This includes taking action to mitigate and adapt to climate change. One way the Ministry is approaching this is through the Regenerative Agriculture and Agritech strategic framework, which was publicly released January 27, 2023. Ministry actions in the CleanBC Roadmap to 2030 will continue to reduce greenhouse gas emissions from the sector by supporting agricultural producers to incorporate additional on farm climate mitigative actions and enhance carbon sequestration. Ministry actions in the Climate Preparedness and Adaptation Strategy: Actions for 2022-2025 will continue to support agricultural producers to adapt to climate change while supporting the development of water infrastructure and other on-farm preparedness and adaption strategies.

On April 1, 2023, the five-year Sustainable Canadian Agricultural Partnership is expected to come into force, allocating \$3.5 billion to agricultural programing across Canada (2023-2028). This agreement builds upon the current Canadian Agricultural Partnership (2018-2023) and places a greater focus on programing to support climate action, increasing sector competitiveness, revenue and exports, and increased participation of Indigenous Peoples, women and youth.

Ensuring a resilient provincial food supply is crucial to our food security. In 2023/2024 the Ministry will begin work on an emergency preparedness strategy for food security in collaboration the Ministry of Emergency Management and Climate Readiness.

The Ministry will also continue to support local food systems and food security through Grow BC, Feed BC and Buy BC programs. This framework advances the goals of StrongerBC by continuing to support people, communities and business to build resilience through a targeted suite of programs that improve the sustainability of production and support increased industry competitiveness, build the value of and access to B.C. grown and processed food, and increasing consumer awareness, demand and market access for local products. Provincial food safety initiatives will continue to support growing demand for food safety certification from local food systems and food safety inspections of locally produced food products.

## **Economic Statement**

B.C.'s economy has been resilient to pandemic, geopolitical and climate-related disruptions. However, higher interest rates are expected to weigh on the economy in the coming years. Following a rapid recovery from the economic impacts of the COVID-19 pandemic, high inflation led to successive interest rate increases from the Bank of Canada in 2022. The impact of higher interest rates has been evident in housing markets and there is uncertainty over its transmission to the rest of the economy in B.C. and among our trading partners. B.C. is heading into this challenging period in relatively strong position, with a low unemployment rate. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 3.0 per cent in 2022 and expects growth of 0.5 per cent in 2023 and 1.6 per cent in 2024. Meanwhile for Canada, the EFC estimates growth of 3.4 per cent in 2022 and projects national real GDP growth of 0.5 per cent in 2023 and 1.5 per cent in 2024. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The risks to B.C.'s economic outlook center around interest rates and inflation, such as the risk of further inflationary supply chain disruptions, the potential for more interest rate increases than expected, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, the emergence of further COVID-19 variants of concern and lower commodity prices.

# Performance Planning

# Goal 1: Strengthen B.C.'s food security and provincial food systems

Strengthening provincial food security through a sustainable agriculture and food sector and responsible land use remains a provincial priority as it contributes to a strong, sustainable economy that works for everyone.

# Objective 1.1: Ensure the provincial food system has the capacity to increase the availability of B.C. foods

Enhancing the Grow BC, Feed BC and Buy BC suite of programs will drive economic and job growth across the sector, increase the safety and availability of local food, and build the sustainability and reliability of the provincial food system. Integrated programs targeting industry renewal and competitiveness, sustainability, and capacity will address gaps in food supply resilience.

#### **Key Strategies**

- Expand Grow BC by focusing on industry competitiveness, capacity building, sustainability with targeted programs to increase participation of underrepresented groups such as Indigenous Peoples, new entrants, and youth.
- Increase the awareness of the Buy BC brand with B.C. citizens and the availability and promotion of Buy BC licensed products at grocery stores across B.C.
- Enhance Feed BC by building demand for local foods in more B.C. public institutions
  through partnerships with key sectors such as health, post-secondary, and corrections,
  facilitating value chain innovation to connect demand to supply, and supporting the
  readiness and connection to opportunities of B.C. businesses to supply more locally
  grown and processed food.
- Integrate Feed BC into the Province's School Meals Framework to increase local food use and opportunities within B.C.'s K-12 school system.

#### Discussion

The Ministry has an integrated suite of programs and strategies to support this objective's implementation. Programs are delivered through various methods including agreements and partnerships with other government bodies, industry associations, expert program delivery agents, local governments, education institutions, and public health. Under Grow BC, this includes implementation of Year 2 actions under the <a href="The Path Forward: A blueprint for B.C.'s tree fruit industry">The Path Forward: A blueprint for B.C.'s tree fruit industry</a> and supports for industry renewal and regional extension. Under Buy BC, this involves evaluations and audits to support the refinement and further targeting of Buy BC programming to meet industry needs. Under Feed BC, the forecast forward reflects anticipated growth supported by two Ministry mandates to expand Feed BC and to integrate

Feed BC into K-12 schools in collaboration with the Ministry of Education and Child Care's mandate to ensure students are fed for learning.

# Objective 1.2: Working with Indigenous people on agricultural economic development and food security

Working in cooperation and collaboration with Indigenous Peoples to support meaningful reconciliation and Indigenous self-determination is important for the Ministry. This includes understanding the historic and systemic barriers to Indigenous participation in the sector, their agriculture economic development and food security interests, and developing distinction-based approaches that enable capacity building, improve social, cultural and economic well-being, and lead to the equitable participation for Indigenous peoples in the sector.

#### **Key Strategies**

- Work with the B.C. Indigenous Advisory Council on Agriculture and Food and other Indigenous partners, as a part of the action laid out in the Declaration Act Action Plan, to identify opportunities to strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sector.
- Address barriers to participation and consider the needs of Indigenous peoples to strengthen relationships and better integrate Indigenous priorities, perspectives and food system needs into programming.
- Work with government partners to improve our collective understanding of Indigenous Peoples' perspectives and interests on food security and food sovereignty to guide planning and action in B.C.

#### Discussion

Supporting Indigenous communities to meet their food security, food sovereignty and economic development goals is a vital part of strengthening community food security in B.C. Forming the B.C. Indigenous Advisory Council on Agriculture and Food was a crucial step towards strengthening the equitable participation of Indigenous peoples in B.C.'s agriculture and food sector. The Council is the first of its kind in Canada and guided by a three-year <a href="Strategic Plan">Strategic Plan</a>.

The Ministry also has an Indigenous Agriculture and Food team who support First Nations and Métis communities and entrepreneurs in the development and growth of their agriculture and food businesses, and other programs that support Indigenous governments, communities and organizations develop farm businesses and food security.

# Objective 1.3: Expand the data available on the Agricultural Land Reserve

Ensuring the Ministry has data and information on Agricultural Land Reserve (ALR) usage is critical for making land use decisions, informing an array of Ministry and government priorities

and supporting partnerships with farmers, industry and government in developing long-term planning and food security in the province. Maintaining a province-wide Agricultural Land Use Inventory was a recommendation from the "Revitalizing the ALR and the Agricultural Land Commission" Final Committee Report to support policy and program development and the ALR.

#### **Key Strategies**

- Accelerate the pace of ALUI to establish a full and updated provincial baseline.
- Invest in research and development into new technologies to ensure a more sustainable ALUI program and enable more frequent ALUI updates.
- Develop an online portal to ensure that all ALUI data is readily accessible with tools
  available to facilitate data informed decisions on the land base.

#### Discussion

To make informed decisions, the Province needs to know how the ALR is being used and have data that is current and available province-wide. This includes information on the types and amount of farming that is occurring, as well as the volume of value-added and processing activities underway. ALUI's collect consistent, credible, and comprehensive data about land use and land cover on agricultural lands across the province.

There are many decision-makers on the ALR, including local governments, the Agricultural Land Commission (ALC), and numerous provincial government ministries. Having access to data to definitively demonstrate what is occurring on the ALR (and how things are changing), will result in better decisions, policies, and regulations. ALUIs have the potential to be a powerful tool but the information must be current, comprehensive, and accessible. The Ministry has developed a strategy to deliver a fully updated provincial baseline and the tools and methodologies in place to ensure this information remains up to date and accessible.

#### **Performance Measures**

Performance Measures	2021/22 Baseline	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
1a Number of government or other Feed BC partner facilities that have committed to working towards a minimum 30 percent B.C. food expenditures within total annual food expenditures	190	195	205	215	225
1b Number of Buy BC logo licensed products	3,167	4,000	4,500	5,000	5,500

Data source: Ministry of Agriculture and Food.

#### Discussion

1a Feed BC partner facilities: Increasing the number of government or other Feed BC partner facilities that have committed to and are tracking towards a minimum 30 percent B.C. food within their total annual food expenditures provides new market opportunities for B.C. producers and processors and supports increased provincial food supply and food system resilience.

1b Buy BC logo licensed products: Increasing the number of Buy BC logo licensed products that are grown, harvested, raised, or processed in B.C., along with undertaking Buy BC activities focused on online engagement, promotional campaigns, retail and industry partnerships, drives increased consumer awareness of the Buy BC brand and expands local food purchasing.

By supporting local food actions and addressing barriers that public sector institutions (e.g. hospitals, residential care facilities, public post-secondary institutions, schools and other government supported facilities) have experienced in getting B.C. food products into their institutions, the Ministry advances the availability of B.C. food products for British Columbians and supports local communities, jobs and economic development throughout the province.

# Goal 2: Support the B.C. agriculture and food sector to mitigate and adapt to a changing climate and an emerging low-carbon economy

Globally, climate change threatens food security. Food producers are adapting or preparing for both an increasing frequency and severity of climate-related events and longer-term impacts of climate change. The scale and scope of this challenge requires support from government to help facilitate the sector's continued efforts to become ready for climate-related events, contribute to emission reduction solutions, and ensure that British Columbia's long-term food security can be protected.

#### Objective 2.1: Improve emergency preparedness and climate resilience

In recent years, British Columbians have experienced the full spectrum of climate-related events (e.g., extreme heat, wildfires, floods), and few sectors have been hit as hard as agriculture. Climate science tells us that this trend is only going to intensify over the coming decades as we face increasingly frequent and damaging climate-related events. In addition to these events, climate driven emergence of pests and pathogens in animals and plants will also increase.

The Province of B.C. has adopted the United Nations Sendai Framework, which outlines five key priorities that are guiding the Ministry's evolving approach to climate related events and the associated risk: (1) understanding risk; (2) strengthening risk governance to manage risk; (3) investing in mitigation for resilience and; (4) enhancing preparedness for effective response; (5) capacity building for resilience and to "Build Back Better" in recovery, rehabilitation and reconstruction.

#### **Key Strategies**

- *Understanding risk:* Continued investment in science and monitoring capacities to understand climate changes in B.C.'s weather and the impacts of these changes on the availability of agricultural water, drought and flood risks, ocean acidification and hypoxia, invasive species, diseases, pests, and other climate stressors.
- Strengthening governance: Increasing resourcing to the Emergency Management Unit within the Ministry to provide expertise and support coordination for preparedness, mitigation, and response efforts involving the agriculture sector.
- Investing in mitigation for resilience: Launch of a cost-shared Extreme Weather
  Preparedness Program to provide cost-shared supports for agricultural producers to
  protect their operations from extreme weather events.
- Enhancing preparedness: In coordination with the Ministry of Emergency Management and Climate Readiness and other agencies, development of an Emergency Preparedness Strategy for Food Security. The Ministry will also support industry efforts to improve response capacity for plant and animal health risks, including but not limited to Avian Influenza.

 Capacity building for resilience: Establish outreach and education programs for local authorities, First Nations, and industry organizations to support agriculture sector resiliency in the face of rapidly changing climate-related risk profiles.

#### Discussion

In the wake of the atmospheric river in 2021, the Ministry has been scaling up its capacity to address emerging emergency events and strengthening the overall climate readiness of the food and agricultural sector. Work towards this objective is being supported by setting up new roles and organizational units within the Ministry, including improved resourcing of the specialized Emergency Management Unit and the expansion of regional extension services supporting producers in adapting to climate change.

#### Objective 2.2: Increase uptake of regenerative practices and other onfarm and food processing innovations that support sustainability and reduce emissions

Regenerative agriculture practices offer producers the chance to play an active role to reduce threats to food production posed by climate change. These practices protect and regenerate soil, water, and air quality, improve biodiversity and protect sensitive habitats, and increase the productivity and profitability of farms. Farmers are also adopting technological innovations such as biodigesters to convert manure into renewable natural gas or the use of precision agriculture agritech solutions to reduce nitrogen fertilizer emissions, as part of the low carbon economy. Together, regenerative agriculture practices and agritech are addressing the need to proactively respond to climate change through practical mitigation and adaptation tactics.

#### **Key Strategies**

- Increase available cost-share funding for beneficial management practices through CleanBC.
- Expand research and innovation on beneficial management practices with an emphasis on regenerative practices and sequestration of carbon in the soil.
- Stimulate growth and development of innovation and new technologies that will enhance soil, water and greenhouse agricultural production and food processing sectors.
- Through the B.C. Centre for Agritech and Innovation, support agritech businesses to expand, grow, and meet the progressive needs of primary agricultural production and food processors while ensuring British Columbians' world-class sustainability, quality and safety standards continue.

#### Discussion

Farmers receive cost-share funding from the Ministry for completing beneficial management practice projects, many of which promote regenerative agriculture practices and technologies. An increased number of such projects indicate the Ministry's success at supporting the

development of the agritech sector and promoting regenerative agriculture practices.

#### **Performance Measures**

Performance Measure	2021/22	2022/23	2023/24	2024/25	2025/26
	Baseline	Forecast	Target	Target	Target
2a Number of beneficial management practice projects completed by farmers which support regenerative agriculture practices and technologies	200	450	550	700	850

Data source: Ministry of Agriculture and Food

#### Discussion

2a Beneficial Management Practices: Beneficial management practices are tracked by the delivery of beneficial management practice projects through various funding programs. These projects are implemented and adopted by individual farmers and producers. These practices contribute to regenerative agriculture production, indicating a shift in on-farm production to include more regenerative agriculture practices. Cumulative growth in the volume of beneficial management practice projects implemented over time indicates the prevalence of adoption, ongoing use, and rate of transition to beneficial management practices.

# Goal 3: Support the agriculture, food and beverage sector in growing and diversifying domestic and international markets.

The Ministry is working to support the sector to expand and diversify domestic and international markets through the delivery of a suite of market development programs and services. By helping to increase sales and diversify markets, the Ministry supports the sector's ability to contribute to sustainable and resilient economic growth for the province.

# Objective 3.1: Increase the capacity of the B.C. agriculture, food and beverage sector to expand domestic and international competitiveness.

Leveraging B.C.'s agriculture, food and beverage sector's competitive advantages, addressing barriers to growth and building capacity to capitalize on market opportunities will enable business and job growth.

#### **Key Strategies**

- Deliver trade diversification seminars for the agriculture, food and beverage sector to assist them in understanding market requirements, opportunities and challenges specific to key international markets.
- Provide market research services and cost-shared funding to industry associations to support their ability to conduct market research and establish market development and diversification plans.
- Support the development of a coordinated long-term market development strategy and short-term sales and marketing plan for BC's apple industry, in alignment with the goals and objectives of The Path Forward: A Blueprint for B.C.'s Tree Fruit Industry.
- Increase B.C. processing innovation, productivity and competitiveness through improved industry access to facilities, equipment, technology, training, technical services and other supports including through the B.C. Food Hub Network.

#### Discussion

The sector's competitiveness is dependent upon a wide range of factors that drive economic productivity, market development and ultimately growth. As a sector primarily comprised of small to medium-size businesses, the first step to improving competitiveness is increasing capacity and awareness of opportunities, informing actions through market research and planning, and preparing companies to meet market requirements. Targeted export readiness activities are anticipated to support the sector to identify and pursue market development opportunities both abroad and domestically.

Expanding market opportunities will require additional actions to address barriers to growth. Food Hubs, already found in twelve communities around the province, help food entrepreneurs overcome barriers to growth by providing access to shared equipment. As food and beverage manufacturing account for 60 percent of B.C.'s total agriculture, food, and

seafood industry GDP, there is a strong focus on expanding opportunities for this part of the sector by increasing value-add activities on B.C. grown products, facilitating and enabling food processing innovation, and investments to improve productivity and profitability.

# Objective 3.2: Increase and diversify B.C. agriculture, food and beverage export sales.

B.C.'s broad array of products and strong international reputation for high food safety standards positions the sector to expand export opportunities. Increasing and diversifying export sales increases the long-term resiliency of the sector by reducing market risk and contributes to economic growth and job creation across the province.

#### **Key Strategies**

- Support a coordinated government presence in collaboration with the Ministry of Jobs, Economic Development, and Innovation to support industry participation and promotion at large international tradeshows and business to business matchmaking events with support from provincial and federal trade representatives.
- Provide cost-shared funding to farmers, food and beverage processors, and industry
  associations to support industry-led international market development activities that
  support the sector in developing and diversifying export markets.
- Produce a refreshed B.C. Agrifood and Seafood Export-Ready Business Catalogue to support the ability of B.C. Trade and Investment Representatives and Canadian Trade Commissioners to help connect international food buyers with B.C. exporters.

#### Discussion

Increasing and diversifying export sales includes maintaining competitiveness in existing markets and supporting trade diversification activities. Coordinating a strong industry presence and facilitating connections to foreign buyers at key international tradeshows and events, and showcasing B.C. food and beverage products through in-market promotional activities, ensures that B.C. exporters can develop and maintain strong trading relationships and drive consumer demand and sales of B.C. exports.

# Objective 3.3: Support market access through a high standard of animal and plant health programming and diagnostic services

Plant and animal health and welfare are key factors in increasing the production of a wide range of agricultural products for domestic consumption, for improving public perceptions of and confidence in those products, and for maintaining international trade. Plant and animal health and welfare are negatively affected by a growing number of threats ranging from infectious disease, to climate-related phenomena (e.g., extreme heat, flood, etc.), to public discontent with animal welfare and food safety standard. For these reasons, strategies that enhance and protect plant and animal health and welfare in the province are critical to growing and diversifying domestic and export markets.

#### **Key Strategies**

- Provide diagnostic, surveillance, investigation, and response programming for priority diseases affecting plant and animal health, as well as food safety, such as avian influenza, African Swine Fever, and Salmonella spp.
- Build genomics capacity for animal and plant health, as well as food safety, in the context of a BC One Health Strategy.
- Enhance extension services to help producers meet plant and animal health and animal welfare requirements for expanded market access.
- Collaborate with stakeholder organizations to develop new and improved policy and programming for the welfare of production animals.

#### Discussion

Assurance in animal and plant health and food safety are pre-requisites to grow markets. For example, robust programs for foreign animal diseases, such as avian influenza and African Swine Fever, and other diseases with significant animal and public health impacts, reduce market interruptions and preserve livelihoods. Development and implementation of new technologies such as genomics, to detect and understand, predict and prevent health threats is necessary to meet customer expectations. Supporting plant and animal producers to meet increasing health and welfare requirements of international, national and regional customers is particularly critical for the diversification of B.C.'s agricultural sector.

#### **Performance Measures**

Performance Measure	2021/22	2022/23	2023/24	2024/25	2025/26
	Baseline	Forecast	Target	Target	Target
3a Number of B.C. agriculture and food businesses accessing Ministry business and market development programs	471	626	705	715	725

Data source: Ministry of Agriculture and Food.

#### Discussion

In 2021, B.C. exported a record \$5.11 billion, an increase of 5.7 percent, in agriculture, seafood, and processed food and beverage products to 151 different international markets. The top five export markets were the U.S (\$3.9 billion), China (\$344 million), Japan (\$218 million), South Korea (\$135 million), and Hong Kong (\$84 million). Coordinated activities, in partnership with federal and provincial trade representatives, will support B.C. agriculture, seafood, and processed food and beverage businesses to connect to and capitalize on export opportunities.

3a Number of agriculture and food businesses accessing business and market development programs: The number of B.C. agriculture and food businesses that access business and market development programs demonstrate the growth of the sector's capacity to successfully

expand and diversify markets. Increasing the number of businesses that access business and market development programs supports market growth and diversification by ensuring businesses are competitive and reducing market risk. This enhances the long-term sustainability of the B.C. agriculture and food sector and promotes economic growth.

This performance measure is new to the 2023/24 Annual Service Plan. Moving forward the number of B.C. agriculture and food businesses that access business and market development programs will be tracked which may result in adjustments to the proposed targets in the 2024/25 Annual Service Plan.

# Financial Summary

Core Business	2022/23 Restated Estimates <sup>1</sup>	2023/24 Estimates	2024/25 Plan	2025/26 Plan
	Operating Ex	(penses (\$000)		
Science, Policy, and Inspection	16,146	17,465	17,749	17,749
Agriculture Resources	64,373	67,388	67,992	67,992
BC Farm Industry Review Board	1,378	1,427	1,437	1,437
Executive and Support Services	6,923	6,966	6,986	6,986
Agricultural Land Commission	5,001	5,315	5,383	5,383
Production Insurance Account Special Account	13,200	13,200	13,200	13,200
Total	107,021	111,761	112,747	112,747
Capital Expenditures (\$000)				
Executive and Support Services	1,229	875	853	853
Total	1,229	875	853	853

<sup>&</sup>lt;sup>1</sup> For comparative purposes, amounts shown for 2022/23 have been restated to be consistent with the presentation of the 2023/24 Estimates.

<sup>\*</sup> Further information on program funding and vote recoveries is available in the <u>Estimates and Supplement to the Estimates</u>.

### Appendix A: Public Sector Organizations

As of February 2023, the Minister of Agriculture and Food is responsible and accountable for the following Agencies, Boards, Commissions and Tribunals:

#### **Agricultural Land Commission**

The Provincial <u>Agricultural Land Commission</u> (ALC) is the independent administrative tribunal dedicated to preserving agricultural land and encouraging farming in B.C. The ALC is responsible for administering the Agricultural Land Reserve (ALR), a provincial land use zone where agriculture is the primary land use taking place on the limited agricultural land base.

#### **British Columbia Farm Industry Review Board**

The British Columbia Farm Industry Review Board (the Board) is an independent administrative

tribunal that operates at arm's-length from government. As the regulatory tribunal responsible for the general supervision of B.C. regulated marketing boards and commissions, the Board provides oversight, policy direction and decisions to ensure orderly marketing and to protect the public interest. In its adjudicative capacities, the Board provides a less formal system than the court for resolving disputes in a timely and cost-effective way.

#### **Marketing Boards and Commissions**

The Marketing Boards and Commissions include:

**BC Broiler Hatching Egg Commission** 

**BC Chicken Marketing Board** 

**BC Cranberry Marketing Commission** 

BC Egg Marketing Board

BC Hog Marketing Commission

**BC Milk Marketing Board** 

BC Turkey Marketing Board

BC Vegetable Marketing Commission



December 7, 2022

Honourable Pam Alexis Minister of Agriculture and Food Parliament Buildings Victoria, BC V8V 1X4

Dear Minister Alexis:

Thank you for agreeing to serve as Minister of Agriculture and Food. I trust in your leadership at this critical time to deliver results for the people of British Columbia.

British Columbians continue to recover from and respond to the upheaval caused by the COVID-19 pandemic and climate related natural disasters, while global inflation is driving up costs for more households and the world's economic outlook is concerning. Now more than ever, we need to focus on building a secure, low emission, sustainable economy, and a province where everyone can find a good home – whether you live in a rural area, in a city, or in an Indigenous community. We will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the inclusive and sustainable province we are building together.

Our government is committed to delivering on the mandate British Columbians gave us in 2020. Together we can make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations.

As we renew our work, my priority as Premier is to deliver results that people can see and feel in four key areas:

Attainable and affordable housing: In the wake of soaring prices and record
migration to B.C., we will take on the important work of building new homes that
are actually attainable for the middle class, while continuing our work to address
the housing crisis for those in distress on our streets.

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- Safer communities: To address concerns about public safety, both for the people struggling with mental health and addiction on our streets, as well as the feeling that downtown centres are not as safe as they were before the pandemic, we will work with our partners at all levels of government, the justice and health care systems, the non-profit sector, and community leaders to find solutions for this complex challenge facing our province, and work overtime to seize the assets of high-level criminals.
- Improved health care: Amid unprecedented pressures we will continue to work to strengthen our public health care system, from family doctors to new hospitals, so care is there for each of us when we need it.
- A sustainable, clean, secure, and fair economy: We will continue our work
  investing in British Columbians, fighting racism and promoting equity, and building
  a clean economy that addresses our obligations to combat climate change by
  driving down emissions, while creating good, family supporting jobs.

Food security – where we get our food, and how much it costs – is front of mind for all British Columbians. Climate change, supply chain issues, and policy changes in places far from B.C. can impact our food supply and costs here at home.

As every British Columbian knows, we won't have a secure food supply and manage food costs for British Columbians if we don't look after our farmers and use our land base wisely. Our province's proud history of the Agricultural Land Reserve shows our commitment, through many changes of government, to protecting land for food for ourselves and future generations. Our provincial commitment to food and the people who produce it has never been more important.

Our farmers, ranchers and seafood producers are seeing rising costs for inputs like fertilizer, seeds, feed, and pieces of equipment. Shifts in weather are testing resilience, and major agricultural areas like the Fraser Valley Regional District have been hit hard by climate change disasters.

As Minister, your job will be to support farmers, ranchers, and seafood producers in the critical work they do for all of us, to ensure food security for British Columbians by establishing policies to use our agricultural land wisely, increase production, and add processing capacity. Your role also involves building on our strong export sector by promoting the clean, safe, high-quality food produced in B.C., creating jobs and growing our economy sustainably while supporting our communities and our neighbours.

Since 2020, our government has made considerable progress on important initiatives including:

- Expanding the Grow BC, Feed BC, and Buy BC programs to encourage greater food security and local business growth, including opening nine new food hubs across B.C.
- Increasing Indigenous participation in the agriculture and food sector and strengthening Indigenous food systems, including launching the B.C. Indigenous Advisory Council on Agriculture and Food.
- Establishing a new Minister's Advisory Group on Regenerative Agriculture that will
  provide strategic advice to government on opportunities to promote innovation,
  technology adoption and regenerative practices.
- Supporting farmers, ranchers, and food processors to improve climate preparedness and resiliency to wildfires, flooding, and extreme heat through the launch of the new Extreme Weather Preparedness for Agriculture Program.
- And ~ in addition to these achievements your ministry worked tirelessly to ensure
  our farmers and ranchers impacted by the devastating floods in late 2021 had the
  supports they needed to begin their recovery, and it continues to work together
  with food producers to build back better from the largest agricultural disaster in
  B.C.'s history.

As you continue to make progress on items in the previous mandate letter, over the remaining period of this mandate I expect you to prioritize making progress on the following:

- Continue work on the recommendations of the Food Security Task Force and take steps to make B.C. a leader in agricultural innovation, resilience, and food security in the face of emerging challenges of supply chain disruption, global inflation, rising costs, and the impacts of climate change.
- Work with Indigenous Peoples on agricultural initiatives identified by them to support their interests in economic development, food security, and community building across the province.
- Work with the Minister of Emergency Management and Climate Readiness, support the resilience of B.C.'s food system through an emergency preparedness strategy for food security.
- Grow our economy, reduce costs, reduce greenhouse gas emissions, and increase food security for British Columbians by working with partners to increase food processing in B.C. while increasing innovation in food processing in the province, and supporting export opportunities.

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- Work with industry to identify agricultural best practices that reduce carbon
  pollution and support their adoption across the sector so that agricultural
  innovation can continue to be a key part of our province's efforts to reduce
  carbon pollution.
- Ensure government has all of the information required about land use in the Agricultural Land Reserve to support partnerships with farmers, industry, and government in developing long-term planning and food security in the province.
- Continue to support the Grow BC, Feed BC, and Buy BC programs to encourage greater food security, regional business growth, and access to local food.
- Support the work of the Minister of Education and Child Care to integrate Feed BC into expanded school meal programs.

Our work together must continue to evolve to meet the changing needs of people in this province. Issues not contemplated by this letter will come forward for government action and I ask you to bring such matters forward for consideration by the Planning and Priorities Committee of Cabinet, with the expectation that any proposed initiatives will be subject to the usual Cabinet and Treasury Board oversight and include measurable outcomes for British Columbians. Your ministry's priorities must reflect our government's overall strategic plan as determined by Cabinet.

British Columbians expect their elected representatives to work together to advance the public good. That means seeking out, fostering, and championing good ideas regardless of their origin. I expect you to reach out to elected members from all parties as you deliver on your mandate. Further, you will build thoughtful and sustained relationships both with title holders and through public and stakeholder engagement plans that incorporate diverse perspectives early in the policy development process. Federal partnerships and resources will be particularly important and, on behalf of our government, you will engage with the federal government on advancing priorities to improve the lives of British Columbians.

As a Cabinet, we will uphold the highest standards of ethics, collaboration, and good conduct in service of the public, and as a Minister of the Crown, you are expected to review, understand, and act according to the *Members' Conflict of Interest Act*. You will establish a collaborative working relationship with your Deputy Minister, and the public servants under their direction, who provide the professional, non-partisan advice that is fundamental to delivering on our government's priorities. Your Minister's Office must meet the highest standards for integrity and provide a respectful, rewarding environment for all staff.

The rural and urban challenges that we face are urgent and complex. In response, we must be forward-thinking, strategic, and ready to work across disciplines and old divisions in new ways. Labour shortages are a major issue globally, and British Columbia is no exception, including in the public service. Maintaining the BC Public Service as an employer of excellence will be key to retaining and recruiting the diverse professionals we rely on to deliver essential services, advice, and analysis.

At the core of this work is listening and responding to the priorities of people in B.C. Together, we can deliver results in very real ways – ways that people can see, feel, and touch, and that change their lives for the better. Thank you for doing this important work with me.

Sincerely,

David Eby, KC

Premier

#### **Deputy Minister's Office**

#### **Corporate Planning and Intergovernmental Relations**

Lead: Kelly Rainforth

#### **Executive Operations and Planning**

Lead: Shawna Lyttle

#### Agriculture Resource <u>Division</u>

ADM's Office Michelle Koski

#### Food & Beverage Branch

Temp Lead: TBD

Market Development and Trade

Food System Partnerships Unit (Feed BC and Food Processing) Indigenous & Entrepreneur Services

**Administrative Services Unit** 

### Extension & Support Services Branch

Lead: Mark Raymond

Resource Management Unit Industry Development Unit Regional Development Unit Land Use and Geospatial Unit

#### **Business Risk Management Branch**

Lead: Byron Jonson

Production Insurance & Ag Wildlife Unit

AgriStability Unit Business Operations Unit Policy & Products Unit

# Science, Policy & Inspection Division

ADM's Office Eric Kristianson

# Corporate Policy & Priorities Branch

Lead: Arlene Anderson

Policy & Legislation Unit Sector Insights & Corporate Initiatives Unit Corporate Planning and IGR

#### Office of the Chief Vet

CVO: Theresa Burns

#### Plant & Animal Health Branch

**Executive Director: Joyce Austin** 

Animal Health Centre Plant Health Unit Business Unit

#### **Food Safety Inspection Branch**

Lead: Gavin Last

Agri-food Compliance and Enforcement Program Meat Inspection Program Seafood Inspection Program

# Regenerative Agriculture & Climate Initiatives Division

Executive Lead
Paul Squires

# Emergency Management Branch

Lead: Graham Knox

Strategic Climate Initiatives/ Agri Tech, Innovation and Regen Branch

Lead: Dylan Sherlock

Agriculture Land Commission CEO: Kim Grout BC Farm Industry Review Board ED: Martha Anslow

### **Legislation Overview**

Act	Details
<ul> <li>Agricultural Land Commission Act</li> <li>Agricultural Land Reserve         General Regulation</li> <li>Agricultural Land Reserve         Use Regulation.</li> </ul>	The Act defines the Agricultural Land Reserve (ALR) and establishes the Agricultural Land Commission (ALC) with the following purposes:  • Preserve agricultural land,  • Encourage farming on agricultural land in collaboration with other communities of interest; and,  • Encourage local governments, First Nations, the government, and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws, and policies.  The Act describes the ALC's procedures and requirements for determining whether land is included or excluded from the ALR, subdivided, or used for a non-farm use or non-adhering residential use. Applications for non-farm use and subdivision of agricultural land may be delegated to public bodies or First Nations governments where the lands are within their respective jurisdictions.
<ul> <li>Animal Health Act</li> <li>Animal Products and Byproducts Regulation</li> <li>Bee Regulation</li> <li>Enforcement Regulation</li> <li>Fur Farm Regulation</li> <li>Game Farm Regulation</li> <li>Laboratory Fees Regulation</li> <li>Livestock Licensing Regulation</li> <li>Poultry Health and Buying Regulation</li> <li>Premises Identification Regulation</li> </ul>	<ul> <li>The Act enables government to:</li> <li>Apply effective control measures to a larger number of reportable and notifiable animal diseases,</li> <li>Inspect animals, animal products and byproducts,</li> <li>Protect certain data and information,</li> <li>Make orders for the management of disease, or for the seizure and destruction of animals, animal products and byproducts to control the spread of a disease,</li> <li>License a variety of operators engaged in business that relate to animals, animal products or animal byproducts,</li> </ul>

Act	Details
Reportable and Notifiable     Disease Regulation	<ul> <li>Place greater accountability on persons responsible for animals to ensure that onfarm practices prevent the occurrence and spread of disease; and,</li> <li>Work with industry and other governments to monitor animal health and to participate in health management and research programs.</li> </ul>
<ul> <li>Farm Income Insurance Act</li> <li>Farm Income Plans         Regulation     </li> </ul>	The Act enables the establishment and administration of farm income plans, which are voluntary participation programs for British Columbia (B.C.). farmers designed to provide the guarantee or assurance of income, or for the payment of money to reduce losses caused by price fluctuations such as low market return and escalating input costs.
<ul> <li>Farm Practices Protection (Right to Farm) Act</li> <li>British Columbia Farm         Industry Review Board         Regulation</li> <li>Specialty Farm Operations         Regulation</li> </ul>	The Act ensures that farmers can farm in the ALR and on land designated for, or allows farm use, by protecting them from nuisance lawsuits, nuisance bylaws, and prohibitive injunctions if they are using normal farm practices. The British Columbia Farm Industry Review Board (The Board) is established to deal with complaints about farm practices, including the ability to order a farmer to improve or to stop poor farm practices. The Board builds on an existing peer review process to investigate and attempt to resolve disputes before hearings are held.
<ul> <li>Farmers and Women's Institutes Act</li> <li>◆ Farmers and Women's         Institutes Act Regulation     </li> </ul>	Farmers' and Women's Institutes are rural organizations concerned with most aspects of farming industry and society from a community agriculture point of view. The Act describes the purposes for which Farmers' and Women's Institutes may be incorporated and provides a process for incorporation. It authorizes the appointment of a Superintendent of Farmers' Institutes to discharge the duties assigned by the Minister or regulations.

# Farming and Fishing Industries Development Act

- Blueberry Industry Development Fund Regulation
- British Columbia Salmon
   Marketing Council Regulation
- British Columbia Wine Grape Council Regulation
- Cattle Industry Development Council Regulation
- Dairy Industry Development Council Regulation
- Grain Industry Development Fund Regulation
- Raspberry Industry Development Council Regulation
- Woodlot Product Development Council Regulation

The purpose of this Act is to enable producers of commodities of the farming and fishing industries to collect levies approved by the Lieutenant Governor in Council. The Minister establishes a council to administer the levy fund and apply those funds to promote and benefit their industries.

#### Fish and Seafood Act

- Fish and Seafood Licensing Regulation
- Enforcement Regulation

The Minister of Agriculture and Food is responsible for the Act except as it relates to licensing respecting the growing of aquatic plants and the harvesting of wild aquatic plants.

The Act ensures that any fish or aquatic plants that may be distributed to the public for human consumption meet food safety standards. The Act enables a licensing regime and creates an inspection and enforcement system to ensure license holders are complying with the Act and with any terms or conditions of their license. A range of punitive options ranging from administrative penalties to criminal charges is available. The Act also outlines record keeping, reporting requirements, and allows for the making of orders, their reassessment, reconsideration, and review. The Minister is authorized to designate licensing officers, reviewing officers, analysts, and inspectors. The Minister may delegate their powers or duties under specific provisions (s.17, s.27, s.46) to a person or class of

	persons.
<ul> <li>Food and Agricultural Products</li> <li>Classification Act</li> <li>Egg Grading and Standards         Regulation</li> <li>Enforcement Regulation</li> <li>Organic Certification         Regulation</li> <li>Wines of Marked Quality         Regulation</li> </ul>	This Act provides a grading and classification system for food and agricultural products produced, or distributed in B.C. based on quality, physical attributes, or method of production. The Act also allows for the creation of protected labels for prescribed products, such as requiring certification to be able to use the word "organic" in the marketing of organic products. The purpose of these provisions is to support, strengthen consumer confidence, and decision-making. The Act also contains provisions for inspector appointments, duties, powers, responsibilities, reporting, record-keeping requirements, compliance, and enforcement.
Food Safety Act  • Meat Inspection Regulation	The Minister of Agriculture and Food is responsible for the Act as it relates to food establishments where animals are slaughtered for food purposes.  The Act requires operators of food establishments to be responsible for ensuring that their food is safe for human consumption. The Act provides for a licensing system for food establishments, and for the summary suspension, or amendment of the license if the operation of a food establishment poses a risk to human health or safety. Standards for establishments are set out in regulations. The appointment and powers of inspectors are described, including the ability to prohibit sales of food where operators have not complied with regulations. An inspector can seize and destroy food that is contaminated or unfit for human consumption, and the Minister may order a recall of such food that has been sold or distributed.

<ul><li>Insurance for Crops Act</li><li>Continuous Crop Insurance Regulation</li></ul>	The Act empowers the Minister to enter into a crop insurance agreement with the federal government. Under this agreement, it also authorizes the establishment, and administration of schemes of crop insurance in the province, and the establishment of a crop insurance fund.	
<ul> <li>Livestock Act</li> <li>Livestock Regulations</li> <li>Pound Districts Regulation</li> </ul>	<ul> <li>Permits establishment of livestock districts where, with minor exceptions, livestock may run at large within the district boundaries,</li> <li>Permits the establishment of Bull Control areas, which under the direction of a Bull Control Committee determine the number, breed, breeding, quality, and age of bulls allowed to run at large within the area; and,</li> <li>Permits the establishment of pound districts to allow keepers, peace officers, and others to capture of animals at large within a specified area and allows for the sale of unclaimed impounded animals and the reimbursement of the keeper.</li> <li>A Livestock Notice published under the Act, although it is not a regulation. It sets out bull control areas, livestock districts and pound districts.</li> </ul>	
Livestock Identification Act     Livestock Identification     Regulation	The Act allows the livestock industry to establish a system for registration of brands in the province, for brand inspection and for the transfer of brands. The Act allows for the appointment of inspectors, describes the powers of inspectors, and outlines the process for handling complaints. The Act includes a requirement to keep records of livestock transactions and to present such records to inspectors upon request.	

Livestock Lien Act	The Act creates a possessory lien in favour of every keeper of a livery, boarding or sale stable, and every agistor of cattle holding any livestock or effects. An agistor is a person that feeds or pastures an animal for a fee. The lien on the livestock or effects left with them by their owners is for the value or price of food, care, attendance, or accommodation furnished for the livestock.
Local Government Act  ■ Right to Farm Regulation	The Minister of Agriculture and Food is responsible for s. 481 (1) and 551 – 554.  The provisions dealing with farm bylaws are the administrative responsibility of the Minister responsible for the Farm Practices Protection (Right to Farm) Act. These sections allow for the setting of provincial standards for local government (land use and farm) bylaws, enable the development of special bylaws for farming, and direct that local government bylaws reviewed in relation to the provincial standards.
<ul> <li>Milk Industry Act</li> <li>Dairy Plant Exception         Regulation</li> <li>Milk Industry Standards         Regulation</li> </ul>	The Minister of Agriculture and Food is responsible for s. 12 as it relates to bulk tank milk grader licenses, and the remainder of the Act.  The Act ensures the safety and quality of all milk and milk products by requiring certification of dairy farms and licensing of dairy plants. The Act also ensures that all milk sold comes from certified dairy farms and that all milk processed into dairy products, except for raw milk used in the production of certain specialty cheeses, is pasteurized. The Act also outlines the role of the BC Milk Marketing Board in determining payment to milk producers. The Act is supported by the Milk Industry Standards regulation which details standards for cleanliness and quality during all phases of milk production and processing.  The Minister of Agriculture and Food issues bulk tank milk grader licenses; the Minister of Health issues licenses for persons operating or working in dairy plants.

Ministry of Agriculture and Food Act	Although the Ministry has changed names several times, this Act describes the purposes and functions of the Ministry, which include matters relating to: <ul> <li>Production, marketing, processing, and merchandising of agricultural products and food,</li> <li>Institution and carrying out of advisory, research, promotional or education extension programs, projects or undertakings relating to agriculture and food; and</li> <li>Collection of information and preparation of statistics relating to agriculture and food and the dissemination of these statistics as the Minister considers advisable.</li> </ul> <li>The Act also empowers the Minister to enter into agreements with other governments.</li>
Ministry of Forests and Range Act	s. four(d)(ii) and (e) as those provisions relate to the portfolio of the Minister of Agriculture and Food  This section of the Act relates to government's responsibility to encourage an efficient, and competitive ranching sector.
<ul> <li>Plant Protection Act</li> <li>Bacterial Ring Rot Regulation</li> <li>Blueberry Maggot Control Regulation</li> <li>Domestic Bacterial Ring Rot Regulation</li> <li>Golden Nematode Regulation</li> <li>Little Cherry Control Regulation</li> <li>Japanese Beetle Regulation</li> </ul>	The Minister of Agriculture and Food is responsible for the Act except as it relates to the treatment of the Lymantria Moth.  The Act provides for the prevention of the spread of pests destructive to plants in B.C. including the powers of inspectors and the authority to establish quarantine areas.
<ul> <li>Prevention of Cruelty to Animals Act</li> <li>Prevention of Cruelty to         <ul> <li>Animals Regulation</li> </ul> </li> <li>Sled Dog Standards of Care         <ul> <li>Regulation</li> </ul> </li> <li>Cattery and Kennel         <ul> <li>Regulation</li> </ul> </li> </ul>	The Act ensures the humane treatment of animals by providing a legislative mandate for the Society for the Prevention of Cruelty to Animals in B.C. It outlines the membership, the constitution, and powers of the society, including the inspection powers of their officers, rights of seizure, and disposal or sale of animals taken into custody. The

Animal Care Codes of     Practice Regulation	Act identifies standards of care for animals and duties of operators of regulated activities involving animals. The Act provides for specific protection of service animals and prohibits baiting and fighting of animals.	
<ul> <li>Seed Potato Act</li> <li>Cariboo Certified Seed Potato Control Area Regulation</li> <li>Pemberton Certified Seed Potato Control Area Regulation</li> <li>Seed Potato Regulation</li> </ul>	<ul> <li>Facilitates the growing of certified seed potatoes,</li> <li>Provides for the constitution of seed potato control areas, appointment of seed control committees (the functions, powers, and duties); and,</li> <li>Places restriction of growth of any potato seed of a variety prescribed by the committee in a seed potato control area.</li> </ul>	
Special Accounts Appropriation and Control Act	The Minister of Agriculture and Food is responsible for s. 9.2.  This section of the Act allows for the creation of a special account known as the Production Insurance Account that is used to fund government insurance payments under the Insurance for Crops Act.	
Veterinarians Act	The Act provides a legislative framework for those practicing veterinary medicine in the province to regulate their qualifications, registration, standards of conduct and practice, conduct investigations, and disciplinary proceedings when required. The British Columbia Veterinary Medical Association is continued as the College of Veterinarians of British Columbia (the College). The College may make bylaws, some of which must be approved by registrants. The College may certify technicians and establish bylaws related to the practice of aspects of veterinary medicine by technicians.	
<ul> <li>Veterinary Drugs Act</li> <li>Veterinary Drug and Medicated Feed Regulation</li> </ul>	The Act restricts the sale and manufacture of medicated feeds and veterinary drugs except by a pharmacist or a veterinarian licensed under this Act. The Act also allows for the inspection of premises on which medicated feeds or veterinary drugs are manufactured or sold. The Minister may prohibit the use of certain drugs if considered to be dangerous	

### ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

	to a person or animal.
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Date approved: Feb 1, 2023	Branch: CPPB	Branch: CPPB
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#### **ALC - Commissioners and Panels**

#### RECOMMENDED RESPONSE:

- The ALC Act (ALCA) requires the Commission to consist of at least 11 members but no more 19 members.
- The Commission Chair is appointed by Order in Council of the Lieutenant Governor in Council, and Commission members are appointed by Ministerial Order of the Ministry of Agriculture and Food.
- There are currently 18 Commission members appointed to the ALC including the Chair, Jennifer Dyson
- The Chair has the authority under the ALCA to appoint one or more Vice-Chairs to serve on the
  Executive Committee from the members appointed by the Minister and to appoint members to
  panels for decision-making.
- The Chair has appointed 6 Vice Chairs, one from each of the six administrative regions in the Province to serve on the Executive Committee.
- The Chair of the Commission may establish panels consisting of two or more members of the Commission based on administrative region, member expertise, application type or any other criteria determined by the Chair.
- The Chair has established:
  - o a 2-3 member panel for each one of the six (6) administrative regions in the Province.
  - a 6-member panel to decide on all soil and fill Use applications from all six (6) administrative regions.
  - a 3-member panel to decide on all filming applications that request more than 60 days of filming per calendar year from all six (6) administrative regions.
- The ALCA sets out that Commission members must be appointed using a merit-based process based on their knowledge and experience in agricultural, land use planning, local government or First Nations government.
- ~77% of the Commissioners (14 of 18) either own/operate or are involved in agricultural operations, including the production of livestock (dairy, beef, water buffalo, pigs & poultry), vegetables, forage, hazelnuts, grapes, tree fruits & other fruits for both local & global markets.

- ~67% of the Commissioners (12 of 18) have experience in local government, first nation band council, agrology, farm business advisory, tourism and community services.
- The Commissioners have experience serving on other boards, councils and associations that are agricultural and land use planning related, such as;
  - BC Hereford Association
  - BC Cherry Association
  - BC Cattlemen's Association
  - Agricultural Associations and Agricultural Advisory Committees within their communities.
  - BC Dairy Association
  - BC Egg Marketing Board
  - BC Agricultural Council
  - BC Assessment
  - Canadian Food Policy Advisory Council
  - BC Grasslands Council
  - Union of BC Municipalities
  - First Nation Band Council

#### **BACKGROUND:**

#### **Commission Chair**

#### Jennifer Dyson

- Appointed Chair of the Commission in May 2018 (~5 yrs).
- Previous Commissioner/Vice Chair 2008 to January 2017 (~8 yrs).
- Alberni-Clayoquot Regional District
- Owner/Operator of a water buffalo dairy and direct farm market in Port Alberni.

Formerly: Member of Minister's Independent Committee on ALC/ALR Revitalization,
 Environmental Farm Plan Working Group, and Island Agri-Food Initiative; Co-founder of Island
 Farmer's Alliance, Western Women's rep appointed by BC Agriculture Council to the Canadian
 Federation of Agriculture and former executive director of the Agricultural Workforce Policy
 Board.

#### South Coast Administrative Region Panel (3 Members)

#### Ione Smith

- Appointed to Commission in October 2017 (5+ years);
- Appointed Vice Chair October 2018
- Sunshine Coast Regional District
- Founder of Upland Agricultural Consulting, Registered Professional Agrologist and Farm Business Advisor in Sechelt, member of BC Food Systems Network Steering Committee.

#### Susan Gimse

- Appointed to the Commission in October 2018 (4+ years)
- Squamish-Lillooet Regional District (SLRD)
- Owner/Operator of a cattle farm in Pemberton,
- BC Assessment Appeal Board Member and formerly: Chair of the Squamish Lillooet Reginal District, Councillor for the Town of Pemberton, Personal Information
   Committee, President and Board Member of the Federation of Canadian Municipalities,
   Executive of the Union of BC Municipalities.

#### Holger Schwichtenberg

- Appointed to the Commission in March 2021 (~ 2 years)
- Fraser Valley Regional District
- Owner/Operator/ Manager of Holberg Farm Ltd.,
- Chair of the BC Dairy Association and member of the Mainland Milk Producers Association
- Formerly: Director of the Mainland Milk Producers Association and Councillor for the District of Kent.

#### Island Administrative Region Panel (3 Members)

#### Brenda Schoepp

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#### Ministry of Agriculture and Food

Confidential Advice to Minister

- Appointed to the Commission as Vice Chair in January 2023
- Capital Regional District
- Sustainable Agriculture Team Lead on the Canadian Food Policy Advisory Council,
   Personal Information
   Global Food Lead, Charter Member, Indigenous Works, Team
   Member for the National Index on Agri-Food Performance, Board Member on the Programs and
   Research Council at Royal Roads University, Executive on the Canadian International Council,
   Victoria Branch,
- · Formerly: Farmer and Consultant

#### Jennifer Woike

- Appointed to the Commission in October 2021
- Alberni-Clayoquot Regional District
- Personal Information
- Member of the BC Agricultural Council and formerly: Municipal Councillor for the Municipality of North Cowichan, Vice-Chair of the BC Egg Marketing Board, President of the Cowichan 2018 BC Summer Games, Chair of the BC/Yukon Outstanding Young Farmers, and the Agriculture Advisory Committee and Parks and Recreation Committee for the Municipality of North Cowichan

#### Jolleen Dick

- Appointed to the Commission in December 2022
- Hupacasath First Nation Territory & Alberni-Clayoquot Regional District
- Elected Councillor with Hupacasath First Nation.
- Formerly: Tourism Development Manager & Indigenous Tourism Specialist, Tourism Vancouver Island, Executive Assistant, Minister of Indigenous Relations and Reconciliation,
   Communications Coordinator and research Specialist, Hupačasath First Nation, Founder & Coordinator, Personal Information

#### Okanagan Administrative Region Panel (3 Members)

#### Gerald Zimmermann

- Appointed to the Commission as Vice Chair in October 2014 (8+ years)
- Central Okanagan Regional District

Treasurer of the BC

Confidential Advice to Minister

- Grape grower in Kelowna, Trustee with Black Mountain Irrigation District, sits on the Central Okanagan Regional District Board, the Okanagan Regional Library Board, and the Okanagan Basin Water Board.
- Formerly: Served on the Commission -2008 to 2010 (2 years), City of Kelowna Fire Chief and Municipal Councillor, Member on the Patient Care and Quality Review Board, Chair of the RDCO Fire Chiefs, Director of the BC Fire Chiefs Organization

#### Joseph Dueling

- Appointed to the Commission in December 2019 (3+ years)
- Regional District of the North Okanagan
- Practicing lawyer Personal Information
   Family owned/operated farm with
   berries and fruit, cattle, pigs, bees, and chickens, Personal Information
   Personal Information
- Personal Information

#### **Erin Carlson**

- Appointed to the Commission in December 2022
- Okanagan Similkameen Regional District
- Personal Information

Cherry Association

 Formerly: Project Coordinator for the BC Cherry Association, Councillor for the District of Summerland, Personal Information

Personal Information

#### Interior Administrative Region Panel (2 Members)

#### Richard Mumford

- Appointed to the Commission in October 2014 (8+ years)
- Appointed Vice Chair in January 2016
- Cariboo Regional District

 Owner/Operator of a cattle ranch in Alexis Creek and contractor with the BC Cattlemen's Association. Former manager with the Ministry of Forests and Director of a timber harvesting company

#### Robert Haywood Farmer

- Appointed to the Commission in January 2017 (~6 years)
- Thompson Nicola Regional District
- Owner of the Indian Gardens Ranch, member of the BC Institute of Agrologists, BC Cattlemen's Association and the BC Livestock Association., Director for the Kamloops Stock Association, a Personal Information
- Formerly: Panelist for the Bank of Montreal Agricultural Advisory Board, the Farm Credit Appeal Board and the Farm Debt Review Board

#### Kootenay Administrative Region Panel (3 Members)

#### Jerry Thibeault

- Appointed to the Commission in October 2018 (4+ years)
- Appointed Vice Chair in February 2023
- Previously served on the Commission Personal Information
- East Kootenay Regional District
- Owner/Operator of a ranch in Cranbrook
- Formerly: East Kootenay Coordinator for a Highway Fencing Project with the BC Ministry of Highways, Livestock Inspector for Ownership Identification Inc. and the BC Ministry of Agriculture, Committee Chair with the Kootenay Livestock Association.

#### Danna O'Donell

- Appointed to the Commission in December 2022
- Regional District of Kootenay Boundary
- Owner/farmer O'Donnell's Organic Farm in Grand Forks, BC, Certified Horticulturalist,

#### ESTIMATE NOTE- FISCAL 2023/24

#### Ministry of Agriculture and Food

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 Formerly: Director of Regional District Kootenay Boundary, member of the Executive Association Kootenay Boundary Local Governments Personal Information

Personal Information

#### Wayne Harris

- Appointed to the Commission in December 2022
- Regional District of Central Kootenay Personal Information

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#### North Administrative Region Panel (3 Members)

#### Janice Tapp

- Appointed to the Commission as Vice Chair in October 2018 (4+ years)
- Regional District of Bulkley-Nechako
- Owner/Operator of a cattle ranch in Fraser Lakes, President of the Nechako Valley Regional
  Cattlemen's Association, Vice President of the Fort Fraser Livestock Association, Director of the
  Fraser Lake Community Foundation Endowment Fund and Secretary/ Treasurer for the B.C.
  Hereford Association
- Formerly: Public-School Teacher

#### **Andrew Adams**

- Appointed to the Commission in October 2018 (4+ years)
- Regional District of Fraser Fort George
- Owner/Operator of Personal Information and Personal Information
   Director for District C Central Interior Farmers Institute
   Secretary for Eaglet Lake Farmers Institute
- Formerly: Personal Information

Personal Information Forest Ecologist, Forest Technician and Agronomist for Person Consulting

#### Karen McKean

- Appointed to the Commission in April 2020 (~3 years)
- Peace River Regional District

#### ESTIMATE NOTE- FISCAL 2023/24

#### Ministry of Agriculture and Food

Confidential Advice to Minister

Licensed BC Interior Log Scaler with Personal Information and a Ranch Hand Personal Regional Secretary/Treasurer for the Peace River Regional Cattlemen's Association

 Formerly: licensed BC Log Scaler Personal Information Personal Information

#### Soil and Fill Panel (6 Members)

Jennifer Dyson (Commission Chair)

Robert Haywood Farmer (Interior Administrative Region)

Rick Mumford (Interior Administrative Region)

Susan Gimse (South Coast Administrative Region)

Gerald Zimmermann (Okanagan Administrative Region)

Karen McKean (North Administrative Region)

#### Film Panel (3 Members)

Jennifer Dyson (Commission Chair)

Bob Haywood Farmer (Interior Administrative Region)

Ione Smith (South Coast Administrative Region)

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# Land Included into, and Excluded from, the Agricultural Land Reserve (ALR) by Fiscal Year

#### **RECOMMENDED RESPONSE:**

- The ALC includes and excludes land from the ALR based on the ALC's legislative mandate and the processes established in legislation and regulation.
- As of January 5, 2023, the area of the ALR is 4,612,592 ha.
- The ALR has decreased by 86.7 ha (-0.0014%) between April 1, 2022 and January 5, 2023.
- Since the ALR maps were digitized in 2012, the ALR has decreased by 10,850 hectares (-0.231%).
  - The decrease from 2012 to 2017 was 7,380 ha (-0.16%)
  - The decrease from 2017 to January 5, 2023 was 3,317 ha (-0.072%)
- Non-application related boundary changes such as Cabinet exclusions, Commission initiated proposals, and First Nation treaty settlements represent 66% of the total land excluded from the ALR since 2012.
- The majority of land, both excluded from and included to the ALR, since 2001 were mixed and secondary agriculture capability (Class 4, 5, 6)
- Changes to the ALR boundary by Administrative Region this fiscal to date (April 1, 2022

   January 5, 2023):

Interior: 0 ha included, 0 ha excluded
Island: 9.9 ha included, 4.2 ha excluded
Kootenay: 1.2 ha included, 31.2 ha excluded
North: 0 ha included, 44 ha excluded
Okanagan: 7 ha included, 8.5 ha excluded
South Coast: 0.3 ha included, 17.2 ha excluded

- The above figures reflect both application and non-application related changes to the ALR including mapping corrections.
- Application related changes only take effect when all decision conditions have been met which in some cases may take years to complete.
- Application related changes in the above noted figures include: condition completion on files in the North Region that date as far back as 2010; a 2022 decision in the Kootenay Region to approve the exclusion of 22.4 ha on 11 recreation properties around Baynes Lake in the Regional District of East Kootenay; and in the South Coast condition completion on a 2021 decision to approve the exclusion of 17 ha of land in Langley following a court order on judicial review to set aside the Commission's previous 2010/2013 decision to refuse to exclude the land and reconsider the application.

#### **BACKGROUND:**

- Prior to September 30, 2020 (effective date of Bill 52-2019 legislative changes), the Commission could exclude land on its own initiative or upon application by a private landowner, a local government, first nation government in respect of first nation's settlement lands.
- After September 30, 2020, the Commission continues to have the authority to exclude
  land on its own initiative but can only accept applications for exclusion from the
  Province, local governments, First Nation governments, and other prescribed public
  bodies who own land or have jurisdiction over land. Private landowners can no longer
  apply for exclusion. The ALR General Regulation specifies which public bodies may
  apply for exclusion and includes such as agencies as the BC Hydro and Power Authority,
  BC Transit Corporation, South Coast BC Transportation Authority, a regional health
  board, etc.

#### NON-APPLICATION RELATED CHANGES IN THE ALR OF NOTE:

- In 2022, Order-in-Council No. 53 temporarily excluded 101.5 ha of land from the ALR for development (gravel extraction and road) associated with the Site C Dam.
- In 2017, the ALC on its own initiative excluded 2,865 ha of land from the ALR in the Regional District of East Kootenay.
- In 2016, the Tla'amin Final Agreement Act directed the exclusion of 935.8 ha of land from the ALR.
- In 2015, Order in Council No. 148 permanently excluded 2,775 ha from the ALR and temporarily excluded an additional 941 ha of land from the ALR for the Site C Dam.
- In 2013, the ALC on its own initiative included 684 ha in the ALR and excluded 1545 ha from the ALR in the Regional District of East Kootenay for a net change of -861 ha.

FISCAL YEAR	INCLUSIONS** (ha)	EXCLUSIONS** (ha)	NET CHANGE** (ha)	CURRENT TOTAL ALR (hectares)
April 1, 2012				4,623,289
2012/13	238	1709	-1471	4,621,818
2013/14	1296	1957	-662	4,621,156
2014/15	792	1090	-298	4,620,858
2015/16	79	4283	-4204	4,616,654
2016/17	198	943	-745	4,615,909
2017/18	223	2970	-2747	4,613,162
2018/19	65	212	-147	4,613,015
2019/20	127	238	-111	4,612,904
2020/21	103	137	-34	4,612,870
2021/22	39	383	-344	4,612,526
2022/23*	18.4*	105.1*	-86.7*	4,612,592
Total				

<sup>\*</sup>these figures are as of January 5, 2023

• The figures in the above table reflect data from the ALC Geographic Information System (GIS) database and include changes in the ALR as a result of exclusion and

<sup>\*\*</sup>these figures report the year a change in the ALR took effect, NOT the year a decision is made

#### ESTIMATE NOTE- FISCAL 2023/24

#### Ministry of Agriculture and Food

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inclusion application decisions of the Commission, orders of Government and small changes due to mapping errors.

- The ALR area at designation was calculated using manual methods.
- The ALR was not digitized using GIS until April 1, 2012.
- The change to GIS resulted in a 135,920 ha decrease in the ALR as noted below:
  - o ALR reported as of March 31, 2012 was 4,759,938 ha (manual methods).
  - o ALR reported as of April 1, 2012 was 4,623,289 ha (GIS figures).

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# **ALC Application Processing Timelines**

#### **RECOMMENDED RESPONSE:**

- The ALC has performance timeline targets for: acknowledging receipt of applications, releasing decisions, and notifying applicants on the release of their decision.
- The ALC may "pause" processing timelines for applicant meetings, site visits, requests for additional information, and at request of the applicant.
- The ALC is an administrative tribunal. The ALC must adhere to principles of administrative law and fairness when engaging with evidence and deciding on an application which requires time.
- Between April 1, 2022, and January 31, 2023, the ALC received 292 applications.
- Between April 1, 2022, and January 31, 2023, the ALC released 236 decisions.
- Between April 1, 2022, and January 31, 2023, 44% of decisions were released within 90 business days (Target 90%).
- Between April 1, 2022, and January 31, 2023, 100% of decisions were provided to applicants within 5 days of the decision being finalized.
- While it can be difficult to forecast the volume and degree of complexity of applications and their impacts on processing times, the single most significant driver for decreased application processing performance starting in the previous fiscal and carrying over into this fiscal has been staff vacancies and hiring delays.
- Seventy-nine percent (79%) of all the staff involved in the intake and processing of applications have completely changed over in the past 13 months and half of these new staff have worked for the Commission for less than 5 months.
- As of February 13, 2023 all staff vacancies have been filled and the ALC is working to train staff and prioritize the processing of farm related applications in order to provide a timely response to agricultural operators in the ALR. The ALC has also brought in a former retired ALC staff person, and assigned staff in other ALC roles, who use to process applications, to work on files to help catch-up and improve processing times.
- At current staffing levels the ALC expects processing performance targets to return to pre-2021/2022 levels over the course of the upcoming fiscal.
- The budget lift presented in the 2023/24 Estimates Budget will allow the ALC to hire at least one additional planner to assist with application processing.

# **BACKGROUND:**

- On March 3, 2016, by Ministerial Order, the then Minister of Agriculture provided the ALC with performance targets for the processing applications pursuant to the Agricultural Land Commission Act.
- When this ministerial order timed out, the ALC adopted the targets as an agency and continues to strive to meet the performance targets reflected in the Ministerial Order.
- Below is a summary of the ALC's processing timeline targets:
  - Acknowledge applications as complete and incomplete within 5 business days of receipt.
  - Strive to communicate most of its decisions in writing (electronic or mail), within 60 business days of an application being received and the majority of its decisions in 90 business days. The 60 and 90 business day application process timeline may not be consecutive if the application needs to be "paused" should any of the following be required:
    - A meeting with the applicant (often at the request of the Applicant)
    - A site visit (often at the request of the Applicant)
    - o A request from the Commission for additional information from the applicant, local government, first nation, etc.
  - These business day timelines are specific to the Commission's component of the application process; it does not include time associated with the local government component of the application process.

FTE's involved in ALC intake and application processing:

	2015/16	2016/17	2019/20	2021/22*	2022/23**	2023/24***
Intake (FTE)	1	1	1	1	1	1
Processing	6.5	11.5	12.5	15.5	15.5	16.5
(FTE)						

<sup>\*</sup>additional positions created through vacancy management and underspends in other areas. Over the course of the 21/22 and 22/23 fiscal 13 positions had to be filled.

# FISCAL YEAR TO DATE STATISTICS (APRIL 1, 2022 - JANUARY 31, 2023)

- 292 new applications were received between April 1, 2022 and January 31, 2023.
- 84% of applications were acknowledged received within five business days of receipt of the application (Target: 100%).
- 26% of the decisions were released within 60 business days of acknowledged of receipt and 44% of the decisions were released within 90 business days (Target: 90%)
- 100% of decisions were provided to applicants within five business days of a decision being released.

<sup>\*\*</sup>as of February 13, 2023, all vacancies have been filled

<sup>\*\*\*</sup>anticipated increase of 1 FTE with additional 2023/24 Estimates funding

#### 3 YEAR TREND - APPLICATION PROCESSING TIMELINE STATISTICS:

Fiscal Year	Applications Received	Decisions Released	Decisions Released Within 60 Days (%)	Decisions Released Within 90 Days (%)
<b>2022/2023</b> (as of Jan 31, 2023)	292	236	26%	44%
<b>2021/2022</b> (Year-end)	340	315	45%	75%
<b>2020/2021</b> (Year-end)	378	373	86%	95%

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Date approved: Feb. 7, 2023	Branch: ALC	Branch: ALC
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# **ALC Application Types and Volumes by Fiscal Year**

#### **RECOMMENDED RESPONSE:**

- The ALC Act and its regulations sets out what is permitted within the ALR without application to the ALC. An applicant who owns land or a public body<sup>1</sup> may make an application to the ALC to conduct a use not permitted, to subdivide, include or exclude by the ALC Act or its regulations.
- Each ALC application is considered based on its individual merits and the evidence provided with the application.
- The ALC decided on 236 applications between April 1, 2022 and January 31, 2023 and 68% (161) were approved.
- Applications decided by the ALC by type between April 1, 2022, and January 31, 2023:
  - Subdivision 63 decisions
    - o 48% of all Subdivision applications decided were approved.
  - Non-Adhering Residential Use (NARU) 55 decisions
    - o 67% of all NARU applications decided were approved.
  - Non-Farm Use (NFU) 48 decisions
    - o 71% of all NFU applications decided were approved.
  - <u>Transportation</u>, <u>Utility and Recreation</u> 41 decisions
    - o 95% of Transportation, Utility and Recreation applications were approved.
  - Soil and Fill Use 15 decisions
    - o 67% of Soil and Fill Use applications were approved.
  - <u>Exclusion</u> 12 decisions
    - 75% of Exclusion applications were approved.
  - Inclusion 2 decisions
    - o 100% of Inclusion applications were approved.

# **BACKGROUND:**

- The ALC Act, ALR General Regulation and ALR Use Regulation outline what is permitted within
  the ALR without application to the ALC. A landowner, local government, or First Nation
  government may make an application to the ALC to conduct a use that is not permitted by the
  ALC Act or its regulations.
- Local Government or First Nation government (LG/FNG) consideration of an application is the
  first step in the ALC application process. While the ALC hosts the application portal, it does not
  see an application until after the LG/FNG completes its portion of the process and the Board or

<sup>&</sup>lt;sup>1</sup> Only a public body may apply for exclusion

Council passes a motion (or law) to forward to the ALC with or without comment (as required by the ALC Act and ALR General Regulation). If a LG/FNG does not approve the application, it ends there and the ALC would not be involved.

- Applications made to the ALC may be decided by the Executive Committee (i.e. applications of provincial importance), a Panel (i.e. based on geography or application type), or CEO. Most applications are decided by Administrative Region Panels.
- The ALC may decide to refuse, approve, or approve an alternate. An approved application may or may not have conditions.
- Over the past five fiscal years (2017/2018 to 2021/2022), the ALC has decided on between 315 to 446 applications per year.
- provided with the application.
- The ALC decided on 236 applications between April 1, 2022 and January 31, 2023 and 68% (161) were approved which is consistent with the five year average approval rate from 2017/18 of 68%. In 2015/16 69% of all decisions were approved and in 2016/17 67% of all decisions were approved.
- As of January 31, 2023, this fiscal:
  - o 27% of all applications decided by the ALC were Subdivision.
  - 23% of all applications decided by the ALC were Non-Adhering Residential Use (NARU).
  - 20% of all applications decided by the ALC were Non-Farm Use (NFU).
  - 18% of all applications decided by the ALC were Transportation, Utility and Recreation.
  - o 6% of all applications decided by the ALC were Soil and Fill Use.
  - 5% of all applications decided by the ALC were Exclusion.
  - o 1% of all applications decided by the ALC were Inclusion.

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# Compliance and Enforcement at the ALC/Statistics

# **RECOMMENDED RESPONSE:**

- The purpose of the program is to strengthen delivery of the ALC's legislative mandate to ensure
  that activities taking place within the ALR are consistent with the ALC Act its regulations and
  orders of the Commission. This is achieved by using a combination of education, compliance
  assessment, and enforcement.
- ALC compliance and enforcement (C&E) are initiated based on complaints.
- As of January 31, 2023, there were 724 active C&E files. 362 (50%) of these files are in the South Coast region, 137 (19%) in the Okanagan region, 130 (18%) in the Island region, 44 (6%) in the Kootenays, 36 (5%) in the North and 15 (2%) in the Interior.
- As of January 31, 2023, the breakdown of active C&E files by contravention type is: 340 (47%) fill, 253 (35%) illegal commercial activity, 80 (11%) non-adhering residential use, 22 (3%) for extraction and 29 (4%) other.
- As of January 31, 2023, the number of incoming complaints/referrals received is 277, over tenmonth period, which is 4.5% higher than the total 265 received over 12 months last year. By March 31, 2023, we calculate, based on current trend, to receive 332 complaints/referrals, an estimated 25% increase over last fiscal.
- As of January 31, 2023, 102 (37%) of incoming complaints/referrals received this fiscal were referred by local governments and other government agencies, and 175 (63%) were submitted by the public.

# **BACKGROUND:**

- The ALC Compliance and Enforcement (C&E) Program was established in 2007 in response to increasing complaints of non-compliant activities in the Agricultural Land Reserve (ALR).
- The purpose of the program is to strengthen delivery of the ALC's legislative mandate to ensure that activities taking place within the ALR are consistent with the ALC Act its regulations and orders of the Commission. This is achieved by using a combination of education, compliance assessment and enforcement.
- When first established the ALC had only 2 C&E officers. In 2016 that was increased to five officers and in 2023 at full complement, the C&E Program consists of six (6) officers, one (1) officer/supervisor and one (1) C&E program advisor.
- One (1) officer is based in Nanaimo (currently vacant), one (1) officer in Kamloops, one (1) officer/supervisor in Kelowna, one (1) officer in Oliver and three (3) officers are based in Burnaby (1 officer currently vacant). The hiring process is underway to fill the two vacant officer positions.

Year-end	Year-end	2022/2023
2020/2021	2021/2022	(Apr 1- Jan 31,

2023) <sup>1</sup>

Active files Start of Fiscal	477	588	616
Incoming Complaints/referrals	310	265	277
Files Closed	200	250	169
Active Files End of Fiscal	587	616	724
<b>Property Inspections</b>	194	292	285
Compliance Actions <sup>2</sup>	234	223	200
Enforcement Orders <sup>3</sup>	17	19	13

- 1 Over 10-month period, not 12 months
- 2 Compliance Actions include compliance notices and notices of contravention
- 3 Enforcement orders include stop work, remediation and penalty orders
- The number of active files continue to increase year-over-year for the last 3 years.
- Officer vacancies and training of new staff is also a factor in the increasing number of active files and the reduction in enforcement actions and orders this fiscal to date.

Distribution of Active C&E files by Region (April 1, 2022 – Jan 31, 2023)

Region	Active C&E Files	Percent
South Coast	362	50%
Okanagan	137	19%
Island	130	18%
Kootenays	44	6%
North	36	5%
Interior	15	2%
Total	724	

# Distribution of Active C&E files by contravention Type (April 1, 2022 – Jan 31, 2023)

Contravention Type	Active C&E Files	Percent
Fill	340	47%
<b>Commercial Activity</b>	253	35%
Non-Adhering	80	11%
Residential Use		
Extraction	22	3%
Other	29	4%
Total	724	

- The ALC uses the Natural Resource Information System (NRIS), a tool used by several other resource ministries, to track inspections and related C&E actions.
- All ALC enforcement orders and penalties, issued since 2016, are listed on the publicly accessible Natural Resource Compliance and Enforcement Database.

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# **Non-Adhering Residential Use (NARU) Applications**

#### **RECOMMENDED RESPONSE:**

- A landowner can have up to three residential units on property in the (Agricultural Land Reserve)
   (ALR) without requiring an application to the Agricultural Land Commission ALC:
  - a principal residence not greater than 500m²,
  - o a secondary suite within a principal residence, and
  - o a small additional residence (not greater than  $90m^2$  on parcels  $\leq 40$  ha or  $186m^2$  on parcels >40ha)
- A local government may further restrict the size of a residence in the ALR and prohibit secondary suites or small additional residences in the ALR if they so choose.
- An application for a "non-adhering residential use" is required if a landowner wants:
  - o A principal residence with a total floor area greater than the 500 m<sup>2</sup>
  - o An additional residence larger than the permitted 90 m<sup>2</sup> or 186 m<sup>2</sup> or
  - Two or more additional residences
  - Tourist accommodation that exceeds the criteria in the ALR Use Regulation
- The ALC Act specifies that the ALC must not approve an additional residence unless it is necessary for a farm use.
- Between April 1, 2022 and January 31, 2023 the ALC <u>approved</u> 67% (37 of 55) of <u>all</u> non-adhering residential use applications, .
  - o 43% (3 of 7) requests for a principal residence larger than 500 m<sup>2</sup> were approved.
  - o 71% (34 of 48) of Additional Residence applications were approved as follows:
    - 100% (17) of applications for Temporary Farm Worker Housing.
    - 73% (8 of 11) of applications for landowners to reside in their existing principal residence while constructing a new principal residence.
    - 45% (9 of 20) of applications for an additional residence.
- Between February 22, 2019 (Bill 52) and January 31, 2023 the ALC received 18 requests for <u>three</u> <u>or more residences</u>. 72% of those requests were approved because the applicants demonstrated that those extra residences were necessary for farm use.

#### **BACKGROUND:**

#### Bill 52-2019

 On February 22, 2019, Bill 52 amended the ALC Act to restrict the size and number of residences on an ALR property. The change to the ALC Act and ALR Use Regulation imposed

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a maximum principal residence size of 500 m<sup>2</sup> total floor area unless approved by the ALC, removed the authority for local governments to approve additional residences, and specified that the ALC can not approve additional residences unless they are necessary for a farm use.

 The purpose of the Bill 52 residential changes was to curb mega-mansions and land speculation so that ALR land remains affordable for future farmers.

# **Residential Flexibility**

- On December 31, 2021, OIC 438/2021 amended the ALR Use Regulation to permit the construction of one additional small residence per parcel.
- There is also no restriction on who resides in the additional residence. For example, a landowner could rent out their additional residence for additional income.
- The total floor area of an additional residence constructed after December 31, 2021 must be 90 m<sup>2</sup> or less if the parcel is 40 ha or less, and 186 m<sup>2</sup> or less if the parcel is more than 40 ha.

# **Temporary Farm Labour Accommodation**

• The ALC created a streamlined process for Temporary Foreign Worker Housing registered in the Canadian Seasonal Agricultural Worker Program. On average, these decisions are released within 33 business days.

# **Multiple Additional Residences**

- Since Bill 52 (February 2019), the ALC has received approximately 18 applications for more than two residences. Note: this does not include requests for dormitory-style, or nonpermanent TFWH.
- Decision Breakdown
  - Three residences = Eleven applications (100% approved, i.e. 11 of 11)
  - o Four residences = Four applications (50% approved, i.e. 2 of 4)
  - Five residences = Two applications (both refused)
  - Eight residences = One application (refused)

#### **Approved Applications Examples:**

- Kocsis (Kootenay, 2022): ALC approved a third permanent residence (232 m²) for a family member who works on the 128.6 ha hay and livestock farm. The two existing residences are a 197 m² permanent residence and a 204 m² manufactured home.
- Ryall (South Coast, 2021): ALC approved a third permanent residence (165 m2) for River and Sea Flowers farm.
- Ellison (Island, 2021): ALC approved a second residence on the cattle and hay farm in 2013. The ALC then approved a 280 m<sup>2</sup> third residence in 2021 to allow another family member who works on the farm.
- Huber (Interior, 2021): ALC approved a third 111 m<sup>2</sup> residence for a family member on a grain/forage/cattle/hay operation.

# **Refused Applications Examples:**

- Four applications were refused because the requests were unrelated to farming or there was not enough farming to warrant the additional residence:
  - Request for five residences (converting a decommissioned previous residence into a four-plex) refused because the farm operation didn't warrant additional residences (Okanagan, 2022). The existing principal residence is rented out to non-farm workers.
  - Request for eight residences refused because it was to convert a school building into eight residential suites (Interior)
  - Request for a fifth residence built without permits refused because farm operation didn't warrant a fifth residence at the time (Okanagan).
  - Request to retain three additional residences: tiny home, travel trailer, and one bus for refused because not enough farming to warrant. But ALC gave them two years to relocate the mobile structures (Island).
- The South Coast and Okanagan received the most non-adhering residential use applications.

# CURRENT FISCAL: 2022/2023 Non-Adhering Residential Use Statistics (April 1, 2022 – January 31, 2023):

Regional Non-Adhering Residential Use (NARU) Decisions April 1, 2022 – January 31, 2023					
	Approved	Refused	Total Decisions	% of NARU Applications Approved	
Interior	0	1	1	0%	
Island	3	3	6	50%	
Kootenay	3	0	3	100%	
North	1	0	1	100%	
Okanagan	16	3	19	84%	
South Coast	14	11	25	56%	
Total	37	18	55	67%	

# PREVIOUS FISCAL YEAR-END STATISTICS: 2021/2022 NON-ADHERING RESIDENTIAL USE STATISTICS (APRIL 1, 2021 - MARCH 31, 2022):

Regional Non-Adhering Residential Use (NARU) Decisions April 1, 2021 – March 31, 2022					
	Approved	Refused	Total Decisions	% of NARU Applications Approved	
Interior	7	1	8	88%	
Island	5	1	6	83%	
Kootenay	8	0	8	100%	
North	3	1	4	75%	

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Total	66	17	83	80%
South Coast	33	9	42	79%
Okanagan	10	5	15	67%

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# Notice of Intent Notice of Intent for Soil and Fill Use

#### **RECOMMENDED RESPONSE:**

- On February 22, 2019, new soil and fill use regulations came into force that requires, with very few exceptions, authorization from the Agricultural Land Commission (ALC) to place fill or remove soil (including aggregate) in the Agricultural Land Reserve (ALR).
- There are two authorization streams available to landowners: (1) soil or fill use application to the Panel or (2) notice of intent (NOI) decided by the CEO or their designate.
- While a property owner may choose either authorization stream, under the legislation the Notice of Intent process cannot be used to seek retroactive approval for works already undertaken (i.e. fill already placed or soil removed) or seek authorization to place fill or remove soil for uses not permitted in the ALR Use Regulation. The ALC encourages properties owners wanting to undertake large scale fill placement or soil removal (including aggregate) projects to submit a soil or fill use application.
- The fee to submit an NOI is \$150 and if upon review of an NOI a property owner is ordered
  not to proceed with the proposed works unless a soil or fill use application is approved by
  the ALC their Soil or Fill Use Application fee is discounted by \$150 in accordance with the
  ALR General Regulation.
- Under the legislation the ALC must respond to NOI's within 60 calendar days of receiving the NOI and the prescribed fee or the works can proceed without approval or oversight of the ALC.
- As of January 4, 2023, the ALC has <u>received</u> 150 NOIs and <u>decided</u> 140 NOIs.
- Of the 140 NOIs <u>decided</u> in the 2022/23 fiscal to date, 79 (56%) were approved, 48 (34%) were ordered not to proceed and to make a Soil or Fill use application to the Commission, and 13 (9%) were withdrawn or cancelled.
- The number of NOI's received to date this fiscal are 10% higher than the same time period last fiscal likely due to the regulation changes associated with additional residences that require authorization to place fill or remove soil and the number of NOI's decided this fiscal have decreased by 11% over the previous fiscal due to staff vacancies.
- 96% of NOIs received this fiscal have been responded to within 60 calendar days, similar to the previous fiscal. Total number of NOIs not actioned in 60 business days this fiscal to date is 5.

#### **BACKGROUND:**

 "Fill" is defined in the ALCA as "any material brought onto agricultural land other than materials exempted by the regulations"

- "Soil" by definition includes the entire mantle of unconsolidated material above bedrock other than minerals defined in the *Mineral Tenure Act*.
- Only in very limited circumstances, which are expressly identified in the ALR Use Regulation, can fill placement or removal of soil or aggregate extraction be undertaken without authorization of the ALC.
  - For example, any farm structures that requires more than a 1000m<sup>2</sup> area of fill (including structural aggregate) for its construction requires authorization from the ALC prior to building permit.
- NOIs are submitted directly to the ALC and are decided by the Chief Executive Officer (CEO) or their designate.
- The CEO or their delegate has 60 days to respond to a NOI.
- The cost of submitting an NOI is \$150, paid to the Minister of Finance.
- NOIs ordered not to proceed may submit a Soil or Fill Use Application for consideration by the Commission in accordance with section 20.3(5) of the ALCA.

NOI decisions this fiscal by type as of January 4, 2023:

NOI Primary Type	2022/2023
Alcohol Production facility	1
Compost or Soil Blending	1
Equestrian Facility	2
Farm Building - Intensive Livestock	3
Farm Building - Greenhouse	4
Farm Building - Processing	1
Farm Building - Other	4
Farm Road	6
Fill placement for Farm Use	45
Fill placement for Landscaping	7
Residential - Accessory Structures	9
Residential - Additional	20
Residential - Principal	15
Soil Removal	2
Other	14
Gravel/Sand Extraction	6
Total	140*

\*this figure includes cancelled & withdrawn notices. New ALC database will correct this problem.

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# Agri-Industrial Processing in the ALR

#### **RECOMMENDED RESPONSE:**

- The Agricultural Land Reserve (ALR) Use Regulation permits agri-industrial processing in the ALR without Agricultural Land Commission (ALC) approval subject to certain thresholds set out in the ALR Use Regulation.
- Permitted agri-industrial processing activities in the ALR include:
  - Storing, packing, preparing, and processing farm products if at least 50% of the farm products are from the farm, or a co-operative.
  - Alcohol production if the farm parcel produces and harvests at least two hectares of the primary farm product (grapes, fruit, honey, grain, etc.) and the remainder of the 50% is contracted from another BC farm.
- Other permitted activities in the ALR that may be related to industrial uses subject to local government zoning bylaw regulation include: temporary sawmills & home occupation uses which could allow for a wide range of accessory commercial and industrial uses.
- Landowners wishing to process more off farm product than permitted by the ALR Use Regulation or a
  use not expressly permitted in the regulations may apply for non-farm use approval to the ALC.
- In 2004, the ALC also approved a non-farm use area in the ALR for agri-industrial food processing in Chilliwack:
  - 35.5 ha of ALR land was approved for agri-industrial food and beverage processing
  - To date, 22.1 ha have been developed and approximately 13.4 ha remains undeveloped and available for agri-industrial use.

# **BACKGROUND:**

- Permitted farm product storing, packing, preparing, and processing <u>cannot be prohibited</u> by a local government if:
  - o at least 50% of the farm product is produced on the farm or by a cooperative, or
  - is feed required for farm use.
- "farm product" means a commodity that is produced from a farm use but does not include water. Eg. Vegetables, fruit, livestock, crops, etc
- Permitted alcohol production facilities <u>cannot be prohibited</u> by a local government if:
  - o at least 50% of the primary farm product is harvested from the land on which the alcohol production facility is located, or
  - o harvested from the land and other land in BC under a contract (min. three years).
- "primary farm product" means the farm product that is the primary ingredient used in a fermentation process to make an alcohol product.
- Examples of agri-industrial applications approved by the ALC in past 6 years:
  - Meadow Valley Meats processing expansion (File: 61762 City of Pitt Meadows
  - Sawmill (File: 61618 Strathcona Regional District, File: 62033, North Okanagan Regional District, and File: 58204, Village of Radium Hotsprings)
  - Vitalus Milk Processing (File: 61323 City of Abbotsford)
  - Dicklands On-Farm Biogas (File: 60992 City of Chilliwack)
  - Feed mills (File: 60537 Salmon Arm, File: 56727 Chilliwack, and File: 61408
     Spallumcheen)
  - o Fruit packing and cold storage (File: 57890 Osoyoos)
  - o Federal-inspected beef abattoir (File 54999 City of Surrey)
  - Poultry abattoir and processing (File: 56717 Port Alberni, File: 62830 Comox Valley Regional District)

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- o Mobile juicing (File: 61846 District of Coldstream)
- o Fruit receiving (File: 63027 City of Kelowna)
- Seaweed processing (File: 63693 Strathcona Regional District)

# **CROSS JURISDICTIONAL COMPARISON:**

- Ontario Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas
  - o General commercial and industrial should be located outside of prime industrial areas.
  - o "Agriculture related uses" include farm-related commercial and industrial uses with a recommendation they do not exceed more than 2% lot coverage.
  - o Agriculture related uses in prime agricultural areas must meet criteria:
    - Be farm related uses may include farm product processing, abattoirs, feed mills, grain dryers, cold/dry storage facilities, fertilizer storage, food and beverage processors and agricultural biomass pelletizers
    - Be compatible with, and not impair, surrounding agricultural operations
    - Directly related to farm operations in the area
    - Supports agriculture
    - Provides products or services to farm operations is the business's primary activity
    - Benefits from being in close proximity to farm operations

Approved by:	Prepared by:	Alternate Contact:
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# **Non-Farm Use Applications**

# **RECOMMENDED RESPONSE:**

- The Agricultural Land Reserve (ALR) Use Regulation sets out uses that are permitted in the ALR without application to the Agricultural Land Commission (ALC).
- A landowner wishing to conduct a land use that exceeds the thresholds permitted in Use Regulation or is not expressly permitted by the ALC Act and or its Regulations may apply to the ALC for approval.
- The ALC must evaluate each non-farm use on its merits and ensure that the integrity of the ALR is protected if the application is approved.
- As of January 31, 2023, the ALC has decided on 56 Non-Farm Use applications this fiscal, consisting of:
  - o 48 Non-Farm Use Applications decided by the ALC; and
  - o Eight Non-Farm Use Applications decided by the Oil and Gas Commission (OGC) under the OGC delegation Agreement.
- As of January 31, 2023, 75% of all Non-Farm Use applications decided this fiscal were approved, as follows:
  - o 71% (34) of Non-Farm Use Applications decided by the ALC were approved.
  - o 100% (8) of Non-Farm Use Applications decided by the OGC were approved.
- ALC Non-farm use decision considerations include:
  - Whether the use is supportive of, or related to agriculture
  - Whether the use is compatible with surrounding agricultural uses
  - o Whether the use has a temporary or permanent impact on arable land
  - Whether the land could be used for agriculture
  - Whether it is appropriate to locate the use in the ALR
- Examples of non-farm use applications approved by the ALC by category this fiscal:
  - 1) Agriculture or Farm Related that exceed permitted uses- E.g. produce packaging and storage facilities, poultry abattoir, irrigation water storage
  - 2) Civic/Institutional E.g. Firehalls, Temple, Schools
  - 3) Commercial E.g. culinary facilities, wine tasting, campgrounds, Filming TV series.
  - 4) Industrial E.g. temporary mobile asphalt plant; oil and gas activities approved by OGC delegation.
  - 5) Numerous recreational trails

6) Transportation/Utility Corridors – Eg. Roads and utility pipelines

# **Background:**

- The ALC Act, ALR General Regulation and ALR Use Regulation outline what uses are permitted in the ALR without application to the ALC. A landowner may make an application to the ALC to conduct a use that is not expressly permitted by the ALC Act or its associated regulations.
- Non-farm use applications fall into two main categories:
  - Uses that exceed the thresholds for permitted farm use and permitted non-farm use in the ALR Use Regulation
  - o Uses that are not contemplated at all in the ALC Act or ALR Use Regulation
- Local Government or First Nation government (LG/FNG) consideration of an application is the first step in the ALC application process. While the ALC hosts the application portal, it does not see an application until after the LG/FNG completes its portion of the process and passes a motion (or law) to forward to the ALC with or without comment (as required by the ALC Act and ALR General Regulation). If a LG/FNG does not approve the application, the process ends there and the ALC would not be involved.
- Applications made to the ALC may be decided by the Executive Committee (i.e. applications of provincial importance), a Panel (i.e. based on geography or application type), or the Chief Executive Officer. The majority of applications are decided by Panels.
- The ALC may decide to refuse, approve, or approve an alternate proposal for each application.

# 2022/2023 Non-FARM USE STATISTICS (APRIL 1, 2022 - JANUARY 31, 2023):

Non-Farm Use Decisions by Administrative Region - April 1, 2022 – January 31, 2023				
	Approved	Refused	Total	% Approved
Interior	2	0	2	100%
Island	7	3	10	70%
Kootenay	5	1	6	83%
North*	16	2	18	89%
Okanagan	3	5	8	38%
South Coast	9	3	12	75%
Total	42	14	56	75%

<sup>\*</sup>includes 8 delegated decisions made by the Oil and Gas Commission

Non-Farm Use Decisions by Type - April 1, 2022 – January 31, 2023				
	Approved	Refused	Total	% Approved
Agricultural/Farm	3	0	3	100%
Civic/Institutional	6	2	8	75%
Commercial/Retail	7	8	15	47%
Industrial	5	1	6	83%
Recreational	4	1	5	80%

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Other <b>Total</b>	42	14	5 <b>56</b>	60% <b>75%</b>
		2		600/
delegated decisions	0	U	8	
Oil and Gas Commission		0		100%
Transportation/Utilities	6	0	6	100%

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# Agri-Tech Vertical Farming in the ALR

# **RECOMMENDED RESPONSE:**

- The Agricultural Land Reserve (ALR) Use Regulation was amended, effective August 31, 2022, to clarify that vertical farming of crops in controlled environment structures is a permitted farm use in the ALR if permitted by local government regulation.
- Local governments can prohibit by bylaw the construction of controlled environment structures in the ALR.
- All farm structures, including controlled environment structures, in the ALR that require soil to be removed from, or fill to be placed on, an area greater than 1,000m2 require approval from the Commission.
- Approval to remove soil or place fill in the ALR is done by Notice of Intent or Soil and Fill Use Application depending on the scale and impact of the proposal on the ALR.
- The Agricultural Land Commission (ALC) will consider the specific characteristics of a parcel when considering fill placement for a vertical farm structure including the size, siting, and arability of that land.
- This fiscal, as of January 26, 2023, the ALC has not received any Soil and Fill Use applications
  or Notice of Intents (NOI) to place fill for a controlled environment vertical farming structure
  in the ALR.
- Last fiscal (2022/2023) the ALC received one Soil and Fill Use application and one NOI to
  place fill for a controlled environment vertical farming structure in the ALR. Both were located
  in the South Coast Administrative Region, one in the Fraser Valley and one in the Sea to Sky
  corridor and both were approved.

# **BACKGROUND:**

- Vertical farming of crops is a permitted farm use in the ALR.
- Up to 1,000 m<sup>2</sup> of fill may be placed to construct a farm structure in the ALR. If more fill is required, the landowner is required to submit either a Notice of Intent or an application for placement of fill.
- Controlled environment structures that require more than a 1,000 m<sup>2</sup> area of fill for their construction, including structural fill and aggregate will require the approval of the ALC.
- Last fiscal (2022/2023) the ALC received one Soil and Fill Use application and one NOI to place fill for the construction of a controlled environment structure.
  - Soil and Fill Use Application 62987 Aright Agro Estates Ltd.
    - Application to place 3,448 m³ of fill for a controlled environment vertical farm building to grow greens, sprouts, and herbs on 1.6 ha of prime agricultural land.
    - The Panel commented that controlled environment vertical farming can take place anywhere and does not require arable land. However, the Panel recognized that the size and shape of this particular parcel might limit its soil bound agriculture potential.
    - The Panel approved the placement of fill subject to conditions; including reclamation of the site to its current state if the facility ceases to operate.

# ESTIMATE NOTE- FISCAL 2023/24

# Ministry of Agriculture and Food

Confidential Advice to Minister

- Notice of Intent 64333 Sea to Sky Farms
  - NOI to place 5,000 m<sup>3</sup> of fill for a controlled environment vertical farm building to grow greens, sprouts, and herbs on a 61.8 ha. parcel.
  - The ALC considered that the proposal would occupy only 1% of the Property, was located in a forested area with lower agriculture capability and was located well away from other areas of the property being used for soil bound agriculture.
  - The ALC authorized the NOI with conditions including reclamation of the site to its current state if the facility ceases to operate.

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# ALR – Site C and EcoWaste

# **RECOMMENDED RESPONSE:**

#### Site C

- On the recommendation of the Environment and Land Use Committee (ELUC), Cabinet approved a temporary exclusion from the Agricultural Land Reserve (ALR).
- This exclusion was made at the request of BC Hydro for 91 hectares that includes "Area
  E" and Ice Bridge Road, to allow BC Hydro to extract gravel to continue construction on
  Site C's earth-fill dam.
- In accordance with the *Mines Act* and as set out in the Order in Council (OIC), BC Hydro will reclaim the Area E quarry before it is returned to the ALR on December 31, 2025, and the reclamation plan will be developed in consultation and cooperation with Treaty Eight First Nations.

#### Ecowaste

- Ecowaste Industries has been unable to secure approval from the Agricultural Land Commission (ALC) to continue operating their landfill in the City of Richmond beyond 2035, when their current non-farm use permit from the ALC expires.
- The Province has chosen to remove Ecowaste's 150-acre site from the ALR so that it can continue in operations accepting construction and recycling waste in Metro Vancouver.
- Under the term of the exclusion, Ecowaste is obligated to build and commence operations of a new facility that will allow it to recycle 65% of the construction waste it accepts (double its current capacity) and remain in operation until 2055. The footprint of the landfill will not increase.

# **BACKGROUND:**

#### General

- B.C.'s ALR was established in 1973. Ontario and Quebec have similar farmland protection zones.
- The ALR is managed by the ALC, an independent administrative tribunal with a clear mandate: to preserve agricultural land and encourage farming and ranching.
- While applications for exclusion from the ALR are normally considered by the ALC, the Environment and Land Use Act (ELUA) allows Cabinet to make decisions when a broader provincial interest takes precedence.
- Under ELUA, Cabinet can only approve an Order if it has been recommended by ELUC.

#### Site C

- Site C's Environmental Assessment Certificate authorizes Area E as a contingency source of material on the south bank of the Peace River for the construction of roads and the earth-fill dam.
- The area is identified within the Peace River Regional District's "North Peace Fringe Official Community Plan" as "sand and gravel deposits suitable for gravel extraction," a permitted use under the District's Zoning Bylaw.
- In 2015, most land needed for Site C was removed from the ALR by OIC under ELUA.
- This includes permanently excluded land required for the dam site and reservoir, and temporarily excluded land required for construction purposes, including material sources for the dam site.
- Area E and Ice Bridge Road were not included in those 2015 Orders because Area E was only identified as a contingency source of granular material at the time.

# **EcoWaste**

- Under Bill 52 Agricultural Land Commission Amendment Act, 2018 the dumping of demolition/construction waste on the ALR was prohibited.
- In 2019, EcoWaste submitted a non-farm use application to the ALC that included a request to extend their landfill operations by 20 years, from 2035 to 2055.
- In 2020, the ALC rejected the extension request as the demolition/construction waste that EcoWaste brings onto their site is prohibited under the ALR Use Regulation.
- The City of Richmond requested reconsideration, but the ALC declined the request as legislated requirements for reconsideration were not met.
- EcoWaste advised that in 2025 the landfill will reach its 18-meter height restriction, defined by its Operational Certificate (OC) under the *Environmental Management Act*. If the EcoWaste site is not excluded from the ALR, EcoWaste will need to begin closedown plans in early 2023 to comply with its OC. Their OC requires the close-down process to begin at least two years before landfill closure.
- Shortening the landfill's lifespan will reduce the number of facilities authorized to take demolition/construction waste and may increase illegal dumping in the lower mainland.
- Advice/Recommentations
- At least two of the region's three landfills are slated for closure by 2036. EcoWaste plays
  a crucial role in the region's demolition/construction waste and recycling program.
  Forcing it to shut down would trigger calls for a new landfill to be developed, which
  would be a controversial process, especially given the lack of industrially zoned land.

Recent flooding events have highlighted the pressure that catastrophic events arising
from climate change place on landfills. This, combined with the need to accommodate
debris disposal from new housing developments highlights the importance of
practicing due diligence with regards to landfill expansion and resiliency planning.

# **CROSS JURISDICTIONAL COMPARISON:**

- In Ontario, the Provincial Policy Statement 2020 sets out the procedures for excluding agricultural land from protections. It is issued and can be amended by Ontario's provincial Cabinet.
- Planning authorities can exclude land from prime agricultural areas if the lands do not comprise specialty crop areas; alternative locations have been evaluated; there are no reasonable alternatives which avoid prime agricultural areas; and there are no reasonable alternatives on lower priority agricultural lands in prime agricultural areas.

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# **ALR Foreign Ownership**

# **RECOMMENDED RESPONSE:**

- In Canada, owners of farmland are required to follow all relevant federal, provincial, local government, and First Nations government laws, regulations, and/or bylaws, regardless of their country of residence.
- British Columbia (B.C.) protects farmland for agricultural use through the Agricultural Land Commission Act (ALCA) and the Agricultural Land Reserve (ALR), rather than through controlling ownership.
- Through the Property Transfer Tax Act, the B.C. government has committed to taxing foreign speculators that push the price of housing in B.C. beyond the reach of many residents.
- Taxing foreign owners may help address housing affordability in B.C. by reducing foreign demand and curbing speculation in the residential property market.
- In 2019, the B.C. government also placed size limits on principle residences in the ALR to stop the use of farmland for luxury mansions and reduce land price increases attributable to these residences.
- In 2021, the B.C. government provided a measure of flexibility for additional residences on the ALR while ensuring a proliferation of residences on farmland did not contribute to diminished farmland affordability.
- On January 1, 2023, the federal government started a two-year ban on foreign buyers purchasing residential properties in Canada.
- The B.C. government is not advancing further legislation on foreign ownership of farmland at this time.

# **BACKGROUND:**

- Local governments are responsible for issuance of building permits and for regulating size and siting of principle residences (within the 500m<sup>2</sup> limit established in the ALCA in 2019).
- Local government bylaws may also permit a second residence provided the size of the parcel and existing residence meet the conditions set out in the Agricultural Land Reserve Use Regulation that came into force on December 31, 2021:
  - on a parcel that is 40 hectares or less, with an existing residence that has a total floor area of 500 m<sup>2</sup> or less, a second residence that is 90 m<sup>2</sup> or less in total floor area can be built; and,
  - on a parcel that is over 40 hectares, a second residence that is 186 m<sup>2</sup> or less in total floor area can be built.
- Ministry of Agriculture and Food created a bylaw standard in November 2011 guiding local governments in developing bylaws for siting and size of residential uses in the ALR. This helps ensure that most of the land is preserved for agricultural use and assists in reducing farm practice complaints.

- Changes to the *Property Transfer Tax Act* in 2016 authorize the collection of information from owners when they register their property. Concurrently, the Property Transfer Tax Return form was amended to require purchasers to identify "country of citizenship," thereby specifically identifying foreign purchasers.
- In 2018, the B.C. government increased the additional property purchase tax rate (foreign buyers' tax) to 20 percent, which had previously only applied to Metro Vancouver Regional District, and extended it to the Fraser Valley, Nanaimo, Central Okanagan, and the Capital Regional District.
- In B.C., there are no restrictions on who can purchase agricultural land.
- The foreign buyer's tax is applied to agricultural land with the aim of helping address housing affordability in B.C. by reducing foreign demand. Specifically, the foreign buyers' tax applies to property classified as farmland by BC Assessment because the property is used as a dwelling for the owner or a farmer.
- Ministry of Finance Property Transfer Transactions (PTT) data collected from January 1, 2022, to December 31, 2022:
  - A total of 128,687 PTT occurred in B.C. during this time,
  - Of the total PTT in the province, 1.5 percent were foreign involved,
  - The provincial average price of foreign-involved PTT was 11.6 percent greater than the Canadian-involved PTT,
  - o Farm PTT made up 0.7 percent (964) of the total PTT for the period; and,
  - o Of the 964 farm transfers only 46 (5 percent) were foreign-involved transactions.
- Comparing farm property values:
  - The average sale price of foreign-involved farm properties was \$960,318, which is 29.1 percent greater than the average sale price of Canadian-involved farm properties at \$744,094.

# **CROSS JURISDICTIONAL COMPARISON:**

Several provinces have enacted legislation to control foreign ownership of farmland.
 These include Alberta, Saskatchewan, Manitoba, and Quebec (Appendix A provides additional information).

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# Appendix A

#### **FEDERAL:**

- The <u>Prohibition on the Purchase of Residential Property by Non-Canadians Act</u> prevents non-Canadians from buying residential property in Canada for 2 years starting on January 1, 2023. The Act defines residential property as buildings with 3 homes or less, as well as parts of buildings like a semi-detached house or a condominium unit. The law does not prohibit the purchase of larger buildings with multiple units.
- The <u>Investment Canada Act</u> is the primary mechanism governing the review of foreign investment in Canada. Foreign investments in a Canadian farm business, regardless of their value, are not subject to the review process, unless they could be injurious to national security.

#### ALBERTA:

- The <u>Agricultural and Recreational Land Ownership Act</u> monitors and controls acquisition of prime agricultural and recreational land by non-Canadians.
- Subject to certain exceptions for commercial ventures (including limited natural resource extraction or processing and residential development), the Act restricts ownership by non-Canadians to no more than two parcels totaling no more than 20 acres.

#### SASKATCHEWAN:

- *The Saskatchewan Farm Ownership Act* was passed in 1974. It has since become part of *The Saskatchewan Farm Security Act*.
- Ineligible individuals/entities must apply to the Farm Land Security Board for an
  exemption to acquire an interest in more than ten acres of farmland. Entities that are
  partially foreign owned but controlled by Saskatchewan residents or their farming
  corporations can own up to 320 acres.

#### **MANITOBA:**

- The <u>Farm Lands Ownership Act</u> limits foreign interest in farmland to 40 acres.
- Non-Canadian individuals and corporations may apply for an exemption to acquire more farmland.

# QUEBEC:

- An <u>Act Respecting the Acquisition of Farm Land by Non-Residents</u> is in place.
- Non-residents and foreign-controlled entities must get permission to buy more than four hectares (or about ten acres) of agricultural land.

# **ALR/ALC Revitalization Overview**

### **RECOMMENDED RESPONSE:**

- Government has made it clear that farmland is for farming in British Columbia (B.C.).
- Pressures on B.C. farmland have continued to grow for many years, driving the cost of land out of reach for many farmers and allowing valuable farmland to become damaged.
- In November 2018, government passed the *Agricultural Land Commission Amendment Act*, 2018 (Bill 52) which:
  - Restricted the size of housing to address very large estate homes and speculation in the Agricultural Land Reserve (ALR) so that farmers can afford to get onto the land and bring it into production,
  - Cracked down on dumping construction waste and fill in the ALR to protect our valuable, arable soil; and,
  - Re-instated one zone for the ALR in B.C. to make it clear that the whole ALR benefits from the same strong protections.
- In May 2019 government passed the *Agricultural Land Commission Amendment Act, 2019* (Bill 15) which:
  - Focused on giving the Agricultural Land Commission (ALC) the tools it needs to support farmers and ranchers in every part of B.C.,
  - Strengthened the independence of the ALC so it can better fulfill its mandate of preserving the ALR, while encouraging farming and ranching within B.C.; and,
  - Included changes to the exclusion application process, panel flexibility, enforcement provisions, and requirements for notice of statutory right of ways.
- In December 2021, the government amended the Agricultural Land Reserve Use Regulation (ALRUR) so that ALR landowners have options for an additional residence, acknowledging their request for more residential flexibility on the ALR.
  - o Depending on the size of the parcel and the size of the existing residence, these changes may allow an additional residence of 90m² or 186m².

#### **BACKGROUND:**

- 2017 a key mandate letter commitment was to revitalize the ALR and ALC.
- January 2018 As part of this mandate, the Minister of Agriculture and Food (AF) appointed an independent Minister's Advisory Committee (MAC) to lead stakeholder engagements.
- July 31, 2018 MAC released an <u>Interim Committee Report to the Minister of</u>
   <u>Agriculture</u> which contained immediate recommendations for legislative change.
- November 27, 2018 Bill 52 was passed. The three key changes included:
  - Restricting the size of principal residences,
  - Reunifying the ALR into one zone; and,
  - Restricting unauthorized fill placement in the ALR.

- February 22, 2019 Bill 52 changes were brought into force.
  - The Agricultural Land Reserve Use, Subdivision, and Procedure Regulation was also renamed the Agricultural Land Reserve General Regulation and amended to set out application procedures.
  - A new ALRUR was adopted with new provisions about residential, soil, and fill uses of ALR land.
- April 30, 2019 MAC released the <u>Final Committee Report to the Minister of Agriculture:</u>
   <u>Recommendations for Revitalization</u>, detailing 32 recommendations. Appendix A
   outlines the status of these recommendations.
- May 30, 2019 Bill 15 was passed. The legislation strengthened ALC governance and independence, and further protected ALR land. Appendix B provides examples of the changes.
- With Bill 52, AF heard that some ALR landowners felt that the changes were too
  restrictive; they asked government to consider increasing additional residence options
  in the ALR.
- September to November 2019 AF held a public engagement. Feedback was summarized in the Supporting B.C. Farmers "What We Heard" Report, where the need for more residential flexibility in the ALR was a key theme.
- January 27, 2020 <u>The Policy Intentions Paper: Residential Flexibility in the ALR</u> was released for public comment. This paper outlined ways to increase residential flexibility in the ALR through additional residence options.
- June 26, 2020 Further regulatory amendments were made due to public engagement:
  - Reduce the fee for non-adhering residential use applications to \$900,
  - Redistribute all application fees to a 50:50 split between local governments and the ALC,
  - Increase the volume of annual fill that can be deposited on properties in the ALR for maintenance of an existing farm road; and,
  - o Permit the use of recycled concrete and asphalt for certain fill uses.
- September 4, 2020 Feedback on the Policy Intentions Paper was published in a <u>What</u> we <u>Heard</u> Report. The feedback was used to inform new rules on residential flexibility.
- December 31, 2021 New rules under the ALRUR came into effect, allowing for increased residential flexibility through additional residence options (provided the changes are permitted in local or First Nations government bylaws). The new rules permit ALR landowners to have two residences per parcel in specific circumstances:
  - o If the parcel is 40 hectares or less, there will be permission for two residences: one that is 500 m<sup>2</sup> or less in total floor area, and one that is 90 m<sup>2</sup> or less in total floor area.
  - If the parcel is larger than 40 hectares, there will be permission for two residences: one that is of any size permitted by the *Agricultural Land Commission Act* (ALCA) at the time it was built, and one that is up to 186 m² in total floor area.

# **CROSS JURISDICTIONAL COMPARISON:**

• B.C.'s ALR was established in 1973. Ontario and Quebec have similar farmland protection zones.

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

N/A

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# Appendix A: Status of the 32 recommendations outlined in the MAC Report

- 2018 to present Of the 32 recommendations outlined in the MAC report, 30 are considered completed. The following provides a breakdown of recommendations.
  - Recommendations that were fully implemented include recommendations two, three, seven, ten<sup>1</sup>, 12, and 18.
  - Recommendations that were partially implemented, not implemented, or considered an ongoing process include recommendations one, four, five, six, eight, nine, 11, 13, 15, 16, 17, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 30, 31, 32.
  - O Legal Information

- The status of recommendation 14 and 25, which had not been completed, which had been partially completed, are as follows:
  - O Advice/Recommentations
  - Recommendation 25 (address imbalance between oil and gas development and agriculture in B.C.'s Northeast ALR). As of 2020, a multi-agency task force had been working to develop a comprehensive and factual public facing report to provide: the history and current context in Northeast B.C. with respect to oil and gas and agricultural land use; and an examination of the existing policy and regulatory frameworks for both sectors.

<sup>&</sup>lt;sup>1</sup> Recommendation ten relates to maintaining a province-wide Agricultural Land Use Inventory (ALUI). The Ministry has received an annual funding lift in the budget to carryout this work.

# **Appendix B**

- Bill 15: Agricultural Land Commission Amendment Act, 2019 changes include the following:
  - Requiring that exclusion applications be submitted to the ALC only by local governments, First Nations governments, the Province, or prescribed bodies to encourage these types of applications be done as part of thoughtful land-use planning process.
  - Providing the chair of the ALC with more flexibility to organize commission
    members into a decision-making panel on applications when warranted, by topic,
    technical expertise or by an administrative region.
  - 3. Adding more compliance and enforcement capacity and tools, including a new offence for landowners who do not produce records to the ALC when ordered.
  - 4. Requiring a person who applies to register a statutory right of way under the *Land Title Act* to notify the ALC.
  - 5. Replacing the former ALC governance model of six panel regions and an executive committee with one commission maintaining regional representation by requiring membership from all six administrative regions.
  - 6. Adding new decision-making criteria to prioritize the protection and enhancement of the size, integrity, and continuity of the land base that the ALC must consider when exercising any power or performing a duty under the ALCA.
  - 7. Enabling the Chief Executive Officer of the ALC to register remediation order notes on title.

# **Agricultural Land Use Inventories (ALUIs)**

# **RECOMMENDED RESPONSE:**

- Agricultural Land Use Inventories (ALUI) collect consistent, credible, and comprehensive data about land use and land cover on agricultural lands across the province.
- Since 2007, ALUIs have been measuring farmland utilization and non-agricultural uses in the Agricultural Land Reserve (ALR) and changes in land use patterns and practices over time.
- ALUIs are a key tool for developing agriculturally supportive provincial and local government bylaws and policies, which contribute to the growth of the sector.
- Without ALUI, the question of how ALR land is being used would be largely unknown.
- ALUIs have the potential to be a powerful tool but the information must be current, comprehensive, and accessible.
- This has been identified as a priority and the Ministry of Agriculture and Food (AF) is
  developing a program to see a full provincial baseline within five years and the tools
  and methodologies to ensure this information remains up to date and accessible.
- ALUIs generate a wealth of information at the provincial, regional, and local level. The data informs:
  - Provincial initiatives such as ALR Revitalization;
  - o effectiveness of provincial regulations, such as residential flexibility in the ALR
  - local government land use decisions, including Official Community Plans and Zoning Bylaws;
  - localized estimations of agricultural impacts of environmental disasters and animal health events, such as floods, wildfire, drought or Avian Influenza;
  - research topics such as ecological goods and services, environmentally sensitive areas, wildlife habitat, species at risk and water quality;
  - understanding of climate change impacts, associated risks and adaptation opportunities; and
  - several climate related predictive models, including the Agricultural Water Demand Model.
- In 2022/23, ALUIs informed numerous projects, strategies, and responses including:
  - agricultural economic impact assessment from 2022 Provincial drought response;
  - o policy options for wild and domestic sheep separation (ongoing);
  - o analysis of agricultural production in the Sumas Prairie floodplain;
  - review of potential impacts to agricultural land use from Hwy 1 widening in the Fraser Valley (Ministry of Transportation and Infrastructure);
  - Economic Impact Analysis of Agriculture in Abbotsford Report (Abbotsford Chamber of Commerce);
  - Integrated Salmon Ecosystem Plans under the Pacific Salmon Strategy Initiative in the Thompson-Nicola region (Department of Fisheries and Oceans);
  - Official Community Plan review (North Saanich);

- Sensitive Ecosystem Inventory and Climate Vulnerability and Risk Assessment (City of Kelowna); and
- Agricultural Area Plan updates for the Cariboo Regional District and Central Okanagan Regional District.

# **BACKGROUND:**

- ALUI projects are conducted in different areas of the province each year.
- Data collection leverages remote sensing technologies (satellites), aerial and street view imagery and windshield observations from public roadways.
- ALUI projects utilize a unique mix of partnerships and resources, including local governments, nonprofit organizations, community interest groups, Canadian Agricultural Partnership (CAP), and AF base funding.
- ALUIs capture a snapshot in time; 'baseline' ALUIs are an initial snapshot while 'update' ALUIs are subsequent snapshots to measure change.
- Baseline ALUIs have been completed for about 80 percent of ALR, but some data is so
  old it is of limited use. Some regions of the province have never been surveyed.
- Only 15 percent of the ALR has been resurveyed (a baseline and a follow up ALUI),
   which are important for understanding and measuring change in how the land is used.
- In May 2022, resources and staff were redirected to accelerate ALUI resurvey for Metro Vancouver to ensure the entire region could be surveyed in summer 2022, initiate an updated ALUI for the remainder of the Fraser Valley in summer 2023 and move available ALUI data into tools for quick and easy access.

# **CROSS JURISDICTIONAL COMPARISON:**

 ALUIs are unique to B.C. Agriculture and Agrifood Canada uses ALUIs for their National Crop Inventory to more accurately describe B.C.'s unique small lot agriculture in a national context.

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AF currently has 3.5 FTEs contributing to ALUIs.
- Approximately \$600,000 was allocated for ALUIs in 2022/23.
- As part of the longer-term strategy to complete a provincial baseline and ensure the
  data remains current and accessible, AF is increasing staffing for ALUI and allocating
  approximately \$4.5M over five years, which will be cost-shared with the Federal
  government under the Sustainable Canadian Agricultural Partnership Agreement.

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# **Animal Health Centre**

# **RECOMMENDED RESPONSE:**

- The atmospheric river (AR) event on November 15, 2021, led to widespread flooding in the Sumas Prairie area, including the Plant and Animal Health Centre (PAHC) laboratory and office building.
- Mechanical systems that support the containment level 2 (CL-2), containment level 3 (CL-3) laboratories, other areas of the laboratory and office operations were damaged by flooding, including the acid neutralizer system, which treats effluent water before joining the municipal system, the incinerator used for the safe disposal of hazardous animal waste and the electron microscope, used for the diagnostic and identification of viruses.
- As repair work progressed, office occupancy commenced on March 14, 2022, and most of the Animal Health Centre (AHC) laboratory sections became operational between March 3 and May 24, 2022.
- The AHC services resumed during this period included serology, histopathology, bacteriology, parasitology, and Foreign Animal Disease (FAD) testing, including avian influenza testing, avian necropsy, and PCR testing for avian pathogens.
- Since resuming Avian Influenza (AI) testing at the AHC on April 29, 2022, the AHC has tested about 32,000 samples as of February 6, 2023, as part of the Ministry's response to the ongoing avian influenza outbreak.
- Additional services, including all molecular diagnostics and limited necropsy services, were resumed between July and September 2022.
- As the incinerator became operational, all remaining AHC testing and necropsy services were resumed on November 28, 2022, apart from the following:
  - necropsy services for horses weighing more than 80kg,
  - o bovine spongiform encephalopathy (BSE, "mad cow disease") testing; and,
  - CL-3 laboratory for FAD testing.
- Full equine necropsy services are scheduled to start at the end of February 2023.
- The BSE laboratory is now set up, and staff are being trained to resume BSE testing in March 2023.
- In the interim, alternate arrangements are in place with the Canadian Food Inspection Agency (CFIA) reference laboratory for continued testing and monitoring of BSE.
- Repair work of the CL-3 laboratory that provides additional capacity for FAD testing is ongoing and expected to be completed in March-April 2023.
- Limited flood mitigation measures have been put in place, and more extensive mitigations are being investigated.
- Plans to relocate the PAHC are underway. Although the PAHC has returned to near full operations and services, the current facility was severely damaged by the 2021 AR event and could, in its current Sumas Prairie location, be impacted by future flooding.

- There are also some further impacts on the site due to the water table shift, which is creating hydrostatic pressure at the site.
- A business plan is being prepared for a new facility that will provide enhanced animal
  and plant health services to British Columbians in a more secure and climate-resilient
  setting.
- The business plan is anticipated to be completed in late 2023.
- It will identify potential locations for the Centre as well as opportunities for additional supporting locations with specialized services in other parts of the province.
- The new facility will be Fraser Valley-based and designed to offer laboratory services to B.C.'s agricultural and veterinary sectors as well as public safety.

# **BACKGROUND:**

- The AHC is the only accredited full-service veterinary diagnostic laboratory in British Columbia (B.C.) providing world-class veterinary laboratory diagnostic services to safeguard the health of all animals in B.C., protect the agricultural economy and shield the public against zoonoses (diseases transmissible from animals to humans).
- The AHC offers more than 400 fee-for-service laboratory diagnostic tests for agents that may be found in wild and domestic birds, mammals, fish, reptiles, and amphibians.
- The AHC also supports the *Animal Health Act* and the Chief Veterinarian Office in managing disease outbreaks and animal welfare issues.
- The range of diagnostic testing included bacteriology, histopathology, molecular diagnostics, necropsy, serology, virology and electron microscopy.
- The AHC is the only laboratory in B.C. that is authorized and certified by the CFIA to test for FAD, such as AI and African Swine Fever.
- The AHC receives about 8,000 diagnostic case submissions and serves approximately 700 clients annually, including veterinarians, animal/farm owners, universities, and government agencies, to support disease control and prevention, farm profitability, business sustainability, and animal welfare food safety and public health.
- The AHC also receives about 2,500 samples for BSE testing as part of the national BSE surveillance program.
- The turnaround time for testing at the AHC varies from 8-10 hours for a suspected foreign animal disease or a high consequence disease PCR test to about a week for a complete necropsy for a large animal that would include testing of multiple samples in all laboratory sections, necropsy and histopathology evaluation by a veterinary pathologist.
- The AHC's ability to provide faster testing service is critical for the early detection and containment of animal disease outbreaks such as AI.
- Early detection is crucial for the effective and rapid containment of diseases to protect animal and human health and minimize negative economic impact.

### **CROSS JURISDICTIONAL COMPARISON:**

- Veterinary diagnostic laboratories in other provinces (provincial and CFIA laboratories) supported B.C. clients while the AHC was not operational.
- But alternate arrangements for diagnostic testing at other labs have led to significant delays in getting test results (up to a week or more) due to additional time required for shipping and transportation.

- Advice/Recommentations; Government Financial Information
- Government Financial Information
- Advice/Recommentations; Government Financial Information
- Assessment of future flood events and potential flooding mitigation factors is underway.

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### **African Swine Fever**

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (AF) is working with the Federal Government and British Columbia's (B.C.) pork producers to proactively reduce the risk of African Swine Fever (ASF) entering both commercial and small-scale farms.
- Pigs submitted to the B.C. Animal Health Centre (AHC) in Abbotsford are tested for ASF.
   This testing is the first component of an enhanced early detection program.
- In January 2023, ASF testing of condemned pigs at provincial slaughter plants started in B.C. This testing is the second component of an enhanced early detection program.
- B.C. participates in the national ASF Executive Management Board (EMB).
- A B.C. specific working group (AF, Canadian Food Inspection Agency (CFIA), and industry) is developing a plan for destruction and disposal of infected and non-infected pigs in the event of ASF detection. AF staff also participate in the Western Area Disposal and Destruction WG with the 4 Western provinces and sit on various federal and provincial working groups pertaining to planning and preparedness for ASF.
- The B.C. Government has funded online resources for small scale pork producers.
- In 2021, the B.C. Government funded a Market Interruption Response Plan to address the potential surplus of healthy hogs and minimize impacts (financial, welfare, etc.) to producers, processors, animals, and others in the pork production system.
- The Canadian pork industry has invested heavily in traceability and actively promotes Premises ID to better protect the health and safety of their animals.

#### **BACKGROUND:**

- ASF is a highly contagious, often deadly viral disease of both domestic and feral pigs.
- ASF is one of the most important viral pig diseases and causes variable patterns of disease with several forms; the most common is an acute hemorrhagic disease with up to 100 percent mortality. However, the disease can also take a form that spreads undetected.
- The incubation period is five days to two weeks which could allow the disease to spread before detection. Due to the variable signs at presentation, the time from first infection until detection and confirmation has been up to 26 days in simulation exercises.
- There is no vaccine and there are no treatments for ASF.
- ASF does not infect humans and is not a food safety concern.
- ASF has not been diagnosed in Canada nor the US. It is currently spreading in many countries in the European Union (EU) and Asia and was recently diagnosed in the Dominican Republic (July 2021) and Haiti (September 2021).
- B.C. has been suggested as a high risk for entry of ASF to Canada because of the large amount of travel between Asia and B.C.
- Detection of ASF in Canada would have major trade implications. Canada currently exports 70 percent of our pork production. A detection of ASF would very likely see the

closure of international boarders which would necessitate culls on infected farms and welfare culls of healthy pigs to address overcrowding due to market disruptions.

- Prevention of ASF introduction into Canada is reliant on vigilance and programming to prevent ASF infected material reaching Canadian swine.
- Protection steps in place in Canada:
  - Canada does not import live pigs, pork products, or pork by-products from China or other infected countries.
  - CFIA has reviewed and is confident in the EU's zoning system for ASF. The EU
    zoning map is being used to avoid importing from high-risk zones.
  - International waste controls are in place to prevent feeding of garbage from foreign countries to livestock.
  - Canadian Border Patrol agents conduct advanced screening of luggage from ASF positive countries with increased numbers of specially trained sniffer dogs.
  - A risk based early detection program is in place in Canada (CanSpotASF) for ASF testing in pigs submitted to laboratories or condemned at abattoirs that meet specific eligibility criteria.
- Preparedness steps in place in Canada
  - US and Canada Chief Veterinarians tasked staff at the North American Animal Health Committee meeting in August 2018 to work together to harmonize prevention, diagnostic, and response measures.
    - The ASF EMB, managed by Animal Health Canada has been working since 2020 to coordinate ASF planning in Canada. It includes representatives from federal, provincial, and territorial governments, and industry (FPTI). Ten FPTI working groups are in place.
  - Due to the high number of pigs moving between the four Western provinces, the provinces are working to coordinate response to a diagnosis of ASF in any one province. A steering committee and four working groups are active.

### **CROSS JURISDICTIONAL COMPARISON:**

- Canada is working closely with the US and Mexico to keep ASF out of North America.
- B.C. is working with the Western provinces on preparation and prevention plans.
- Wild pigs in infected countries are a major obstacle to controlling spread of ASF.
- Although B.C. has no wild boars, escaped domestic "feral" pigs present a risk to the identification, control, and eradication of ASF, if it was detected in Canada.

- AF pays for ASF testing of AHC and abattoir cases. Due to the small pork industry in B.C., approximately 50 samples per year are tested for a total cost of \$2,500.
- AF staff attend federal & provincial meetings addressing prevention and planning for ASF as well as participate in western regional or national working groups.

## ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

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### Avian Influenza (AI)

#### **RECOMMENDED RESPONSE:**

- British Columbia (B.C.) is currently experiencing a Highly Pathogenic Avian Influenza (HPAI) outbreak that began in April 2022, affecting 77 commercial flocks and 26 noncommercial flocks. The Canadian Food Inspection Agency (CFIA) estimates that over 3.6 million birds have been affected in B.C., and over 7.1 million birds have been affected in Canada across nine provinces.
- The Ministry of Agriculture and Food (the Ministry), the federal government (CFIA), and the B.C. poultry industry are well connected and coordinated on avian influenza (AI) surveillance, testing and response.
- In December 2022, the Ministry worked with the CFIA and industry to mobilize extra resources and equipment to help manage the outbreak when the spread of infection was outpacing response capacity, ensuring that farms could be depopulated in a timely manner.
- As of February 2023, the infection rate has slowed down and Ministry staff are working with CFIA and industry to improve B.C.'s response capabilities should infection rates increase again in Spring 2023 or the future.
- While this has been the most widespread outbreak of HPAI that B.C. has experienced to date, the provincial supply and price of poultry products have remained stable.
- The Ministry continues to work closely with the CFIA and B.C. poultry producers to ensure enhanced prevention and preparedness measures are in place to protect poultry flocks.

#### **BACKGROUND:**

#### HPAI in B.C.

- B.C., and particularly the Fraser Valley, is uniquely vulnerable to HPAI and its negative impacts compared to other Canadian provinces. This is because of the density of poultry production within the Fraser Valley, which is situated within a major route of waterfowl migration.
- In 2004, B.C. experienced an outbreak of AI that resulted in depopulation of 62 million birds on 53 premises. In 2014/15, an outbreak of AI resulted in depopulation of 240,000 birds on 13 premises.

#### Ministry HPAI Response

- The Ministry is responsible for supporting the CFIA response as well as developing and implementing provincial policies and programs to monitor and mitigate HPAIassociated risks.
  - Ministry actions include conducting HPAI surveillance in wild birds, issuing orders to prevent disease spread (e.g., ordering that commercial flocks be kept indoors away from wild birds), educating producers and the public, etc.

- The Plant and Animal Health Branch, which includes the Animal Health Centre, B.C.'s veterinary diagnostic laboratory, conducts surveillance for HPAI in wildlife reservoirs, HPAI testing in domestic birds, and public education.
- In late 2022, the Ministry hosted eight information sessions for small flock poultry owners in B.C. to provide information on how to protect their birds, recognize the signs of HPAI, and how to report HPAI:
  - six in-person sessions (Kelowna, Merville, Salt Spring Island, Chilliwack, Langley, and Delta)
  - two virtual sessions

#### **Industry and CFIA Response**

 Industry support is provided by a Poultry Emergency Operations Centre, staffed by poultry industry representatives from poultry industry associations and the poultry marketing boards (BC Chicken Marketing Board, BC Egg Marketing Board, BC Turkey Marketing Board and the BC Broiler Hatching Egg Commission).

#### **Industry Impacts**

- While the CFIA compensates producers for the destruction of their flocks, negative
  impacts to non-producers (e.g., food processors) in the poultry supply chain are not
  eligible for compensation, so all efforts are made to destroy infected flocks as quickly as
  possible to mitigate economic impacts to those partners and stakeholders.
- While there were initial concerns about turkey shortages during the 2022 holiday season, poultry supply and prices have remained stable due to the Canada's supply management system and inter-provincial trade.

### **CROSS JURISDICTIONAL COMPARISON:**

- HPAI is occurring worldwide between October 2021 and September 2022, 27
   European countries have been impacted by HPAI, with a total of 2,520 outbreaks in poultry, 227 outbreaks in captive birds, and 3,867 HPAI virus detections in wild birds.
   This has resulted in 50 million birds culled in affected establishments.
- Outbreaks are also occurring in Asia, Africa, and are beginning to occur in South America.
- Since the beginning of 2022, 47 states in the United States (US) have detected HPAI, and an estimated 58 million birds have been affected.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 To ensure timely containment of infected premises and flocks, the Ministry contracted out of province resources, when local resources became overwhelmed, to augment the CFIA response on the ground. Estimated cost for contracted services is approximately \$800K.

## ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

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### **Infectious Laryngotracheitis (ILT)**

#### **RECOMMENDED RESPONSE:**

- Avian infectious laryngotracheitis (ILT) is a viral disease of chickens that is provincially reportable under the *Animal Health Act*.
- This allows the chief veterinarian to track cases of ILT in British Columbia (B.C.) and to issue disease alerts to industry when cases occur. Disease alerts allow neighboring producers and allied industries to enhance their biosecurity measures in order to mitigate against disease spread.
- The Animal Health Centre (AHC), the Ministry of Agriculture and Food's (AF) veterinary diagnostic laboratory, identifies cases of ILT through post-mortem examination of affected chickens, and a confirmed diagnosis of ILT is provided within ~ 24 hours of a bird or sample being submitted to the laboratory.
- Due to the increasing occurrence of ILT in the Fraser Valley, AF is currently developing an investigative program to better understand virus transmission and identify options to prevent future outbreaks.

#### **BACKGROUND:**

- Avian ILT is an economically important respiratory viral disease affecting chickens (both commercial and non-commercial). It results in high mortality rates (up to 20 percent of an infected flock may perish) and decreased productivity. ILT does not affect other commercially-raised species (i.e., turkeys).
- ILT does not infect people in contact with sick birds and it is not a food safety risk.
   Positive broiler flocks may be sent for slaughter as food is safe for consumption, although the disease can result in processing downgrades, particularly in birds destined for specialty markets.
- ILT is highly contagious and spreads among barns through breaches in biosecurity.
- Long lived production birds such as layers and broiler breeders are routinely vaccinated for ILT under the direction of their poultry veterinarian. However, due to their shorter lifespan and the cost of vaccinating, broilers are not vaccinated for ILT. Unvaccinated flocks represent the majority of ILT cases submitted to AHC.
- Control of ILT continues to be a challenge for poultry producers in the Fraser Valley.
   There has been a significant increase in the number of outbreaks of ILT in the Fraser Valley in the last three years. AHC diagnosed 45 ILT positive cases in 2020 and 67 in 2021. Due to the November 2021 flood, AHC was not able to resume ILT screening until June 2022. However, between June and December 2022, there were 37 ILT cases. This is particularly surprising given the heightened biosecurity measures implemented by the poultry industry because of the 2022 highly pathogenic avian influenza outbreak.

#### **CROSS JURISDICTIONAL COMPARISON:**

- B.C., ON and QC practice routine vaccination of commercial poultry for ILT and outbreak detections are provincially reportable. B.C. and ON issue disease notifications to their poultry industry to allow active mitigation.
- Other Western provinces (AB, SK, MB) do not support preventative vaccination and recommend depopulation of affected flocks, with limited compensation. This approach works due to the low density of poultry production and the low frequency of outbreaks.

- The economic cost of ILT has not been determined.
- AHC provides subsidized rates for commercial and non-commercial poultry
  producers seeking post-mortem examination to determine the cause of sickness
  and death in their birds, including ILT. For example, a full post-mortem
  investigation for up to eight birds (including necropsy, microscopic tissues
  examination, and up to four additional tests) costs \$140.
- The Office of the Chief Veterinarian is seeking ~ \$30,000 in funding from S-CAP to support an epidemiologic investigation of recent outbreaks to identify risk factors for transmission and develop effective mitigation strategies.

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### Mink and COVID-19

#### **RECOMMENDED RESPONSE:**

Advice/Recommentations

#### **BACKGROUND:**

#### Outbreak and Response

- The Chief Veterinarian placed Quarantine Orders under the Animal Health Act on all
  three SARS-CoV-2-infected mink farms to contain spread of the virus, and Fraser Health
  issued public health orders mandating surveillance of mink and farm workers on all 12
  mink farms in the province, including the three infected farms.
- At the time of the outbreak, an experimental mink vaccine for SARS-CoV-2 was being developed but that vaccine was not available for use in Canada.
- The SARS-CoV-2 outbreak in B.C. mink ended in April 2022 when the third infected farm
  was voluntarily depopulated by the producer (prior to that date, the mink on the first
  infected farm had recovered and the mink on the second infected farm were voluntarily
  depopulated by the producer). Contaminated pelts remain under quarantine on two of
  the three infected farms. All other quarantines have been removed.
- Due to the public health risks of SARS-CoV-2 in farmed mink (i.e., the potential for the development of novel variants that could spread back to people), on July 26, 2021, Dr. Henry issued an order under the *Public Health Act* prohibiting the opening of new mink farms and requiring a cap on the number of animals on existing farms. On November 26, 2021, the government passed a three-year phased ban on mink farming. On January 31, 2022, Dr. Henry's July 26, 2021, order expired, and the requirements of

this order were codified in the amendments to the Fur Farm Regulation of the Animal Health Act.

There are currently 12 mink farms in B.C. with 0 live animals. Licenses are required for farms that continue to hold mink pelts.

#### Details of the mink farming phase out

- Effective April 1, 2023:
  - Ban on the keeping of live mink; and,
  - o Mink farming licenses are no longer available. Farmers are only eligible for a mink pelt license.
- Effective April 1, 2025:
  - Mink pelt licenses are no longer available; and,
  - All aspects of mink farming are prohibited.

#### Legal challenge to mink farming ban

- On February 10, 2022, notice was received that there will be a filing of a petition for a judicial review of the province's amendments to the Fur Farm Regulation. No dates have been set for the judicial review proceedings as of February 2, 2023.
- On May 13, 2022, the mink farmers filed a petition to seek disclosure of a broad range of documents related to the decision making regarding the ban on mink farming, including documents considered by Cabinet. The proceedings regarding the document disclosure are ongoing as of February 2, 2023.

### **CROSS JURISDICTIONAL COMPARISON:**

- In Denmark, the government was required to compensate mink farmers when it ordered a cull of all mink in the country without having the proper legal authority to do so. In B.C., we have not ordered a cull and are providing a transition period for farmers, so we are not offering compensation.
- As a result of SARS-CoV-2 in mink, many countries either implemented or accelerated plans to ban mink farming. For example:
  - The Netherlands originally banned mink farming in 2013 with a transition period to phase out farms by 2024. Following a SARS-CoV-2 outbreak at more than 40 farms, the phase out timeline was accelerated to March 2021.
  - o In Ireland, cabinet gave approval for a ban on fur farming, required all fur farms to shut down by the end of 2022.
  - o In France, all existing farms must close by 2025.
  - o In Italy, the government passed legislation which banned fur farming as of January 1, 2022.
- There were no outbreaks of SARS-CoV-2 in other Canadian Provinces, nor have there been any prohibitions on mink farming in any province other than B.C. Government decided to ban mink farming based on the location of the mink farms in a semi-urban, area which may not be the case in other jurisdictions.

- Between 2020-2022, AF tested ~ 3,000 samples from domestic mink and wildlife around mink farms in partnership with BC Centre for Disease Control. There are no current AF surveillance programs for SARS-CoV-2 in mink or other animals.
- AF is engaging in compliance and enforcement work to ensure that mink farmers are meeting the requirements of the new legislation.
- AF does not subsidize fur farming and no compensation has been provided to mink farmers.
  - The farmers are eligible for AgriStability payments to provide additional assistance for the costs of ending production. The farmers are also eligible for new entrant and business planning programs to aid in their transition to other industries. AF has made staff available to support the farmers in their transition.
  - There are programs available to support employees to transition to other employment through WorkBC. There are also employment opportunities available in the agricultural sector, and AF has been in contact with producers and agricultural organizations to facilitate potential employment opportunities for mink farmers to provide to their employees.

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### Animal Health Centre Review – Recommendations and Implementation

#### **RECOMMENDED RESPONSE:**

- In spring 2018, Don Wright, Deputy Minister to Premier John Horgan, concluded a review of the Animal Health Centre (AHC) after some of the services performed were called into question.
- Deputy Minister Wright found that nothing in the review conducted by Deloitte shows any evidence of "dubious data or conflict of interest."
- The Deloitte Report did identify some areas in which improvements could be made.
- At the time, the Director of AHC and the Deputy Minister of the Ministry of Agriculture and Food (AF) accepted and implemented all the recommendations.
- The AHC makes science-based decisions, and the public must trust the information that is used to inform policy decisions.
- The AF priority in undertaking the review was to ensure that the public and Fisheries and Oceans Canada (DFO) can trust the information that the AHC provides as part of the fish health audit.
- It is pleasing that the review found that the AHC is working well on behalf of British Columbians, without any conflicts of interest.
- The AHC is extremely important to our province's agriculture sector. It is the only
  accredited full-service veterinary diagnostic laboratory in B.C. providing world-class
  veterinary laboratory diagnostic services to safeguard the health of all animals in B.C.,
  protect the agricultural economy, and shield the public against zoonoses (diseases
  transmissible from animals to humans).

#### **BACKGROUND:**

- The Deloitte Review provided recommendations for the Provincial Government's consideration to address the potential for real or perceived conflict of interest.
- The Deloitte Review also provided related recommendations to improve communication and collaboration among stakeholders working to research and understand the risk and impacts related to fish health in the province.

#### **Deloitte Recommendations and status:**

 Conduct conflict of interest assessments – Completed – An audit by the American Association of Veterinary Laboratory Diagnosticians (AAVLD) conducted in May 2018 assessed conflict of interest policies and procedures and found no issues or areas for improvement. AHC will continue to request from each accrediting body that a specific section of their audit report is dedicated to addressing conflict of interest. Audits happen annually.

- Develop an industry expense reimbursement Completed A policy is in place to ensure AHC does not receive any travel-related industry support. AF will cover these travel costs.
- Seek to expedite fish disease case definitions Completed in 2021 Case definitions (Heart and Skeletal Muscle Inflammation (HSMI) in Atlantic salmon and jaundice in Chinook salmon) were established during the Fish Health Technical Work in 2020, and the finalized report is publicly available on DFO website.
- Ensure external communications are supported Completed AF added a position to support improved external communications.
- Strengthen contracts with critical stakeholders In Progress Advice/Recommentations Advice/Recommentations
- Develop an AHC-specific conflict of interest guidelines In Progress To foster an
  ethical culture in BC Public Service Agency (BCPSA), a new corporate requirement has
  been introduced for all employees to review the Standards of Conduct and Oath of
  Employment annually. In consultation with BCPSA, AF will develop materials tailored to
  AHC and, more broadly, to the Plant and Animal Health Branch.
- Enforce marine biosecurity measures In Progress The Minister's Advisory Committee on Finfish Aquaculture released its recommendations to the government in January 2018. The Province has relayed relevant recommendations to DFO and is working on implementing them.
- Improve education and awareness- In Progress AF added a position to support improved external communications.
- Consider stronger separation of roles In Progress Although two fish pathologists
  were hired in August 2018 (one was assigned) to the regulatory Fish Health Audit and
  Surveillance Program (FHASP) audit submissions and the other in September 2019 (was
  assigned to all other types of fish submissions), the AHC no longer has these two
  pathologists in house as one was dismissed in November 2022. The AHC had to stop
  DFO audits, given that we only have one fish pathologist in-house.
- A decision note to the Deputy Minister of AF is being prepared to request that AHC stop
  following this recommendation so that we can resume DFO services. The hiring process
  for one fish pathologist is in place. Given the difficulties of hiring fish pathologists in
  Canada, it is unknown when AHC will be able to staff this position.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

#### PROGRAM EXPENDITURE/REVENUE IMPLICATION:

• Advice/Recommentations; Government Financial Information

## ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

Advice/Recommentations; Government Financial Information

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### **BC SPCA Farm Inspections Pilot**

#### **RECOMMENDED RESPONSE:**

- Protecting animal care and welfare is a shared goal, and British Columbia Society for the Prevention of Cruelty to Animals (BC SPCA) and farm operators both have important roles to play to achieve that goal.
- The *Prevention of Cruelty to Animals Act* (PCAA) provides BC SPCA the authority to conduct proactive inspections under s.15.1 for regulated activities like commercial farm operations.
- In June 2021, BC SPCA notified the Ministry of Agriculture and Food (AF) and the various marketing boards/commissions of its intention to conduct unannounced, proactive farm animal welfare inspections.
- As these inspections were legally permitted without a warrant, operators were required to allow BC SPCA inspectors access to their farms during ordinary business hours.
- Despite the broad authority under PCAA, inspectors only entered a property with consent of the owner or operator. While the inspections were not pre-announced, inspectors were willing to be flexible and work with the operator to minimize disruption of regular farming activities.
- Inspectors, AF staff, and veterinarians that attended these inspections observed all
  necessary biosecurity protocols for each farm, including showering in and out of the
  operation, and bringing and utilizing all necessary personal protective equipment. All of
  the safety protocols related to COVID-19 were also followed.
- The inspections were not meant to target farmers but were an opportunity to work together to promote and enhance animal welfare.
- In fall 2022, AF initiated a project to assess B.C.'s Farmed Animal Welfare Framework. The project is ongoing and a report, with recommendations, is anticipated to be submitted to AF Deputy Minister in summer 2023 for consideration.

#### **BACKGROUND:**

- Under the Animal Care Codes of Practice Regulation, the commercial rearing of many farm animals (e.g., poultry, dairy cows, swine, etc.,) is designated a regulated activity under PCAA.
- Section 15.1 of PCAA provides BC SPCA, as authorized agents, the ability to enter "any premises or a vehicle where an operator is engaging in a regulated activity for the purpose of determining whether this *Act* and the regulations made under it are being complied with."
- On June 23, 2021, BC SPCA informed AF of its intention to conduct proactive welfare inspections of turkey, pork, beef, dairy, eggs, and chicken farms (two farm inspections per commodity).
- BC SPCA sent letters on June 23 and 24, 2021, to the Executive Director of the BC Dairy Association and the BC Chicken Marketing Board, announcing BC SPCA's intention to

conduct unannounced proactive inspections of a subset of farms beginning in mid-2021.

- Prior to June 2021, BC SPCA had not used this section of PCAA and only inspected farms
  after a cruelty complaint was received. In part, this was due to resource and capacity
  issues stemming from a limited number of authorized agents and large workloads.
- In late June 2021, AF executive met with BC SPCA to obtain information regarding the scope of the inspections, enforcement policies and operational procedures, training of officers, etc.
- AF put in place an agreement with BC SPCA to allow an AF observer for all the commercial farms inspected as part of the pilot. The agreement expired on April 30, 2022.
- Several meetings were held with BC SPCA, commodity board representatives, and AF staff to discuss the process of the inspection pilot program.
- Three out of ten farms denied BC SPCA entry. The table below provides an overview of the results of the Farm Inspection Pilot:

Broiler #1	Inspection complete – no corrective action
Broiler #2	Inspection complete – minor concerns noted
Turkey #1	Denied entry
Turkey #2	Inspection complete – no corrective action
Dairy Cattle #1	Inspection complete – no corrective action
Dairy Cattle #2	Inspection complete – no corrective action
Beef #1	Inspection complete – minor concerns noted
Beef #2	Inspection complete – no corrective action
Hog #1	Denied entry
Hog #2	Denied entry
Layer #1	Did not visit due to Avian influenza
Layer #2	Did not visit due to Avian influenza

BC SPCA submitted the Report, with recommendations, to AF on July 29, 2022.

### **CROSS JURISDICTIONAL COMPARISON:**

- Ontario's *Provincial Animal Welfare Services Act* allows for proactive, risk-based inspections to ensure compliance with legislation.
- The Canadian *Criminal Code* prohibits anyone from willfully causing animals to suffer from neglect, pain or injury, and is enforced by police services, provincial and territorial SPCAs and/or provincial and territorial ministries of agriculture.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

## ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

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### **BC SPCA Investigations on Farms**

#### **RECOMMENDED RESPONSE:**

- Animal welfare is a priority in British Columbia (B.C.), and B.C. Government expects everyone to treat animals with care and respect.
- The Ministry of Agriculture and Food (AF) is committed to ensuring that animals are respected and treated with a high standard of care in our agricultural system.
- If gaps in animal welfare are identified, AF will act appropriately to improve outcomes.
- B.C. ranchers and livestock producers take great pride in the care they provide for their animals. The vast majority are meeting the standards in the National Farm Animal Care Council's Codes of Practice for Farm Animals (NFACC Codes).

#### **BACKGROUND:**

#### Farm Inspection Pilot

- Under B.C.'s Prevention of Cruelty to Animals Act (PCAA), B.C. Society for the Prevention of Cruelty to Animals (BC SPCA) is mandated to respond to animals in distress and investigate animal welfare concerns.
- Prior to June 2021, BC SPCA farm inspections only occurred after a cruelty complaint was received.
- In June 2021, BC SPCA notified AF that BC SPCA would be starting a pilot program exercising its authority under s. 15.1 and conducting unannounced inspections of farms engaged in regulated activities. Commercial farming of many farm animals is a regulated activity under PCAA.
- AF put in place an agreement with BC SPCA to provide an AF observer for all the commercial farms inspected as part of the pilot. The agreement expired on April 30, 2022.
- BC SPCA submitted a report of their findings to AF on July 29, 2022.

#### **General Investigations**

- BC SPCA conducts approximately eight thousand cruelty investigations each year.
- The majority of BC SPCA investigations involve companion animals; in 2018, 82 percent of all BC SPCA investigations were related to dogs and cats, and 18 percent were related to farm animals.
- Under PCAA, the Animal Care Codes of Practice Regulation (ACCPR) came into force on June 1, 2019, to provide further protection for farm animals by establishing reasonable and generally accepted practices of animal management. ACCPR references NFACC Codes as reasonable and generally accepted practices of animal management.
- To provide oversight of BC SPCA animal seizures, BC Farm Industry Review Board hears appeals about certain animal custody decisions of BC SPCA under PCAA.

#### Cawston - Cattle - January 18, 2023

- On January 18, 2023, BC SPCA animal protection officers seized 95 cattle from a property in Cawston, B.C. Another 34 cattle were seized from the same property on January 25, 2023.
- The cattle were reported as being housed in substandard conditions, without access to shelter or protection from the elements, and without adequate food and drinking water.
- Several cattle were suffering from medical problems including eye infections, lameness, mastitis, overgrown hoofs, and diarrhea, as well as possible injuries from broken fencing.
- Three cattle were identified as being in critical distress and had to be put down.
- Several deceased cows were also found on the property.
- The cattle are currently in the care of BC SPCA.
- The investigation continues and charges of animal cruelty are being recommended.

### **CROSS JURISDICTIONAL COMPARISON:**

- In Canada, eight provinces and two territories have an SPCA. Not all provincial SPCAs have the legislative authority to conduct on-farm inspections.
- In January 2019, the Ontario Supreme Court found the Ontario SPCA's (OSPCA) powers to be unconstitutional. Following this court decision, the OSPCA announced that it would no longer enforce animal welfare legislation after having done so for over a century. The province was then responsible for quickly passing new legislation for an interim animal welfare enforcement model, and for developing a new animal welfare act and a new government-based enforcement system.
- The Canadian Criminal Code prohibits anyone from willfully causing animals to suffer from neglect, pain, or injury and is enforced by police services, provincial and territorial SPCAs and/or provincial and territorial Ministries of Agriculture.

- Under 2020 British Columbia Financial Support for Animal Care Facilities Initiative, B.C. provided BC SPCA with an interim grant payment of \$1,463,342 to offset the costs of caring for animals in their facilities and investigating animal cruelty allegations during the COVID-19 pandemic.
- The Province provided BC SPCA with \$5M capital grants in 2015 and 2017 to fund the replacement of aging facilities.
- Under Growing Forward 2 funding (2013-2017), BC SPCA's authorized agents received training in livestock and poultry care worth over \$325,000 over five years.
- The Province provided BC SPCA with a \$100,000 grant in 2011 to offset the costs of investigating sled dog cruelty allegations.
- In 2010/2011, BC SPCA received a \$250,000 grant in from the B.C. Gaming Commission for spay/neuter programs.
- The Province has also provided sponsored Crown leases for many of BC SPCA facilities.

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### **Codes of Practice for Animal Welfare**

#### **RECOMMENDED RESPONSE:**

- British Columbia's (B.C.) livestock and farm animal operators are among the best in Canada and the National Farm Animal Care Council (NFACC) Codes of Practice (the Codes) support their good work. Building the Codes into regulation in B.C. provides consumers with confidence around these management practices and protects farmers and ranchers when practices are misperceived or challenged.
- Ministry of Agriculture and Food (the Ministry) staff continue to work with animal welfare stakeholders to monitor potential issues and ensure the necessary animal welfare policies and regulatory frameworks are in place in B.C.
- Ministry staff review and provide comments on proposed revisions to the Codes e.g., the ongoing update process for the (2009) Code of Practice for the Care and Handling of Dairy Cattle.

#### **B.C. Farm Industry Review Board (BCFIRB)**

BCFIRB is an independent administrative tribunal operating at arms-length from the
provincial government. BCFIRB has a number of responsibilities, which include
overseeing B.C.'s agricultural marketing boards/commissions and hearing appeals of
animal seizures and/or the related cost decisions of the British Columbia Society for the
Prevention of Cruelty to Animals (BC SPCA) under the Prevention of Cruelty to Animals Act
(PCAA).

#### Role of the Marketing Boards/Commissions

- B.C.'s marketing boards/commissions have made animal care and biosecurity standards mandatory for their producers. This demonstrates how serious the B.C. farmed animal industry is about protecting animal health and welfare.
- Many of the animal care programs and/or policies upheld by the marketing boards/commissions are based on the Codes for the relevant species group.

#### <u>Animal Welfare Framework</u>

- Under PCAA, B.C. has some of the strongest penalties in Canada for causing animal distress. Charges under PCAA can be laid against anyone responsible for an animal who causes or permits that animal to experience distress.
- Maximum penalties under B.C. legislation for those convicted of causing animal distress is \$75,000 and up to 24 months imprisonment.

#### **BACKGROUND:**

- The Ministry is currently undertaking a project to assess B.C.'s farmed animal welfare
  framework (the Framework). The Ministry worked with a diverse group of stakeholders
  to develop a Backgrounder report that outlines the Framework. In Spring 2023, the
  Deputy Minister will appoint an Advisory Committee to assess the Framework and
  provide recommendations for enhancements.
- The role of the Codes within the Framework was an important factor for the research and engagement conducted by the Ministry to inform the Backgrounder report.
- PCAA is the primary piece of animal welfare legislation in the Province; it falls under the responsibility of the Ministry.
- BC SPCA is the legislated animal welfare inspection and enforcement body under PCAA.
   PCAA provides BC SPCA with powers to exercise enforcement and compliance activities and relieve animals in distress.
- NFACC is the national lead for farm animal care and welfare in Canada. NFACC is a
  division of Animal Health Canada and is based on a collaborative partnership of diverse
  stakeholders including industry representatives, enforcement agencies, veterinarians,
  animal welfare organizations, and government bodies.
- NFACC develops species-specific codes through broad stakeholder representation and expertise on Code Development Committees, including a scientific committee that identifies a list of priority animal welfare issues for the species under consideration.
   NFACC functions on a consensus-based model of decision-making.
- Effective June 1, 2019, the Animal Care Codes of Practice Regulation (the Regulation) of PCAA establishes twelve of the Codes as reasonable and generally accepted practices of engaging in animal management.
- While failure to abide by the Codes is not necessarily an offence under the Regulation, demonstrating compliance with the Codes can be used as a defense against a charge of causing animal distress under PCAA.
- The codes named in the Regulation provide guidelines for:
  - beef, bison, dairy cattle, hatching eggs, breeders, chickens and turkeys, equines, farmed fox, farmed mink, pigs, pullets and laying hens, rabbits, sheep, and veal cattle.
- To support implementation of the regulatory changes, the Ministry hosted a working session on March 15, 2019, which was well represented by industry. Discussion at the session focused on concerns, best implementation practices, and BC SPCA Special Provincial Constable training with regard to the Regulation.
- Training of BC SPCA Special Provincial Constables on the Codes took place throughout 2019.

### **CROSS JURISDICTIONAL COMPARISON:**

- Several other provinces include the Codes in regulation, although there is variation among provinces in how this is implemented, for example:
  - Legislation/regulation in some provinces, such as Manitoba, makes the requirements of the cited Codes enforceable.
  - Other provinces, such as Saskatchewan, take an approach like B.C.'s, with the Codes functioning as a defense for those accused of causing animal distress.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• There may be cost associated with implementing recommendations made in the Deputy Minister Advisory Committee's final report.

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### **Animal Welfare - Domestic/ Wild Sheep Disease Risks**

#### **RECOMMENDED RESPONSE:**

- Mycoplasma ovipneumoniae (M.ovi) is a serious disease of wild sheep and goats and can be transmitted from domestic animals to wild sheep populations.
- A M.ovi Strategic Advisory Group (MSAG) was established in 2018 to seek collaboration and consensus among members which includes B.C. Government, and both wild and domestic sheep external stakeholders. Upon MSAG's dissolution early in 2022, the group recommended a strategic action plan with both regulatory and non-regulatory actions to mitigate the transmission of M.ovi. The Ministry of Agriculture and Food (AF) has been actively supporting MSAG recommendations by:
  - o Supporting the development of regulatory policy options.
  - Subsidized PCR testing for M.ovi to domestic sheep and goat producers.

#### **BACKGROUND:**

- The sheep industry in B.C. is composed of 1,415 farms reporting 54,608 sheep and lambs in B.C. with an estimated farm cash receipts of \$11.5M (Statistics Canada, 2021). There are approximately 20,000 sheep in regions of B.C. with wild sheep. The domestic goat industry in B.C. is composed of 795 farms reporting 17,256 goats (Statistics Canada, 2021) with approximately 5,000 goats in regions of B.C. wild sheep.
- M. ovi is a bacterium that infects nasal passages of wild and domestic sheep and goats.
- In wild sheep (bighorns and thinhorns) M. ovi is considered a serious population threat and is associated with massive all-aged die-offs due to pneumonia often followed by years of poor lamb survival rates. It can cause disease and possibly poor growth rates in domestic sheep and goats, but the primary concern is transmission to wild sheep.
- M. ovi does not cause disease in people and is not a food-safety threat.
- There is currently no known method to eradicate M. ovi from an infected domestic sheep flock/goat herd or effective vaccination, but research is ongoing.
- Minimizing the risk of contact between wild sheep and infected domestic sheep and goats is currently the only way to decrease the risk of transmission in wild sheep.
- A MSAG was established in 2018 to seek collaboration and consensus among members which includes both AF, the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNROD) staff and both wild and domestic sheep external stakeholders. MSAG's purpose was to recommend priorities, provide strategic advice and offer policy guidance to Government on how to reduce transmission of M.ovi from domestic sheep and goats to wild sheep and goats. Upon dissolution in 2022, the group recommended a regulatory policy analysis and a non-regulatory strategic action plan.
- AF has a 2022-2023 contract for \$33,000 to support some of the non-regulatory actions.
  The intent is to increase education and awareness among the B.C. sheep and goat
  sector to M. ovi and its mitigation, promote the testing domestic animals for M. ovi,
  summarize testing results in B.C. and to recommend a testing protocol.

- In August 2022, then Minister Lana Popum signed a decision note to proceed with the next stage of policy development utilizing the *Animal Health Act* to mitigate the transmission of M.ovi from domestic sheep and goats to wild sheep populations.
- In a Resolution statement (Resolution 3/2005) made by the British Columbia Assembly
  of First Nations, the Assembly Chiefs supported, "...the exclusion of domestic sheep and
  goats, including the farming of, holding of and care of, from all areas within and
  surrounding our territories that may represent current, known, traditional or potential
  future wild sheep and mountain goat habitats".
- FLNROD's Together for Wildlife Strategy Goals and Actions commit to principles and actions which directly relate to the issue of M. ovi.
- Ministry staff are currently undertaking analysis to better understand potential impacts of regulated management zones including an economic impact assessment.
- Additional activities that have been undertaken by AF include:
  - o Fostering relationships with the B.C. Sheep Federation and B.C. Goat Association
  - Preparation of small flock workshops to provide good, well-referenced information to sheep and goat producers on management, husbandry, nutrition, disease, and biosecurity practices as well as links to sources of further information and tools available to help develop and maintain healthy flocks.

### **CROSS JURISDICTIONAL COMPARISON:**

- All jurisdictions in North America with wild sheep are struggling to find a solution.
- Yukon introduced a control order on January 1, 2020, that mandates strict fencing for all sheep and goat farms, requires all sheep and goats to be tested and free of M. ovi, and bans sheep and goats in areas of high risk of contact with wild sheep and goats.
- Alberta has created a Disease Surveillance Zone, where sheep producers can work with their veterinarians to access provincial government programs such as funding for M. ovi testing and fencing options to prevent the spread of this bacterium to bighorn sheep.

- Testing costs so far have been born by the submitter. However, the test continues to have problems with specificity; so positive tests often require further testing and DNA sequencing to confirm. This means the actual cost of the test to AF often exceeds the cost paid by submitters depending on the number of tests that are positive.
- ESSB contract to address non-regulatory options recommended by the MSAG for \$33,000 for 2022/2023 fiscal; intent is to renew this contract into next fiscal.
- One percent of one FTE in PAHB, 40 percent of one FTE in the ESSB (includes support on other sheep and goat industry development files).

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### Animal Welfare – Flood (November 2021) – Animal Impacts/ Response

#### **RECOMMENDED RESPONSE:**

#### Flood

- The devastating losses of the heat dome were followed by the flooding disaster in November 2021, especially for the hard-hit Fraser Valley.
- There were both immediate and long-term impacts to animals from the flooding.
- Immediate impacts were related to animal relocations, feed shortages, contamination of feed and water, and high water resulting in death.
- Long-term impacts are not yet fully known but, depending on various factors, may include decreased growth, production, reproduction and increased disease susceptibility in livestock and poultry.
- There were several firsthand accounts of farmers helping farmers, many making heroic efforts to save farm animals and provide them care.
- To support farmers and ensure farm animals could continue to be fed, the Province provided up to \$1M in funding from Emergency Management BC (EMBC) to help fill the immediate need of forage as part of the Emergency Flood Forage Program.
- Additionally, the up to \$228M federal-provincial Canada-B.C. Flood Recovery for Food Security Program, helps farmers return to production and covers extraordinary expenses incurred including those related to animal care, replacement feed as well as livestock transportation, and veterinary care.

#### General

- Dialogue, collaboration, and advance planning are underway among industry and government to reassess these events and minimize the animal impacts of future events. This includes topics of infrastructure improvements, management tools, knowledge transfer, and risk mitigation.
- Ministry staff are also exploring options for increasing engagement in complex animal welfare issues, including the possibility of upgrading the role of animal welfare veterinarian to a full-time position (it is currently part of the role of the Chief Veterinarian).

#### **BACKGROUND:**

### Flooding

 On November 13, 2021, a major storm descended on the south coast of B.C. and over the next several days brought massive amounts of rain, creating possibly the most destructive and expensive weather-related disaster in Canadian history and the largest agricultural disaster in B.C. history.

- Farmers suffered extraordinary damages including losses to homes, properties, farm businesses and animals; animal impacts include both short- and long-term impacts.
- Short-term animal impacts (immediate, at time of the event) included:
  - o Emergency relocations of animals and feed to farms outside the impacted areas
    - 25 farms which included 3,906 dairy animals and approximately 29,568 poultry were relocated (note: poultry numbers refer to early slaughter, not relocation to another farm).
  - Animal relocations can increase stress and cause physical injuries, digestive upsets, reduced conception, disrupted production, and/or early fetal abortions.
    - Grain shortages and no grain supply on farms due to damaged rail and road infrastructure result in immediate and long-term animal production losses and can cause premature animal death, reproductive and herd health impacts, and/or higher susceptibility to disease.
    - Contamination of feed and water supplies
      - Contaminated water can contain chemicals and microorganisms dangerous to livestock and poultry.
    - Flooding of barns and farm infrastructure
      - Significant animal losses were incurred, especially farmed poultry, hog, fish, and cattle:
        - Poultry 709k
        - Dairy 430
        - Hogs 18k
        - Fish 282k
- Long-term impacts on animals because of flooding and relocation can include decreased growth, production, reproduction, and increased disease susceptibility.

### **CROSS JURISDICTIONAL COMPARISON:**

- The Province and the Fraser Basin Council have taken important steps to assess and build flood management capacity across B.C. through the Investigations in Support of Flood Strategy Development in British Columbia initiative.
- Integrated Flood Management Plans are the current international best management practice approach for managing flood risk and there is great potential and interest among responsible authorities to build their capacity in this area.

- The Province provided up to \$1 million in funding from EMBC to help fill the immediate need of forage as part of the Emergency Flood Forage Program.
- Animal relocation due to flooding was estimated at a cost of \$1.129M reimbursable under EMBC Policy 2.01 Provincial Support for Livestock Relocation During an Emergency.

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### Ministry of Agriculture and Food

Confidential Advice to Minister

• Additionally, significant expenditures were incurred from government staff supporting animal relocation, emergency feed supplies, etc., during the Province's emergency flood efforts.

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### Animal Welfare - Heat Dome (June 2021) – Animal Impacts/ Response

#### **RECOMMENDED RESPONSE:**

- The heat dome during the summer of 2021 took many people by surprise, including British Columbia's livestock and poultry producers.
- Despite many livestock and poultry operations using current technology and management tools to minimize animal heat stress, the commonly used tools were not sufficient for prolonged, extreme conditions and significant animal losses did occur.
- These losses are devastating for producers and certainly unfortunate for the animals.
- Long-term impacts on animals are still not fully known but may include reduced animal growth rates, reproduction, and immune function.

#### General

- Dialogue, collaboration, and advance planning are underway among industry and government to reassess these events and minimize the animal impacts of future events. This includes topics of infrastructure improvements, management tools, knowledge transfer, and risk mitigation.
- In April 2022, AF initiated a project to assess B.C.'s Farmed Animal Welfare Framework. The project is ongoing and report, with recommendations, is anticipated to be submitted to the AF Deputy Minister in Summer 2023 for consideration.

#### **BACKGROUND:**

#### Heat Dome/Heat Wave

- Between June 25 to July 1, 2021, a major heat wave hit B.C. with temperatures above 40 C in many parts of the province, causing human and animal suffering and death.
- While many commercial livestock and poultry barns have ventilation systems to cool animals and minimize heat stress during periods of hot weather, this heat wave was unprecedented in its severity and significant animal losses occurred (actual numbers are not known).
- Other management tools used by producers to minimize the impacts of the heat dome typically included a combination of any of the following: cooling systems; shade; feed withdrawal; maintaining and/or increasing water consumption; the use of electrolytes; and vitamin supplementation.
- Thermal heat stress considers a combination of environmental temperature and relative humidity. Temperature Humidity Index (THI) is commonly used to identify when animals experience thermal heat stress. High producing cows, for example, have a lower THI Threshold where they begin to suffer heat stress. This heat dome created THI values of high concern for all animals.

 Heat stress can lead to reduced food intake, delayed or decreased growth, intestinal disequilibrium, lower reproductive performance, and immunity and endocrine disorders in animals.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• The 2021 Canada-B.C. Wildfire and Drought AgriRecovery Initiative additionally provided up to \$20M to help with extraordinary expenses farmers and ranchers incur for feed, shelter, animal health and safety, and the transportation of their livestock as a result of 2021's wildfires and drought.

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# Funding for BC Seats at Western College of Veterinary Medicine

#### **RECOMMENDED RESPONSE:**

- The College of Veterinarians of British Columba (CVBC) and the Canadian Veterinary Medical Association-Society of BC Veterinarians (CVMA-SBCV) have emphasized ongoing shortage of veterinarians in British Columbia (B.C.). Veterinary shortages are widespread across Canada.
- The Ministry of Post-Secondary Education and Future Skills (PSFS) developed a Future Workforce Readiness Framework (the Framework) to guide investments in post-secondary education and training to ensure people can adapt and respond to the needs of a cleaner, more sustainable economy. PSFS received Treasury Board (TB) approval as part of Budget 2022 to develop the Framework, which included a funding request for 20 additional seats at the Western College of Veterinary Medicine (WCVM) on behalf of the Ministry of Agriculture and Food (AF).
- In April 2022, AF announced an approved doubling of funded spaces for B.C. students beginning their training at WCVM in September 2023.
- In Budget 23/24, PSFS received approval to permanently double the number of seats for BC students at WCVM from 20 to 40.
- Starting in Fall 2023, there will also be an agriculture focused admission stream for 15 percent of B.C. seats at the WCVM, for students with a demonstrated interest in a career in rural mixed animal practice.
- CVBC and CVMA-SBCV are also exploring other avenues to manage the veterinarian shortage, including recommended options in the Sector Labour Market Partnership (SLMP) report. AF is exploring ways to support those options.
- AF continues work with stakeholders (i.e., PSFS, CVBC, CVMA-SBCV etc.,) to ensure veterinary needs in agriculture are met long term.
- AF is also supporting the BC Cattlemen's Association for completion of an Economic Impact Study of the Veterinarian Shortage in B.C.

#### **BACKGROUND:**

- CVMA-SBCV undertook a labour market study through the SLMP program administered by the PSFS to determine the extent of the veterinarian shortage problem.
- The SLMP report was published in May 2019 and revealed significant current and projected shortages of veterinarians across B.C. and across all types of practices and regions. The report concluded that B.C. would be short 100 veterinarians per year for each of the next five years (cumulative total of 500 short).
- The top recommendation from the SLMP report was to secure 20 additional seats at WCVM, expanding on B.C.'s current allotment of 20 seats, with increased equity seats for qualified Indigenous students.

- CVBC and CVMA-SBCV have also recently undertaken other recommendations in the labour market study (for example, facilitated recognition of foreign credentials, updates to bylaws for certified veterinary technicians) and requested that the Province follow through on funding additional seats to increase capacity.
- Alberta had vacated their 20 seats at WCVM after opening their own veterinary college in Calgary (at cost of \$400M). This meant that 20 seats were available for occupation; other provinces had indicated that they did not have funding to capitalize on the opportunity.
- AF is responsible for the regulation of veterinary medicine in the province, including vet technicians, and the agricultural sector. PSFS supports by facilitating the provision of related post-secondary education, including funding for WCVM.
- PSFS was invited to TB as part of Budget 2022 and received approval to develop the Framework, which included a funding request for the 20 additional seats at WCVM (in partnership with AF).
- Permanent funding for the additional 20 veterinary student spaces will be considered as part of the Budget 2023 process.
- The Ministry of Municipal Affairs (MUNI) has added veterinarians as a priority occupation under the Career Paths for Skilled Immigrants Program effective April 1, 2022. This program provides services to help immigrants find skilled employment in B.C. by leveraging the education and experience they bring to Canada.
- AF has also successfully worked with MUNI to add veterinarians and animal health technologists to the list of priority occupations under B.C.'s Provincial Nominee Program as of March 2022. The program enables the Province to select and nominate foreign workers, international students, and entrepreneurs to help meet B.C.'s labour market needs, support government priorities, and help grow B.C.'s economy.
- The BC Cattlemen's Association, supported by AF, is conducting an economic impact
  analysis on the veterinary shortage in the agricultural sector. The analysis will be of the
  livestock (beef, dairy, poultry, pork, sheep, goat, and equine) and veterinary medicine
  sectors in B.C., along with a case study of a representative veterinary practice.
- The study is being conducted in partnership with BC Cattlemen's Association, Regional
  District of Bulkley-Nechako, Regional District of Fraser-Fort George, University of
  Northern British Columbia, Nechako-Kitimaat Development Fund, Fort Fraser Livestock
  Association, Sinkut Mountain Cattlemen, Mud River Farmers Institute, and the Province.

### **CROSS JURISDICTIONAL COMPARISON:**

 B.C. currently has 40 seats at WCVM for 5M residents; Saskatchewan has 20 seats for 1.2M residents; Manitoba has 15 seats for 1.4M residents; and Alberta has 50 seats at their new college for 4.4M residents.

- The funding request for the increased intake of 20 students was granted and annually, for the first cohort, is broken down as follows:
  - \$2.14M in provincial funding in 2022/23,

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### Ministry of Agriculture and Food

Confidential Advice to Minister

- o \$4.31M in 2023/24,
- \$6.53M in 2024/25; and,
- \$8.80M in 2025/26 (final year is beyond the 3-year fiscal plan).
- The first cohort of 40 seats (the current allotment of 20 plus the increased intake of 20) has begun as of September 2022. The first full cohort of 40 vets will graduate in 2026.
- B.C.'s cumulative investment in the WCVM from 2025/26 and onwards would be approximately \$16.6M for 40 seats; Memorandum of Understanding's are renegotiated every five years (most recently negotiated effective May 2020 for the term 2020/21 to 2024/25).
- B.C. has provided \$8,000 through a Shared Cost Agreement to the BC Cattlemen's association for their Economic Impact Study.

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### **PCAA Amendments/Animal Activism and Animal Welfare**

#### **RECOMMENDED RESPONSE:**

- Our government is committed to animal welfare and fully respects the rights of people to peacefully protest.
- At the same time, without exception, we expect everyone to follow the law.
- We are hearing more about protestors undertaking extreme actions such as trespassing, sabotaging farm equipment, and threats of violence on social media.
- Most of these actions are illegal and offside with how we must conduct ourselves and treat
  each other in a civilized society. Farmers, ranchers, and food processors in British
  Columbia (B.C.) must be able to conduct their work free of harassment and intimidation.
- The Ministry of Agriculture and Food (AF) is monitoring the situation and will take action to ensure animal welfare outcomes in this province are met.
- Anyone with concerns about the welfare of specific animals is asked to call the British
  Columbia Society for the Prevention of Cruelty to Animals (BC SPCA) directly, as they are
  mandated by under the Prevention of Cruelty to Animals Act (PCAA) to respond to animals in
  distress.
- The PCAA has among the strongest penalties in Canada for causing distress to an animal, with punishments of up to \$75,000 in fines and/or 24 months in prison.
- Action can be taken against anyone who causes distress to an animal in B.C.

#### **BACKGROUND:**

Animal Welfare

- AF has been facing increased public pressure to enhance animal welfare for farm animals.
- In January 2022, over 200 beef cattle were seized by the BC SPCA from a farm on Vancouver Island and the BC SPCA initiated an animal cruelty investigation of this farm.
- In January 2023, 129 cows were seized by the BC SPCA from a farm in Cawston, B.C., and the BC SPCA initiated an animal cruelty investigation of this farm.
- These incidents have renewed calls for greater oversight of farmed animal welfare.
- In 2022, BC SPCA concluded a pilot project to proactively inspect ten farms to determine industry response to the BC SPCA's inspection powers under the PCAA.
- BC SPCA advised that it does not have the capacity to inspect a broader number of farms
  to proactively ensure animal welfare. Government does not provide BC SPCA with
  operational funding; BC SPCA must rely on public donations to undertake its
  responsibilities under the PCAA.
- In April 2022, AF initiated a project to assess B.C.'s Farmed Animal Welfare Framework. The project is ongoing and report, with recommendations, is anticipated to be submitted to the AF Deputy Minister in Summer 2023 for consideration.

#### Animal Activism

- Some farms, transporters, processors, and retailers have been the subject of aggressive action from extreme animal activists, including:
  - a highly publicized protest at an Abbotsford hog farm in April 2019; and,
  - o a subsequent activist attack on Johnston's meat processing facility in Chilliwack.
- Following the 2019 protest, the AF Minister made a statement with B.C.'s Attorney and Solicitor Generals in support of B.C. farmers and ranchers, denouncing extreme animal activism activities.
- In October 2019, AF staff led a B.C. Animal Activism Roundtable with representatives from the farmed animal sectors, the Royal Canadian Mounted Police, and the Ministry of Public Safety and Solicitor General to identify concerns. AF held additional discussions in 2020.
- Extreme animal activism is addressed in B.C. through the provincial Trespass Act (TA) and the federal Criminal Code. The maximum penalty on conviction under the TA is \$2,000 or imprisonment up to six months. Violation tickets can be issued for trespass in B.C. and are \$115.

## **CROSS JURISDICTIONAL COMPARISON:**

- Since 2019, Ontario, Alberta, Saskatchewan, and Manitoba have all made legislative changes in response to extreme animal activism.
- Common legislative requirements among these provinces' changes include:
  - o police empowerment to enforce,
  - o increased trespass fines,
    - Alberta: For individuals, a maximum fine of \$10,000 for first offence and \$25,000 for subsequent offences. Corporations can face a maximum fine of \$200,000.
    - Saskatchewan: For individuals a maximum fine of \$5,000 for a first offence and \$25,000 for subsequent offences. Corporations can face a maximum fine of \$200,000.
    - Manitoba: maximum fine of \$5,000.
    - Ontario: maximum fine of \$15,000 for first offence, \$25,000 for subsequent offences.
  - o enhanced protection of farmed animals,
  - o prevention against disruption of and/or interference with farmed animal supply;
  - o fines and cost recovery mechanisms related to property damage and disease transmission.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

The Farmed Animal Welfare Framework Assessment project's budget is approximately \$200,000, to be split evenly over fiscal 2022/23 and 2023/2024.

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## **One Welfare**

### **RECOMMENDED RESPONSE:**

- "One Welfare" is defined as "a way to recognize the many social interconnections between human welfare, animal welfare, and the integrity of the environment."
- Animal welfare is a priority in British Columbia (B.C.), and One Welfare builds on the existing animal protection framework and acknowledges the interrelationships between animal welfare and human mental health.
- The Ministry of Agriculture and Food (AF) staff have been working with stakeholders to
  identify and enhance the existing animal welfare framework, and to continue to
  address the well-being of farmers and ranchers, animal caregivers, and service
  personnel who play an important role in the interactions between animals, people, and
  their environment.
- To support the mental health needs of agricultural producers impacted by the Fall 2021 Atmospheric River event, AF's emergency response team worked with Ag Safe, Farm Management Canada, and other organizations to develop and provide a variety of mental health supports and resources to assist agricultural producers.

- The National Farmed Animal Health and Welfare Council (NFAHWC) recently renamed as Animal Health Canada, is the organization that began work on the One Welfare concept.
- In November 2018, the NFAHWC hosted a consultation to develop recommendations
  for a national program to help the agriculture community cope with mental health
  issues, and to raise awareness of the benefits of involving medical and social services.
- The NFAHWC consultation explored the concept of a national program that focused on prevention, resilience, and response to daily stressors on the farm, but also to critical incidents such as disease outbreaks and disaster.
- In February 2020, AF staff held three presentations for stakeholders, including representatives from the livestock and poultry industries, first responders, the B.C. Society for the Prevention of Cruelty to Animals, veterinarians, regional health authorities, and policy and regulatory staff from several provincial ministries (Environment and Climate Change Strategy and Mental Health and Addictions).
- The presentations provided stakeholders with information, created collaborative dialogue, explored needs related to One Welfare, and determined how to incorporate the concept of One Welfare into AF work.
- In the Summer of 2020, an AgSafe and University of British Columbia (UBC) practicum student was hired to conduct an evidence-based review on mental health programs that showed success in supporting farmer mental health. This project was entitled "Informing the Development of a Producer Mental Health Framework for B.C."

- AF staff, in cooperation with AgSafe, used the paper as the basis for program cost analysis and feasibility assessment for a cooperative farmer mental health strategy.
- AgSafe is leading/supporting programs to provide mental health services to the agriculture sector.

## **CROSS JURISDICTIONAL COMPARISON:**

- In 2016, the Manitoba Ministry of Agriculture co-hosted the inaugural International One Welfare Conference in Winnipeg. The conference provided national and international experts an opportunity to learn and collaborate on human and animal welfare concepts including those related to animal hoarding, on-farm animal welfare, and the links between animal and family abuse.
- There are now several One Welfare initiatives in Canada including a Western College of Veterinary Medicine partnership to provide social worker services to students and clients of the teaching hospital and farm services.
- The University of Calgary has developed a no-cost clinic for disadvantaged pet owners that
  has the dual benefit of helping the owners and their animals and aids in teaching students
  One Welfare concepts.

- Canadian Agricultural Partnership (CAP) funding was provided (\$13,000) to host the One Welfare series of presentations in February 2020.
- CAP funding (\$14,500) was also provided for the AgSafe/UBC student.
- Approximately \$1million was spent by the Province on animal relocation costs during the 2021 floods. This included providing safe transportation to, housing, and feed for displaced animals on "buddy" farms.

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## One Health

### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food and the Provincial Government have a strong record of embracing the One Health approach over the last two decades.
- The Ministry's One Health work areas include antimicrobial use and resistance, food safety, and zoonotic disease management.
- The Ministry's current One Health initiatives include:
  - Plan and co-lead the Annual One Health and Zoonoses Symposium- event running for 20 years, approximately 150 individuals per year from B.C. and Washington who work in areas touched by One Health (e.g. Environmental health officers, laboratory staff, public health nurses, physicians, veterinarians) are educated about hot topics in One Health
  - o B.C. Integrated Surveillance of Foodborne Pathogens (BCISFP) partner
  - Avian influenza genomics partnership
  - Tick-borne diseases and climate change: a Western Canada One Health network (TCC-West) partner
  - Annual publishing of B.C. animal antimicrobial use data. B.C. is the only province to publish such data.
- The Ministry is actively engaged with the Pan-Canadian Action Plan on Antimicrobial Resistance.

- One Health is a cross-disciplinary approach to optimize the health of people, animals, plants and their shared environments. It recognizes the health of humans, domestic and wild animals, plants, and the wider environment (including ecosystems) are closely linked and inter-dependent.
- One Health is being promoted by international and national organizations such as World Health Organization and Public Health Agency of Canada.
- One Health issues include antimicrobial use and resistance, zoonotic diseases such as MPox, Salmonella, Covid and influenza, and food safety.
- B.C. was an early adopter of One Health and this has continued since 2003.
- In 2004, B.C. established a public health veterinarian (PHV) position, the first province to do so. British Columbia Centre for Disease Control (BCCDC) followed suit in 2005.
- The close working relationship of the Ministry and BCCDC's PHVs has been important in sustaining the Province's One Health efforts.
- The inter-disciplinary efforts of other Ministry staff, such as those involved in animal health, inspection, and food safety, strongly support One Health efforts.

• Since 2015, reporting to BC Public Health the diagnoses of 15 named zoonotic diseases of animals.

## **CROSS JURISDICTIONAL COMPARISON:**

- AB, SK, MB, ON and QC ministries each have a Public Health or One Health Veterinarian.
- PHAC has a zoonosis and One Health department with ~5 staff.
- The Canadian Food Inspection Agency (CFIA) supports One Health through the Office of the Chief Veterinarian, Community for Emerging and Zoonotic Diseases, and Food Safety.
- One Health education programs are in place at University of Calgary, University of Guelph, and Western University.

- The Chief Veterinarian attends the national Council of Chief Veterinary Officers (CCVO) meeting, which has a significant focus on One Health.
- Ministry staff participate on ~6 regional or national level virtual working groups.
- Ministry staff co-lead planning for and attend the BC Annual One Health and Zoonoses Symposium.
- The Office of the Chief Veterinarian is seeking funding from Sustainable Canadian Agricultural Partnership (S-CAP) to support a One Health Strategy for B.C., continued work on One Health genomics, strengthening the BCISFP, and generating more complete antimicrobial resistance information from the Animal Health Center data.

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## **Appeals and Complaints Overview**

### **RECOMMENDED RESPONSE:**

- Tribunals, such as the BC Farm Industry Review Board (BCFIRB), allow for a more flexible, timely and affordable approach to fair dispute resolution than the courts.
- BCFIRB was one of the first tribunals in British Columbia to use Alternate Dispute Resolution (e.g., facilitated agreements) and continues to use such methods whenever possible.
- Appeals and complaints are within the independent jurisdiction of BCFIRB, and it is not appropriate for any comment about any specific case before BCFIRB.
- BCFIRB routinely posts its decisions on its website.

#### BACKGROUND:

- Under its statutory mandates, BCFIRB hears appeals and complaints under:
  - > Natural Products Marketing (BC) Act (NPMA)--Appeals of regulated marketing board and commission orders and decisions;
  - Farm Practices Protection (Right to Farm) Act (FPPA)--Complaints about farm practices from persons disturbed by odour, noise, dust or other disturbances arising from agriculture or aquaculture operations;
  - Protection of Cruelty to Animals Act (PCAA)--Appeals of certain animal custody and cost decisions of the BC Society for the Prevention of Cruelty to Animals.
- BCFIRB is accountable to the courts for its decisions (Judicial Review) and the Ombudsperson for its practices and procedures.
- BCFIRB must follow the principles of natural justice, administrative law and due process in proceedings as set out in its rules of practice and procedure.
- BCFIRB supports resolution of cases through Alternative Dispute Resolution which seeks to bring parties together to settle disputes without the need for a hearing.
- For 2022/23, as of January 31, 2023, BCFIRB has administered 69 cases. Of these, 24 have been resolved – 10 through a hearing, and 14 resolved through settlement, withdrawal or dismissal.
- There were five active Judicial Reviews of BCFIRB decisions in 2022/23, all of which remained active as of January 31, 2023.

#### CROSS JURISDICTIONAL COMPARISON:

There are 13 federal and provincial regulated marketing supervisory bodies in Canada. Other provinces have tribunals that deal with animal welfare appeals. Most provinces have a "farm practices board" or equivalent body.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Case costs are subject to the number of parties and legal complexities.
- While there is considerable variability from case to case, approximate average costs are estimated at about \$15-25,000 for an NPMA or FPPA case involving a 1-2 day hearing with a three-member panel. Costs can range considerably higher for hearings that span 3-5 (or more) days. For PCAA cases, the average cost is about \$11,000 per case involving a one-day

## ESTIMATE NOTE- FISCAL 2023/24

## Ministry of Agriculture and Food

Confidential Advice to Minister

teleconference hearing with a one to two-member panel.

• Costs for Judicial Reviews typically start at about \$10,000-15,000, but can rise significantly above this amount (e.g., \$50-100,000) depending on legal complexities and level of BCFIRB representation required at the BC Supreme Court.

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## **Chicken Sector Pricing Update**

## **RECOMMENDED RESPONSE:**

- BCFIRB is actively engaged in a supervisory review process of long-term chicken sector pricing to ensure market stability for the broiler chicken sector, with the BC Chicken Marketing Board (Chicken Board) and BC Hatching Egg Commission (Commission). The review was launched in April 2020.
- The Commission implemented a BCFIRB approved cost of production-based pricing formula for fertilized eggs and chicks in winter 2022.
- The Chicken Board cost of production-based pricing formula development continues with chicken growers and processors. BCFIRB anticipates receiving the formula for approval by fall 2023.
- There are also short-term pricing and processor competitiveness pressures present, particularly due to an exceptional spike in BC feed costs compared to Ontario. BCFIRB continues to work with the Chicken Board to ensure interim pricing.
- The overall goal is a long-term BC chicken sector pricing strategy that balances the costs and interests of all stakeholders, is adaptive, resilient, and sustainable into the future, and creates a united vision for the BC chicken industry.

#### **BACKGROUND:**

- Pricing tensions in British Columbia (BC) are exacerbated by BC's high cost of production (feed and chicks), combined with Ontario's competitive price position and high volume of production.
- Under legislation, the Chicken Board is responsible for setting the price a grower is paid for their chicken. The Commission is responsible for setting the price a hatching egg producer receives for their chicks, and the price growers pay hatcheries for chicks.
- If any affected party disagrees with the prices set by the Chicken Board and/or the Commission, the party has the right of appeal to BCFIRB. BCFIRB, in turn, can hear the appeal and/or proactively address market or pricing concerns through its supervisory policy role.

#### **Supervisory Review**

- In March 2020, BCFIRB established a Chicken Sector Pricing Supervisory Review to address the Commission's notice to exit the price linkage agreement with the Chicken Board. In April 2020, given the CMB's failure to issue a decision on a long-term pricing formula by March 2020, after it was granted two deadline extensions, the development of a long-term chicken pricing formula was included in the scope of the Supervisory Review.
- The Supervisory Review continues and a long-term pricing formula for live chicken remains outstanding.
- BCFIRB has expended significant time and resources on this file, including legal services and direct costs for consulting expertise to assist both boards.
- COVID, flooding, and Avian Influenza have contributed to delays in reaching a long-term pricing solution.

## ESTIMATE NOTE- FISCAL 2023/24

## Ministry of Agriculture and Food

Confidential Advice to Minister

- On June 3, 2022, BCFIRB approved the Commission's long-term pricing formula, which the Commission implemented in fall 2022.
- The Chicken Board continues to develop its long-term pricing. As of December 2022, a new Chair and Order in Council appointed board member are leading. The Chicken Board has created a Cost Recover Model Committee (CRMC) composed of chicken grower, processors and BCFIRB observer to develop the pricing formula. Advice/Recommentations; Legal Information
   Advice/Recommentations; Legal Information
- The June 2022 spike in the cost of BC feed compared to Ontario has given rise to various short-term pricing concerns from growers and processors. BCFIRB continues to work with the Chicken Board to address these interim pricing issues.
- Advice/Recommentations; Legal Information
- •
- •
- BCFIRB continues to work with the Chicken Board, Commission, and stakeholders to ensure stable and resilient interim and long-term pricing for the BC chicken industry.
- All BC poultry producers are currently facing an exceptional spike in feed costs.

## **CROSS JURISDICTIONAL COMPARISON:**

- All provinces have the equivalent of a BC Chicken Marketing Board and BC Broiler Hatching Egg Commission.
- BC chicken production is a higher cost compared to most other provinces, primarily due to the high cost of feed and chicks. Other costs such as land may have some influence, but feed and chicks are considered the major factors.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Advice/Recommentations; Legal Information

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## **BC Vegetable Marketing Commission**

## **RECOMMENDED RESPONSE:**

- Prokam Enterprises Ltd. (Prokam) and MPL British Columbia Distributors Inc.'s (MPL) allegations of unlawful activity against certain BC Vegetable Marketing Commission (Commission) members and staff are very serious.
- The matter falls within BCFIRB's jurisdiction. All questions and issues related to the allegations against Commissioners and staff should be immediately directed to BCFIRB.
- In July 2022 BCFIRB found no evidence of unlawful activity after an in-depth investigation and 17-day hearing.
- MPL has subsequently withdrawn its Notice of Civil Claim filed with the courts.
- MPL has a market agency application currently before BCFIRB for decision. It is not appropriate for the Minister to make statements or intervene with respect to issues under BCFIRB's supervisory authority.
- CFP Marketing Corporation's (CFP) market agency application is before the Commission for decision, and the Commission decision will be submitted to BCFIRB for review in future.

## **BACKGROUND:**

- The Commission regulates B.C. storage<sup>1</sup>, processing<sup>2</sup> and greenhouse<sup>3</sup> crop production and marketing.
- Producers market the majority of regulated vegetables through "designated agencies". These agencies are private sector businesses that are given certain legislated authorities by the Commission, for the efficient mass marketing of regulated vegetables, which are intended to maximize benefits to producers.
- Designated agencies are licensed by the Commission and must be prior approved by BCFIRB per requirements set out in legislation.
- BC vegetable producers face competition from low-priced, high-volume imports.
- BCFIRB is responsible for ensuring the Commission operates in an accountable manner to deliver sound marketing policy in the public interest.

#### Commission Governance

In July 2021, the Province amended the BC Vegetable Scheme under the Natural Products Marketing Act (BC), allowing for the appointment of two additional independent members. These members were appointed by the Commission through a BCFIRB approved and supervised process in January 2022.

<u>Supervisory Review - Allegations of Bad Faith and Unlawful Activity</u>

<sup>&</sup>lt;sup>1</sup> Potatoes, cabbage, carrots, beets, onions, turnips, rutabaga, parsnips

<sup>&</sup>lt;sup>2</sup> Beans, peas, broccoli, brussel sprouts, cauliflower, corn, strawberries

<sup>&</sup>lt;sup>3</sup> Cucumbers, lettuce, tomatoes, peppers

- BCFIRB initiated a supervisory review (Review) on May 26, 2021, after it learned that there were allegations of unlawful activity made in Notices of Civil Claim (NOCCs) filed with the BC Supreme Court by Prokam<sup>4</sup> and MPL<sup>5</sup>.
- The NOCCs allege abuse of public office and serious misconduct by certain current and former Commission members and staff, and MPL and Prokam are seeking damages.
- Both Prokam and MPL have history with the Commission and BCFIRB, including the filing of multiple appeals and Judicial Reviews of various decisions.
- The Review is intended to determine whether the current allegations set out in the NOCCs can be substantiated, and what resulting BCFIRB orders or directions may be required as a result of the findings.
- Given the extremely serious nature of the allegations, BCFIRB's Review process is designed to ensure a high degree of procedural fairness and legal soundness.
- BCFIRB's review does not prevent Prokam or MPL from pursuing their NOCCs in court.
- In July 2022, BCFIRB determined there was no evidence of unlawful activity after an extensive hearing process, which included significant investigation of evidence, review of written documentation, interviews and witness testimony. BCFIRB also determined it must consider any consequences that should follow from its findings (Phase II).
- Prokam and MPL filed Judicial Reviews with the BC Supreme Court of BCFIRB's July 2022 decision. Subsequently MPL withdrew from the NOCC and Judicial Review.
- Based on a fulsome submission process, BCFIRB determined that MPL would not be included in Phase II and BCFIRB would proceed with considering MPL's designated agency application.
- Prokam's Judicial Review of BCFIRB's July 2022 decision was heard by the BC Supreme Court at the end of January 2023. The Court released its decision on February 13 and Prokam's Judicial Review petition was summarily dismissed.

## **CROSS JURISDICTIONAL COMPARISON:**

Many provinces have some form of provincially regulated vegetable production.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

The litigation brought by Prokam and MPL is having a significant impact on BCFIRB's budget for legal expenses. This is expected to continue into 2023/24.

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<sup>&</sup>lt;sup>4</sup> BC producer who grows unregulated and regulated (potatoes) vegetables.

Ontario greenhouse business seeking an agency licence to market BC greenhouse vegetables.

## **Governance of BC's Regulated Marketing Sector**

#### **RECOMMENDED RESPONSE:**

- BCFIRB annually reports and publishes its service and strategic objectives. BCFIRB's last annual report was published in December 2022.
- BCFIRB has published three Summary Reports on its Public Accountability and Reporting Project (PARP) in 2019, 2021 and 2022. A fourth report is expected in late February or March 2023.
- The PARP information provides the agri-food industry, government, the commodity boards and BCFIRB with a deeper understanding of the current state of each regulated sector in BC and eventually, a comprehensive, objective, evidence-based picture of how each sector is evolving over time.

## **BACKGROUND:**

- Use of appropriate governance and fiscal procedures demonstrates accountability for legislative authorities and supports good industry outcomes.
- BCFIRB is accountable to the Ministry for its budget, to the courts for its decisions and to the Ombudsperson for its practices and procedures.
- In 2022/23, all boards have generally demonstrated that they are following regulatory requirements, using sound decision making practices, and are using, or are in the process of adopting, good governance tools.
- BCFIRB continues to use a user experience survey that was first implemented in June 2017, focusing on staff response times, transparency and BCFIRB's website.

### **CROSS JURISDICTIONAL COMPARISON:**

These governance considerations apply in all provinces and are the subject of a National Association of Agri-food Supervisory Agencies principles document.

#### PROGRAM EXPENDITURE/REVENUE IMPLICATION:

N/A

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## Federal Provincial Agreements - Signatory Role

#### **RECOMMENDED RESPONSE:**

- Supply management is a national system intended to provide a stable supply of domestic food
  while ensuring a fair return for efficient farmers, in the following sectors: broiler hatching eggs,
  chicken, dairy, eggs and turkey.
- Supply management in Canada is based on federal and provincial legislation and operates under various Federal Provincial Agreements (FPAs).
- FPAs establish how federal and provincial legislation and regulations work in coordination to deliver the policy intent of supply management.
- FPAs enable the cooperative application of legislation in managing the production and marketing of the supply managed commodities.
- The Minister, BCFIRB and the regulated agricultural boards and commissions have various signatory roles in relation to FPAs. While often joint signatories to the same agreements, it is not appropriate for the Minister and BCFIRB to intervene in the other's signatory role.

#### **BACKGROUND:**

- BCFIRB, the Minister and the four BC poultry commodity boards are all signatories to the poultry FPAs. Other signatories include the federal Minister, national agencies (e.g., Chicken Farmers of Canada), Farm Products Council of Canada (FPCC), and other provincial ministers, supervisory agencies and commodity boards.
- The BC Milk Board is the only BC signatory to the FPA in the dairy industry, which is called the National Milk Marketing Agreement (BCFIRB and the Minister are not signatories). BCFIRB approval is required however before the BC Milk Marketing Board may enter into federal or inter-provincial agreements.

### Egg FPA

- BCFIRB representatives, along with Ministry staff and the BC Egg Marketing Board, are currently engaged provincially and nationally with updates to the Egg FPA.
- An updated draft Egg FPA was presented to all signatories for review and sign-off in 2022, with the review continuing into 2023. The review process started in 2016.

#### **Chicken Operating Agreement**

 This agreement establishes how national production volumes are determined and shared across provinces. Under the BC Chicken Marketing Scheme, the BC Chicken Marketing Board requires BCFIRB prior approval for entering in to federal-provincial agreements.

## **CROSS JURISDICTIONAL COMPARISON:**

• All provinces and the Northwest Territories participate in supply management in Canada, with all being signatories to various FPAs.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

N/A

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## **New Entrant Overview in Supply Managed and Regulated** Sectors

## **RECOMMENDED RESPONSE:**

- Entry opportunities for new farmers are essential for the strength, viability and credibility of all of the regulated agriculture sectors, especially those that are supply managed, as entry to those sectors is limited.
- All commodity boards in British Columbia (BC) provide specialized entry opportunities for smaller-scale producers. For example, through licence exemptions, low-volume permits, or programs aimed at niche or small producers.
- All of BC's supply managed commodity boards operate New Entrant Programs (NEPs). Entry requirements and applicant interests vary between sectors.
- Providing quota at no cost to new farmers in the supply managed sectors encourages market and production innovation, supports regional development and brings diversity, new ideas and new voices to the supply management system.
- Persons aggrieved by or dissatisfied with the process or outcome of a new entrant selection have the right to appeal to BCFIRB.

### **BACKGROUND:**

#### New Small-scale Farmers

- For small-scale farming, the poultry boards exempt personal production from their rules; and provide permits for smaller-scale farmers.
- In dairy, the Milk Marketing Board offers quota for small-scale production-processing ventures at no cost.
- Small-scale producers in the regulated marketing sectors are either exempt from commodity board rules by government regulation (hogs, cranberries) or boards have put in place their own production volume exemptions (vegetables).

#### **New Farmer Entry**

- New farmers to regulated marketing (hogs, cranberries, vegetables) only need to apply to the respective boards for a licence. To date, hogs, cranberries and vegetables have not placed limits on the number of licenses issued.
- All supply managed boards operate NEPs to select successful applicants through a published process and issue them quota at no cost.
- Basic NEP eligibility criteria established by BCFIRB requires that prospective participants are BC residents, have not previously held quota, and are committed to farming.
- Commodity boards can use new entrant programs and small-lot programs to help address regional and niche marketing demands. For example, in 2021 and 2022 the Egg Marketing Board prioritized entry opportunities outside of the Lower Mainland, while the Turkey Marketing Board gives priority status to regional applicants and those interested in organic production.

### **Summary of Supply Management New Entrant Programs:**

- The Milk Marketing Board given the success and interest in the lottery-based program, the Milk Board decided to hold an annual, versus biennial, NEP selection process. In 2022, 66 applications were received, and the three successful applicants will be in milk production by December 2023. They have invited approximately 23 new entrants over the last six years.
- The Chicken Marketing Board operates a lottery-based NEP with three different lists for the Interior, the Lower Mainland, and Vancouver Island. They have invited approximately 15 new entrants in the past six years, including the most recent, six that started in 2020. As of 2023, there are six applicants on the Lower Mainland waitlist, and two on the Interior waitlist. The Chicken Board is not accepting new applications at this time. New entrants are assigned a mentor chicken farmer by the BC Chicken Growers Association.
- <u>The Egg Marketing Board</u> runs a lottery-based NEP, which was updated in June 2021. They have invited approximately 14 new entrants into the sector over the past six years. In 2022, a draw was held but there were no qualifying applicants. A new draw will be held in 2023.
- The Broiler Egg Hatching Commission operates a waitlist-based NEP. Their last draw was in 2011 and they have been inviting entrants from that list since. They have invited six new entrants from the list, five of which have begun production and one declined. The Commission temporarily suspended its NEP in 2021 to review the program. The review was delayed by the heat dome, flooding, and Avian Influenza. The Commission is committed to conducting the review in 2023.
- The Turkey Marketing Board operates a waitlist-based NEP with priority given first to organic, and then regional applicants and is currently taking applications. They have invited approximately 14 new entrants in the past six years. There are currently four people on the wait list from 2022, and there will be a random draw in spring 2023. The Board is working with applicants to assemble business plans and once complete will assess/review the applications.

#### **CROSS JURISDICTIONAL COMPARISON:**

• Most provinces have NEPs for their supply managed milk, chicken and eggs sectors.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Not applicable

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## Responsibilities, Practices and Procedures as an Administrative Tribunal

### **RECOMMENDED RESPONSE:**

- The BC Farm Industry Review Board (BCFIRB) is an independent administrative tribunal that operates at arm's length from government.
- Over 25 tribunals in BC provide less expensive and timely access to expert decision making as an alternative to the courts.
- As a tribunal, BCFIRB must observe the principles of natural justice and administrative law and have expertise in its statutory mandates.
- BCFIRB statutory mandates include hearing appeals and complaints as well as supervising BC's regulated agricultural commodity boards and commissions.

- BCFIRB's statutorily mandated responsibilities are established in *the Natural Products Marketing* (BC) Act, the Farm Practices Protection (Right to Farm) Act, and the Prevention of Cruelty to Animals Act and are supported by the Administrative Tribunals Act. These responsibilities include:
  - Supervising British Columbia's (BC) regulated commodity boards and commissions
  - Being a signatory to formal federal-provincial agreements in regulated marketing
  - Hearing appeals of regulated marketing board and commission orders and decisions
  - Hearing appeals of certain animal custody and cost decisions of the BC Society for the Prevention of Cruelty to Animals
  - Hearing farm practices complaints from persons disturbed by odour, noise, dust and other disturbances arising from agriculture and aquaculture operations
  - Conducting farm practices studies
- BC's regulated commodity boards and commissions, supervised by BCFIRB:
  - BC Broiler Hatching Egg Commission
  - BC Chicken Marketing Board
  - BC Egg Marketing Board
  - BC Milk Marketing Board
  - BC Turkey Marketing Board
  - BC Hog Marketing Commission
  - BC Cranberry Marketing Commission
  - BC Vegetable Marketing Commission
- Members are appointed to BCFIRB by Cabinet.
- BCFIRB is one of BC's senior tribunals, established in 1934. BCFIRB was one of the first tribunals in BC to use Alternate Dispute Resolution methods to improve its capacity and effectiveness (e.g., negotiated agreements and settlements).
- Tribunals need not follow court-like procedures. Instead, they adopt practices and procedures which must be fair that enable them to resolve disputes.

# Confidential Advice to Ministry OT A

- BCFIRB has published detailed policy and procedure documents that set out the process, steps
  and timeframes associated with the filing and hearing of appeals and complaints under its
  different statutory mandates, consistent with the Administrative Tribunals Act.
- The time to render a decision will vary, depending on the issue and characteristics of an individual case, ranging from a few weeks to several months or longer in some instances.
- BCFIRB posts all decisions on its website as well as a listing of all active appeals and complaints.
   BCFIRB decisions can be appealed to the BC Supreme Court on point of law or jurisdiction, known as Judicial Review.
- Complaints about BCFIRB and procedures can be investigated by the Ombudsperson.
- BCFIRB regularly reports on service performance.
- While government recognizes BCFIRB's independence as an administrative tribunal in executing its statutory mandates, BCFIRB is accountable to the Minister concerning its budget and administrative mandate.

## Animal Welfare

- Animal welfare incidents in dairy, eggs and chicken had serious impacts to these industries and their value chains.
- Overarching responsibility for BC's biosecurity and animal welfare legislation rests with the Ministry of Agriculture and Food.
- BCFIRB has legislated oversight and appeal responsibilities in relation to biosecurity and animal
  welfare in regulated marketing. BCFIRB is responsible for ensuring the commodity boards
  establish and enforce appropriate standards to maintain orderly marketing.
- BC's agricultural commodity boards have legislated authorities to establish and enforce biosecurity and animal welfare standards. The boards have either made the relevant Codes of Practice mandatory for licensed producers; or, made national agency animal-care programs, that are based on the Codes of Practice mandatory for licensed producers.

## **CROSS JURISDICTIONAL COMPARISON:**

• There are 13 federal and provincial agricultural regulated marketing supervisory bodies in Canada, with eight having a similar dual supervisory/appellate role as BCFIRB.

## **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

• BCFIRB's budget in 2022/23 is \$1,436,000.

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## **Supply Management**

## **RECOMMENDED RESPONSE:**

- Supply management is a national regulatory system established by federal and provincial legislation and agreements. It is intended to help ensure a continuous and stable supply of domestic food and a fair return to efficient producers.
- The federal government, all provinces and the Northwest Territories participate in Canada's supply management system.
- Despite ongoing value chain challenges in 2021 and 2022, combined with the ongoing pandemic and severe weather-related events, production of regulated commodities has remained stable.
- There were no significant changes in production volume or producer numbers in 2020 and 2021 in the regulated sectors. There were minor increases in production volume for some sectors.
   There was little change in the regional distribution of production.

#### **BACKGROUND:**

- Most countries provide some form of agricultural support or subsidies to protect against the "boom and bust" economic cycles that can be associated with agricultural markets. These cycles can result in destructive competition and a volatile food supply.
- Established in the 1970's, supply management works through legislated production, price and import controls often referred to as the "3 pillars".
- These controls require cooperation between federal and provincial jurisdictions, achieved through Federal-Provincial Agreements (FPAs).
- BC's supply managed industries (broiler hatching eggs, chicken, dairy, eggs, turkey), make a significant contribution to B.C.'s agri-food sector, accounting for approximately 50% of B.C.'s farm gate receipts, about \$2 billion, making these industries – including their processing and marketing sectors – a significant part of B.C.'s agri-economy, creating jobs and supply chain benefits.

### Advantages of supply management

- Consistent, stable and safe supply of domestically produced food
- Stable prices for consumers and fair returns for producers
- Farmers kept in business, protected from the "boom and bust cycles" characteristic of some agricultural markets
- Prevents overproduction resulting in race to the bottom prices and wasteful dumping
- Provision of adequate producer earnings to cover costs associated with biosecurity, food safety, innovation and other public interest goals
- Viability of farms in more remote areas and contribution to local economies
- System funded by the farmers not the taxpayer

## Disadvantages of supply management

- Consumer perception of high dairy and poultry prices
- Barriers to entry for new farmers due to limited amounts of quota
- Restricted output and range of products reduced incentive for producers to innovate as production and sales are guaranteed
- Limited processor and consumer access to potentially lower priced imports, such as those from the United States

### **CROSS JURISDICTIONAL COMPARISON:**

• The federal government, all provinces and the Northwest Territories participate in supply management in Canada, with all being signatories to various FPAs.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Total farm gate receipts for agricultural commodities in 2021 was \$4.37 billion. The supply managed industries (broiler hatching eggs, chicken, dairy, eggs, turkey) account for approximately 50% of BC's farm gate receipts.

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## **BC Beef Brand / Packing Plant**

### **RECOMMENDED RESPONSE:**

- We are supporting British Columbia (B.C.) producers, not only for the fresh, quality
  foods they provide us, but because the agriculture and food industry is a job-creator
  and an integral part of B.C.'s economy.
- During the Covid-19 pandemic, B.C.'s beef producers were directly impacted by supply chain disruptions resulting from closures of and reliance on large meat processing plants in Alberta. These risks are still present. The cattle sector in B.C. critically needs safe, stable processing facilities in B.C. to maintain secure access to food supplies and meet consumer preferences for local product.
- Significant work on developing a federally inspected beef packing plant has been underway since 2015. The COVID-19 pandemic changed the focus to establishing a B.C. beef brand, "Genuine BC Beef", and sales and marketing opportunities for B.C.-branded beef while leasing an existing, underutilized plant.
- This made for B.C. solution developed a B.C. beef branded, producer owned and operated organization. While the plant lease has expired due to lack of producer commitment at this time, work continues on the growth of the "Genuine BC Beef Brand".
- In the future it is anticipated that increased revenues and improved operating margins for B.C. beef producers will be achieved through reduced barriers to processing facilities.

- The Select Standing Committee on Agriculture, Fish and Food "Local Meat Production and Inspection in British Columbia" (2018) stated that a lack of slaughter capacity was strongly identified as a problem by producers and processors alike.
- For the past several years the British Columbia Cattlemen's Association, in partnership
  with the Ministry of Agriculture and Food (AF), has been working towards a federally
  inspected beef processing facility in Interior B.C. This facility would take advantage of
  demand for locally produced and processed B.C. beef and allow producers to share in
  the profits.
- The COVID-19 pandemic focussed the plan to establishing, promoting, and marketing a B.C. beef brand while leasing an existing underutilized facility.
- Funding for this work has been provided through the following initiatives:
  - Viability initiative through Investment Agriculture Foundation of BC (IAF) \$124,000 (2015).
  - Business plan and feasibility study through the B.C. Ministry of Agriculture, Food and Fisheries (AFF) \$450,000 (2018/19).
  - 'BC Beef Packing Plant, Phase 1: Commercialization Roadmap (Si025) through IAF for \$138,185 (2019/20).

## ESTIMATE NOTE- FISCAL 2023/24

## Ministry of Agriculture and Food

Confidential Advice to Minister

- Development and operationalization of Genuine BC Beef brand through AF \$1,050,000 (2020/21).
  - Formation of a B.C. Beef producer organization (B.C Beef Producer's Inc. -BCBPI).
  - Preparation of a B.C. brand sales and marketing plan.
  - Advice/Recommentations; Government Financial Information
- Advice/Recommentations; Government Financial Information

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## **CROSS JURISDICTIONAL COMPARISON:**

- In 2015, slaughter in provincially regulated facilities represented 13 percent of total cattle marketed from B.C.
- B.C. has a network of small provincially inspected abattoirs. Most B.C. livestock is currently sold to feedlots in Alberta for finishing and packing. Alberta has two large federally inspected packing facilities.

- To date \$1,762,185 has been provided in support to the project by IAF and the Ministry.
- The Ministry did not provide any funding to the project in 2022/23.
- No anticipated expenditures for fiscal 2023/24.

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# **Livestock Protection Program**

### **RECOMMENDED RESPONSE:**

- The Province continues to partner with the BC Cattlemen's Association (BCCA) to deliver a Livestock Protection Program (LPP).
- LPP is part of the Ministry's larger Wildlife Damage Mitigation Initiative. The objective of the Initiative is to prevent and reduce adverse interactions between wildlife and agriculture.
- The goal of the Program is to protect beef cattle, dairy cattle, and sheep from wolf and coyote attacks by promoting prevention techniques (best management practices) and by providing mitigation services (control) when verified predator attacks occur. The Program also facilitates compensation payments.
- For some ranchers, the loss of cattle to wolves and coyotes puts the viability of their business at risk. LPP is designed to protect the viability of those ranching operations.

- The Conservation Officer Service (COS) within the Ministry of Environment and Climate Change Strategy has the responsibility for mitigating verified livestock predation and attacks caused by wolves and coyotes. The Ministry of Forests (FOR) has the responsibility for the management of wolf populations including the setting of regulations and the issuance of permits.
- The Ministry of Agriculture and Food (AF) delivers wildlife compensation through the Agriculture Wildlife Program (AWP). Best management practices are promoted by AF and mitigation initiatives are carried out through the LPP.
- In the fall of 2015, the Province supported the creation of a wolf and coyote mitigation program called the Livestock Protection Program (LPP), delivered by the British Columbia Cattlemen's Association (BCCA). The expected result of LPP is fewer attacks and reduced harm on livestock, reduced AF compensation from predation losses, and reduced production costs for producers allowing them to expand or invest in other areas of their enterprise.
- LPP provides for registration, verification (determines and documents causes of death), and prevention and mitigation services (trapping of wolves and/or coyotes) to producers of cattle and/or sheep. The Program is guided by strict program protocols and Wildlife Act permit conditions. Verifications are approved through the COS and inform AF compensation payments. Mitigation services are provided only after verification services confirm a wolf and/or coyote attack and the registrant is confirmed to be using best management practices.
- The Program only targets coyotes and wolves that have preyed on livestock, including cattle, dairy cows, or sheep. As the Province is responsible for wildlife management, including wolves, the Province therefore has a role to play in programs that prevent and mitigate the damage or impact wolves have on British Columbians.

- The Program is consistent with the direction provided in the 2014 Management Plan for the Grey Wolf in B.C., which ensures that wolf populations are self-sustaining but recognizes that wolf attacks on cattle can be addressed in a timely manner.
- Under this Program, trapping only takes place in the immediate vicinity of verified livestock losses or attacks due to wolves or coyotes.
- There are an estimated 8,500 wolves in B.C. In 2017/18 the LPP trapped an average of 200 wolves per year. In 2021/22, 106 wolves were trapped, and in 2022/23 102 wolves have been trapped to-date.
- The Program is jointly managed with FOR, COS, AF and BCCA through an Oversight Committee. The Oversight Committee also has representation from the B.C. Trappers Association and the B.C. Sheep Federation.
- The Program provides opportunities for Indigenous people to work with trained wildlife specialists and/or become wildlife specialists in their traditional territories.

## **CROSS JURISDICTIONAL COMPARISON:**

- In other provinces, livestock predator interactions are managed directly by government agencies. Governments such as Alberta, have reached out to B.C., with interest in adopting a model similar to LPP.
- The provincial government's COS holds the responsibility for all livestock predator interactions with the exception of wolves and coyotes on eligible livestock which are managed though the BC Cattlemen's Association and the LPP.
- B.C. is unique in that it is one of the only provinces working together with industry to administer support to impacted agriculture producers, resulting in higher client satisfaction and success in B.C.

- Estimated Program expenditures for DY22/23 are \$220,000.
- Estimated Program expenditures for FY23/24 are \$300,000 split respectively 60/40 between FOR/AF.
- Ministry staff time of approx. 0.1 FTE is allocated to the Program.

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prescribed area (Vancouver Island).

Confidential Advice to Minister

## **Prescribed Areas**

#### **RECOMMENDED RESPONSE:**

- Prescribed area is a mandatory livestock inspection zone within British Columbia (B.C.) that comprises all the province east of the Cascades Mountains but excludes the Lower Mainland and Vancouver Island.
- B.C.'s brand registration and inspection program protects dairy, beef, and horse owners against animal theft, straying or misappropriation by confirming lawful possession.
- We will continue to work with B.C.'s farmers and ranchers to ensure an effective registration and inspection program.
   This work includes dialogue on the possibility of expanding the prescribed livestock inspection area to include the whole province due to increased livestock transport in B.C. Current legislation provides concerns from the beef sector about increased risk of cattle theft, misinterpretation as to when an inspection is required, and limited access to provincial loan guarantee funding programs for beef producers outside of the

- In 1997, the Province designated Ownership Identification Inc. (OII), a private industryowned entity, to administer the brand registration and inspection program as per the Livestock Identification Regulation (LIR) & the *Livestock Identification Act (LIA)*.
- The program consists of livestock brand registration and inspection of cattle and horses
  to confirm lawful possession prior to transportation, sale, or slaughter. Branding of
  livestock provides a physical mark of ownership on the animal for identification
  purposes under the LIA branding is voluntary; however, inspections of ownership and
  use of a livestock manifest are mandatory for movements through or within the
  prescribed area. Brand Inspectors perform the inspections on the animals and provide
  verification of ownership.
- Current LIR requirements apply equally to dairy and beef cattle. Horses are also included but compliance within that sector is reportedly low.
- In 2016, the Ministry of Agriculture and Food (AF) formed a working group (WG) composed of staff and industry representatives from the beef and dairy sectors to explore the expansion of the prescribed area to cover the entire province.
- Among key concerns identified by the WG, was the dairy industry's request to be excluded from brand inspection requirements, particularly if the Prescribed Area was expanded to the Lower Mainland, where approximately 80 percent of dairy operations are located.
- The dairy industry asserts the brand inspection system offers limited benefit to their sector given the limited movement of dairy cattle combined with the existence of other

- mandatory industry-led programs requiring animal identification and traceability reporting (i.e., ProAction and DairyTrace).
- There may be an opportunity to explore prescribed area with the dairy industry if the use of an electronic manifest and electronic reading/reporting were utilized.
- Other issues raised during consultation are listed below in relative order of priority:
- Risk of cattle theft: Prescribed area producers (80 percent of B.C.'s beef production)
  are vulnerable to theft of animals, which may be transported to the non-prescribed
  areas, sold, or slaughtered and not found.
- Costs to producers: Fees charged for livestock identification inspections per OII's
  established fee schedule, plus time and labour costs of coordinating inspection to take
  place.
- Regulatory requirements not being followed: A properly completed livestock manifest is required to accompany all livestock when being transported but is not always being utilized.
- o **Traceability:** Animal movement reporting requirements are anticipated under proposed new federal traceability regulations, but the implementation timeline is unknown. Use of the livestock manifest is currently the only documentation of animal movements in use in B.C. that can be used for traceability purposes. In both the beef and dairy sectors, mandatory animal identification (i.e., Radio-frequency identification) tags exist. The dairy sector also requires the reporting of animal movement to DairyTrace. Horse movement is not included in the federal traceability regulations.
- Access to funding programs: Vancouver Island beef producers claim there is market demand for locally grown beef which cannot currently be met without herd expansion, and access to provincial funding programs administered by provincial beef associations is limited.
- The beef sector continues to advocate on this issue, including representation from the BC Breeder and Feeder Association, BC Cattlemen's Association, BC Association of Cattle Feeders and Ownership Identification Inc. The topic has been brought forward to the Minister on multiple occasions, with the most recent meeting May 2022 at BC Beef Day.

## **CROSS JURISDICTIONAL COMPARISON:**

- Both dairy and beef cattle are included in Alberta's and Saskatchewan's inspection system. Inspections occur when cattle leave the province, are sold, or sent for slaughter.
- Those provinces have one inspection area for the entire province versus the prescribed area in B.C., which has five brand inspection areas within the prescribed area due to the larger number of cattle on Crown Range than in other provinces.

- 0.10 FTE Industry Specialist, Beef and Livestock
- 0.02 FTE Industry Specialist, Livestock

## ESTIMATE NOTE- FISCAL 2023/24

## Ministry of Agriculture and Food

Confidential Advice to Minister

- Ownership Identification Inc. (OII) is designated as the third-party verifier responsible for inspections. OII is self-funded by charging fees for brand registration and inspections.
- OII receives \$9,000 from AF for providing quarterly statistics on livestock inspected. Any modifications to the inspection program may have financial implications for OII.

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## **Bred Heifer Association Loan Guarantee Program**

### **RECOMMENDED RESPONSE:**

- The B.C. Bred Heifer Association Loan Guarantee Program (BHALG) and the B.C. Feeder Association Loan Guarantee Program (FALG) support sector associations and rancher members to access capital to purchase livestock and expand their operations and increase investment in the industry.
- The programs enable beef sector associations to access preferential loan terms, which can be accessed by producers who wish to maintain or build up their herd inventory in anticipation of continued increase in demand and high prices in the cattle market.
- Ministry staff work with the B.C. Breeder and Feeder Association (BCBFA) to ensure the program is responsive to current economic realities and member needs. Association loan limits were increased in 2017 from \$68 million to \$74 million to help the industry rebuild cattle numbers and benefit from high prices.
- Since 1990, the Program has supported sector associations and members to purchase over 722,000 cattle for a total value of over \$379 million.
- In the last 30 years of the Program, only one association has defaulted, which resulted in a draw against the provincial guarantee.

- The B.C. Bred Heifer Association Loan Guarantee Program (BHALG) and the B.C. Feeder Association Loan Guarantee Program (FALG) are based on eight regional producer-owned cooperative associations established for the purpose of purchasing feeder and breeder cattle on behalf of association members.
- The Province guarantees 20 percent of loans for feeder cattle and 15 percent of the loans for bred heifers up to specified maximums.
- The Program allows member associations of the BCBFA to access preferential loan terms to purchase cattle on behalf of their producer members.
- The associations have purchased over 722,000 cattle for a total value of over \$379 million since the program started in 1990.
- Any change to agreements requires Treasury Board approval, amendments to the
  tripartite agreements, and revised commitment letters from affected banks,
  authorization of loan guarantee by the Minister of Finance and signatures to revised
  agreements by the Minister of Agriculture and Food, the bank, and the association. This
  process takes from three to six months.
- Since its inception, the Program has only had one call on the Guarantee. Government
   Government Financial Information; Legal Information; Personal Information
  - Government Financial Information; Legal Information; Personal Information Once the sales of remaining cattle were completed and the member deposits held by the Royal Bank of Canada are applied, the balance outstanding was \$910,502.80.
    - The Ministry had a \$1.7 million provision for loan guarantees losses; therefore,

the \$0.9 million payment from the Province to the Bank did not affect the Ministry's budget.

Government Financial Information; Legal Information; Personal Information

## **CROSS JURISDICTIONAL COMPARISON:**

• British Columbia is comparable to other provinces which have similar associations and loan guarantees for the purpose of purchasing feeder and breeder cattle.

- In 2016, the Treasury Board increased the approved program cap for loan guarantees from \$9.75 million to \$15 million under the Loan Guarantee Program.
- Currently, the total outstanding government guarantees to all 8 Co-Operatives is \$12.87 million, which allows the Co-Operatives to access up to \$74 million in loans from private sector lenders.
- The Province does not incur actual cost unless an association defaults.

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## **BeeBC & Bee Technology & Transfer Program**

### **RECOMMENDED RESPONSE:**

- Government recognizes the critical and vital role bees play in our environment and to agriculture, not just in British Columbia but around the world.
- Crops and flowering plants cannot live and reproduce without the help of bees. That is
  why our government takes bee health seriously and has invested \$525,000 in the
  Bee BC program since 2018.
- In May 2021, the Minister announced a new BC Bee Tech Transfer Program (BC-TTP).
   The program is delivered by the BC Honey Producers Association (BCHPA) and supported by the Ministry with \$525K over three years (2021-2024).
- Honeybees play a major role in agriculture as pollinators of crops, contributing between \$250M to \$300M per year to the economy in British Columbia.

## **BACKGROUND:**

#### **INDUSTRY**

- There are currently approximately 4,300 beekeepers that operate an estimated 62,000 colonies. Well over 4,000 of these beekeepers (>93 percent) are hobbyists with less than 10 colonies and the majority with less than 4 colonies. Then, there are a few hundred beekeepers that operate between 10 and 100 colonies while the remaining few dozen beekeepers operate over 100 colonies.
- While beekeeping businesses operate in all provinces, the majority of honeybee colonies and honey production in Canada are kept in the Prairies (Alberta, Saskatchewan, and Manitoba) where long summer days and a favorable crop mix are ideal for foraging.

#### MINISTRY SUPPORT

- The Bee BC Program was launched on May 29, 2018, with the objective to enhance bee health throughout the province.
  - The program supports small scale regional/community-based projects to research, explore, field-test, and share information about best management practices associated with bee health.
  - Up to \$7,000 per project is available through the program to assist regional or community-based organizations, beekeeping associations and/or beekeepers with project costs. The program has been delivered by the B.C. Investment Agriculture Foundation (IAF).
  - Since its introduction in 2018, the program has supported 96 projects.
- The three-year BC-Bee Tech Transfer Program (BC-TTP) led by BCHPA was recently launched to further enhance B.C.'s apiculture industry. Its objectives include enhancement of standardized knowledge and promotion of Best Management Practices (BMP) through education, applied research and extension services.

## Delivery of the TTP's objectives include:

- Applied research projects and demonstration of BMPs to beekeepers around B.C.
- Regional workshops on Integrated Pest Management (IPM)
- Development of locally raised gueens and gueen-breeding
- Demonstrative research in a BCHPA-established apiary
- Research and support to bee-related projects conducted by academic institutions
- The Ministry of Agriculture and Food announced on October 16, 2022, a support of \$75,000 to conduct an economic assessment of the beekeeping industry in B.C. The objectives of the ongoing sector analysis are to better understand the economic and financial prospects of the beekeeping industry, and define action plans by analyzing the:
  - Profitability of pollinations services,
  - o Profitability of queen and nuc production and the competitiveness of local production against the imported stock,
  - Profitability of honey production,
  - o Advantages of supporting the expansion of commercial size operations and/or increasing the number of small beekeeping operations,
  - o Production costs of beekeeping operations (including land) and the operating revenue, and
  - The economic threshold of winter colony losses in B.C.

## **CROSS JURISDICTIONAL COMPARISON:**

- · Most provinces include beekeepers and beekeeping as eligible for funding programs related to research, biosecurity, and/or animal health.
- Ontario offers up to \$3,500 for beekeepers to improve pest management and grow bee-related businesses.
- Saskatchewan's Apiculture Producer Rebate Program offers apiarists a rebate of up to \$15,000 for equipment expenses that improve biosecurity practices.
- New Brunswick's Honeybee Industry Development Program offers up to \$10,000 for beekeepers to assist in the purchase or on-farm construction of beekeeping equipment.
- Manitoba offers up to \$3,500 under the AG Action Manitoba Program that provides funding to improve pest management and encourage a responsible use of antibiotics.
- There are currently seven technology transfer teams for apiculture in Canada that work directly with beekeepers to analyze and disseminate information, including Atlantic, Ontario, Quebec, Saskatchewan, Manitoba, Alberta, and British Columbia.

- 0.2 FTE is committed to work with BCHPA.
- Total investment in the Bee BC program between 2018-19 and 2021-23 (five fiscal years) is up to \$525,000.

## ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

- Total provincial investment to-date in the Bee BC program is \$325,000 for the period 2018-19 to 2021-23.
  - o \$42,500 in 2018-19
  - o \$107,500 in 2019-20
  - o \$50,000 in 2020-21
  - o \$50,000 in 2021-22
  - o \$75,000 in 2022-23
- The budget for the Bee Tech Transfer Program is \$525,000 over three years (\$175,000 per year, 2021-2024).
- The budget for the Sector Analysis of the Beekeeping Industry in B.C is \$75,000 (FY 2022-2023).

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## **Bee Inspection Program (FTEs)**

### **RECOMMENDED RESPONSE:**

- B.C Government Apiculture Program has delivered free support to B.C.'s beekeepers for over 60 years, including apiary inspections, extension services, education through webinars, courses, seminars and field days, and laboratory diagnostic services.
- When there is an indication of a bee disease anywhere in the province, inspection, extension, and diagnostic services are available to beekeepers.
- In 2021, the Ministry of Agriculture and Food (AF) had 11 apiary inspectors in all beekeeping regions of the province:
  - o Vancouver Island & Gulf Islands South,
  - Vancouver Island & Gulf Islands North,
  - Fraser Valley, Metro Vancouver & Pemberton Valley,
  - West Kootenays Boundary,
  - East Kootenays,
  - South Okanagan,
  - North Okanagan & Shuswap,
  - o Thompson Cariboo,
  - Prince George Vanderhoof,
  - Smithers Terrace; and,
  - o Peace.
- B.C. Government apiary inspectors' peak inspection period is from March until July.

- The Apiculture Program's legislated mandate is to address bee health issues by assisting the beekeeping industry to control diseases and pests and mitigate impacts.
- Since 2019, inspection and extension services have been available to beekeepers in all beekeeping areas of the province.
- Inspection services are complemented with courses and free extension materials.
- The Plant and Animal Health Centre (PAHC) provides a comprehensive range of diagnostic services of bee diseases and pests at no cost to beekeepers.
- The Apiculture Program carries out annual spring and fall surveys to determine winter losses and production estimates.
- To promote Best Management Practices, the Apiculture Program continues to emphasize the delivery of courses and educational services:
  - The free 'Introduction to Beekeeping' webinar series has attracted hundreds of participants annually since its introduction in 2015. The format provides an educational opportunity for beekeepers in isolated regions. The 2023 course has attracted approximately 800 registrants in and outside the province. Over 90 percent of registrants are from B.C.

- AF introduced the biennial Bee Master Course in 1955 which is the oldest advanced bee course in North America. The course has been presented in collaboration with the University of British Columbia (UBC). The coronavirus pandemic resulted in the cancellation of Bee Master 2022. No date has been set for the next Bee Master course.
- In 2018, Government announced the Bee BC program in support of local projects addressing bee health issues and has invested \$525,000 in the program since then.
- In 2021, Government announced 3-year guaranteed funding support towards the development of a Tech Transfer Program (TTP) managed by the BC Honey Producers Association (BCHPA).

## **CROSS JURISDICTIONAL COMPARISON:**

In recent years, TTP has been established in most provinces. Unlike Apiculture
Programs with legislated responsibilities, TTPs do not have a legislated mandate and
have no secure funding. All TTPs share the same objective of supporting their
beekeeping industries through improved management, disease control, bee genetics,
and productivity. Securing stable funding remains a key objective of all TTPs and efforts
are made to secure national core funding from federal and provincial governments.

- The Bee BC Program operates with three Fulltime Employees (FTE): one Bee Program Manager and 2 FTE equivalents for auxiliary 'as and when' and seasonal apiary inspectors.
- Operational expenses for bee inspections average approximately \$35,000 a year.

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## Honey Bee Imports and the Threat to Bee Health

#### **RECOMMENDED RESPONSE:**

- The import ban of United States (U.S.) "bee packages" has polarized the Canadian beekeeping industry since its implementation in 1987.
- The majority of Canadian beekeepers support the import restriction of US bee packages because of concerns about disease and pest introduction.
- The Canadian Food Inspection Agency (CFIA) completed a risk assessment in October 2013 and recommended a continuation of the import restriction of US bee packages.
- The import of US honeybee queens from California and Hawaii has been permitted under CFIA for nearly 20 years. Regular review of inspection standards and import conditions of honeybee queens has occurred during this time.
- Bee packages and queens from Australia, New Zealand, and Chile are authorized under CFIA permit. In 2020, CFIA permitted limited import of queens from Ukraine and Malta/Italy. In 2023, it is expected for CFIA to also approve the import of bee packages from Ukraine and Italy.

- A queen shipment includes dozens or hundreds of queen bees. On arrival, the shipment is split, and individual queens are placed into an existing hive to reinvigorate it or used to start a new colony.
- A 'bee package' is a container holding about 1kg of adult bees, including one queen and workers.
- Canada's commercial beekeeping sector is concentrated in the Prairie provinces.
   Approximately 25,000 bee packages and nearly 200,000 queens are imported each spring. Bee packages can only be imported from Australia, New Zealand, and Chile.
   Nearly 90 percent of imported queens come from California and Hawaii.
- Varroa mite was first discovered in U.S. in 1987 and resulted in CFIA restrictions on importation of honeybees from the U.S. to protect Canadian honeybee colonies from Varroa. Varroa is currently causing disease across Canada and beekeepers treat regularly to reduce losses.
- Since 1987, other diseases and best concerns have emerged including Africanized Honeybees (AHB), amitraz-resistant Varroa (rVarroa), drug-resistant American foul brood (rAFB) and Small Hive Beetle (SHB). In 2013, CFIA carried out a risk assessment where it identified AHB, SHB, r-AFB, and rVarroa as the principal threats to justify the continuation of the import ban.
- There had been anecdotal reports about rVarroa in the US; however, both US and Canadian beekeepers are still using amitraz successfully to control Varroa.
- In 1996, rAFB had been confirmed in B.C. at the Abbotsford Animal Health Centre.
   Subsequent surveys confirmed that rAFB was widely distributed but at a very low prevalence. Because its principal route of transmission is through brood, importation of bee packages is a negligible risk.

- Small Hive Beetle (SHB) is a tropical beetle from Africa. It caused a great deal of damage
  in the South-Eastern States and Hawaii. SHB was first confirmed in B.C. in 2015 when a
  single adult specimen was detected in a Langley colony near the Canada-US border.
  There have been no other detections since 2018 until fall 2022. It was reported in
  Ontario and Quebec in the last three years. The sub-tropical beetle is not expected to
  become established in Western Canada due to climatic and environmental conditions.
- In 1990, AHB was noted in the southern US. They are of concern because they are prone to highly defensive/aggressive behavior when compared to European Honeybees (EHB). AHB respond to activity near their colonies with increased numbers of stinging bees over much greater distances. This can make them life-threatening, especially to people allergic to stings or with limited capacity to escape (the young, old, and handicapped), and to confined livestock or pets. In each country into which they have migrated, they have killed humans and animals. Beekeeping is also disrupted by AHB, which are more difficult to manage and transport.
- Morphometrics and mtDNA analyses are used to identify and differentiate between EHB and AHB. The problem is that neither technique provides absolute results, but instead estimates approximations of Africanization.
- AHB distribution has been limited to a narrow band along the southern US region, despite large scale seasonal colony shipments (~migratory beekeeping) to meet crop pollination contracts. While AHB has established itself in southern California, it has not been reported within 100 miles of the principal bee package and queen production area north of San Francisco.
- Risk of AHB survival in B.C. is considered low because climatic conditions are colder than in other regions globally where colonization has occurred, and it is common practice for beekeepers to eliminate and replace the queen if a colony displays highly defensive behavior.
- Since the early 2000's, honeybee queens imported from selected Californian and Hawaiian breeders have been permitted.
- Previously, California queen exporters were required to maintain a minimum distance of 160 km (100 miles) from the nearest AHB confirmation. In 2023, the minimum distance was reduced to 80 km (50 miles). In 2020, Canada agreed to reduce the minimum distance to 80 km without increasing the risk of AHB introduction into Canada.
- A number of commercial beekeepers have continued to oppose the import ban of US bee packages and lobbied federal and provincial governments to overturn the ban. The group has initiated a federal class action lawsuit, claiming that the import ban was unjustified. Court proceedings are scheduled for May 2023.
- Discussion:
  - Honeybee queens from California have been imported into Canada for nearly 20 years. There has been no introduction of AHB genes into Canada.
  - Since only honeybee queens pass on their genetic traits, worker bees in packages pose no risk of AHB-gene introduction to Canada. Permitting Californian bee packages would not increase the risk of AHB introduction.

## **CROSS JURISDICTIONAL COMPARISON:**

• B.C. Honey Producers Association has historically been in support of the import restriction and policies.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- · Bees play a major role in agriculture as pollinators of crops, contributing an estimated \$550 million to the economy in B.C., and over \$2 billion in Canada.
- B.C. beekeeping industry totaled an estimated \$23.4 million in farm receipts in 2022 from the sale of hive products and pollination services. B.C. bee breeders have also increased their sales of bees and queens.

## RECOMMENDATION

- To obtain updated information about the health risks of proposed US bee package imports, B.C. should request CFIA to carry out a comprehensive risk assessment.
- B.C. should also support the principle that the commercial beekeeping sector must assess the health risks of CFIA's risk assessment report on which it can decide to resume or reject U.S. bee package imports.

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# **Brunswick Point - MLA Paton**

#### **RECOMMENDED RESPONSE:**

- The land remains in provincial ownership as represented by the Ministry of Forests and the Crown Land Opportunities & Restoration Branch.
- At this point, the Province does not intend to remove Brunswick Point lands from the Agricultural Land Reserve.

- Concern: Permanent loss of over 600 acres of highly productive farmland for food production and wildlife habitat for migratory birds.
- The Brunswick Point lands are located along the Fraser River where it meets the Salish Sea in Delta (see image below).
- The Brunswick Point lands are considered to be the most fertile in the Lower Mainland and of extreme importance to migratory waterfowl.
- In 1968, the Province expropriated over 2,000 acres (1,850 hectares) of land at Brunswick Point to support the Roberts Bank port development. This land became surplus and all but 648 acres were sold back to the original owners.
- In 2006, a lawsuit was filed in the B.C. Supreme Court, with the Brunswick Point families (those from whom the land was originally expropriated) asking the courts to grant them first right of refusal to buy the lands back from the Province. The four farming families are: Personal Information
- In 2009, the Tsawwassen First Nation (TFN) Final Agreement came into effect, committing the Province to provide TFN with a right of first refusal to lease or purchase the Brunswick Point lands.
- In 2011, the Province, TFN and the farming families tried to settle the case in an out of court agreement that saw the farmers acquiring the lands at below market value and TFN forfeiting their first right of refusal.
- In 2013, the agreement collapsed, despite the Crown providing extensions, as ultimately the farming families were unable to obtain financing for the \$22M required to acquire the land.
- In May 2019, MLA Ian Paton tabled a private member's bill (Bill M 221, Bill M 206) entitled "Preserving Brunswick Point for Agriculture and Migrating Waterfowl Habitat Act" that sought to place a farm use and conservation covenant on the lands.
- MLA Paton recently introduced another bill, Bill M210, titled with the same name as its earlier iterations: the *Preserving Brunswick Point for Agriculture and Migrating Waterfowl Habitat Act*.
  - While AF staff have not yet received a copy of this newly tabled bill, MLA Paton's comments upon its introduction in the House suggest its text is also similar to its earlier iterations.

- AF staff are currently working on obtaining access to the text of the new Bill and drafting a note on this situation in greater detail.
- In 2019, the Hwlitsum First Nation v. Canada court case that sought title to Brunswick Point lands concluded unsuccessfully. On November 1, 2019, 195 acres of Crown land was transferred to TFN in fee simple under a right of first refusal in the 2009 TFN Final Agreement.
- In December 2022, TFN signed the right of first refusal (RFR) and the RFR's are now registered Title on the four farm families' agricultural leases.
- On January 26, 2023, the Province sent the lease documents (short-term lease) including the statutory declaration and assumption agreement to the four farming families. The short-term lease arrangement will provide the Province time to work with the families towards long-term resolution. A cover letter was included with the lease documents that provided long-term options for discussion after the short-term leases were executed.

Security Concern

- A meeting has been requested by the farming families to discuss the terms of the lease before they sign the Lease Agreement. The executive is coordinating a meeting date with the families.
- The farming families have been actively farming and living on the lands under Crown leases since the date of expropriation. The leases expired in 2018, but the Province has been unable to renew the leases as it would contravene the terms in the Treaty. No rent is being collected from the expired agricultural leases in the area that is part of the farming family litigation.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

## **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

N/A

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# **Buy BC**

#### **RECOMMENDED RESPONSE:**

- Buy BC plays an important role in keeping people and our local economies working, helping British Columbians easily identify and access products made here at home.
- The Buy BC Partnership Program (the Program) is helping businesses across the province grow awareness of their products and reach new markets within B.C.
- Now in its fifth year, the Program will continue to provide \$2M in funding per year
  to help eligible applicants with their marketing efforts using the Buy BC logo on
  their products or promotional materials to help consumers easily identify their
  product as a B.C. product.
- British Columbians know that when they see the Buy BC logo, they can trust the high-quality product is from a local B.C. community and are supporting people dedicated to supplying local food and beverages to consumers in B.C.
- This year, our government has made program improvements that will benefit even more farmers and food and beverage processors and help more British Columbians identify and access local foods grown, harvested, raised, and processed by our hard-working, dedicated food producers.

## **BACKGROUND:**

- The Program is a central component of Buy BC programming that provides up to \$2M in cost-shared funding annually to local producers, processors, and associations to help them develop local marketing activities including advertising campaigns, in-store demonstrations or promotions, tradeshows or consumer sales events, marketing collateral or promotional tools, and add the Buy BC logo to their products label or packaging.
- Eligible applicants include primary agriculture and/or seafood producers or cooperatives; agriculture, food and beverage, and/or seafood processors; nonprofit social enterprises; and industry associations, boards, or councils. Having a Buy BC logo license is a pre-requisite for businesses interested in applying for the cost-shared funding available through the Program.
- Since the Program was launched in 2018:
  - the Ministry invested \$10M in cost-shared funding to support more than 300 industry-led marketing projects generating approximately \$80M in sales; and
  - over 750 B.C. businesses are now eligible to license over 3,400 of their products to leverage the Buy BC brand to increase product sales.

## Planned Program Improvements:

 In 2021, the Ministry partnered with the Public Service Agency's Behavioral Insights Team and the University of British Columbia to conduct direct

- outreach to over 200 Buy BC logo licensees to better understand key barriers to the uptake of the Buy BC logo on product packaging.
- In 2022, the Ministry conducted an external Program evaluation and industry consultation project with over 200 Program members to identify opportunities to improve the Program to better meet their needs.
- Based on results, the Ministry will implement changes to the Program's structure, eligibility, and administration starting in April 2023, including:
  - Adjustments to Program eligible activities, costs, and timelines, and move to two intakes for producers/processors and one separate intake for associations. Changes will free up funding to support additional applicants, while also prioritizing first time applicants and focusing on most impactful activities.
  - As of April 1, 2023, the Ministry will start administering the Buy BC Logo Licensing System directly, becoming the first point of contact for all Buy BC logo licensees. The Ministry will increase Ministry-led communication with all logo licensees to showcase benefits of Buy BC and make stronger connections with Buy BC activities.

## • Program Administration:

- The Investment Agriculture Foundation of BC has administered the Program (cost-shared funding and logo licensing) since it launched in 2018 and is contracted until March 31, 2023.
- The Ministry is in the process of securing, through a competitive procurement process, a third-party delivery agent to administer the Program's cost shared funding component for three years (March 2023 to March 2026). Unexpected procurement delays will delay the next Program intake. The Ministry expects the successful Contractor to launch the next Program application intake process by the end of April 2023 and deliver cost-shared funding to eligible Program applicants by the start of July 2023.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

- In 2022/23, \$2M of base budget is committed to the Buy BC Partnership Program:
   \$1.7M in cost-shared funding for Program participants; \$234K in administration fees for cost-shared funding; and \$60K in administration fees for logo licensing.
- In 2023/24, \$2M of base budget is committed to the Buy BC Partnership Program: \$1.74M in cost-shared funding for Program participants; and \$260K in Program administration and delivery costs.

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# **Buy BC Marketing and Promotional Activities**

## **RECOMMENDED RESPONSE:**

- Buy BC is a province-wide marketing program, led by the Ministry of Agriculture and Food (Ministry), that builds consumer awareness and demand for food and beverages that are grown, raised and/or processed in British Columbia (B.C.), and helps local producers and processors increase product sales within the province.
- Now in its fifth year, Buy BC has strengthened consumer knowledge amongst British Columbians, motivating them to choose local and purchase B.C. products over other alternatives. This supports the local economy and greater food security by ensuring money stays within our communities.
- Buy BC makes it easier for British Columbians to identify and enjoy B.C. food and beverage products at grocery stores and farmers' markets across the province.
- Since Buy BC was relaunched in 2018, over 790 B.C. businesses are now licensed to use the Buy BC brand and logo to promote their products that are grown, raised, harvested, and processed by our hard-working, dedicated farmers and food producers.
- We are committed to build and strengthen both new and on-going relationships with retailers, such as Save-on-Foods, Safeway, and Thrifty Foods, to ensure that consumers can more easily identify local foods through the use of in-store, Buy BC-branded signage.
- We will continue to work together with farmers and food and beverage processors to build a stronger B.C. and ensure British Columbians can identify and access the local foods that are grown, raised, and made close to home.

## **BACKGROUND:**

- Buy BC programming focuses on three foundational strategic areas:
  - 1. Increasing availability of B.C. food and beverage products at grocery stores, farmers' markets, and food service establishments;
  - 2. Motivating consumers to purchase B.C. products over alternatives; and,
  - 3. Triggering consumers to purchase B.C. products when shopping and dining out across the province.

#### Key components of Buy BC programming include:

- Government-led Buy BC Advertising Campaigns build brand recognition, encourage consumers to purchase local products, and ensure consumers are aware of the many local products available. These campaigns support other Buy BC programming (e.g., retail and restaurant promotions) that ensures consumers recognize the Buy BC logo on in-store signage and product packaging when shopping and dining out in communities across B.C.
- Buy BC Retail & Restaurant Promotions which increase awareness among B.C. retailers, restaurants and distributors of the variety and availability of B.C. food and beverages and where and how to source them.
- Buy BC Consumer Engagement & Local Food Literacy Activities which motivate

consumers to purchase local products by enhancing their knowledge regarding what is grown, harvested, raised, or processed in B.C., as well as the importance of B.C.'s agriculture, food and beverage sector to local communities, economies, and B.C.'s food system security.

- O Buy BC Industry-led Marketing Campaigns, Activities and Promotions which support the ability of B.C. farmers, food and beverage processors, cooperatives, and associations to increase consumer awareness, demand, sales, and market share of their local products within B.C. by enabling them to undertake sector/product specific Buy BC marketing activities via cost shared funding and by using the Buy BC logo on product packaging and promotional materials.
- Buy BC Matchmaking Events and Activities which connect B.C. farmers and food and beverage processors with B.C. retailers, restaurants, and distributors through in-person and virtual matchmaking events and activities.
- Buy BC Program Administration Activities which support the administration, evaluation, and continuous improvement of the Buy BC program.

## Key Accomplishments for Buy BC in 2022/23:

- Partnered with Save-on-Foods for Apple Cup promotion, November 2022, and broader integration of Buy BC point-of-sale (POS) material.
- Provided a total of 17,900 promotional signs to 65 Safeway and Thrifty Foods stores across B.C. (summer 2022) and expanded partnership with Sobeys by providing Buy BC POS material to 16 stores of their discount banner FreshCo.
- Delivered one B.C.-wide advertising campaign (October 2022) highlighting the people behind B.C.'s agriculture, food and fish sector (select reuse of 2020/21 and 2021/22 campaigns (TV and digital ads only; no transit ads this year).
- Launched a new Buy BC Chef Ambassador initiative with Chef Ned Bell to promote the importance of buying local to consumers and support ongoing farmer/producer/chef relationship building.
- Worked with the BC Restaurant and Food Services Association to complete a
   *Delicious Destinations pilot concept* featuring two guides for the south Okanagan
   and south Vancouver Island to promote restaurants, wineries and other
   establishments that offer food and beverage experiences (replaces the
   previously delivered EAT DRINK LOCAL promotional campaign 2018-2022).
- Delivered a regional Every Chef Needs a Farmer (ECNF) event (November 2022) in Victoria to enhance connections between 180 chefs and farmers on south Vancouver Island. A second ECNF planned at the 50th Parallel Winery in the Okanagan (February 2023) is on hold.
- Partnered with BC Fairs and BC Agriculture in the Classroom to promote Buy BC brand through a range of consumer engagement activities across B.C.
- Partnered with the *Pacific National Exhibition* (third year of the Buy BC): Journey of B.C. Food Exhibit (August/September 2022) to enhance B.C. food knowledge among urban consumers by showcasing farm-to-table journeys of eight B.C. commodities including Buy BC cooking show with Chef Ned Bell.
- Implemented improvements to the delivery and design of the Buy BC

*Partnership Program* informed by a Buy BC Partnership Program Evaluation. See separate Estimates Note on the Buy BC Partnership Program for more information on improvements being made.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

• In 2022/23 and 2023/24, \$3.75M of base budget is committed to all Buy BC programming, including \$2M in cost-shared funding through the Buy BC Partnership Program and \$1.75M for government-led advertising/promotions and industry partnership activities.

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# **Cannabis – Ministry Support and Programs**

### **RECOMMENDED RESPONSE:**

- After the legalization of non-medical cannabis by the Federal government on October 17, 2018, the B.C. Ministry of Agriculture and Food (AF), as well as Agriculture and Agrifood Canada recognized cannabis as an agricultural commodity.
- AF acknowledges the importance of the cannabis sector to B.C.'s economy and has supported its partner ministries in developing initiatives to strengthen the legal cannabis sector in the province.
- Prior to legalization, individual provinces and territories were given the ability to
  determine what programs and services licensed cannabis producers would be eligible
  for within their jurisdictions. In British Columbia (B.C.), licensed cannabis producers are
  currently eligible for some, but not all, Ministry and/or Canadian Agricultural
  Partnership funded programs.
- AF has committed funding and services to support licensed cannabis producers who
  have entered the new legal framework. AF will continue to develop supports and
  services for licensed cannabis producers that may begin to align themselves with
  similar resources that are offered to other agricultural sectors.
- Currently, licensed cannabis producers are ineligible to attain Farm Class Status in the
  province. If desired, AF staff can be directed to work with Ministry of Finance staff to
  review this policy decision. A proposal to make licensed cannabis production eligible for
  Farm Class would be controversial for some local governments who are not supportive
  of cannabis production. a

- As of December 31, 2022, there were 207 cannabis production licenses granted by Health Canada in B.C. (of which 22 are Indigenous-affiliated); 85 were micro-class licenses (limited to 200m² of production space), 108 were standard-class licenses, and 14 were nursery licenses.
- It is estimated that 70 to 80 of the above 207 licensed cannabis producers are located on the Agricultural Land Reserve (ALR) in the province.
- There were 455 non-medical cannabis private retail licenses (legal store fronts) operating in B.C. as of December 2022. In late 2022, the Liquor & Cannabis Regulation Bureau enacted it's 'Farm-Gate Sale' program, which allows producers to sell cannabis on-site in a small retail store, including on the ALR.
- Cannabis retail and production is a significant economic driver in the province. In 2022, the total retail sales from licensed cannabis stores in B.C. was \$606,702,000. From January to September 2022, the cash amount received by the Province from the 'Federal Government for British Columbia's share of the Federal excise duty on cannabis' was \$52,969,396.

- The total farm-cash receipt value in 2021 for B.C. producers from the production of cannabis was \$549M, which exceeds the farm-cash receipt value of \$327M for the greenhouse vegetable production in the province that same year.
- In B.C., the Cannabis Legalization and Regulation Secretariat (the Cannabis Secretariat) leads the development of the provincial non-medical cannabis framework.
- The Cannabis Secretariat engaged individual ministries in October of 2022, on its 'Cannabis Legal Market Strategy', where AF committed to three high-level goals;
  - 1. Develop market strategies to promote B.C. cannabis products, particularly from small producers, including BuyBC and a craft-designation.
  - 2. Reassess the treatment of cannabis with other agricultural products in legislation and regulation.
  - 3. Continue to develop programs and services for the legal-market sector that are similar to resources that other agricultural sectors would receive.
- AF staff continue to work with Metro-Vancouver through their on-going proposal for an Air Emissions Bylaw for cannabis producers and processors within their jurisdiction.
  - AF staff also continue to work with the Farm Industry Review Board through local-level odour complaints from both outdoor and indoor cannabis.

- 0.75 Full-Time Equivalent (FTE) Industry Specialist has been allocated to support the Cannabis Sector.
- Minister Bylaw Standards for Cannabis Production Project: this work is anticipated to be completed by mid-2023 and will provide enhanced guidance for local governments to develop bylaws pertaining to licensed cannabis production.
  - 0.25 FTE Land-use Planner and 0.2 FTE Industry Specialist from the Extension and Supports Services Branch are allocated to undertake this work.
- AF staff have determined that a legislative amendment to the Food and Agricultural Products Act (FAPCA) is required if a certification program (e.g. Organic Certification, Craft Designation) for a product to be used as an inhalant, such as cannabis, is desired. This initiative has been heavily advocated for by industry. AF has also committed to further investigating cannabis's inclusion into BuyBC in 2023.
  - A business-case will likely be implemented to provide the rational for such a legislative amendment prior to any policy decisions being made on this issue.
     \$30,000 in FY 23/24 will likely be utilized to pursue this work.
- \$29,540 is budgeted to be utilized in FY 22/23 for a 'Central Kootenay Cannabis Processing Feasibility Study'.
  - On May 19, 2022, AF Minister Lana Popham met with cannabis sector stakeholders and MLA Brittny Anderson from the Central Kootenay region of the province. Minister Popham committed to conducting a feasibility study to investigate the opportunities for AF to provide funding for a cannabis processing HUB in the region. This study is scheduled to be completed by March 15, 2023, and has 0.2 FTE Industry Specialist allocated to it.
  - o AF's Market Development Unit has committed to allocating a portion of an FTE to

# ESTIMATE NOTE- FISCAL 2023/24

# Ministry of Agriculture and Food

Confidential Advice to Minister

further investigate cannabis's inclusion into BuyBC programming in the FY23.

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# CleanBC Roadmap to 2030

#### **RECOMMENDED RESPONSE:**

- B.C. is a leader in climate action, including in the agriculture and food sector. The CleanBC Roadmap to 2030 leverages and builds on this strong foundation.
- The CleanBC Roadmap to 2030 includes a pathway for agriculture and aquaculture, which includes actions to reduce greenhouse gases and increase carbon sequestration on agricultural lands.
- Budget 2022 provided \$15 million in funding over three years for Ministry of Agriculture and Food to support the implementation of CleanBC, through research and monitoring to fill in critical knowledge gaps, and efforts to support adoption of promising practices by farmers and ranchers.
- Ministry of Agriculture and Food is currently in negotiations with the federal government to finalize a new bilateral agreement under the Sustainable Canadian Agricultural Partnership, which both governments have agreed will have a greater emphasis on greenhouse gas mitigation in the sector.
- And we're working with a diverse set of food producers on a shared vision of how regenerative farming and agritech can support sustainable agriculture, including and help contribute to emissions reductions.

- The agriculture sector directly accounts for just under 5 percent of B.C.'s greenhouse gas (GHG) emissions. The largest source is enteric fermentation, a digestive process of cattle that produces methane. The next largest sources of GHG emissions are on-farm energy use, agricultural soils and manure management.
- The CleanBC Roadmap to 2030 is the province's plan to achieve a 40 percent reduction in GHG emissions by 2030 and an 80 percent reduction by 2050, as legislated under the Climate Change Accountability Act. There is no specific target for agricultural emissions, but the sector is expected to contribute to meeting the targets.
- Clean BC identifies key actions for the government to advance by 2030
  - supporting GHG efficient farm practices, such as fuel switching and manure management
  - 2. enhancing carbon sequestration in agricultural soils, such as through rotational grazing, and cover cropping
  - realizing the potential of regenerative agriculture
  - 4. exploring the potential for seaweed aquaculture to sequester carbon; and
  - 5. supporting increased renewable natural gas through anaerobic digestion.
- Budget 2022 provided AF with \$15M over three years, with a focus on:
  - funding for existing on-farm practices to reduce GHG emissions (see Estimates Note Climate and Environment: On-Farm Funding), and
  - o preliminary programming to increase carbon sequestration.

• The ministry is also developing a *Regenerative Agriculture and Agritech Framework* that prioritizes climate action and focuses on regenerative agricultural practices and technology (see Estimates Note *Regenerative Agriculture and Agritech Strategy*).

# **CROSS JURISDICTIONAL COMPARISON:**

- Similar to B.C.'s Roadmap to 2030, the Government of Canada's 2030 Emissions
  Reduction Plan outlines a sector-by-sector path for Canada to reach its emissions
  reduction target of 40 percent below 2005 levels by 2030 and net-zero emissions by
  2050.
- To work effectively with farmers, AF is also considering linkages with Canada's on-farm funding programs (On-Farm Climate Action Fund) and on-farm research (Living Labs), both aimed at supporting GHG reductions and carbon sequestration on farms.

- In FY 2022/23 up to \$3.4M was allocated to on-farm projects that reduce GHG emissions and increase carbon sequestration, such as management of riparian habitats or native range, and on-farm energy efficiency improvements (see Estimates Note Climate and Environment: On-Farm Funding).
- An additional \$1.5 M was invested in research, tool development, and other preliminary
  activities to support future programming for beneficial management practices to
  reduce greenhouse gases and sequester carbon.

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# Climate Resilience/Emergency Preparedness Strategy for Food Security Mandate Letter

#### **RECOMMENDED RESPONSE:**

- Our government is working hard to improve the preparedness and climate resilience of the food systems that British Columbians depend on.
- In the past year, the Ministry of Agriculture and Food (the Ministry) launched an
  Extreme Weather Preparedness for Agriculture Program and we also built out a
  dedicated emergency management team to play a more active role in preparing for
  and responding to disasters impacting agriculture. This group has been actively
  supporting the egg and poultry sector during the avian influenza outbreak that is still
  ongoing.
- I am pleased that Premier Eby has tasked us with a mandate to develop an Emergency Preparedness for Food Security Strategy in coordination with the Ministry of Emergency Management and Climate Readiness (EMCR).
  - o This reflects calls from producers, local governments, First Nations and British Columbians to do more to reduce the risks to our food system.
  - This work is at an early stage but will build upon the ongoing work of the Ministry to support producers in understanding climate risks and providing them with resources to prepare for floods, wildfires and other hazards.
  - It will also align with work already underway across government such as the modernization of the *Emergency Programs Act*, the Provincial Flood Strategy and the Climate Preparedness and Adaptation Strategy.

- In Canada, emergency management is led by local emergency programs in coordination with senior governments' emergency management agencies – in B.C., Ministry of Emergency Management and Climate Readiness (EMCR). Agriculture ministries play a support role in preparedness and response efforts specific to agricultural producers.
- The Ministry of Agriculture and Food has a long history of providing emergency preparedness and climate adaption supports for agricultural producers and supporting emergency responses impacting the sector (e.g., by mobilizing staff in emergencies).
  - This includes programs critical to animal welfare in emergencies, such as premises identification, disease surveillance and biosecurity programs.
  - See: "Climate and Environment: On-farm Funding" and "Climate and Environment: Extension" for more detailed estimates notes on climate readiness-related cost-share programs and extension supports.
- Further actions in line with the Emergency Preparedness and Food Security Strategy mandate direction are under development. Ministry staff are working closely with

partner ministries, particularly EMCR, to ensure a coordinated approach to developing an Emergency Preparedness for Food Security Strategy.

# **CROSS JURISDICTIONAL COMPARISON:**

- The Auditor General of Canada has noted that the lack of an effective national approach to emergency preparedness for the food system impacted the response required in the early COVID-19 pandemic. Agriculture and Agri-Food Canada has committed to collaborating with provincial and territorial governments on a new approach.
- Most Canadian jurisdictions offer similar funding to British Columbia (B.C.) under the Canadian Agricultural Partnership. Common programs include livestock premises identification, support for water infrastructure and emergency planning tools.
- B.C. is generally recognized as a leader in climate adaptation programming in Canada. The Extreme Weather Preparedness Program is a unique program only offered in B.C., thanks to funding from the B.C. Climate Preparedness and Adaptation Strategy.

- Regenerative Agriculture and Climate Initiatives Division
  - Emergency Management Seven Full Time Equivalent (FTEs) dedicated to providing emergency preparedness outreach, coordination and emergency response support to producers, local governments and other federal or provincial agencies.
  - Strategic Climate Initiatives Two FTEs dedicated to developing policy, engagement and coordination related to the Climate Preparedness and Adaptation Strategy and the Emergency Preparedness for Food Security Strategy.
- See estimates notes on "Climate and Environment: On-farm Funding" and "Climate and Environment: Extension" for details on funding for related programs.

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# **Climate and Environment: On-Farm Funding**

### **RECOMMENDED RESPONSE:**

- In July 2022, the Ministry increased funding by \$4.4M for on-farm adoption of other beneficial management practices through the Beneficial Management Practices (BMP) program. The funding helps B.C. farmers and ranchers better prepare for dry spells by supporting the building or expansion of on-farm water storage facilities; upgrading dams, reservoirs and irrigation systems used for livestock and crops; and the adoption of regenerative agricultural practices.
- Through the BMP program, B.C. producers are also able to undertake projects that support capturing and storing carbon in soil (also called carbon sequestration) through the establishment, enhancement, protection and management of native range and riparian habitats. The \$4.4M increase is part of the Province's CleanBC program and will help meet the goals of the new Climate Preparedness and Adaptation Strategy.
- In July 2022, the Ministry committed up to \$1.5M for a new funding program, the
  Extreme Weather Preparedness for Agriculture (EWAP) program, to support the onfarm adoption of beneficial management practices. The EWAP program helps improve
  farms' climate-change preparedness and resilience to wildfires, flooding, and extreme
  heat. The program is part of B.C.'s Climate Preparedness and Adaptation Strategy
  (CPAS).
- Examples of projects eligible for EWAP funding include:
  - farm building retrofits to improve cooling during extreme heat;
  - enhanced watering and shade to mitigate crop and livestock heat stress;
  - infrastructure improvements to support tree and berry canopy cooling;
  - FireSmart Critical Infrastructure assessments;
  - o farm building retrofits for wildfire preparedness.

- The Ministry's Beneficial Management Practices (BMP) program is delivered by the Investment Agriculture Foundation of B.C. (IAF). Producers with farm status who have completed an Environmental Farm Plan (see Estimates Note, Climate and Environment Extension – ESSB) are eligible to apply for cost-share funding for a variety of on-farm beneficial management practices.
- The Ministry developed and delivered the Extreme Weather Preparedness for Agriculture (EWAP) program in 2022. This was partly in response to producers' needs to adapt to a changing climate, as identified in the Ministry's Regional Adaptation Program (see Estimates Note, Climate and Environment Extension – ESSB).
- As noted in the Estimates Note, CleanBC Roadmap to 2030, up to \$3.4M was allocated in FY23 to on-farm projects that reduce greenhouse gases in the atmosphere, as part of a \$15M total increase from FY23 to FY25.

Budget 2022 also provided the Ministry with funding as part of the Climate
Preparedness and Adaptation Strategy (CPAS): \$3M in FY23, as part of a \$11M total
increase from FY23 to FY25. This funding was to support on-farm beneficial
management practices, including water infrastructure and practices to mitigate
extreme heat and weather events, as well as enhancements to agricultural weather
monitoring.

# **CROSS JURISDICTIONAL COMPARISON:**

- All Canadian provinces offer some version of the BMP program to producers that have completed a plan through the respective province's Environmental Farm Plan program.
- B.C. is leading Canadian provinces in supporting beneficial management practices for adaptation and resilience to extreme weather events.

- IAF received and approved 316 project applications to the BMP program from farmers in FY23. IAF approved a total of \$2.5M (of the \$3.4M *CleanBC* allocation) in cost-share funding for these projects.
- IAF received and approved 141 project applications to the BMP program from farmers in FY23. IAF approved a total of \$1.5M (of the \$3M *CPAS* allocation) in cost-share funding for water infrastructure projects.
- The Ministry received 161 project applications to the EWP program from farmers in FY23. The Ministry approved a total of \$1.2M (of the \$3M *CPAS* allocation) in cost-share funding for these projects.
- Plans are underway to reopen application intakes for the BMP and EWP programs to continue to help reduce greenhouse gases and adapt to climate change in FY24.

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# **Climate and Environment - Extension**

### **RECOMMENDED RESPONSE:**

- Under the Canadian Agricultural Partnership (CAP), the Climate Change Adaptation Program (CCAP) has provided over \$6.5M in funding between 2018 and 2023 to support climate change adaptation extension activities, including workshops, demonstration trials, and applied research.
- Under CAP, the Environmental Farm Plan program offers on-farm extension to all agricultural producers. The program operates with \$5M in funding between 2018 and 2023, helps producers identify opportunities to take climate action and improve environmental sustainability, and provides access to cost-share funding opportunities.
- The Ministry of Agriculture and Food (the Ministry) started consultations in Fall 2022 with farmers and other stakeholders on Environment and Climate Change programming priorities and will increase engagement with external stakeholders in the upcoming months.
- To meet the Province's CleanBC and Ministry mandate letter commitments, the Ministry will launch a new Regional Extension Program in the Fall of 2023 to better coordinate extension services for environment and climate change priorities. The extension will include an emphasis on regenerative agriculture as a means to address those priorities.

- Current climate change extension programing is being delivered under the <u>Climate</u>
   <u>Change Adaptation Program</u> (CCAP) and is focused on climate change adaptation
   extension projects at both the regional and on-farm level. Fiscal year 2023 is the final
   year of program funding and approximately \$6.5M has been provided by the federal provincial-territorial CAP agreement, between 2018-2023 to support two sub-programs:
  - Regional Adaptation Program (RAP): supports regional specific adaptation plans and projects across B.C. to support local needs for climate change adaptation (\$5.1M). Projects included development of tools to help producers adapt to climate change, studies that lead to action plans for future implementation at the regional level, and extension (knowledge transfer) events.
  - Farm Adaptation Innovator Program (FAIP): supports 12 collaborative onfarm applied adaptation research/extension projects (\$1.4M).
- CAP also funds the Environmental Farm Plan (EFP) program. With a 5-year budget of \$5M, the EFP program provides on-farm extension to all agricultural producers, helps producers identify opportunities to take climate action or improve environmental sustainability, and provides access to cost-share funding opportunities through the Beneficial Management Practices program (see Estimates Note, Climate and Environment: On-Farm Funding). On average, approximately 440 farmers receive EFP services per year, covering more than 94,000 hectares of farmland.

- In November 2022, the Ministry conducted eight regional workshops with over 125 participants (producers, academics, industry associations, non-profit and government representatives). The Ministry also collected 241 responses to a survey. The workshops and surveys focused on environment and climate change priorities.
- A new Regional Extension Program will build on the success of the regional model under the CCAP, and address priorities of the agriculture sector, with a wider emphasis on climate change mitigation and environmental sustainability in addition to the adaptation focus of the current CCAP.
  - This new program will build on projects completed under the RAP and FAIP programs and will have a greater focus on producer participation and producercentric demonstrations/extension.
  - o The new program will integrate with EFP services for on-farm extension.
- The Ministry is planning on launching the new program in the Fall of 2023 with regional engagement events that will help identify regional environment/climate change priorities and new on-farm extension projects to support farmers/ranchers.

# **CROSS JURISDICTIONAL COMPARISON:**

The Ministry's Climate Change Adaptation Program has been recognized both
nationally and internationally as a leader for climate change adaptation extension
support services. With increased resourcing between FY23-28, we anticipate British
Columbia to also become a national leader in extension programming for climate
change mitigation and environmental sustainability.

- The Ministry is securing a contractor to administer up to \$8M of Sustainable Canadian Agriculture Partnership (SCAP) funding over the next 2 years to support environment and climate change extension projects between FY23 to FY25.
- The Environmental Farm Plan program is expected to continue with an annual budget of \$1M with SCAP funding.

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# 2021 ATMOSPHERIC RIVER EMERGENCY FLOOD RESPONSE

## **RECOMMENDED RESPONSE:**

- Extreme precipitation events are projected to occur more frequently across Canada.
- Under the Emergency Programs Act, the Ministry of Agriculture and Food (the Ministry) is committed to supporting producers by coordinating the emergency evacuation and care of poultry and livestock, providing advice on the protection of crops, livestock and provincially managed fish and marine plant stocks, and inspecting and regulating food quality.
- During the fall 2021 Atmospheric River event, the Ministry was called upon to simultaneously support the Provincial Emergency Coordination Center, Three Provincial Regional Emergency Operations Centers (EOCs), the Ministry's own EOC, and numerous local authority and First Nations government EOCs, including the Abbotsford EOC's Agriculture Branch, requiring the direct support of over 150 Ministry staff.
- The Ministry provided recovery supports to flood impacted farms through the \$228 million 2021 Canada British Columbia Flood Recovery Program for Food Security, and its existing business risk management programs.

#### **BACKGROUND:**

- More than 1,100 farms, 15,000 hectares and 2.5 million livestock from the Sumas Prairie in Abbotsford to Merritt and Princeton were impacted by the floods.
- Severe losses were incurred by dairy, poultry, swine, beef, horticulture, fruit and vegetable growers, and land-based fish producers.
- The damages to the agriculture sector are estimated to be over \$200 million.
- Reported poultry and livestock mortalities: Cattle (beef and dairy) = 431; Swine = 18,000; Poultry / Duck = 709,000; Fish (Aquaculture) = 282,000

# **Ministry Response**

- The Ministry requested and received expense approval from Emergency Management BC (EMBC) for just over \$30 million for response needs in support of producers.
- As of March 9, 2022, approximately \$5 million worth of invoices have been submitted.
- Additional disaster response programming was activated to meet impacted producers' financial and safety needs during the immediate response period including:
  - o The Emergency Flood Forage Program (\$3 million) provided feed for impacted commercial livestock businesses.
  - Feed Grain Cost Differential Program (\$2.5 million) assisted livestock producers with the financial burden of increased feed costs.
  - Livestock Relocation Program (\$1.1 million) allowed for local authorities and First Nations to relocate impacted commercial livestock.

Additional ministry support activities included:

- Provision of emergency feed and water for livestock and poultry that included working with BC Wildfire Service and EMBC to provide helicopter delivery of these critical supplies for animal welfare and food security.
- Assisting impacted producers with a variety of mental health resources and supports.
- Development of an agriculture related essential services list to ensure agricultural vehicles access to restricted roadways and issuance of fuel certification letters to exempt agriculture related vehicles from emergency fuel purchasing limits.
- The mass carcass disposal team coordinated over 14 haulers to assist with moving deadstock and identified more than eight disposal facilities to accept deadstock.

## **Industry's Response:**

- A number of agricultural industry associations activated their emergency management frameworks to provide support and communications to their members.
- Several associations (poultry and dairy) provided representatives to assist with the response at the Abbotsford Emergency Operations Center's Agricultural Branch.
- The Ministry worked with AgSafe to provide mental health supports to impacted producers.

# **CROSS JURISDICTIONAL COMPARISON:**

• The Province and the Fraser Basin Council have taken important steps to assess and build flood management capacity across B.C.

- The Province provided up to \$1 million in funding from EMBC to help fill the immediate need of forage as part of the Emergency Flood Forage Program.
- Animal relocation due to flooding was estimated at a cost of \$1.129M reimbursable under EMBC Policy 2.01 Provincial Support for Livestock Relocation.
- The Ministry has created a new Emergency Management Branch and is investing significant resources in emergency prevention, preparedness, response, and recovery.

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# **ALC Sumas Prairie Flood Response**

## **RECOMMENDED RESPONSE:**

- The Agricultural Land Commision (ALC) worked with the City of Abbotsford to identify Agricultural Land Reserve (ALR) properties impacted by floods.
- The ALC committed to prioritizing and expediting Applications and Notices of Intent (NOIs) for properties impacted by the floods.
- The ALC is waiving the Notice of Intent (NOI) fee (\$150) and its portion of the Application fee (\$750) for properties impacted by the floods.
- If 75 percent or more of an existing structure has been substantially damaged or destroyed, it is no longer grandfathered under the legislation and an application to the ALC to approve construction maybe required. For example, if a principal residence greater than 500 m<sup>2</sup> is destroyed, it would need to apply to the ALC.
- The ALC received and approved three (3) NOIs as of February 14, 2022. Two (2) from
  the Ministry of Transportation and Infrastructure related to Highway 8 between
  Merritt and Spences Bridge and one (1) in Abbotsford for a property owner to build
  hay storage above flood levels. As of February 14, 2022, there have been no
  applications submitted in the flood areas.

#### **BACKGROUND:**

- During the fall 2021 Atmospheric River event, ALC staff joined the Ministry of Agriculture and Food in its Emergency Operations Centers (EOCs).
- The ALC and the City of Abbotsford worked together to identify parcels where structures had been impacted by floodingin Sumas Praire both spatially (GIS Shapefile) and by individual property identification number (PIDs) in preparation for the possibility of applications to the ALC.
- The ALC had a flood response phone line on the ALC homepage for impacted ALR landowners to get assistance with Notice of Intent or Application questions and help expediate the processing of applications should they be necessary.
- Much of Highway 8 and adjacent lands from Merrit to Spences Bridge impacted by flooding this winter are in the ALR.
- The ALC received one inquiry from a farmer Personal Information that needed to replace a
  manufactured home that was previously approved by the ALC. The ALC advised the City
  of Abbotsford that farmer that they could replace the manufactured home without a
  new ALC application.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• The ALC is waiving its portion of the NOI (\$150) or Application fee (\$750) which goes into general revenue.

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# **Emergency Response Incidents 2022**

### **RECOMMENDED RESPONSE:**

- Under the Emergency Programs Act, the Ministry of Agriculture and Food (the Ministry) is committed to supporting producers by coordinating the emergency evacuation and care of poultry and livestock, providing advice on the protection of crops, livestock and provincially managed fish and marine plant stocks, and inspecting and regulating food quality.
- The Ministry's Business Risk Management Branch manages five permanent insurance and income assistance programs which support producers by buffering them from the impacts of disasters and emergency events.
- In 2022, the Ministry created the Emergency Management Branch (EMB) to support the preparedness, mitigation and response to emergency incidents facing the agriculture industry.
- From mid-April through the end of the year, the Ministry's Emergency Operation Centre
  was activated and staffed by Ministry employees to monitor and support the response
  to the Avian Influenza outbreak that spread to British Columbia (B.C.). More than 50
  staff from across the Ministry played a role in supporting the response to the most
  substantial Avian Influenza outbreak in the history of the province.
- Ministry staff provided support to local authorities, First Nations and other response
  agencies (Emergency Management BC, Canadian Food Inspect Agency, Ministry of
  Environment and Climate Change Strategy) throughout the course of the year for a
  variety of natural hazard incidents. Overall, the impact to the agriculture sector in these
  incidents was localized and to a lesser degree than seen in previous years.

- The 2022 wildfire season had a later-than-normal start and finish, and was less severe, with only 11 percent of wildfires exceeding five hectares in size. BC Wildfire Service (BCWS) detected 1,758 wildfires resulting in approximately 133,437 hectares of area burned. For the same period in 2021, there were 1,610 wildfires and over 868,000 hectares burned.
- After a trial of the program in 2021, the rancher liaison program was launched during the 2022 wildfire season in partnership with BCWS. This program saw a pool of 44 liaisons trained with seven deployed to areas with active wildfires to directly support BCWS and Incident Management Teams as a conduit between ranchers and BCWS.
- The EMB provided ongoing support when called upon by partners to aid impacted agricultural producers throughout the province in a variety of small-scale events:
  - Monitoring provincial events through the freshet and wildfire season and reporting agriculture industry impacts, providing direct support to producers and responding agencies accordingly.

- Deploying staff to BCWS led Incident Support Groups (ISG) three times during the wildfire season to provide advanced planning support from an agriculture industry perspective.
- Supporting and monitoring incidents involving livestock trailer collisions throughout the province, including providing disposal support for deceased animals.
- Providing agricultural industry expertise to Ministry of Environment and Climate Change Strategy with the recovery and disposal of a deceased cattle herd that fell through the ice of Okanagan Lake in late December, as well as conducting outreach to the affected rancher and their First Nation community.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

- Historically, response to emergency events has been managed through the
  development a seasonal response roster of Ministry volunteers (approximately 60+
  members per season) and specialist staff (veterinary, livestock and poultry specialists,
  Premises ID/GIS, etc.) to support animal disease and other events. The seasonal roster
  provides assured support during peak response periods (i.e., wildfire season, freshet
  flooding).
- As a result of the increase in demand and expectations on Ministry resources, additional staff have been hired to directly support the Ministry's emergency management activities. The EMB has been formed and consists of seven full-time staff dedicated to ensuring the Ministry is able to meet its legislative responsibilities according to the Emergency Program Act.

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# **Farmer Information Service**

### **RECOMMENDED RESPONSE:**

- The Farmer Advocate Office (FAO) expired in 2018 after serving the Peace region since 2010. The FAO officially closed July 1, 2019.
- A new contract, with a new service provider was in place December 1, 2020, to launch the Farmer Information Service (FIS). The contract was initially extended to March 31, 2022, and then subsequently extended to March 31, 2023, under a reduced workplan and budget.
- 2021 saw limited use of the FIS because of multiple factors including the downturn in the oil and gas sector, Covid-19, and the ongoing work to develop assessment and management processes related to cumulative impacts of industrial development following the Blueberry River First Nations (Yahey) ruling. This reduced demand informed the revised workplan and budget used in the 2022-2023 fiscal year.
- Although there has been limited use of the service over the past two years, the longerterm value of the FIS is recognized.
- The Ministries of Agriculture and Food (AF) and Energy, Mines, and Low-Carbon Innovation (EMLI) are exploring continuing the service at the current (downsized) scale to match existing demand. However, staff will actively monitor the demand and will increase FIS if required.

- In 2009, EMLI, AF, and the Peace River Regional District (PRRD) started a project to provide landowners with information to help them understand surface leases and right of way access with the oil and gas industry with the intention of improving the relationships between rural residents and the oil and gas sector.
- Funding for the management and implementation of the FAO was cost shared by EMLI and the PRRD between 2010 and 2018, where each party provided 50 percent of the funding to the maximum program costs of \$270,000 per year.
- This cost sharing agreement expired in June 2018. At that time the PRRD Board asked that EMLI and AF take on the full responsibility of funding the FAO.
- In 2019, the delivery mechanism was re-evaluated during which the FAO was not active.
- EMLI, AF, and PRRD recognized the value that the initiative provided to landowners and worked on updating the functions of the office to reflect evolving operational needs.
- On February 4, 2020, AF, EMLI, and PRRD signed a Memo of Understanding (MOU) to revitalize this important service.
- Highlights of the changes included:
  - Changing the name from the FAO to the FIS to reflect the overall mandate to be a source of information for rural landowners.
  - FIS management continued through a management committee.

- AF took on the administrative functions of the FIS including drafting of the MOU, overseeing the procurement process, and holding the contract with the successful proponent.
- The FIS was implemented for a two-year period to a maximum program cost of \$180,000 per year. The annual budget was cost-shared with the following contributions: EMLI \$60,000, AF \$60,000, PRRD \$30,000, and the BC Oil and Gas Commission (OGC) \$30,000.
- The contractor (Maria Reschke) was contracted from December 1, 2020, to March 31, 2022, under the cost share agreement outlined above.
- The contract was further extended from April 1, 2022, to March 31, 2023, under a revised service model reflecting decreased oil and gas activity in the 2021-2022 fiscal year and with an updated budget of up to \$78,000, evenly cost shared between EMLI and AF.
- The PRRD and the OGC did not participate in the April 1, 2022, to March 31, 2023, cost-share.

# **CROSS JURISDICTIONAL COMPARISON:**

- This is a collaborative contract between AF and EMLI as within British Columbia many entities have connection to oil and gas activities on agricultural lands.
- In Alberta, a public agency known as the Farmers' Advocate Office supports farmers and ranchers in several topic areas including utilities, surface rights, rural disputes and consumer protection.
- In Saskatchewan, the Surface Rights Board of Arbitration is an arbitration board which serves as last resort when agreements for surface access to private land cannot be reached between landowner/occupant and oil, gas, or potash operators. It is unknown if additional entities have associated roles in Saskatchewan.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 Annual expenditure from AF for the 2022-2023 fiscal year, and moving forward, to support the Farmers Information Service (FIS) is a current maximum of \$39,000 per year. The total cost of the contract was \$78,000 over the 12- month period. Staff will monitor the situation to determine if demand increases and if corresponding additional support is required.

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## FARMERS INSTITUTES

### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) has invested in supporting a network of Farmers Institutes across B.C.
- The Ministry continues to support Farmers Institutes through funding to maintain and update the BC Farmers Institutes website.
- The Ministry operates and funds programs that offer support to both individual Farmers Institutes and their members in relevant topic areas including knowledge transfer, climate mitigation and adaptation, new entrants, business planning, environmental sustainability, risk management and traceability.
- Ministry staff across the province regularly connect with members of Farmers Institutes about programs and opportunities of interest.

### **BACKGROUND:**

- Farmers Institutes are independent organizations that may be incorporated or continued under the *Farmers and Womens Institutes Act*. They are similar to but distinct from Societies incorporated under the *Societies Act*.
- Farmers Institutes have existed since the late 1800s under a variety of legislation. Institute and member numbers have declined overall in past decades as other forms of farm organizations have arisen and as the farm population has declined. However, some regions have recently seen increased interest in Farmers Institutes.
- Approximately 44 Institutes with an estimated total of 1,650 members are or were recently in good standing under the *Farmers and Womens Institutes Act*. Membership is diverse but may include a mix of farmers and non-farmers within an Institute's area.
- Institutes vary widely in size, composition, interests, and level of activity.
- The Minister convened standalone BC Farmers Institutes events in 2018 and 2019 to provide opportunities for Institute representatives to interact and share information directly with each other. Ministry staff coordinated and facilitated these events.
- The Ministry funded development and operation of a non-government web platform in 2019 to allow Institutes to connect to and share information more easily with each other and the public.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• The Ministry provided approximately \$22,000 in 2018 and \$20,000 in 2019 to support standalone BC Farmers Institutes events convened by the Minister.

# ESTIMATE NOTE- FISCAL 2023/24

# Ministry of Agriculture and Food

Confidential Advice to Minister

- The Ministry provided approximately \$41,000 for the design and development of the BC Farmers Institutes website in fiscal year 19/20 and an additional \$5,000 for website maintenance and updates in each of fiscal years 20/21, 21/22 and 22/23.
- Website maintenance and updates budget for fiscal year 23/24 is \$5,000.
- Multiple Ministry staff engage with and support Institutes regularly via an appointed Superintendent to administer the legislation; annual reports receipt and filing; knowledge transfer events; information gathering and dissemination.

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# **Rising Input Costs / Inflation**

#### **RECOMMENDED RESPONSE:**

- Global inflation for costs such as feed, fuel, fertilizer, and other inputs has had significant impacts for B.C.'s producers, processors, and the entire supply chain.
- A wide array of agriculture related programing is supported by both the Province and Government of Canada including the Canadian Agricultural Partnership (CAP) to strengthen the agriculture and agrifood sector.
- For primary producers, the AgriStability program is available to help manage significant financial risks, such as rising input costs or declines in revenue, that threaten the viability of their farm and are beyond their capacity to manage.
- While AgriStability may provide some temporary relief from higher input costs, these
  programs are not designed nor intended to provide ongoing support for long-term
  changes in market realities.
- Currently discussions are underway regarding the Sustainable Canadian Agricultural Partnership (SCAP), a new five-year (2023–2028) investment by federal, provincial, and territorial governments to strengthen and grow Canada's agriculture and agrifood sector. It will replace the current agreement, CAP, which ends March 31, 2023.
- To enhance economic sustainability, the federal, provincial, and territorial (FPT)
  ministers of Agriculture agreed to raise the AgriStability compensation rate from 70 to
  80 percent.
- B.C. is a strong advocate for national program improvements and will continue its work with federal, provincial, and territorial partners to improve AgriStability nationally. We will continue to consult with industry on a new AgriStability model that will be faster, simpler, and more predictable.

#### **BACKGROUND:**

Producers and processors from across the province have experienced rising input costs.

- Costs of agricultural equipment and production inputs including fertilizer, fuel, and pesticides have seen large increases.
- Costs of value-added/processing inputs including ingredients, packaging and distribution have seen large increases.
- Several factors have contributed to these higher costs and include but are not limited to: increased demand; production shortages; increased costs of production and processing including higher costs for labour; supply chain disruptions due to COVID-19; geopolitical sanctions; and increased costs of transportation and distribution.
- Although input costs have increased, commodity prices (particularly grain) have increased significantly as well. As a result, the sharp rise in input costs may be offset by an increase in farm revenue through higher commodity prices, in these situations government support is not warranted.

- For food processors, costs for raw ingredients, processing labour and packaging have also increased significantly, with manufacturers reporting a 35 percent rise in input costs since 2020 (Food, Health & Consumer Products of Canada).
- B.C.'s 2,500 food and beverage processing companies are predominantly small businesses; disruptions and cost increases are felt acutely in B.C.'s processing supply chain because of the perishability of ingredients and products and the high relative value of their goods.
- Government is working closely with the food and beverage processing industry to understand cost increases and other supply chain impacts and responses:
  - o Regular, ongoing communication and updates with industry associations.
  - Studies and resource guidance on supply chain resilience and managing risk for the food and beverage processing sector (including the Ministry of Jobs, Economic Development and Innovation, and BC Food & Beverage).

For farmers, the primary financial supports available to help cope with increased costs are:

- AgriStability: Program benefits are calculated using income and expense data from farm taxes and provided by the Canada Revenue Agency. A payment is made if the net income (margin) in the claim year falls more than 30 percent below the average of prior years.
  - Large financial losses in a program year are mitigated by AgriStability, allowing producers to adapt to production and market signals. AgriStability does not, provide ongoing support for long term shifts in markets or costs.
  - Under SCAP the AgriStability compensation rate will be increased from 70 to 80 percent. In addition, the FPT ministries have agreed to develop a new AgriStability model that will be faster, simpler, and more predictable. The key components of a revised model are: simplified fees, earlier deadline dates, and determining program year margins from program year production and thus abandoning inventory adjustments.
  - Provincially, the Ministry's Business Risk Management Branch is implementing an enhanced service model for producers' self identifying as being in a loss situation. The process will make the claim process more intuitive for the client by mirroring the insurance notification of loss process utilized under home, auto and crop insurance.
  - Federal Advance Payments Program (APP) provides farmer access to additional cash flow at the start of the production cycle to ensure farmers can purchase inputs to maintain production. APP provides access to affordable credit through cash advances of up to \$1M based on the expected value of the agricultural product. In June 2022, the Minister of Agriculture and Food announced a temporary increase to the interest free limits for advances under the APP with the limit increasing from \$100,000 to \$250,000 for the 2022 and 2023 program years.
  - Farm Credit Canada (FCC): Farmers may also secure a commercial line of credit.
  - APP and FCC required farmers to enroll in AgriStability and AgriInsurance as security on loans. AgriStability is a low-cost business risk management program that helps farmers

manage large declines in net farming income due to increased costs of production, including increased costs of fuel and fertilizer.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

## **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

N/A

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# Feed BC and K-12 School Food Mandate

#### **RECOMMENDED RESPONSE:**

#### FEED BC

- The Ministry of Agriculture and Food (the Ministry) leads government's Feed BC initiative to increase B.C. food in public institutions and shift more institutional food spending to British Columbia (B.C.) food.
- In addition to opportunities for B.C.'s agriculture and food sector, Feed BC helps grow food system resilience, local jobs, and economic diversification across the province.
- Feed BC in K-12 schools was included in the 2020 and 2022 mandate letters to the Minister to support the work of the Ministry of Education and Child Care (ECC) to ensure students properly fed for learning and to integrate Feed BC for districts to include local food in school food programs.
- Together with ECC, Feed BC in K-12 will include working with school districts, Indigenous, non-profit and community partners to comprehensively integrate local food into all relevant aspects of the enhancement of school food programs across B.C.
- Enhancing school food programs across the province aligns with current government
  priorities of addressing affordability, poverty reduction, and greater provincial food
  supply security and business growth. Additional delivery partners for school food
  include the ministries of Health (HLTH) and Social Development and Poverty Reduction.
- Results from a Feed BC study using the B.C. Input-Output model show the total
  economic benefits of shifting more institutional food spending to B.C. food. Every
  institutional dollar spent on B.C. food creates a two-fold impact (up to 2.2 times the
  expenditure) to B.C.'s economy including new local jobs and GDP.
- Feed BC partnerships with public institutions help agriculture and food businesses participate in B.C.'s \$415M per year institutional food service market.
- Our government and public sector partners are a key part of our success.
- Together with the Ministry of HLTH, Feed BC supports all six health authorities and with the Ministry of Post-Secondary Education and Future Skills (PSFS), Feed BC supports 20 public post-secondary institutions to increase their proportion of B.C. food spending.

#### K-12 Mandate

- The Ministry is working closely with the Ministry of Education and Child Care (ECC) to support joint mandate commitments that will ensure students are properly fed for learning and integrate Feed BC to include local food in school food programs.
- Integrating Feed BC into school food programs will provide greater opportunities for B.C. food producers and processors, as K-12 schools shift to more B.C. food over time.

# BC School Fruit and Vegetable Nutritional Program (BCSFVNP)

• The BC School Fruit and Vegetable Nutritional Program (BCSFVNP) is a separate, long-

- standing B.C. government healthy eating snack food initiative that aligns with Feed BC.
- Since 2005, HLTH has provided funding to B.C. Agriculture in the Classroom, a non-profit charitable organization, to administer the BCSFVNP to provide fresh B.C.-grown fruit and vegetable snacks to K-12 students plus milk for K-5 students once per month, with 95 percent of the products purchased for the BCSFVNP grown/processed in B.C.
- Decisions about 2023/24 funding for the BCSFVNP rest with HLTH.

### **BACKGROUND:**

### FEED BC SUCCESS

- Feed BC was a 2017 Minister mandate letter commitment that was renewed and expanded in 2020 and 2022 Minister mandate letters. It works in partnership with ministries, public institutions, and supply chain partners to increase the use of B.C. grown and processed foods in hospitals, schools, and other government facilities.
- Expansion of the Feed BC program also helps the Ministry support ECC's school foods mandate and integrate Feed BC and local food in expanded school meal programs.
- Feed BC works within existing trade agreements and provincial policy to help public institutions advance local food work that reflects their interests and communities.

#### FEED BC IN HEALTH CARE

- Feed BC helped HLTH develop their 2019 policy directive to health authorities to track
  their food spending towards the 30 percent Feed BC target, supported health
  authorities in finding more B.C. food products, and supported B.C. producers and
  processors to access the health care food services market through new networks (e.g.,
  Feed BC Champions network) partnerships (e.g., coaching and listing support from
  Sysco Canada), and business development and market readiness programs.
- For 2020/21, health authorities reported an average of 28.8 percent of food expenditures on B.C. foods including product switches to beef, chicken, juice, and fresh/frozen vegetables and berries<sup>1</sup>. Results for 2021/22 are expected by the end of March 2023.
- Feed BC supported the Provincial Health Services Authority to include new local food and Feed BC targets and criteria in their 2022 food RFP procurement process.

#### FEED BC IN POST-SECONDARY

- In partnership with PSFS, Feed BC is helping post-secondary institutions (PSIs) build local food actions across B.C.
- 12 PSIs were able to report on their local food tracking in 2021/22, the first year of the Feed BC partnerships with 20 PSIs, providing a local food purchasing benchmark for future years. The 12 PSIs expended a total of \$4.9M on local foods, despite pandemic impacts to on-campus food purchasing (many students continued with virtual learning).

<sup>&</sup>lt;sup>1</sup> Results of B.C. food expenditure tracking across B.C. health authorities (average per year): Year 1 (2018-2019): 27.3%; Year 2 (2019-20): 30.8%; Year 3 (2020-21): 28.8% (pandemic and supply chain issues); Year 4 (2021-22): results are expected in late March 2023.

- This total represented an average of 41 percent B.C. food spending across the reporting PSIs, with a majority meeting or exceeding the Feed BC 30 percent minimum target.
- Working in partnership with Feed BC and PSIs, Ryan Company piloted new 10 percent B.C. food vending machines on six PSI campuses across B.C. in 2022.

### FEED BC IN OTHER PUBLIC INSTITUTIONS

Additional Feed BC partnerships with other ministries and sectors include:

- Public Safety and Solicitor General and all ten B.C. Correctional Centres, which have included Feed BC and local food criteria in a 2022 food procurement RFP and in a draft contract developed for the successful proposal.
- Ministry of Citizens' Services (Feed BC continues to be a priority action in provincial procurement strategies).

# **CROSS JURISDICTIONAL COMPARISON:**

- B.C. is becoming increasingly known within the public and private sectors as a lead 'local food' jurisdiction in Canada. Feed BC's 'whole supply chain' approach to building demand, supply and innovation is recognized as unique, comprehensive, and robust.
- In Canada, Ontario and New Brunswick are currently involved in initiatives in-line with Feed BC's objectives, and in 2020 Quebec launched a provincial strategy for local foods in public institutions.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Feed BC staff resources include five Full Time Equivalent (FTEs) (two in Institutional Partnerships & Strategies and three in Value Chain Innovation) plus two co-op students.
- Feed BC's STOB 60/80 programs and initiatives budget is \$565K.

Cabinet Confidences

Note: the Ministry provides no funding for the SFVNP, however the program is a \$3M market for B.C. food in B.C. schools annually.

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# **Food and Beverage Processing**

### **RECOMMENDED RESPONSE:**

- B.C.'s food and beverage processing sector is the second largest manufacturing sector<sup>1</sup> in the province for sales.
- The food and beverage processing sector supports jobs, economic opportunities, and small business growth in every region of the province, including rural, remote, coastal, and Indigenous communities.
- B.C.'s strength in food and beverage processing can be attributed to high quality products, strong food safety standards, geographic proximity to the U.S. and Asian markets, and the diversity of products.
- B.C.'s food and beverage processing sector has experienced many supply chain challenges over the last three years due to the pandemic, wildfires, floods, energy prices, global supply chain disruptions, and market dynamics. The B.C. government has worked hard to support agriculture and food businesses to adapt to drastic and quickly changing circumstances.
- The Ministry of Agriculture and Food (Ministry) is working closely with industry and other government partners to grow processing capacity, encourage local inputs, and promote industry growth and competitiveness through increased investments in key areas:
  - B.C. LEAN Program for Food Processors to support companies in increasing their process efficiency.
  - Regional skill training workshops to enhance food and beverage processors' ability to strengthen the viability of their business.
  - Undertaking a capacity and competitiveness assessment of B.C. seafood processing sector to understand sector needs and opportunities.
  - o Partnering with industry on a B.C. co-manufacturing capacity study for the plant-based protein sector.
  - Completing a B.C. beverage sector framework to understand sector needs and opportunities including for partnering with industry.
  - o Supporting B.C.'s abattoir sector in developing a multi-year strategic plan.
  - o Regular, ongoing communication and updates with industry associations.
- Other Ministry food processing related programming is supported through the Canadian Agricultural Partnership (CAP) agreement including for business development, marketing, innovation, food safety and traceability.
- Negotiations are underway for a new Sustainable CAP (SCAP) agreement to strengthen and grow Canada's agriculture and food sector, to replace the CAP which ends March 31, 2023.

<sup>&</sup>lt;sup>1</sup> The Ministry of Jobs, Economic Development and Innovation defines manufacturing sectors differently and lists food and beverage manufacturing as the #1 manufacturing sector in B.C.

#### **BACKGROUND:**

- B.C.'s food and beverage processing sector comprises 3,200 establishments and supports over 40,000 jobs.
- The sector generated an estimated \$12.6B in 2021, a 13.4 percent increase over 2020.
- The sector accounted for 60 percent of B.C.'s total agriculture, seafood and food and beverage processing industry GDP in 2021, with contributions totaling \$3.6B.
- B.C. exported agriculture, seafood, and food and beverage products worth \$5.1B to 151 different international markets in 2021.
- B.C. Food and beverage processing exports have grown in value an average of 7.7 percent a year since 2017.
- BC Food and Beverage and Small Scale Food Processor Association are two primary industry associations that provide sector perspectives to the Ministry. The Ministry also works with other industry associations representing all the sub-sectors of the industry.
- B.C. food and beverage processing sector includes, but is not limited to, processed dairy, meats, vegetables, fruits, seafood, baked goods, beverages, and alternative proteins.
- B.C. food processing facilities are largely concentrated in the Lower Mainland, Okanagan and Vancouver Island.

## **CROSS JURISDICTIONAL COMPARISON:**

• In 2021, B.C. ranked third among provinces in Canada in beverage processing sales and fourth in food processing sales.

- There are four FTEs in the Ministry's Food and Beverage Processing team and one co-op student. Additionally, a number of other staff resources and program budgets across the Ministry directly or indirectly support food and beverage processors.
- The project budget was \$570K for food and beverage processing initiatives in 2022/23; \$420K was funded by the Canadian Agricultural Partnership and \$150K base funding.

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### **BC Food Hub Network**

### **RECOMMENDED RESPONSE:**

- Through the BC Food Hub Network program (Network), the Ministry of Agriculture and Food (the Ministry) fosters incubation and innovation in B.C.'s food and beverage processing sector with improved business access to facilities, equipment, technology, technical services, and business support.
- The Network is comprised of thirteen regional food hubs and an Endowed Food and Beverage Innovation Professorship (professorship), currently held by Dr. Anubhav Pratap Singh, at the University of British Columbia Vancouver campus.
- The program is developed and supported in collaboration with industry, communities, and post-secondary institutions and supports regional and sector diversity in B.C.
- Food hubs are commercial shared-use food and beverage processing facilities that
  provide new and small-scale food, agriculture, and seafood businesses with access to
  processing space, equipment, expertise, and resources.
- Food hubs help stimulate local economies through business and job creation, attraction, and retention, and improve food processors' business readiness and capacity to grow and access markets.
- Through the food hubs, we are adding value to locally sourced primary products and taking advantage of the different resources each of our communities has to offer.
- In 2022/23, the Ministry continued to support the development and next-stage growth of thirteen Ministry-funded food hubs and worked to strengthen programs including:
  - Funding for a new full-scale food hub in Summerland the Okanagan Food and Innovation Hub – which will benefit the South Okanagan-Similkameen region;
  - Funding for Sprout Kitchen Food Hub in Quesnel to transition to a full-scale food hub including a distribution service serving 400 km<sup>2</sup> around the community;
  - Completion of the Central Kootenay Food Processing and Innovation Hub;
  - Support for food hub feasibility studies and capacity-building initiatives on Salt
     Spring Island and in Central Saanich, Tea Creek, and the District of Saanich; and
  - o Funding for a range of activities to support food hub operations and growth.
- The BC Food Hub Network provides essential support for rural economic development and food security by creating new opportunities for producers and food processors while connecting more British Columbians to local food.

#### **BACKGROUND:**

The Network supports the Minister of Agriculture and Food's Mandate Letter
Commitment to "grow our economy, reduce costs, reduce greenhouse gas emissions,
and increase food security for British Columbians by working with partners to increase
food processing in B.C. while increasing innovation in food processing in the province,
and supporting export opportunities" and "continue to support the Grow BC, Feed BC,
and Buy BC programs to encourage greater food security, regional business growth,
and access to local food."

- The professorship leads academic and applied industry research in food and beverage processing and develops partnerships with other post-secondary institutions. The professorship was funded by the Ministry in place of Ministry funding that had been committed for a Food and Beverage Innovation Centre at the University of British Columbia that was delayed for several years.
- BC Food Hub Network funding was awarded from 2018-22 for:
  - Three full-scale and two small-scale food hubs (\$3.8M) and twelve feasibility studies/business plans (\$517K) funded through base budgets;
  - Six full-scale and one small-scale food hub (\$5.26M) and one feasibility study (\$50K) funded through the StrongerBC Economic Recovery Plan.
- The Ministry funded a range of activities to support Network expansion, including:
  - o Launching the BC Food Hub Forum Series to support managers operating hubs;
  - Developing support tools such as common standard operating procedures and food safety protocols for shared-use facilities;
  - Creating hub videos and print materials to inform local food processors and help hubs recruit new client businesses for long-term sustainability;
  - Supporting a new processors training pilot program (pilot is with Zest Commercial Food Hub in Salmon Arm) for food hubs;
  - Continued support of a Seed Hub Pilot to ensure seed security in BC. (establishes seed-saving equipment and services in several hubs in B.C.)

# **CROSS-JURISDICTIONAL COMPARISON:**

• B.C. is a leader in food and beverage processing innovation and the Food Hub Network is an innovative model new to Canada.

- BC Food Hub Network expenditures in 2022/23 were \$1.038M.
- There are two FTEs in the Ministry's Food Hub team.

District of Summerland full-scale food hub	\$400,000
Sprout Kitchen (Quesnel) food hub expansion	\$250,000
Central Kootenay food hub completion	\$25,000
Feasibility studies & business development initiatives	\$165,000
BC Food Hub Network forum series	\$60,000
Program-wide support tools pilot project	\$15,000
BC Food Hub Network partner materials project	\$70,000
New processor training pilot project	\$7,500
BC seed hub pilot project	\$45,700
Total	\$1,038,200

# ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

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## **Food Inflation**

#### **RECOMMENDED RESPONSE:**

- Food prices in B.C. and across Canada are expected to continue to rise. Across Canada a
  five to seven percent food price increase is expected in 2023, with the most substantial
  increases in vegetables, dairy, and meat.
- The causes of food inflation and rising cost of food for consumers are multi-faceted and due to a range of interacting global and market trends including climate change, rising energy costs, geopolitical conflicts, rising input costs for farmers and food processors, trade agreements, consumer debt and expenditures, and remaining effects of COVID-19.
- The B.C. government and the Ministry of Agriculture and Food (Ministry) have limited influence over the multitude of global economic and political trends driving food inflation.
- Food inflation and rising food prices have direct impacts on food insecurity in B.C.
- Supporting and improving provincial food security and strengthening our Provincial food system through increased food supply is fundamental to the Ministry's mandate.
- The Ministry's key role with respect to food security is delivering services and programs
  to support the stable, sustainable, and safe production, processing, supply and
  distribution of agriculture and food products in B.C. and beyond.
- The Ministry recognizes that addressing food inflation and improving food security requires cross-Ministry coordination. To support action, the Ministry co-chairs, with the Ministry of Health and the Ministry of Social Development and Poverty Reduction, a cross-government staff-level Food Security Steering Committee (committee).
- The committee is currently working towards the development of a long-term, coordinated approach to food security that responds to the complexity of the issue across sectors.
- To guide long-term food security planning and action, the committee is leading the
  development of a provincial food security framework. The framework will outline how
  the B.C. government can help address food security across B.C. communities, in
  partnership with local governments, the federal government and other organizations
  and sectors.
- The Ministry will continue to prioritize food security within our mandate and to work
  across Ministries to advance a coordinated approach to addressing the impacts of food
  inflation and advancing food security.

### **BACKGROUND:**

#### **Food Inflation**

- Food inflation is the progressive increase in the value of all food goods.
- Food price rise is the increase in the price of a product at the retail level.

- Canada's 2023 annual Food Price Report<sup>1</sup> produced by post-secondary research partners across Canada, reported the following:
  - Consumers can expect food prices rise by five to seven percent in 2023, with the most substantial increases in vegetables, dairy, and meat.
  - The report forecasts that an average family of four will spend up to \$16,288 per year on food, an increase of up to \$1,065 from what was observed in 2022.
  - See Rising Input Costs Estimates note for more details on impacts to B.C. agriculture and food producers and processors.

### Food Security

- Food security means that everyone has equitable access to food that is affordable, culturally preferable, nutritious and safe; everyone has the agency to participate in, and influence food systems; and that food systems are resilient, ecologically sustainable, socially just, and honour Indigenous food sovereignty (BC Centre for Disease Control current definition).
- The Ministry's key role in food security is delivering services and programs to support the stable, sustainable, and safe production and processing of agriculture and food products in B.C. and beyond. Key examples include: the Ministry's Grow, Feed, Buy BC Programs and the BC Food Hub Network Program

### Food Insecurity

- Food insecurity exists when factors outside an individual's control negatively impact their access to enough foods that promote wellbeing.
- In 2020, 14.9% of people living in B.C. experienced food insecurity.
- Food insecurity is largely an income issue; however, it is also affected by transportation, mobility challenges, social isolation, and the rising cost of food and other core expenses such as housing and utilities.

### Cross-Government Food Security Steering Committee

A cross-government Food Security Steering Committee (committee) was convened in 2020.
 Co-chaired by the ministries of Social Development and Poverty Reduction, Health, and
 Agriculture and Food, it supports a coordinated government approach to food security.

# **CROSS JURISDICTIONAL COMPARISON:**

- Inflation, rising costs of food, and growing food insecurity is occurring across jurisdictions.
  - According to the 2022 Hunger Count published by Food Banks Canada, food bank use has increased in Canada by 15%. Food affordability is a nationwide problem affecting 5.8M Canadians (1.4M children) living in food-insecure households.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 None – there is currently no specific Ministry program, staff resourcing, or budget dedicated to food inflation.

<sup>&</sup>lt;sup>1</sup> Canada's Food Price Report 2023

# ESTIMATE NOTE- FISCAL 2023/24

# Ministry of Agriculture and Food

Confidential Advice to Minister

• Program expenditures across the Ministry contribute to supporting a resilient agriculture and food sector that can grow B.C.'s food supply and contribute to food security.

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# **Greenhouse Carbon Rebate Tax Program**

### **RECOMMENDED RESPONSE:**

- The Greenhouse Carbon Tax Relief Grant (GCTRGP) is a program that rebates
   80 percent of carbon tax on eligible fuel purchases and focuses on commercial vegetable, floriculture, wholesale, and forest seedling nursery greenhouse operations.
- This program provides relief to our greenhouse and floriculture growers and helps them to remain competitive with other Canadian and international jurisdictions, who have either similar programs or lower carbon taxes. The British Columbia (B.C.) greenhouse and floriculture industry employs about 5,000 British Columbians.
- The program is fully expended annually, with demand from commercial vegetable and horticulture growers using all the available budget.
- This program is being phased out as an 80 percent exemption to carbon tax for eligible greenhouse operations will be implemented on April 1, 2023, by the Ministry of Finance.
- Since the carbon tax exemption will not be implemented until April 1, 2023, the GCTRGP will be providing rebates to offset the carbon tax paid by greenhouse and floriculture industry between January and March 31, 2023.
- Cannabis production has not been covered by the program because they have not faced the same ongoing competitive disadvantages that B.C.'s greenhouse vegetable and horticulture producers have experienced with growers in other jurisdictions.

### **BACKGROUND:**

- The GCTRGP began as a pilot in 2012, and was made permanent in 2013, to help offset carbon tax costs.
- The GCTRGP provided eligible B.C. commercial greenhouse operators with a grant to offset a current production year's carbon tax expense for natural gas and propane used for heating and generation of carbon dioxide. The grant for a current production year is limited to 80 percent of the carbon tax paid in the previous calendar year.
- As part of the initial supports in response to the COVID-19 pandemic the planned carbon tax rate increase for April 1, 2020, to \$45 per tonne was delayed until April 1, 2021. Annual \$5 per tonne increases have resumed since.

Year	Carbon tax rate
2017	\$30/ tonne
April 1, 2018	\$35/ tonne
April 1, 2019	\$40/ tonne
April 1, 2021	\$45/ tonne
April 1, 2022, onwards	\$50/ tonne

- On November 5, 2022, the BC Greenhouse Growers' Association, United Flower Growers' Co-operative Association, and BC Landscape and Nursery Association submitted a report to Ministers of Finance, Agriculture and Food, and Environment on the transition to a Carbon Tax Point-of-Sale Process for the B.C. Greenhouse Industry. The Minister of Finance responded at the time with a letter saying that the process was under review by the Ministry of Finance as part of the ongoing budget process.
- The Program supports the Province's commercial greenhouse industry, which requires carbon dioxide and purposefully produces it for plant growth. The program enables B.C. producers to remain competitive with producers in other jurisdictions, who are not subject to a carbon tax, and encourages the reduction of greenhouse gas emissions.
- The GCTRGP benefits over 190 B.C. commercial greenhouse vegetable, floriculture, wholesale landscape nurseries, and forest seedling operations. Cannabis is not an eligible crop at any phase of production, including propagation.
- To qualify for a grant, an applicant must be an eligible B.C. commercial greenhouse operator during the current production year, submit a completed application form and submit required documentation to AF. Applicants must also have had sales exceeding \$20,000 in the previous calendar year; used natural gas or propane to heat their greenhouses or produce carbon dioxide; and had a production area greater than 455 square meters.
- In fiscal 2023/24 the GCTRGP is transitioning from the current rebate program to an exemption, which takes effect on April 1, 2023.

  The 2023 program intake, to compensate for the first 3 months of 2023 before the exemption is implemented, is anticipated to be open for applications by April 2023. After the 2023/24 budget was announced on February 28, 2023, the BC Greenhouse Growers' Association raised the concern that because the GCTRGP used previous consumption year data to calculate the current year's grant, inadequate assistance had been provided for the 2022 program year. Due to lower than normal temperatures 2022 consumption was higher than 2021, so the 2022 compensation paid would possibly have been less than the actual amount of tax paid. Using a previous consumption year data to calculate the current year's grant was done so that the grant payments could be provided before the majority of the current program year's consumption had been incurred. A retroactive adjustment is not warranted as the adjustments would have to also be applied to instances when the grant may have been higher than a greenhouse's actual consumption expense.

# **CROSS JURISDICTIONAL COMPARISON:**

- The federal government implemented a carbon tax and exemption program for provinces and territories that did not previously have carbon pricing schemes that met federal requirements (i.e., Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Yukon, Nunavut).
  - Greenhouse operators in these specific provinces can apply to Canada Revenue
     Agency for a Fuel Charge Exemption Certificate, under Section 36 of the

Greenhouse Gas Pollution Pricing Act, to receive an 80 percent relief from the fuel charge on natural gas and propane for growing plants.

 B.C. will now be aligned with the federal program as of April 1, 2023 in offering an 80 percent exemption, instead of a rebate.

- The Program is fully expended each year. In fiscal 2022/23, the budget was \$7.55 million. The GCTRGP returned approximately \$12.615 million to commercial greenhouse operators in 2022/23.
- The Ministry of Agriculture and Food estimates the 2023/24 program disbursement to be approximately \$5.6 million to compensate for the final three months of carbon tax paid before the exemption program is implemented.

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# **Grocery Code of Conduct**

### **RECOMMENDED RESPONSE:**

- B.C. producers and food processors (particularly small and mid-sized) have shared their concerns regarding the impacts of retailer practices and fees on their profitability.
- We are pleased to see the progress industry continues to make on the development of a Grocery Code of Conduct.
- It is important to note the code will not address all pressures facing the food supply chain.
   These issues are very complex and need to consider a variety of conditions and perspectives.
- I agree with the principles behind the code. It will be important that the code and its implementation provide greater transparency and certainty to B.C. suppliers in contractual arrangements with grocery retailers, and that all grocery retailers across the country are full participants.

### **BACKGROUND:**

•	Two major retailers, Walmart and Loblaws, announced supplier surcharges in Octobe 2020. These were the latest in a series of "retail fee" increases across the grocery sector in
	recent years, Advice/Recommentations Advice/Recommentations

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# ESTIMATE NOTE- FISCAL 2023/24

## Ministry of Agriculture and Food

Confidential Advice to Minister

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Intergovernmental Communications

- The industry-led process was launched in August 2021 with a Steering Committee
  - Facilitation provided by Agriculture and Agri-Food Canada (AAFC) and Quebec Ministry of Agriculture, Food and Fisheries (MAPAQ)
- Intergovernmental Communications

#### •

#### **B.C. Context:**

- B.C. has the highest rate of independent retailers across Canada. Independent retailers are seen as an incubator for local products and have stated a strong commitment to purchasing from local producers. B.C.'s independent retailers have expressed the need for any Code of Practice to apply equally to both suppliers and retailers to address growing concerns about fair or reliable product supply.
- During engagement with B.C. producers, processors, wholesalers, and retailers, there was
  consensus on the complexity of the issues and need to address challenges in the food
  supply chain. Engagement also showed that there is a lack of consensus on both the
  impact of fees on business profitability, innovation, and growth as well as any proposed
  path forward to address these challenges.

### **Draft Code of Conduct Proposal:**

Intergovernmental Communications

Intergovernmental Communications

### **Current State/Next Steps:**

Intergovernmental Communications

Advice/Recommentations

# **CROSS JURISDICTIONAL COMPARISON:**

- All FPT governments are engaged on this topic at the respective FPT tables.
- Quebec and Canada serve as co-chairs on the FPT Retail Fees Working Group.

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

N/A

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### **Grow BC**

### **RECOMMENDED RESPONSE:**

- Grow BC supports sustainable production by helping B.C. producers expand local food production and business growth.
- As a key strategy under Grow BC the Ministry of Agriculture and Food (AF) delivers, in partnership with the Young Agrarians, the BC Land Matching Program.
- Grow BC also includes programs to enhance sustainable production through the adoption of new and existing technology and regenerative practices to ensure food security within B.C.
- AF regional extension services also support by Grow BC by providing support to increase on-farm profitability, grow the sector, promote environmental sustainability, and enhanced public trust and agriculture awareness.
- The Agriculture Land Reserve (ALR) and AF support to local governments through the Strengthening Farming Program also help ensure land is available for farming.
- Grow BC Seed, Plant Breeding and Variety Trials Initiative engages farmers, industry
  associations, and academia in producing and commercializing locally relevant seed and
  crop varieties that will allow B.C. producers to adapt and succeed in meeting changing
  consumer demands, labor challenges, and changing climate conditions.

### **BACKGROUND:**

- Grow BC is a pillar of the Grow, Feed, Buy BC mandate focused on supporting sustainable, profitable, and expanded primary production in B.C.
- The initial mandate focused on "building sustainable production and help BC producers
  expand local food production" through the following six key initiatives: Access to land for
  new and young farmers, modernized extension services, industry renewal,
  revitalization of the ALR, seafood and aquaculture and climate adaptation and
  mitigation.
- Enhanced Grow BC mandate focuses on "to encourage greater food security and local business growth" through three sustainability pillars:
  - o Economics: Industry Renewal and Competitiveness,
  - Environment: Sustainability,
  - Capacity: Industry Capacity & Human Capital.
- Grow BC is a comprised of a suite of ministry core work, initiatives, and programming as opposed a singular program such as "Buy BC". These include:
  - The Environmental Farm Plan program supports farmers to complete on-farm risk assessments and access cost-share funding to mitigate environmental risks.
  - Regional services provide extension that supports on-farm profitability, grow the sector, promote environmental sustainability, and enhanced public trust and agriculture awareness.
  - The Ministry also supports climate adaptation and mitigation through the creation of Regional Adaptation Strategies and implementation of regional

- adaptation projects as well as supporting on farm research and extension to focusing on resilience to climate-related risks.
- A suite of business development resources and services are provided to support sustainable management practices, business growth, succession planning, risk mitigation, and Indigenous agriculture development.
- Through Industry Competitiveness, the Ministry prioritizes strategic investments into key B.C. commodities that will accelerate the research, development and adoption of new varieties and cultivars to improve yields, harvest quality, and disease/pest resistance.

### **CROSS JURISDICTIONAL COMPARISON:**

Not Applicable

- The Ministry invested \$390,000 in 22/23 to support land access for new and young farmers through the BC Land Matching Program.
- The Ministry invested approx. \$600K in 2022/23 to increase coverage of Agriculture Land Use Inventories (ALUIs) across the province and improve usability and accessibility of ALUI data.
- The Ministry invested approx. \$400K in FY22/23 to support its Nutrient Management Program, with an increase of up to \$700K planned for FY23/24. This included funding 15 nutrient management projects that included decision support tools, producer cost-share funding to support the adoption of practices, knowledge transfer events and a nutrient management training program.
- Since the initiation of the Hazelnut Renewal Program (HRP) in 2018, the Ministry has committed \$500K in funding for 272 acres of new hazelnut planting and the removal of 52 acres of infected hazelnut orchards through 49 hazelnut renewal projects. \$100K has been the annual budget.
- The Ministry has provided \$263K in funding from FY20/21 to FY22/23 for 109 acres of new raspberries through 26 replant projects. The Ministry has committed \$214K in funding for FY23/24 for 80 acres of new raspberries through 13 new replant projects.
- Total provincial investment to-date in the Bee BC program is \$325K for the period 2018-19 to 2021-23. The budget for the Bee Tech Transfer Program is \$525K over three years (\$175K per year, 2021-2024).

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# **Indigenous Agriculture and Food Programs**

### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) strives to support Indigenous governments, organizations, and entrepreneurs to build capacity in the agriculture and food sector and meet their related economic self-determination goals through our programs, services and strong relationships built on trust, understanding and respect.
- We are committed to continuing to move forward with lasting and meaningful reconciliation through the implementation of B.C.'s Declaration Act.
- One of the ways we are strengthening this relationship is by working together to support Indigenous peoples' success in the food and agriculture sector and to support Indigenous Food Sovereignty.
- The Ministry has a dedicated Indigenous Agriculture and Food Team supporting tailored programs and outreach, providing access to technical expertise, supporting pathfinding and connections to programs and services, and supporting Ministry actions that help implement the Declaration Act.
- The B.C. Indigenous Agricultural Development Program (IADP), funded through the Canadian Agricultural Partnership (CAP), provides funding to complete Agriculture Opportunity Assessments, financial and business plans, coaching, and training to assist Indigenous governments, organizations, and entrepreneurs to succeed in their agriculture and food enterprises, build their knowledge and make informed decisions.
  - Over 85 First Nations, one Métis Society and 25 entrepreneurs have completed IADP projects since 2011.
  - 23 applications were approved and funded for 2022/23 (17 government and organization stream projects, and six entrepreneur stream projects).
- In 2022, the Ministry worked with the B.C. Indigenous Advisory Council on Agriculture and Food and the Investment Agriculture Foundation to launch the Indigenous Food Systems and Agriculture Partnership program (IFSAP). Funding of \$1.147M from the Agri-Food Futures fund supported by the Province of BC and Agriculture and Agri-Food Canada was able to support 15 of the 87 applications received.

### **BACKGROUND:**

- The Ministry's Indigenous Agriculture and Food Team is comprised of three full time employees that support Indigenous communities, organizations and entrepreneurs in the development and growth of their agriculture and food businesses and initiatives.
   Other roles include:
  - Providing secretarial support to the IACAF (see separate BC Indigenous Advisory Council on Agriculture and Food Estimates note).
  - Working with the Regional Agrologist Network to facilitate referrals and access to local knowledge, resources, programs, and advisory services.
  - Working with Feed BC staff to support Indigenous food initiatives including increasing access to traditional foods in public institutions and good collection

practices for wild harvesting, and supporting projects to advance food and agriculture priorities brought forward by Indigenous organizations.

- B.C.'s Indigenous Agriculture Development Program, funded through CAP, supports Indigenous peoples' success in the food and agriculture sector. The program includes two streams of tailored services for (1) Governments, Communities and Organizations and (2) Entrepreneurs and provides a two-step process for:
  - Agriculture Opportunity Assessments (up to \$5K for Stream 1 and \$3K for Stream 2), including feasibility studies, business, and food security planning with a Qualified Business Advisor; and,
  - Business Planning (\$10K for Stream 1 and \$5K for Stream 2), including business and financial planning services, technical training, and capacity building.
- Over 85 First Nations, one Métis Society and 25 entrepreneurs have completed IADP projects since 2011.
- 23 applications were approved and funded for 2022/23 (17 governments and organizations and six entrepreneur stream projects).
- In September 2022, the Ministry worked in partnership with Investment Agriculture Foundation to launch the IFSAP. Initial funding was \$1.147M, a one-time allocation from the Agri-Food Futures fund supported by the Province of BC and Agriculture and Agri-Food Canada.
- 87 applications were received requesting funding of \$6.95M. Funding was available to support 15 of these 87 applications. A wide range of activity areas are eligible for funding under the Indigenous Food and Agriculture Partnership Program, including agricultural and food systems planning, training and skills development, revitalizing traditional production methods, adopting new technologies, scaling up production, and adapting to climate change and weather events.
- Ministry Youth Development Program staff have worked to increase engagement of Indigenous youth in agriculture through delivery of activities such as:
  - BC Agriculture in the Classroom Foundation Common Ground: the Strawberry Project (distributes classroom growing kits to Indigenous and other schools as part of a classroom cultural exchange
  - Farm to School's BC Learning from the Land Toolkit released October 2021

The Ministry is committed to *B.C.'s Declaration Act*:

- See Declaration Act Estimates Note
- See BC Indigenous Advisory Council on Agriculture and Food Estimates Note
- See Estimates Note on First Nations Negotiations

### **CROSS JURISDICTIONAL COMPARISON:**

- B.C. provides unique, Indigenous-specific programming and technical staff support that
  is not currently offered by all provinces and territories. Other provinces have business
  development supports through CAP programs, with New Brunswick being the only
  other province to launch its own Indigenous Agriculture Development Program.
- AAFC launched an Indigenous Agriculture and Food Systems Initiative (IAFSI) and Indigenous Pathfinding Service in 2018. IAFSI was a 5 year, \$8.5M initiative.

- \$150K is allocated to IADP from the Ministry's CAP Business Development budget. Indigenous producers and processors are also eligible for other programs under CAP and other programs delivered by the Ministry.
  - The Ministry is negotiating a renewed bilateral funding agreement with the federal government (Sustainable Canadian Agriculture Partnership) and increasing Indigenous participation in and benefits from the programs is a priority.
- \$30K CAP funding was allocated to the Ulkatcho Pine Mushroom Stewardship project to support best practices for commercial harvesting and handling of pine mushrooms within Ulkatcho's traditional territory (from MIRR's Indigenous Funding Program).
- \$30K of Ministry base funding was allocated to support the development of the Indigenous Food Sovereignty Association.

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# **First Nations Negotiations**

### **RECOMMENDED RESPONSE:**

- B.C.'s *Declaration on the Rights of Indigenous Peoples Act (*Declaration Act) established the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as the Province's framework for Reconciliation. It is a Provincial mandate priority to further lasting and meaningful reconciliation with Indigenous peoples.
- It is also a Ministry of Agriculture and Food (AF) mandate to advance reconciliation
  efforts with Indigenous peoples in B.C. AF is mandated to work with Indigenous
  peoples on agricultural initiatives and increase Indigenous participation in the
  agriculture and food sector.
- Simultaneously, the protection of farmland for present and future use is a priority for AF.
- AF acknowledges the tension between these competing mandates and aims to work with the Ministry of Indigenous Relations and Reconciliation (MIRR) and Indigenous peoples to address this outstanding issue.
- During negotiations that involve land transfers to First Nations, AF works with the MIRR to assess the agricultural suitability and capability of Agricultural Land Reserve (ALR)designated land and make recommendations.
- AF also supports First Nations governments, organizations, and entrepreneurs to succeed in the agriculture and food sector through the B.C. Indigenous Agricultural Development Program and other Ministry programs and staff resources.

### **BACKGROUND:**

- MIRR leads and represents the Province in the development and implementation of First Nations reconciliation agreements, including treaties and other types of agreements. Negotiations for an agreement may include financial transfers, land, and other components.
- The land component of a negotiation usually involves Crown land to meet reconciliation objectives.
- Crown land, including ALR-designated land, can be transferred to Nations in different ways:
  - Land may be transferred to Canada to create federal Indian Reserves (IR). The
     Agricultural Land Commission Act (ALCA) no longer applies to Indian Reserve land,
     and these parcels are removed from the ALR.
  - Land may transfer in fee simple to Nations. This land is subject to existing laws, bylaws, and zoning regulations similar to any other private property. The ALCA continues to apply, and land remains in the ALR.
  - Land may transfer to Nations through treaty settlement legislation. Depending on the clauses of the treaty, the land may or may not be removed from the ALR.

- The Natural Resources Sector has an established Deputy Minister-to-Deputy Minister
   (DM) memo sign-off process for land selection when Provincial agreement negotiations
   are completed and the outcome for parcels of land is agreed upon by line agencies.
- When a First Nation(s) agreement negotiation involves the transfer of land, AF provides analysis on agricultural interests through the Ministry of Indigenous Relations and Reconciliation's Land Analysis Table (LAT) process.
- Regardless of the land's agricultural potential, the MIRR's mandate is to advance reconciliation through long lasting agreements, including self-government and selfdetermination, which translates to advocating for ALR designation removal if the First Nation(s) requests it. AF finds itself in a difficult position as it attempts to preserve the ALR, while respecting the rights and jurisdiction of Indigenous governments.
- MIRR and AF staff are actively working together on a guiding policy for addressing ALR land in First Nation land negotiations and addressing the proposals of First Nations in treaty negotiations.
- Intergovernmental Communications
- Removal of land from the ALR impacts the contiguous nature of the reserve, which is significant as agricultural activity becomes more vulnerable when it is next to land that is used for other purposes. Conflict can occur between non-farming and farming activities. Transfer of certain parcels out of the ALR could have greater or lesser impacts depending on the parcel's agricultural capability and suitability, accounting for neighboring agricultural uses.
- While many Nations prefer to remove the ALR designation from Treaty lands, Nations have also expressed food security concerns and agricultural interests. Current AF initiatives and programs aim to work with Indigenous peoples to advance their agricultural interests; however, there is currently no AF policy to guide this work at a level that considers both the potential loss of arable farmland and Indigenous sovereignty and jurisdiction.

# **CROSS JURISDICTIONAL COMPARISON:**

B.C. is the only jurisdiction in Canada with an agriculture-specific designation that
recognizes agriculture as the priority use through legislation. Ontario also protects
farmland, as well as forests, wetlands, rivers, and lakes through the *Greenbelt Act*.
However, Ontario is covered by 46 existing treaties and other agreements signed
between 1781 and 1930.

### **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

N/A

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# **BC Indigenous Advisory Council on Agriculture and Food**

### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (Ministry) supports the B.C. Indigenous Advisory
  Council on Agriculture and Food (IACAF), with representatives from up to 15 Indigenous
  Nations from across the province.
- The IACAF was inaugurated in June 2021, following two years of co-development with the founding members.
- IACAF's 2022-23 membership includes 12 Indigenous representatives from 11 First
  Nations and one Métis Society, the majority of whom are current or former elected
  representatives (two current Chiefs, one Métis Society President, four former Chiefs and
  Councilors). Other members are technical staff such as the President of the First
  Nations Agriculture Association. Two youth members were added in 2022-23. A 2022
  call for new members was issued and the Ministry and IACAF are filling vacancies.
- IACAF members and the Ministry work together to enhance the equitable participation
  of Indigenous peoples in the sector, support the realization of their food security, food
  sovereignty and economic development objectives, and work at a strategic level to
  implement B.C.'s Declaration Act and the Truth and Reconciliation Commission of
  Canada's Calls to Action as the framework for reconciliation in B.C.
- IACAF's three-year strategic plan (2021-2024) outlines three priority action areas:
  - 1. Strengthen Indigenous food sovereignty and build food system resilience;
  - 2. Address barriers and create economic opportunities in food and agriculture;
  - 3. Foster inclusive Indigenous governance and support self-determination.

### **BACKGROUND:**

- Work started in Summer 2019 to form the B.C. Indigenous Advisory Council on Agriculture and Food (formerly the Minister's Indigenous Advisory Group on Agriculture) to create an opportunity for dialogue on reconciliation in the land-based food and agriculture sector. IACAF was formalized June 2021, following the codevelopment of a Terms of Reference and three-year Strategic Plan.
- IACAF meets quarterly and IACAF met virtually in December 2022 with Minister Alexis and Ministry Executive.
- IACAF's final 2022-23 quarterly meeting is March 2-3, 2023, in Penticton and will include networking with staff at the Agriculture and Agri-Food Canada Summerland Research and Development Centre.
- Discussions to date have focused on:
  - Building trust and understanding through the sharing of priorities, perspectives, and experiences in the food and agriculture sector.
  - Cultural and social-ecological diversity across nations and regions, and urban and rural members and the importance of a distinctions-based approach.
  - Approaches and guidance on program design and policy development to better reflect Indigenous peoples' priorities and needs, including the Federal Provincial Territorial Next Policy Framework and a one-time \$1.14M Indigenous Food

- Systems and Agriculture Partnership Program (launched in fall 2022 and fully subscribed).
- The urgency of supporting Indigenous food systems initiatives that enhance food security, particularly in recognition of climate change and ecological disasters that disproportionally impact Indigenous and rural communities.
- o Implementation of Year 1 and Year 2 actions in the Strategic Plan.
- IACAF has sponsored three completed projects advancing their strategic priority action areas (2021-22), guided the design and implementation of a new \$1.14M, one-time funding program launched in fall 2022, and has three additional projects underway for 2022-23, with more in development for 2023-24.
- Quarterly meetings are planned for 2023-24 to continue relationship building, joint-learning opportunities, building shared understanding, and implementing actions related to IACAF's priority areas in the Strategic Plan.
- For additional information on Ministry initiatives to implement the *Declaration Act* and support Indigenous food and agriculture development see:
  - o Estimates Note on Indigenous Agriculture and Food Programs
  - Estimates Note on First Nations Negotiations
  - o Estimates Note on Declaration Act Implementation

### **CROSS JURISDICTIONAL COMPARISON:**

- IACAF is unique in Canada as the only provincial or territorial level Indigenous advisory body on food and agriculture.
- Federally, Agriculture and Agri-Food Canada (AAFC) works with Indigenous
  organizations and has been building relationships with Indigenous peoples through
  outreach sessions (undertaken across Canada in 2017) and a position for a First Nations
  Elder on-staff. An Indigenous Advisory Committee was also established in 2019 to
  provide advice to the Impact Assessment Agency of Canada and AAFC has also
  established an Indigenous Science Liaison Office and Indigenous Pathfinder Service
  (launched 2018).

- In FY22/23, the Ministry accessed \$180K in funding from the Indigenous Funding
  Program (IFP), managed by the Ministry of Indigenous Relations and Reconceiliation, to
  support the functions of the IACAF and the implementation of FY22/23 projects to
  support the Council's 3-year strategic plan (this funding amount is also reported in the
  estimates note on Declaration Act Implementation)
- Cabinet Confidences

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# **Declaration Act Implementation**

### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) is committed to the success of B.C.'s
  Declaration Act and advancing the principles of the UN Declaration on the Rights of
  Indigenous Peoples.
- This includes ensuring Indigenous peoples are part of the policy and decision-making processes that affect them, have equitable access to Ministry services and programs, and are supported to advance their self-identified agriculture and food goals.
- The Ministry continues to advance Action 4.48 of the Declaration Act Action Plan and work on Alignment of Laws with a focus on the *Agricultural Land Commission Act*.
- Action 4.48 states: Work with the B.C. Indigenous Advisory Council on Agriculture and Food (IACAF) and other Indigenous partners to identify opportunities to strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sector.
  - The Advisory Council was formalized in June 2021 and meets quarterly to advance their three-year Strategic Plan (currently completing Year 2).
- The Ministry prioritized the *Agricultural Land Commission Act* and its two regulations for alignment of laws work.
  - In the last fiscal year, the Ministry began consultations with Indigenous peoples to ensure initiation of policy development process is done in consultation and cooperation with Indigenous peoples.
- The Ministry is also working to improve existing/design new programs that support the development of Indigenous food and agriculture businesses and food sovereignty initiatives.

### **BACKGROUND:**

• The Ministry is committed to Declaration Act success and advancing the principles UNDRIP articulates by ensuring Indigenous peoples are part of the policy and decision-making processes that affect them, have equitable access to Ministry services and programs, and are supported to advance their self-identified goals.

#### **Declaration Act Action Plan and IACAF:**

- The Ministry participated in the cross-government work to develop the Action Plan to achieve the objectives of the Declaration Act. The Action Plan reflects priorities identified through collaboration with Indigenous Peoples.
  - There is one action (4.48) that is specific to the Ministry.
  - Action 4.48 work with IACAF and other Indigenous partners is underway:
    - IACAF was formalized in June 2021; current IACAF membership includes First Nation and Metis leaders from across the province including two youth members.
    - o IACAF developed a 3-year Strategic Plan (2021-2024) and initial activities were implemented over fiscal 21/22 and 22/23 and will continue over 23/24.

- The Ministry has a dedicated staff resource that serves as IACAF secretariat and secured \$180K through the Indigenous Funding Program (IFP) for IACAF's Year 2 actions (see details in separate IACAF Estimates Note).
- The Ministry's pilot Indigenous Food Systems and Agriculture Program was designed to incorporate a holistic approach to Indigenous food system projects (<u>see details in separate Indigenous Agriculture and Food Programs Estimates Note</u>).
- These goals/outcomes span the mandates of other ministries, which the Ministry collaborates with. For example, the Ministry is co-chairing the cross-government Food Security Steering Committee, within which Indigenous Food Sovereignty is a priority, and participates in cross-government committees on reconciliation.
- The Ministry has two staff resources (FTEs) dedicated to building partnerships and supporting Indigenous food and agriculture initiatives through outreach, access to technical expertise, industry connections, and program funding.

### Alignment of Laws:

- The Ministry prioritized the <u>Agricultural Land Commission Act</u> (ALCA) and its two regulations for alignment of laws work.
- In July 2022, the Ministry began consulting IACAF, and has continued to report back and seek input from it at regular intervals.
- In Fall 2022, the Ministry began consultations with Indigenous peoples in B.C. by inviting the First Nations Leadership Council and Modern Treaty Nations to meetings.
- In March, the Ministry will be hosting three regional virtual sessions where the rest of the 204 First Nations are invited to participate.
- Participant funding has been offered at a one-time payment of \$500 for each Nation or Indigenous organization attending.
- Ministry staff intend to collect feedback learned from these regional sessions and earlier meetings with other Indigenous peoples and partners and will use this feedback to shape subsequent stages of this alignment of laws project.
- For example, the Ministry is proposing to incorporate all this feedback into a Policy Discussion Paper, which will be released for the next stage of consultations with Indigenous peoples and others.

### **Treaty and Reconciliation Agreements**

- During treaty negotiations that involve land transfers to First Nations, the Ministry works with the Ministry of Indigenous Relations and Reconciliation (MIRR) to assess the agricultural suitability and capability of ALR-designated land and make recommendations.
- The Ministry is working with MIRR to develop joint policy regarding matters relating to the Agricultural Land Reserve during treaty negotiations.

#### **Economic Development and Job Creation**

- The Ministry supports business and economic development planning and increased capacity with Indigenous governments, organizations, and entrepreneurs through the Indigenous Agriculture Development Program (see separate Estimates Note on Indigenous Agriculture and Food Programs).
- The Ministry piloted the Indigenous Food Systems and Agriculture Partnership Program (IFSAP) to support First Nations and Indigenous communities, businesses, and

organizations in increasing food security and sovereignty over their food systems and strengthen Indigenous peoples' success within the agriculture and food sector (see separate Estimates Note on Indigenous Agriculture and Food Programs).

### **CROSS JURISDICTIONAL COMPARISON:**

- In 2019, B.C. was the first province in Canada to introduce legislation requiring alignment of laws and an action plan to achieve the objectives of the United Nations Declaration. To date, B.C. is the only province or territory to do so.
- In June 2021, the federal government enacted the <u>United Nations Declaration on the</u>
   <u>Rights of Indigenous Peoples Act</u>, which follows B.C.'s approach and requires alignment of
   laws and a similar action plan.

- The Ministry accessed funding through MIRR's Indigenous Funding Program (IFP) to support the implementation of the Declaration Act as follows for FY22/23:
  - \$180K to support the implementation of IACAF's Strategic Plan (this amount is repeated in the separate IACAF Estimates Note)
  - \$180K for ALCA alignment of laws work.
- Cabinet Confidences
- The Ministry is negotiating a new bilateral funding agreement, the Sustainable Canadian Agriculture Partnership, with the federal government with a strengthened objective to increase Indigenous participation in and benefits from the 5-year funding agreement.
- The Ministry does not currently track participation of Indigenous clients across all program areas and cannot provide data on amount of funding from other programs that support Indigenous participation.

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# Agricultural Land Commission's (ALC) Proposed Inclusion of Heppell Farms Into The Agricultural Land Reserve (ALR)

### **RECOMMENDED RESPONSE:**

- The B.C. Government recognizes the importance of preserving suitable agricultural land so the B.C. agriculture sector can continue to grow in terms of food security, economic activity, and community strength throughout the province.
- The Agricultural Land Commission (ALC) has a mandate to preserve agricultural land and encourage farming, and that can include both traditional agriculture and on-farm value-added activities.
- The ALC is an administrative tribunal arm's length from government with an independent decision-making process.
- Decisions on land use applications within the Agricultural Land Reserve (ALR) are up to the ALC.
- The ALC is actively reaching out to the Katzie, Kwantlen and Semiahmoo First Nations with respect to the land currently leased by Heppell Farm and owned by the federal government to gain a greater understanding of the Nations' interests.

### **BACKGROUND:**

- On December 7, 2022, the ALC, under s. 17(1) of the Agricultural Land Commission Act (ALCA), initiated a proposal to include 123.6 hectares of land in Campbell Heights within the City of Surrey into the ALR.
- The federal government owns the subject land and was leasing approximately 89 hectares of the land to local agricultural producers for field crop production, (Heppell's Potato Corporation). Three generations of the Heppell family have been farming the land since the 1970s.
- The federal government was considering disposing of the land. Given the longstanding agricultural use and productivity of the land, the ALC considered that it may be suitable for inclusion into the ALR. The ALR designation would preserve its availability for current and future agricultural use.
- On January 23, 2023, the ALC held a Public Hearing on the matter. The ALC also received many written submissions.
- Most of the submissions to the ALC supported the inclusion proposal. Supporters state that the fertile farmland is unique and irreplaceable. They argue that it needs to be protected from future development in Surrey.
- The Heppell family states that the land produces 30 to 50 million servings of fresh vegetables like potatoes, carrots, and cabbage each year. They argue that not including it in the ALR would bring risks to B.C.'s domestic summer food supply, while inclusion would further food security.

Intergovernmental Communications

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

# **PROGRAM EXPENDITURE / REVIEW IMPLICATION**

N/A

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# **Labour Initiatives and Programs**

### **RECOMMENDED RESPONSE:**

- Labour shortages are a challenge for the agriculture and food sectors across Canada.
- The Ministry does not have regulatory or legislative authority with respect to labour.
- The Ministry's primary role is working in partnership with industry and other agencies to support solutions to labour needs and shortages, and to help coordinate across other ministries and with the federal government.
- The Ministry has developed an Agriculture and Food Workforce Development Program proposal and is working with the Ministry of Social Development and Poverty Reduction (SDPR) to access \$15M in federal funding to establish a three-year program next fiscal.
- The purpose of this new program is to support B.C.'s agriculture and food sectors to improve recruitment and retention of domestic workers, support targeted skills and training, and to adopt improved human resources and management practices.
- The Ministry is coordinating with the Ministry of Post Secondary and Future Skills 10year Workforce Readiness Framework (WRF) and associated three-year Future Ready Plan, to ensure the sectors' needs are represented.
- Agriculture and Agri-Food Canada (AAFC) is leading the development of a national Agriculture Labour Strategy and the Ministry is continuing to work with federal, provincial and territories (FPTs) and with AAFC towards the development of this national Labour strategy.

#### **BACKGROUND:**

- Agricultural Temporary Foreign Workers (TFWs) have become increasingly critical to the B.C. agriculture sector due to the growing unmet labour need within the sector that is not being filled by domestic workforce participation.
- With respect to TFWs, the Ministry plays an important role coordinating between our provincial, federal and industry partners to help ensure we support industry leadership and coordinated action on labour-related issues and opportunities.

### Federal Agriculture Labour Strategy

- Labour was identified as a new area of focus and a priority area for the Sustainable Canadian Agriculture Partnership.
- AAFC led engagement on a national Agriculture Labour Strategy though a public survey, and plans to release a What We Heard Report in the winter of 2023, to develop the strategy throughout the fall and winter, and to launch spring 2023 (TBC).

### **Workforce Readiness Framework**

Cabinet Confidences

Cabinet Confidences

• The Future Ready Plan responds to immediate labour shortage needs and new actions: Goal 1: B.C.'s workforce have the skills they need, Goal 2: B.C. has an inclusive, balanced workforce, and Goal 3: B.C. leads workforce transformation.

### **B.C. Agriculture and Food Workforce Development Initiative**

- The Ministry is accessing federal funding under a labour market transfer agreement with B.C. (via the Ministry of Social Development and Poverty Reduction) for a sector specific three-year \$15M program (delivered by Investment Agriculture Foundation).
- This will support B.C.'s agriculture industry to recruit and retain labour supply and improve working conditions for workers including via adoption of technology.

### **B.C. Fruitworks Pilot Program**

 The B.C. Fruitworks Pilot Program emerged in response to the recommendations from the Tree Fruit Stabilization Project; it is an industry-led pilot project in the Okanagan that uses scheduling software from the entertainment industry to quickly match fruit harvesters with farmers.

### Mental Health Services for Farmers: Pilot Program

- Mental health is identified as a priority area under the Sustainable Canadian Agricultural Partnerships and the National Agriculture Labour Strategy.
- The Ministry is currently partnering with AgSafe BC to deliver a program to support the mental health needs of people working in the agriculture sector.

### **B.C. Farm Worker Safe Isolation Program**

- The Ministry developed a program to support farmworkers required to isolate offfarm during the pandemic with federal funds (Public Health Association of Canada).
- The Ministry's agreement with Canada in October 2021 included federal contributions of up to 4.15M in 2021/22 and was extended to 2022/23 (\$2.2M).
- Over the two fiscal years the program funded the safe isolation of 106 farmworkers.

# **CROSS JURISDICTIONAL COMPARISON:**

- Labour shortages are a challenge across FPTs and an FPT Labour Task Team was formed.
- Labour was identified as a priority area in the 2021 Guelph Statement and SCAP; AAFC is developing a national Agriculture Labour Strategy.

- In FY22/23, the Ministry committed \$40K (CAP funding) for mental health supports for individuals and families in the agriculture sector.
- In FY22/23, the Ministry provided \$19K in funding, fully recoverable from Canada, to support the safe isolation of farm workers. The program ends this fiscal.

# ESTIMATE NOTE- FISCAL 2023/24

# Ministry of Agriculture and Food

Confidential Advice to Minister

- The Ministry's anticipated \$15M program (Agriculture and Food Workforce Initiative) with SDPR includes mental health funding integrated into the program.
- The Ministry is hiring a Senior Manager of Labour Initiatives who will be the Ministry's lead on labour programs including coordinating with AAFC on the national strategy.

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# **Meat Inspection Program Overview**

#### **RECOMMENDED RESPONSE:**

- The Meat Inspection Program (MIP) ensures that consumers can enjoy B.C. meats with confidence that the program maintains the highest standards of food safety and animal welfare.
- The Ministry of Agriculture and Food (the Ministry) has 62 employees who conduct inspections at provincially licensed meat facilities, and other staff who support administration and provide information for licensing applicants.
- There are 56 provincially licensed abattoir class facilities in B.C.: 29 are licensed for red meat only, 20 are licensed for poultry only, and seven are licensed for both.
- There are 104 provincially licensed Farmgate Plus establishments and seven Farmgate establishments: 45 are licensed for red meat only, 26 are licensed for poultry only, and 40 are licensed for both.
- The Ministry is committed to working with operators and applicants with operations of all types and sizes to support the development of food safe, cost effective, and innovative slaughter capacity solutions in all regions of the province.

- The MIP includes 62 inspection staff in four regions (Vancouver Island; Lower Mainland; Interior and Northern B.C.) supported by management, administration, and a Meat Hygiene Veterinarian who advises inspection staff on dispositions regarding animals and carcasses.
- On October 1, 2021, the Ministry amended the Meat Inspection Regulation to create new license categories, allow more modernized inspection approaches, increase production limits, expand where meat products can be sold, and increase areas where rural licenses are available.
- Abattoir licenses
  - o All previously licensed Class A and B establishments automatically transitioned to a new abattoir class license.
  - o An inspector must be present for a licensed abattoir to operate to ensure best practices in animal welfare and the highest standards of food safety.
  - Most licensed abattoirs are small-scale operations: more than 75 percent of production is from four abattoirs. Some plants process under 200 animals per year.
- Farmgate and Farmgate Plus licenses
  - o All former Class D and E licenses were transitioned to Farmgate Plus and Farmgate licenses.
  - Farmgate and Farmgate Plus licenses support local livestock and meat production in remote and rural communities where slaughter capacity is limited. They are available province-wide and are intended to provide on-farm

options for small producers who want to slaughter their own animals. Custom slaughter at Farmgate Plus facilities is also available to provide flexibility for nearby producers so long as the license holder complies with licensed production limits.

- Farmgate licenses are intended for low volume producers interested in slaughtering their own animals on farm, allowing annual production of up to five animal units (5,000 lbs. live weight). License holders can sell meat products at the farm, at farmers markets within their regional district, and at farmers markets within 50 km of their farm (including in another regional district).
- Farmgate Plus licenses are intended for small producers who want to slaughter their own animals and provide custom slaughter for neighboring producers up to 25 animal units (25,000 lbs. live weight) per year. License holders can sell meat products directly to consumers, retail, restaurants, and at farmers markets province-wide.
- The Ministry recommends that operators interested in higher production levels or who want to focus on significant custom slaughter should explore becoming fully inspected as a licensed abattoir.

### **CROSS JURISDICTIONAL COMPARISON:**

- All provinces have provincial meat inspection programs but not all are traditional meat inspection systems requiring the presence of an inspector to operate.
- B.C. collaborates with other provinces to share information, inform best practices, and continue improving the B.C. MIP.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• Program Expenditures (\$ millions):

2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
3.3	3.4	3.7	3.8	4.0	TBD

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### SEAFOOD INSPECTION PROGRAM OVERVIEW

### **RECOMMENDED RESPONSE:**

- Seafood processing is a major contributor to our economy with 5,200 British Columbians working directly in this sector, many of them in rural and remote communities (2021).
- In 2021, provincial production from wild and farmed seafood harvests totaled 256,488 tonnes with a landed value of \$1.166 billion (2021).
- The Fish and Seafood Act (FSA) was brought into force in 2017 replacing both the Fisheries Act and Fish Inspection Act, which were last significantly updated in the 1960s.
- The FSA provides a modern framework to streamline licensing and establish improved levels of food safety accountability in the seafood industry to better protect public health.
- The FSA is a cornerstone of the Ministry of Agriculture and Food (Ministry) commitment to growth and development of this sector, and the production of safe, wholesome seafood.
- The Ministry has four seafood inspectors, and other staff who support licensing administration and provide expert knowledge and advice to government and the public.
- In 2022, the Seafood Inspection Program (SIP) issued 408 licences.
- There are 162 provincially licensed fish receivers with an annual total revenue of \$44,260; 93 licensed seafood processors with an annual total revenue of \$47,010; and, 153 licensed fisher vendors with an annual total revenue of \$4,590.

- SIP is responsible for administering and enforcing the FSA, except the portions related to aquaculture and wild aquatic plant harvesting.
- The primary objective of this regulatory framework is to ensure that fish and seafood are safe for consumption by the public in B.C.
- To ensure food safety, individuals and businesses conducting certain activities in the seafood industry must be licensed and meet regulatory requirements.
- SIP issues three types of licences:
  - Seafood Processor
    - Required by any person who operates a:
      - seafood processing facility; or
      - seafood cold-storage facility.
  - Fish Receiver
    - required by any person who operates a:
      - shore-based facility for the purposes of receiving fish directly from a commercially licensed fisher or a licensed packing vessel;
      - · vehicle for the purposes of receiving fish directly from a

commercially licensed fisher or a licensed packing vessel; or

- vessel for the purposes of receiving fish directly from a commercially licensed fisher or a licensed packing vessel that does not hold a federal commercial fishing or packing licence.
- Fisher Vendor
  - required by any commercial fisher who sells catch to:
    - the public for their own consumption, directly from the harvest vessel; or
    - restaurants or retail stores regulated under the Food Premises Regulation (Ministry of Health).
- SIP issued 408 licences in 2022, down 3.3% from 2021.
- In 2022, SIP conducted 306 inspections (up 0.7% from 2021) and 42 investigations (up 27% from 2021).
- To promote food safety and encourage voluntary compliance with the regulatory framework, SIP conducted 40 targeted outreach activities to 922 regulated parties in 2022.
- Outreach activities will continue throughout 2023 as an important and necessary supplement to traditional enforcement methods.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• Program Revenue:

2019	2020	2021	2022
\$92,550	\$86,380	\$95,800	\$95,860

Program Budget:

2019/20	2020/21	2021/22	2022/2023
\$596,000	\$660,000	\$851,000	\$833,000

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# **Rural Slaughter Modernization**

#### **RECOMMENDED RESPONSE:**

- On October 1, 2021, the Ministry of Agriculture and Food (the Ministry) amended the Meat Inspection Regulation (MIR), introducing a new licensing framework, a five-year term for all licenses, and allowing for development of alternative inspection methods.
- Amendments reflect recommendations from the Select Standing Committee on Agriculture, Fish and Food's 2018 report on Local Meat Production in British Columbia and other significant consultation. The Ministry continues to work on other recommendations as outlined in the 2020 Intentions Paper on Rural Slaughter Modernization.
- New Farmgate and Farmgate Plus licenses are available province-wide and provide onfarm options for small producers who want to provide safe, locally produced meat.
- There are currently 104 provincially licensed Farmgate Plus establishments and seven Farmgate establishments.
- Ministry staff are available to support license applicants and inspect facilities to ensure British Columbians can enjoy safe, locally raised meat.

- In 2018, the Select Standing Committee on Agriculture, Fish and Food released a report on Local Meat Production in B.C. making 21 recommendations.
- In September 2020, the Ministry released a Rural Slaughter Modernization Intentions
  Paper for public and industry comment regarding potential policy changes to increase
  economic opportunities and strengthen B.C.'s provincial food system while maintaining
  high standards of food safety and animal welfare. The Ministry received 88 submissions
  in response.
- In December 2020, oversight of Class D and E (rural slaughter) licenses transferred to the Ministry from health authorities.
- On October 1, 2021, the Ministry amended the MIR to create new license categories, and to allow more modernized inspection approaches.
- Amendments support four of the six recommendations from the Select Standing Committee on Agriculture, Fish and Food's report.
- To support the expanded mandate for rural slaughter, ensure compliance with the new regulatory framework, and oversee other compliance and enforcement needs (e.g. organic labelling, mink farm inspection), the Ministry established the Agri-food Compliance and Enforcement Program.
- The program is now fully staffed with five Agri-food Compliance and Enforcement Officers and a team lead.
- There were 40 Farmgate and Farmgate Plus inspections completed in 2022 while the new program was being established.

- The compliance rate for farmgate establishments inspected to date has been high: 39 percent are assessed as low risk, 61 percent as medium risk, and 0 percent as high risk.
- The standard is to inspect low risk establishments at least once per year; medium risk at least twice per year; and high risk at least three times per year.
- Meat Hygiene and Agri-food Inspectors continue to oversee slaughter activities at all licensed abattoirs.

### Number of Licenses by License Type

License Type	Dec 31, 2021	DEC 31, 2022	Percent Change
Farmgate	4	7	+75 percent
Farmgate Plus	105	104	0 percent
Abattoir	57	56	-2 percent

### **CROSS JURISDICTIONAL COMPARISON:**

- All provinces have provincial meat inspection programs but not all have traditional meat inspection systems like that for abattoir class establishments requiring the presence of an inspector to operate.
- B.C. and Alberta are the only provinces to offer a licensing alternative to a fullyinspected abattoir license.

### **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

• Program Expenditures (new program area as of fiscal year 2023):

2022/23	
\$375,000	

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# Meat Inspection Harmonization with Ministry of Health

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (AF) and the Ministry of Health (HLTH) are coordinating the inspection of food premises and slaughter at establishments where these activities are co-located.
- It is now possible for AF and health authority (HA) inspectors to conduct one inspection where slaughter and food processing functions are co-located.
- Harmonized inspection ensures efficient use of government resources to improve public safety and streamline service for licence holders.

### **BACKGROUND:**

- In 2020, responsibility for inspection and oversight of rural slaughter (farmgate and farmgate plus establishments) was transferred from HAs to AF, partly to relieve HAs from pressure of increased workloads due to the COVID-19 pandemic.
- AF's Meat Inspection Program inspectors and Agrifood Compliance and Enforcement Officers are responsible for inspecting slaughter establishments.
- HLTH, through HAs' Environmental Health Officers, inspects food premises where meat products are processed into food items and in some cases sold to the public.
- On July 14, 2021, the Provincial Health Officer directed AF and HLTH to harmonize inspections of co-located slaughter establishments and food premises.
- On October 5, 2021, by Ministerial Order, HLTH authorized AF inspectors to inspect food premises located on the same property as slaughter establishments.
- On June 13, 2022, AF and HLTH (on behalf of HAs) signed a Memorandum of Understanding on Expansion of Inspection Services in Food Premises Located on the Same Property as Slaughter Establishments.
- Operational guidelines were also developed to confirm how matters such as training, inspection parameters, and non-compliance follow-up are to be distributed effectively.

### **CROSS JURISDICTIONAL COMPARISON:**

 In most provinces, health ministries and subordinate organizations such as HAs are responsible for inspection of food premises. Agriculture ministries are typically responsible for inspecting slaughter establishments.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

# ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food Confidential Advice to Minister

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# **Support for New Farmers**

#### **RECOMMENDED RESPONSE:**

- The Ministry recognizes the importance of attracting the next generation of farmers and ensuring support is available to help them succeed.
- New entrants to agriculture face barriers including the rising cost of land, inputs, market access, new technology, and overall production.
- To support new farmers, the Ministry created a New Entrant Strategy to support improved access to land, knowledge and capital.
- A key initiative of the *New Entrant Strategy* is the B.C. Land Matching Program, launched in September 2018 and delivered by the Young Agrarians.
- This program provides land matching services to new farmers and existing landowners and hosts educational events across the province.
- As of February 2023, the B.C. Land Matching Program has supported 245 farmland matches between new farmers and landowners and 3,923 hectares (9,694 acres) of B.C. farmland have been brought into production across the province.
- The Ministry also provides technical services and qualified consultant support to new farmers to help them develop farm business and financial plans, and supports their capacity-building through programs delivered by BC Young Farmers.

- The *New Entrant Strategy* (Strategy) is a Grow BC initiative of the Ministry of Agriculture and Food (Ministry) that develops resources and programs for new B.C. farmers.
- A New Entrant Needs Assessment, conducted by the Ministry in 2019, highlighted the three barriers that hinder new farmer success:
  - Access to affordable farmland,
  - o Access to capital, credit, or other sources of financing, and
  - o Access to knowledge through mentorship, business coaching and online resources.
- The Strategy is informed by an Advisory Group representing different regions and new farmer groups which provides input to the Ministry's New Entrant Agrologist.
- The B.C. Land Matching Program (BCLMP) delivered for the Ministry by the Young Agrarians (YA) provides land matching and business support to new farmers looking for land and landowners interested in their land being farmed (see BC Land Matching Program Estimates note for more detail).
- The Ministry also partners with BC Young Farmers (BCYF) to deliver the Young and New Entrant Skill Development Program, a cost-share funded program that supports knowledge-based events, conferences, seminars and training.
- The Ministry provides a wide range of new entrant guidance documents and new entrant access to business coaches and farm business management courses.

### **CROSS JURISDICTIONAL COMPARISON:**

• B.C. provides an enhanced suite of new entrant/beginning farmer programs and opportunities compared to other provinces. Quebec is the most sophisticated of the provinces in providing land matching services as well as grant/loan programs.

### **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

- The Ministry supports the New Entrant Strategy directly through a New Entrant Agrologist and indirectly through other FTEs in various Ministry program areas. In 2022/23, the Ministry provided:
  - \$390K in base funding for the B.C. Land Matching Program (this value is also included in the BC Land Matching Program Estimates note).
  - \$30K in CAP funding for the Young and New Entrant Skill Development Program
  - \$11, 276 in CAP funding for business plan coaching for new and small farmers through the B.C. Agri-Business Planning Program
  - \$50K in base funding for the completion of New Entrant Access to Capital Analysis

Advice/Recommentations

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### BC LAND MATCHING PROGRAM

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (Ministry) recognizes the importance of attracting the next generation of farmers and ensuring support is available to help them succeed.
- One of the largest barriers for new entrants to agriculture is access to land, including both the cost of agricultural land and the ability to find and acquire secure land agreements that are affordable and suitable for agriculture.
- The B.C. Land Matching Program (BCLMP) provides land matching and business support services for new and established farmers and matches them with landholders seeking to lease their properties.
- Farmers and landholders matched through the BCLMP are supported to develop more secure land agreements allowing farmers to focus on developing their business and increasing production.
- Recognizing the importance of supporting young and new farmers entering agriculture
  to find affordable and secure farmland, the Ministry launched the BCLMP, delivered by
  the Young Agrarians (YA), in 2018 with an investment of \$300K. The Ministry increased
  this investment to \$375K in 2019/20, \$390K in 2020/21 (to support expansion of the
  program in Northern B.C.) and maintained funding at \$390K in 2021/22 and 2022/2023.
- As of January 2023, the BCLMP has supported 245 farmland matches between new farmers and landholders, resulting in 3,923 hectares (9,694 acres) of B.C. farmland brought into production as a result of the program.
- Land matchers are individuals that provide direct client support and services and have been established in Metro Vancouver and the Fraser Valley, Cowichan Valley and Vancouver Island, Okanagan Central North, Columbia Basin and Central/North.
- As a key strategy under Grow BC, the BCLMP also supports the implementation of the Ministry's New Entrant Strategy, a framework for increasing the number of new and young farmers working in B.C.'s agriculture sector.

- The BCLMP delivered by YA provides land matching and support services to new farmers looking for land and land holders interested in someone farming their land.
  - The program has dedicated land matchers for the Okanagan, Metro Vancouver/ Fraser Valley, Vancouver Island, Columbia Basin, and Central/Northern B.C.
- Program activities include:
  - o An online and searchable inventory of B.C. land opportunities (UMAP).
  - Personalized and regionally based matchmaking services for new farmers and landowners, including referrals to business and technical support services.
  - Educational events and resources to increase knowledge/matches.
- Since the pilot launch in 2016, the program has helped make 245 land matches with 9,694 acres (3,923 hectares) brought into or maintained in agricultural production.

- 80 percent of matches arranged through BCLMP are in regions with high real estate prices including Metro Vancouver, the Fraser Valley, Vancouver Island, and the Okanagan.
- Finalized land matches per region: Metro Vancouver/Fraser Valley (61), Vancouver Island (72), Okanagan (62), Columbia Basin (28), Central and Northern BC (22).
- Between April 2022 and January 2023, the Program achieved the following:
  - 49 matches totaling 752.62 acres (matches range from 0.2 to 277.30 acres).
  - o Lengths of leases ranging from 0.33 to 15.30 years (average of 4.63 years).
  - 280 new UMAP listings: 129 Land Listings and 151 Land Seeker listings.
  - 20 farmers seeking land through the BCLMP received 1:1 Enterprise Readiness
     Support from YA's Business Mentorship Network Program Manager.
  - Events: 11 in-person land access events and one in-person workshop for a total
    of 463 attendees; online Land Forum with nine land leasing themed sessions for
    a total of 524 attendees: Land Leasing 101 & Regional Networking, Panel:
    Perspectives on Sharing Farmland and Land Showcase (as well as sessions for
    land sharing skills building and business development for farmers).
- The Ministry funds most of the program, with additional funding from the Bullitt Foundation, Real Estate Foundation of BC, Columbia Basin Trust, Cowichan Valley Regional District, Advice/Recommentations; Government Financial
- YA conducted a 3<sup>rd</sup> party evaluation of the program in winter 2023 and the results and a proposal for program renewal are being developed for the Ministry's consideration.

### **CROSS JURISDICTIONAL COMPARISON:**

- Apart from Quebec, British Columbia is the only province or territory in Canada to support regional agricultural land matching services.
- In 2016, YA launched their support for land access in Alberta with facilitated workshops and educational events and more recently in 2021, a land access guide and published U-Map listings for land opportunities.
- YA hopes to expand to other provinces through national program and Agriculture and Agri-Food Canada support.

- The Ministry supported the BCLMP with \$390K in base funds (Grow BC) in 2022/2023
- Advice/Recommentations; Government Financial Information

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# **Youth Development**

#### **RECOMMENDED RESPONSE:**

- The Ministry delivers youth development services and programs to attract and support the next generation of farmers and food producers.
- The success and continuity of B.C. farmers and food producers is a key component of B.C.'s food supply security and food system resilience.
- Support for youth development is delivered through Ministry programs and staff services and through partner programs and projects the Ministry promotes or supports.
- These increase agriculture and food system understanding of B.C. school-aged youth, help them explore interests and careers in the sector, and support their training and growth as sector and community leaders.

### **BACKGROUND:**

To support the growth and sustainability of B.C. farming and food production, the Ministry of Agriculture and Food (Ministry) provides youth development programs and services to build the next generation of sector leaders. These include:

- Sector education for 4-H BC members and volunteer leaders including conferences and projects on a range of sector topics (e.g., farm and food safety, environmental stewardship, animal husbandry) and personal leadership training and development;
- Agriculture literacy partnerships for K-12 students including education platforms, career exploration conferences, and external credit programs;
- Youth development policy through participation in national 'youth in agriculture' efforts including committees and boards that influence policies and programs;
- Youth engagement within other Ministry efforts (e.g., market development, soil science resources, animal health);
- Development and delivery of 4-H BC educational content for youth and volunteer leaders, and managing the Ministry's Memorandum Of Understanding (MOU) with 4-H BC, which runs through March 31, 2025; and
- Program and project support to BC Agriculture in the Classroom (AITC), Farm to School BC, and other school-based agriculture education organizations.

## **CROSS JURISDICTIONAL COMPARISON:**

- Every province in Canada provides financial support to provincial 4-H programs through their agriculture ministries except Quebec, which receives federal funding from Canadian Heritage. 4-H Canada receives federal funding through Agriculture and Agri Food Canada (AAFC).
- Every province in Canada but Quebec and Prince Edward Island provides financial support to provincial Agriculture in the Classroom. AAFC provides financial support to AITC Canada.

- The Ministry's Youth Development Programs team is 3.5 FTEs.
- In 2022/23, the Ministry provided the following support to 4-H BC:
  - \$87K annual grant from Ministry base funding (already confirmed for 2023/24)
  - \$63K CAP funding for specialized programs focused on urban and Indigenous youth, and farm safety initiatives (confirmed to be completed under SCAP)
- In 2022/23, the Ministry provided the following support to BC Agriculture in the Classroom Foundation:
  - \$100K Buy BC funding for development of Canadian Agriculture Literacy Month initiatives, and the BC Farm Explorer website.
- Cabinet Confidences

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# **Nutrient Management Program**

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food's (AF) Nutrient Management Program helps farmers use soil amendments (manure, fertilizers, composts, etc.) more effectively. The program helps farmers to grow crops profitably and to improve soil health, while reducing risks to the environment.
- Nutrient management is the main tool to address nitrous oxide (greenhouse gas) emissions, risks from crop nutrients to water quality (e.g., Hullcar aquifer), and the risk management approach of the Code of Practice for Agricultural Environmental Management (AEM Code), a regulation created in 2019 by the Ministry of Environment and Climate Change Strategy (ENV).
- The AEM Code phases in nutrient management requirements for nearly all agricultural sectors over multiple years, affecting how manures and fertilizers are managed, stored, and used to grow crops.
- AF supports producers' nutrient management goals through (1) extension and outreach, (2) decision-support tools, and (3) Nutrient Management Plan training program development and delivery.

#### **BACKGROUND:**

#### **Nutrient Management Planning (NMP)**

- Currently, the NMP training course developed and offered by AF is the only course approved to train NMP planners in B.C. NMPs are plans that help farmers manage nutrient resources efficiently to meet production targets and protect the environment. Since 2019, regional requirements for farmers to have NMPs are being phased-in under the AEM Code. Additionally, nutrient management planners are required to complete an NMP training course under the AEM Code.
- Over 80 program participants.

#### **Decision-Support Tools**

- To aid an increasing number of farmers with their nutrient management and meeting regulatory expectations of the AEM Code, AF developed the Nutrient Management Calculator (NMC) and BC Application Risk Management (ARM) tools.
- NMC: Online tool used by farmers, consultants, and extension experts to determine optimum rates of crop nutrients to apply based on region, soil fertility, and crop demand. NMC facilitates development of nutrient management plans using different nutrient sources, such as fertilizer, manure, and compost.
  - 980 users of NMC in 2022, compared to 690 users in 2021.
- BC ARM Tool: Online tool used by farmers to determine the best time and conditions for manure application to avoid runoff.

- Approximately 280 unique users of the BC ARM Tool in 2022 compared to 210 unique users during the same period in 2021.
- Current work on factsheets and decision-aid tools for crops to better use nitrogen, such as guidance on post-harvest nitrate and a soil test interpretation online tool.
- Additional work is planned and underway to expand services (tools) to the horticulture (e.g., tree fruit, berries, annual vegetables) sectors, the next to be affected by AEM Code requirements to be 'phased in' starting in 2023 for nutrient management planning.

#### **Extension and Outreach**

- Ministry staff typically coordinates or participates in 10 to 15 events per year, including research, demonstration, or outreach and education for farmers and agrologists (consultants). Additionally, AF supports both industry and government by raising awareness and knowledge of the AEM Code.
- · Research and Demonstration highlights
  - Hullcar post-harvest nitrate study: annual testing of post-harvest nitrate levels in agricultural soils as an indicator of prudent nitrogen management is part of AF's response to the nitrate issue in groundwater in the Hullcar Aquifer
  - Central Interior Forage Fertilization Demonstration: multi-year field trials evaluating nitrogen rates for forage production.
- Outreach and Education: Approximately ten field days, workshops, and presentations per year on nitrogen management, with an integration of soil health monitoring

### **CROSS JURISDICTIONAL COMPARISON:**

 Most other provincial governments in Canada have nutrient management regulations, and other provincial ministries of agriculture have similar roles as AF in supporting the agriculture sector with extension, tools, and nutrient management planning training.

- Approximately \$700K per year is planned for the continuation of the nutrient management program activities, to increase the use of online tools, improve and expand these services, and to integrate further extension activities.
- AF has 1.5 FTE positions supporting the nutrient management program activities.
- The Province also provides cost-share funding for nutrient management through the Beneficial Management Practices program, addressed in a separate Estimates Note (Climate and Environment: On-Farm Funding).

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# Plant Diseases and Pests - Army Worms, Little Cherry Virus, Japanese Beetle

#### **RECOMMENDED RESPONSE:**

### Armyworms

- Invasive pests are always a challenge for farming, and the Ministry of Agriculture and Food (Ministry) is working with farmers in B.C. to reduce the risk of armyworm outbreaks.
- Western Yellowstriped Armyworm was first discovered in the Okanagan in 2018, with surveys conducted from 2019-2021. No surveys were conducted in 2022.
- True Armyworm was first discovered on Vancouver Island and the Fraser Valley in 2017. Survey and research occurred in 2018-2022.
- Ministry entomologists provide treatment advice for impacted farmers and residents and will continue to do so in 2023.
- The Ministry also has a few programs that support farmers who experience crop losses and income declines due to armyworms.

### **Little Cherry Disease**

- B.C. is a national leader in cherry production, with 15.6 tons produced and valued at \$64.8 million in 2021.
- Little Cherry Disease (LCD) is a federally and provincially regulated disease of sweet cherries. It is caused by Little cherry virus 1 (LChV1), Little cherry virus 2 (LChV2), and Western-X phytoplasma (Western-X). LCD is a serious disease that has caused substantial yield losses in Washington State.
- In 2022, the Ministry surveyed and collected 118 samples from symptomatic trees in ten orchards in Creston, Cawston, Penticton, and a few off-farm cherry trees. Samples were sent to an accredited private laboratory in Washington State for qPCR tests for LChV1, LChV2, and Western-X.
- Samples taken from a single orchard in Creston, Cawston, and Penticton tested positive for LChV2, and samples from an orchard in Cawston tested positive for Western-X. This is the first detection of Western-X disease in B.C.
- The Ministry advised the impacted growers on the removal and safe disposal of infected trees. Trees infected with Western-X in the Cawston orchard have been removed. Removal of trees infected with LChV2 in Penticton and Creston is in progress. The Ministry will oversee and confirm the removal of infected trees in all four orchards in the spring of 2023.
- In 2022, sweep netting, trapping, and visual searches were conducted in orchards in the Creston and Similkameen Valleys by the Ministry to determine the presence of insect vectors of LCD.

- Mealybugs are one the vectors for Little cherry virus 2. No mealybugs were found on farms surveyed in 2022. However, three leafhopper species (*Colladonus reductus, C. germinates, and Euscelidius variegatus*) that vector Western-X were found in the surveys.
- The detection of Western-X disease in Cawston in 2022 is a serious concern and requires further surveys to determine its spread and distribution.
- In 2023, ministry staff will survey the orchards of concern and collect samples for testing LChV1, LChV2, and Western-X. Surveys for insect vectors will continue.
- The Ministry's Plant Health Laboratory in Abbotsford is working on validating the qPCR testing protocols for LChV1, LChV2, and Western-X to accommodate samples submitted by growers for routine diagnosis.

### <u>Japanese beetle</u>

- While the number of beetles caught in 2022 was low, several were found outside of the previously known areas, including south Vancouver, Burnaby, and Port Coquitlam. A single beetle was found in north Richmond. Treatments are planned for 2023 for all these areas.
- In February 2023, the Ministry issued Notices to Treat to the City of Vancouver and Vancouver Parks, and the cities of Burnaby, Port Coquitlam, and Richmond under the Japanese beetle (JB) regulation in the BC Plant Protection Act to enable treatment of larvae and adult beetles and aid in movement control by CFIA.
- Treatment of private lands in areas where beetles have been found is led by the
  province (Ministry of Agriculture and Food) in partnership with the cities and the
  landscape industry. Treatment of public lands in these areas is led by the cities.

#### **BACKGROUND:**

#### **Armyworms**

- Fortunately, a low number of True Armyworm moths were found in recent years, and no outbreaks of True Armyworm larvae have occurred since 2017.
- In 2018 and 2019, the North Okanagan experienced outbreaks of Western Yellowstriped Armyworm (Spodoptera praefica). Outbreaks were very severe in 2019, with crop losses. Very few Western Yellowstriped Armyworm moths were trapped in 2020 and 2021, but there were no outbreaks of larvae or crop damage. No surveys were conducted in 2022, and there were no reports of armyworms or crop damage. Western Yellowstriped Armyworm attacks various broadleaf crops, including alfalfa, canola, corn, vegetables, and some ornamentals

### **Little Cherry Disease**

 A Little Cherry Disease Task Force, with members from industry, federal and provincial governments, and consultants, was formed in 2020 to work on surveillance and management of LCD in Interior B.C.

### Japanese beetle

- Japanese beetle is not considered established in the Western US and was not detected in B.C. prior to 2017. Due to the efforts, so far, to combat this beetle, B.C. is currently considered free from JB (pest-free status).
- Major impacts would occur if JB were left to establish in B.C. For example, damage to agricultural crops, including berries, ornamentals, corn, tree fruit, grapes, turf, and landscape plants, from larval feeding on roots and beetles feeding on flowers, fruit, and leaves.
- To limit this damage, an increase in pesticide use would have to occur. The nursery
  sector is anticipated to be hit the hardest as trade would also be impacted. Growers of
  nursery stock who wish to ship outside of southwest B.C. would be required to
  participate in a costly certification program to export products to JB-free areas in
  western North America, with severe economic implications to trade to be expected.

### **CROSS JURISDICTIONAL COMPARISON:**

### **Armyworms**

- Southern Manitoba and Ontario have outbreaks of True Armyworm from time to time
  in cereal and grass hay crops. Losses can be significant, and some growers do apply
  foliar insecticides. Northern California, Western Oregon, and Washington also
  experienced outbreaks in 2017. Like B.C., there was no outbreak in Washington in 20182022. However, numbers were high in parts of eastern North America in 2020.
- From time to time, there are outbreaks of Western Yellowstriped Armyworm in North America.

### **Little Cherry Disease**

 Little Cherry Disease has been a re-emerging problem in Washington State since 2010, with an estimated 28,000 trees removed. The Northwest Cherry Growers estimated a loss of 2.5 to 3 million fruit boxes in 2020 because of the disease.

### <u>Japanese beetle</u>

- Eradication success requires a multi-year program, as evidenced by programs in other jurisdictions (California, Washington) and our experience in Vancouver.
- Japanese beetle is a regulated pest in the USA, intending to limit the spread and keep Western USA free from the pest. B.C. can currently export nursery stock to JB-free states based on our pest-free status. That status will be lost if the pest spreads out of metro Vancouver and into crop-production areas of B.C.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

### **Armyworms**

 \$30,000 in Canadian Agricultural Partnership (CAP) funds supported surveillance in 2022/23 in areas of concern on Vancouver Island and the Fraser Valley. The Ministry contributed staff time and funds to investigate impacts, inform growers, buy

monitoring supplies, and check traps and fields for the pest. Total estimated staff time was between 0.1 and 0.2 of an FTE as well as travel costs. Summer students and contractors were funded via CAP and industry contributions.

### **Little Cherry Disease**

- Ministry staff, including 1.0 FTE plant pathologists and 2.0 FTE entomologists, spend a portion of their time in the tree fruit cherry sector.
- In 2022, funding of \$79,500 via the CAP Biosecurity and Surveillance Program supported the LCD surveillance program.
- In 2023, with the support of industry groups, the Ministry will conduct a surveillance program for LChV1, LChV2, Western-X, and insect vectors. To support this program, funding of \$100K is expected from the Ministry or via the Sustainable Canadian Agricultural Partnership (SCAP) initiative in 2023.

### Japanese beetle

- A 2017 risk assessment by the Ministry estimates \$28 million in annual losses to crop
  production if JB becomes established. Additional losses would occur due to the cost of
  management, certification and the potential for loss of export markets.
- Funding has been provided through the CAP Biosecurity and Surveillance Program for activities related to JB eradication (treatment) and movement control (temporary transfer station) with the City of Vancouver and Vancouver Parks Board, project facilitation (with the ISCBC), public outreach, and industry engagement (BC Landscape and Nursery Association), and for the cost to treat private land (labour and supplies). This included \$10,500 for 17/18, \$460,000 for 18/19, \$350,000 for 19/20, \$421,000 for 20/21, \$342,600 for 21/22, and \$408,000 for 22/23.
- Additionally, partner organizations provide significant funding each year, including CFIA and the cities. The total cost of the JB initiative is approximately \$1.3 million per year.

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# **Regen and Agritech Strategy**

#### **RECOMMENDED RESPONSE:**

- Food security is vital to our economy. Our government is working hard to ensure we have a safe and resilient local food system now and for generations to come.
- The multi-year Regenerative Agriculture and Agritech Strategy focusses on regenerative agricultural practices and technology to provide a frame to the implementation of programs, services and collaborative activities and initiatives that Government undertakes with industry, academia, and farmers.
- Climate change impacts are projected to become considerably greater in scale and frequency as climate change escalates in British Columbia (B.C.), which will continue to affect food security, economic growth, and public health and well-being.
- Regenerative practices are a component of sustainable agriculture which relates to environmental stewardship and has been determined by the province as a primary tactic in our efforts toward climate action.
- Regenerative agriculture practices restore the soil, water, and biodiversity of the land, which helps farmland become more resilient to climate change. Agritech brings new and innovative technology into farming to support regenerative practices.
- The Strategic Framework raises the topic of Indigenous agriculture as it relates to regenerative agriculture and agritech as a distinct area worthy of exploration and focus. This includes how regenerative agriculture and agritech can be inclusive of Indigenous practices and knowledge as well as support the recognition and acknowledgement of the history of Indigenous agriculture in current priorities and initiatives.
- Through supporting agriculture, food processing, and agritech businesses to grow, while ensuring the preservation of critical growing areas, we can ensure a resilient and competitive agriculture and food sector in our province that feeds B.C. families.

#### **BACKGROUND:**

#### Regenerative Agriculture and Agritech Strategic Framework

- The Minister's Advisory Group on Regenerative Agriculture and Agritech was
  established in June 2022 to build upon the Food Security Task Force report and develop
  recommendations to the Minister of Agriculture and Food on opportunities for
  promoting innovation, technology adoption, and regenerative practices that will
  increase the productivity, profitability, and sustainability of B.C.'s food system. The 18member group consists of regenerative agriculture and agritech industry experts from
  farming, academia, industry associations, private-sector representatives, and special
  advisors.
- In January 2023, the Advisory Group developed a Regenerative Agriculture and Agritech Strategic Framework which lays out their advice to the Minister on the vision, mission,

values, goals, and strategic priorities for regenerative agriculture and agritech in the

- To further inform the development of the Strategic Framework, two parallel engagement processes were launched in October 2022:
  - Industry-led partnership with the BC Agriculture Council led by chair Stan Vander Waal, as well as eight farmers and producers from a variety of commodity groups and regions across the province.
  - Engagement of Indigenous perspectives include an Indigenous-led process led by Jacob Beaton, inclusive of farmers and Indigenous Peoples who express interest and activity in Indigenous agriculture.
- To further ground truth and socialize the concepts discussed in the Strategic Framework, ad-hoc engagements took place between September-November 2022 with Peace River Regional District, Metro-Van Agricultural Advisory Council, and the Minister's Indigenous Advisory Council on Agriculture and Food.
- Representatives from the three formal engagements have endorsed the Strategic Framework which will provide a foundation to which collaborative engagement processes will continue through February to May 2023. During this timeframe, tactics to implement the Strategic Framework will be co-developed. The Framework also provides a foundation for the Province to align its efforts with the closely related priorities of Agriculture and Agri-Food Canada in anticipation of the incoming Sustainable Canadian Agricultural Partnership Agreement.

#### **Agritech and Innovation**

- Agritech refers to the development and application of technology to the agricultural
  and aquacultural sectors with the aim of optimizing production, profitability, or
  environmental sustainability. Agritech supports quality economic growth and
  distributed job growth for British Columbians and creates opportunities to address
  climate change. Examples of agritech include vertical growing, sensor technology,
  robotics, agricultural genomics, food processing, and waste reduction technology.
- There are several key initiatives underway to support growth of agritech and innovation in B.C.'s farm and food sector including:
  - Canada-BC Agri-Innovation Program: The program, funded through the Canadian Agricultural Partnership Innovation program, provides cost-shared funding to farmers, farm organizations, processors, Indigenous Peoples, academia, agritech and supplier companies, and others for innovative late-stage research, pilot/demonstration, and commercialization/adoption of innovative products, processes, practices and technologies; in fiscal year 2022/23, approximately \$2.8M in funding was committed to 32 projects.
  - Ramp-Up Pilot Program: The program provides mentorship, coaching and market validation training for early-stage agritech entrepreneurs; in fiscal year 2022/23, approximately \$135K was provided to support 16 companies.

### **CROSS JURISDICTIONAL COMPARISON:**

- B.C. is the first jurisdiction in Canada to establish a Food Security Task Force and develop a comprehensive report assessing how to harness new technologies and innovation to support the future of our food system.
- The provincial approach is broadly aligned to Canada's pending "Sustainable
  Agriculture Strategy" later in 2023/24, showcasing B.C. as a leader in this space. It also
  provides a foundation for the Province to align its efforts with the closely related
  priorities of Agriculture and Agri-Food Canadian in anticipation of the incoming
  Sustainable Canadian Agricultural Partnership Agreement and 5-year cost-shared
  funding for Ministry programming.

- Priorities around regenerative agriculture have already been incorporated in existing Ministry programming such as the Beneficial Management Program and Knowledge and Technology Transfer Program.
- Future programming and initiatives under the Sustainable Canadian Agriculture Partnership will likely incorporate regenerative agriculture as a tactic for climate mitigation.
- Development of the Strategic Framework has incurred costs to compensate members for their time and travel expenses.

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# **Business Risk Management Overview**

#### **RECOMMENDED RESPONSE:**

- Business Risk Management (BRM) programs play a critical part in providing tools for farmers to manage both production and financial risks and are essential to encourage and foster continued investment in the sector.
- British Columbia (B.C.) continues to support these programs through the Canadian Agricultural Partnership (CAP), which shares the costs with Canada. (60 percent Canada / 40 percent B.C.)
  - When CAP ends on March 31, 2023, the support for the programs will continue under the Sustainable Agricultural Partnership Agreement (S-CAP) on April 1, 2023.
  - o Under CAP, 2017 through to the end of 2022, BRM programs provided \$234 million in support to B.C. farmers.
- CAP sets out a requirement for a national review of BRM programs. An external panel of farmers and experts have conducted a review and made a series of recommendations. B.C. representatives are working collaboratively with Canada and the other provinces to develop and implement program changes to address the recommendations.

- BRM programs are cost shared with Canada under the Canadian Agricultural Partnership.
  - Producers contribute some of the costs with the remaining costs covered on a 60 percent Canada / 40 percent B.C. basis.
- The S-CAP Agreement between Canada and the provinces and territories comes into effect April 1, 2023, replacing the expiring CAP Agreement.
- B.C. is collaborating with Canada and the other provinces to develop and implement changes nationally to ensure that adequate and equitable BRM protection is available to all farms.
- B.C. regularly consults with industry leaders through its Risk Management Advisory Committee, which is co-chaired by the Executive Directors of the Business Risk Management Branch (Byron Jonson) and the B.C. Agriculture Council (Reg Ens).
- The Business Risk Management Branch (BRMB) is responsible for the development and delivery of Production Insurance, Agriculture Wildlife Program, AgriStability, B.C. AgriStability Enhancement Program, AgriInvest, AgriRecovery, Livestock Price Insurance (LPI) and the B.C. Bred Heifer Association Loan Guarantee and B.C. Feeder Association Loan Guarantee programs.
- Since fiscal 2022/23, BRMB is also responsible for the delivery of the Greenhouse Carbon Tax Relief Grant Program. This program is being phased out due to the introduction of an 80 percent exemption to carbon tax for eligible greenhouse

- operations; this will be implemented on April 1, 2023 by the Ministry of Finance.
- LPI is administered by Alberta under an agreement managed by BRMB (B.C. and Canada pay for the portion of administration costs incurred by Alberta for B.C. ranchers).
- AgriInvest is delivered by the federal government and costs are shared with B.C.; BRMB administers this operational relationship.
- During the fiscal year, BRMB continued to run the 2021 Wildfire and Drought AgriRecovery Initiative. The Initiative provided financial assistance to producers to offset the extraordinary costs required to return to production as a result of the wildfires and extreme drought conditions in 2021. \$3.2 million was accessed from contingencies for direct payments to the producers.
- During the fiscal year, BRMB also continued to run the 2021 Canada-British Columbia Flood Recovery Program for Food Security to respond to the flooding events and its related impacts on livestock and crops. The Program provides assistance to help offset costs of returning to production. \$8 million was approved from contingencies for fiscal 2021/22, \$70 million from contingencies for fiscal 2022/23, and \$2 million from contingencies for fiscal 2023/24.

	Contingencies for fiscal 2023/24.		
	DESCRIPTION		
Production	Stabilizes farm income by providing indemnities to insured producers		
Insurance	who have crop losses due to uncontrollable natural perils.		
AgriStability	A margin-based income stabilization program which protects producers against large declines in their farming income due to market conditions, production loss, and increased costs of production.		
Agriculture Wildlife	Provides compensation to grain, forage, and cattle producers for		
Program	non-insurable losses to crops and cattle caused by designated		
	wildlife.		
Livestock Price	Insurance that protects cattle and hog producers from unanticipated		
Insurance	drops in average market prices.		
AgriRecovery	Allows governments to provide financial assistance following		
	catastrophic loss events; support is restricted to extraordinary costs		
	required to return farms to full production.		
AgriInvest	A savings account program that enables producers to have the		
	flexibility to use the funds to cover small margin declines or for risk		
	mitigation and other investments.		
Bred Heifer and	Supports sector associations and rancher members to access capital		
Feeder Association	to purchase livestock and expand their operations and increase		
Loan Guarantees	investment in the industry.		

#### **BUSINESS AND FINANCE RISK / LOSS PROGRAMMING**

#### **GOVERNMENT RESPONSE TO RISKS/LOSSES GOVERNMENT RESPONSE TO ENCOUNTERED ANNUALLY BY PRODUCERS EXTRA-ORDINARY EVENTS WHICH** CAUSE SIGNIFICANT LOSS OF **CAPACITY TO OPERATE** PRODUCER/GOVERNMENT **GOVERNMENT PARTNERSHIP: ADMINISTERED** INSURANCE/FINANCIAL PRODUCER, INCOME **BACKING STABILIZATION PRODUCTION INSURANCE** INCOME REPLACEMENT DUE TO NATURAL PERIL LOSSES LIVESTOCK PRICE **AGRIRECOVERY AGRISTABILITY** INSURANCE **BUSINESS CAPACITY** INCOME REPLACEMENT DUE TO MARKET PRICE RESTORATION GUARANTEED INSURANCE AGRICULTURE WILDLIFE **P**ROGRAM COMPENSATION FOR PRODUCTION BRED HEIFER & FEEDER Losses By Wildlife Association Loan **G**UARANTEES Access to Capital for **AGRIINVEST** Value Added or Herd SAVINGS INCENTIVE FOR PRODUCERS FOR FUTURE BUSINESS EXPANSION OR INCOME PRODUCER FUNDED GOVERNMENT **GOVERNMENT SUBSIDIZED** ADMINISTERED OR AND **GOVERNMENT SUBSIDIZED AND BACKED FINANCIALLY ADMINISTERED ADMINISTERED**

### **CROSS JURISDICTIONAL COMPARISON:**

- Except for the B.C. AgriStability Enhancement Program, all provinces offer the same suite of Business Risk Management programs to their farmers.
- B.C. delivers programs through a branch in the Ministry of Agriculture and Food (AF). All other jurisdictions deliver the programs through Crown Corporations, Special Operating Agencies or Commissions.

### **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

- The total provincial budget in 2022/2023 for the Business Risk Management Branch was \$28.02 million for program expenditures and administration, excluding the AgriRecovery Initiatives. The Branch was approved to access up to \$70 million from contingencies for the AgriRecovery Flood Initiative.
- Production Insurance claims are paid from the Production Insurance Special Account.
- AgriStability, B.C. AgriStability Enhancement Program, AgriInvest payments and administration costs are paid from the Agriculture Income Stabilization Trust.
- Agriculture wildlife compensation payments are expensed within AF's budget.
- There are 95 full-time equivalents.

#### **BUSINESS RISK MANAGEMENT BRANCH BUDGET \***

#### ,000 FISCAL 2023

			Wildlife		Wildlif	Carbo		
		Productio	Damage	Livestock	e	n Tax		TOTAL
	AgriSta	n	Compensat	Price	Mitiga	Relief	AgriRe	BRMB
	bility	Insurance	ion	Insurance	tion		covery	BUDGET
FTE (Full Time								
Equivalents)	39	44	9	1			2	95
Salaries and								
Benefits	3,068	3,271	708	147				7,194
Operating								
Expenses	718	1,232	456	72				2,478
Transfer to Income								
Stabilization Trust	7,787							7,787
Transfer to								
Production								
Insurance Account		10,000						10,000
Wildlife								
compensation/								
mitigation								
payments			3,390		237			3,627
Carbon Tax Relief								
payments						7,555		7,555
AgriRecovery								
payments							46,000	46,000
Expense Recoveries	-4,486	-3,155	-2,832	-148			-32,800	-43,421
TOTAL	7,087	11,348	1,722	71	237	7,555	13,200	41,220

<sup>\*</sup>Table shows only Provincial share of budget expenditures. Excluded is the Federal and Producer related premium expenditures of the AgriStability (\$10 million), AgriInvest (\$4.2 million), and Production Insurance programs (\$22.7 million).

# ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Confidential Advice to Minister

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# **AgriStability**

#### **RECOMMENDED RESPONSE:**

- The AgriStability program helps producers manage significant financial risks that threaten the viability of their farm and are beyond their capacity to manage.
- Under the Canadian Agricultural Partnership (CAP), AgriStability is designed to provide income protection at the whole farm level to agricultural producers who experience large margin declines caused by production losses, increased costs, or declining market conditions.
- AgriStability program payments to British Columbia (B.C.) producers totaled over \$300 million for the period of 2007 to 2021.
- AgriStability is playing a critical role in helping farms recover from the impacts of COVID-19, the 2021 summer heat-wave, the November 2021 floods, and fires.
- Advice/Recommentations
- The interim payment rate was increased from 50 percent to 75 percent of an expected final payment, improving the ability for the program to provide funding in a timely manner.
  - Over \$3.3 million has already been paid to B.C. producers through interim payments for 2022.
  - To help with cash flow issues, administrative changes continue to ensure fast turnaround time for interim payments; the average time is now 16 days.
- B.C. is a strong advocate for national program improvements and will continue its work with federal, provincial, and territorial partners to develop a new AgriStability model that will be faster, simpler, and more predictable for farmers.
  - Starting April 30, 2023, the compensation rate will be increased from 70 percent to 80 percent to better support farmers in times of need; this change will increase support by 14.3 percent.
  - B.C. was instrumental in obtaining a national agreement to remove the Reference Margin Limit which inequitably capped support for farms.

- AgriStability is a margin-based (margin is allowable income, minus allowable expenses) income stabilization program, which protects producers against large declines in their farming income due to market conditions, production losses, and increased costs of production.
- Large financial losses in a program year are mitigated by AgriStability, allowing producers to adapt to production and market signals.
- Program benefits are calculated using income and expense data, provided by each farmer through the Canada Revenue Agency. A payment is made if the current year

- margin falls more than 30 percent below the average of prior years.
- AgriStability is administered under CAP, effective April 1, 2018. AgriStability will continue under the CAP Agreement 2018-2023.
- The 2019-2020 B.C. AgriStability Enhancement Program increased the compensation rate from 70 percent to 80 percent when margins fell below the 30 percent threshold.
- The Reference Margin Limit (RML), has been removed provincially since 2019 and nationally since 2022. The RML caused a reduction in compensation and resulted in an inequitable level of income protection when compared to farms not impacted by the RML.

### **CROSS JURISDICTIONAL COMPARISON:**

- AgriStability is available Canada-wide. It is delivered by provincial administrations in B.C., Alberta, Saskatchewan, Ontario, Quebec, and Prince Edward Island. Agriculture and Agri-Food Canada provide the administration for other provinces and territories.
- Only B.C., through the implementation of the Enhancement Program, has begun to address the known income protection gaps in the CAP AgriStability program.

- Annually, approximately 2,250 B.C. farmers are enrolled in the AgriStability program.
- Program costs are shared 60 percent by Canada, 40 percent by British Columbia.
- Due to the many expense and revenue variables beyond a producer's control, payments significantly vary from year to year.
- Actual and forecasted payments from the most recent years are as follows:
  - 2020 program year payments are forecasted at \$23 million.
    - Approximately \$3.5 million of which will be a result of B.C. enhancements.
  - 2021 program year payments are forecasted at \$30 million.
    - Approximately \$4 million of which will be a result of B.C. enhancements.
- B.C.'s share of costs (program payments and administration costs) for the AgriStability and the B.C. AgriStability Enhancement Program is funded by the Agriculture Income Stabilization Trust. The Trust is designed and funded to manage annual fluctuations in payments under the AgriStability and AgriInvest programs.

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# **Production Insurance Program Delivery**

#### **RECOMMENDED RESPONSE:**

- Production Insurance (PI) offers protection against crop losses due to naturally occurring perils, such as hail, spring frost, excessive rain, flood, fire, and drought.
- Individual Production Insurance coverage varies depending on the choice of coverage purchased.
- Ministry staff work closely with industry representatives through advisory committees to maintain and enhance the Program to appropriately meet client needs.
- Performance measures are in place for a fast turnaround time on claim payments.
- The Production Insurance program is strongly supported by producer organizations. Regular consultations occur with industry led advisory committees.

- PI is an insurance scheme to stabilize farm income by minimizing the detrimental effects of crop losses due to uncontrollable natural perils.
- PI is a core Business Risk Management program, enabled by the Canadian Agricultural Partnership, this will continue in 2023 under Sustainable Canadian Agricultural Partnership agreement.
- Funding for PI comes from insurance premiums cost-shared between producers and the provincial and federal governments under the Canada-British Columbia Production Insurance Agreement.
- Premiums are paid into the Production Insurance Special Account (PISA) and insurance claim indemnities are paid out of this account. PISA is maintained as means of providing stability to rates when large events occur. The target balance is 10 percent of liabilities. Premium rates are loaded according to the PISA balance; currently, PISA is slightly above the target level required for stability.
- As PI operates as an actuarially sound program, insurance premiums received will equal insurance claims over time.
- Except for forage, the Program has high participation levels for the major agricultural crops produced in British Columbia.
- Target for processing claims is within 30 days of the administration receiving all required information from an insured client.

### **CROSS JURISDICTIONAL COMPARISON:**

• Comparable Production Insurance programs exist in all 10 provinces.

- PI provides approximately \$760 million in coverage.
- Annual premium revenue is approximately \$35 million and is cost-shared between the federal government, the provincial government, and the producer.
- Final insurance claim payments for the 2022 crop year were approximately \$38 million (of which, Tree Fruits \$19.7 million, Berries \$9.8 million and Grain \$5.5 million).
- The PISA represents the balance of premiums collected minus claims paid overtime. The current fund balance stands at \$101 million, the required target balance of 10 percent of coverage liability.

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# Agriculture Wildlife Program and Wildlife Damage Mitigation Initiatives

#### **RECOMMENDED RESPONSE:**

- The Agriculture Wildlife Program (AWP) has been in place since 2008 and provides compensation to producers who have experienced losses from designated wildlife.
   Farmers and ranchers view this program as an important tool for addressing issues of wildlife damage to their crops and livestock.
- AWP compensates for losses of:
  - o forage and grain crops caused by designated wildlife.
  - beef and sheep caused by designated wild predators.
- In addition to compensation, the Ministry of Agriculture and Food (the Ministry) has a
  goal of preventing and reducing adverse interactions between wildlife and agriculture
  before they happen. The Ministry's Wildlife Damage Mitigation Initiative promotes the
  use and development of prevention and mitigation strategies.
  - Under this Initiative, the Ministry shares the cost of funding mitigation and prevention activities with producers who have persistently large losses to reduce the loss and need for continued compensation.
  - Wildlife Damage Mitigation is a step toward a larger policy objective of working with other ministries and producers to develop opportunities and tools to manage proactively adverse interactions between wildlife and agriculture.
- The Ministry continues to work with other government agencies and industry groups to improve program effectiveness and efficiency, and to manage adverse interactions between agriculture and wildlife.

- The Agriculture Wildlife Program (AWP) provides compensation to grain, forage, beef, and sheep producers for non-insurable losses to crops and livestock caused by designated wildlife.
- The AWP is accessed by up to 600 producers each year.
- The AWP allows for payments of up to 80 percent of verified losses caused by designated wildlife (primarily ungulates, waterfowl, and predators) to forage, grain crops, and livestock. Program costs are shared by the federal government, under the Canadian Agricultural Partnership, this will continue in 2023 under Sustainable Canadian Agricultural Partnership agreement (S-CAP).
- The AWP was developed with input and support from the British Columbia Cattlemen's Association (BCCA), B.C. Grain Producers Association, B.C. Forage Council, and other British Columbia (B.C.) ministries.
- In 2013, the Ministry developed the Wildlife Damage Mitigation Initiative (WDM) to provide financial assistance to producers with persistent and significant losses to help

them implement prevention and mitigation measures to reduce losses and damage due to wildlife. In addition, WDM reduces compensation and helps the Province to comply with S-CAP requirements to provide mitigation initiatives to gain federal cost-sharing of AWP compensation payments.

- Beef and sheep loss caused by predators are verified by the Conservation Officer Service and supported by the BCCA under the Livestock Protection Program.
  - As of 2021, the BCCA provides verification, predator control, and mitigation services for problem wolves and coyotes to cattle and sheep producers.
  - B.C. expanded the Program in 2019 to compensate sheep producers for verified predation losses.

### **CROSS JURISDICTIONAL COMPARISON:**

- B.C. and Alberta, along with the other provinces, compensate up to 80 percent of verified losses, which is the maximum amount cost-shared by the federal government.
- The WDM is unique to B.C. and is not cost-shared by the federal government.
  - Other jurisdictions compensate for predation losses for numerous livestock types, whereas B.C. covers losses to sheep and cattle.

- Claim payments in fiscal 2021/22 were about \$6.3 million, largely due to continued high forage replacement costs and elevated wildlife damages due to the extreme weather experienced in 2021.
  - o \$120,000 is budgeted annually for the WDM initiatives.

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# **Western Livestock Price Insurance Program**

#### **RECOMMENDED RESPONSE:**

- The Livestock Price Insurance program protects cattle and hog producers from unanticipated drops in average market prices.
- British Columbia (B.C.), in collaboration with Canada and the other western provinces, work collaboratively to ensure Livestock Price Insurance remains an effective risk management product for B.C. livestock producers.
- We understand some provinces may allow for the purchasing of Livestock Price
   Insurance on credit. Establishing an accounts receivable function in B.C. for a very small
   program like Livestock Price Insurance is not feasible. Ranchers have reasonable access
   to alternative credit sources like the Advanced Payments Program if credit is truly a
   barrier to buying insurance.

- Livestock Price Insurance (LPI) protects cattle and hog producers against unforeseen market price declines.
  - Producers can protect up to 95 percent of the expected average market price and have a myriad of coverage and coverage period options.
  - Producers pay all the risk premium for LPI while governments pay administration costs and financially backstop the program.
  - Available coverage is set by Alberta actuarial staff based on future market (Chicago mercantile exchange) and the basis difference between Alberta and American prices.
  - Payments are triggered when the average market price in Alberta for a week falls below the selected coverage. The price an individual producer experiences is not used to determine payments.
- LPI is strongly supported by the B.C. cattle sector, however, market penetration fluctuates between only 10 and 20 percent. Ranchers use LPI most frequently during periods of high prices to lock in profit.
  - Cattle are insured separately in three different weight categories: calves, feeders and finishing (fed) cattle. B.C. primarily covers calves.
  - The program has very minimal use by the hog sector.
- LPI is delivered by Alberta across the four western provinces. Central and eastern provinces are examining the feasibility of similar programming.
- LPI, originally named Western Livestock Price Insurance, originated as an AgriRisk Initiative under the Canadian Agricultural Partnership (CAP) in 2014.
  - However, AgriRisk will not be included under Sustainable Canadian Agricultural Partnership agreement. As a result, B.C., the three western provinces, and Canada are negotiating a new agreement to continue LPI after the CAP agreement is no longer in effect after April 30, 2023.

 LPI is enabled by a combination of four agreements: A multilateral agreement signed by Ministers of the four western province and Canada, detailed program specifications signed by ADMs, a bilateral contribution agreement between Canada and each province to fund administration costs and a bilateral service agreement between B.C. and Alberta.

### **CROSS JURISDICTIONAL COMPARISON:**

- The LPI product is virtually the same across the four western provinces.
- Alberta and Saskatchewan allow producers to buy coverage "on account" which is essentially on credit. This has been requested by some producers in B.C.
- The United States offers a subsidized gross revenue insurance product to livestock producers, which includes price protection. This product has a higher level of government support, including premium subsidy, than LPI.

- B.C.'s share of annual administration costs is approximately \$136,000. This represents
  40 percent of costs with Canada contributing 60 percent. A centralized delivery through
  Alberta and web-based purchases and payments are providing administrative
  efficiencies.
- The B.C. Net Premium Account (premium minus claims) has maintained a small surplus since inception in 2014. Private reinsurance is in place and Canada will cash flow shortterm deficits. B.C. is responsible for any negative balance should the program terminate.

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# Flood Recovery Initiative

#### **RECOMMENDED RESPONSE:**

- The 2021 Canada-British Columbia Flood Recovery Program for Food Security is helping B.C. farmers recover and return to production, after the devastating 2021 atmospheric river event.
- Up to \$228 million in federal-provincial government support is available to help farms return to production through joint leverage of the federal government's AgriRecovery Framework and Disaster Financial Assistance Arrangements (DFAA).
  - Combining the federal support into one Flood Recovery Program, maximized the federal cost sharing to the province and the impacted producers, as well as streamlined the process for impacted producer to receive support.
- Money got out to applicants quickly, allowing much of the stress and uncertainty to be reduced so farmers could focus on critical issues.
- Advances were provided to impacted producers enabling them to recovery quickly.
- Payments were initiated within five days of the program announcement.
- The program was responsive to farmers facing challenges in completing recovery activities; we extended the initial deadline from June 1, 2022 to August 31, 2022 and extended the deadlines for flood cleanup and perennial replanting from December 2022 to December 2023.
- To optimize clients access to supports from available programs, the flood recovery team worked closely with Disaster Financial Assistance (DFA) and Indigenous Services Canada, allowing clients to maximize assistance.
- The August 31, 2022 general application has now passed, however, guidance and assistance for those that are enrolled continues to be delivered with applicants able to submit revised loss schedules for cleanup up, replanting and uninsurable repairs until December 1, 2023.
- To date, over \$61 million has been provided to 409 applicants to help with expenses like clean-up, uninsurable infrastructure, plant loss and animal welfare. The program has made approximately 1,000 payments to these applicants to ensure they get monies as soon as their losses are submitted.
- The resiliency of B.C. farmers is amazing and while there is still much work to do, many farmers returned to production within a short timeframe; dairy and poultry production were very close to pre-flood production three months after the disaster and annual field crops were reseeded as normal.

#### **BACKGROUND:**

• The 2021 Canada-British Columbia Flood Recovery Program for Food Security helps farmers who have incurred extraordinary expenses from uninsurable damages such as:

- Clean-up, repair and restoration of land, barns and animal shelters, water, and waste systems; returning flood-impacted land and buildings to a safe environment for agricultural production.
- Repair of uninsurable essential farm infrastructure, reasonable repair of on-farm structures such as livestock containment fences, and the rental of temporary production facilities drainage ditches and riprap.
- Animal welfare; replacement feed as well as livestock transportation, veterinary care, and mortality disposal.
- Loss of perennial plants not raised for resale.
- The 2021 Canada-British Columbia Flood Recovery Program for Food Security was established on February 7, 2022, and up to \$228 million from federal-provincial government is available to support eligible applicants.
- Treasury Board approval was given access contingencies for \$8 million in 2021/22, \$70 million in 2022/23, and \$2 million in 2023/24. This was B.C.'s share of the total estimated program costs of \$228 million and included funds for administration costs of \$1 million.
- For the first time ever, B.C. worked with Canada to utilize both DFAA and AgriRecovery in tandem for farm disaster relief. By incorporating both mechanisms, B.C. can maximize its funding to support farm recovery, as DFAA includes a B.C.-Canada contribution of 10/90 (as opposed to AgriRecovery with a 40/60 contribution).
- The main criterion to determine farm eligibility under both DFAA and AgriRecovery is annual gross revenue. Farms with an annual gross revenue under \$2 million are eligible for DFAA with a compensation maximum of 90 percent of eligible costs. Farms with annual gross revenue above \$2 million are eligible for AgriRecovery with maximum compensation of 70 percent of eligible costs. See Table 1 for comparisons of the two cost share arrangements proposed.
- The AF Business Risk Management Branch administers the Program and have worked closely with farmers and farming organizations to make sure we have a comprehensive response that will support their recovery.

Table 1: Comparison of eligibility, cost share, and compensation under DFAA and AgriRecovery									
		Compensation	_	Max.	Eligible if	Eligible if			
	Federal	Rate (coverage of eligible costs)	Farm	Eligible	<50%	<50%			
	Cost		Claim	Annual	Income is	ownership of			
	Share					Maximum	Gross	from	farm
				Revenue	Farming				
DFAA	90%	90%	NA	\$2 million	Eligible	Not Eligible			
AgriRecovery	60%	70%	NA	No Limit	Eligible	Eligible			

The \$80 million maximum provincial contribution over the three fiscal years represents
a worst-case scenario for B.C., what B.C. would pay if all payments were only eligible
under AgriRecovery. Thus, there is high possibility of AF not requiring the full

\$80 million requested.

- The DFAA compensation rate is determined by the province, with a possible maximum of 100 percent. AF recommends 90 percent compensation to minimize the difference from what higher grossing farms can receive under AgriRecovery (which has a maximum compensation of 70 percent).
  - AF's reason for not recommending a lower compensation rate was to ensure smaller farms receive sufficient funding, while maximizing the lower provincial contribution under DFAA.
- The Ministry of Forests along with other ministries, is developing a flood management framework that will consider approaches to address future severe flood risk through building back for greater future infrastructure resilience in affected regions or considering managed retreat from highest risk areas.

### **CROSS JURISDICTIONAL COMPARISON:**

• This event was unique to B.C.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Total expected payments to producers at program completion is estimated at \$70 to 80 million.
- The current payout breakdown between DFAA and AgriRecovery is 34:66.
- The net expenditure to the Province was \$6.5 million in fiscal 2021/22 and is expected to be \$12 million in 2022/23, and \$1.7 million in 2023/24.
- Payments summary.

As of January 27,2023, the top five sector payouts from the 2021 Canada-British Columbia Flood Recovery Program for Food Security include:

- o 170 eligible applicants from blueberry sector, paid \$22.1 million
- o 93 eligible applicants from livestock and forage producers \$9.4 million
- 19 eligible applicants from nursery sector, paid \$8.8 million
- o 56 eligible applicants from dairy sector, paid \$6.9 million
- o 29 eligible applicants from vegetable sector, paid \$5.1 million

Industry	Total # of Payments	Payment Amount per Industry	Unique # of Paid Clients per Industry
Nursery	38	8,832,948	19
Livestock &			93
Forage	210	9,376,350	95
Vegetables	89	5,157,669	29
Blueberry	403	22,142,282	170
Bees	11	214,479	8

# ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

Total	947	\$61,286,094	409
Grapes	1	99,810	1
Misc.	1	401,235	1
Ducks	1	9,238	1
Poultry	53	3,536,116	24
Sod	11	3,617,691	3
Dairy	118	6,978,258	56
Hops	11	920,018	4

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# Site C - Agricultural Compensation Fund

#### **RECOMMENDED RESPONSE:**

- The development of Site C is estimated to permanently displace approximately 3,800 hectares of Class 1 to 5 agricultural lands (land capable of crop production) in the Agricultural Land Reserve. However, nearly 3M hectares of quality land will remain available for agricultural production in the region.
- In recognition of the important role agriculture plays in the Peace River Region and the
  potential effects of the Site C project on agriculture, BC Hydro has created a \$20M
  Agricultural Compensation Fund to support agricultural production and related
  economic activity in the Peace Region.
- A regional decision-making board is responsible for overseeing the fund's management and disbursement.
- The 10-member board was appointed in 2018 and consists of six members that are appointees of regional agricultural associations or the Peace River Regional District, one member who is a Peace River Valley agricultural producer, and three members-atlarge.

- As part of the Environmental Assessment Certificate (EAC) approval conditions for the Site C Energy Project (Site C), BC Hydro developed an Agricultural Mitigation and Compensation Plan (Plan).
- The Plan includes a \$20M BC Hydro Peace Agricultural Compensation Fund (Fund), construction management practices, individual farm mitigation plans and an approach to management of surplus agricultural land following construction.
- BC Hydro struck a Consultation Steering Committee, comprised of staff from BC Hydro, the Ministry of Agriculture and Food and what is now the Ministry of Energy, Mines and Low Carbon (EMLI) that led the consultation process and developed the governance structure for the Fund.
- The final Plan was submitted on July 27, 2017, (within two years after construction start) to the BC Environmental Assessment Office, the Peace River Regional District, the District of Hudson's Hope, Ministry of Agriculture and Food, Ministry of Energy, Mines and Low Carbon and the previous Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD).
- Three changes were made to the final governance model: prioritization of First Nations
  for a member-at-large seat; a separate call and position for an agricultural producer
  living in the Peace Valley; and the addition of another cattle position to balance the
  crop-livestock ratio of the Peace Region Board. Some crop organizations have indicated
  dissatisfaction with the additional seat provided to the cattle sector.

 Northern Development Initiative Trust (NDIT) will be paid 10 percent on the annual grant allocation after BC Hydro approves each year's budget. This fee does include NDIT's costs as the Board secretariat and Fund application administrator.

### 2022 Funded projects include:

- The Fort St. John Seed Cleaning Cooperative Association received \$746,000 to complete improvements to its seed cleaning plant.
- The South Peace Grain Cleaning Cooperative Association received \$254,000 to purchase and install an optical sorting machine.
- Bar 4 Ranch Ltd.: \$19,297 to purchase a livestock scale.
- British Columbia Honey Producers Association: \$27,880 to research and Integrated Pest Management (IPM) strategies to increase honeybee health.
- Collins Cattle Co Ltd.: \$14,559 for a half section fencing program.
- Creek Bank Farms Ltd.: \$23,775 for Creek Bank wormworks.
- Darren and Jennifer Snider: \$50,000 for sheep feeding equipment.
- Dawson Creek & District Exhibition Association: \$15,000 for the 2022 Dawson Creek Exhibition & Stampede.
- Elisabeth Haagsman: \$15,834 for a greenhouse to grow four season food.
- Hill and Hollow Farm: \$23,886 to improve a goat grazing fence line.
- Jared Lee Loewen: \$50,000 for fertilizer distribution.
- Kayla Read: \$11,653 for dugout management to improve water sustainability.
- Kenneth and Anita Thomson: \$10,500 for fencing at Thomson Ranch.
- Kolby Peterson: \$12,464 for the Wildwood Farm market garden.
- LH Willms Inc.: \$42,917 for soil enhancing cover crop research.
- Lindsay Katherine Routledge: \$16,500 for orchard wildlife protection.
- Rob and Leanne Esau: \$15,109 for a cattle handling system.
- Royd and Kelsey Lusk: \$21,647 for all-season electric/geothermal stock waterers.
- Sarah Mackie: \$12,730 to build a new greenhouse.
- Silver Willow 4H Club: \$8,610 for handling equipment.
- Squiggly Things: \$8,615 for on-farm wash-pack-preserve equipment.

### **CROSS JURISDICTIONAL COMPARISON:**

- This file is linked to the creation of a BC Food Security Fund dedicated to supporting farming and enhancing agricultural innovation and productivity in the province. The fund value is linked to Site C revenues.
- The Ministry of Agriculture and Food and the Ministry of Energy, Mines and Low Carbon Innovation are in collaboration to prepare a joint Treasury Board submission recommending funding the BC Food Security Fund and the Peace River Legacy Fund.

### **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

As of June 2022, \$2,689,037 in funding has been approved for 74 projects.

The Northern Development Initiative Trust financial report of December 31, 2021, shows a

balance of \$27.75M up from a 2020 balance of \$25M.

 $\frac{https://www.northerndevelopment.bc.ca/wp-content/uploads/2022/06/BCHydro\ PACF-2021-AR-FINAL.pdf$ 

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### EXPORT MARKET DEVELOPMENT

#### **RECOMMENDED RESPONSE:**

- British Columbia's (B.C.'s) agriculture, food and beverage products are currently shipped to over 150 international markets and are recognized as high-quality, safe products.
- In 2021, B.C.'s agriculture, food and beverage exports totaled \$5.1B, supporting our economy at home through increased business revenues and jobs in B.C. communities.
- Our Ministry is committed to ensuring exporters have the support required through programs, policies, and initiatives to grow and diversify their export opportunities.
- Our Ministry will continue to collaborate with the Ministry of Jobs, Economic
  Development and Innovation (JEDI) to ensure industry is supported to grow and
  diversify export markets for their products through participation in export market
  development activities such as key international tradeshows and retail and food service
  promotions.
- This will ensure that B.C. farmers, harvesters, producers, and processors can connect
  with buyers in key markets and in turn support sustainable economic growth through
  increased business revenue and jobs throughout B.C.

### **BACKGROUND:**

- The December 2022 Mandate Letter outlined the Minister will support export opportunities for the agriculture, food and beverage sector.
- In 2021, B.C. exported \$5.1B in agriculture, food and beverage products to approximately 151 markets:
  - The top five export markets were: the United States (\$3.9B), China (\$344M),
     Japan (\$218M), South Korea (\$135M), and Hong Kong (\$84M).
  - The top five export products were farmed Atlantic salmon (\$519M), food for processing and natural health products (\$475M), baked goods (\$338M), tallow (\$283M), and mushrooms (\$272M).
- In 2023/24, the Ministry of Agriculture and Food (the Ministry) will support the growth and diversification of exporters' products by offering a continuum of targeted market development and market intelligence programs and services, including:

### Cost-Shared Funding for Industry-led Activities

- \$1M (TBC) per year through the B.C. Agriculture and Food Export Program to support industry-led export market development activities.
- \$250K (TBC) per year through a Call for Proposals for Industry Associations to conduct export market research and development planning activities.

#### International Tradeshows/Events

- Through a Memorandum of Understanding (MOU)., the Ministry and JEDI will
  continue to support industry participation and promotion of B.C.'s agriculture,
  food and beverage products at large international tradeshows/events each year.
- The MOU will enable a B.C. booth presence at a minimum of five critical

tradeshows/events for 2023-24.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

- The Sustainable Canadian Agriculture Partnership (S-CAP) Market Development & Trade budget is approximately \$2.5M annually (TBC), and provides support for both domestic and international market development.
- In 2023/24, \$1.9M (77%) is allocated for international market development, including:
  - \$1M (TBC) in cost-shared funding through the B.C. Agriculture and Food Export Program to support industry-led export market development activities,
  - \$250K (TBC) in cost-shared funding to support an industry-led call for proposals with industry associations for market research and planning activities, and
  - \$670K (TBC) to support government-led export activities, events, and promotions, market research, and market preparedness tools and resources (e.g., export catalogue, trade diversification seminars).

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### **Market Access Concerns**

#### **RECOMMENDED RESPONSE:**

- Market disruptions and global trade uncertainty, particularly because of COVID-19, the 2022 Russian invasion of Ukraine and recent climate change impacts, have presented challenges for B.C. agriculture, food and seafood producers and processors.
- Our Government is committed to continue working closely with the Government of Canada to create trade opportunities, while protecting British Columbia's (B.C.'s) producers and processors interests.
- I look forward to continue working with the B.C. Ministry of Jobs, Economic
  Development and Innovation (JEDI) and Government of Canada to ensure that our
  industry is aware of the many benefits that fall under our country's free trade
  agreements like the Canada-United States-Mexico Agreement (CUSMA); Comprehensive
  and Progressive Agreement for Trans-Pacific Partnership (CPTPP); Canada-Korea Free
  Trade Agreement (CKFTA); and Canada-European Union Comprehensive Economic and
  Trade Agreement (CETA).
- I am also encouraged that B.C. is well-positioned to capitalize on new trade diversification opportunities in markets around the world.
- The diversity of products that British Columbians grow, produce, raise, harvest, and create is amazing. We are globally recognized for our commitment to produce healthy, safe, and high-quality food, to feed growing local and international demand.

- The primary way Canada increases market access is through trade agreements, as increasing access to export markets diversifies trade opportunities, reduces market risk and supports long-term growth for the agriculture and food sector.
- International trade falls under Federal jurisdiction, with JEDI acting as the Provincial lead on international trade.
  - Canada currently has 15 Free Trade Agreements with 51 different countries, covering 1.5 billion consumers worldwide.
  - In November 2022, Canada released an Indo-Pacific Strategy, which aims to increase market access by positioning Canada as a reliable trading partner to the region of over 40 countries and economies.
  - In B.C., JEDI has a mandate commitment to create and implement a Trade Diversification Strategy to position B.C. businesses on the global stage.

- The Ministry of Agriculture and Food (the Ministry), works closely with JEDI, Canada and industry to support the Province's agriculture, food, seafood and beverage sector in expanding market access opportunities and reducing trade related barriers.
- Once market access is achieved, the Ministry works closely with JEDI and industry to develop trade opportunities in priority markets through participation in major tradeshows and in-market promotions.
- Since 2015 four new trade agreements have been established that present significant trade diversification opportunities for B.C. exporters; these include the:
- Canadian-US-Mexico Agreement (CUSMA):
  - o CUSMA entered into force July 1, 2020, replacing the North America Free Trade Agreement (NAFTA).
  - o The United States (U.S.) is B.C.'s largest export market valued at \$3.9 billion in 2021.
- 2. Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP):
  - o The CPTPP entered into force on December 30, 2018 and is an agreement between Canada and 9 countries in the Asia-Pacific Region.
  - The CPTPP is a trading bloc representing 500 million consumers and 13.5 percent of global GDP. The elimination of tariffs among the CPTPP signatory countries is expected to make Canadian products more competitive.
  - o The most recent countries to ratify the agreement were Chile in 2023, and Malaysia in 2022, joining Australia, Canada, Japan, Mexico, New Zealand, Peru, Singapore and Vietnam in the CPTPP.
  - o In 2022 Costa Rica and Uruguay applied to join the CPTPP, following the UK, China, Taiwan, and Ecuador's applications to join in 2021.
- Canada-European Union Comprehensive Economic and Trade Agreement (CETA):
  - o CETA provisionally applied in September 2017 and is still awaiting full ratification from some European nations.
  - o 17 countries in addition to Canada have ratified the agreement; most recently this includes Germany and the Netherlands in 2022. The countries yet to domestically ratify are Belgium, Bulgaria, France, Greece, Hungary, Ireland, Italy, Poland, and Slovenia. Cyprus voted against ratification in 2020.
- 4. Canada-Korea Free Trade Agreement (CKFTA):
  - CKFTA entered into Force on January ,1 2015.
  - o South Korea is B.C.'s fourth highest export market valued at \$135 million in 2021, (following the U.S., China and Japan).
  - o In August 2022, B.C. cherries gained market access to South Korea for the first time, creating a promising long-term opportunity for B.C. producers.

- In addition to these new agreements, Canada is currently negotiating three trade agreements which may present additional opportunities to diversify B.C. exports in the years ahead.
- 1. Canada-United Kingdom Free Trade Agreement:
  - Negotiations began on March 24, 2022.
  - Currently, the Canada-United Kingdom Trade Continuity Agreement is being used as interim agreement modeled after CETA; it came into force on April 1, 2021, and aims to provide continuity, predictability, and stability for trade between Canada and the UK.
- 2. Canada-India Comprehensive Economic Partnership Agreement:
  - Negotiations began in 2010.
  - An Early Progress Trade Agreement is currently being negotiated and expected to be signed prior to September 2023, as Canadian Prime Minister Justin Trudeau will be visiting India in September 2023 for the G20 leaders' summit.
- 3. Canada-Indonesia Comprehensive Economic Partnership Agreement
  - Negotiations began on June 20, 2021.
- On February 21, 2023, Canadian consultations closed on possible free trade agreement negotiations with Ecuador, which may present future opportunities.
- Current market access concerns are largely focused on tariff-rate quotas (TRQ), as there are ongoing investigations for dairy TRQs under CUSMA and CPTPP.
  - The U.S. has launched two TRQ investigations under CUSMA.
    - The first investigation resulted in a dispute settlement panel in 2021, which found Canada to not be following the spirit of the agreement; In response Canada revised TRQ measures.
    - The U.S. has not been satisfied with Canada's revised TRQ measures and believes Canada is still not in compliance with CUSMA. On January 31, 2023, the U.S. formally requested the establishment of a second dispute settlement panel following consultations with Canada in early 2023. Currently panelists are being determined and the panel's findings will be published 7-9 months after it is established.
  - New Zealand has launched a TRQ investigations under CPTPP.
    - A request for the establishment of a dispute settlement panel was filed in November 2022; the panel is currently on going and a final report will be released in May/June 2023.
  - B.C. continues to work with federal and provincial partners along with industry to collaborate on the response to these investigations.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

### **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

• No funding support provided to industry for market access concerns in 2021/22.

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### Sustainable Canadian Agricultural Partnership

#### **RECOMMENDED RESPONSE:**

- We have made significant progress toward the negotiation of a new, multilateral agricultural policy framework. This agreement is called the Sustainable Canadian Agricultural Partnership (S-CAP).
- S-CAP will replace the Canadian Agricultural Partnership, which expires on March 31, 2023.
- S-CAP is an agreement that represents a five-year, \$3.5 billion investment in agriculture, agri-food and agri-businesses across Canada that is expected to launch on April 1, 2023.
- B.C. and the other Provinces and Territories were successful in negotiating a 25 percent increase for cost-shared funding under the S-CAP, representing an additional \$500 million across the country.
- This agreement, which I hope to sign in the weeks ahead, will represent a significant amount of funding to B.C.'s farmers, food processors and agri-businesses.
- S-CAP will enable the Ministry to provide business continuity to farmers, ranchers and agricultural businesses that rely on the current funding agreement (the Canadian Agricultural Partnership).
- The next steps involve agreeing to a Framework Agreement with the other Provinces, Territories, and Canada. Then, B.C. will negotiate and finalize a bilateral agreement with Canada, which will provide details of industry programs centered around assisting farmers, ranchers and food processors in developing domestic and international marketing strategies, becoming more innovative, adapting to the changing climate, effectively planning for and managing risks, growing value added food processing and ensuring that the B.C. food produced is safe.

- The Sustainable Canadian Agricultural Partnership (2023-2028) is the fifth Federal-Provincial-Territorial Multilateral Framework Agreement on agriculture and food policy.
- The Sustainable Canadian Agricultural Partnership will see \$3.5B jointly committed across the country. The partnership is funded under two separate envelopes:
  - 1. Business Risk Management (BRM) programming: A demand driven suite of programs that nationally accounts for approximately \$1.6B annually. The Business Risk Management suite of programs helps viable farming operations protect

- themselves from severe financial losses due to production losses, weather perils and market conditions. The annual costs of programs vary in response to actual losses caused by primarily severe weather events and negative market conditions.
- 2. Strategic Initiative funding: This envelope accounts for \$3.5B of cost-shared funding jointly committed across the country over five years. Strategic Initiative funding provides industry stakeholders with funding to mitigate and adapt to climate change, research new technologies to promote innovation, and develop their markets. This funding is shared under two broad categories:
  - a. Programs that are delivered by provincial and territorial governments (PTs) and cost-share funded federal government 60:40 (F:PT), which account for \$2.5B; and,
  - b. Federal-only Strategic Initiatives, which account for \$1B.
- For B.C., the cost-shared agreement will represent approximately \$475M over the fiveyear agreement and support over 20 programs. The funding is the primary funding source for Ministry of Agriculture and Food programming.
- The Sustainable Canadian Agricultural Partnership is comprised of the following documents (developed in succession):
  - The "Guelph Statement" (November 2021) outlines the objectives, principles, desired results and priority areas for the Federal-Provincial-Territorial policy framework. This is not a legally-binding document, rather, it is an agreement in principle, meant to guide the development and negotiation of the formal partnership documents.
    - Per the Guelph Statement, the partnership will have these focus areas: Building Sector Capacity, Growth & Competitiveness; Climate Change & Environment; Science, Research & Innovation; Market Development & Trade; and Resiliency & Public Trust.
    - In addition to these priority areas, new areas of emphasis were highlighted such as: labour and training; local food capacity and supply; mental health; and Indigenous Peoples and underrepresented/marginalized groups.
  - 2. The Multilateral Framework Agreement (expected signing February 2023) is the formal agreement between the Federal-Provincial-Territorial parties that details the desired outcomes and priority areas for the Sustainable Canadian Agricultural Partnership. Additionally, the Multilateral Framework Agreement includes program terms & conditions for the Business Risk Management suite of programs.
  - 3. The Canada-British Columbia Bilateral Agreement (expected signing March 2023) contains detailed terms and conditions for the delivery and administration of Sustainable Canadian Agricultural Partnership Designated Programs, including descriptions and funding allocations for B.C.-specific programming.

#### **Key Changes:**

 The Sustainable Canadian Agricultural Partnership has several changes from the prior agreement (Canadian Agricultural Partnership, 2018-2023), most notably:

- 1. A 25 percent funding increase to the Strategic Initiatives envelope (\$500M overall increase). For B.C this marks a \$28.9M overall increase, or \$5.78M per year.
- 2. A stronger commitment to performance measures, including three new national collective outcomes grouped into three categories:
  - Environment: 3-5 megaton reduction in greenhouse gas emissions by 2028.
  - Economic: \$250B in sector revenues and \$95B in sector export revenues by 2028.
  - Social: A 2-3 percent increase in funded recipients that are Indigenous Peoples, women and youth over current rates of sector participation by 2028.
- 3. Within AgriStability, under Business Risk Management programing:
  - The compensation rate was raised from 70 percent to 80 percent for 2023-2028. Previously, B.C. had been fully funding the 10 percent top up, and will now have it cost shared (60:40) by Canada.
  - A new administrative model is being developed, targeted for implementation in 2024.
    - The new model will improve the timeliness and predictability of the program. Key components include aligning the program to the method of tax filing (cash versus accrual), a more equitable fee structure and earlier program deadlines. B.C. is also developing an enhanced level of customer support.
- 4. A stronger focus on addressing climate change:
  - Of the 25 percent increase, 12.5 percent will go to a new Resilient Agricultural Landscape Program (RALP). The Resilient Agricultural Landscape Program is an ecological goods and services program which will be established based on national principles, with regional flexibility. Resilient Agricultural Landscape Program will be both cost-shared and administered by provinces and territories.
  - As well, provinces will be required to spend 12.5 percent of funding on greenhouse gas (GHG) reduction and/or carbon sequestration activities. Territories are exempt from this requirement.
  - Business Risk Management programs have new linkages to the environment:
    - o Farms with \$1M annual net sales will need an environmental assessment by 2025 to receive AgriInvest.
      - Canada administers AgriInvest for all provinces except Quebec and provinces run the programs which fund the environmental assessments.
      - B.C. is well positioned to meet the cross-compliance requirement with our existing Environmental Farm Plans.
        - Larger farms, such as those with \$1M in annual net sales, are more likely to already have an Environmental Farm Plan in place.
        - In 2020, there were 307 farms in AgriInvest from B.C. which would have required an Environmental Farm Plan.
        - There is adequate capacity for B.C. to complete needed Environmental Farm Plans before 2025 cross compliance is implemented.

- While B.C. is a strong proponent of Canada's climate change agenda, the linkages between Business Risk Management programs and the environment are expected to have little measurable impact. Environmental Farm Plans are beneficial, however provide no data to demonstrate their effectiveness. As well, the cross compliance may be unpopular amongst some farmers and their organizations.
- AgriInsurance must now have a linkage to at least one management practice.
  - The linkage must be cost neutral which means the practice being linked must reduce risk (and therefore premium) and benefit the environment.
  - Should a province identify a practice which meets both objectives will not reduce premiums enough to change farm management.
  - Canada has not yet approved any linkage proposed by a province.
  - B.C. believes we can identify a practice which meets both risk reduction and environmental benefit criteria.

### **Current State/Next Steps:**

The final Multilateral Framework Agreement was sent to Ministers for signature in February 2023.

- B.C. has submitted Treasury Board Submission to get signing authority. Approval is targeted for late February 2023.
- Each province and territory will now negotiate their own bilateral agreements with Canada, which will set out the overarching program framework each province and territory will deliver over the course of the framework.
- B.C started bilateral negotiations in February 2023 and is targeting signing the bilateral agreement by the end of March 2023, with programs launching in April 2023.

### **CROSS JURISDICTIONAL COMPARISON:**

• All Federal-Provincial-Territorial governments are expected to sign the Multilateral Framework Agreement.

- The S-CAP funding envelope received a 25 percent funding increase to the Strategic Initiatives envelope (\$500M overall increase). For B.C this marks a \$28.9M overall increase, or \$5.78M per year.
- The Business Risk Management programming costs include both provincial-only and federal contribution funding. These are estimated using market projections, which may change over the course of the agreement.

Table 1: S-CAP B.C. Estimated Funding

	Federal	Provincial	Total	
Business Risk Management	\$196,250,000	\$135,500,000	\$331,750,000	70%
Strategic Initiatives	\$86,343,750	\$57,562,500	\$143,906,250	30%
Total	\$282,593,750	\$193,062,500	\$475,656,250	

• Strategic initiatives funding is allocated among provinces/territories based on the agricultural market cash receipts and the number of farms in each jurisdiction, as well as other economic considerations (which only apply to the Atlantic Provinces and territories).

Table 2: S-CAP Strategic Initiative (SI) Funding by Province and Territory

	Province/Territory	Federal	Provincial	Total
	11011110071011110019	Funding	Funding	Fed/Prov
1	British Columbia	\$86,343,750	\$57,562,500	\$143,906,250
2	Alberta	\$304,781,250	\$203,187,500	\$507,968,750
3	Saskatchewan	\$291,000,000	\$194,000,000	\$485,000,000
4	Manitoba	\$132,590,625	\$88,393,750	\$220,984,375
5	Ontario	\$341,156,250	\$227,437,500	\$568,593,750
6	Quebec	\$219,946,875	\$146,631,250	\$366,578,125
7	New Brunswick	\$27,750,000	\$18,500,000	\$46,250,000
8	Nova Scotia	\$27,750,000	\$18,500,000	\$46,250,000
9	Prince Edward Island	\$27,750,000	\$18,500,000	\$46,250,000
10	Newfoundland and Labrador	\$27,750,000	\$18,500,000	\$46,250,000
11	Yukon	\$5,550,000	\$3,700,000	\$9,250,000
12	Northwest Territories	\$4,578,750	\$3,052,500	\$7,631,250
13	Nunavut	\$3,052,500	\$2,035,000	\$5,087,500
	TOTAL SI Contributions	\$1,500,000,000	\$1,000,000,000	\$2,500,000,000

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### **Tree Fruit Stabilization Plan**

#### **RECOMMENDED RESPONSE:**

- Our government is committed to the lasting prosperity of the tree fruit industry through the British Columbia (B.C.) tree fruit stabilization plan which provides clear direction on how to better support tree fruit growers in changing the course of the sector, ensuring the economic viability and ongoing legacy of this century-old industry.
- The plan recommends several actions to address the leadership and governance of the sector, enhancing its competitiveness, and building on the support provided by the B.C. government.
- As part of the plan, we recently announced \$2.5 million in funding to support four strategic areas: crop health, fruit production, apple marketing, and skills training.
- The stabilization plan and this funding reflect our efforts to work directly with the industry to ensure they succeed and are in the best position to increase their efficiency, production, and profitability.
- Collaboration amongst industry stakeholders producers, packers, industry
  organizations is key to the future of this industry and the Ministry is committed to
  helping this iconic B.C. industry recover.

- B.C.'s tree fruit industry includes about 800 growers managing 12,840 acres of tree fruit, largely in the Okanagan, Similkameen and Creston Valleys. Apples constitute roughly 6,677 acres of this total.
- Industry has voiced concerns regarding declining returns over the last five years, particularly apple growers noting supply chain issues and increased labour costs due to COVID-19 and unprecedented weather events.
- The planted apple acreage has dropped from 8,781 acres in 2018 to 6,677 acres in 2020. Much of this land is being converted to cherry and wine grape crops.
- There is concern from cherry and wine grape stakeholders that recently transitioned apple producers won't uphold quality standards of their industries.
- Over 75 percent of the apples produced in B.C. are sold within western Canada however this only supplies a fraction of B.C.'s retail demand. Imports, primarily from Washington State and New Zealand fill the gap.
- The Ministry shares the concerns about the circumstances facing apple producers and the potential loss of apple production on agricultural land reserve land if the situation does not improve.
- Many studies of the industry have been conducted in recent years, with recurring recommendations not being implemented due to a lack of leadership in the industry.
- As a result, in February 2021, the Ministry launched an ambitious workplan to assess the industry's circumstances and determine how best to address those challenges.

- A Steering Committee composed of key industry stakeholders informed the development of the Tree Fruit Industry Stabilization Plan (released in Nov 2021, titled: A Path Forward: A Blueprint for B.C.'s Tree Fruit Industry).
- Industry members unanimously endorsed the Plan and the 19 recommendations in it.
- Key successes of the Tree Fruit Industry Stabilization Plan include:
  - Unprecedented collaboration between apple packers, including on quality standards and sharing of apple sales information (historical data only). These initiatives have great potential to increase grower returns.
  - Launch of BC Fruit Works (online labour platform) to attract and retain domestic labour for the apple, cherry and wine grape sectors.
  - Announcement of \$1.7M/2-year extension program and \$500K/2-years for college training programs focusing on building skilled personnel for the tree fruit and wine grape sectors.
  - Shortlist of high-value cultivars available to B.C. producers and action plan to increase access to nursery stock from U.S. nurseries.
  - Ministry-led domestic and export apple marketing strategies developed in collaboration with B.C. apple packers (anticipated roll-out March 2023).
- The internal Tree Fruit Industry Stabilization team consists of three full time employee
  Ministry staff with strong ties to the tree fruit sector, senior Ministry management, and
  support from staff in several Ministry branches.
- Working with the internal project team, Derek Sturko of Inner Harbour Consulting has been retained as a contractor to support industry engagement, lead development of the Stabilization Plan, and implementation strategies.

### **CROSS JURISDICTIONAL COMPARISON:**

- In 2021, B.C. produced 83,344 Metric Ton (MT) of apples with grower Farm Cash Receipts (FCR) \$57M. This is a reduction in tonnage from 2020 (91,423 MT produced) and 2019 (104, 018 MT produced).
- B.C. is tied with Quebec for Canada's second largest apple producer after Ontario.
- Despite 86 percent of B.C.'s apple supplying Canadian markets, over the past five years B.C.'s apple exports have exceeded \$16M.

- The Ministry has supported the tree fruit industry with over \$37M in the last three years. This support included:
  - Approximately \$28M paid through programs administered by the Ministry's Business Risk Management Branch to offset crop losses.
  - \$1.8M through the Tree Fruit Replant Program to replace older, unpopular varieties with modern varieties that have strong consumer demand.
  - \$5M through the Tree Fruit Competitiveness Fund to support a competitive tree fruit sector in B.C. Remaining funds were transferred to Tree Fruit Industry Stabilization Initiatives Fund (\$3.07M).
- Tree Fruit Industry Stabilization Plan specific funding:

### ESTIMATE NOTE- FISCAL 2023/24

### Ministry of Agriculture and Food

- The ministry announced \$2.5M in Tree Fruit extension support in late 2022 for Fiscal 2022/23 and 2023/24. Thus far, the following has been accomplished.
  - o \$130K to support domestic labour through BC FruitWorks.
  - \$400K to for Sterile Insect Release (SIR) Program operational bridgefunding.
  - \$70K to support future strategic planning of the (SIR) program.
  - \$250K for the development and implementation on an export marketing strategy for B.C. apples.
  - \$30K for Okanagan tree fruit extension conferences targeting improvement of fruit quality.
  - o Hiring of two, full-time temporary staff to support tree fruit extension.
  - o \$1.5M planned for Stabilization initiatives in 23/24

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# **Perennial Crop Renewal Program**

#### **RECOMMENDED RESPONSE:**

- The Ministry first funded a Tree Fruit Replant Program in 1991, a Hazelnut Renewal Program in 2018, and a Raspberry Replant Program in 2020. The hazelnut and raspberry programs are ongoing.
- These programs have provided cost share funding to incentivize producers to remove, replace or expand acreage with new cultivars.
- The purpose of past replant programs has varied by sector and included adaptation to changing market conditions, adoption of new and innovative production systems, or adoption of disease-tolerant cultivars.
- A new Perennial Crop Renewal Program (PCRP) will be launched in 2023 as a multi-year, multi-commodity program. (This is being funded from FY23/24 year end funding and will be delivered through Investment Agriculture Foundation).
- The purpose of the new PCRP is to increase the competitiveness and resiliency of the B.C. agri-food economy by supporting farmers to adapt to environmental and market conditions by diversifying, renovating or expanding production.
- Under the new PCRP, all commercially-grown perennial crops in BC are eligible for funding if a recent third party Opportunities Assessment outlines a measurable, sectorspecific goal that is aligned with the purpose of the program. The apple, cherry, wine grape, raspberry, blueberry, cranberry, hazelnut, hops, perennial forage and perennial vegetable sectors will all be considered for inclusion in the PCRP.
- The PCRP will have stricter producer eligibility requirements than previous replant
  programs to ensure that funded producers are informed and invested in the long term
  financial and agronomic health of their farming operations. Producers will be required
  to adopt regenerative and agricultural best practices that increase carbon
  sequestration, improve soil health and biodiversity, and lead to horticultural success.

- The Ministry funded a tree fruit replant program from 1991 to 2021. The initial goal of the Tree Fruit Replant Program was to replace older, low density plantings with higher density and higher value varieties. Apples, cherries and soft fruits were eligible under the Tree Fruit Replant Program.
- The Ministry launched a Hazelnut Renewal Program in 2018 following the collapse of the hazelnut industry due to Eastern Filbert Blight (EFB). The Hazelnut Renewal Program incentivizes growers to remove diseased orchards and to plant new, EFBresistant hazelnut varieties. An Opportunity Assessment for hazelnuts was completed in 2020.
- The Ministry launched a Raspberry Replant Program (RRP) in 2020 following a Berries
   Opportunity Assessment that identified opportunities for increased domestic sales of

fresh and Individually Quick Frozen (IQF) raspberries. The RRP incentivizes the planting of raspberry varieties with suitability for fresh and IQF markets.

- The tree fruit and grape sectors are currently developing Opportunities Assessments.
- The apple industry is at risk of losing economies of scale for production and processing due to rapidly declining acreage. The Ministry is supporting the development of a five to ten year Apple Market strategy, to be completed at the end of March 2023.
- Replant and renewal programs provide cost share funding to commercial producers of approximately 50 percent of the industry average nursery plant costs.
- A new Perennial Crop Renewal Program (PCRP) will be launched in 2023 as a multi-year, multi-commodity program. It will require perennial crop sectors to identify a measurable, sector-specific goal that can be addressed through the program. It is expected that all tree fruit, berry, and nut sectors will be eligible for funding.

### **CROSS JURISDICTIONAL COMPARISON:**

• Replant/renewal programs are not currently offered in other provinces.

- 1.0 FTE position for the berry sector as the Industry Specialist.
- 0.5 FTE position for the hazelnut sector as Industry Specialist.
- · 3.0 FTE positions for tree fruit and grape sector as Industry Specialists
- Tables 1 and 2 outline past Replant and Renewal Program funding and acreage.
- The Ministry will be supporting a province-wide perennial crop renewal program starting in FY 2023/24 with \$15M to be allocated over five-years

Table 1. Replant and Renewal Program Funding by Sector from 2015-2022

Fiscal Year	Tree fruit	Hazelnut	Raspberry
2015/16	\$1.2M		
2016/17	\$1.2M		
2017/18	\$1.7M		
2018/19	\$1.7M	\$100K	
2019/20	\$1.2M	\$100K	
2020/21	\$1.2M	\$100K	\$104K
2021/22	\$1.2M	\$100K	
2022/23	\$0	\$110K	\$159K
2023/24	Undetermined	Undetermined	\$214K*
Total	\$9.4M	\$510K	\$477K

<sup>\*</sup>Raspberry Replant funding has been committed for FY23-24, fields will be planted in 2023.

# ESTIMATE NOTE- FISCAL 2023/24 Ministry of Agriculture and Food

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# **Blueberry Scorch Virus & Programming**

#### **RECOMMENDED RESPONSE:**

- The B.C. blueberry industry is concentrated in the Fraser Valley where approximately 30,000 acres of blueberries are farmed by over 600 farmers.
- The Blueberry Scorch Virus was first detected in British Columbia (B.C.) in 2000 and is now present in all blueberry growing regions of the province.
- The recommended best management practices for Blueberry Scorch Virus are effective and have not changed over the past two decades.
- The Ministry is supporting the B.C. Blueberry Council to educate blueberry farmers about the virus, expand diagnostic testing services, and encourage implementation of best management practices.
- Research is underway to better understand blueberry viruses and their impact on B.C. blueberry production.

- The B.C. blueberry industry has grown from 8,000 to 30,000 acres over the past two decades. Production is concentrated in the Fraser Valley.
- B.C. is the largest highbush blueberry producing province, producing 96 percent of the highbush blueberries in Canada on 92 percent of the acreage.
- Blueberries are B.C.'s largest fruit export, valued at \$236.2M in 2020.
- The Blueberry scorch virus was first detected in B.C. in 2000. This virus is spread by aphids and causes gradual plant death in most cultivars.
- The Blueberry Scorch Virus is not a provincially or federally regulated pathogen and cannot be eradicated from B.C.
- Since 2020, the industry has observed an increase in the number of fields showing virus symptoms, including fields with widespread dieback symptoms.
- Blueberry farmers are encouraged to manage the disease by testing symptomatic bushes, removing infected bushes, and controlling aphids.
- The concentrated nature of blueberry farms in the Fraser Valley makes it challenging for individual farmers to maintain disease-free fields.
- Many B.C. blueberry farmers do not rely on farming as their primary source of income and do not invest in best management practices.
- Ministry of Agriculture and Food (AF) staff continue to work collaboratively with the B.C. Blueberry Council on developing extension materials to educate blueberry farmers and encourage adoption of best management practices.
- Research is underway to identify if any new strains of the virus are present, to improve diagnostic testing and to evaluate the rate of virus spread under the best management practices.

### ESTIMATE NOTE- FISCAL 2023/24

### Ministry of Agriculture and Food

Confidential Advice to Minister

- The high cost of removing (~\$2000/acre) infected fields and replanting (~\$18,000/acre) is a barrier to scorch virus management.
- Business Risk Management programs offer support to farmers who lose income due to crop losses.
- Production Insurance does not cover crop losses due to insect pests and diseases, however, resultant income declines would be considered under AgriStability.
- The blueberry industry has requested a replant or removal program to incentivize the removal of infected fields. However, there are no virus resistant or tolerant cultivars currently available for replanting.
- Without adoption of best management practices for Blueberry Scorch Virus, newly replanted fields will become re-infected.

### **CROSS JURISDICTIONAL COMPARISON:**

- Blueberry Scorch Virus is present in other regions of North America but at lower levels.
- There is one Full Time Equivalent (FTE) Berry Crop Specialist in each of the other three highbush and lowbush blueberry-producing provinces: Quebec, New Brunswick and Nova Scotia.

- 1.0 FTE position has been allocated to the berry sector as the Industry Specialist.
- Additional AF staff including 1.0 FTE Entomologist, Plant Pathologist and Minor Use Pesticide Coordinator spend a portion of their time on the blueberry sector.
- The province has supported the blueberry industry with Blueberry Scorch Virus extension and research (\$130K from 2022-2024), and berry breeding activities (\$1M over five years from 2018-2023)
- Genome BC has funded research into improving diagnostic methods for detection of Blueberry Scorch virus and other novel pathogens in B.C. blueberries (\$56K from 2021/22- 2022/23)

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## **Organics**

#### **RECOMMENDED RESPONSE:**

- The Province's organics agricultural sector is critical to providing certified-organic food products to British Columbians, as well as to both domestic and export markets.
- As of September 1, 2018, the term 'organic' became a protected label in British Columbia. The organic label can only be used if the product holds certification through the B.C. Certified Organic Program or the Canadian Organic Regime.
- The Certified Organic Association of British Columbia (doing business as Organic B.C.) continues to administer the B.C. Certified Organic Program (BCCOP) on behalf of our province, as well as the Canadian Organic Regime (COR).
- In FY 22/23, the Ministry of Agriculture and Food (the Ministry) budgeted up to \$80,000 to provide Organic B.C. with funding to continue phase II of their Structural Review project.
- With almost 500 certified organic agricultural producers and over 200 certified processors and handlers in the province, the Ministry greatly appreciates Organic B.C.'s participation, and leadership in initiatives pertaining to Regenerative Agriculture and Agri-tech.
- The Ministry recognizes that Regenerative Agricultural practices have been implemented by our organic producers for many years, and our Ministry further recognizes Organic B.C. as a valued partner in implementing this initiative.

- Organic B.C. is one of B.C.'s oldest non-profit farmer organization. Since the early 1990's, when Organic B.C. created the first government-recognized organic certification program, the scale of organic production and demand has grown.
- Organics has shifted with for-profit organizations, called 'Certifying-Bodies', who
  offer organic certification to agricultural producers in the province for a fee, but
  without having to contribute to the sector's overall advocacy or the BCCOP.
- The current situation where some operators are certified through Organic B.C., and some are certified through for-profit Certifying Bodies is creating a fractured and ineffective organic sector in the province.
- Organic B.C. continues to be a valuable partner for the Ministry with participating and leading initiatives related to Regenerative Agriculture and Agri-Tech. Organic B.C. has supported the Ministry by delivering regenerative agricultural extension programming, participating, and leading Advisory and Technical Working group(s), and supporting online events such as the "Food's Future; Scaling Regenerative Agriculture" online series.

- Organic B.C. continues to support initiatives related to Regenerative Agriculture and Agri-tech by delivering extension-related resources such as Podcasts, Webinars, and Workshops, as supported by the Ministry.
- The Ministry has provided the funding for the *Organic B.C. Structural Review Project* which will involve a thorough review and development of a new organizational structure that is clear, well-thought out, fair, and transparent for the association. Organic B.C. will re-evaluate what they do and why and make strategic changes so that they can be self-sustaining and less reliant on Provincial Government funding.
- From FY 18/19 to FY 21/22, The Ministry provided Organic B.C. with \$340,000 for a new online certification tool that would streamline the organic certification process and encourage more producers to pursue organic certification.

### **CROSS JURISDICTIONAL COMPARISON:**

 As part of Phase I of their Structural Review Project, Organic B.C. expressed interest in following the example of where in Quebec and Manitoba, where all organic operators and certification organizations pay a levy to their respective provincial Organic Producers Association to support the organic industry.

- In FY 22/23, the Ministry has budgeted to provide Organic B.C. with up to \$80,000 for Phase II of their 'Structural Review' project. This work is a continuation, and Phase II of a project that began in FY 21/22. In FY 21/22, the Ministry provided Organic B.C. with \$115,000 in funding to conduct Phase I of this work.
- This project aims to review the structure of Organic B.C., including a fee review and will propose a new operational structure that will enable the organization to be self-sustaining, and focus their efforts in a more impactful way for their sector's needs. Organic B.C.
- In FY 22/23, the Ministry provided Organic B.C. with up to \$28,000 to administer their 'Financial Assessment of Accreditation Services' project. This work will assess whether they are able to continue administering the BCCOP as well as act as a Conformity Verification Body for the COR in an economically sustainable way.

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## Wine (Support for B.C.)

#### **RECOMMENDED RESPONSE:**

- The British Columbia (B.C.) government is strongly committed to supporting B.C.'s wine making industry.
- B.C.'s vineyards and 450 wineries provide good jobs and have established B.C.'s local, national, and international reputation for quality wines.
- Over the past year, the Ministry of Agriculture and Food (the Ministry) has supported B.C.'s wine industry in many ways:
  - o Cost shared funding to B.C. wine organizations for local and international market development through the Buy BC Partnership and B.C. Agrifood and Seafood Market Development programs,
  - o Completion of a Beverage Sector Framework project with benchmarks and recommendations to assist government and industry to work together to support the resilience of B.C.'s beverage sector; and,
  - Ministry participation in the Business Technical Advisory Panel (Liquor Policy) that is working directly with B.C.'s alcoholic beverage sector associations to understand interests, challenges, and opportunities for the sector.
- B.C. wines are achieving domestic and worldwide recognition and making B.C. an award-winning, premier wine region.
- The Ministry is aware of the December 2022 cold temperatures and the potential impact on the grape crop and plants. We are actively monitoring the situation as more information becomes available as the season progresses.
  - Ministry staff have engaged directly with the B.C. Wine Grape Council, B.C. Grape Growers Association and B.C. Tree Fruit Cooperative to provide messaging to their members regarding program deadlines, claim, and payment processes.
  - Ministry staff have contacted all grape insurance policy holders and are working directly with them as they call in with their Notices of Loss. 72 policies have registered a total of 172 claims for yield and vine loss.
  - A targeted loss adjusting strategy and a dedicated response team are in place to support an expected high grape claim volume throughout the 2023 growing season.

- B.C. is home to 1,049 vineyards. Of B.C.'s 450 licensed wineries, 394 are grape wineries, with the remaining being fruit wineries.
- B.C.'s wine industry employs over 18,000 people and has an economic impact of \$3.8 billion annually; 86.8 percent of wine grape acreage is located in the Okanagan region.
- In 2021, B.C. exported \$5.7 million in wine, a drop of 10 percent from 2020. Wineries' sales totaled \$775.4 million in 2020, up 31 percent since 2019.

- B.C.'s wine industry faces several challenges including significant excise costs, low import tariff barriers, competition from global imports, and lack of access to the national market through direct sales.
- Between December 19-23, 2022, the Southern Interior experienced temperatures ranging from -23° Celsius to -30° Celsius, which can be fatal to grape buds and vines. Many viticulturists are in the field assessing vines to determine levels of damage.
  - The potential for severe vine damage from December 2022's low temperature event is very high, affecting producers in Lillooet, Kamloops, Shuswap, Okanagan, and Similkameen.
  - It is anticipated this will manifest in crop losses this year and may impact crop potential for several years due to full plant loss which will require vineyard renovation or replacement. Industry reports indicate the latter.
  - o However, it is too early to determine the full effect of the winter damage on the 2023 crop or vines and any cascading impacts to the wineries.
  - o Producers are being advised to adjust their pruning practices to leave more potential buds on the plant to compensate for vine damage (if warranted).
- Business Risk Management Programs help producers manage the impact of crop and income losses.
  - o Production Insurance provides coverage for grape plants and yield loss from weather events. 81 percent of grape acres are insured (>9,000 Acres) with \$112 million vine loss coverage and \$44 million yield loss coverage.
  - o AgriStability helps stabilize farm income by managing the risk of large income declines, such as those that may be caused by a winter freeze event. AgriStability enrollment is still available for the 2023 program year; deadline for enrollment is April 30, 2023.

### **CROSS JURISDICTIONAL COMPARISON:**

- In 2021, B.C. ranked third among Canadian provinces in beverage processing sales.
- In 2021, B.C. wine grapes accounted for 37 percent of all Canadian-grown wine grape sales.

- In 2022/23, the Ministry's total program support to B.C.'s wine sector was \$598 thousand:
  - \$175 thousand supported five wineries and wine associations/organizations through the B.C. Agri-Food and Seafood Market Development Program to conduct market research, marketing/export planning and/or export market development activities.
  - \$273 thousand supported eight wineries and wine associations through the Buy BC Partnership Program,
  - o \$30 thousand supported the industry led B.C. Wine Centre of Excellence Feasibility and Business Case Study,

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- \$20 thousand supported Sustainable Wine B.C. (a total of \$80 thousand over 4 years),
- o \$50 thousand supported the industry led Vineyard Resiliency report; and,
- \$50 thousand supported a Ministry led Beverage Sector Framework project (a total \$100 thousand over 2 years; \$50 thousand in 2021/22 and \$50 thousand in 2022/23).

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