

Ministry of Agriculture, Food and Fisheries (AFF)
Estimates 2021
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Updated April 2021

Ministry of Agriculture, Food and Fisheries Accomplishments

Updated: March 26, 2021

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Ministry Highlights

- Budget for 2020/21 - \$95.4 million (\$13.9M more than previous government)
- 2019 farm cash receipts - \$3.9 billion (\$462M or 13% increase over 2018)
- 2019 B.C. Farmers' Net Cash Income - \$560 million (\$441 million or 27% increase over 2018)
- 2019 revenues for agriculture, seafood and food processing - \$15.5 billion (7% increase over 2018)
- 2019 international exports - \$4.7 billion (7% increase over 2018)
- 2019 food and beverage sales - \$10.5 billion
- 2019 increases in supply managed sectors include:
 - Beef up 10% (\$25.2 million increase)
 - Nursery up 9% (\$14.5 million increase)
 - Grapes up 8% (\$5.6 million increase)
 - Field vegetables including mushrooms up 5% (\$17.5 million increase)
- 2019 total workforce for agriculture, seafood and food and beverage sectors – 64,100 (1,100 new jobs created in 2019)

BC Food Hub Network

- 12 food hubs announced and are either in operation or in development:
- Vancouver – Commissary Connect
- Surrey – Plenty & Grace
- Port Alberni – The Dock+
- Quesnel
- Salmon Arm
- Abbotsford
- Kamloops
- Creston
- Kootenay-Boundary (Rock Creek/Greenwood)
- Victoria
- Cowichan Valley
- Bowser

- **Total funding: \$8.3 million**

- **Good news validators:**

- Canadian Barley Tea Company
- Cascadia Seaweed
- Field House Brewing
- Local Pulse
- Eat Island Grown

Additional Info:

- Food Hubs provide small and medium businesses with shared food processing and innovation space, equipment, and business support services.
- Food Hubs help increase the volume of food grown and processed locally; create more demand for ingredients from local farmers; increase the number of people employed locally; address food safety and food security issues; and build community connections.
- Each food hub is unique, and the needs of the communities the hubs will be operating in are diverse.
- The Commissary Connect Food Hub has its own integrated technology platform including a pay-as-you-go system which helps manage booking, billing and contract and client management for their facility.

- With this technology platform, food hubs can bill clients for equipment-use by the hour, allowing small businesses to pay for what they use and not worry about having their revenue tied up in weekly or monthly facility rental fees.
- We are currently funding a pilot of Commissary Connect's technology platform at three of the food hubs (Port Alberni, Surrey, Quesnel).
- The technology will be customized and implemented to support the unique models and needs of each hub.

Feed BC

- Implemented in three health authorities:
 - Interior Health
 - Fraser Health
 - Northern Health
- Implemented in nine post-secondary institutions:
 - British Columbia Institute of Technology
 - Camosun College
 - Selkirk College
 - Simon Fraser University
 - Thompson Rivers University
 - University of British Columbia
 - University of the Fraser Valley
 - University of Northern British Columbia
 - Vancouver Community College

Additional info:

- In 2018-19, the first year of Feed BC, over 27% of the food served by health authorities was B.C. food, defined as a final product produced and/or processed within the geographic borders of B.C.
- In 2019-20, this increased to over 30% representing a \$3.5 million increase in B.C. food expenditures.

- The nine post-secondary institutions have committed to a minimum 30% B.C. food.
- **Good news validators:**
 - Michell's Farm (Saanich)
 - Daybreak Farms (Terrace)
 - Westberry Farms (Fraser Valley)
 - S&G Farms (Oliver)
 - Linden Lane Farms (Krestova, Central Kootenay)
 - Golden Ears Cheesecrafters (Maple Ridge)
 - Hallmark Poultry (Vancouver)
 - Homesteader Meats (Prince George)

Buy BC

- Buy BC Partnership Program - \$2 million annually
- Program allows B.C. companies to use free Buy BC logo and supports industry-led marketing campaigns which can help increase domestic sales.
- Over 500 companies now use Buy BC logo.
- 116 industry-led marketing projects have been funded since 2018.

- Partnered with Thrifty Foods and Safeway to promote B.C. products in-store in over 40 communities.
- Buy BC e-commerce program - \$550,000 one-time funding in 2020 as part of COVID-19 response
- Program helped farmers and food and beverage processors pivot their sales model so they could develop and market online sales.
- **Good news validators:**
 - Walcan Seafood (e-commerce)
 - Jenny Marie's Cracker Company (e-commerce)
 - Sheringham Distillery (partnership program)
 - Little Creek Dressing (partnership program)

Farmers Markets:

- Partnering with the BC Association of Farmers Markets to help them pivot to an online model.
- Total funding - \$55,000 over two years.
- Over 70 farmers markets launched an online virtual store in 2020 generating over \$2.5 million in sales.
- BC Farmers Market Nutrition Coupon program available in 79 communities and helped over 6,000 households in 2020.

- **Good news validators:**

- BC Association of Farmers Markets
- Bird Tree Urban Farm Flower Store (Revelstoke)
- Hooks and Jars (Gabriola Island)

Grow BC

BC Land Matching Program

- Program has supported 109 farmland matches between new farmers and landowners bringing 2000 hectares (5000 acres) of B.C. farmland into production.
- Land matches by region:
 - Metro Vancouver/Fraser Valley (33)
 - Vancouver Island (33)
 - Okanagan (26)
 - Columbia Basin (7)
 - Central and Northern BC (10).
- **Total funding:** over \$1 million since 2018 (\$300,000 in 2018/2019, \$375,000 in 2019/2020, and \$390,000 in 2020/2021)

- **Good news validators:**

- Sara Dent, executive director, Young Agrarians
- Rake and Radish Farm (Saanich)
- Old Tower Farm (Okanagan)

Additional info:

- Apart from Quebec, B.C. is the only Province or territory in Canada to support regional land matching services.

Small Farm Business Acceleration Pilot Program (part of Stronger BC)

- Provides funding to small and new farmers for business plan coaching, as well as cost-shared funding for commercial farm infrastructure and equipment, to increase productivity and sales.
- **Total funding: \$800,000**
- **Good news validators:**
 - Old Ochiltree Ranch (150 Mile House)
 - Farmer Cam's Foods (Skeena Valley)

Additional info:

- One-year pilot is supporting 64 small and new farmers in 54 different communities.
- Includes seven Indigenous-owned and operated agricultural businesses and 19 new farmers under the age of 35 and 13 female entrepreneurs.

Youth Agriculture

- Provided funding to 4H BC, including annual commitment as well as for youth farm safety and outreach program to support underrepresented groups.
- **Total funding:** \$153,000 (2020)
- \$25,000 to help grow the B.C. Agriculture in the Classroom's Take a Bite out of B.C. program (2020).
- Dedicated youth development team who create opportunities to increase youth awareness of B.C. agriculture.
- **Good news validators:**
 - 4 H BC

Securing Labour

Temporary Foreign Workers

- Provincial quarantine program
- Province funding hotel, food services, health screening, wellness walks, laundry, interpretation and translation services and other necessary supports for TFW 14-day quarantine period.
- **Total funding:** \$17 million for 2020
- **Good news validators:**
 - Mexican Consul General
 - BC Agriculture Council
 - Galey's Farm

Additional info:

- Of the 5,000 TFWs who arrived between April 13 and December 31st, 2020, 64 COVID-19 positive cases were detected, and all recovered while under the care and supervision of the quarantine program.
- B.C. also established protocols, provided guidelines, and continue to conduct inspections at on-farm accommodations and work sites before workers arrive.

- In total, 500 farms and over 600 farm sites (some farms have more than one site), were inspected and received workers in 2020.
- All farms receiving workers in 2021 require inspection regardless of past inspections completed in 2020.

Domestic Workers

- Province secured and provided funding for safe campgrounds, on-farm sanitation and PPE and education around COVID-19 protocols for domestic workers travelling to Okanagan from other parts of Canada.
- **Total funding:** \$423,000 used in 2020 (\$1.6M allotment)
- **Good news validators:**
 - Jealous Fruits (David Geen)
 - Creston Valley-Kootenay Lake Economic Action Partnership

Additional info:

- A COVID-19 Awareness for Fruit Pickers in B.C. course, developed by AgSafe BC, was required for workers to stay at designated campsites and/or pick fruit. AgSafe estimates that approximately 1,000 people have taken the course online or in-person.
- There were no documented COVID outbreaks at these campgrounds in 2020.

BC Farm, Fish and Food Job Connector

- New website making it easier for employers and employees to connect to fill vacancies and get more British Columbians working to put fresh and local food on our tables.
- Stats since launch in late May 2020:
 - Over 256,000 views
 - Highest viewed position are farm jobs – over 68,000 views
 - Highest viewed regions for job opportunities are in the Lower Mainland, followed by the Okanagan, Vancouver Island and the Kootenays.
 - Thousands of new jobs posted by industry

Cattle/Beef

- BC Cattlemen's Association Grant (Stronger BC)
- Funding to support the development of a new beef processing facility in Westwold.
- **Total funding:** \$1,000,000
- Bred Heifer Association Loan Guarantee Program (Co-funded with the AAFC)
- Funding has helped to expand the loan guarantee amount.
- **Total Funding:** \$600,000
- **Good news validators:**
 - Kevin Boon, General manger, BC Cattlemen's Association

Livestock/Meat Production Sector

- Increased opportunities for more local meat sales in retail and restaurants in Alberni Valley, Central Kootenays and Robson Valley by expanding Class D licences.
- Supporting rural abattoirs through an updated, training program that focusses on improved food safety and animal welfare (SlaughterRight)
- Working on regulatory changes to modernize meat production in B.C. which will include:
 - increased inspections
 - new and improved inspection models to encourage more livestock and poultry production and processing in B.C.
 - new, simplified and graduated meat licensing categories to allow more small-scale producers to be licenced with ability to sell products to farmers markets and restaurants provincewide.
- BC Food Processors Association
- Funding to develop and launch food safety and animal welfare training workshops for producers, processors and regional health inspectors.
- **Total Funding: \$290,000**

- BC Abattoir association
- Funding to provide humane slaughter training, food safety and sanitation procedures for Class A and B abattoirs.
- **Total Funding: \$148,000**

Additional info:

- Ranchers in the Cariboo-Chilcotin received help feeding their livestock through assistance from the B.C. government following forage loss due to flooding in the summer and fall 2019.
- **Good news validators:**
 - Tristan Banwell, rancher, Class D licence holder and vice president of the Small-Scale Meat Producers Association.
 - Collin Van Horne, Nighthawk Ridge Farms, Port Alberni

Chicken/Egg/Poultry Sector

- In 2020, British Columbians led the country in the growth of table egg sales.
- Chicken was one of the top 10 commodities in terms of farm cash receipts in B.C. in 2019.
- In 2019, the processed meat and poultry products sector brought in \$1.9 billion.
- 600,000 shelled eggs procured (as of Aug. 29, 2019) for Interior Health Feed BC implementation.
- **Good news validator:**
 - Sunrise farms (chicken)
 - Daybreak Farms (eggs)
 - S&G Farms (Oliver)
 - Golden Valley Eggs (Abbotsford)

Dairy Sector

- Dairy sector saw an increase in farm cash receipts of \$47 million in 2019 (7.5% increase).

Bees/Pollinators

- Proclaimed May 29th Day of the Honeybee since 2018.
- Bee BC program provides funding to smaller-scale community-based projects that support the health of B.C.'s bees.
- **Total funding since 2018: \$280,000**
- 62 Bee BC projects have been funded to-date and the latest round of funding opened in January 2021.
- Bee technology transfer program - \$100,000 investment (2021), includes setting up a research apiary and helping to coordinate research and education to build sustainability.

- **Good news validators:**

- Kerry Clark, president, BC Honey Producers Association
- Darcy Kaltio, affiliate member, Blueberry Commons Farm Cooperative, Bee BC funding recipient, 2020
- Peter Awram, Worker Bee Honey Company, attended Day of the Honey Bee in 2019, spoke about developing a B.C. honey purity database

Additional info:

- Bees play a major role in agriculture as pollinators of crops, contributing an estimated \$550 million to the economy in British Columbia, and over \$2 billion across Canada.
- B.C.'s beekeeping industry totaled an estimated \$18.8 million in farm receipts in 2020 of the sale of hive products and pollination services.
- In 2019, bees in B.C. produced more than 1.77 million kilograms of honey, a 24% increase from 2018.

Aquaculture & Seafood Sector

- Supporting healthy oceans and stocks through:
 - \$143M (\$42M from B.C.) over 5 years for the BC Salmon Restoration and Innovation Fund to restore fish habitat and protect vulnerable wild Pacific salmon (2019).
 - As of March 2021, 42 BCSRIF projects have been funded, accounting for \$71M
 - \$5M to Pacific Salmon Foundation to support their work (2019)
 - \$75,000 to support study of Pacific salmon stock abundance in Gulf of Alaska (2019)
- **Good news validators:** Michael Meneer, Pacific Salmon Foundation president and CEO
- Supporting Aquaculture in B.C. through:
 - B.C.'s first ever Aquaculture Innovation Challenge which awards \$325k in prizes to new technology and funding innovations that solve challenges faced by aquaculture (2021).

- Shellfish Industry Opportunity Assessment: Committed \$75K to assess opportunities for increasing capacity and profitability to help build a stronger, more resilient, sustainable industry.
- Working directly with the Coastal First Nations through a provincial Memorandum of Understanding for the development of a northern shellfish aquaculture strategy.
- \$1.3M BC Oyster Recovery Fund, to assist with re-seeding efforts & support research on marine norovirus travel patterns (2018).
- \$250K from the fund to support three research projects on natural organisms that can cause illness from the consumption of raw oysters (2019)
- \$225,000 from Fisheries and Aquaculture Clean Technology Adoption Program to support a greener fisheries and aquaculture industry (2018-2020).
- \$10,000 per year to support B.C. Young Fisherman's Gathering (2018-2021).

Indigenous

- Initiated Indigenous Advisory Group on Agriculture in 2019 to provide strategic advice to support the success of Indigenous communities and businesses in land-based agriculture.
- Indigenous Agriculture team has 3 staff who support First Nations and Métis communities and entrepreneurs in the development and growth of their agriculture and food business initiatives.
- B.C. Indigenous Agriculture Development Program: \$176,900 (CAP Funding) started in 2018.
- Supports Indigenous governments, communities and organizations assess how they can develop farm businesses and food security
- Program helps Indigenous entrepreneurs, Indigenous governments, communities, Tribal Councils, economic development corporations with specialized planning and coaching services to develop and plan their food and agricultural businesses.
- \$63,000 (CAP funding) to 4-H BC for specialized programs focused on urban and Indigenous youth. In 2020/21, supplemented with \$25,000 in additional funding for research and special initiatives.
- **Good news validator:** Chief Willie Sellars, Williams Lake First Nation.

Broughton

- Our historic, government-to-government talks with First Nations in the Broughton produced a way to address nations' longstanding concerns and protect and restore wild salmon stocks.
- The 'Namgis, Kwikwasut'inuxw Haxwa'mis, and Mamalilikulla First Nations are restoring habitat and monitoring salmon farms in the Broughton area.
- Orderly transition underway for open net pen finfish operations in the Broughton area, creating a more sustainable future for local communities and workers.
- **Total funding:** \$13.5 million for Broughton Implementation Package.
- **Good news validators:**
 - Chief Don Svanvik, 'Namgis First Nation
 - Chief Robert Chamberlin, Elected Chief Councillor of the Kwikwasut'inuxw Haxwa'mis First Nation

Additional info:

- In Dec. 2018, The Nations, along with Cermaq Canada and Mowi Canada West, reached a landmark agreement establishing First Nations' oversight of salmon farms operating in their territories during the orderly transition of salmon farms in the area over four years.
- The transition has commenced with the decommissioning of five salmon farms. By the end of 2022, 10 farms in total will have ceased operations.
- The remaining seven farms will continue to operate under the agreement until 2023, when if no agreement has been reached between the Nations and the salmon farming industry, or if there are no valid DFO licenses in place, they will also cease operations.

Climate Action

- \$6M from 2018 to 2023 to help farmers and ranchers prepare and adapt to changing climate and weather conditions (CAP funding).
- Regional adaptation strategies developed or underway in eight key agricultural areas:
 - Delta
 - Peace
 - Cariboo
 - Fraser Valley
 - Okanagan
 - Kootenay & Boundary
 - Bulkley-Nechako & Fraser-Fort George
 - Vancouver Island
- Boosted the Beneficial Management Practices Program with an additional \$800,000, which supports farmers in taking steps to better protect the air, land and water, and aligns with government's CleanBC climate goals.

Good News Validator:

- Arzeena Hamir, owner of Amara Farm and vice-chair of the Comox Valley Regional District Board of Directors.

Additional info:

- Over 80 projects funded, addressing climate related risks such as drought, excess moisture, flooding, pests, diseases, and wildfires identified in the strategies.
- 20 projects in progress in 2020/21.
- The ministry is also funding 12 collaborative applied research projects to pilot and demonstrate innovative adaptation practices on B.C. farms and ranches.

Business Risk Management

- Provide more than \$40 million, in a typical year, to B.C. producers through the various insurance and income protection programs the ministry operates.
- B.C. AgriStability Enhancement Program - increased compensation rate by 14% for B.C. farmers and ranchers providing additional \$9 million over two years (Fiscal 2020 and 2021).
- Farmers enrolled are now eligible to receive a much higher interim payment, meaning they get more money earlier, when they need it most.
- **Good news validators:**
 - BC Agriculture Council chair Stan Vander Waal
 - BC Cattlemen's Association general manager Kevin Boon

- Ranchers in the Cariboo-Chilcotin received help feeding their livestock through assistance from the B.C. government following forage loss due to flooding in the summer and fall 2019.
- **Good news validator:**
 - Cordy Cox, president, Cariboo Cattlemen's Association

Additional info:

- Our government established the B.C. AgriStability Enhancement Program in 2019 which provides increased protection for farmers who have lost income due to weather, extreme market-price fluctuations or natural disaster.
- By increasing the compensation rate from 70% to 80%, every claim is increased by 14.3%.
- 2019 BC Forage and Transportation Assistance Initiative provided assistance (\$45.50 per ton of hay) towards the purchase of additional hay for Cariboo ranchers who had to purchase more than they normally would due to flooding in late 2019.

Animal Welfare

- Supported high-quality care for animals to help organizations cover the costs of food and medicine for their animals during COVID-19.
 - 24 applicants received \$4.2 million
 - \$1.4 million to SPCA
 - \$1.8 million to Vancouver Aquarium
 - Other recipients include:
 - Langley Animal Protection Society (LAPS)
 - Wildlife Rescue Association (Burnaby, serves lower mainland)
 - Prince George Humane Society
- In 2019, turned the National Farm Animal Care Council Codes of Practice into law in B.C.
- The Codes outline generally accepted management practices for livestock and farm animal operators, and their employees, including requirements for animal handling, feed and water, housing, health and welfare management, and other husbandry practices.
- 11 Codes include: dairy, beef, bison, equines, farmed mink and fox, pigs, rabbits, sheep, veal cattle, and the poultry sector.

Additional info:

- New website making it easier for employers and employees to connect to fill vacancies and get more British Columbians working to put fresh and local food on our tables.
- The B.C. government is supporting the BC SPCA's capacity to address animal welfare in the poultry and livestock sectors by funding training specific to farmed animal operations.
- B.C. has among the strongest penalties in Canada for animal distress. Charges under B.C.'s Prevention of Cruelty to Animals Act can be laid against anyone who causes suffering or distress to an animal in B.C., including owners, managers and employees in the agriculture sector.
- Maximum penalties under B.C. legislation for those convicted of causing animal distress is \$75,000 and up to 24 months imprisonment.

Tree Fruit Sector

- Supported the tree fruit industry with over \$35 million in the last three years:
 - Approximately \$21 million in production insurance
 - Approximately \$7 million through AgriStability Enhancement Program
 - \$3 million for Tree Fruit Replant Program
 - \$5 million for Tree Fruit Competitiveness Fund
- **Good news validator:**
 - BC Tree Fruits Cooperative

Additional info:

- The tree fruit industry is composed of approximately 800 growers managing 14,500 acres of tree fruit crops in the Okanagan, Similkameen and Creston Valleys.
- More than one million trees have been planted since 2017.

Nut Sector

- Hazelnut Renewal Program Funding (2018)
- Program is revitalizing the B.C. hazelnut sector, the passionate people working in their orchards and those looking to start a career in agriculture.
- **Total funding:** \$300,000 over three years (2018-2021)
- **Good news validator:**
 - Neal teBrink, president, BC Hazelnut Growers Association

Additional info:

- In the first two years of the Hazelnut Renewal program, 18,444 new trees were planted over 34 hectares (94 acres). At the same time, 4,795 infected trees were removed over 17 hectares (42 acres).
- The B.C. hazelnut industry is comprised of approximately 40 growers with about 141 hectares (350 acres).

Wine Sector

- B.C Wine Month – declared every April since 2018
- Buy BC funding to promote B.C. wines
 - \$377,000 in cost-shared funding to 14 wine organizations for local market development projects (Buy BC partnership program).
 - \$153,000 to 34 wine organizations to help businesses pivot during COVID-19 (Buy BC e-commerce program).
 - \$75,000 to Wine Growers of B.C. to support its “Celebrating 30 Years of B.C. VQA” project and an additional \$18,000 to support development of their 2021-2023 B.C. Wine Export Strategy. (Buy BC partnership program).
- Annual marketing support from BCLDB - \$440,000
- Launched four new Geographical Indications (2018):
 - Thompson Valley
 - Shuswap
 - Lillooet
 - Kootenays

- Launched new sub-appellations to build local brands and connect more people to local wine:
 - Okanagan Falls (2018)
 - Naramata Bench and Skaha Bench (2019)
 - Cowichan Valley (2020)

- **Good news validator:**
 - Miles Prodan, CEO and president, Wine Growers British Columbia (validator for Buy BC as well, Wine Growers BC received \$74.9k in 2020/21)
 - Laurie Barnes, Sales & Marketing Director, Poplar Grove Winery Inc. (Buy BC funding recipient, \$44.4K in 2020/21)
 - Erin Korpisto, Sales & Marketing Manager, Stag's Hollow Winery (Buy BC funding recipient, \$39.4K in 2020/21)

Additional info:

- B.C. is home to 929 vineyards, 340 land-based wineries and 72 commercial wineries.
- Of B.C.'s 370 licensed wineries, 284 are grape wineries, and 86 are fruit wineries.

- B.C.'s wine industry employs approximately 12,000 people and has an economic impact of \$2.8 billion annually.
- Combined sales from B.C. breweries, wineries and distilleries amounted to \$1.42 billion in 2019, up 10.7% from 2018.

Seed Sector

- Funding BC Seed Hub feasibility study to determine potential of adding in-hub infrastructure or mobile cleaning units at food hubs (study led by **FarmFolk CityFolk**).
- \$670,000 through the B.C. Knowledge Development Fund to Kwantlen Polytechnic University.
- Funding has helped support purchase of seed testing equipment for the newly renovated seed lab, as well as farm infrastructure for the university's research farm.
- **Good news validators:**
 - David Catzel, BC Seed Security Program Manager, FarmFolk CityFolk
 - Anita Gregory, executive director, FarmFolk CityFolk

Additional info:

- FarmFolk CityFolk and the B.C. government partnered on a made-in-B.C. mobile seed-cleaning unit in 2019. The unit is based in the Fraser Valley but has been demonstrated in communities around the province.
- By expanding the role of the food hubs, many seed producers with smaller, family-run farms that cannot afford their own seed cleaning and packaging equipment, will now be able to access these services.

Greenhouse Growers Sector

- Carbon tax relief grants for greenhouse growers, covering 80% of the carbon tax.
- Funding BC vegetables, plants and flowers stay competitive.
- Total funding: \$7.55 million (2020). Annual funding typically around \$7 million.
- Buy BC and international marketing programs are helping growers sell their products here and in other markets, and government funding for new technology is supporting innovation.
- For example, the Province is contributing \$355,000 towards energy-efficiency improvements at Windset Farms in Delta through the CleanBC Industry Fund.

- The project will install a retractable thermal curtain at one of the company's greenhouses to trap heat in low-light conditions during cloudy days and at night.

Good news validators:

- Linda Delli Santi, executive director of the BC Greenhouse Growers' Association
- Steve Newell, president and CEO, Windset Farms

Additional info:

- The Greenhouse Carbon Tax Relief Grant helps 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.
- The program is fully expended each year. In 2020, the grant returned approximately \$9.3 million to commercial greenhouse operators in 2020/21.
- BC Greenhouse Growers Assoc represents 55 member greenhouses.
- Types of vegetables grown: many varieties of tomatoes including beefsteak, tomato on the vine and cocktail, sweet bell peppers, hot peppers, mini peppers, long English cucumbers, mini cucumbers, eggplants, butter lettuce and strawberries.

Organic Sector

- Mandatory certification required for the use of the word 'organic' (2018).
- Supported Certified Organic Association with \$340,000 for a new online certification tool that streamlines the certification process and encourages more producers to pursue organic certification.
- Provided Kwantlen Polytechnic University up to \$100,000 in funding to fund a study on how the government can better support the organic sector increase production and sales of BC products.
- **Good news validator:**
 - Heather Stretch, president, COABC

Additional info:

- There are almost 500 certified organic agricultural producers and over 200 certified processors and handlers in the province.
- As of September 1, 2018, the term "organic" became a protected label within B.C.
- The organic label can be used if the product holds certification through the B.C. Certified Organic Program or the Canadian Organic Regime.

Traceability Programs

- A \$313,500 uplift to traceability programs in B.C. supported 20 B.C. farmers and food processors in upgrading equipment that tracks animal and product movement to and from farms, or transit to processing and distribution centres (Feb 2020).
- Traceability Programs are supported by the Canadian Agricultural Partnership, total funding in B.C. since Jan. 2018 is \$1.75 million.
- The programs help ranchers and farmers respond to emergencies, and support food safety in B.C.
- Moving forward with a mandatory Premises Identification (ID) regulation to help livestock producers and communities better prepare for emergencies and be equipped to respond to them. A new Premises ID regulation under the B.C. Animal Health Act is anticipated to be in place in early 2022.
- **Good news validators:**
 - Cascadia Seafood (CAP Traceability Program)
 - BC Cattlemen's Association (Premises ID)

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

1. Cumulative Cost Impacts to Farmers of Government Policies and Initiatives

Question: How does budget 2021/2022 provide assistance to farmers who are faced with cumulative cost impacts associated with several government policies such as: increases to the carbon tax, minimum wage, speculation and vacancy tax, and COVID-19 related health and safety requirements etc.

Response:

- We are working with farmers and ranchers to make sure we are effectively implementing these changes in a way which minimizes cost increases to industry that are unpredicted or unnecessary.
- We have also provided significant new investments to support the agriculture sector in becoming more innovative and competitive while growing their respective operations.
- We have paused the planned April 1, 2020 and April 1, 2021 increases in Carbon Tax rates to April 1, 2021 and April 1, 2022 in response to increasing costs due to the COVID-19 pandemic.
- In 2018, BC signed the Canadian Agriculture Partnership with the Government of Canada securing ^{Intergovernmental} _{1,21} , over five years, to support the sector to:
 - Increase competitiveness; productivity; profitability;
 - Increase environmental sustainability;
 - Expand domestic and international markets; and,
 - Improve the anticipation, mitigation and response to risks.

2. Fisheries Funding

Question: How does the government plan to address the broad scope of issues that are impacting B.C.'s wild fisheries and aquaculture sectors, and what are the intentions for funding this plan?

Response:

- B.C. has a renewed mandate and a dedicated Parliamentary Secretary, Fin Donnelly, focused on taking action to protect and restore wild salmon which includes the development of broader strategies to ensure that the fisheries and aquaculture sectors are supported in B.C.
- This year we are focused on strategic planning with other natural resource ministries to create a Salmon Strategy, a Coastal Marine Strategy, and a Watershed Security Strategy that will collectively address support for our coastal and aquatic natural resources.

- The B.C. Salmon Restoration and Innovation Fund (BC SRIF) is a key tool in supporting wild salmon and fisheries innovation as well as the recommendations from the Wild Salmon Advisory Council. The \$71.3M in projects already funded all contribute to protecting and restoring wild salmon stocks and creating a more sustainable future for local communities and workers. A further \$60M in projects are under review and we hope to have those announced soon.
- The B.C. government has several programs to help aquaculture companies develop new technologies, reduce their environmental footprint, manage business risks and market their products to consumers in B.C. and around the world. Part of this work includes participating as an observer in Fisheries and Oceans Canada's 2025 salmon aquaculture transition plan, to ensure that environmental and economically sustainable solutions are found.

3. Agriculture Labour Strategy

Question: How is the Ministry working to address labour challenges for all agricultural workers, including temporary foreign workers (TFWs), domestic farm workers (DFWs) and BC residents?

Response:

- The Ministry established a Labour Unit in October 2020 to lead the Ministry's ongoing labour response to COVID-19.
- The Labour Unit has also been tasked with developing a long-term Agriculture Labour Strategy to ensure a robust food chain supply through a stable and sufficient agriculture workforce.
- The overarching purpose of the Agriculture Labour Strategy is to support BC's agriculture industry to recruit and retain a sufficient and stable labour supply and to improve working conditions for all labourers in the agriculture workforce.
- The province must develop domestic capacity to sustain itself, as over-reliance on international and interprovincial labour sources is risky, unpredictable, and affected by circumstances beyond the province's control (as witnessed during the pandemic).

AFF – Food Security

Q What is the Province doing to address food security?

Key Messages:

- ***Budget 2021* provides \$10 million over three years to enhance successful measures under the Grow BC, Feed BC, Buy BC strategy and StrongerBC. This funding will strengthen BC's agrifood and seafood sector and expand the domestic market for BC food and beverage products.**
- **This builds on the \$29 million provided through *Budget 2018* to enhance Grow, Feed, Buy initiatives, as well as the \$17.5 million provided through StrongerBC to support BC food processors, farmers, and agritech companies.**
- **In addition, the Province is investing up to \$35 million from Pandemic and Recovery Contingencies to support farmers accommodate farm labour.**

Background:

- AFF was provided \$3.400M in 2021/22, 2022/23, and 2023/24 with the flexibility to allocate to successful Grow, Feed, Buy or StrongerBC measures. This plan is expected in spring 2021.
- The Province provided \$25 million (\$16M through the *Emergency Program Act*) and \$9M in Pandemic Contingencies in 2020/21 to support farmers to safely accommodate Temporary Foreign Workers.
- *Budget 2018* provided \$29 million over three years for investments in Grow, Feed, Buy initiatives including assisting new farmers with start-up loans, supporting the fruit and nut industry, revitalizing the Agricultural Land Reserve, enhancing the Buy BC strategy, and supporting the development of a Food Innovation Centre at UBC to help small-scale processors enhance their potential for commercialization.
- StrongerBC provided \$10 million in 2020/21 for a range of measures, including initiatives to expand the BC Food Hub network that provides rentable commercial space for small-scale processors and to assist farmers adapt to climate change. StrongerBC also provided through the Ministry of Jobs, Economic Recovery and Innovation, \$3 million for grants to scale-up agritech companies, which was enhanced with an additional \$4.5 million in March 2021.
- AFF's three-year budget lift is expected to enhance some of these initiatives, implement some new ones, and enable AFF to continue to support the agrifood and agritech sector.

Highlights

- The full Ministry budget of **\$99.8M** in 21/22 is made up of the Ministry Operations vote, the Agricultural Land Commission vote, and the Production Insurance Special Account.
- This is a **\$4.4M increase from 20/21**:
 - **\$0.876M** for negotiated wage increases in collective agreements
 - **\$3.400M** for GrowBC and FeedBC Initiatives funded in prior budgets; and
 - **\$0.099M** for the Ministers Office including Parliamentary Secretary.

Ministry Operations

- The Ministry Operations budget (Vote 13) in 21/22 is **\$81.6M** – that's **(\$4.38M) or 5.7% greater** than the 20/21 budget.
- The increase is due to the **\$3.400M** budget lifts for
 - \$0.350M for FeedBC
 - \$3.050M for GrowBC
 - \$0.876M for negotiated wage increases in collective agreements; and
 - \$0.099M to the Ministers Office.
- The Ministry Operations budget is \$81.6M for 22/23 and \$81.7M for 23/24.

Agricultural Land Commission

- The budget for the Agricultural Land Commission (Vote 14) in 21/22 is **\$5.0M** – that is **\$0.058M or 1.2% greater** than the 20/21 budget.
- This increase is due to negotiated wage increases in collective agreement provisions \$0.058M.
- There is no change in the ALC budget in 22/23 or 23/24.

Production Insurance Special Account

- The budget for the Production Insurance Special Account remains at **\$13.2M** for all years of Budget 2021.

Ministry of Agriculture, Food and Fisheries
Budget 2021 Estimates Summary

| (\$000s) | Restated Estimates 2020/21 | Collective Agreement | Grow Feed Buy | Minister's Officer | 2021/22 | Collective Agreement | 2022/23 | Collective Agreement | 2023/24 | 2021/22 Change | 2022/23 Change | 2023/24 Change |
|---|----------------------------------|-------------------------|---------------------|-----------------------|---------------|-------------------------|---------------|-------------------------|---------------|-------------------|-------------------|-------------------|
| Science,Policy and Inspection | 16,634 | 616 | | | 17,250 | - | 17,250 | - | 17,250 | 616 | - | - |
| Agriculture Resource | 52,593 | 217 | 3,325 | | 56,135 | | 56,135 | | 56,135 | 3,542 | - | - |
| BC Farm Industry Review Board | 1,364 | 14 | | | 1,378 | - | 1,378 | - | 1,378 | 14 | - | - |
| Minister's Office | 643 | | | 99 | 742 | | 742 | | 742 | 99 | - | - |
| DM's Office | 1,039 | 29 | | | 1,068 | | 1,068 | | 1,068 | 29 | - | - |
| Overhead | 2,090 | | 75 | | 2,165 | 10 | 2,175 | 11 | 2,186 | 75 | 10 | 11 |
| CSNR Chargeback | 2,898 | | | | 2,898 | - | 2,898 | - | 2,898 | - | - | - |
| | 77,261 | 876 | 3,400 | 99 | 81,636 | 10 | 81,646 | 11 | 81,657 | 4,375 | 10 | 11 |
| Agricultural Land Commission | | | | | | | | | | | | |
| Agricultural Land Commission | 4,943 | 58 | | | 5,001 | | 5,001 | | 5,001 | 58 | - | - |
| Production Insurance Special Account | | | | | | | | | | | | |
| Production Insurance Account | 23,200 | | | | 23,200 | - | 23,200 | - | 23,200 | - | - | - |
| Transfer from MinOps Vote | (10,000) | | | | (10,000) | - | (10,000) | - | (10,000) | - | - | - |
| | 13,200 | - | - | - | 13,200 | - | 13,200 | - | 13,200 | - | - | - |
| | | | | | | | | | | | | |
| | 95,404 | 934 | 3,400 | 99 | 99,837 | 10 | 99,847 | 11 | 99,858 | 4,433 | 10 | 11 |

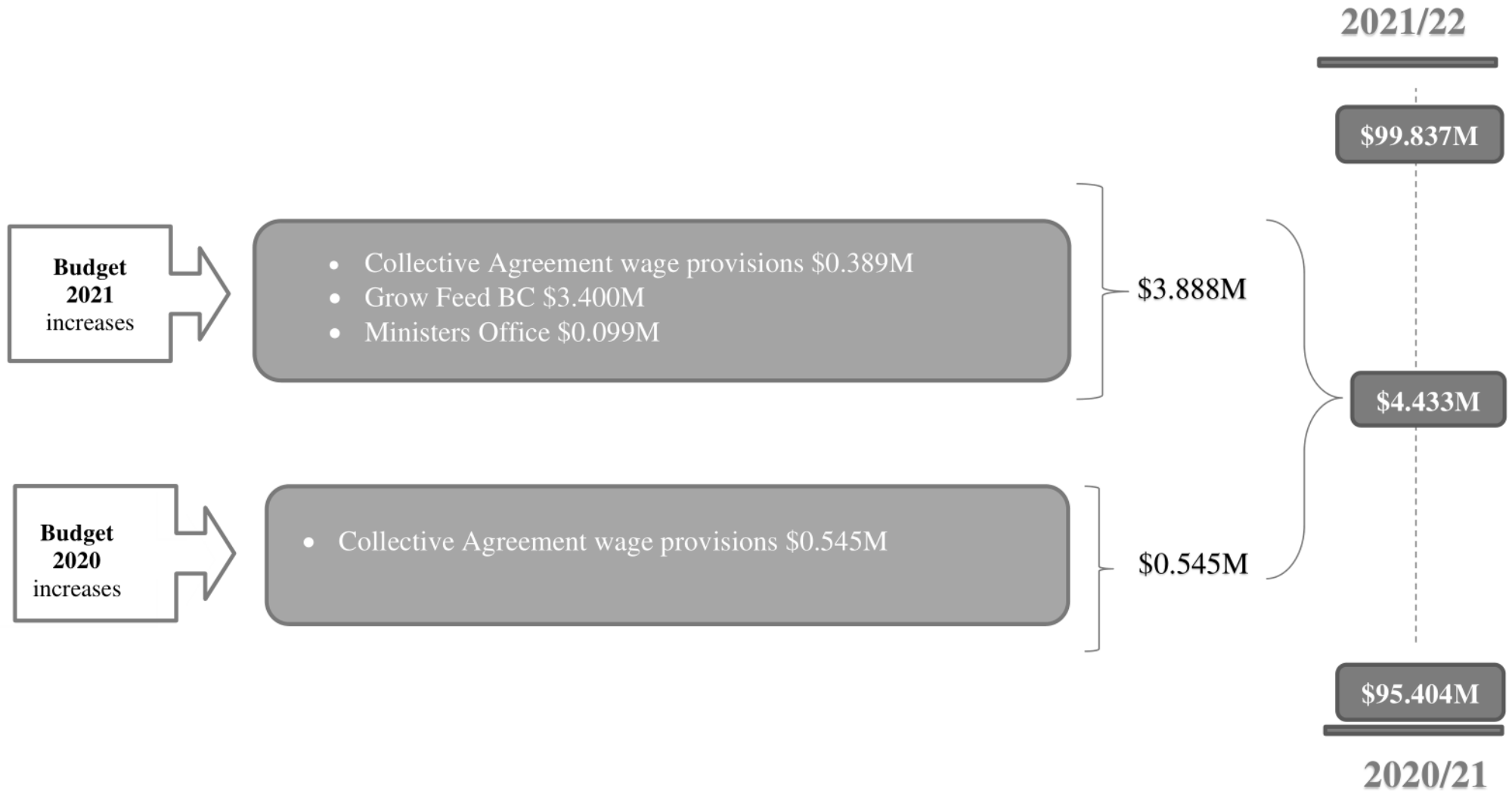
Grow and FeedBC

Funding increased for **Grow Feed Buy** programs as follows:

| | |
|------------------------------------|--------------|
| Grow BC - New Entrant | 350 |
| Grow BC - Small Farm Accelerator | 800 |
| Grow BC - Industry Competitiveness | 1,400 |
| Grow BC - Grain Dryer Efficiency | 500 |
| Feed BC - Lean for Food processors | 350 |
| | <u>3,400</u> |

Ministry of Agriculture, Food and Fisheries - Budget 2021

Highlight of Changes from 2020/21 to 2021/22



MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

2021/22 Budget Highlights

Ministry Budget:

- The Ministry's 2021/22 budget is **\$99.837 million**. This represents a net increase of **\$4.433M or 4.6%**, from the previous year. The net budget increase is comprised of:
 - **Ministry Operations 's net increase of \$4.375M is made up of:**
 - **\$0.876 M** increase in Salary and Benefits for **Rate adjustment** and **Collective agreement provisions**
 - **\$0.350 M** increase to enhance **FeedBC - Lean for Food Processors**
 - **\$3.050 M** increase to **Grow BC** comprised of:

| | |
|----------------|---------------------------------|
| \$0.350 | New Entrant program |
| \$0.800 | Small Farm Accelerator |
| \$1.400 | Industry Competitiveness |
| \$0.500 | Grain Dryer Efficiency |
 - **\$0.099 M** increase to **Minister's Office**.
 - **Agricultural Land Commission's increase of \$0.058M is made up of:**
 - **\$0.058 M** increase in Salary and Benefits for **Rate adjustment** and **Collective agreement provisions**

| \$ thousands | 2020/21 | 2021/22 | \$ Change | % Change |
|--|---------------|---------------|--------------|-------------|
| Vote 13 - Ministry Operations | 77,261 | 81,636 | 4,375 | 5.7% |
| Vote 14 - Agricultural Land Commission | 4,943 | 5,001 | 58 | 1.2% |
| Sub-Total | 82,204 | 86,637 | 4,433 | 5.4% |
| Production Insurance Account Special Account | 13,200 | 13,200 | - | - |
| Total | 95,404 | 99,837 | 4,433 | 4.6% |

Capital Budget:

The Capital budget is **\$0.755M** – a net increase of **\$0.064M**, or 9.3%, representing an increase in

- vehicle replacement from the previous year.

| \$ thousands | 2020/21 | 2021/22 | \$ Change | % Change |
|--|------------|------------|-----------|-------------|
| Vote 13 - Ministry Operations | 691 | 755 | 64 | 9.3% |
| Vote 14 - Agricultural Land Commission | - | - | - | - |
| Total | 691 | 755 | 64 | 9.3% |

MINISTRY OF AGRICULTURE
OPERATING BUDGET - 2018/19 to 2021/22
(000s)

| | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 |
|----------------------------------|---------------|--------------|---------------|-----------|---------------|-----------|---------------|
| | Estimates | Change | Estimates | Change | Plan | Change | Plan |
| Ministry Operations | | | | | | | |
| Science, Policy and Inspection | 16,634 | 616 | 17,250 | - | 17,250 | - | 17,250 |
| Agriculture Resource | 52,593 | 3,542 | 56,135 | - | 56,135 | - | 56,135 |
| BC Farm Industry Review Board | 1,364 | 14 | 1,378 | - | 1,378 | - | 1,378 |
| Executive and Support Services | 6,670 | 203 | 6,873 | 10 | 6,883 | 11 | 6,894 |
| Sub-Total | 77,261 | 4,375 | 81,636 | 10 | 81,646 | 11 | 81,657 |
| Agricultural Land Commission | 4,943 | 58 | 5,001 | - | 5,001 | - | 5,001 |
| Production Insurance Account Net | 13,200 | - | 13,200 | - | 13,200 | - | 13,200 |
| TOTAL Ministry | 95,404 | 4,433 | 99,837 | 10 | 99,847 | 11 | 99,858 |
| Percent Change | | | 4.44% | | 0.0% | | 0.0% |

Ministry Operations - Net Increase of \$4.375M

- **\$0.876M** increase in Salary and Benefits for **Rate adjustment** and **Collective agreement provisions**
- **\$0.350M** increase for **FeedBC - Lean for food Processors**
- **\$3.050M** increase for the **GrowBC** consisting of:
 - **\$0.350M** increase for the **GrowBC - New Entrant program**
 - **\$0.800M** increase for the **GrowBC - Small Farm accelerator**
 - **\$1.400M** increase for **GrowBC - Industry Competitiveness**
 - **\$0.500M** increase for **GrowBC - Grain Dryer Efficiency**
- **\$0.099M** increase for the **Minister's Office**.

Agricultural Land Commission - Increase of \$0.058M

- **\$0.0580M** increase in Salary and Benefits for **Rate adjustment** and **Collective agreement provisions**

Production Insurance Account - No Change

Ministry of Agriculture, Food and Fisheries
Budget 2021 (\$'000's)

Q: How has each fiscal year changed since Budget 2020?

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|-----------------------------------|---------------|---------------|---------------|---------------|
| Budget 2020 | 95,404 | 95,949 | 95,949 | 95,949 |
| FeedBC | | 350 | 350 | 350 |
| GrowBC - New Entrant | | 350 | 350 | 350 |
| GrowBC - Small Farm Accelerator | | 800 | 800 | 800 |
| GrowBC - Industry Competitiveness | | 1,400 | 1,400 | 1,400 |
| GrowBC - Grain Dryer Efficiency | | 500 | 500 | 500 |
| Minister's Office | | 99 | 109 | 120 |
| Salaries and benefits increase | | 389 | 389 | 389 |
| Budget 2021 increase | | 3,888 | 3,898 | 3,909 |
| Budget 2021 | 95,404 | 99,837 | 99,847 | 99,858 |
| Changes from Budget 2020 | 0.0% | 4.1% | 4.1% | 4.1% |

4,433

Ministry of Agriculture, Food and Fisheries
Budget 2021 (\$000's)

This table shows the components that result in the net budget increases for each of the 3 years of Budget 2021.

| | Ministry Operations | ALC | Production Insur. Sp. Account | Total Ministry Expenses |
|-----------------------------------|------------------------|--------------|-------------------------------------|----------------------------|
| 2020/21 | 77,261 | 4,943 | 13,200 | 95,404 |
| Budget 2020 decision | | | | - |
| Salaries and Benefits | 487 | 58 | | 545 |
| Budget 2021 decisions | | | | - |
| FeedBC | 350 | | | 350 |
| GrowBC - New Entrant | 350 | | | 350 |
| GrowBC - Small Farm Accelerator | 800 | | | 800 |
| GrowBC - Industry Competitiveness | 1,400 | | | 1,400 |
| GrowBC - Grain Dryer Efficiency | 500 | | | 500 |
| Minister's Office | 99 | | | 99 |
| Salaries and benefits increase | 389 | | | 389 |
| Total Adjustments | 4,375 | 58 | - | 4,433 |
| 2021/22 | 81,636 | 5,001 | 13,200 | 99,837 |
| Minister's Office | 10 | | | 10 |
| 2022/23 | 81,646 | 5,001 | 13,200 | 99,847 |
| Minister's Office | 11 | | | 11 |
| 2023/24 | 81,657 | 5,001 | 13,200 | 99,858 |

Financial Summary

| Core Business Area | 2020/21 Restated Estimates ¹ | 2021/22 Estimates | 2022/23 Plan | 2023/24 Plan |
|--|---|----------------------|-----------------|-----------------|
| Operating Expenses (\$000) | | | | |
| Science, Policy, and Inspection ² | 16,634 | 17,250 | 17,250 | 17,250 |
| Agriculture Resources ³ | 52,593 | 56,135 | 56,135 | 56,135 |
| BC Farm Industry Review Board | 1,364 | 1,378 | 1,378 | 1,378 |
| Executive and Support Services | 6,670 | 6,873 | 6,883 | 6,894 |
| Agricultural Land Commission | 4,943 | 5,001 | 5,001 | 5,001 |
| Production Insurance Account Special Account | 13,200 | 13,200 | 13,200 | 13,200 |
| Total | 95,404 | 99,837 | 99,847 | 99,858 |
| Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000) | | | | |
| Executive and Support Services | 691 | 755 | 728 | 728 |
| Total | 691 | 755 | 728 | 728 |

¹ For comparative purposes, amounts shown for 2020/21 have been restated to be consistent with the presentation of the 2021/22 Estimates.

² Previously referred to as Agriculture, Science and Policy

³ Previously referred to as Business Development

* Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

The mission of the Ministry of Agriculture, Food and Fisheries is to cultivate competitive and socially responsible agriculture, food, and fisheries sectors.

MINISTRY SUMMARY

(\$000)

| | Estimates 2020/21 ¹ | Estimates 2021/22 |
|--|-----------------------------------|----------------------|
| VOTED APPROPRIATIONS | | |
| Vote 13 — Ministry Operations..... | 77,261 | 81,636 |
| Vote 14 — Agricultural Land Commission..... | 4,943 | 5,001 |
| STATUTORY APPROPRIATIONS | | |
| Production Insurance Account Special Account..... | 23,200 | 23,200 |
| Less: Transfer from Ministry Operations Vote..... | (10,000) | (10,000) |
| OPERATING EXPENSES | <u>95,404</u> | <u>99,837</u> |
| CAPITAL EXPENDITURES² | 691 | 755 |
| LOANS, INVESTMENTS AND OTHER REQUIREMENTS³ | — | — |
| REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES⁴ | — | — |

NOTES

¹ For comparative purposes, figures shown for the 2020/21 operating expenses; capital expenditures; loans, investments and other requirements; and revenue collected for, and transferred to, other entities are restated to be consistent with the presentation of the 2021/22 *Estimates*. A reconciliation of restated operating expenses and capital expenditures resulting from transfers between ministries is presented in Schedule A.

² A listing of estimated capital expenditures by ministry is presented in Schedule C.

³ A summary of loans, investments and other requirements by ministry is presented in Schedule D.

⁴ A summary of revenue collected for, and transferred to, other entities by ministry is presented in Schedule E.

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

SUMMARY BY CORE BUSINESS

(\$000)

| | 2020/21 | 2021/22 ESTIMATES | | |
|---|----------------------|----------------------|-----------------------------|---------------|
| | Net | Gross | External Recoveries | Net |
| OPERATING EXPENSES | | | | |
| Core Business | | | | |
| Science, Policy and Inspection..... | 16,634 | 31,117 | (13,867) | 17,250 |
| Agriculture Resources..... | 52,593 | 66,687 | (10,552) | 56,135 |
| BC Farm Industry Review Board..... | 1,364 | 1,380 | (2) | 1,378 |
| Executive and Support Services..... | 6,670 | 6,875 | (2) | 6,873 |
| Agricultural Land Commission..... | 4,943 | 5,003 | (2) | 5,001 |
| Production Insurance Account Special Account..... | 13,200 | 13,201 | (1) | 13,200 |
| TOTAL OPERATING EXPENSES | 95,404 | 124,263 | (24,426) | 99,837 |
| CAPITAL EXPENDITURES | | | | |
| | Capital Expenditures | Capital Expenditures | Receipts and P3 Liabilities | Net |
| Core Business | | | | |
| Executive and Support Services..... | 691 | 755 | — | 755 |
| TOTAL | 691 | 755 | — | 755 |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

VOTE DESCRIPTIONS

(\$000)

Estimates
2020/21

Estimates
2021/22

VOTE 13 — MINISTRY OPERATIONS

This vote provides for the programs, operations, and other activities described in the voted appropriations under the following core businesses: Science, Policy and Inspection; Agriculture Resources; BC Farm Industry Review Board; and Executive and Support Services.

SCIENCE, POLICY AND INSPECTION

Voted Appropriation

| | | |
|-------------------------------------|--------|--------|
| Science, Policy and Inspection..... | 16,634 | 17,250 |
|-------------------------------------|--------|--------|

Voted Appropriation Description: This sub-vote provides for surveillance, diagnostic services, and management systems, including licensing and inspection to monitor and improve plant, animal, and public health; for the creation and delivery of industry initiatives, including research and innovation; and leads the integration of climate change and emergency management practices into ministry operations and ministry modernization efforts. This sub-vote provides for the development of strategic policy to support the ministry's objectives, priorities, and response to sector issues. This sub-vote also provides for contributions to the improvement of public health protection; consumer and retail confidence in the safety of British Columbia meat, seafood, and food products through inspection and regulatory compliance, education, surveillance, and risk assessment; support of the oversight of agricultural labour and development of policy and programs; and development of policy, programs, and strategies to address identified risks. This sub-vote also provides for planning, establishing, and ensuring program compliance with federal-provincial agreements and legislation related to a competitive and profitable agriculture sector; policy and regulatory development; economic and statistical analysis for the agrifood and seafood sectors; and corporate leadership related to business transformation. Costs may be recovered from ministries, other entities within government, other levels of government, organizations, and individuals for activities described within this sub-vote.

AGRICULTURE RESOURCES

Voted Appropriation

| | | |
|----------------------------|--------|--------|
| Agriculture Resources..... | 52,593 | 56,135 |
|----------------------------|--------|--------|

Voted Appropriation Description: This sub-vote provides for provincial and federal-provincial agricultural risk management programs, insurance schemes, and funding of programs and trusts; regional sector support in emergency management; support for agrifood industry growth, agrifood business development, youth development, and agroforestry; and promotion of public support for the agriculture food sector. This sub-vote also funds initiatives related to strengthening farming programs, including partnerships with industry, local governments, and others to manage land use planning, resolve management issues, and identify opportunities. This sub-vote also provides for agri-environmental initiatives supporting program development and addressing environmental risks to and from the sector; development of beneficial management practices, agri-tech adoption, and domestic and international marketing programs; climate adaptation; and development and implementation of a premise identification registry. This sub-vote also provides for the management of provincial food systems and supply chain security. Costs may be recovered from ministries, other entities within government, other levels of government, organizations, and individuals for activities described within this sub-vote.

BC FARM INDUSTRY REVIEW BOARD

Voted Appropriation

| | | |
|------------------------------------|-------|-------|
| BC Farm Industry Review Board..... | 1,364 | 1,378 |
|------------------------------------|-------|-------|

Voted Appropriation Description: This sub-vote provides for the supervision of the marketing boards and commissions formed under the *Natural Products Marketing (BC) Act*, the hearing of appeals of marketing board and commission orders, decisions and determinations, the hearing of complaints and conducting inquiries related to farm practices under the *Farm Practices Protection (Right to Farm) Act*, and the hearing of animal seizure appeals under the *Prevention of Cruelty to Animals Act*. Costs may be recovered from ministries, other entities within government, other levels of government, organizations, and individuals for activities described within this sub-vote.

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

VOTE DESCRIPTIONS

(\$000)

| | Estimates 2020/21 | Estimates 2021/22 |
|---|----------------------|----------------------|
| EXECUTIVE AND SUPPORT SERVICES | | |
| Voted Appropriations | | |
| Minister's Office..... | 643 | 742 |
| Corporate Services..... | 6,027 | 6,131 |
| | <u>6,670</u> | <u>6,873</u> |
| <p>Voted Appropriations Description: This sub-vote provides for the office of the Minister of Agriculture, Food and Fisheries; the office of the Parliamentary Secretary for Fisheries and Aquaculture; executive support, including the deputy minister's office; intergovernmental relations; and corporate administration. This sub-vote also provides for executive direction to the ministry; finance, administrative, strategic human resources, and information management services and systems; information and privacy; revenue collection; and trust fund management for ministry operations, programs, and clients. Costs may be recovered from ministries, other entities within government, other levels of government, organizations, and individuals for activities described within this sub-vote.</p> | | |
| VOTE 13 — MINISTRY OPERATIONS | 77,261 | 81,636 |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

VOTE DESCRIPTIONS

(\$000)

Estimates
2020/21Estimates
2021/22

VOTE 14 — AGRICULTURAL LAND COMMISSION

This vote provides for the programs, operations, and other activities described in the voted appropriation under the following core business: Agricultural Land Commission.

AGRICULTURAL LAND COMMISSION

Voted Appropriation

| | | |
|-----------------------------------|-------|-------|
| Agricultural Land Commission..... | 4,943 | 5,001 |
|-----------------------------------|-------|-------|

Voted Appropriation Description: This sub-vote provides for the operation of the Agricultural Land Commission. Under the *Agricultural Land Commission Act*, the commission is responsible for preserving the scarce supply of agricultural land in the province through policies, programs, and compliance and enforcement activities that foster long-term sustainability and encourage farm businesses. The commission responds to the needs of farmers, landowners, applicants, local governments, and others. A portion of the fees for the applications made under the *Agricultural Land Commission Act* is retained by local governments for services provided in the application process. Costs may be recovered from ministries, other entities within government, other levels of government, organizations, and individuals for activities described within this sub-vote.

VOTE 14 — AGRICULTURAL LAND COMMISSION

4,943

5,001

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

STATUTORY DESCRIPTIONS

(\$000)

Estimates
2020/21Estimates
2021/22

STATUTORY APPROPRIATIONS

This statutory appropriation provides for the programs, operations, and other activities of the following special account: Production Insurance Account.

PRODUCTION INSURANCE ACCOUNT

Statutory Appropriation

| | | |
|---|---------------|---------------|
| Production Insurance Account..... | 23,200 | 23,200 |
| Less: Transfer from Ministry Operations Vote..... | (10,000) | (10,000) |
| | <u>13,200</u> | <u>13,200</u> |

Statutory Appropriation Description: This statutory appropriation provides for the Production Insurance Account which is governed under the *Special Accounts Appropriation and Control Act*.

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

| | | |
|--------------------------------------|---------------|---------------|
| Salaries and Benefits | 33,777 | 35,337 |
| Operating Costs | 15,321 | 15,350 |
| Government Transfers | 42,227 | 45,052 |
| Other Expenses | 28,514 | 28,533 |
| Internal Recoveries | (9) | (9) |
| External Recoveries | (24,426) | (24,426) |
| TOTAL OPERATING EXPENSES..... | <u>95,404</u> | <u>99,837</u> |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

SPECIAL ACCOUNTS¹

(\$000)

| | Estimates 2020/21 | Estimates 2021/22 |
|---|----------------------|----------------------|
| PRODUCTION INSURANCE ACCOUNT | | |
| This account was established as a special account under the <i>Special Accounts Appropriation and Control Act</i> in 2005 and replaces the Crop Insurance Fund created by a regulation under the <i>Insurance for Crops Act</i> . Production Insurance is an insurance scheme that stabilizes farm income by minimizing, at an individual level, the detrimental economic effects of losses due to uncontrollable natural perils. The purpose of this account is to receive premiums from the federal government, the province, producers, and indemnity and other payments through reinsurance. This account also earns interest on accumulated funds. Expenses include indemnification payments to producers, reinsurance premiums to third parties, and any third-party costs of adjustments. Costs may be recovered from external organizations for reinsurance proceeds. | | |
| SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR ²..... | 74,412 | 82,412 |
| OPERATING TRANSACTIONS | | |
| Revenue..... | 21,200 | 21,200 |
| Expense..... | (23,201) | (23,201) |
| Internal and External Recoveries..... | 1 | 1 |
| Transfer from Ministry Operations Vote..... | 10,000 | 10,000 |
| Net Revenue (Expense)..... | 8,000 | 8,000 |
| FINANCING TRANSACTIONS | | |
| Receipts..... | — | — |
| Disbursements..... | — | — |
| Capital Expenditures..... | — | — |
| Net Cash Source (Requirement)..... | — | — |
| PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR ²..... | 82,412 | 90,412 |

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Spending Authority Available at the Beginning of the Fiscal Year 2020/21 is based on the 2019/20 *Public Accounts*. The Projected Spending Authority Available at the End of the Fiscal Year represents the cash and temporary investments projected to be available at the end of each fiscal year.

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

(\$000)

VOTE 13 Ministry Operations

| Description | Total 2020/21 Operating Expenses | 50 | 51 | 52 | 54 | Total Salaries and Benefits | 55 | 57 | 59 | 60 | 63 | 65 | 67 | 68 | 69 |
|--------------------------------|---|---------------|------------|--------------|-----------|-----------------------------------|------------|------------|------------|--------------|--------------|--------------|-----------|----------|------------|
| Science, Policy and Inspection | 16,634 | 11,689 | 22 | 2,970 | — | 14,681 | — | 384 | — | 2,413 | 106 | 641 | — | — | 697 |
| Agriculture Resources | 52,593 | 12,706 | 79 | 3,258 | — | 16,043 | — | 321 | — | 1,796 | 1,050 | 345 | 40 | — | 92 |
| BC Farm Industry Review Board | 1,364 | 509 | — | 129 | — | 638 | 377 | 30 | — | 299 | 4 | 30 | — | — | — |
| Executive and Support Services | 6,670 | 878 | — | 252 | 72 | 1,202 | — | 137 | 430 | 71 | 662 | 484 | — | — | — |
| Minister's Office | 643 | 420 | — | 136 | 72 | 628 | — | 87 | — | — | 10 | 17 | — | — | — |
| Corporate Services | 6,027 | 458 | — | 116 | — | 574 | — | 50 | 430 | 71 | 652 | 467 | — | — | — |
| Total | 77,261 | 25,782 | 101 | 6,609 | 72 | 32,564 | 377 | 872 | 430 | 4,579 | 1,822 | 1,500 | 40 | — | 789 |

VOTE 14 Agricultural Land Commission

| Description | Total 2020/21 Operating Expenses | 50 | 51 | 52 | 54 | Total Salaries and Benefits | 55 | 57 | 59 | 60 | 63 | 65 | 67 | 68 | 69 |
|------------------------------|---|--------------|----------|------------|----------|-----------------------------------|------------|------------|-----------|------------|------------|-----------|----------|-----------|-----------|
| Agricultural Land Commission | 4,943 | 2,211 | — | 562 | — | 2,773 | 794 | 188 | 28 | 525 | 239 | 69 | — | 21 | 26 |
| Total | 4,943 | 2,211 | — | 562 | — | 2,773 | 794 | 188 | 28 | 525 | 239 | 69 | — | 21 | 26 |

Statutory Appropriations

| Description | Total 2020/21 Operating Expenses | 50 | 51 | 52 | 54 | Total Salaries and Benefits | 55 | 57 | 59 | 60 | 63 | 65 | 67 | 68 | 69 |
|------------------------------|---|----------|----------|----------|----------|-----------------------------------|----------|----------|----------|--------------|----------|----------|----------|----------|----------|
| Production Insurance Account | 23,200 | — | — | — | — | — | — | — | — | 1,250 | — | — | — | — | — |
| Total | 23,200 | — | — | — | — | — | — | — | — | 1,250 | — | — | — | — | — |

| 70 | 72 | 73 | 75 | Total Operating Costs | 77 | 79 | 80 | Total Govt Transfers | 81 | 83 | 85 | Total Other Expenses | 86 | 88 | Total Internal Recoveries | 89 | 90 | Total External Recoveries | Total 2021/22 Operating Expenses |
|-----|----|-----|-----|-----------------------------|--------|----|--------|----------------------------|--------|----|-------|----------------------------|----|-----|---------------------------------|-----|----------|---------------------------------|---|
| 248 | — | 523 | — | 5,012 | — | — | 11,402 | 11,402 | — | — | 25 | 25 | — | (3) | (3) | (4) | (13,863) | (13,867) | 17,250 |
| 76 | — | 57 | — | 3,777 | 18,653 | — | 14,997 | 33,650 | 10,000 | — | 3,220 | 13,220 | — | (3) | (3) | (3) | (10,549) | (10,552) | 56,135 |
| — | — | 1 | — | 741 | — | — | — | — | — | — | 2 | 2 | — | (1) | (1) | (1) | (1) | (2) | 1,378 |
| 264 | — | 121 | 173 | 2,342 | — | — | — | — | — | — | 3,332 | 3,332 | — | (1) | (1) | (1) | (1) | (2) | 6,873 |
| — | — | — | — | 114 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 742 |
| 264 | — | 121 | 173 | 2,228 | — | — | — | — | — | — | 3,332 | 3,332 | — | (1) | (1) | (1) | (1) | (2) | 6,131 |
| 588 | — | 702 | 173 | 11,872 | 18,653 | — | 26,399 | 45,052 | 10,000 | — | 6,579 | 16,579 | — | (8) | (8) | (9) | (24,414) | (24,423) | 81,636 |

| 70 | 72 | 73 | 75 | Total Operating Costs | 77 | 79 | 80 | Total Govt Transfers | 81 | 83 | 85 | Total Other Expenses | 86 | 88 | Total Internal Recoveries | 89 | 90 | Total External Recoveries | Total 2021/22 Operating Expenses |
|----|----|-----|----|-----------------------------|----|----|----|----------------------------|----|----|----|----------------------------|----|-----|---------------------------------|-----|-----|---------------------------------|---|
| 52 | — | 281 | 5 | 2,228 | — | — | — | — | — | — | 3 | 3 | — | (1) | (1) | (1) | (1) | (2) | 5,001 |
| 52 | — | 281 | 5 | 2,228 | — | — | — | — | — | — | 3 | 3 | — | (1) | (1) | (1) | (1) | (2) | 5,001 |

| 70 | 72 | 73 | 75 | Total Operating Costs | 77 | 79 | 80 | Total Govt Transfers | 81 | 83 | 85 | Total Other Expenses | 86 | 88 | Total Internal Recoveries | 89 | 90 | Total External Recoveries | Total 2021/22 Operating Expenses |
|----|----|----|----|-----------------------------|----|----|----|----------------------------|----|----|--------|----------------------------|----|----|---------------------------------|----|-----|---------------------------------|---|
| — | — | — | — | 1,250 | — | — | — | — | — | — | 21,951 | 21,951 | — | — | — | — | (1) | (1) | 23,200 |
| — | — | — | — | 1,250 | — | — | — | — | — | — | 21,951 | 21,951 | — | — | — | — | (1) | (1) | 23,200 |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
Operating Budget Changes by STOB
2020/21 to 2021/22
(\$000s)

| STOB Description | Science, Policy and Inspection | | | Agriculture Resources | | | BC Farm Industry Review Board | | | Executive and Support Services | | | Agricultural Land Commission | | | Production Insurance Account | | |
|---|--------------------------------|------------|----------------------|-----------------------|--------------|----------------------|-------------------------------|-----------|----------------------|--------------------------------|------------|----------------------|------------------------------|-----------|----------------------|------------------------------|----------|----------------------|
| | 2020/21 Estimates | Change | 2021/22 Estimates | 2020/21 Estimates | Change | 2021/22 Estimates | 2020/21 Estimates | Change | 2021/22 Estimates | 2020/21 Estimates | Change | 2021/22 Estimates | 2020/21 Estimates | Change | 2021/22 Estimates | 2020/21 Estimates | Change | 2021/22 Estimates |
| 50 Base Salaries and Overtime | 11,198 | 491 | 11,689 | 12,133 | 573 | 12,706 | 498 | 11 | 509 | 776 | 102 | 878 | 2,165 | 46 | 2,211 | - | - | - |
| 51 Supplementary Salary Costs | 22 | - | 22 | 79 | - | 79 | - | - | - | - | - | - | - | - | - | - | - | - |
| 52 Employee Benefits | 2,845 | 125 | 2,970 | 3,114 | 144 | 3,258 | 126 | 3 | 129 | 217 | 35 | 252 | 550 | 12 | 562 | - | - | - |
| 54 Legislative Salaries - Indemnities | - | - | - | - | - | - | - | - | - | 54 | 18 | 72 | - | - | - | - | - | - |
| Total Salaries & Benefits | 14,065 | 616 | 14,681 | 15,326 | 717 | 16,043 | 624 | 14 | 638 | 1,047 | 155 | 1,202 | 2,715 | 58 | 2,773 | - | - | - |
| 55 Boards, Commissions, Courts Fees | - | - | - | - | - | - | 377 | - | 377 | - | - | - | 794 | - | 794 | - | - | - |
| 57 Public Servant Travel Expenses | 384 | - | 384 | 321 | - | 321 | 30 | - | 30 | 137 | - | 137 | 188 | - | 188 | - | - | - |
| 59 Centralized Management Services | - | - | - | - | - | - | - | - | - | 430 | - | 430 | 28 | - | 28 | - | - | - |
| 60 Professional Services | 2,413 | - | 2,413 | 1,796 | - | 1,796 | 22 | - | 22 | 71 | - | 71 | 178 | - | 178 | 1,250 | - | 1,250 |
| 61 Professional Services Advisory | - | - | - | - | - | - | 277 | - | 277 | - | - | - | 347 | - | 347 | - | - | - |
| 63 Information Systems - Operating | 106 | - | 106 | 1,050 | - | 1,050 | 4 | - | 4 | 636 | 26 | 662 | 239 | - | 239 | - | - | - |
| 65 Office and Business Expenses | 641 | - | 641 | 345 | - | 345 | 30 | - | 30 | 481 | 3 | 484 | 69 | - | 69 | - | - | - |
| 67 Advertising | - | - | - | 40 | - | 40 | - | - | - | - | - | - | - | - | - | - | - | - |
| 68 Statutory Advertising and Publications | - | - | - | - | - | - | - | - | - | - | - | - | 21 | - | 21 | - | - | - |
| 69 Utilities Materials and Supplies | 697 | - | 697 | 92 | - | 92 | - | - | - | - | - | - | 26 | - | 26 | - | - | - |
| 70 Operating Equip, Vehicles and Other | 248 | - | 248 | 76 | - | 76 | - | - | - | 264 | - | 264 | 52 | - | 52 | - | - | - |
| 73 Amortization Expenses | 523 | - | 523 | 57 | - | 57 | 1 | - | 1 | 121 | - | 121 | 281 | - | 281 | - | - | - |
| 75 Building Occupancy Charges | - | - | - | - | - | - | - | - | - | 173 | - | 173 | 5 | - | 5 | - | - | - |
| Total Operating Costs | 5,012 | - | 5,012 | 3,777 | - | 3,777 | 741 | - | 741 | 2,313 | 29 | 2,342 | 2,228 | - | 2,228 | 1,250 | - | 1,250 |
| 77 Transfers - Grants | - | - | - | 18,653 | - | 18,653 | - | - | - | - | - | - | - | - | - | - | - | - |
| 80 Transfers Under Agreement | 11,402 | - | 11,402 | 12,172 | 2,825 | 14,997 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Government Transfers | 11,402 | - | 11,402 | 30,825 | 2,825 | 33,650 | - | - | - | - | - | - | - | - | - | - | - | - |
| 81 Trsf Payment Between Votes | - | - | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - | (10,000) | - | (10,000) |
| 84 Int Costs-Non Pub Debt | - | - | - | 4 | - | 4 | - | - | - | - | - | - | - | - | - | - | - | - |
| 85 Other Expenses | 25 | - | 25 | 3,216 | - | 3,216 | 2 | - | 2 | 3,313 | 19 | 3,332 | 3 | - | 3 | 21,951 | - | 21,951 |
| Total Oher Expenses | 25 | - | 25 | 13,220 | - | 13,220 | 2 | - | 2 | 3,313 | 19 | 3,332 | 3 | - | 3 | 11,951 | - | 11,951 |
| 88 Recoveries - Internal | (3) | - | (3) | (3) | - | (3) | (1) | - | (1) | (1) | - | (1) | (1) | - | (1) | - | - | - |
| Total Recoveries - Internal | (3) | - | (3) | (3) | - | (3) | (1) | - | (1) | (1) | - | (1) | (1) | - | (1) | - | - | - |
| 89 Recoveries-within Govt | (4) | - | (4) | (3) | - | (3) | (1) | - | (1) | (1) | - | (1) | (1) | - | (1) | - | - | - |
| 90 Recoveries - External | (13,863) | - | (13,863) | (10,549) | - | (10,549) | (1) | - | (1) | (1) | - | (1) | (1) | - | (1) | (1) | - | (1) |
| Total Recoveries - External | (13,867) | - | (13,867) | (10,552) | - | (10,552) | (2) | - | (2) | (2) | - | (2) | (2) | - | (2) | (1) | - | (1) |
| TOTAL | 16,634 | 616 | 17,250 | 52,593 | 3,542 | 56,135 | 1,364 | 14 | 1,378 | 6,670 | 203 | 6,873 | 4,943 | 58 | 5,001 | 13,200 | - | 13,200 |
| Percent Change | | 4% | | | 7% | | | 1% | | | 3% | | | 1% | | | - | |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES

Ministry Operations By STOB

2020/21 to 2023/24

(\$000s)

| Vote 13 - Ministry Operations | 2020/21 Estimates | Change | 2021/22 Estimates | Change | 2022/23 Plan | Change | 2023/24 Plan |
|---|----------------------|--------------|----------------------|-----------|-----------------|-----------|-----------------|
| 50 Base Salaries and Overtime | 24,605 | 1,177 | 25,782 | 8 | 25,790 | 9 | 25,799 |
| 51 Supplementary Salary Costs | 101 | - | 101 | - | 101 | - | 101 |
| 52 Employee Benefits | 6,302 | 307 | 6,609 | 2 | 6,611 | 2 | 6,613 |
| 54 Legislative Salaries - Indemnities | 54 | 18 | 72 | - | 72 | - | 72 |
| Total Salaries & Benefits | 31,062 | 1,502 | 32,564 | 10 | 32,574 | 11 | 32,585 |
| 55 Boards, Commissions, Courts Fees | 377 | - | 377 | - | 377 | - | 377 |
| 57 Public Servant Travel Expenses | 872 | - | 872 | - | 872 | - | 872 |
| 59 Centralized Management Services | 430 | - | 430 | - | 430 | - | 430 |
| 60 Professional Services | 4,302 | - | 4,302 | - | 4,302 | - | 4,302 |
| 61 Professional Services Advisory | 277 | - | 277 | - | 277 | - | 277 |
| 63 Information Systems - Operating | 1,796 | 26 | 1,822 | - | 1,822 | - | 1,822 |
| 65 Office and Business Expenses | 1,497 | 3 | 1,500 | - | 1,500 | - | 1,500 |
| 67 Advertising | 40 | - | 40 | - | 40 | - | 40 |
| 68 Statutory Advertising and Publications | - | - | - | - | - | - | - |
| 69 Utilities Materials and Supplies | 789 | - | 789 | - | 789 | - | 789 |
| 70 Operating Equip, Vehicles and Other | 588 | - | 588 | - | 588 | - | 588 |
| 73 Amortization Expenses | 702 | - | 702 | - | 702 | - | 702 |
| 75 Building Occupancy Charges | 173 | - | 173 | - | 173 | - | 173 |
| Total Operating Costs | 11,843 | 29 | 11,872 | - | 11,872 | - | 11,872 |
| 77 Transfers - Grants | 18,653 | - | 18,653 | - | 18,653 | - | 18,653 |
| 80 Transfers Under Agreement | 23,574 | 2,825 | 26,399 | - | 26,399 | - | 26,399 |
| Total Government Transfers | 42,227 | 2,825 | 45,052 | - | 45,052 | - | 45,052 |
| 81 Trf Pmt Btn Vts Sp Acct and Fnds | 10,000 | - | 10,000 | - | 10,000 | - | 10,000 |
| 84 Int Costs-Non Pub Debt | 4 | - | 4 | - | 4 | - | 4 |
| 85 Other Expenses | 6,556 | 19 | 6,575 | - | 6,575 | - | 6,575 |
| Total Other Expenses | 16,560 | 19 | 16,579 | - | 16,579 | - | 16,579 |
| 88 Recoveries - Internal | (8) | - | (8) | - | (8) | - | (8) |
| Total Recoveries - Internal | (8) | - | (8) | - | (8) | - | (8) |
| 89 Recoveries-within Govt Report Entity | (9) | - | (9) | - | (9) | - | (9) |
| 90 Recoveries - External | (24,414) | - | (24,414) | - | (24,414) | - | (24,414) |
| Total Recoveries - External | (24,423) | - | (24,423) | - | (24,423) | - | (24,423) |
| TOTAL MINISTRY OPERATIONS | 77,261 | 4,375 | 81,636 | 10 | 81,646 | 11 | 81,657 |
| Percent Change | | | 6% | | 0.0% | | 0.0% |

Net increase of \$4.375M in Fiscal 2021-22 Estimates include:

- **\$0.876M** increase in Salary & Benefits **Collective agreement provisions.**
- **\$0.500M** increase in Salary & Benefits **for Grow BC and Feed BC**
- **\$0.126M** increase in Salary and Benefits for **Minister's Office**
- **\$0.235M** increase to transfers under agreement to support the **FeedBC -Lean for Food Processors**
- **\$0.235M** increase to transfers under agreement to support **GrowBC - New Entrant**
- **\$0.685M** increase to transfers under agreement to support **GrowBC - Small Farm Accelerator**
- **\$1.170M** increase to transfers under agreement to support **GrowBC - Industry Competitiveness**
- **\$0.500M** increase to transfers under agreement to support **GrowBC - Grain Dryer Efficiency**
- **\$0.075M** increase to other expenses for **FeedBC and GrowBC overhead costs.**
- **(\$0.027)M** decrease to other expenses for **reallocation to salary for Minister's Office**

Net increase of \$0.0010M in Fiscal 2022-23 Estimates include:

- **\$0.0010M** increase in Salary and Benefits for **Minister's Office**

Net increase of \$0.0011M in Fiscal 2023-24 Estimates include:

- **\$0.0011M** increase in Salary and Benefits for **Minister's Office**

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
Science, Policy and Inspections
2020/21 to 2023/24
(\$000s)

| | 2020/21 | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 |
|---|-----------------|--------|-----------------------|------------|-----------------|--------|-----------------|--------|-----------------|
| | Estimates | Change | Restated Estimates | Change | Estimates | Change | Plan | Change | Plan |
| 50 Base Salaries and Overtime | 11,198 | - | 11,198 | 491 | 11,689 | - | 11,689 | - | 11,689 |
| 51 Supplementary Salary Costs | 22 | - | 22 | - | 22 | - | 22 | - | 22 |
| 52 Employee Benefits | 2,845 | - | 2,845 | 125 | 2,970 | - | 2,970 | - | 2,970 |
| Total Salaries & Benefits | 14,065 | - | 14,065 | 616 | 14,681 | - | 14,681 | - | 14,681 |
| 57 Public Servant Travel Expenses | 384 | - | 384 | - | 384 | - | 384 | - | 384 |
| 60 Professional Services | 2,413 | - | 2,413 | - | 2,413 | - | 2,413 | - | 2,413 |
| 63 Information Systems - Operating | 106 | - | 106 | - | 106 | - | 106 | - | 106 |
| 65 Office and Business Expenses | 641 | - | 641 | - | 641 | - | 641 | - | 641 |
| 69 Utilities Materials and Supplies | 697 | - | 697 | - | 697 | - | 697 | - | 697 |
| 70 Operating Equip, Vehicles and Other | 248 | - | 248 | - | 248 | - | 248 | - | 248 |
| 73 Amortization Expenses | 523 | - | 523 | - | 523 | - | 523 | - | 523 |
| Total Operating Costs | 5,012 | - | 5,012 | - | 5,012 | - | 5,012 | - | 5,012 |
| 77 Transfers - Grants | - | - | - | - | - | - | - | - | - |
| 80 Transfers Under Agreement | 11,402 | - | 11,402 | - | 11,402 | - | 11,402 | - | 11,402 |
| Total Government Transfers | 11,402 | - | 11,402 | - | 11,402 | - | 11,402 | - | 11,402 |
| 85 Other Expenses | 25 | - | 25 | - | 25 | - | 25 | - | 25 |
| Total Other Expenses | 25 | - | 25 | - | 25 | - | 25 | - | 25 |
| 88 Recoveries - Internal | (3) | - | (3) | - | (3) | - | (3) | - | (3) |
| Total Internal Recoveries | (3) | - | (3) | - | (3) | - | (3) | - | (3) |
| 89 Recoveries-within Govt Report Entity | (4) | - | (4) | - | (4) | - | (4) | - | (4) |
| 90 Recoveries - External | (13,863) | - | (13,863) | - | (13,863) | - | (13,863) | - | (13,863) |
| Total External Recoveries | (13,867) | - | (13,867) | - | (13,867) | - | (13,867) | - | (13,867) |
| TOTAL Science, Policy & Initiatives Division | 16,634 | - | 16,634 | 616 | 17,250 | - | 17,250 | - | 17,250 |
| Percent Change | | | | | 3.7% | | - | | - |

Variance Explanations:

Net increase of \$0.616M in Fiscal 2021-22 Estimates include:

- \$0.616M increase in Salary and Benefits for Collective agreement provisions

No Change in Fiscal 2023-24 Estimates.

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
Agriculture Resources
2020/21 to 2023/24
(\$000s)

| | | 2020/21 | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | |
|---|--------------------------------------|-----------------|----------|-----------------------|--------------|-----------------|----------|-----------------|----------|-----------------|--|
| | | Estimates | Change | Restated Estimates | Change | Estimates | Change | Plan | Change | Plan | |
| 50 | Base Salaries and Overtime | 12,133 | - | 12,133 | 573 | 12,706 | - | 12,706 | - | 12,706 | |
| 51 | Supplementary Salary Costs | 79 | - | 79 | - | 79 | - | 79 | - | 79 | |
| 52 | Employee Benefits | 3,114 | - | 3,114 | 144 | 3,258 | - | 3,258 | - | 3,258 | |
| Total Salaries & Benefits | | 15,326 | - | 15,326 | 717 | 16,043 | - | 16,043 | - | 16,043 | |
| 57 | Public Servant Travel Expenses | 321 | - | 321 | - | 321 | - | 321 | - | 321 | |
| 60 | Professional Services | 1,796 | - | 1,796 | - | 1,796 | - | 1,796 | - | 1,796 | |
| 63 | Information Systems - Operating | 1,050 | - | 1,050 | - | 1,050 | - | 1,050 | - | 1,050 | |
| 65 | Office and Business Expenses | 345 | - | 345 | - | 345 | - | 345 | - | 345 | |
| 67 | Advertising | 40 | - | 40 | - | 40 | - | 40 | - | 40 | |
| 69 | Utilities Materials and Supplies | 92 | - | 92 | - | 92 | - | 92 | - | 92 | |
| 70 | Operating Equip, Vehicles and Other | 76 | - | 76 | - | 76 | - | 76 | - | 76 | |
| 73 | Amortization Expenses | 57 | - | 57 | - | 57 | - | 57 | - | 57 | |
| Total Operating Costs | | 3,456 | - | 3,456 | - | 3,456 | - | 3,456 | - | 3,456 | |
| 77 | Transfers - Grants | 18,653 | - | 18,653 | - | 18,653 | - | 18,653 | - | 18,653 | |
| 80 | Transfers Under Agreement | 12,172 | - | 12,172 | 2,825 | 14,997 | - | 14,997 | - | 14,997 | |
| Total Government Transfers | | 30,825 | - | 30,825 | 2,825 | 33,650 | - | 33,650 | - | 33,650 | |
| 81 | Trsf Payment Between Votes | 10,000 | - | 10,000 | - | 10,000 | - | 10,000 | - | 10,000 | |
| 84 | Interest Costs-Non Public Debt | 4 | - | 4 | - | 4 | - | 4 | - | 4 | |
| 85 | Other Expenses | 3,216 | - | 3,216 | - | 3,216 | - | 3,216 | - | 3,216 | |
| Total Other Expenses | | 13,220 | - | 13,220 | - | 13,220 | - | 13,220 | - | 13,220 | |
| 88 | Recoveries - Internal | (3) | - | (3) | - | (3) | - | (3) | - | (3) | |
| Total Recoveries - Internal | | (3) | - | (3) | - | (3) | - | (3) | - | (3) | |
| 89 | Recoveries-within Govt Report Entity | (3) | - | (3) | - | (3) | - | (3) | - | (3) | |
| 90 | Recoveries - External | (10,549) | - | (10,549) | - | (10,549) | - | (10,549) | - | (10,549) | |
| Total Recoveries - External | | (10,552) | - | (10,552) | - | (10,552) | - | (10,552) | - | (10,552) | |
| TOTAL Agricutlure Resources Division | | 52,593 | - | 52,593 | 3,542 | 56,135 | - | 56,135 | - | 56,135 | |
| Percent Change | | | | - | | 6.7% | | - | | - | |

Variance Explanations:

Net increase of \$3.542M in Fiscal 2021-22 Estimates include:

- **\$0.217M** increase in Salary and Benefits for **Collective agreement provisions**
- **\$0.500M** increase in Salary and Benefits for **GrowBC and FeedBC**
- **\$0.235M** increase to transfers under agreement to support the **FeedBC -Lean for Food Processors**
- **\$0.235M** increase to transfers under agreement to support **GrowBC - New Entrant**
- **\$0.685M** increase to transfers under agreement to support **GrowBC - Small Farm Accelerator**
- **\$1.170M** increase to transfers under agreement to support **GrowBC - Industry Competitiveness**
- **\$0.500M** increase to transfers under agreement to support **GrowBC - Grain Dryer Efficiency**

No Change in Fiscal 2023-24 Estimates.

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
BC Farm Industry Review Board
2020/21 to 2023/24
(\$000s)

| | 2020/21 | | 2020/21 Restated | | 2021/22 | 2022/23 | | 2023/24 | |
|--|--------------|----------|------------------|-----------|--------------|----------|--------------|----------|--------------|
| | Estimates | Change | Estimates | Change | Estimates | Change | Plan | Change | Plan |
| 50 Base Salaries and Overtime | 498 | - | 498 | 11 | 509 | - | 509 | - | 509 |
| 52 Employee Benefits | 126 | - | 126 | 3 | 129 | - | 129 | - | 129 |
| Total Salaries & Benefits | 624 | - | 624 | 14 | 638 | - | 638 | - | 638 |
| 55 Boards, Commissions, Courts Fees | 377 | - | 377 | - | 377 | - | 377 | - | 377 |
| 57 Public Servant Travel Expenses | 30 | - | 30 | - | 30 | - | 30 | - | 30 |
| 60 Professional Services | 22 | - | 22 | - | 22 | - | 22 | - | 22 |
| 61 Professional Services Advisory | 277 | - | 277 | - | 277 | - | 277 | - | 277 |
| 63 Information Systems - Operating | 4 | - | 4 | - | 4 | - | 4 | - | 4 |
| 65 Office and Business Expenses | 30 | - | 30 | - | 30 | - | 30 | - | 30 |
| 73 Amortization Expenses | 1 | - | 1 | - | 1 | - | 1 | - | 1 |
| Total Operating Costs | 741 | - | 741 | - | 741 | - | 741 | - | 741 |
| 85 Other Expenses | 2 | - | 2 | - | 2 | - | 2 | - | 2 |
| Total Other Expenses | 2 | - | 2 | - | 2 | - | 2 | - | 2 |
| 88 Recoveries - Internal | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| Total Recoveries - Internal | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| 89 Recoveries-within Govt Report Entity | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| 90 Recoveries - External | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| Total Recoveries - External | (2) | - | (2) | - | (2) | - | (2) | - | (2) |
| TOTAL BC Farm Industry Review Board | 1,364 | - | 1,364 | 14 | 1,378 | - | 1,378 | - | 1,378 |
| Percent Change | | - | | | 1.0% | | - | | - |

Variance Explanations:

Net increase of \$0.014M in Fiscal 2021-22 Estimates include:

- \$0.014M increase in Salary and Benefits for **Collective agreement provisions**

No Change in Fiscal 2023-24 Estimates

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
Executive and Support Services
2020/21 to 2023/24
(\$000s)

| | 2020/21 Estimates | Change | 2020/21 Restated Estimates | Change | 2021/22 Estimates | Change | 2022/23 Plan | Change | 2023/24 Plan |
|---|----------------------|----------|----------------------------------|------------|----------------------|-----------|-----------------|-----------|-----------------|
| 50 Base Salaries and Overtime | 776 | - | 776 | 102 | 878 | 8 | 886 | 9 | 895 |
| 52 Employee Benefits | 217 | - | 217 | 35 | 252 | 2 | 254 | 2 | 256 |
| 54 Legislative Salaries - Indemnities | 54 | - | 54 | 18 | 72 | - | 72 | - | 72 |
| Total Salaries & Benefits | 1,047 | - | 1,047 | 155 | 1,202 | 10 | 1,212 | 11 | 1,223 |
| 57 Public Servant Travel Expenses | 137 | - | 137 | - | 137 | - | 137 | - | 137 |
| 59 Centralized Mgmt Support Services | 430 | - | 430 | - | 430 | - | 430 | - | 430 |
| 60 Professional Services Advisory | 71 | - | 71 | - | 71 | - | 71 | - | 71 |
| 63 Information Systems - Operating | 636 | - | 636 | 26 | 662 | - | 662 | - | 662 |
| 65 Office and Business Expenses | 481 | - | 481 | 3 | 484 | - | 484 | - | 484 |
| 70 Operating Equip, Vehicles and Other | 264 | - | 264 | - | 264 | - | 264 | - | 264 |
| 73 Amortization Expenses | 121 | - | 121 | - | 121 | - | 121 | - | 121 |
| 75 Building Occupancy Charges | 173 | - | 173 | - | 173 | - | 173 | - | 173 |
| Total Operating Costs | 2,313 | - | 2,313 | 29 | 2,342 | - | 2,342 | - | 2,342 |
| 85 Other Expenses | 3,313 | - | 3,313 | 19 | 3,332 | - | 3,332 | - | 3,332 |
| Total Other Expenses | 3,313 | - | 3,313 | 19 | 3,332 | - | 3,332 | - | 3,332 |
| 88 Recoveries - Internal | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| Total Recoveries - Internal | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| 89 Recoveries-within Govt Report Entity | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| 90 Recoveries - External | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| Total Recoveries - External | (2) | - | (2) | - | (2) | - | (2) | - | (2) |
| TOTAL Executive and Support Services | 6,670 | - | 6,670 | 203 | 6,873 | 10 | 6,883 | 11 | 6,894 |
| Percent Change | | | | - | 3.0% | | 0.1% | | 0.2% |

Variance Explanations:

Increase of \$0.203M in Fiscal 2021-22 Estimates include:

- **\$0.029M** increase in Salary and Benefits for **Collective agreement provisions.**
- **\$0.126M** increase in Salary and Benefits for **Ministers Office**
- **\$0.075M** increase to other expenses for **FeedBC and GrowBC uplift for overhead costs.**
- **(\$0.027)M** decrease to other expenses for **reallocation of salary for Minister's Office**

Net increase of \$0.010M in Fiscal 2022-23 Estimates include:

- **\$0.010M** increase in Salary and Benefits for **Minister's Office**

Net increase of \$0.011M in Fiscal 2023-24 Estimates include:

- **\$0.011M** increase in Salary and Benefits for **Minister's Office**

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
Agricultural Land Commission
2020/21 to 2023/24
(\$000s)

| Vote 14 - Agricultural Land Commission | 2020/21 | | 2021/22 | Change | 2022/23 | | 2023/24 |
|---|-----------------------|-----------|--------------|----------|--------------|----------|--------------|
| | Restated Estimates | Change | | | Plan | Change | Plan |
| 50 Base Salaries and Overtime | 2,165 | 46 | 2,211 | - | 2,211 | - | 2,211 |
| 52 Employee Benefits | 550 | 12 | 562 | - | 562 | - | 562 |
| Total Salaries & Benefits | 2,715 | 58 | 2,773 | - | 2,773 | - | 2,773 |
| 55 Boards, Commissions, Courts Fees | 794 | - | 794 | - | 794 | - | 794 |
| 57 Public Servant Travel Expenses | 188 | - | 188 | - | 188 | - | 188 |
| 59 Centralized Mgmt Support Services | 28 | - | 28 | - | 28 | - | 28 |
| 60 Professional Services | 178 | - | 178 | - | 178 | - | 178 |
| 61 Professional Services Advisory | 347 | - | 347 | - | 347 | - | 347 |
| 63 Information Systems - Operating | 239 | - | 239 | - | 239 | - | 239 |
| 65 Office and Business Expenses | 69 | - | 69 | - | 69 | - | 69 |
| 68 Statutory Advertising & Publications | 21 | - | 21 | - | 21 | - | 21 |
| 69 Utilities Materials and Supplies | 26 | - | 26 | - | 26 | - | 26 |
| 70 Operating Equip, Vehicles and Other | 52 | - | 52 | - | 52 | - | 52 |
| 73 Amortization Expenses | 281 | - | 281 | - | 281 | - | 281 |
| 75 Building Occupancy Charges | 5 | - | 5 | - | 5 | - | 5 |
| Total Operating Costs | 2,228 | - | 2,228 | - | 2,228 | - | 2,228 |
| 85 Other Expenses | 3 | - | 3 | - | 3 | - | 3 |
| Total Other Expenses | 3 | - | 3 | - | 3 | - | 3 |
| 88 Recoveries - Internal | (1) | - | (1) | - | (1) | - | (1) |
| Total Recoveries - Internal | (1) | - | (1) | - | (1) | - | (1) |
| 89 Recoveries-within Govt Report Entity | (1) | - | (1) | - | (1) | - | (1) |
| 90 Recoveries - External | (1) | - | (1) | - | (1) | - | (1) |
| Total Recoveries - External | (2) | - | (2) | - | (2) | - | (2) |
| TOTAL Agricultural Land Commission | 4,943 | 58 | 5,001 | - | 5,001 | - | 5,001 |
| Percent Change | | | 1.2% | | - | | |

Variance Explanations:

Net increase of \$0.058M in Fiscal 2021-22 Estimates include:

- \$0.058M increase in Salary and Benefits for Collective agreement provisions

No Change in Fiscal 2023-24 Estimates.

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
Production Insurance Account
2020/21 to 2023/24
(\$000s)

| | 2020/21 Estimates | Change | 2020/21 Restated Estimates | Change | 2021/22 Estimates | Change | 2022/23 Plan | Change | 2023/24 Plan |
|---|----------------------|----------|----------------------------------|----------|----------------------|----------|-----------------|----------|-----------------|
| 60 Professional Services | 1,250 | - | 1,250 | - | 1,250 | - | 1,250 | - | 1,250 |
| Total Operating Costs | 1,250 | - | 1,250 | - | 1,250 | - | 1,250 | - | 1,250 |
| 81 Trf Pmt Btn Vts and Special Account | (10,000) | | (10,000) | - | (10,000) | - | (10,000) | | (10,000) |
| 85 Other Expenses | 21,951 | - | 21,951 | - | 21,951 | - | 21,951 | - | 21,951 |
| Total Other Expenses | 11,951 | - | 11,951 | - | 11,951 | - | 11,951 | - | 11,951 |
| 90 Recoveries - External | (1) | - | (1) | - | (1) | | (1) | - | (1) |
| Total Recoveries - External | (1) | - | (1) | - | (1) | - | (1) | - | (1) |
| TOTAL Production Insurance Account | 13,200 | - | 13,200 | - | 13,200 | - | 13,200 | - | 13,200 |
| Percent Change | | - | | | - | - | | - | |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY
Includes Operating, ALC and PISA
(\$000s)

| Group Account Classification | 2020/21 Estimates | 2021/22 Estimates | Increase (Decrease) | % Change |
|-------------------------------------|------------------------------|------------------------------|--------------------------------|-----------------|
| Salaries and benefits | 33,777 | 35,337 | 1,560 | 5% |
| Operating costs | 15,321 | 15,350 | 29 | 0% |
| Government transfers | 42,227 | 45,052 | 2,825 | 7% |
| Other expenses | 28,516 | 28,533 | 17 | 0% |
| Recoveries | (24,437) | (24,435) | 2 | 0% |
| Total Operating Budget | 95,404 | 99,837 | 4,433 | 12% |

Variance Explanations:

Salary and Benefits: Increase of \$1.560M

\$0.934M increase for Collective agreement provisions.

\$0.500M increase for Grow and FeedBC

\$0.126M increase for Minister's Office

Operating costs: Increase of \$0.029M

\$0.029M increase for GrowBC and FeedBC

Government Transfers: Increase of \$2.825M

\$0.235M increase to support the FeedBC -Lean for Food Processors

\$0.235M increase to support GrowBC - New Entrant

\$0.685M increase to support GrowBC - Small Farm Accelerator

\$1.170M increase to support GrowBC - Industry Competitiveness

\$0.500M increase to support GrowBC - Grain Dryer Efficiency

Other Expenses: Net increase of \$0.017M

\$0.050M increase to GrowBC and FeedBC overhead expenses

(\$0.033)M decrease to Minister's Office reallocation to salary and benefits

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
OPERATING BUDGET 2020/21 to 2021/22
By Group Account Classification
(\$000s)

| Group Account Classification (GAC) | 2020/21 Estimates | 2021/22 Estimates | Increase (Decrease) | % Change |
|---|------------------------------|------------------------------|--------------------------------|-----------------|
| Ministry Operations - Vote 13 | | | | |
| Salaries and benefits | 31,062 | 32,564 | 1,502 | 5% |
| Operating costs | 11,843 | 11,872 | 29 | 0% |
| Government transfers | 42,227 | 45,052 | 2,825 | 7% |
| Other expenses | 16,560 | 16,579 | 19 | 0% |
| Recoveries | (24,431) | (24,431) | - | - |
| Ministry Operations Total | 77,261 | 81,636 | 4,375 | 12% |
| Agricultural Land Commission - Vote 14 | | | | |
| Salaries and benefits | 2,715 | 2,773 | 58 | 2% |
| Operating costs | 2,228 | 2,228 | - | - |
| Other expenses | 3 | 3 | - | - |
| Recoveries | (3) | (3) | - | - |
| Agricultural Land Commission Total | 4,943 | 5,001 | 58 | 2% |
| Production Insurance Special Account | | | | |
| Operating costs | 1,250 | 1,250 | - | - |
| Other expenses | 21,951 | 21,951 | - | - |
| Other expenses - Elimination | (10,000) | (10,000) | - | - |
| Recoveries | (1) | (1) | - | - |
| Production Insurance Special Account Total | 13,200 | 13,200 | - | 0% |
| Grand Total | 95,404 | 99,837 | 4,433 | 5% |

Ministry of Agriculture, Food and Fisheries
3 YEAR CAPITAL BUDGET
2020/21 to 2023/24
(\$000s)

| Spending by Asset Types | 2020/21 Estimates | <i>Increase (Decrease)</i> | 2021/22 Estimates | 2022/23 Planned | 2023/24 Planned |
|---|------------------------------|---------------------------------------|------------------------------|----------------------------|----------------------------|
| Ministry Operations | | | | | |
| Science Policy and Inspection | | | | | |
| Plant and Animal Health Lab Equipment | | | | | |
| Agriculture Science and Policy Total | | | | | |
| Centralized Assets | | | | | |
| Vehicle replacement | 388 | 64 (1) | 452 | 425 | 425 |
| Office Equipment | 3 | | 3 | 3 | 3 |
| Specialized Equipment | 300 | | 300 | 300 | 300 |
| Centralized Assets Total | 691 | 64 | 755 | 728 | 728 |
| Ministry Operations Total | 691 | 64 | 755 | 728 | 728 |
| Agricultural Land Commission | | | | | |
| Vehicle replacement | | | | | |
| Cannabis and Revitalization Vehicles | | | | | |
| Agricultural Land Commission Total | | | | | |
| Ministry Total | 691 | 64 | 755 | 728 | 728 |
| Total % Change | | | 9.3% | | |

(1) Increase to fleet vehicle replacement and uplift for Zero Emission Vehicles

Ministry of Agriculture, Food and Fisheries
3 YEAR REVENUE PROJECTIONS
2020/21 to 2023/24
(\$000s)

| Revenues by Core Business | 2020/21 Estimates | Change | 2021/22 Estimates | Change | 2022/23 Planned | Change | 2023/24 Planned |
|--|------------------------------|---------------|------------------------------|---------------|----------------------------|---------------|----------------------------|
| Ministry Operations | | | | | | | |
| Agriculture Science & Policy | | | | | | | |
| Veterinary Laboratory Fees | 800 | | 800 | | 800 | | 800 |
| Seafood Industry Revenue ⁽¹⁾ | 90 | | 90 | | 90 | | 90 |
| Other Revenues | 39 | | 39 | | 39 | | 39 |
| Agriculture Science & Policy Total | 929 | | 929 | | 929 | | 929 |
| BC Farm Industry Review Board | | | | | | | |
| Appeal Fees | 4 | | 4 | | 4 | | 4 |
| BC Farm Industry Review Board Total | 4 | | 4 | | 4 | | 4 |
| Other Revenues | | | | | | | |
| Miscellaneous Revenues | 49 | | 49 | | 49 | | 49 |
| Other Revenues Total | 49 | | 49 | | 49 | | 49 |
| Ministry Operations Total | 982 | | 982 | | 982 | | 982 |
| Agricultural Land Commission | | | | | | | |
| ALC | | | | | | | |
| Agricultural Land Commission Fees ⁽²⁾ | 530 | | 530 | | 530 | | 530 |
| ALC Total | 530 | | 530 | | 530 | | 530 |
| Agricultural Land Commission Total | 530 | | 530 | | 530 | | 530 |
| Special Accounts | | | | | | | |
| Production Insurance | | | | | | | |
| Federal Government Contribution | 13,000 | | 13,000 | | 13,000 | | 13,000 |
| Producers Insurance Premiums | 7,400 | | 7,400 | | 7,400 | | 7,400 |
| Miscellaneous Interests | 800 | | 800 | | 800 | | 800 |
| Production Insurance Total | 21,200 | | 21,200 | | 21,200 | | 21,200 |
| Special Accounts Total | 21,200 | | 21,200 | | 21,200 | | 21,200 |
| Grand Total | 22,712 | | 22,712 | | 22,712 | | 22,712 |
| | Total % Change | | 0.0% | | | | |

MINISTRY OF AGRICULTURE, FOOD AND FISHERIES
MINISTRY RECOVERIES SUMMARY (\$000s)

| | 2020/21 Restated Estimates | 2021/22 Estimates | Reason |
|--|----------------------------------|----------------------|---|
| RECOVERIES BY BRANCH | | | |
| TOTAL Recoveries | (24,437) | (24,437) | |
| Agriculture Science and Policy | | | |
| Plant and Animal Health | (120) | (120) | For Animal Health Lab Tests with Federal Government |
| Corporate Governance, Policy and Legislation | (50) | (50) | Federal Provincial Territorial Ministers and DM Conference |
| Plant and Animal Health | (350) | (350) | Animal Health Lab Tests with Government of North West Territories |
| Agriculture Science and Policy | (7) | (7) | |
| Food Safety and Inspection | (1) | (1) | |
| Agriculture Science and Policy Total | (528) | (528) | |
| Business Development | | | |
| Canadian Agricultural Partnership | (13,342) | (13,342) | Federal Government |
| Business Risk Management | (6,472) | (6,472) | Federal Government (60% of all costs) |
| Business Risk Management | (3,841) | (3,841) | From the Agriculture Income Stabilization Trust |
| Innovation & Adaptation Services | (235) | (235) | West Coast Reduction Ltd. - animal waste disposal |
| Business Development | (6) | (6) | |
| Sector Development | (1) | (1) | |
| Production Insurance SA | (1) | (1) | |
| Business Development Total | (23,898) | (23,898) | |
| BC Farm Industry Review Board | | | |
| BC Farm Industry Review Board | (3) | (3) | |
| BC Farm Industry Review Board Total | (3) | (3) | |
| Executive and Support Services | | | |
| Executive and Support Services | (5) | (5) | |
| Executive and Support Services Total | (5) | (5) | |
| Agricultural Land Commission | | | |
| Agricultural Land Commission | (3) | (3) | |
| Agricultural Land Commission Total | (3) | (3) | |
| Total Recoveries * | (24,437) | (24,437) | |

* \$2K difference due to rounding

Ministry of Agriculture, Food and Fisheries

2021/22 – 2023/24 Service Plan

April 2021



For more information on the Ministry of Agriculture, Food and Fisheries, contact:

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Minister's Accountability Statement



The *Ministry of Agriculture, Food and Fisheries 2021/22 – 2023/24 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.

A handwritten signature in cursive script that reads "Lana Popham".

Honourable Lana Popham
Minister of Agriculture, Food and Fisheries
April 6, 2021

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Purpose of the Ministry

The Ministry of Agriculture, Food and Fisheries (the Ministry) is responsible for the production, marketing, processing and merchandising of agriculture and seafood products; the institution and carrying out of advisory, research, promotional, sustainability and adaptation, food safety and plant and animal health programs, projects and undertakings relating to agriculture and seafood; developing strategies for recovery of wild salmon and the collection of information and preparation and dissemination of statistics relating to agriculture and seafood.

The Ministry is a key contributor to economic development and diversification across the Province and is a main contributor to rural economic development and province-wide job creation, particularly for small businesses. The agriculture, seafood and food and beverage sector creates economic and social benefits for Indigenous groups and other underrepresented groups, has the potential to attract 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 [complete list of legislation for which the Ministry is responsible](#) is available online.

While the Grow BC, Feed BC, Buy BC framework remains a priority, the Ministry is expanding the framework to address the various provincial government commitments and the issues that have risen from the COVID-19 pandemic.

Strategic Direction

In 2021/22 British Columbians continue to face significant challenges as a result of the global COVID-19 pandemic. The Government of British Columbia is continually evolving to meet the changing needs of people in this province. Government has identified five foundational principles that will inform each ministry's work and contribute to COVID recovery: putting people first, lasting and meaningful reconciliation, equity and anti-racism, a better future through fighting climate change and meeting our greenhouse gas reduction commitments, and a strong, sustainable economy that works for everyone.

The COVID-19 pandemic significantly reduced economic activity in B.C. in 2020. The ongoing evolution and economic cost of the pandemic on B.C. and its trading partners remains highly uncertain. The Economic Forecast Council (EFC) estimates a 5.1 per cent decline in B.C. real GDP in 2020 and expects growth of 4.9 per cent in 2021 and 4.3 per cent in 2022. Meanwhile for Canada, the EFC projects national real GDP growth of 4.7 per cent in 2021 and 4.2 per cent in 2022, following an estimated decline of 5.4 per cent in 2020. As such, B.C.'s economic growth is expected to outperform Canada's in the coming years. The pandemic has increased risks to B.C.'s economic outlook, such as the timing of the global vaccination rollout, extended travel restrictions, a weaker global recovery, and the continued impact of a slower recovery in some sectors of the B.C. economy. Further risks include ongoing uncertainty regarding global trade policies and lower commodity prices.

This 2021/22 service plan outlines how the Ministry of Agriculture, Food and Fisheries will support the government's priorities, including selected action items identified in the November 2020, [Minister's Mandate Letter](#).

Performance Planning

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

Strengthening the provincial food system remains a provincial priority as it contributes to a strong, sustainable economy that works for everyone.

Objective 1.1: Improve living and working conditions for farm workers

The COVID-19 pandemic highlighted the importance of having a stable and healthy workforce to ensure food security for British Columbians. The Ministry will work towards ensuring and enforcing safe, healthy and comfortable living standards (particularly for inter-provincial and international workers residing in on-farm accommodations or workcamps) and ensure improved working conditions for all agricultural workers.

Key Strategies

- Propose the development of a labour strategy to address substandard living and working conditions for agricultural workers.
- Maintain COVID-19 specific supports including facilitating the 14-day quarantine period at provincially managed accommodations hotels for Temporary Foreign Workers (TFWs) and improvements to on-farm accommodations to ensure worker health and safety (supplies, equipment and inspections).

| Performance Measures | 2019/2020 Baseline | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|----------------------|-----------------------|---------------------|-------------------|-------------------|-------------------|
| 1.1 TBC | N/A | TBC | TBC | TBC | TBC |

Linking Performance Measures to Objective

The Ministry is proposing the development of a labour strategy to ensure labour issues are addressed in alignment with other ministries. Cross ministry work is needed prior to setting performance measures for this objective.

Discussion

Performance measures and targets will be developed and confirmed by May 2021.

Objective 1.2: 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 programming will drive economic recovery, grow jobs across the sector and beyond, increase the safety and availability of local food, and build the sustainability and reliability of the provincial food system. Integrated programs

targeting improvement will be delivered via various methods including agreements and partnerships with other government bodies, industry associations, expert program delivery agents, local governments, post-secondary institutions, public health and education institutions. Some programs will be administered fully by Ministry staff.

Key Strategies

- Enhance the Grow BC, Feed BC, Buy BC programming.
- Increase awareness of the Buy BC brand and the variety and availability of B.C. food and beverages by B.C. citizens, retailers, restaurants, and distributors to grow more economic development opportunities for the sector and regional economies.
- Build demand in B.C. government facilities for more B.C. food

| Performance Measures | 2019/2020 Baseline | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|--|-----------------------|---------------------|-------------------|-------------------|-------------------|
| 1.2 Number of government or other Feed BC partner facilities that have committed to a minimum 30% B.C. food expenditures within total annual food expenditures | 103 | 112 ¹ | 145 | 168 | 195 |

¹ Reflects smaller increase in numbers of partners due to 2020 COVID-19 impacts on foodservice operations.

Linking Performance Measures to Objective

Increasing the number of government or other FeedBC partner facilities that have committed to a minimum 30% B.C. food expenditure within their total annual food expenditures indicates that the provincial food system has the capacity to increase the availability of B.C. foods. By addressing barriers that government institutions (e.g. hospitals, residential care facilities, public post-secondary institutions, 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 in such places.

Goal 2: Position B.C. as a leader in regenerative agriculture practices and agri-tech

Drawing on the recommendations of the Food Security Task Force, the ministry will take steps to make B.C. a leader in the emerging agri-tech sector. By bringing together natural systems of production through regenerative agriculture and supporting agri-tech, the Ministry will help to increase employment opportunities, improve food security and advance progress in achieving climate change goals. This is a new goal reflecting the new commitment in the Ministry's mandate letter to support regenerative agriculture and agri-tech.

Objective 2.1: Support the development of the agri-tech sector and promote regenerative agriculture practices

Take steps to support regenerative agriculture practices and the emerging agri-tech sector that is bringing innovation to agriculture and seafood. Regenerative agriculture includes conservation practices that promote healthy soils (including carbon sequestration) and water cycling, while enhancing biodiversity and ecosystem health. Development of the agri-tech sector will support the creation of high-tech jobs, introduce new farm technologies, reduce reliance on TFWs and increase the productivity and bottom-line of farming businesses.

Key Strategies

- Stimulate growth and development of new technologies that will enhance agriculture and food processing sectors.
- Support the adoption of regenerative agriculture practices and agri-tech.
- Develop partnerships with private industry, academic, non-government organizations, and other levels of government to explore new ways to support increases in food production and processing through regenerative agriculture and agri-tech.
- Support agri-tech businesses to expand and grow, while ensuring British Columbians' world-class sustainability, quality and safety standards continue.

| Performance Measures | 2019/20 Baseline | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|--|---------------------|---------------------|-------------------|-------------------|-------------------|
| 2.1a Number of BC-based agri-tech company growth opportunities supported through Ministry programming | 33 | 29 | 35 | 40 | 45 |
| 2.1b Number of Beneficial Management Practice projects completed by farmers, supporting regenerative agriculture practices and technologies ¹ | 225 | 350 | 250 | 260 | 270 |

Data source: B.C. Agricultural Research and Development Corporation

¹ The baseline is the three-year average (2018/19 to 2020/21) associated with the baseline funding of the program. The forecast in 2020/21 is high relative to other years because the On-Farm Innovation Top-Up program added \$1.6M in funding to the BMP program in 2020/21.

Linking Performance Measures to Objective

Through the Beneficial Management Practices (BMP) program, farmers may receive cost-share funding from the Ministry after they complete on-farm conservation 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 agri-tech sector and promoting regenerative agriculture practices. Furthermore, the ministry hopes to increase the number of B.C. based agri-tech company growth opportunities supported through ministry programming. An increased number of such opportunities further shows the ministry's success in supporting the agri-tech sector.

Discussion

Through the BMP, the Ministry is tracking adoption of regenerative agriculture practices and technologies or services that promote regenerative agriculture practices (build soil health, conserve water, and implement biodiversity and ecological principles into farming). Through current funding opportunities for agri-tech companies, the Ministry is tracking new opportunities to grow the agri-tech sector. As the Ministry's strategy for implementing new mandate commitments for the Regenerative Agriculture Network proceed, this measure will be updated with new targets.

Goal 3: Reinvigorate and protect provincial fisheries, seafood and aquaculture sectors

This new goal addresses the Ministry's role in revitalizing and growing the marine fisheries, aquaculture and seafood sectors as part of the broader goals on economic recovery, rural and coastal community growth, and food security. Supporting these efforts requires investing in conservation and restoration of species and their habitat, infrastructure, and programs all essential to supporting sustainable fish populations and harvest opportunities. This includes mandate commitments to lead work with the Federal Government to develop new strategies to protect and revitalize B.C.'s wild salmon populations, including exploring ways to enhance the investment in the B.C. Salmon Restoration and Innovation Fund (BCSRIF), building on past successes and supporting innovation in fish hatcheries, and ensuring B.C. processing of B.C.-caught fish.

Objective 3.1: Address fish species declines

Reinvigorate provincial fisheries and seafood programs that address salmon and other fish species declines and coastal fisheries economies. Investments will align with recommendations from B.C.'s Wild Salmon Advisory Council, consider other fisheries reviews, and support salmon restoration, environmental and economic gains for fisheries and aquaculture, and secure benefits for communities in B.C.

Key Strategies

- Working with the Federal Government and First Nations leadership, to create a made-in-B.C. wild salmon strategy.
- Explore ways to enhance investment in the BCSRIF.
- Establish standing B.C. priorities of salmon and their habitat for the BCSRIF.
- Explore policies to prioritize wild salmon recovery in provincial natural resource programs and permitting processes

| Performance Measure(s) | 2019/20 Baseline | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|------------------------|------------------|------------------|----------------|----------------|----------------|
| 3.1 TBC | N/A | TBC | TBC | TBC | TBC |

Linking Performance Measures to Objective

Addressing fish species declines is a new goal for the ministry. The Ministry is in the process of determining appropriate performance measures and targets.

Discussion

The Ministry has not established a baseline; however, in 2021, the Ministry will begin planning the development of a fisheries, seafood and salmon strategy. Planning will be focused on building a framework for B.C.'s salmon strategy and other initiatives aimed at supporting the Ministry's objectives in fisheries, aquaculture and seafood. The strategy is expected to be completed in 2022/23.

Objective 3.2: Promote innovation in fish hatcheries and sustainable aquaculture

Innovation in marine commercial and recreational fisheries is an area to increase economic potential. Better coordination and dedication of provincial efforts to unlock stranded habitat through fish passage work, support for mark selective fisheries (MSF) and training for community hatchery volunteers would contribute to increasing wild salmon sustainability while providing certainty to the recreational fishery sector which contributed \$1.1B to B.C.'s economy in 2016.

Key Strategies:

- Explore ways to enhance investment in the BCSRIF.
- Purchasing and operating two mass-marking machines for marking and tagging hatchery fish in partnership with the Fisheries and Oceans Canada (DFO) Salmonid Enhancement Program.
- Explore options for unlocking under-utilised salmon habitat rendered impassable by natural or human causes.
- Ensuring a priority for BCSRIF to invest in and to support hatcheries and ensure access to consistent, innovative practices throughout the Province.
- Increasing B.C.'s involvement in the operation of community-based hatcheries through logistical assistance, supporting regulatory compliance, and training from provincial Animal Health Lab Fish Pathologists.

| Performance Measure | 2019/20 Baseline | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|---------------------|------------------|------------------|----------------|----------------|----------------|
| 3.2 TBC | N/A | TBC | TBC | TBC | TBC |

Linking Performance Measures to Objective

BCSRIF supports protection and restoration activities for priority wild fish stocks, including salmon, as well as projects that will ensure the fish and seafood sector in BC is positioned for long-term environmental and economic sustainability.

Discussion

Promoting innovation in fish hatcheries and sustainable aquaculture is a new objective for the Ministry. We do not currently have a baseline value but 2021 will be a planning year for fisheries, seafood and the salmon strategy. Planning will be focused on building a framework for B.C.'s salmon strategy and other initiatives aimed at supporting the Ministry's objectives in fisheries, aquaculture and seafood. The strategy is expected to be completed in 2022/23.

Objective 3.3: Support B.C. seafood processing capacity

To support increasing B.C.'s fish processing sector and seafood economies, the Ministry will explore developing economic programs using a dedicated funding package to support processing infrastructure and other cost-shared programs.

Key Strategies

- Supporting shellfish and seaweed businesses to expand and operate in a sustainable way.
- Developing a processing working group with local industry members to gain insight to the current capacity, needs, gaps and opportunities for processing B.C.-caught fish within B.C.
- Researching the markets for various fisheries products while connecting seafood more deeply through existing provincial programs (e.g. Buy BC and the Food Hub Network) to enhance domestic and international marketing.

| Performance Measure | 2019/20 Baseline | 2020/21 Forecast | 2021/22 Target | 2022/23 Target | 2023/24 Target |
|---------------------|------------------|------------------|----------------|----------------|----------------|
| 3.3 TBC | N/A | TBC | TBC | TBC | TBC |

Linking Performance Measures to Objective

As the Ministry's strategy for implementing new mandate commitments proceeds, this measure will be updated with new targets.

Discussion

This is a new objective in the Ministry's report reflecting the new commitment in the Ministry's mandate letter to lead work with the federal government to develop new strategies to protect and revitalize B.C.'s wild salmon populations, including exploring ways to enhance investment in BCSRIF, building on past successes and supporting innovation in fish hatcheries, and ensuring B.C. processing of B.C.-caught fish. 2021 will be a planning year for fisheries, seafood and the salmon strategy. Planning will be focused on building a framework for B.C.'s salmon strategy and other initiatives aimed at supporting the Ministry's objectives in fisheries, aquaculture and seafood.

Financial Summary

| Core Business Area | 2020/21 Restated Estimates ¹ | 2021/22 Estimates | 2022/23 Plan | 2023/24 Plan |
|--|---|----------------------|-----------------|-----------------|
| Operating Expenses (\$000) | | | | |
| Science, Policy, and Inspection ² | 16,634 | 17,250 | 17,250 | 17,250 |
| Agriculture Resources ³ | 52,593 | 56,135 | 56,135 | 56,135 |
| BC Farm Industry Review Board | 1,364 | 1,378 | 1,378 | 1,378 |
| Executive and Support Services | 6,670 | 6,873 | 6,883 | 6,894 |
| Agricultural Land Commission | 4,943 | 5,001 | 5,001 | 5,001 |
| Production Insurance Account Special Account | 13,200 | 13,200 | 13,200 | 13,200 |
| Total | 95,404 | 99,837 | 99,847 | 99,858 |
| Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000) | | | | |
| Executive and Support Services | 691 | 755 | 728 | 728 |
| Total | 691 | 755 | 728 | 728 |

¹ For comparative purposes, amounts shown for 2020/21 have been restated to be consistent with the presentation of the 2021/22 Estimates.

² Previously referred to as Agriculture, Science and Policy

³ Previously referred to as Business Development

* Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

Appendix A: Agencies, Boards, Commissions and Tribunals

The Minister of Agriculture, Food and Fisheries is responsible and accountable for the following:

Agricultural Land Commission

The Provincial Agricultural Land Commission (ALC) is the independent administrative tribunal dedicated to preserving agricultural land and encouraging farming in BC. 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 BC 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.

The Marketing Boards and Commissions include:

BC Broiler Hatching Egg Commission

BC Chicken Marketing Board

BC Cranberry Marketing Commission

BC Egg Marketing Board

BC Farm Industry Review Board

BC Hog Marketing Commission

BC Milk Marketing Board

BC Turkey Marketing Board

BC Vegetable Marketing Commission



November 26, 2020

Honourable Lana Popham
Minister of Agriculture, Food and Fisheries
Parliament Buildings
Victoria, British Columbia V8V 1X4

Dear Minister Popham:

Thank you for agreeing to serve British Columbians as Minister of Agriculture, Food and Fisheries. You are taking on this responsibility at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic.

COVID-19 has turned the lives of British Columbians upside down. None of us expected to face the challenges of the past number of months, yet British Columbians have demonstrated incredible resilience, time and time again. We will get through the pandemic and its aftereffects by building on this resilience and focusing on what matters most to people.

British Columbians voted for a government focused on their priorities: fighting the COVID-19 pandemic, providing better health care for people and families, delivering affordability and security in our communities, and investing in good jobs and livelihoods in a clean-energy future.

I expect you – and the work of your ministry – to focus on the commitments detailed in our platform, *Working for You*, along with the following foundational principles:

- **Putting people first:** Since 2017, our government has focused on making decisions to meet people's needs. That focus drove our work in our first term and will continue to be our priority. British Columbians are counting on the government to keep them safe and to build an economic recovery that works for everyone, not just those at the top. Keeping people at the centre of everything we do means protecting and enhancing the public services people rely on and working to make life more affordable for everyone.
- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. The unanimous passage of the *Declaration on the Rights of Indigenous Peoples Act* was a significant step forward in this journey. True

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reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination. Our government – and every ministry – must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.

- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. Our government has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every ministry has a role in this work. While our caucus elected a record number of women, more work remains to address gender equity. Delivering on our commitments to address racial discrimination will require a commitment by all of government to ensure increased IBPOC (Indigenous, Black and People of Colour) representation within the public service, including in government appointments. Our efforts to address systemic discrimination must also inform policy and budget decisions by reviewing all decisions through a Gender-Based Analysis Plus (GBA+) lens.
- **A better future through fighting climate change:** In 2018, our government launched our CleanBC climate action plan. CleanBC puts British Columbia on the path to a cleaner, better future by building a low-carbon economy with new clean-energy jobs and opportunities, protecting our air, land and water and supporting communities to prepare for climate impacts. It is every Minister's responsibility to ensure your ministry's work continues to achieve CleanBC's goals.
- **A strong, sustainable economy that works for everyone:** We will continue our work to support British Columbians through the pandemic and the economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. Our plan will train the workforce of tomorrow, help businesses hire and grow and invest in the infrastructure needed to build our province.

The pandemic has reminded us that we're strongest when we work together. Delivering on our commitments to people will require a coordinated effort with your cabinet and caucus colleagues, supported by the skilled professionals in the public service. You will also support your cabinet colleagues to do their work, particularly where commitments cross ministry lines.

British Columbians expect their elected representatives to work together to advance the broader public good despite their partisan perspectives. 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 through public and stakeholder engagement plans that connect with people to incorporate their perspectives early in the policy development process. These plans must include measurable outcomes and ensure active dialogue and ongoing outreach in your ministry's actions and priorities.

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Over the course of our mandate, I expect you will make progress on the following items:

- In the context of COVID-19, improve food security and the safety of workers by continuing to improve conditions for temporary foreign workers and temporary domestic workers in farming communities, with support from the Minister of Labour.
- Expand the Grow BC, Feed BC and Buy BC programs to encourage greater food security and local business growth.
- Drawing on the recommendations of the Food Security Task Force, take steps to make BC a leader in food security and the emerging agri-tech sector, helping B.C. companies that are bringing innovation to agriculture grow, hire more workers and position our province as an agri-tech leader, while protecting farmland in the ALR.
- With support from the Minister of Jobs, Economic Recovery and Innovation, lead work to develop a new Regenerative Agricultural Network, which will create jobs for workers, opportunities for farmers and greater food security by bringing together natural systems of production with agri-technologies that enhance production.
- Support the work of the Minister of Education to help make sure students are properly fed for learning, working with school districts to create more local school meal programs based on district data and priorities, by integrating Feed BC into this plan so that districts can include locally grown food.
- Support the work of the Minister of Social Development and Poverty Reduction to increase food security for people in need by expanding our supports to food banks and developing program partnerships with food producers, grocery stores and not-for-profits to develop discounted food market, food recovery and food redistribution programs.

To assist you in meeting the commitments we have made to British Columbians, you are assigned a Parliamentary Secretary for Fisheries and Aquaculture. You will work closely together and ensure your Parliamentary Secretary receives appropriate support to deliver on the following priorities, outlined in the mandate letter issued to them:

- Lead work with the federal government to develop new strategies to protect and revitalize B.C.'s wild salmon populations, including by working to double the size of the Salmon Restoration and Innovation Fund, building on past successes and supporting innovation in fish hatcheries, and ensuring B.C. processing of B.C.-caught fish.
- Work with the Minister of State for Lands and Natural Resource Operations and the Minister of Environment and Climate Change Strategy to step up protection of fish habitat through our biodiversity strategy and the new Watershed Security Strategy.
- Support the Minister of Environment and Climate Change Strategy to develop a new provincial coastal strategy – in partnership with First Nations and federal and local governments – to better protect coastal habitat while growing coastal economies.

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Our work as a government must continually evolve to meet the changing needs of people in this province. Issues not contemplated in 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. Your ministry's priorities must reflect our government's overall strategic plan as determined by cabinet.

All cabinet members are expected to review, understand, and act according to the *Members' Conflict of Interest Act* and conduct themselves with the highest level of integrity. As a minister of the Crown, your conduct will reflect not only on you but on cabinet and our government. You are responsible for providing strong, professional and ethical leadership within cabinet and your ministry. 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. You must ensure your minister's office meets the highest standards for integrity and provides a respectful and rewarding environment for all staff.

My commitment to all British Columbians is to do my level best to make sure people's lives are better, safer and more affordable. I believe the challenges we face can and will be overcome by working together. By way of this letter, I am expressing my faith that people can expect the same commitment from you.

Sincerely,

A handwritten signature in black ink, reading "John I. Horgan", followed by a long horizontal flourish.

John Horgan
Premier



November 26, 2020

Fin Donnelly, MLA
Parliamentary Secretary for Fisheries and Aquaculture
Parliament Buildings
Victoria, British Columbia V8V 1X4

Dear Parliamentary Secretary Donnelly:

Thank you for agreeing to serve British Columbians as Parliamentary Secretary for Fisheries and Aquaculture, supporting the Minister of Agriculture, Food and Fisheries. You are taking on this responsibility at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic.

COVID-19 has turned the lives of British Columbians upside down. None of us expected to face the challenges of the past number of months, yet British Columbians have demonstrated incredible resilience, time and time again. We will get through the pandemic and its aftereffects by building on this resilience and focusing on what matters most to people.

British Columbians voted for a government focused on their priorities: fighting the COVID-19 pandemic, providing better health care for people and families, delivering affordability and security in our communities, and investing in good jobs and livelihoods in a clean-energy future.

I expect you – and the work of your ministry – to focus on the commitments detailed in our platform, *Working for You*, along with the following foundational principles:

- **Putting people first:** Since 2017, our government has focused on making decisions to meet people's needs. That focus drove our work in our first term and will continue to be our priority. British Columbians are counting on the government to keep them safe and to build an economic recovery that works for everyone, not just those at the top. Keeping people at the centre of everything we do means protecting and enhancing the public services people rely on and working to make life more affordable for everyone.
- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. The unanimous passage of the *Declaration on the Rights of Indigenous Peoples Act* was a significant step forward in this journey. True

.../2

reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination. Our government – and every ministry – must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.

- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. Our government has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every ministry has a role in this work. While our caucus elected a record number of women, more work remains to address gender equity. Delivering on our commitments to address racial discrimination will require a commitment by all of government to ensure increased IBPOC (Indigenous, Black and People of Colour) representation within the public service, including in government appointments. Our efforts to address systemic discrimination must also inform policy and budget decisions by reviewing all decisions through a Gender-Based Analysis Plus (GBA+) lens.
- **A better future through fighting climate change:** In 2018, our government launched our CleanBC climate action plan. CleanBC puts British Columbia on the path to a cleaner, better future by building a low-carbon economy with new clean-energy jobs and opportunities, protecting our air, land and water and supporting communities to prepare for climate impacts. It is every Minister's responsibility to ensure your ministry's work continues to achieve CleanBC's goals.
- **A strong, sustainable economy that works for everyone:** We will continue our work to support British Columbians through the pandemic and the economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. Our plan will train the workforce of tomorrow, help businesses hire and grow and invest in the infrastructure needed to build our province.

As Parliamentary Secretary, you will assist your Minister in carrying out their duties. You may be asked to represent the Minister at public events, deliver speeches on behalf of the Minister, or act as a spokesperson for the government's position. You will reach out to stakeholders, businesses, civil society and individuals across B.C. to better understand their perspectives and bring their views to the Minister.

You are also being given special responsibility to support your Minister in specific areas within their mandate. You will work with, and be supported by, B.C.'s professional public service in this role.

Over the course of our mandate, I expect you will make progress on the following items:

- Lead work with the federal government to develop new strategies to protect and revitalize B.C.'s wild salmon populations, including by working to double the size of the Salmon

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Restoration and Innovation Fund, building on past successes and supporting innovation in fish hatcheries, and ensuring B.C. processing of B.C.-caught fish.

- Work with the Minister of State for Lands and Natural Resource Operations and the Minister of Environment and Climate Change Strategy to step up protection of fish habitat through our biodiversity strategy and the new Watershed Security Strategy.
- Support the Minister of Environment and Climate Change Strategy to develop a new provincial coastal strategy – in partnership with First Nations and federal and local governments – to better protect coastal habitat while growing coastal economies.

Your Minister is ultimately responsible and accountable for their ministry and their mandate; thus, all key decisions will be made by them. Your role is to understand your Minister's policy goals, develop a deep understanding of the issues, participate in consultations with key stakeholders, Indigenous peoples and the broader public, in order to give your best advice to the public service as it develops options for a decision by the Minister.

You will collaborate with your Minister, Ministry and the Premier's Office to develop a workplan to guide your efforts, including detail on how the professional public service will support your work through briefings, supporting consultations, and keeping you apprised of policy development.

All members are expected to review, understand and act according to the *Members' Conflict of Interest Act* and conduct themselves with the highest level of integrity. As a Parliamentary Secretary, your conduct will reflect not only on you, but on your Minister and our government.

You are accountable for providing strong, professional and ethical leadership. I expect you to establish a positive, respectful and collaborative working relationship with your Minister, their staff and the public servants who provide the professional, non-partisan advice fundamental to delivering on our government's priorities.

My commitment to all British Columbians is to do my level best to make sure people's lives are better, safer and more affordable. I believe the challenges we face can and will be overcome by working together. By way of this letter, I am expressing my faith that people can expect the same commitment from you.

Sincerely,

A handwritten signature in black ink, reading "John J. Horgan", with a long horizontal flourish extending to the right.

John Horgan
Premier

Agriculture Legislation Overview

| Act | Details |
|--|---|
| <p><i>Agricultural Land Commission Act</i></p> <ul style="list-style-type: none"> • Agricultural Land General Regulation • Agricultural Land Reserve Use Regulation | <p>The Act defines the Agricultural Land Reserve (ALR) and establishes the Agricultural Land Commission (ALC) with the following purposes:</p> <ul style="list-style-type: none"> • 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. <p>The Act describes the Commission's procedures for determining when land is included in or exempted out of the Agricultural Land Reserve, when agricultural lands may be subdivided, and for approval of non-farm use or non-adhering residential use of agricultural land. 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.</p> |
| <p><i>Animal Health Act</i></p> <ul style="list-style-type: none"> • Animal Products and Byproducts Regulation • Bee Regulation • Enforcement Regulation • Fur Farm Regulation • Game Farm Regulation • Laboratory Fees Regulation • Livestock Licensing Regulation • Poultry Health and Buying Regulation • Reportable and Notifiable Disease Regulation | <p>The <i>Animal Health Act</i> enables government to:</p> <ul style="list-style-type: none"> • Apply effective control measures to a larger number of reportable and notifiable animal diseases; • Inspect animals, animal products and byproducts; • Protect certain data and information; • 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; • License a variety of operators engaged in business that relate to animals, animal products or animal byproducts. • Place greater accountability on persons responsible for animals to ensure that on-farm practices prevent the occurrence and spread of disease; and |

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
Confidential Advice to Minister

| Act | Details |
|---|--|
| | <ul style="list-style-type: none"> • Work with industry and other governments to monitor animal health and to participate in health management and research programs. |
| <i>Farm Income Insurance Act</i> <ul style="list-style-type: none"> • Farm Income Plans Regulation | <p>The Act enables the establishment and administration of farm income plans, which are voluntary participation programs for British Columbia farmers designed to provide for the payment of money to reduce losses caused by price fluctuations such as low market return and escalating input costs.</p> |
| <i>Farm Practices Protection (Right to Farm) Act</i> <ul style="list-style-type: none"> • British Columbia Farm Industry Review Board Regulation • Specialty Farm Operations Regulation | <p>The Act ensures that farmers can farm in the agricultural land reserve by protecting them from nuisance lawsuits, nuisance bylaws and prohibitive injunctions when they are using normal farm practices. A 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.</p> |
| <i>Farmers and Womens Institutes Act</i> <ul style="list-style-type: none"> • Farmers and Womens Institutes Act Regulation | <p>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 objects 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.</p> |
| <i>Farming and Fishing Industries Development Act</i> <ul style="list-style-type: none"> • 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 | <p>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.</p> |

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
Confidential Advice to Minister

| Act | Details |
|--|---|
| <ul style="list-style-type: none"> • New Tree Fruit Varieties Development Council Regulation • Raspberry Industry Development Council Regulation • Woodlot Product Development Council Regulation | |
| <p><i>Fish and Seafood Act</i></p> <ul style="list-style-type: none"> • Fish and Seafood Licensing Regulation • Enforcement Regulation | <p><i>Minister of Agriculture, Food and Fisheries is responsible for the Act except as it relates to licensing respecting the growing of aquatic plants and the harvesting of wild aquatic plants.</i></p> <p>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 licence holders are complying with the Act and with any terms or conditions of their licence. A range of punitive options ranging from administrative penalties to criminal charges are available. The Act also outlines record keeping and reporting requirements, and allows for reassessment, reconsideration and review of orders. The Minister is authorized to designate licensing officers, reviewing officers and inspectors.</p> |
| <p><i>Food and Agricultural Products Classification Act</i></p> <ul style="list-style-type: none"> • Egg Grading and Standards Regulation • Enforcement Regulation • Organic Certification Regulation • Wines of Marked Quality Regulation | <p>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 and strengthen consumer confidence and decision-making. The Act also contains provisions for inspector appointments, duties and responsibilities, reporting and record-keeping requirements, and compliance and enforcement.</p> |
| <p><i>Food Safety Act</i></p> <ul style="list-style-type: none"> • Meat Inspection Regulation | <p><i>(The Minister of Agriculture, Food and Fisheries is responsible for the Act as it relates to food establishments where animals are slaughtered for food purposes.)</i></p> |

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| Act | Details |
|---|---|
| | <p>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 licence 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.</p> |
| <p><i>Insurance for Crops Act</i></p> <ul style="list-style-type: none"> • Continuous Crop Insurance Regulation | <p>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.</p> |
| <p><i>Livestock Act</i></p> <ul style="list-style-type: none"> • Livestock Regulations • Pound Districts Regulation | <p>The Act:</p> <ul style="list-style-type: none"> • Permits establishment of livestock districts where, with minor exceptions, livestock may run at large within the district boundaries; • 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 • 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. <p>A Livestock Notice is also published under the Act, although it is not a regulation. It sets out bull control areas, livestock districts and pound districts.</p> |
| <p><i>Livestock Identification Act</i></p> <ul style="list-style-type: none"> • Livestock Identification Regulation | <p>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 describes the powers of inspectors and includes a requirement to keep records of livestock transactions and to present such records to</p> |

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
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| Act | Details |
|---|--|
| | inspectors upon request. |
| <i>Livestock Lien Act</i> | 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. |
| <i>Local Government Act</i> <ul style="list-style-type: none"> • Right to Farm Regulation | <p><i>The Minister of Agriculture is responsible for s. 481 (1) and 551 – 554.</i></p> <p>The provisions dealing with farm bylaws are the administrative responsibility of the Minister responsible for the Farm Practices Protection 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 be reviewed in relation to the provincial standards.</p> |
| <i>Milk Industry Act</i> <ul style="list-style-type: none"> • Dairy Plant Exception Regulation • Milk Industry Standards Regulation | <p><i>The Minister of Agriculture is responsible for s. 12 as it relates to bulk tank milk grader licences, and the remainder of the Act</i></p> <p>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, with the exception of raw milk used in the production of certain specialty cheeses, is pasteurized. The Act also outlines the role of the B.C. 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.</p> <p>The Minister of Agriculture issues bulk tank milk grader licences; the Minister of Health issues licences for persons operating or working in dairy plants.</p> |
| <i>Ministry of Agriculture and Food Act</i> | <i>The Minister of Agriculture, Food and Fisheries is responsible for the Act except section 3 as that provision relates to the portfolio of the Minister of</i> |

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
Confidential Advice to Minister

| Act | Details |
|--|--|
| | <p><i>Forests, Lands, Natural Resource Operations and Rural Development in relation to the treatment of the North American Gypsy Moth.</i></p> <p>Although the Ministry has changed names several times, this Act describes the purposes and functions of the Ministry, which include matters relating to:</p> <ul style="list-style-type: none"> • Production, marketing, processing and merchandising of agricultural products and food; • Institution and carrying out of advisory, research, promotional or education extension programs, projects or undertakings relating to agriculture and food; and • Collection of information and preparation of statistics relating to agriculture and food and the dissemination of these statistics as the Minister considers advisable. <p>The Act also empowers the Minister to enter into agreements with other governments.</p> |
| <p><i>Ministry of Forests and Range Act</i></p> | <p><i>s. 4(d)(ii) and (e) as those provisions relate to the portfolio of the Minister of Agriculture</i></p> <p>This section of the Act relates to government's responsibility to encourage an efficient and competitive ranching sector.</p> |
| <p><i>Natural Products Marketing (B.C.) Act</i></p> <ul style="list-style-type: none"> • British Columbia Broiler Hatching Egg Scheme • British Columbia Chicken Marketing Scheme, 1961 • British Columbia Cranberry Marketing Scheme, 1968 • B.C. Egg Marketing Board Powers and Duties Regulation No. 1 • B.C. Egg Marketing Board Powers and Duties Regulation No. 3 • British Columbia Egg Marketing Scheme, 1967 • British Columbia Hog Marketing Scheme | <p>The Act provides for a system of Schemes for individual commodities to promote, control and regulate production, transportation, packing, storage and marketing of natural products in the province, including prohibition of that production, transportation, packing storage and marketing in whole or in part. The Act provides for the constitution of marketing boards and commissions under the Schemes and provides them powers vested by the Lieutenant Governor in Council. A supervisory and appellate Board, the British Columbia Marketing Board, is also created under the Act.</p> <p>There is no B.C. Egg Marketing Board Powers and Duties Regulation No. 2</p> |

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| Act | Details |
|---|--|
| <ul style="list-style-type: none"> British Columbia Milk Marketing Board Regulation British Columbia Turkey Marketing Scheme British Columbia Vegetable Scheme Natural Products Marketing (B.C.) Act Regulations | |
| <p><i>Plant Protection Act</i></p> <ul style="list-style-type: none"> Bacterial Ring Rot Regulation Blueberry Maggot Control Regulation Domestic Bacterial Ring Rot Regulation Golden Nematode Regulation Little Cherry Control Regulation Gypsy Moth Regulation responsibility of FLNRD Japanese Beetle Regulation | <p><i>The Minister of Agriculture, Food and Fisheries is responsible for the Act except as it relates to the treatment of the North American Gypsy Moth.</i></p> <p>The Act provides for the prevention of the spread of pests destructive to plants in British Columbia including the powers of inspectors and the authority to establish quarantine areas.</p> |
| <p><i>Prevention of Cruelty to Animals Act</i></p> <ul style="list-style-type: none"> Prevention of Cruelty to Animals Regulation Sled Dog Standards of Care Regulation Cattery and Kennel Regulation Animal Care Codes of Practice Regulation | <p>The Act ensures the humane treatment of animals by providing a legislative mandate for the Society for the Prevention of Cruelty to Animals in British Columbia. 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 Act identifies standards of care for animals, requirements for transporting 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.</p> |
| <p><i>Seed Potato Act</i></p> <ul style="list-style-type: none"> Cariboo Certified Seed Potato Control Area Regulation Pemberton Certified Seed Potato Control Area Regulation Seed Potato Regulation | <p>The Act</p> <ul style="list-style-type: none"> Facilitates the growing of certified seed potatoes; Provides for the constitution of seed potato control areas, appointment of seed control committees (the functions, powers and duties); and Places restriction of growth of any but seed of a variety prescribed by the committee in a seed potato control area. |
| <p><i>Special Accounts Appropriation and Control Act</i></p> | <p><i>The Minister of Agriculture, Food and Fisheries is responsible for s. 9.2.</i></p> |

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| Act | Details |
|---|--|
| | 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. |
| <i>Veterinarians Act</i> | The Act provides a legislative framework for those practicing veterinary medicine in the province to regulate their qualifications, registration, standards of conduct and practice, and 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 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. |
| <i>Veterinary Drugs Act</i> <ul style="list-style-type: none"> • Veterinary Drug and Medicated Feed Regulation | 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, the Minister may prohibit the use of certain drugs if considered to be dangerous to a person or animal. |

| Approved by: | Prepared by: | Alternate Contact: |
|--------------------------|---------------------|---------------------------|
| Name: Jennifer McGuire | Name: Lauren Yawney | Name: Arlene Anderson |
| Date approved: Mar 29/21 | Branch: CPPB | Branch: CPPB |
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ALC Commissioners and Panels

RECOMMENDED RESPONSE:

- **There are 14 Commissioners appointed to the ALC including the Chair Jennifer Dyson.**
- **There are currently 13 Commissioners serving on 6 Administrative Region Panels.**
- **5 Commissioners also serve on a Soil and Fill Use Panel that decides on soil and fill use applications across the six (6) administrative regions.**
- **Commissioners are appointed based merit-based criteria in either agricultural, local government, first nations government, or land use planning experience.**
- **78% of the Commissioners (11 out of 14) are either owner/operators or involved in family agricultural operations, including the production of livestock, vegetables, hay, grains, grapes, and fruit for both local and global markets.**
- **Three (3) of the 14 Commissioners not involved in agricultural operations have experience in local government, agrology, biology, farm business advisory, and community services.**
- **The Commissioners have experience from serving on other boards, councils and associations that are agricultural and land use planning related, such as;**
 - **BC Assessment**
 - **BC Council of Administrative Tribunals**
 - **Union of BC Municipalities**
 - **Farm Business Advisor**
 - **Environmental Appeal Board**
 - **BC Farm Industry Review Board**
 - **BC Cattlemen Association**

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- **Grasslands Conservation Council of BC**
- **Agricultural Associations and Agricultural Advisory Committees within their communities.**

BACKGROUND:

Commission Chair

Jennifer Dyson, Appointed Chair of the Commission in May 2018 (~2.5 yrs).

- Previous Commissioner/Vice Chair from April 2008 until January 2017
- From the Alberni-Clayoquot Regional District
- Owner/Operator of a water buffalo dairy and direct farm market in Port Alberni. Former 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 Panel (2 Members)

Ione Smith, appointed to Commission October 2017 (~3 yrs);

- appointed Vice Chair October 2018
- from the Sunshine Coast Regional District
- Registered Professional Agrologist and Farm Business Advisor in Sechelt, member of BC Food Systems Network Steering Committee.

Susan Gimse, appointed to the Commission October 2018 (~ 2 yrs)

- from the Squamish-Lillooet Regional District
- Owner/Operator of a 130-acre livestock and tree fruit operation in Pemberton. Past Chair of the Squamish Lillooet Regional District, Director of the Federation of Canadian Municipalities, Executive of the Union of BC Municipalities, and BC Assessment Appeal Board member.

Island Panel (2 Members)

Linda Michaluk, appointed to the Commission as Vice Chair January 2018 (~3 yrs)

- from the Capital Regional District
- Former Mayor of North Saanich, current member on the Board of the BC Council of Administrative Tribunals. Former registered Professional Biologist and Executive Director of the College of Applied Biology of BC. Environmental Appeal Board member.

Honey Forbes, appointed to the Commission October 2014 (~6 yrs)

- from the Cowichan Valley Regional District
- Previously served on the Canadian Milk Supply Management Research Council, and BC Farm Industry Review Board.

Okanagan Panel (2 Member)

Gerald Zimmermann, appointed to the Commission as Vice Chair April 2008 (~13 yrs)

- from the Central Okanagan Regional District
- Grape grower in Kelowna; Former City of Kelowna Fire Chief and Municipal Councilor; Current trustee with Black Mountain Irrigation District.

Joseph Dueling, appointed to the Commission December 2019 (~ 1 yrs)

- from the Regional District of the North Okanagan
- Family owned/operated farm that produces berries and fruit, cattle, pigs, bees, and chickens. Practicing lawyer in Lumby.

Interior Panel (2 Members)

Richard Mumford, appointed to the Commission October 2014 (~6 yrs);

- appointed Vice Chair January 2016
- from the Cariboo Regional District
- serves on both the Kootenay Panel and Interior Panel
- 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 January 2017 (~4 yrs)

- from the Thompson Nicola Regional District
- Owner/Operator of a mid-size cattle ranch in Savona, Director of the Kamloops Stock Association, member of the Tunkwa Lake Stock Association, BC Cattlemen's Association, and Grasslands Conservation Council of BC.

Kootenay Panel (3 Members)

Richard Mumford, appointed by ALC Chair as Vice Chair of the Kootenay Panel in October 2020

Ian Knudsen, appointed to the Commission October 2014 to present (~6 yrs)

- from the East Kootenay Regional District
- Owner/Operator of a livestock, grain, and produce farm in Creston. Member of the BC Cattlemen Association and the Creston Valley Beef Growers Association.

Jerry Thibeault, appointed to the Commission October 2018 to present (~2 yr)

- Previously served on the Commission from December 2008 to December 2015 (7 yrs)
- from the East Kootenay Regional District
- Owner/Operator of a ranch in Cranbrook, former livestock inspector, and former Committee Chair with the Kootenay Livestock Association.

North Panel (3 Members)

Janice Tapp, appointed to the Commission as Vice Chair October 2018 (~2 yr)

- from the Bulkley-Nechako Regional District
- 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, and Secretary/Treasurer for the BC Hereford Association.

Andrew Adams, appointed to the Commission October 2018 (~2 yr)

- from the Fraser Fort George Regional District
- Owner/Operator of a certified organic mixed vegetable farm in Prince George, Eaglet Lake Farmers Institute Secretary, and a Director of District C for the Central Interior Farmers Institute.

Karen McKean, appointed to the Commission May 2020 (~10 mths)

- from the Peace River Regional District

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- Family owned/operated ranch between Fort St. John and Hudson's Hope, Regional Secretary for Peace River Cattlemen's Association, contributing writer for "Beef In BC". Part-time log scaler for local mills, received Forest Resource Technology Diploma from BCIT.

Soil and Fill Panel (4 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)

| Approved by: | Prepared by: | Alternate Contact: |
|-------------------------|-----------------------|---------------------------|
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| Date approved: 02-23-21 | Branch: ALC | Branch: Land Use Planning |
| Phone: 236-468-3265 | Phone: Government | Phone: 236-468-3260 |
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Land Included into, and Excluded from, the Agricultural Land Reserve (ALR) by Fiscal Year

RECOMMENDED RESPONSE:

- **As of February 22, 2021, the area of the ALR is 4,612,866 ha.**
- **To date, this fiscal the ALR has decreased by a net of 38 hectares.**
- **Since 2012, the ALR has decreased by 10,423 hectares.**
- **These figures reflect changes resulting from application decisions of the Commission, and non-application related changes directed by the ALC and government, including ALC initiated Boundary Reviews, Site C exclusions and First Nations treaty settlements (See background section).**
- **These figures reflect the actual year a change in the ALR takes effect, NOT the year a decision to exclude or include land in the ALR is made. It can take several years to complete on the conditions of a Commission decision.**
- **Non-application related boundary changes represent 68% of the total reduction in the ALR since 2012 (See background section).**
- **The majority of the lands, both excluded from and included to the ALR since 2001, were mixed & secondary agriculture capability (Class 4, 5, 6).**
- **Changes to the ALR boundary this fiscal by Administrative Region:**
 - **4 hectares was added in the Okanagan and 89 ha in the North; and**
 - **24 ha was removed in the Interior; 49 ha in the Island; 11 ha in the Kootenays; 21 ha in the North; 11 ha in the Okanagan and 15 ha in the South Coast.**

BACKGROUND:

| Fiscal Year | Inclusions** (ha) | Exclusions** (ha) | Net Change** (ha) | Current Total ALR (ha) |
|---------------|----------------------|----------------------|----------------------|---------------------------|
| April 1, 2012 | | | | 4,623,289 |
| 2012/13 | 238 | 1,709 | - 1,471 | 4,621,818 |
| 2013/14 | 1,296 | 1,958 | - 662 | 4,621,156 |
| 2014/15 | 792 | 1,090 | - 298 | 4,620,858 |
| 2015/16 | 79 | 4,283 | - 4,204 | 4,616,654 |
| 2016/17 | 198 | 943 | - 745 | 4,615,909 |
| 2017/18 | 223 | 2,970 | - 2,747 | 4,613,162 |
| 2018/19 | 65 | 212 | - 147 | 4,613,015 |
| 2019/20 | 127 | 238 | - 111 | 4,612,904 |
| 2020/2021* | 93 | 131 | -38 | 4,612,866 |
| Total | 3,111 | 13,534 | -10,423 | 4,612,866 |

*these figures are as of February 22, 2021.

**these figures report the year a change takes effect; NOT the year a decision is made.

- These figures reflect data from the ALC GIS database and include changes in the ALR as a result of exclusion and inclusion application decisions of the Commission, ALR boundary changes made by Government and other changes due to mapping errors.
- The ALR area at designation was calculated using manual methods (Dot Matrix or Electronic Planimeter). Starting April 1, 2012, the ALR stats were mapped and calculated using GIS. The change in how the ALR is mapped resulted in a 136,649 ha decrease in the ALR effective the change to GIS, as noted below:
 - ALR reported as of March 31, 2012 was 4,759,938 ha (OATS figures).
 - ALR reported as of April 1, 2012 was 4,623,289 ha GIS figures.

Non-application related changes in the ALR of note:

- In 2013/14, the ALC initiated a block exclusion in the Regional District of East Kootenay that included 684 ha and excluded 1545 ha from the ALR, for a net change of -861 ha.
- April 2015, Order in Council No. 148 permanently excluded 2,775 ha and temporarily excluded an additional 941 ha of land from the ALR for Site C Dam.
- April 2016, the *Tla'amin Final Agreement Act* directed exclusion of 935.8 ha of ALR land.
- In 2017/18, the ALC initiated two block exclusions in the Regional District of East Kootenay that excluded a total of 2,865 ha from the ALR.

| Approved by: | Prepared by: | Alternate Contact: |
|----------------------------|----------------------|-------------------------|
| CEO, Kim Grout | Name: Lew Ong | Name: Lindsay McCoubrey |
| Date approved: Mar 1, 2021 | Branch: ALC | Branch: ALC |
| Phone: 236-468-3265 | Phone: 236-468-33342 | Phone: 236-468-3257 |
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Agricultural Land Commission (ALC) Application Processing Timelines

RECOMMENDED RESPONSE:

- **The ALC has performance indicators to provide expectations for timelines for acknowledgement of applications, release of decisions, and notification to applicants of the outcomes of their decisions.**
- **The ALC aims to release decisions within 60 to 90 business days.**
- **In 2020/2021 (to date), ALC released a total of 282 decisions; a 24% decrease compared to 369 decisions released in the 2019/2020 fiscal year.**
- **84% of decisions were released within 60 business days and 95% of decisions within 90 business days.**
- **General reasons for not meeting the target for release of decisions between 60 to 90 business days in 2020/2021:**
 - **The ALC is an administrative tribunal and applications must be reviewed individually on a case by case basis.**
 - **The performance targets do not account for the administrative tribunal nature of applications e.g. complexity of applications, collection and organization of evidence, procedural fairness, and statutory requirements of the ALCA and ALR regulations.**
 - **Bill 15 amendments and the time needed for Commissioners and staff to become familiar with the new Act and Regulations, notify applicants, develop new processes, and respond to an increase in inquiries from the public & local governments.**
 - **COVID-19 coronavirus events caused the ALC to suspend site visits and inspections which have resumed in a limited capacity following the adoption of new processes and protocols.**
 - **The 2020/2021 budget letter prevented the ALC from filling staff vacancies resulting in a shortage of staff.**
- **Despite the challenges to meet processing times in 2020/2021 there was a significant improvement in performance targets between the 2019/2020 fiscal year and the current fiscal to date. Attributed to a reduction in the number of applications received and the reduction in site visits and inspections, as a result of the pandemic.**

BACKGROUND:

- The ALC has had performance targets for timelines associated with processing ALC applications since April 1, 2016.
- The ALC may "pause" the 60/90 business day timeline (e.g. applicant meeting, site visit, request for additional information, at request of the applicant).
- Oil and Gas Commission (OGC) decisions and ALC reconsideration decisions are not subject to the processing timeline targets.

2020/2021 APPLICATION PROCESSING TIMELINE STATISTICS (AS OF FEBRUARY 12, 2021):**APPLICATIONS RECEIVED TO DATE**

- 323 new applications have been received in the 2020/2021 fiscal year to date.
- 91% of deficient applications and 96% of complete applications were acknowledged within five business days of receipt of the application (Target: 100%).
- 100% of decisions were provided to applicants within five business days of a decision being released.

60 BUSINESS DAYS:

- 84% of decisions released in the 2020/2021 fiscal year were released within 60 business days of acknowledgement of the application (Target: 90%).

90 BUSINESS DAYS:

- 95% of decisions released in the 2020/2021 fiscal year were released within 90 business days of acknowledgement of the application (Target: 100%).
- The reasons for applications exceeding 60 and 90 days varies (e.g. number of complicated applications, legislative changes affecting mid-stream applications, staff turnover and training, Commissioner vacancies)

3 YEAR TREND - APPLICATION PROCESSING TIMELINE STATISTICS:

| Fiscal Year | Applications Received | Decisions Released | Decisions Released Within 60 Days (%) | Decisions Released Within 90 Days (%) |
|-----------------------------|-----------------------|--------------------|---------------------------------------|---------------------------------------|
| 2020/2021 (to Feb 24, 2021) | 323 | 302 | 84% | 95% |
| 2019/2020 | 374 | 369 | 57% | 81% |
| 2018/2019 | 305 | 277 | 47% | 82% |

| Approved by: | Prepared by: | Alternate Contact: |
|---------------------|-------------------|---------------------|
| CEO: Kim Grout | Name: Carmen Heer | Name: Liz Sarioglu |
| Date approved: | Branch: ALC | Branch: ALC |
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Agricultural Land Commission (ALC) – Application Types and Volumes by Fiscal Year

RECOMMENDED RESPONSE:

- **A landowner may submit an application to the ALC to conduct a land use that is not expressly permitted by the ALC Act and or its Regulations.**
- **As of February 24, 2021, the ALC has DECIDED on 318 applications this fiscal by type:**
 - **Subdivision – 51 (16%)**
 - **Non-Farm Use – 105 (34%) consisting of:**
 - **General Non-Farm Use - 51 (16%)**
 - **Delegated Oil and Gas Non-Farm Use – 9 (3%)**
 - **Transportation, Utility and Recreational Trail - 45 (14%)**
 - **Exclusion – 30 (9%)**
 - **Inclusion – 11 (3%)**
 - **Non-Adhering Residential Use – 100 (31%)**
 - **Soil and Fill Use – 21 (7%)**
- **The ALC has APPROVED 228 applications of all types (~72% of all applications decided) this fiscal as of February 24, 2021.**
- **Approvals this fiscal to date by application type:**
 - **55% of Subdivision applications were approved**
 - **84% of all Non-Farm Use applications were approved, consisting of:**
 - **General Non-Farm Use – 71% were approved**
 - **Delegated OGC Non-farm Use – 100% were approved**
 - **Transportation & Corridor Use – 96% were approved**
 - **74% of Non-Adhering Residential Use applications were approved**
 - **57% of Exclusion applications were approved**
 - **64% of Inclusion applications were approved**
 - **67% of Soil and Fill Use applications were approved**
- **Each application must be considered based on its individual merits and the evidence provided with the individual application which makes it difficult to predict the outcome.**

- **A list of what the Commission typically considers when deciding on applications is available on the ALC's website.**

Background:

- The ALC Act, ALR General Regulation and ALR Use Regulation outline the permitted uses within the ALR. 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 and ALR Regulations.
- A proposed land use may or may not be compatible in the ALR – but only the ALC has the discretion to decide this by way of an application.
- Under section 25(1.1) (b) of the ALC Act, the ALC must not grant permission for a non-adhering residential use unless the additional residence is necessary for agriculture. Non-adhering residential use applications are new as of February 22, 2019 and since April 1, 2019, the ALC has decided on 163 non-adhering residential use applications.
 - 122 (75%) non-adhering residential use applications were approved
 - 41 (25%) non-adhering residential use applications were refused.
- The ALC has received approximately 48,000 applications for uses that are not permitted by the ALC Act and ALR Regulations since the establishment of the ALR (1972).
- Applications are submitted electronically through the ALC's Application Portal and must be referred by local government resolution before it can be considered by the ALC.
- Applications made to the ALC may be decided by the Executive Committee, Regional Panel or CEO. The majority of applications are decided by Regional Panels.
- The ALC may decide to refuse, approve, or approve an alternate proposal for each application.
- Over the past five fiscal years (2016/2017 to 2020/2021), on average, the ALC decided on 347 applications that:
 - on average, 234 applications (68%) were approved.
 - on average, 113 applications (32%) were refused.
- The breakdown of applications decided over the past five fiscal years is: Subdivision (30%), Non-Farm Use (29%), Exclusion (10%), Transportation, Utility and Recreation Corridor (13%), Non-Adhering Residential Use (9%), Soil (Extraction and Fill) (5%), and Inclusion (4%).

| | | |
|--|---------------------------------------|---|
| Approved by: CEO, Kim Grout | Prepared by: Lew Ong | Alternate Contact: Lindsay McCoubrey |
| Date approved: February 7, 2020 | Branch: ALC | Branch: ALC |
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Carrier Sekani Family Services Non-Farm Use Application

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) is aware that the Agricultural Land Commission (ALC) recently declined the Carrier Sekani Family Services' (CSFS) non-farm use application to build a 60-bed mental health and addictions recovery facility on agricultural land reserve (ALR) land at Tachick Lake.
- The ALC is an independent administrative tribunal dedicated to preserving agricultural land and encouraging farming in British Columbia.
- The preservation of ALR and the promotion of farming remains a Government priority. However, so too is the health and wellness of B.C. communities, and government is committed to ensuring treatment services for mental health and addictions are available in all regions of the province.
- We are working with the Carrier Sekani Family Services to identify solutions to this situation and help ensure the development of a year-round residential treatment facility.

BACKGROUND:

- On February 26, 2021, the Agricultural Land Commission (ALC) released its decision to decline a non-farm use (NFU) application by the Carrier-Sekani Family Services (CSFS) to build a 60-bed mental health and addiction recovery services facility on a property within the ALR.
- The CSFS is a non-profit that provides holistic wellness services to First Nations in north central B.C. First Nations represent three percent of B.C.'s population but 16 percent of the overdose deaths.
- The 9.3-hectare property is currently the site of Tachick Lake Lodge and includes a 185-metre-square lodge, 10 cabins and 33 campsites. The CSFS's proposal is to construct a 2,733-metre-square facility and a 400-metre-square parking lot.
- The ALC reasons for the decision to decline this application focused on: the likely permanent loss of agriculture land should the new buildings be constructed; the potential impact of increasing the value of agricultural properties generally; other site options appear to be available to the applicant; and the construction of 2323 m² facility and 400m² parking lot would further alienate the property from future agriculture, proving it is inconsistent with their mandate. While the ALC's decision declines the construction of new buildings, it does approve the non-farm use of the current infrastructure for a community care facility.
- Despite the ALC's refusal of the NFU application, CSFS remains committed to constructing the facility on the Tachick Lake property.
- The current owner of the Tachick Lake property has agreed to extend the option for the CSFS to purchase this property to May 5, 2021.
- To support the CSFS proposal, the Regional District of Bulkley-Nechako is in the process of submitting an exclusion application for this property to the ALC. The exclusion process will not be complete ahead of the May 5th deadline.

- As a result of Bill 15-2019, as of September 30, 2020, private landowners are no longer able to make an application for exclusion – only the Provincial Government, local or First Nation governments or prescribed public bodies may make such applications.
- Like all applications to the ALC, this exclusion application would be considered in the context of the purposes of the ALC set out in Section 6 of the Agricultural Land Commission Act. These purposes are:
 - (a) to preserve the agricultural land reserve;
 - (b) to encourage farming of land within the agricultural land reserve in collaboration with other communities of interest; and
 - (c) to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of land within the agricultural land reserve and uses compatible with agriculture in their plans, bylaws and policies.
- Ultimately, as an independent administrative tribunal, the ALC has the legislative authority to make land use decisions on the ALR and renders those decisions independent of Government.

CROSS JURISDICTIONAL COMPARISON:

- n/a

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- n/a

| Approved by: | Prepared by: | Alternate Contact: |
|----------------|-----------------------|-------------------------------|
| Name: | Name: Kelly Rainforth | Name: Willow Minaker |
| Date approved: | Branch: DMO | Branch: Strengthening Farming |
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Compliance and Enforcement at the ALC/Statistics

RECOMMENDED RESPONSE:

- **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).**
- **In 2019, two additional officers were hired. In total the C&E Program consists of 7 Officers (including one supervisor) and one (1) C&E Program Advisor responsible for all complaint intakes.**
- **There is one (1) officer based in Nanaimo, one (1) officer in Kamloops, one (1) officer in Kelowna, and (2) officers in Burnaby.**
- **At the start of the fiscal there were four (4) officers based in Burnaby but two (2) officers left in mid-2020 to join other government agencies, creating vacancies. One position was posted in January 2021 and the second position remains vacant due to budgetary constraints.**
- **From March to July 2020, ALC C&E officers worked with the Ministry of Agriculture to inspect Temporary Foreign Worker accommodations in the South Coast, Okanagan and Vancouver Island regions.**
- **As of February 19, 2021, there are currently 287 active complaints and 270 active referrals (557 total). Compared to a total of 476 active complaints/referrals at the end of the 2019-2020 fiscal year. The active files load is currently 17% higher than the total for last fiscal year.**
- **Enforcement actions are down this fiscal as compared to last fiscal due to Temporary Foreign Worker accommodation inspections and staff vacancies.**

Background:

- 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 ALCA. This is achieved by using a combination of education, promotional information and enforcement.
- From 2007-2016, C&E was comprised of two C&E officers. In 2016, the C&E officer contingent was increased to five officers plus a person dedicated to the processing of incoming complaints from the public and referrals from local government.
- In 2019 two additional officers were hired, one based in Nanaimo and one in Kamloops.
- In 2020 two of the Burnaby based Officers moved onto to other positions in government. One of the officer positions will be filled by April 2021.
- Since 2016, ALC enforcement orders and penalties are listed on the publicly accessible Natural Resource C&E Database. Both systems are used by C&E staff in FLNRORD, Ministry of Environment and Climate Change, Energy Mines & Petroleum Resources, BC Parks, and the Environmental Assessment Office.

C&E PROGRAM STATISTICS (AS OF FEBRUARY 19, 2021):

| | 2018/19 | 2019/20 | 2020/2021 Apr 1 - Feb 19 |
|--------------------------------------|---------|---------|-----------------------------|
| Active files Start of Fiscal | 306 | 344 | 476 |
| Incoming Complaints/referrals | 257 | 381 | 264 |
| Files Closed | 219 | 245 | 183 |
| Active Files End of Fiscal | 344 | 476 | 557 ¹ |
| Property Inspections | 248 | 310 | 138 |
| Compliance Actions | 232 | 239 | 213 |
| Enforcement Orders | 33 | 30 | 10 |

¹ as of February 19, 2021

1. Most statistics from the current year are down from last year because the C&E Officers were conducting Temporary Foreign Worker accommodation inspections for the first four months of the fiscal and secondly two out of the six officers (33%) left mid-year for other positions in government.
2. From the beginning of the 2020-2021 fiscal year to February 19, 2021, 1.4% of all active C&E files resulted in an enforcement order (10 orders/740 active files). Comparatively, in the last fiscal 30 (i.e. on 4% of files) enforcement orders were issued
3. As of February 19, 2021, there are currently 287 active complaints and 270 active referrals (557 total). Compared to a total of 476 active complaints/referrals at the end of the 2019-2020 fiscal year. The active files load is currently 17% higher than the total for last fiscal year.
4. As of February 19, 2021, the total number of files closed is 183. Compared to 245 at the end of the 2020-2021 fiscal year, the total on February 19, 2021 is 25% lower than the total for the entirety of last fiscal year.
5. As of February 19, 2021, the breakdown of all active C&E files in the populated regions

of the province is: 49% (362) in the South Coast region, 21% (154) in the Okanagan region, and 19% (143) in the Island region (740 total).

6. From the beginning of the 2020-2021 fiscal year to February 19, 2021, the breakdown by primary contravention type for all active C&E files was: 43% (317) fill, 34% (250) illegal commercial activity, 11% (80) residential, and 5% (36) other.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- One officer vacancy may not filled due to budgetary constraints.

| Approved by: | Prepared by: | Alternate Contact: |
|-----------------------------|------------------------|---------------------------|
| CEO – Kim Grout | Name: Avtar S. Sundher | Name: Dave Birchmore |
| Date approved: June 9, 2020 | Branch: ALC | Branch: ALC |
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ISSUE: Agricultural Land Commission (ALC) – Non-Adhering Residential Use Applications by Fiscal Year

RECOMMENDED RESPONSE:

- **A “non-adhering residential use” application is required for:**
 - 1) A principal residence larger than 500 m² total floor area**
 - 2) An additional residence**
 - 3) 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 farm use.**
- **The ALC adopted a policy in April 2020 that provides guidelines for decision making of non-adhering residential use applications. This policy is available on the ALC website for all applicants to review before making an application. Key considerations include:**
 - 1) Housing for federal seasonal agricultural worker program where employment needs have already been assessed**
 - 2) Housing for permanent and domestic farm workers to reflect agricultural activity: scale and intensity exceeds current labour.**
 - 3) Housing and associated infrastructure limits the physical impact on the farm parcel e.g. uses existing structures, or re-uses disturbed areas, clusters housing, or use of temporary residential structures**
- **Between April 1, 2020 and Feb 15, 2021 the ALC has decided 100 non-adhering residential use applications.**
- **74% (74 of 100) of all non-adhering residential use applications have been approved by the ALC so far this fiscal.**
- **Non-adhering residential use application approvals this fiscal:**
 - 1) Additional residence: 80% approved (85 total)**
 - 2) Principal residence larger than 500m²: 38% approved (13 total)**
 - 3) Tourist accommodation: 66% approved (3 total)**

- **The ALC has decided 42% more non-adhering residential use applications this year than it did in 2019/2020 (100 vs 71 applications).**
- **The ALC has consistently approved housing that is necessary to maintain farm and ranch operations in BC:**
 - 1) Temporary Farm Worker Housing: 100% approved**
 - 2) Additional residences for farm use: 73% approved**
- **The ALC has consistently approved requests for landowners to live in their existing homes while constructing new homes:**
 - 1) 89% of requests were approved.**
- **The ALC created streamlined processes for:**
 - 1) Temporary Foreign Worker Housing registered in the Canadian Seasonal Agricultural Worker Program.**
 - Decisions released within 14 days on average**
 - 2) Residing in an existing residence while constructing a new residence.**
 - Decisions released within 19 days on average**

BACKGROUND:

- 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 a maximum residence size of 500 m², removed the authority for local governments to approve additional residences for farm use, and removed certain permitted residential uses. All non-adhering residential uses must be reviewed and approved by the ALC prior to construction.
- The ALC now receives all non-adhering residential use applications under Section 20.1 of the ALC Act for: a principal residence greater than 500 m² and all additional residences.
- Section 25(1.1)(b) of the ALC Act states that the ALC must not grant permission for a non-adhering residential use unless the additional residence is necessary for farm use. The addition of Section 25(1.1)(b) has narrowed the lens through which the ALC can consider additional residences compared to the flexibility that was afforded prior to Bill 52.

2020/2021 NARU STATISTICS (AS OF FEBRUARY 12, 2021):

| | Regional NARU Decisions April 1, 2020 – February 12, 2021 | | | |
|--------------|---|-----------|-----------------|---------------------------------|
| | Approved | Refused | Total Decisions | % of NARU Applications Approved |
| Interior | 5 | 0 | 5 | 100% |
| Island | 4 | 6 | 10 | 40% |
| Kootenay | 5 | 1 | 6 | 83% |
| North | 2 | 0 | 2 | 100% |
| Okanagan | 27 | 4 | 31 | 87% |
| South Coast | 31 | 15 | 46 | 67% |
| Total | 74 | 26 | 100 | 74% |

- The South Coast and Okanagan received the most non-adhering residential use applications.
- The South Coast received the most requests for additional residences and principal residences larger than 500 m².
- The Okanagan received the most applications for temporary farm worker housing.

2019/2020 NARU STATISTICS (FULL FISCAL):

| | Regional NARU Decisions April 1, 2019 – March 31, 2020 | | | |
|------------------------|--|-----------|-----------------|---------------------------------|
| | Approved | Refused | Total Decisions | % of NARU Applications Approved |
| Interior | 1 | 0 | 0 | 100% |
| Island | 6 | 4 | 9 | 67% |
| Kootenay | 3 | 2 | 5 | 60% |
| North | 2 | 0 | 2 | 100% |
| Okanagan | 14 | 4 | 18 | 78% |
| South Coast | 25 | 11 | 38 | 69% |
| Total Decisions | 51 | 20 | 71 | 72% |

- In 2019/2020 fiscal year the ALC decided on 71 non-adhering residential use applications.
- 72% of non-adhering residential use applications were approved.
- Non-adhering residential use applications decided by the ALC by type:
 - Additional residences: 74% approved (58 total)
 - Principal residence larger than 500m2: 67% approved (6 total)
 - Tourist accommodation: 0% approved (3 total)
 - Minor deviation from regulations: 100% (4 total)
- In 2019/2020 fiscal year, the streamlined process for review of an application for temporary foreign worker housing, on average received decisions within 39 days.

| | | |
|--|---|--|
| Approved by: CEO, Kim Grout | Prepared by: Carmen Heer | Alternate Contact: Liz Sarioglu |
| Date approved: Mar. 1, 2021 | Branch: ALC | Branch: ALC |
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Agri-Industrial Use Applications

RECOMMENDED RESPONSE:

- **The ALR Use Regulation permits some agri-industrial uses in the ALR without requiring an application to the ALC.**
- **Permitted agri-industrial 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 at least 50% of the farm product (grapes, fruit, hops, honey) being processed are from the farm or contracted from another BC farm.**
- **Other permitted activities in the ALR that may be related to industrial uses include: temporary sawmills; conducting research for farm uses; & home occupation uses**
- **Landowners may apply to the ALC if they want to conduct a use that isn't expressly permitted in the ALR regulations.**
- **A review of decisions between 1973 and the summer of 2020, shows the ALC has approved ~90% of applications for agri-industrial related uses.**
 - **The majority of those applications were for processing and packaging of farm products**
- **Examples of agri-industrial applications approved by the ALC in past 4 years:**
 - **3 Feed mills (Salmon Arm, Chilliwack, and 61408 Spallumcheen)**
 - **1 Fruit packing and cold storage (Osoyoos)**
 - **1 Federal-inspected beef abattoir (Surrey)**
 - **1 Poultry processing facility (Port Alberni)**
- **ALC's rationale to approve agri-industrial uses have included:**
 - **The use is associated with agriculture on the property**
 - **The use is beneficial to local & regional farms or BC producers**
 - **The use does not impede agricultural use of remainder of the parcel**
 - **The use does not utilize prime agricultural land**
 - **The use is re-using existing buildings for new agri-industrial use**
 - **The building could be re-purposed for other uses permitted in the ALR**
 - **The location is easily accessible to farmers**
- **The ALC has approved some areas that are expressly set aside for agri-industrial food processing to develop and operate within the ALR.**
 - **E.g. Chilliwack agri-industrial park**

BACKGROUND:

- Permitted farm product storing, packing, preparing, and processing cannot be prohibited by a local government if:
 - 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 cannot be prohibited by a local government if:
 - at least 50% of the primary farm product is harvested from the land on which the alcohol production facility is located, or
 - 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 4 years:
 - Feed mills (File: 60537 - Salmon Arm, File: 56727 – Chilliwack, and File: 61408 Spallumcheen)
 - Fruit packing and cold storage (File: 57890 - Osoyoos)
 - Federal-inspected beef abbatoir (File 54999 - Surrey)
 - Poultry processing (File: 56717 - Port Alberni)

CROSS JURISDICTIONAL COMPARISON:

- Ontario – *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas*
 - General commercial and industrial should be located outside of prime industrial areas.
 - "Agriculture related uses" include farm-related commercial and industrial uses with a recommendation they do not exceed more than 2% lot coverage.
 - 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: |
|----------------------------|---------------------|-------------------------|
| Name: Kim Grout, CEO | Name: Liz Sarioglu | Name: Lindsay McCoubrey |
| Date approved: Mar 1, 2020 | Branch: ALC | Branch: ALC |
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Agricultural Land Commission (ALC) – Non-Farm Use Applications by Fiscal Year

RECOMMENDED RESPONSE:

- **The ALR Use Regulation outlines permitted farm uses and permitted non-farm uses that do not require an application to the ALC.**
- **A landowner must not use agricultural land for a non-farm use unless permitted by regulation or approved through application by the ALC.**
- **The ALC does not receive many agricultural related non-farm use applications because the ALR Use Regulation permits farm processing, packing, storing, retail sales, alcohol production without an application if certain thresholds are met.**
- **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.**
- **Non-farm use applications were the highest volume of applications decided by the ALC in 2019/2020 (177 total).**
- **As of February 25, 2021, the ALC has decided on 105 non-farm use applications this fiscal.**
- **As of February 25, 2021, 84% (88) of the non-farm use application decided by the ALC were approved this fiscal.**
- **Non-farm use decision considerations include:**
 - 1) **Whether the land could be used for agriculture**
 - 2) **Whether the use is compatible with nearby agricultural uses**
 - 3) **Whether the use is supportive of, or related to agriculture**
 - 4) **Whether the use has a temporary or permanent impact**
 - 5) **Whether it is appropriate to locate the use in the ALR**
- **Examples of non-farm use applications approved by category:**
 - 1) **Agriculture or Farm Related:**
 - **E.g. Alcohol production use over the ALR Use Regulation threshold**
 - 2) **Civic/Institutional:**

- E.g. community care facility, portable classrooms, public works yard

3) Commercial:

- E.g. special events, trailer repair shop, campgrounds

4) Industrial:

- E.g. Agri-industrial - feed mills, poultry processing
- E.g. Other – temporary work camps
- E.g. oil and gas activities approved by OGC delegation

5) Recreational:

- E.g. recreational trails, playing fields

6) Transportation/Utility Corridors:

- E.g. Roads and utility pipelines

BACKGROUND:

- Non-farm use applications fall into two main categories:
 - Uses that exceed the permitted farm use and permitted non-farm use criteria in the ALR Use Regulation
 - Uses that are not contemplated at all in the ALC Act or ALR Use Regulation
- Non-farm uses include transportation, utility, and recreational corridor uses.
- Non-farm use applications (except transportation, utility, and recreational corridors) must be reviewed by local government and may not proceed to the ALC unless authorized by a resolution of the local government. A local government may elect to refuse to forward an application to the ALC.
- The ALC may approve, approve an alternate (with or without conditions), or refuse a non-farm use application.

2020/2021 NON-FARM USE STATISTICS (AS OF FEBRUARY 25, 2021):

| Non-Farm Use Decisions by Administrative Region - April 1, 2020 - February 25, 2021 | | | | |
|---|-----------|-----------|------------|------------|
| | Approved | Refused | Total | % Approved |
| Interior | 7 | 0 | 7 | 100% |
| Island | 10 | 1 | 11 | 91% |
| Kootenay | 7 | 1 | 8 | 88% |
| North | 21 | 4 | 25 | 84% |
| Okanagan | 23 | 9 | 32 | 72% |
| South Coast | 20 | 2 | 22 | 91% |
| Total | 88 | 17 | 105 | 84% |

- The Okanagan and North received the most applications for non-farm uses so far this year.

- The North has received the most industrial related applications, but majority are associated with oil and gas activity in the North East of the Province and area approved by the Oil Gas Commission under the delegation agreement.

| Non-Farm Use Decisions by Type - April 1, 2020 - February 25, 2021 | | | | |
|--|-----------|-----------|------------|------------|
| | Approved | Refused | Total | % Approved |
| Agricultural/Farm | 1 | | 1 | 100% |
| Civic/Institutional | 8 | 1 | 9 | 89% |
| Commercial/Retail | 12 | 10 | 22 | 55% |
| Industrial | 22 | 4 | 26 | 85% |
| Other | 1 | | 1 | 100% |
| Recreational | 5 | 1 | 6 | 83% |
| Transportation/Utilities | 39 | 1 | 40 | 98% |
| Total | 88 | 17 | 105 | 84% |

- Transportation/utility corridors, industrial (including oil and gas use) and commercial/retail are the most common types of non-farm use applications this year.

| | | |
|--|---|--|
| Approved by: CEO, Kim Grout | Prepared by: Carmen Heer | Alternate Contact: Liz Sarioglu |
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Notice of Intent for Soil and Fill Use

RECOMMENDED RESPONSE:

- On February 22, 2019, the Agricultural Land Reserve Use Regulation was approved by B.C.'s Lieutenant Governor in Council, bringing into force changes to the *Agricultural Land Commission Act* (ALCA) under Bill 52, 2018, including new Notice of Intent (NOI) requirements for soil and fill use.
- NOIs are required for the placement of fill or removal of soil (including aggregate) in the Agricultural Land Reserve (ALR), with a few exceptions.
- NOI's are to be decided by the CEO or their delegate and by legislation must be responded to within 60 calendar days of receiving the NOI and prescribed fee or the works can proceed.
- As of January 31, 2021, 158 NOIs were submitted this fiscal.
- The number of NOI's received to date this fiscal are 21% higher than the same time period last fiscal.
- Of the 158 NOIs received, 114 (72%) have been decided; 78 (67%) of the those were approved, 29 (25%) were ordered not to proceed and to make a Soil or Fill use application to the Commission if they wished to proceed, and 7 (6%) were either withdrawn/cancelled.
- 100% of NOIs received this fiscal have been responded to within 60 calendar days.

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 be undertaken without interaction with the ALC via a NOI or a Soil or Fill Use Application.
- NOI decisions are made by the CEO or their delegate.
- 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 must submit a Soil or Fill Use Application for consideration by the Commission in accordance with section 20.3(5) of the ALCA.
- NOIs this fiscal by type as of January 31 2021(based on the decision letter release date):

| NOI Primary Type | 2020/2021 |
|--|------------------|
| Equestrian Facility | 3 |
| Farm Building - Intensive Livestock | 8 |
| Farm Building – Alcohol Production | 2 |
| Farm Building - Cannabis | 2 |
| Farm Building - Greenhouse | 1 |
| Farm Building - Processing | 4 |
| Farm Building - Other | 4 |
| Farm Retail Sales | 1 |
| Farm Road | 20 |
| Area wide Fill placement for Farm Use | 28 |
| Area wide Fill placement for Landscaping | 9 |
| Kennel | 1 |
| Residential - Accessory Structures | 3 |
| Residential - Additional | 1 |
| Residential - Driveway | 3 |
| Residential - Principal | 5 |
| Other | 12 |
| Gravel/Sand Extraction | 17 |
| Total | 124 |

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The fee for NOI's is \$150
- Three new soil resource positions were needed to respond to inquiries & process new NOI requirements in 2019. These positions were permanently filled with DM approval based on Treasury Board approval in principle for contingency funding that was subsequently cancelled creating budget pressures for the ALC.

| | | |
|--|---|--|
| Approved by: CEO, Kim Grout | Prepared by: Katie Cox | Alternate Contact: Avtar S. Sundher |
| Date approved: Mar 1, 2021 | Branch: ALC | Branch: ALC |
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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 bylaws regardless of their country of residence.
- 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.
- 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 helps address housing affordability in B.C. by reducing foreign demand and curbing speculation in the residential property market.
- The Province is not advancing further legislation on foreign ownership of farmland at this time.

BACKGROUND:

- B.C.'s ALR was established in 1973. Ontario and Quebec have similar farmland protection zones.
- The ALR is managed by an independent Agricultural Land Commission (ALC) with a clear mandate: to preserve agricultural land and encourage farming and ranching in B.C.
- Local governments are responsible for issuance of building permits and for regulating size and siting of housing (within the 500m² limit through ALCA).
- The Ministry of Agriculture, Food and Fisheries 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 the majority 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, but has now been extended 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. Several provinces have enacted legislation to control foreign ownership of farmland. These include Alberta, Saskatchewan, Manitoba, Quebec and Prince Edward Island.

Ministry of Finance PTT data collected from January 1, 2020 to December 31, 2020:

- A total of 131,006 property transfer transactions (PTT) occurred in B.C. during this time.
- Of the total PTT in the province, one percent were foreign-involved.
- The B.C. provincial average price of foreign-involved PTT was 44 percent greater than the Canadian citizen-involved PTT.
- Farm PTT made up 0.7 percent (906) of the total PTT for the period.

- Of the 906 farm transfers only 40 (four percent) were foreign-involved transactions.
- Comparing farm property values: The average price of foreign-involved farm properties was \$608,078, which is 30 percent lower than the average price of Canadian-involved farm properties at \$872,671.

CROSS JURISDICTIONAL COMPARISON:

FEDERAL:

The *Investment Canada Act* 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. Therefore, the federal government could deny a foreign investment involving the acquisition of farmland in Canada if it is established that this investment is injurious to the country's national security.

ONTARIO:

- No restriction on foreign ownership. Uses of prime agricultural areas are regulated by planning authorities acting pursuant to the 2005 Provincial Policy Statement

ALBERTA:

- The *Agricultural and Recreational Land Ownership Act* 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*.
- Canadian residents or citizens, entities (corporations or membership-based organizations) which are 100 percent Canadian-owned and are not publicly traded, and designated relatives acquiring land from eligible Canadian residents are not affected.
- Ineligible individuals/entities must apply to the Farm Land Security Board for an exemption to acquire an interest in more than 10 acres of farm land. Entities that are partially foreign-owned but controlled by Saskatchewan residents or their farming corporations can own up to 320 acres.

MANITOBA:

- The *Farm Lands Ownership Act* limits foreign interest in farm land to 40 acres.
- Non-Canadian individuals and corporations may apply for an exemption (administered by the Manitoba Farm Industry Board) to acquire an interest in more than 40 acres of farm land.

QUEBEC:

- An *Act Respecting the Acquisition of Farm Land by Non-Residents* is in place.
- Non-residents (people with less than 48 months residency) and foreign-controlled entities must get permission to buy more than four hectares (or about 10 acres) of agricultural land from the Commission de la protection du territoire agricole du Québec (their equivalent to the ALC).

PRINCE EDWARD ISLAND (PEI)

- The *Lands Protection Act* prevents non-resident persons or corporations from owning, renting or leasing an aggregate of more than 5 acres of land.
- PEI's Regulatory and Appeals Commission issues exemptions to non-residents to a maximum

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of 1000 acres per person, and 3000 acres per corporation.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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|--------------------------|--------------------------|---------------------------|
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ALR/ALC REVITALIZATION OVERVIEW

RECOMMENDED RESPONSE:

- Our government is making it clear that farmland is for farming in B.C.
- Pressures on our farmland have continued to grow for many years – driving the cost of land out of reach for farmers and allowing valuable farmland to be damaged.
- We are fixing that. In November 2018 we passed a bill that:
 - Addressed 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 all ALR land in B.C.
 - ...to make it clear that the whole ALR benefits from the same strong protections.
- In May 2019 we passed a bill that:
 - Focused on giving the Agricultural Land Commission (ALC) the tools it needs to support farmers and ranchers in every part of B.C.; and
 - Strengthened the independence of the ALC so it can better fulfill its mandate of preserving the ALR while encouraging farming and ranching within British Columbia so that people in B.C. can count on fresh, local food on their tables for years to come.

BACKGROUND:

- In January 2018, Lana Popham, B.C. Minister of Agriculture, Food and Fisheries, announced the appointment of an independent advisory committee to provide strategic advice and policy guidance on how the B.C. government could revitalize the Agricultural Land Reserve (ALR) and the Agricultural Land Commission (ALC) into the future.
- February 5 - April 30, 2018 – The committee heard from British Columbians at stakeholder meetings in nine communities, and through written submissions and online consultation. 2,300 British Columbians responded with their ideas on how the Province can support the ALC to preserve farmland and encourage farming.
- July 31, 2018 – Two reports from the B.C. Minister of Agriculture's Advisory Committee for Revitalizing the ALR and the ALC were released.
 - "What the Committee Heard" Report; and
 - Interim Committee Report to the Minister of Agriculture
- The interim report contained immediate recommendations for legislative change.
- November 27, 2018 – Bill 52, the *Agricultural Land Commission Amendment Act, 2018*, received Royal Assent. 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 – Order in Council 67/2019 was approved by B.C.'s Lieutenant Governor in Council, bringing into force changes to the *Agricultural Land Commission Act (ALCA)* under Bill 52 – 2018, *Agricultural Land Commission Amendment Act, 2018*. Amendments were also made to the Agricultural Land Reserve Use, Subdivision and Procedure Regulation renaming it the Agricultural Land Reserve General Regulation B.C. Reg 171/2002 that sets out application procedures. A new Agricultural Land Reserve Use Regulation B.C.

Reg 30/2019 was adopted that included new provisions about residential, soil, and fill uses of ALR land.

- April 30, 2019 – The *Final Committee Report to the Minister of Agriculture: Recommendations for Revitalization* was released, detailing 32 recommendations to support agriculture in the province.
- May 30, 2019 – Bill 15, the *Agricultural Land Commission Amendment Act*, 2019 received Royal Assent and has since come into force by regulation.
 - The legislation strengthens ALC governance and independence, and further protects land within the ALR by:
 - 1) 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;
 - 2) 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 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;
 - 4) Adding more compliance and enforcement capacity and tools, including a new offence for landowners who do not produce records to the ALC when ordered; and
 - 5) 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.
- July 4, 2019 (Order in Council 385/2019) – The grandfathering period for manufactured homes for immediate family members in the ALR was extended to February 22, 2020.
- September 19 - November 15, 2019 – The Ministry of Agriculture held a public engagement period asking for the opinions and ideas about how to better support farmers, encourage farming and keep farmland available for farming.
- The Ministry heard from British Columbians at in-person engagements in eight communities, and through both personal and formal submissions, and online survey submissions. A total of 613 British Columbians registered to participate in the eight in-person sessions located throughout the province. In addition, the Ministry received: 1,580 online survey submissions; 87 personal submissions; and 19 formal submissions from associations, institutes and local governments.
- January 27, 2020 – The *Policy Intentions Paper: Residential Flexibility in the ALR* and the Supporting B.C. Farmers *“What We Heard” Report* were released for public comment.
- January 28, 2020 – (Order in Council 028/2020) The grandfathering period for manufactured home additional residences for immediate family was further extended from February 22, 2020 to December 31, 2020.
- April 17, 2020 – The window for the public to comment on the Ministry’s *Policy Intentions Paper: Residential Flexibility in the ALR* closed.
- June 26, 2020 – (Order in Council 353/2020) Part of Bill 15 was brought into force, enabling the ALC’s CEO to register remediation order notes on title. Also, as a result of the public engagement, regulatory changes were made to:
 - Reduce the fee for non-adhering residential use applications to \$900;

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- 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
 - Permit the use of recycled concrete and asphalt for certain fill uses.
- September 4, 2020 – (Order in Council 498/2020) The grandfathering period for manufactured home additional residences for immediate family was further extended from December 31, 2020 to July 31, 2021.
 - Please see the Residential Flexibility Estimates Note for further information about current residential flexibility work.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Unknown

| Approved by: | Prepared by: | Alternate Contact: |
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Residential Flexibility

RECOMMENDED RESPONSE:

- I am working hard every day to help farmers farm and to protect farmland for future generations.
- When it comes to residential flexibility in the Agricultural Land Reserve (ALR), we have worked closely with local governments and listened carefully to the opinions of farmers and ALR landowners across the province.
- That helped us develop a new policy direction that I made public on January 27, 2020.
- The proposed change would enable landowners to have both a principal residence and a small secondary residence on their property, provided they have approval from their local government.
- We recognize that rules by the previous government do not reflect the needs of British Columbians. We are making changes to fix that.
- In many situations, the previous government enforced a rule that the secondary residence could only be a manufactured home, and only for an immediate family member.
- What we are proposing would provide even more flexibility than under the old government to help farming families thrive, and it would benefit non-farmers living in the ALR as well.
- It helps farmers by streamlining approval to a small secondary residence for farm labour - they only need to get approval from local government.
- Other or larger additional residences are still allowed, with permission from the provincial Agricultural Land Commission (ALC).
- Options in the policy direction for residential flexibility include:
 - garden suites, guest houses or carriage suites;
 - accommodation above an existing building;
 - manufactured homes; and
 - permitting a principal residence to be constructed in addition to a manufactured home that was formerly a principal residence.
- The changes maintain very strong protections for the ALR:
 - They have the support of the Chair of the Agricultural Land Commission;
 - New residential options do not include reconsideration of the maximum size of a principal residence; and
 - The ALC will remain the decision maker for additional residences for farm use in the ALR.
- As a result of recent government consultations with ALR property owners – farmers and non-farmers – about additional residences, we found that we needed more options to better reflect how society has evolved and better align with how we live our lives today, which are reflected in our new options.
- Last year work on the residential flexibility project was impacted by the COVID-19 pandemic when the Ministry paused work on the project to support the agriculture sector with COVID - 19 issues. Work on the project has restarted and is actively underway.
- As soon as they are available, updates on the status of the residential flexibility project will be posted on the Ministry's website.
- Due to the policy work that is being undertaken on residential options, the grandfathering period for manufactured homes for immediate family has been extended to July 31, 2021.
- The ALR is B.C.'s best food producing land and is just five percent of our province's land base – it's so important to a successful provincial food system.

- We want British Columbians to be able to enjoy locally grown or processed food now, and for generations to come.
- The discussion paper:
 - Released January 2020, reflects my commitment to engage and be transparent;
 - Resulted from collaborative work with the Union of B.C. Municipalities, the ALC and the B.C. Agriculture Council; and
 - Responded to feedback the Ministry heard during recent public consultations.

BACKGROUND:

- ALR land may have a principal residence if the total floor area is less than 500m² (5,400ft²), and the local government (LG) may also restrict the principal residence to a smaller size by bylaw.
- A suite is permitted within a principal residence's total floor area if a LG permits it by bylaw.
- A principal residence larger than 500m² (5,400ft²) or an additional residence now requires application to the ALC, and the local government will need to review and forward the application to the ALC before it can be considered.
- The ALC may not approve an additional residence unless it is necessary for farm use.
- The maximum house size measurement was taken from the Minister of Agriculture's Bylaw Standards that was developed through extensive consultation involving local governments.
- Through the *Supporting BC Farmers* consultation that occurred between September and November 2019, we heard that more options for additional residences are needed in the ALR.
- In order to support farmers and non-farmers living in the ALR, government is considering regulatory changes to enable landowners to have both a principal residence and a small secondary residence on their property, provided they have approval from their local government. ALR property owners would not be required to apply to the ALC for approval.
- The Ministry published a policy intentions paper, *Residential Flexibility in the Agricultural Land Reserve (ALR)* on January 27, 2020 that outlined options to increase residential flexibility by allowing ALR landowners to have both a principal residence and a small additional residence on their property.
- The policy intentions paper provided members of the public with the opportunity to provide feedback on the additional residence options under consideration until April 17, 2020. An invitation to provide feedback on the paper was also given to local governments, and their invitation was extended to May 17, 2020 due to COVID-19.
- The feedback received from the policy intentions paper has been summarized in a *What we Heard* document that formed part of an *information bulletin* released on September 4, 2020.
- The Ministry has analyzed all of the feedback received from the consultation process and is working through a Technical Review Committee (TRC) to use the information gathered to refine the options put forward in the policy intentions paper and to inform the policy and recommendations that were put forward for decision making. The TRC included the Ministry, the Agricultural Land Commission, the Ministry of Municipal Affairs, and the Union of B.C. Municipalities.
- Currently, manufactured homes for immediate family are permitted on properties in the ALR but may be prohibited by local governments. At this point, if permitted by a local government, a manufactured home may be placed as an additional residence on properties in the ALR. The timeline for the placement has been extended to July 31, 2021. ALR landowners have until then to obtain the required permits and authorizations to place a manufactured home for immediate family on their property without having to obtain the approval of the Agricultural Land Commission.

CROSS JURISDICTIONAL COMPARISON:

- Not applicable

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not applicable

| Approved by: | Prepared by: | Alternate Contact: |
|--------------------------|---|---|
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AGRICULTURAL LAND USE INVENTORIES

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.
- This data describes how B.C.'s designated farmland within the Agricultural Land Reserve (ALR) is being used.
- Without ALUI, the question of how ALR land is being used would be largely unknown.
- ALUIs are a key tool for developing agriculturally supportive provincial and local government bylaws and policies, which contribute to the economic success of the sector.
- ALUIs generate a wealth of information for the sector, local governments and the Province.
The data:
 - Measures farmland utilization and non-agricultural uses on the ALR;
 - Measures changes in land use patterns and practices over time;
 - Contributes to our understanding of climate change impacts, associated risks and adaptation opportunities;
 - Informs emergency response for environmental disasters and animal health events, such as wildfire or Avian Influenza. ALUI data can be overlaid with flood or fire hazard areas to give localized estimations of impact;
 - Informs a wide array of research on topics such as wildlife habitat, species at risk, water quality, and any other area-based work on agricultural lands; and
 - Drives several climate related predictive models, including the Agricultural Water Demand Model and Agricultural Air Emissions Model.
- Baseline inventories are complete or underway for 92 percent of B.C.'s ALR.
- The Ministry of Agriculture, Food and Fisheries (AFF) has publicly stated its goal to complete baseline inventories for the ALR by 2022, however this work has been delayed due to Covid-19 travel restrictions.
- Comprehensive online mapping applications are under development to improve sharing of ALUI information, both within and outside government.

BACKGROUND:

- AFF has been conducting ALUIs since 2007; ALUI projects inventory different areas of the province each year.
- Each ALUI project utilizes a unique mix of partnerships and resources, including local governments, nonprofit organizations, and community interest groups.
- Completed inventories are periodically updated to provide a current snapshot and to measure change over time.
- Data collection leverages remote sensing technologies, aerial photography, and windshield observations from public roadways.
- ALUI staff continually collaborate with diverse stakeholders, such as GeoBC, National Research Council, and Agriculture and AgriFood Canada to improve ALUI methods.
- ALUIs have informed numerous initiatives. Some examples from 2020/21 include:
 - Policy development for residential use in the ALR;
 - Domestic migrant workers' accommodations during Covid-19;
 - Water storage study in the Koksilah watershed;
 - Agricultural GHG emission profiles for key agricultural categories (UBC);
 - Plant health response to Spotted Lanternfly in vines (CFIA);
 - Metro Vancouver carbon modeling for carbon neutral future;
 - Review of transportation infrastructure for the agriculture sector (TRAN); and
 - Lower Mainland Flood Risk Assessment (Fraser Basin Council).

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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:

- AFF has approximately 3.5 FTEs contributing to ALUIs.
- Under ALR Revitalization, approximately \$270,000 was allocated for ALUIs in 2020/21.

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AGRI-TECH

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.
- B.C. is fortunate to have several competitive advantages for agri-tech development and adoption, including our diverse agricultural landscape, proximity to overseas markets, world class research institutions, and food safety reputation. Our province is home to over 150 agri-tech companies that are developing and producing world-class solutions for the agriculture and seafood sectors.
- We know that technology brings opportunities for efficiency and resiliency and so our government is doubling down, providing funding and delivering programs, such as the Agriculture Venture Acceleration Program and the Canada-BC Agri-Innovation Program, to help support the growth of agri-technology in B.C.
- The Ministry is working on a new regenerative agriculture and agri-tech network (RAAN) with a goal of supporting innovation in B.C.'s growing agri-tech sector and the adoption of new technology to improve production and efficiency. This will help make farming more sustainable and use agriculture as a tool to help mitigate the impacts of climate change.
- The commitment to develop the RAAN is one of two initiatives in the Ministry of Agriculture, Food and Fisheries mandate letter focused on leveraging agri-tech to enhance food security and will be delivered in partnership the Ministry of Jobs, Economic Recovery and Innovation (JERI).
- Through supporting agriculture, food processing, and agri-tech 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 both B.C. and the world. This will be crucial not only to ensuring food security, but also for lasting prosperity and jobs for British Columbians, especially as we work towards an economic recovery following COVID-19.

If asked about Food Security Task Force:

- The Food Security Task Force report included four recommendations.
- The Ministry has a dedicated team, working with JERI, coordinating government's response to the report.
- Recommendations one through three are within existing policy mandates. Where the report calls for making changes to provincial or other government land use policies, the ministries are completing further analysis. The team is engaging with stakeholders and the Agricultural Land Commission (ALC) to understand the challenges with expanding agri-tech businesses in B.C. and exploring solutions.

If asked about *StrongerBC* commitment for agri-tech and innovation:

- As part of *StrongerBC*, B.C.'s Economic Recovery Plan, our government is investing over \$5 million to expand the B.C. Food Hub Network through 7 new regional food innovation and processing hubs ('food hubs'), and \$3 million in grants for high-potential agri-tech companies, to help increase food production.
- The grant program (through JERI) is focused on leveraging the strength of B.C.'s tech sector and research institutions and combining it with our world-leading agri-food producers, and will help agri-tech companies to scale-up and anchor in B.C. and meet local and global demand, all while creating quality jobs in all regions of the province.

BACKGROUND:

"Agri-tech" refers to the use of technology and technological innovation to improve efficiency and output of agricultural production. Agri-tech supports quality economic growth and distributed job growth for British Columbians and creates opportunities to address climate change. Examples of agri-tech include indoor growing, vertical growing, sensor technology, robotics, agricultural genomics and waste reduction technology.

In 2019, B.C.'s agri-tech sector was estimated to contribute \$718 million in total output and 2,805 jobs. By 2025, the sector is projected to contribute \$1.16 billion in total output and 4,392 jobs.

There are several key initiatives underway to support growth of agri-tech and innovation in B.C.'s farm, fish, and food sector including:

- *Canada-BC Agri-Innovation Program*: The program, funded through the Canadian Agricultural Partnership (CAP) Innovation program, provides cost-shared funding to farmers, farm organizations, processors, indigenous peoples, academia, agri-tech 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 2020/21, approximately \$2.8M in funding was committed to 48 projects.
- *Agriculture Venture Acceleration Program*: provides mentorship, coaching and market validation training for early-stage agri-tech entrepreneurs; in fiscal year 2020/21, \$200K was provided to support approximately 25 companies.
- *B.C. Food Hub Network*: a network of regional food and beverage innovation and processing hubs ("food hubs") being established across B.C.; to date, 12 regional food hubs, 12 food hub feasibility studies and business plans, and an Endowed Food and Beverage Innovation Professorship at UBC have been funded through the program.
- *Agri-tech Innovation Challenge*: provides funding to support agriculture and agri-tech SMEs/researchers in developing innovative solutions that demonstrate broad application to the sector; during the most recent challenge (2019/20), \$150K was provided to three companies.
- The *StrongerBC* plan, announced in September 2020, committed over \$5 million to expand the B.C. Food Hub Network (under the Ministry) and \$3 million in grants for agri-tech companies in B.C. (under the Ministry of Jobs, Economic Recovery and Innovation [JERI]), with funds to be expended before March 31, 2021.

The Minister's November 2020 mandate letter states:

- With support from the Minister of JERI, lead work to develop a new Regenerative Agriculture Network, which will create jobs for workers, opportunities for farmers and greater food security

by bringing together natural systems of production with agri-technologies that enhance production.

- Drawing on the recommendations of the Food Security Task Force, take steps to make B.C. a leader in food security and the emerging agri-tech sector, helping B.C. companies that are bringing innovation to agriculture grow, hire more workers and position our province as an agri-tech leader, while protecting farmland in the ALR.

The Ministry is working with partner agencies to scope out the development of a Regenerative Agriculture and Agri-tech Network (RAAN). The network will bring together the agriculture sector, post-secondary academic institutions, food security experts, and private sector science and innovation to improve food security in B.C. through work on regenerative agriculture, focused on increasing productivity of the agriculture sector and agricultural land through technology (e.g., soil health and carbon sequestration). The RAAN will be developed in phases to systematically test and evaluate the benefits of regenerative agriculture and agri-tech to the economy, the agriculture sector, and the environment.

The Food Security Task Force (task force), in collaboration with stakeholders, delivered a report to government in January 2020 providing recommendations for how technology and innovation can be developed, grown and broadly adopted to strengthen B.C.'s agriculture sector and food security across the province. The task force made four recommendations:

1. applying the United Nation' Sustainable Development Goals to agricultural policies;
2. establishing an incubation/acceleration strategy for B.C.'s agri-tech sector;
3. creating an agriculture and agri-tech institute in B.C. in partnership with post-secondary institutions; and
4. reviewing land use planning policies and regulations to ensure B.C.'s agri-tech sector has a place to grow.

AFF has a dedicated team, the Regenerative Agriculture and Agri-tech Team (RAAT), coordinating government's response to the task force report. It was determined that recommendations one through three are within existing policy mandates. Progress on the recommendations includes:

- Recommendations 1-3: The Ministry is increasingly incorporating food system resilience objectives into the Ministry's work, leveraging existing work (such as AVAP, CAP Innovation funding and the B.C. Food Hub Network), and assessing gaps and opportunities related to the role of public sector institutions in advancing B.C.'s agri-tech cluster.
- Recommendation 4: RAAT is working collaboratively with JERI and engaging with stakeholders and the ALC to understand the challenges with expanding agri-tech businesses in B.C.

CROSS JURISDICTIONAL COMPARISON:

- B.C. has significant competitive advantages above other jurisdictions – such as a diverse agricultural landscape (over 300 commodities), proximity to overseas markets, world class research institutions and food safety reputation – that position the Province to become a global agri-tech leader.
- 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In 2020/21, B.C.'s Innovation Program totaled \$3.7M (includes CBCAIP and Provincially Significant Projects Program [cost-shared federal-provincial innovation projects that are intended

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to have a broad sector benefit]) and AVAP expended \$200K. Similar expenditures are anticipated for 2021/22.

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C o n f i d e n t i a l A d v i c e t o M i n i s t e r

AFRICAN SWINE FEVER

RECOMMENDED RESPONSE:

- African Swine Fever does not affect people but can be a devastating disease for pigs and hogs.
- To date there have been no cases of the disease found in B.C. or North America.
- The Ministry of Agriculture, Food and Fisheries (AFF) is working with the federal government and B.C.'s pork producers to proactively reduce the risk of African Swine Fever from entering both commercial and small lot farms.
- The B.C. government has invested in and worked with industry to have biosecurity infrastructure on farms and at abattoirs, so they are prepared for contagious diseases.
- B.C.'s commercial hog producers and support industries have equipment on site to prevent the virus spreading, with training in place for their workforce.
- The Canadian Pork industry has invested heavily in traceability and actively promotes Premises ID to better protect the health and safety of their animals.
- B.C. pork producers take great care in providing for their animals, and I expect they will take the precautions to protect their animals here.
- Wild or feral pigs can also transmit the disease and people are encouraged to report sightings to B.C.'s Report Invasive Species phone app, or www.gov.bc.ca/invasive-species

BACKGROUND:

- African Swine Fever is one of the most important viral pig diseases. It causes a severe hemorrhagic disease with up to 100% mortality in many cases. All age classes of pigs are affected.
- African Swine Fever (ASF) is not a danger to human health; however, it poses a major threat to pig health, welfare and, pig production systems.
- Due to the massive number of pigs constantly moving between the 4 western provinces at any one time, the 4 western provinces have agreed to respond as one to the diagnosis of ASF in any one province. Much work under a steering committee and 4 working groups is being done to be prepared for such an event.
- Because 70% of pigs and pork are exported from Canada and a diagnosis of ASF would result in border closures preventing export, a massive cull of healthy animals would have to be undertaken. This is being referred to as a welfare cull. If these healthy animals were not destroyed, they would face severe welfare/cruelty issues with crowding and starvation.
- There is no vaccine and there are no treatments.
- Prevention is completely reliant on biosecurity.
- Many countries including Canada are working on developing vaccines.

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- The incubation period is 5 days to 2 weeks which could allow the disease to spread to many locations before being detected. Due to the variable signs at presentation (acute, subacute and chronic forms), the time from first infection until detection and confirmation has been estimated to be as long as 26 days in simulation exercises.
- Protection steps in place in Canada:
 - Legal imports are very well controlled. Import controls were already in place due to the presence of other foreign animal diseases in China
 - Canada does not import live pigs or pork products/by-products from China
 - The EU zoning map is being used to avoid importing from contaminated or high-risk zones
 - The Canadian Food Inspection Agency has reviewed, and it is confident in the EU's zoning system for ASF
 - International waste controls are in place to prevent feeding of garbage from foreign countries to livestock
 - Enhanced screening of luggage from ASF positive countries is being carried out by Canadian Border Patrol agents with increased numbers of specially trained sniffer dogs. Multiple countries have reported finding infected pork products in luggage of travelers returning from positive countries
- Preparedness steps in place in Canada
 - USA and Canada CVO's tasked staff at the North American Animal Health Committee meeting in August 2018 to work together to harmonize prevention, diagnostic and response measures
 - A molecular test (RT-PCR) from the National CFIA lab has been deployed to provincial labs including the Animal Health Centre lab in Abbotsford
- The epidemiology of ASF is complex and varies depending on the environment, types of pig production systems, the presence/absence of competent tick vectors, human behavior, and the presence/absence of wild/feral pigs
- Routes of transmission can include:
 - direct contact with infected domestic or wild/feral pigs
 - indirect contact, through ingestion of contaminated material (e.g. food waste, feed, or garbage). It is unaffected by freezing, curing and drying
 - contaminated fomites, or biological vectors (soft ticks of the genus *Ornithodoros*) where present

CROSS JURISDICTIONAL COMPARISON:

- Canada is working in close partnership with the United States and Mexico to keep this disease out of North America
- BC is working closely with the other western provinces in our preparation and prevention plans
- Countries affected with ASF, all of Asia and most of Europe is spread with ASF since 2018
 - Asia - China, Vietnam, Cambodia, Mongolia, North Korea, South Korea, Laos, Myanmar, Timore-Leste, Philippines
 - Europe - Georgia, Armenia, Russia, Azerbaijan, Ukraine, Greece, Belarus, Lithuania, Poland, Latvia, Estonia, Romania, Czech Republic, Belgium, Hungary, Slovakia, Serbia, Italy, Bulgaria
- Wild Boar in infected countries has proven to be a significant obstacle to eradication and controlling spread. BC does not have a significant wild boar population

ESTIMATE NOTE- FISCAL 2021/22 and Fisheries

Ministry of Agriculture, Food

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The Animal Health Centre has brought in the CFIA accredited test for ASF and has had several laboratory scientists trained to support delivering this test in BC.
- The Chief Veterinarian for BC has attended many National meetings addressing the prevention and preparation planning for this disease, as well as participating on several western regional or national level working groups on these topics.
- The Animal Health Centre has taken the precaution of testing every pig with symptoms potentially compatible with ASF at no charge to ensure that an early and/or unusual presentation of the disease is not missed. Additionally, the CFIA test was modified to lower the amount of single use plastics it required making it much more environmentally friendly. This was done while maintaining and perhaps enhancing the test's specificity and sensitivity.

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ANTHRAX

RECOMMENDED RESPONSE:

- A case of anthrax was detected in farmed bison from the Fort St John area in October 2018. This was the first confirmed diagnosis of anthrax in B.C. There have been no cases since that time.
- Anthrax is a very old disease caused by *Bacillus anthracis* bacteria that primarily affects animals that graze plants. Anthrax is acquired from ingesting spores in soil. It is not contagious. Spores can be found anywhere in the world. However, certain alkali types preserve the spores better than others, and certain environmental conditions cause higher levels of spores to be on the surface of the soil. In this case the soil type and the environmental conditions were present.
- A diagnosis of anthrax results in no international trade barriers, and no orders for animals to be destroyed. The disease can be controlled through carcass disposal and vaccination and the risk to human health is small and easily controlled.
- Anthrax will continue to be rare in B.C. and the Animal Health Centre has the capacity to screen animals suspected of having the disease.

BACKGROUND:

- Anthrax occurs worldwide, but is relatively uncommon in North America compared to other continents.
- A case of anthrax occurred in farmed bison from Fort St. John in October 2018. Tissues were submitted to the Animal Health Centre on Friday October 19, 2018. After the AHC screening test yielded a positive result, samples were sent to the BC Centre for Disease Control for confirmation. The diagnosis of anthrax was confirmed the following day.
- This case involved the death of 26 animals out of a herd of 160. Bison were on pasture, but due to high stocking density, pastures were eaten down to the soil. Overgrazing, in combination with heavy rains, likely brought dormant spores to the surface and increased exposure to anthrax-containing soil among the bison.
- Anthrax is mainly a disease of herbivores with bison being the most susceptible, followed by cattle, deer, sheep, horses, goats, and pigs in that order. Carnivores and birds are generally unaffected. Humans rarely contract anthrax from natural sources, and transmission is usually the result of handling infected animal products. Weaponized anthrax is very different from natural anthrax spores found in soil. In order for anthrax to work as a weapon, it needs to be in the air. Natural anthrax does not disperse in the air and needs to be modified for use as a weapon.
- A meeting was hosted in Fort St John, in conjunction with the Northern Health Authority, on October 29, 2018 to share information with local producers and veterinarians on anthrax and its prevention. A follow-up meeting occurred April 27, 2019 to ensure a common understanding of protocols for addressing dead suspect anthrax animals, including sample collection and testing. Additionally, a presentation on anthrax was made at the BC Bison Producers annual meeting on October 26, 2019 in Merritt.

CROSS JURISDICTIONAL COMPARISON:

- In Canada, anthrax cases most commonly occur from Alberta to Western Ontario, as well as in the Northwest Territories.
- Wild bison are the type of animal most commonly affected.
- Although there may be areas of the province where anthrax spores are present in the soil, the disease is likely to remain rare in B.C.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The Animal Health Centre has the capacity to screen anthrax on a case-by-case basis.
- The Bacteriology laboratory at the Animal Health Centre performs initial screening for *Bacillus anthracis* (anthrax) only. Intentional culture of the bacteria is not undertaken at the facility.
- Animals are identified as needing anthrax screening either by the submitting veterinarian or the AHC pathologist based on gross examination and clinical history.
- The Bacteriology laboratory performs an initial screening test called a Navy Test Kit which provides a test result within 15-20 minutes. When an animal tests negative for this test the AHC veterinary pathologist is notified and further diagnostic investigation is undertaken as appropriate. The negative test kit and supplementary sample is sent to the Saskatchewan Disease Laboratory (SDL) for confirmation. When an animal tests positive on the screening test a sample is sent to the BC Centre for Disease Control for immediate confirmation.
- Please note that Navy Test kits are issued by the Saskatchewan Disease Laboratory and as such under the permitting requirements for distribution of the test kits, all used kits (positive or negative must be sent to the SDL for final confirmation under the permit requirements.

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BLACKHEAD DISEASE (HISTOMONIASIS)

RECOMMENDED RESPONSE:

- In recent years, B.C. has experienced unprecedented multi-farm outbreaks that have had serious economic consequences for growers, processors and hatcheries.
- Estimated farm gate losses are approximately \$800,000 for 2020, with significant disruption to the supply chain and the province's food security.
- The impact has caused widespread anxiety and concern for local producers due to the lack of readily available treatment or an effective intervention strategy.
- With support from the Ministry, a multidisciplinary collaborative study is currently underway to gain a better understanding of the epidemiology of the current blackhead outbreak, to identify on farm disease reservoirs and risk factors, and to assess an effective treatment and disease prevention strategy to prevent further outbreaks.
- The Animal Health Centre has plans to validate the *Histomonas* specific PCR test for environmental testing of possible disease vectors.
- Blackhead does not pose a risk to human health but is a serious and fatal protozoal disease of turkeys, chickens, peafowl and gamebirds.

BACKGROUND:

- Blackhead is caused by *Histomonas melagridis*, a single-celled protozoan parasite carried by the common poultry cecal worm *Heterakis gallinarum*.
- *Histomonas* protozoa is fragile and does not live outside of the bird host for long, but can readily survive in the environment when enveloped in the cecal worm or its eggs.
- Turkeys can become infected by the ingestion of infected cecal worms or worm eggs, or infected earthworms from contaminated pens or soil.
- Clinical signs of affected turkeys present around 7 to 12 days after exposure. The affected birds appear lethargic, and have droopy wings and sulphur coloured droppings.
- Blackhead can cause up to 100% mortality of a flock in turkeys. In chickens, the mortality rate can be from 10 to 20% with high morbidity.
- Prevention of blackhead is extremely important as there are currently no approved preventative or treatment medications.
- An unapproved anti-protozoal medication "Paromomycin" is available to licensed veterinarians under an Emergency Drug Release and with limited distribution.
- It is recommended that all cases of blackhead are to be reported to the BC Turkey Marketing Board and the Animal Health Centre.
- Investigation of the blackhead outbreak will include a case-control study with surveys to understand on farm risk factors and disease reservoirs.

CROSS JURISDICTIONAL COMPARISON:

- As of 2019, there are 523 regulated turkey producers in Canada that produced turkey products worth \$382.6 million
- Turkey production in B.C. is regulated at the federal and provincial levels under supply management.
- As of 2018, there are 67 registered turkey farmers in B.C., with 70% of producers in the Lower Mainland, 15% on Vancouver Island and 15% located in the Interior
- There are 11 processors and two hatcheries licensed in B.C.
- From 2016 to December 2020, there have been 53 B.C. premises confirmed with blackhead.

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- A cross-sectional survey among 83 turkey farmers in Canada that was conducted from 2018 to 2019 in Canada indicated one-third of flocks had diseases observed, with 1.4% having blackhead diagnosed.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Ministry will support the blackhead comprehensive project through CAP funding.
- Total budget for the project is estimated to be \$50,000 with support from the Ministry (\$25,000), BC Turkey Marketing Board (\$12,500), and the Sustainable Poultry Farming Group (\$12,500).

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MINK AND COVID-19

RECOMMENDED RESPONSE:

- COVID-19 (SARS-CoV-2) was detected in two British Columbia mink farms in December 2020.
- The Animal Health Centre has a test for SARS-CoV-2 in place.
- The Ministry is providing ongoing support to the B.C. mink producers in responding to this unprecedented global crisis. The two infected premises are being assisted with ongoing surveillance and development of cleaning and disinfecting protocols to enable their release from quarantine.
- As of February 24 2021, the Chief Veterinarian for BC officially declared the infected mink herd disease free. Both infected premises however remain under quarantine until cleaning and disinfection and waste disposal has been completed.
- Samples from all other mink farms are tested at the Animal Health Centre on an ongoing basis to meet the requirements of the B.C. Centre for Disease Control (BCCDC) and Public Health.
- A One-Health approach is being used to assist the mink farmers through these unprecedented times. The Ministry is working closely with the Ministry of Health (Fraser Health Authority and the BCCDC), Ministry of Forests Lands Natural Resource Operations and Rural Development, Ministry of Environment, Canadian Food Inspection Agency, WorkSafe BC and AgSafe.

BACKGROUND:

- COVID-19 is a new coronavirus variant called SARS-CoV-2, which came to the World Health Organization's attention in December, 2019 and has since caused a global pandemic.
- In June 2020, SARS-CoV-2 was detected in a mink herd in Denmark.
- Shortly thereafter, officials from multiple provincial ministries began working together to prepare for the possibility of a COVID-19 outbreak at one of BC's licensed mink farms.
- Unfortunately, even with enhanced biosecurity, two of the province's 12 licensed mink farms became infected with SARS-CoV-2 in December 2020 after mink farm workers tested positive for SARS-CoV-2.
- Mink workers infected with SARS-CoV-2 are the primary source of risk to mink.
- Skins from the two infected farms are still under quarantine and cannot be moved or sold at this time.
- The vast majority of B.C. mink farmers regularly participate in AgriStability. AgriStability staff have reached out to offer support. If the skins under quarantine prove to be unmarketable, AgriStability will respond to offset financial loss.

CROSS JURISDICTIONAL COMPARISON:

- BC has a small fur farm industry with 12 licensed producers.
- BC is the third largest farmed mink producing province behind Nova Scotia (49 farms) and Ontario (30 farms).
- BC fur producers export their pelts and skins to the United States and Europe for further processing. In 2017 Canadian fur exports topped \$400 million.
- Worldwide, approximately 300 mink farms have become infected with SARs-CoV-2, with the majority in Denmark and the Netherlands (269 farms).
- There have been 4 farms infected with SAR-CoV-2 in the United States.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Since December 2020 the Animal Health Centre has performed 876 tests for SARS-CoV-2 in mink.
- The Plant and Animal Health Branch is assisting producers with drafting enhanced on farm biosecurity protocols and cleaning and disinfection protocols, as well as drafting surveillance protocols.
- Plant and Animal Health Branch staff continue to assist one of the two infected premises with sample collection as part of ongoing surveillance.
- The Animal Health Centre will continue to perform tests for SARS-CoV-2 in mink as part of the Public Health Order.

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Mycoplasma ovipneumoniae

RECOMMENDED RESPONSE:

- *Mycoplasma ovipneumoniae* (M.ovi) is a bacterium that infects the 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 occasionally cause disease in domestic sheep and goats, but the primary concern is transmission to wild sheep.
- It does not cause disease in people and is not a food-safety threat.
- The Animal Health Centre developed a PCR test for M.ovi in 2016 and is currently the only lab in Canada able to test specifically for this pathogen.
- A ministerial strategic advisory group was established in 2018 and is still actively working to provide strategic advice to the Minister on how to improve and transform existing and future policies, programs and services to better support the reduction of M.ovi transmission.
- The current focus is on education and outreach to support voluntary measures by sheep and goat producers that decrease the risk of transmission to wild sheep. Policy options are under consideration. (See Domestic/ Wild Sheep Disease Risks Estimates note).

BACKGROUND:

- M.ovi infection, likely transmitted from domestic sheep or goats, has been implicated in several die-offs and population declines in B.C. Bighorn sheep herds over the past several decades. Thinhorn sheep populations in northern B.C. are likely naïve to this pathogen, but could face major population declines in an already fragile population if it was introduced.
- In areas of B.C. where bighorn sheep live, approximately 30% of sheep flocks (10/30 tested) are infected with M.ovi, usually with no associated clinical signs. The prevalence in domestic goats is currently unknown.
- The domestic sheep industry in B.C. is composed of approximately 1,693 farms reporting 59,349 sheep and lambs in BC with an estimated farm gate value of approximately \$9.8 million (Statistics Canada, 2016). There are approximately 20,000 domestic sheep in regions of B.C. with wild sheep.
- The domestic goat industry in B.C. is composed of 975 farms reporting 14,508 goats (Statistics Canada, 2016) with approximately 5,000 domestic goats in areas with potential contact with wild sheep.
- There is currently no known method to eradicate M.ovi from an infected domestic sheep flock/goat herd. No antibiotics have been proven to clear this pathogen. Research is ongoing both in B.C. and other jurisdictions.
- 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 and die-offs in wild sheep.

CROSS JURISDICTIONAL COMPARISON:

- B.C. domestic sheep flocks have a lower prevalence of M.ovi than reported in mainland USA.
- Yukon introduced a control order, officially enacted 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 domestic sheep and goats in areas of high risk of contact with wild sheep and goats. Out of the 343 domestic sheep and goats in Yukon at the time of implementation 124 (36%) were positive for M.ovi. All positive animals and some negative animals on high-prevalence farms were culled. Implementation of this order was very costly and involved government funding for testing, compensation for culled animals, and subsidization of fencing costs.
- All jurisdictions in North America with wild sheep are struggling to find a solution to this very complex issue.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Testing costs are paid for by the submitter.
- There are several ongoing actions in MAFF to try to find ways to minimize transmission between wild and domestic sheep and goats. This is referred to in the Domestic/Wild Sheep Disease Risks Estimates note.

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Newcastle Disease

RECOMMENDED RESPONSE:

- Two outbreaks of Newcastle disease occurred in B.C. in 2020 and 2021. The first occurred in a flock of pet pigeons from Abbotsford in July 2020 and the second occurred in a flock of wild pigeons from North Vancouver in January 2021.
- Both outbreaks were associated with pigeon strains of the Newcastle disease virus, which is likely circulating naturally in wild pigeons in B.C.
- There has never been an outbreak of Newcastle disease in domestic poultry in Canada. Housing and biosecurity practices used by regulated poultry producers provides assurance that the risk of Newcastle disease in Canada's poultry industry is low.
- The Animal Health Centre (AHC) is well equipped to detect Newcastle disease in any avian species submitted to the laboratory. Currently, the AHC is conducting enhanced passive surveillance for Newcastle Disease in pigeons. This means that all pigeons, wild or domestic, that are submitted to the AHC are tested for Newcastle Disease. This surveillance has not detected any additional cases thus far.

BACKGROUND:

- Newcastle disease is a viral disease that can affect a wide variety of wild and domestic bird species. Different bird species differ in their susceptibility to Newcastle disease, with chickens being very susceptible and pigeons being relatively more resistant. Newcastle disease has the potential to affect exposed humans, usually causing conjunctivitis (eye infection).
- There are several strains of Newcastle disease virus. Strains can vary according to virulence (severity or harmfulness) as well as by the species of origin. Certain strains are known to be adapted to and carried by pigeons, both wild and domestic.
- Newcastle disease is of great concern to the poultry industry because it is extremely contagious, can cause high mortality, and has significant implications for production and trade.
- Virulent Newcastle disease in poultry is federally reportable under the *Health of Animals Act*. Surveillance and response after an initial detection are led by the Canadian Food Inspection Agency (CFIA) in accordance with the Foreign Animal Disease Emergency Support Plan.
- All forms of Newcastle disease are provincially reportable under the *Animal Health Act*. For other strains of Newcastle disease and virulent Newcastle in pet birds and wildlife there is no formal response plan. Instead, the response is determined on a case-by-case basis.
- On July 22, 2020 two pet pigeons were submitted to the Animal Health Centre by the owner of a small flock of non-commercial pigeons located in Abbotsford. Birds were submitted for the diagnostic investigation of a sudden increase in mortality. A diagnosis of Newcastle disease was made, and samples were sent to the CFIA's National Centre for Foreign Animal Diseases (NCFAD) for confirmation. Sequencing revealed the virus to be most closely related to a pigeon strain of Newcastle disease. The premises was put under quarantine by the CFIA and a disease notification was issued by the Plant and Animal Health Branch on July 30, 2020 in order to alert the local poultry industry. The notification advised poultry producers to enhance their biosecurity measures, and to monitor for signs of Newcastle in their flocks. It also encouraged the submission of any birds suffering from any unexplained clinical signs or increased mortality to the Animal Health Centre or a poultry veterinarian. The remaining pigeons were depopulated and there was no evidence of disease spread beyond the original flock.

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- On January 26, 2021, there was a mass mortality event in a flock of ~ 3000 pigeons residing at a grain terminal in North Vancouver. Specimens were submitted to the Animal Health Centre where a diagnosis of Newcastle disease was made. Samples were subsequently sent to the NCFAD where the presence of Newcastle disease virus was confirmed. Sequencing revealed that the virus was a pigeon strain that was 99% identical to the previous case.

CROSS JURISDICTIONAL COMPARISON:

- On June 26, 2020, a flock of racing pigeons in Ontario experienced a Newcastle disease outbreak due to a pigeon strain of the virus. The flock was put under quarantine by the CFIA until the outbreak subsided. There was no transmission to poultry; however, a biosecurity advisory was implemented in a 10 km radius around the infected flock.
- On January 21, 2021, a pigeon was found dead in Calgary. The University of Calgary Veterinary Medical Diagnostic Services Unit found the pigeon to have lesions compatible with Newcastle disease. Samples were submitted to the AHC for testing and were positive on PCR. Samples were subsequently sent to the NCFAD for confirmation and sequencing revealed that the virus was very similar to that found in the B.C. pigeons.
- Newcastle disease has never occurred in poultry in B.C. However, mortality due to Newcastle disease is detected in Canadian wildlife with some regularity, particularly cormorants in the prairie provinces and around the Great Lakes.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The AHC is well equipped to detect Newcastle disease in any avian species submitted to the laboratory.
- Newcastle disease is detected through a combination of pathology (gross and microscopic tissue examination) and PCR testing.
- The AHC is using a Newcastle PCR test that is certified by the NCFAD and accredited by the Standards Council of Canada for ISO/IEC 17025 for the detection of Newcastle disease virus in domestic and wild birds.
- Samples that test positive on the AHC's PCR are sent to the NCFAD for confirmation and sequencing.

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PORCINE EPIDEMIC DIARRHEA

RECOMMENDED RESPONSE:

- Porcine Epidemic Diarrhea (PED) is a relatively new viral disease of pigs in North America that was recently diagnosed for the first time in Alberta on a single swine farm. To date no other farms have been found through their enhanced surveillance program for PED following the detection.
- PED has had important economic impacts to the sector in Manitoba, Ontario, Quebec and Newfoundland but has not been diagnosed in British Columbia.
- PED does not pose a risk to human health or other animals. It is not a food safety risk.
- B.C. supported a strong program of enhancing biosecurity on swine farms and processing plants to prevent the introduction of this disease in 2015 when \$613,050 in funding was provided through Growing Forward 2.
- The Animal Health Centre has had a test for the PED virus in place well before the first diagnoses in Canada, with same day results possible.
- The Ministry supported BC Pork producers with a daily PED abattoir surveillance and biosecurity auditing CAP project as of May 2019.
- As suggested by BC Pork producers and agreed to by the Plant and Animal Health Branch this PED surveillance program was discontinued June 2020 with expenditures of \$27,000 funded through CAP.
- As necessary, PED surveillance can be re-instituted on short order.
- The Ministry continues to support the BC Pork producers to safeguard our sector from this disease.

BACKGROUND:

- Porcine Epidemic Diarrhea (PED) is a relatively new disease to swine in North America. The disease is caused by a distinct Corona virus.
- PED causes widespread diarrhea in all ages of pigs with high (up to 100%) mortality in baby pigs, and lower (15 - 20%) mortality through to only subtle signs of disease in older pigs.
- The viruses are shed in large numbers in manure and spread through movement of even very

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small amounts of manure. This is a very hardy virus that survives for weeks in water and months in manure slurries. It is most easily spread in winter.

- PED does not cause disease in other livestock and does not transmit to people either directly or through food, posing no public health risk.
- PED entered the United States in spring of 2013 and quickly spread to other states causing the death of millions of baby pigs and the economic losses associated with this.
- In 2014, PED spread to Canada and has been seen in 6 provinces - Ontario, Quebec, PEI, Saskatchewan, Manitoba and Alberta.
- In the spring of 2019, Alberta confirmed that PED was in 4 farms. In January 2020, PED was detected in an Alberta environmental surveillance sample. It was not detected on any farms and there were no new animal cases.
- B.C. has a small swine industry with only 14 significant producers and two packing plants. One of these plants relies on hogs coming from Alberta and Saskatchewan to stay open. One of the farms that was found positive in Alberta ships weekly to this plant.
- To maintain B.C.'s hog industry, B.C. needed to be able to safely continue to receive pigs from this positive herd.
- A strong daily testing protocol, before and after cleaning protocols was established with funds provided to the industry. Testing was carried out at the Animal Health Centre that frequently required staff working overtime to be able to provide timely results. Additionally, the trucks carrying the pigs were re-routed specifically so that they did not come close to B.C.'s hog farms.
- The Alberta farm became presumptive negative in February 2020 and the daily testing was discontinued June 2020 at the suggestion of the B.C. pork producers and in agreement with the Plant and Animal Health Branch.

CROSS JURISDICTIONAL COMPARISON:

- PED has never been diagnosed in B.C..
- B.C. processing plants receive several shipments of hogs daily from Alberta and receive shipments of hogs from Saskatchewan occasionally.
- The first case of PED in Canada was confirmed on a farm in Ontario on January 22, 2014. Since then Ontario has confirmed positive farms every year, totalling 156 farms, including 1 farm in 2021 as of February 2021. Ontario has managed to clear the infection from most of these positive premises.
- From 2014 to February 2021, 192 Manitoba premises were confirmed with PED. The disease has been eliminated from 188 of those premises.
- Alberta reported an infected premises in 2014, 4 in 2019 and 1 in 2020.
- Saskatchewan has reported low numbers of positive environmental tests but no positive animals or farms.
- Quebec has reported 17 positive farms, most clear now
- PEI had only one positive farm which is clear now.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Since February 2014 the Animal Health Centre has performed 1212 tests for PED. Costs to the Province for this service to date are approximately \$196,344. Revenue generated from these tests is \$42,420.
- From May 2019 to June 2020, CAP programs administered through the BC Pork Producers

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spent \$27,000 for daily PED surveillance at the two abbatoirs that process B.C. pork and biosecurity audits of the processors.

- In 2015, GF2 programs administered through the BC Pork Producers spent \$613,050 for enhancing on farm biosecurity to producers, as well as increasing biosecurity and surveillance for transporters and processors.

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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 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 a number of areas in which improvements could be made.
- The Director of the AHC and my Deputy Minister have accepted these recommendations, and the ministry is working to implement all of them.
- The Animal Health Centre makes science-based decisions and it is important that the public trusts the information that is used to inform policy decisions.
- Our priority with undertaking the review was to ensure that the public and the DFO could trust the information that the Animal Health Centre provides as part of the fish health audit.
- I am pleased that the review found that the Centre is working well on behalf of British Columbians, without any conflicts of interest.
- As a former farmer, I know how important the AHC is to our province’s agriculture sector.

BACKGROUND:

- The Deloitte Review provided a number of recommendations for the provincial government’s consideration to address the potential for a real or perceived conflict of interest.
- The Deloitte Review also provided a number of related recommendations that would improve the communication and collaboration amongst those stakeholders working to research and understand the risk and impacts of fish health within the province.

Deloitte Recommendations and status:

- Conduct conflict of interest assessments – Complete - The AAVLD audit conducted in May 2018 assessed conflict of interest policies and procedures and found no issues or areas for improvement. The Animal Health Centre (AHC) will continue to request from each accrediting body that a specific section of their audit report be dedicated to addressing conflict of interest.
- Develop an industry expense reimbursement – Complete - A policy is in place to ensure the AHC does not receive any industry support for travel. These travel costs will be covered by the Ministry.

- Advice/Recommendations
-
- Consider stronger separation of roles – Complete - A Fish Pathologist was hired in August 2018 and has been assigned the regulatory (FHASP) audit submissions. An additional Pathologist was hired in September 2019 and will be assigned fish submissions.
- Seek to expedite fish disease case definitions – In Progress - The AHC will work with DFO to define Case Definitions.
- Enforce marine biosecurity measures – In Progress - The Minister's Advisory Committee on Finfish Aquaculture released its recommendations to government in January 2018. The province has relayed relevant recommendations in these areas to Fisheries and Oceans Canada and is working on their implementation.
- Ensure external communications are supported – Complete - GCPE AGRI has hired 1.0 FTE communications position, allowing for further AHC support in developing external communications.
- Improve the level of education and awareness- In Progress - GCPE AGRI has hired 1.0 FTE communications position, allowing for further AHC support in developing external communications to improve the level of education and awareness.

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ANIMAL ACTIVISM OVERVIEW

RECOMMENDED RESPONSE:

- Our government fully respects the rights of people to peacefully protest. However, animal activists do not have a right to infringe on the rights of others, undermine the farmed animal production system, and break the law to promote their cause.
- Some animal activists are undertaking extreme actions, such as trespass, property damage, and threatening social media attacks including posting images of farm children.
- Extreme animal activism harms people and animals and poses threats to food production in B.C. by the possibility of introducing disease to and interruption of the food production system.
- Farmers, ranchers, transporters, food processors and retailers in B.C. must be able to conduct their work free of harassment, intimidation, and interruption.
- The ministry is meeting with stakeholders and developing tools to mitigate extreme animal activism within B.C.
- These measures will protect people, animals, and farm production systems while not compromising farm animal welfare.

BACKGROUND:

DEFINITIONS AND TERMINOLOGIES

- There are two distinctive streams within animal activism:
 - Animal rights activism – concerned with ending all human use of animals; and
 - Animal welfare activism – concerned with the humane treatment of animals used by humans.
- Some animal rights activists use conventional means to promote their cause (e.g., dietary choices that avoid animal products), and some use extreme means to promote their cause (e.g., trespass, threats, and property damage).
- In its most basic form, extreme animal activism directly threatens and harms people and animals and threatens the economy through disruption of activities along the farmed animal supply chain (i.e., feed suppliers, veterinarians, transporters, slaughter plants, processing plants, retail stores), and by increasing the possibility of introducing disease.

LEGISLATIVE TOOLS

- Currently, the primary tools used to address extreme animal activism in B.C. are legislative tools, the B.C. *Trespass Act* and the Criminal Code of Canada as enforced by the RCMP or municipal police in the specific region. A \$115 violation ticket can be issued to enforce a trespass offence.

ACTIVISM EVENTS AND GOVERNMENT RESPONSE

- One of the most recent animal activism events in B.C. was in April 2019 at an Abbotsford hog farm where activists secretly trespassed onto the farm, broke into the barn, and hid cameras in various locations recording the activities of family members and employees. This was followed by an on-farm protest with over 150 activists taking part.
- On October 29, 2019 (Agriculture Day), Minister Lana Popham made a statement with British Columbia's Attorney General and Solicitor General denouncing the extreme animal activism activities within B.C.

- In follow-up to farmed animal industry concerns and the Minister's commitment to support farmed animal operators on this issue, the Ministry organized and led a British Columbia Animal Activism Roundtable discussion on October 4, 2019 with representatives of the cattle, pork, dairy, and poultry sectors, along with representatives from the RCMP and the Ministry of Public Safety and Solicitor General (PSSG).
- The Ministry led subsequent stakeholder meetings to discuss next steps, provide feedback, and update participants on preliminary findings and an overview of the existing regulatory framework to address extreme animal activism in B.C.
- Concurrent to stakeholder meetings, the Ministry has developed a draft Policy Analysis of Animal Activism: Farmed Animal Focus, to help inform the Ministry's regulatory and/or operational initiatives to address farm animal activism in B.C. This draft is currently being reviewed by staff.

PROTECTION OF FARM ANIMAL WELFARE

- The *Prevention of Cruelty to Animals Act* (PCAA) is the primary provincial animal welfare legislation and falls under the responsibility of the Ministry.
- The B.C. Society for the Prevention of Cruelty to Animals (BC SPCA) is mandated under the PCAA to respond to animals in distress and enforcement actions are performed by the BC SPCA's Special Provincial Constables. These constables receive mandatory training and are appointed under B.C.'s *Police Act*.

CROSS JURISDICTIONAL COMPARISON:

- Since 2019, the provinces of Ontario, Alberta, Saskatchewan, and Quebec have all made legislative changes in response to extreme animal activism; Manitoba is currently in the process of public engagement on this issue.
- Ontario is the most recent province to address extreme animal activism with legislative changes. The Ontario *Security from Trespass and Protecting Food Safety Act* was passed in June 2020 and came into force on December 5, 2020. The Ontario government considers these changes necessary to improve working conditions for farmers, farm families and Agri-food sector employees, and protect the food supply chain while not curtailing a person's right to legally protest.
- In all provinces that have made recent changes, police are empowered to enforce the relevant legislation.
- Relevant legislation is typically related to trespass; some jurisdictions additionally specify farmed animal "zones" (i.e., farms, animal processing facilities) and provide enhanced protection in those zones (e.g., increased penalties in those zones in comparison to trespass outside the farmed animal zones).

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- None.

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ANIMAL WELFARE – ANIMAL ACTIVISM

RECOMMENDED RESPONSE:

- October 2019, Ministers Popham, Eby and Farnworth issued a joint statement supporting B.C. livestock producers and to send protestors a message that while they have the right to peaceful protest, government does not support extremist actions or violations of farmers privacy.
- The ministry has met with representatives of the livestock sector and producers who have experienced extremist protest events, to hear their concerns.
- The ministry also organized and participated in a roundtable discussion between multiple branches of government and external stakeholders beginning in October 2019 and carrying forward into 2021.
- There is currently a draft of an Animal Activism Action Plan and a policy analysis circulating to begin the discussion between the ministry, other branches of government and external stakeholders regarding further mitigation of animal activism impact on livestock producers within B.C.
 - An industry based steering committee has been established with representation from the BC Agriculture Council, dairy, beef, poultry, pork and equine sectors. The committee provides input on the Animal Activism Action Plan and policy analysis.
- Anyone with concerns about the welfare of specific animals is asked to call the BC Society for the Prevention of Cruelty to Animals (BC SPCA) directly, as they are mandated by government 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, up to \$75,000 and 24 months in prison.

BACKGROUND:

- The Ministry of Agriculture, Food and Fisheries continues to receive multiple reports of illegal trespassing and other protest tactics (aggressive social media attacks etc.) led by organized animal activists' groups throughout different sections of the province. These acts are targeted at all branches of the animal agriculture sector (producers, abattoirs, transporters etc.).
 - Since 2017 there have been 12 documented on-property protests, and multiple other anti-livestock agriculture campaigns relating to animal activists in the regulated sectors of poultry, hog, and dairy.
 - Animal Activists have also hacked, and bombarded abattoirs (Johnston's Pork) computers and servers with hateful emails, Personal Information
 - Other sectors (beef, sheep, goats, horses etc.) remain a vulnerable target to animal activism within B.C. Members of 4-H have been targets in the past at fairs and exhibitions.
- The most recent animal activist incident was a protest held by 'Meat the Victims' outside of a bank that supported the local 'Ribfest' in Kelowna. Protestors chained themselves to the bank and were removed by police.
- The most recent illegal on-farm protest was at Excelsior Hog Farm, located in Abbotsford B.C. Excelsior Hog Farm is owned and operated by a board member of the BC Pork Producers Association.
 - On April 28, 2019, over 150 activists took part in a protest and 50 individuals trespassed onto the farm. Of the 50 trespassers, only one protestor was arrested on charges of breaking and entering, while the rest were released with no charges.
- The ultimate concern expressed from within industry stakeholders is the risk of compromising biosecurity, welfare and the significant potential for disease exposure resulting from an

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animal activist protest.

- The disease transfer risk is highly dependent on the situation. Protestors standing at a driveway with signs is a lesser disease transfer risk than protestors entering barns and/or releasing animals.
- The risk of human to animal transfer of disease and vice versa also varies with species, health status of the humans and the animals, the personal protective equipment (PPE) worn and the knowledge/training of the people involved.
- Animal releases pose a significant disease risk, and, in many cases, the released animals would not be able to be reintroduced to the herd/flock because of the risk of disease transmission and therefore the animal may need to be euthanized.
- The risk to the health of the activists is also not trivial. There are many pathogens that could be present on farms that could be transmitted to activists, particularly if they lack the knowledge and PPE to protect themselves.
- There are also several physical risks on farms (animals that may be agitated by the presence of strangers, machinery, facilities etc.) that could pose a significant risk of injury to people not familiar with animals and farms.
 - Disease outbreaks can cost farmers their livelihood via the loss of their herds and business.
- Personal Information
-
- BC Farm Industry Review Board (BCFIRB), an independent tribunal, is responsible for ensuring B.C.'s commodity boards deliver sound marketing policy in the public interest. This includes ensuring animal welfare and biosecurity are managed in a way to ensure orderly marketing.
- BCFIRB also hears appeals of specific animal seizure and/or cost decisions of the BC SPCA under the PCAA to provide timely, animal welfare-focused decisions.

CROSS JURISDICTIONAL COMPARISON:

Two other provinces have taken legislative action against animal activists:

Alberta Legislation

On Oct. 3, 2019 the government of Alberta announced it will introduce legislation designed "to punish illegal protesters who invade farms" with proposed options to include:

- Fines up to \$10,000 for a first offence and up to \$25,000 for subsequent offences for individuals and up to \$200,000 for organizations, and imprisonment of up to 6 months.
- Amending the *Animal Health Act* so farmers affected by bio-security breaches can recover their costs and so trespassers and protesters placing biosecurity at risk can be fined \$15,000 for first offences, then \$30,000 plus imprisonment of up to one year for repeat offences.
- Amending the *Provincial Offences Procedures Act* to increase the maximum amount of compensation awarded by the court from \$25,000 to \$100,000.

Ontario Legislation

In December 2019 the Ontario Ministry of Agriculture introduced the *Security from Trespass and Animal Safety Act*. This created 'animal protection zones' which includes substantial fines for trespassing on farms and food-processing facilities and makes it illegal to obstruct trucks carrying farm animals.

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- Under the legislation, fines for trespassing would be set at a maximum of \$15,000 for a first offence and up to \$25,000 for subsequent offences. This is compared to current maximum trespassing fines of \$10,000.
- The Bill would also allow a court to order restitution for any injury, loss or damage caused as a result of an offence.
- The proposed law would also increase protection for farmers against civil liability from people who are hurt while trespassing on their property.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- 25 percent of one FTE Industry Advisor, Livestock in ESSB
- 10 percent of three FTE Industry Specialists in ESSB
- 20 percent of two FTE Senior Policy Analyst in Corporate Governance, Policy and Legislation Branch

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CODES OF PRACTICE FOR FARM ANIMAL WELFARE

RECOMMENDED RESPONSE:

- In 2018 and 2019, ministry staff worked with livestock and poultry associations and the B.C. Society for the Prevention of Cruelty to Animals (BC SPCA) to bring the National Farm Animal Care Council's Codes of Practice (Codes) into B.C. regulation.
- B.C.'s livestock and farm animal operators are among the best in Canada and the Codes support their good work. Building the Codes into regulation provides consumers with confidence around these management practices and protects farmers and ranchers where practices are misperceived or challenged.
- 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.

B.C. FARM INDUSTRY REVIEW BOARD (BCFIRB)

- BCFIRB is an independent tribunal, and one of their roles is to hear appeals of specific animal seizure and/or cost decisions of the BC SPCA under the *Prevention of Cruelty to Animals Act* (PCAA) to provide timely and animal welfare-focused decisions.
- Codes serve as reasonable and generally accepted practices of farm animal management in B.C. and are used to guide BCFIRB appeal decisions.

ROLE OF REGULATED COMMODITY BOARDS

- The Ministry has been working closely with the agricultural commodity boards in B.C. to encourage them to adopt and enforce animal welfare and biosecurity standards, and we are pleased with the progress on this issue.
- B.C. commodity boards 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.

ANIMAL PROTECTION FRAMEWORK

- B.C. has among the strongest penalties in Canada for causing animal distress. Charges under B.C.'s PCAA can be laid against anyone who causes suffering or distress to an animal in B.C., including owners, managers and employees in the agriculture sector.
- Maximum penalties under B.C. legislation for those convicted of causing animal distress is \$75,000 and up to 24 months imprisonment.

BACKGROUND:

- The PCAA is the primary provincial animal welfare legislation and falls under the responsibility of the Ministry of Agriculture, Food and Fisheries (AFF).
- The PCAA provides a legislative mandate for the BC SPCA to enforce animal protection laws in B.C.
- The National Farm Animal Care Council (NFACC) brings together diverse stakeholders (industry, the federal and provincial governments, enforcement agencies, and animal welfare groups) to develop the Codes for the care and handling of farm animals.
- The NFACC develops the Codes based on both science and consensus. Industry stakeholders are active participants during each Code development process, which typically takes approximately three years to complete.
- In 2015, the NFACC Codes for the Care and Handling of Dairy Cattle were made "reasonable

and generally accepted practices of animal management” in PCAA regulation.

- While failure to abide by the Codes is not necessarily an offence, following the Codes is a defense from conviction of causing animal distress.
- In the summer and early fall of 2018, AFF staff engaged with 20 livestock/farm animal associations and representatives of the BC SPCA, RCMP and Ag-Safe B.C. to determine the best way to implement the Codes.
- In February 2019, another 11 NFACC Codes were included, but not in effect until June 2019, in PCAA regulation covering:
 - Beef, Bison, Hatching Eggs, Breeders, Chickens and Turkeys, Equines, Farmed Fox, Farmed Mink, Pigs, Pullets and Laying Hens, Rabbits, Sheep, and Veal Cattle.
- In order to support implementation of the regulatory changes, AFF hosted a Codes working session on March 15, 2019, which was well represented by all of the industry associations that took part in earlier consultations. Discussion at the session focused on concerns, best implementation practices, and BC SPCA Special Provincial Constable training.
- Training of BC SPCA Special Provincial Constables on the Codes took place throughout 2019.

CROSS JURISDICTIONAL COMPARISON:

- Several other provinces include NFACC Codes in regulation, although there is variation among provinces in how this is done, for example:
 - Some provinces, such as Ontario, create a regulation that makes the requirements contained in a particular Code as legally enforceable standards.
 - Other provinces, such as Saskatchewan, take an approach similar to B.C.'s, with the Codes functioning as a defense for those accused of causing animal distress.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- N/A

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ANIMAL WELFARE – DOMESTIC/WILD SHEEP DISEASE RISKS

RECOMMENDED RESPONSE:

- *Mycoplasma ovipneumoniae* (M. ovi) is a bacterium that infects the 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 occasionally cause disease in domestic sheep (sheep) and goats, but the primary concern is transmission to wild sheep.
- It does not cause disease in people and is not a food-safety threat.
- The BC Animal Health Center developed a PCR test for M. ovi in 2016 and is currently the only lab in Canada able to test specifically for this pathogen.
- A ministerial strategic advisory group was established in 2018 and is actively working to provide strategic advice to the Minister on how to improve and transform existing and future policies, programs, and services to better support the reduction of M. ovi transmission.
- The current focus is on education and outreach to support voluntary measures by sheep and goat producers that decrease the risk of transmission to wild sheep. Policy options are under consideration.

BACKGROUND:

- M. ovi infection, likely transmitted from domestic sheep or goats, has been implicated in several die-offs and population declines in B.C. bighorn sheep herds over the past several decades. Thinhorn sheep populations in northern B.C. are likely naïve to this pathogen but could face major population declines in an already fragile population if it was introduced.
- In areas of B.C. where bighorn sheep live, approximately 30 percent of sheep flocks (10/30 tested) are infected with *M. ovipneumoniae*, usually with no associated clinical signs. The prevalence in domestic goats is currently unknown.
- The sheep industry in B.C. is composed of approximately 1,693 farms reporting 59,349 sheep and lambs in B.C. with an estimated farm gate value of approximately \$9.8M (Statistics Canada, 2016). There are approximately 20,000 sheep in regions of B.C. with wild sheep.
- The domestic goat industry in B.C. is composed of 975 farms reporting 14,508 goats (Statistics Canada, 2016) with approximately 5,000 goats in areas with potential contact with wild sheep.
- There is currently no known method to eradicate M. ovi from an infected domestic sheep flock/goat herd. No antibiotics have been proven to clear this pathogen. Research is ongoing both in B.C. and other jurisdictions.
- 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 and die-offs in wild sheep.

CROSS JURISDICTIONAL COMPARISON:

- B.C. domestic sheep flocks have a lower prevalence of M. ovi than reported in mainland USA.
- Yukon introduced a control order, officially enacted 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 domestic sheep and goats in areas of high risk of contact with wild sheep and goats. Out of the 343 domestic sheep and goats in Yukon at the time of implementation 124 (36 percent) were positive for M. ovi.

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- All positive animals and some negative animals on high-prevalence farms were culled. Implementation of this order was very costly and involved government funding of testing, compensation for culled animals, and subsidization of fencing costs.
- All jurisdictions in North America with wild sheep are struggling to find a solution to this very complex issue.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- 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 MAFF often exceeds the cost paid by submitters depending on the number of tests that are positive.
- 5 percent of one FTE in Plant and Animal Health Branch, 10 percent of one FTE and 50 percent of one AUX FTE in the ESSB.

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ONE WELFARE OVERVIEW

RECOMMENDED RESPONSE:

- “One Welfare” as defined by the National Farmed Animal Health and Welfare Council (NFAHW), “is 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, and One Welfare builds on the existing animal protection framework.
- Ministry staff are working with stakeholders to identify One Welfare needs in order to enhance the existing animal welfare framework and to continue to address the well-being of farmers and ranchers, animal care-givers, and service personnel who play an important role in the interactions between animals, people and their environment.

BACKGROUND:

- “The NFAHW Council identified a need for increased awareness and advocacy for the improvement of the well-being and mental health resources for producers, farm staff, service providers and veterinary personnel within the agricultural industry. The Council therefore initiated a work area to investigate the concept of One Welfare as it pertains to the aspect of mental health promotion and prevention for these populations” (<https://www.ahwcouncil.ca/work-areas/one-welfare>)
- In November 2018, the NFAHW Council 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 both proactively and in response to human and animal health and welfare situations.
- The NFAHW consultation explored the concept of a national program that would focus on prevention, build resilience, and respond not only to the impact of daily stressors on the farm, but also to critical incidents such as disease outbreaks and disaster.
- In February 2020, ministry staff held three presentations for stakeholders, including representatives from the livestock and poultry industries; first responders; B.C. Society for the Prevention of Cruelty to Animals (BC SPCA); veterinarians; regional health; 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 ministry work.
- In the summer of 2020, a co-op student was hired to conduct an evidence-based review on mental health programs that show a degree of success in supporting farmer mental health. The paper is being reviewed by AgSafe and Ministry of Agriculture, Food and Fisheries (AFF) staff, who will then work cooperatively to determine next steps (i.e., potential program development).

CROSS JURISDICTIONAL COMPARISON:

- In 2016, Manitoba 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.

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- There are now several One Welfare initiatives in Canada including a Western College of Veterinary Medicine (WCVN) 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The 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 provided to work with AgSafe and a University of British Columbia (UBC) practicum student on a research project entitled "Informing the Development of a Producer Mental Health Framework for B.C".

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FUNDING FOR B.C. SEATS AT WESTERN COLLEGE OF VETERINARY MEDICINE

RECOMMENDED RESPONSE:

- Veterinarians are valued professionals who play a critical role in British Columbia's agriculture and aquaculture industries and protect the health and welfare of British Columbia's domestic animals.
- Over the past 50 years, British Columbia has been a key partner in maintaining the Western College of Veterinary Medicine (WCVN) as a world-class veterinary college. The College has in turn provided the domestic veterinarian graduates British Columbia needs.
- B.C. is committed to continuing our current support for veterinary medicine training at the Western College of Veterinary Medicine (\$8.46 million in 2021).
- I will continue to work together with the Minister of Advanced Education & Skills Training to support the practice of veterinary medicine, the economic sectors that rely on veterinarians, and access to an affordable education in veterinary medicine for British Columbia students.

[if asked about no veterinary medicine program in the province]

- The WCVN is British Columbia's regional veterinary college; B.C. is committed to maintaining our partnership in the College with Saskatchewan and Manitoba. A new veterinary college in B.C. would be prohibitively expensive to launch and operate and would not address the current pressures of B.C.'s veterinary industry.

BACKGROUND:

- The Western College of Veterinary Medicine (WCVN) at the University of Saskatchewan is the only program in Canada where students from British Columbia, Saskatchewan, and Manitoba can obtain a Doctor of Veterinary Medicine (DVM).
- This year, British Columbia is providing the Western College of Veterinary Medicine with \$8.46 million to support 80 B.C. undergraduates (20 per year), a graduate program, and operation of its teaching hospital.
- In line with increases in previous years, the funding provided to the WCVN is set to increase by at least 1% a year for the next 5 years.
- This past year, our government reaffirmed our commitment to the WCVN by signing a renegotiated 5-year interprovincial agreement for the College with the governments of Saskatchewan and Manitoba and the University of Saskatchewan.
- A campaign led by British Columbia's veterinary society is seeking to have British Columbia double the number of seats it supports at the WCVN, at a cost of over \$8 million a year in additional funding.
- There are significant labour market shortages in many important occupations, everything from health care to trades.
- Solutions must go beyond expanding post secondary training and explore other opportunities to attract more veterinarians and animal health care professionals.

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- The Province recognizes that it is important to encourage more veterinary graduates to take up practice in a diverse range of practice settings, such as large animal and mixed animal rural practice.
- Provincial ministries are working with the WCVN, industry, and other partners to explore ways through which B.C. veterinary graduates can be encouraged to practice in high-demand regions and specialties.
- B.C. has supported the WCVN offering additional seats through the differential tuition pilot and educational equity program, enabling an increase in the number of B.C. students at the WCVN this year; a total of 33 B.C. students were admitted to the WCVN this past September compared to 20 in 2019/20.
- Launching a stand-alone veterinary school in British Columbia would be extremely costly. It is estimated that a new veterinary school would require more than \$85 million in capital to launch and would be more than twice as expensive annually to run, per graduate.
- Launching a new fully-accredited veterinary school in British Columbia would also be a lengthy and complex process, requiring extensive planning, coordination and construction activities before the first students could even enroll in the four year DVM program; a new school is not an effective way to address current pressures in the veterinarian sector.

CROSS JURISDICTIONAL COMPARISON:

- With the new agreement in place, Manitoba will fund 15 seats, Saskatchewan will fund 20 seats and B.C. will fund 20 seats.
- Manitoba's contribution on an annual basis is \$6.34M and Saskatchewan's contribution is \$8.46M

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- B.C., through the Ministry of Advanced Education, Skills and Training funds 20 seats at \$8.46M annually.

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2021 SALMON SEASON

RECOMMENDED RESPONSE:

- Wild Pacific salmon are of great social, environmental, historical, and economic importance to B.C. They sustain communities coast-wide and generated a wholesale value of \$155.5M in 2019, down from the \$259.7M in 2018.
- Pacific salmon stocks have suffered disastrous declines leading to equivalent declines in the ecosystems and economies that rely on them.
- The 2021 salmon season, like 2020, is forecasted to have generally below average returns coast-wide and to generate significant challenges for fisheries, conservation, and management. Returns are expected to be highly variable, with an overall continued trend of reduced productivity, especially for southern salmon populations and Chinook.
- Factors such as the Big Bar landslide have affected and will continue to affect several salmon species in the Fraser River. Approximately 78 percent of the run migrates above Big Bar. Much of the B.C. commercial salmon landed value coast-wide comes from areas that are highly impacted by the slide.
- B.C., through the Ministry of Agriculture, Food and Fisheries and other provincial agencies, is working on a variety of initiatives that support the restoration and conservation of wild Pacific salmon.
- On March 15, 2019, the Province of British Columbia and the Federal Government announced a joint commitment of \$142.85M over the next five years to protect wild salmon.
- Our government's \$42.85M investment in the B.C. Salmon Restoration and Innovation Fund (BCSRIF) is the largest provincial financial commitment to protect wild salmon in the past 20 years.
- To date, 42 projects have been approved totaling \$71.3M of funding. The projects are very diverse in terms of location, scale, and proponent, but all contribute to protecting and restoring wild salmon stocks and creating a more sustainable future for local communities and workers.
- \$43M of the funds spent to date has gone towards projects that focus on habitat and healthy salmon. 86 percent of the projects supported/focused on salmon more broadly.
- We have also provided \$5M in support of the Pacific Salmon Foundation (PSF) to help grassroots organizations and their communities protect important species for the next generation of British Columbians.
- New B.C. minister mandate commitments include leading work with the federal government to develop new strategies to protect and revitalize B.C.'s wild salmon populations, including by working to double the size of BCSRIF, building on past successes and supporting innovation in fish hatcheries, and ensuring B.C. processing of B.C.-caught fish.
- B.C. is actively working towards new initiatives to assist salmon recovery, specifically through the development of a made-in-B.C. Wild Salmon Strategy.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

BACKGROUND:

Wild Salmon Overall: Pacific salmon stocks have suffered disastrous declines leading to equivalent declines in the ecosystems and economies that rely on them. Returns overall in 2020 were the lowest on record.

Returns in 2021 will be generally low, and much like 2020.

There are some exceptions, and potential bright spots:

- Fraser Chinook Summer 4-1s are expected to be abundant;
- Average to near average returns expected for a few Fraser sockeye stocks, the Somass sockeye system (Barkley), Taku sockeye, enhanced WCVI Chinook, and some other chum and other Chinook systems.

Concerns have been identified for Interior Fraser conservation units (all relevant species) that are negatively impacted by the Big Bar landslide.

For B.C., concern remain for Interior Fraser steelhead (IFS) which are at extremely low abundance levels and are now undergoing a full reassessment through the Committee on the Status of Endangered Wildlife in Canada (COSEWIC).

On August 22, 2019, the Fisheries and Oceans Canada (DFO) Minister Wilkinson released a report, "The State of the Canadian Pacific Salmon: Responses to Changing Climate and Habitats", which concludes that global warming is almost certainly the cause of the declines in Canadian Pacific salmon. The data quality and quantity vary across areas and species.

Advice/Recommendations; Intergovernmental Communications

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

Advice/Recommendations; Intergovernmental Communications

COSEWIC and SARA: Over 60 salmon and two anadromous trout designatable units (DUs) have recently been, or will soon be, assessed by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC). COSEWIC's submission of its assessments to the Government of Canada, via its annual report, initiates the process to determine whether to list a species under the *Species at Risk Act* (SARA).

Advice/Recommendations; Intergovernmental Communications

Big Bar: The Big Bar landslide has affected and will continue to affect several salmon species including three sockeye and three chinook populations considered at significant risk. Approximately 78 percent of the run migrates above Big Bar. Much of the B.C. commercial salmon landed value coast-wide comes from areas that are highly impacted by the slide.

- There has been tremendous collaboration between provincial agencies, Fisheries and Oceans Canada, First Nations and others in the work done at the Big Bar landslide site.
- Despite incredible efforts in 2020, including blasting, river widening, construction of a “nature-like” fishway, as well as the use of alternate fish passage systems, more work is needed. An analysis completed in July 2020 determined that a permanent fishway is the only certain and reliable solution to restoring permanent fish passage at Big Bar.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- On December 9, 2020, DFO announced the contract award of \$176.3M to Peter Kiewit Sons ULC Burnaby B.C. (Kiewit) to design and construct a permanent fishway at the Big Bar landslide site. With work on the new fishway to begin in the winter of 2020, it is expected to be operational by the start of the 2022 Fraser salmon migration.
- Additional management measures to close or curtail fisheries to protect Fraser salmon stocks migrating to spawning areas upstream of the rockslide will likely be required for the 2021 season and further discussions with First Nations and advisory groups on management measures are taking place.

Southern Resident Killer Whales (SRKW): SRKW continue to face threats to their survival and recovery despite measures taken by the federal government in 2020, included fishery management measures to increase prey availability of Chinook salmon (their primary prey) and reduce physical and acoustic disturbance within SRKW forage areas found in the Strait of Juan de Fuca, Gulf Islands and the mouth of the Fraser River. Similar management measures for the 2021 salmon fishing season, along with some enhancements are being considered.

B.C. Salmon Restoration and Innovation Fund (BCSRIF): On November 30, 2018, the federal government announced the British Columbia Salmon Restoration and Innovation Fund (BCSRIF). This federally managed fund is a cost-share with the Province (70 percent federal and 30 percent provincial) and targets salmon habitat protection and restoration as well as ensuring the fish and seafood sector in British Columbia is positioned for long-term environmental and economic sustainability. To date, BCSRIF has supported 42 projects totaling \$71.3M of funding. The projects are very diverse in terms of location, scale, and proponent, but all contribute to protecting and restoring wild salmon stocks and creating a more sustainable future for local communities and workers.

Salmon Allocation Policy Review: DFO is currently undertaking a review of its existing policy from 1999 that outlines principles for allocating salmon in B.C. among the three harvest groups (First Nations food, social and ceremonial; commercial; and recreational) and within the commercial fishery among gear types (gillnet, seine and troll). Since the Salmon Allocation Policy (SAP) was first adopted twenty years ago, there have been significant changes to fisheries management, policy, and Aboriginal rights. For example, today, treaties and reconciliation agreements are being signed and implemented. There have also been increased conservation requirements for stocks of concern, as salmon returns have become more uncertain. In the recent B.C. Supreme Court's *Ahousaht* decision, the Salmon Allocation Policy principle of priority of allocation to the recreational fishery for Chinook and Coho over the right-based fishery of five Nuu-chah-nulth Nations (Ahousaht, Ehattesaht/Chinekint, Hesquiaht, Mowachaht/Muchalaht, and Tla-o-qui-aht) was found to be an unjustified infringement of their Aboriginal rights.

CROSS JURISDICTIONAL COMPARISON:

All jurisdictions managing fisheries are experiencing challenges related to extreme environmental variability and uncertainty with respect to stock abundance.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

Implementation of Wild Salmon Advisory Council's (WSAC) recommendations and the B.C. Wild Salmon Strategy is expected to require funding to implement.

BCSRIF is valued federally at \$105M over five years, including a \$5M grant to the Pacific Salmon Foundation Endowment Fund in 2018/19. The provincial contribution is \$42.85M over five years, plus an additional matching \$5M one-time grant to the Pacific Salmon Foundation in 2018/19.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

| Approved by: | Prepared by: <i>(the person who wrote the note)</i> | Alternate Contact: |
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AQUACULTURE AND FISHERIES

AQUACULTURE ECONOMIC DEVELOPMENT

RECOMMENDED RESPONSE:

- The B.C. government has several programs to help aquaculture companies develop new technology, reduce their environmental footprint, research new technology, manage business risks and market their products to consumers in B.C. and around the world.
 - Many British Columbians enjoy fresh and local seafood farmed in B.C. The B.C. government supports local producers in reaching B.C. customers with the Buy BC campaign.
 - The governments of Canada and B.C. are supporting B.C. seafood processors in reaching new customers and improving their sales with market support in Asia, Europe, and the U.S. with the Canadian Fish and Seafood Opportunities Fund (CFSOF) and the Canadian Agricultural Partnership (CAP).
 - We have recently partnered with Innovate B.C. to develop B.C.'s first ever Aquaculture Innovation Challenge to encourage sustainable growth, competitiveness, and adaptability of the aquaculture sector in B.C. by funding innovations that solve challenges faced by aquaculture.
 - We have partnered with the federal government to provide financial assistance to seafood producers (wild and farmed) to incorporate existing clean technology into their operations and build on their reputation for sustainable practices (e.g., the Fisheries and Aquaculture Clean Technology Adoption Program and the B.C. Salmon Restoration and Innovation Fund).
 - In partnership with Genome British Columbia, we are supporting three research projects on natural organisms that can cause illness from the consumption of raw oysters. The research on the detection, potential early warning systems, and how outbreaks are handled will provide direct benefits to the public and oyster growers. The projects are being carried out in partnership with the Canadian Food Inspection Agency (CFIA), the B.C. Centre for Disease Control (BCCDC), the Public Health Agency of Canada (PHAC), Vancouver Island University and the B.C. Shellfish Growers Association (BCSGA).
 - Working directly with B.C.'s shellfish growers, we are providing funds to support a comprehensive assessment of economic opportunities and barriers to competitiveness to the B.C. shellfish aquaculture sector to increase productivity and achieve long-term sustainable growth and competitiveness of operations (e.g., the B.C. Shellfish Aquaculture Opportunities Assessment). This work will provide a roadmap for building a stronger, more resilient, and more sustainable industry.
 - Intergovernmental Communications
-
- B.C.'s aquaculture industry has experienced unique challenges from the COVID-19 pandemic. In response to industry's concerns, B.C. created and coordinated the COVID-19 Emergency Working Group for Fisheries, Aquaculture and Seafood (CEWG) to work with all groups to understand key issues and advance solutions. Through CEWG, industry's concerns surrounding aquaculture's ineligibility to funding programs were relayed to the Federal Minister of Fisheries and Oceans, which helped develop the Canadian Seafood Stabilization Fund, Farm Credit Canada lending programs, and Agriculture and Food Business Solution Fund to support the aquaculture industry.

- The federal government's decision around closure of Discovery Islands salmon farms will impact the sector and communities. We remain committed to ensuring that our federal counterparts will mitigate the impact of this decision on the dependent sectors.

BACKGROUND:

- In 2019, B.C. fisheries and aquaculture harvested over 283 metric tonnes (MT) of 100 different species of fish, shellfish, and marine plants with a wholesale value of \$1.8B. Aquaculture contributed 35 percent of the harvest (100 MT) and 47 percent of the wholesale value (\$828M) of B.C. seafood. Within aquaculture, farmed salmon are the dominant species group representing 89 percent of the harvest (89 MT) and 91 percent of the wholesale value (\$750M) and is B.C.'s top agriculture food and seafood export.
- The landed value of cultured seafood in 2019 was \$709M, representing a 13 percent decrease over previous year (\$814M).
- Key farmed species included: Atlantic salmon, chinook salmon, oysters, mussels, and clams.
- The aquaculture sector is an important contributor to the economies of rural coastal communities and employer of women and First Nations.
- Through several programs that are funded by the province or cost-shared with the federal government, the Ministry supports industry economic development. These include:
 - **Fisheries and Aquaculture Clean Technology Adoption Program (FACTAP):** FACTAP supports Canada's fisheries and aquaculture industries to incorporate existing clean technologies into their day-to-day operations. The program provides up to \$20M in federal dollars to be distributed nationally over four years. Total project costs are shared between the federal government (75 percent maximum), provincial government (10 percent minimum) and proponents (15 percent minimum). Over the four years of the program, the province spent \$620K to support \$6.2M in total project costs for aquaculture.
 - **Canadian Fish and Seafood Opportunities Fund (CFSOF):** The federally managed fund, announced in December 2018, is cost-shared with the provinces (70 percent federal and 30 percent provincial/territorial) to promote market access and development for the fish and seafood industry for initiatives that are national in scope. The \$43M national program will support the fish and seafood sectors by encouraging industry collaboration to promote high quality products. The program runs until March 31, 2024. To date, B.C. has funded two aquaculture products involving B.C. producers, contributing \$31.4K to support \$421K in total project costs, with an additional project planned for the current fiscal to support development of a marketing plan for B.C. crab fisheries.
 - **B.C. Salmon Restoration and Innovation Fund (BCSRIF):** Announced on November 30, 2018, this federally managed fund is cost-shared with the province (70 percent federal and 30 percent provincial) to support innovation, infrastructure and science partnerships that will help protect and restore priority wild B.C. fish stocks, including Pacific salmon and steelhead, as well as ensuring the fish and seafood sector in British Columbia is positioned for long-term environmental and economic sustainability. The fund is valued at \$143M over five years (provincial contribution of \$42.9M, plus an additional \$5M one-time matching grant to the Pacific Salmon Foundation in 2018/19). To date, a total of 28 project applications, with a total grant value of \$57.6M have been approved. Of these, one with a grant value of \$3.5M (total project cost of \$4.5M) will provide benefits to aquaculture producers through third party testing and research services. Several additional aquaculture projects are currently in the review process for the 2020/21 fiscal.
 - **Buy BC Partnership Program:** The Buy BC Partnership Program includes a Buy BC logo

licensing component and provides cost-shared funding for B.C. seafood producers, including aquaculture, to undertake sector/product specific Buy BC marketing activities within B.C.

- **Canadian Agricultural Partnership (CAP), B.C. Agrifood and Seafood Market Development Program:** The BC Agrifood and Seafood Market Development Program provides federal and provincial government cost-shared funding to B.C. seafood producers (including aquaculture) to support market research, development planning and activities, skills training and promotional tools.
- **Canadian Agricultural Partnership (CAP), B.C. Traceability Adoptions and Traceability Value Chain Programs:** The Traceability Adoption (TA) program provides cost-shared funding to seafood producers and processors to implement or improve facility-based traceability systems and practices. The Traceability Value Chain (TVC) program offers financial assistance to agriculture food and seafood industry associations and groups of two or more agriculture food and seafood businesses along a value chain to put sector-wide or value chain traceability systems and technologies in place.
- **State of Salmon Aquaculture Technology Review:** This review is a collaborative project between Fisheries and Oceans Canada (DFO), Sustainable Development Technology Canada, and the Ministry of Agriculture, Food and Fisheries (AFF). The total cost was \$150K, shared equally among the three agencies. The objective was to review the state of “readiness” of salmon farming production technology that could replace open-net pens. The report found that, of the four basic system types studied, only the first two were commercially ready for development.
 1. Land-based recirculating aquaculture systems (RAS).
 2. Hybrids involving land and marine based systems.
 3. Floating closed-containment systems (CCS).
 4. Offshore open production systems.
- **B.C. Oyster Recovery Fund:** The British Columbia Oyster Recovery Fund, announced in June 2018, supports stability and long-term sustainability of the province’s oyster aquaculture sector. While most of the funds were expended in 2018, in 2019/20 fiscal, \$250K was expended to support three research projects to genetically characterize norovirus and *Vibrio parahaemolyticus* that can cause illness from the consumption of raw oysters to assist in future outbreak investigations and pathogen risk characterization, as well as pilot research into an early environmental exposure warning system for norovirus for oyster growers in Baynes Sound.
- Intergovernmental Communications
- **Aquaculture Innovation Challenge:** In January 2021, AFF signed an MOU with Innovate B.C. to support the Aquaculture Innovation Challenge Program. Innovate B.C. is a B.C. Crown agency that helps innovators access funding, launch their ideas, and connect with experts they need to build great companies. \$325K in monetary prizes (2x \$150K and 1x \$25K) are available. A panel of judges comprised of industry experts, investors, potential customers, and government will review applications and select the two grand prize winners. The top ten selections will pitch their innovations to a separate panel of potential customers for feedback, and the pitches will be voted on by attendees attending the virtual presentative event. The pitches will take place on May 5, 2021.

- Intergovernmental Communications

COVID-19

The following programs are available to seafood processors, aquaculture industry and Indigenous groups but not fish harvesters:

- Canadian Seafood Stabilization Fund – The fund provides \$62.5M to support fish and seafood processors, \$9M of this funding is to support fish and seafood processors across western Canada. The fund also helps fish and seafood processors adapt to COVID-19 related needs and impacts.
- Farm Credit Canada – Farm Credit Canada enhanced lending capacity to ensure access to necessary capital. Deferral of payments up to six months (principal and interest) or up to 12 months (principal payments), and access to an additional credit line up to \$500K.
- Agriculture and Food Business Solution Fund – The fund provides solutions such as convertible debt investments and other flexible financing solutions. Applications will be assessed on their merit and will be supported to a maximum of \$10M.

COVID-19 Emergency Working Group (CEWG)

Under CEWG, the following three overarching themes and related sub themes were identified as areas of future on going work:

- Health and Safety – Safe working guidelines, personal protective equipment (PPE), and protecting coastal communities, First Nations, and Fishers.
- Fund.

Discovery Islands

- On September 28, 2020, Fisheries and Oceans Canada (DFO) responded to Cohen Commission's Recommendation #19 by announcing the completion of nine peer-reviewed risk assessments. All nine assessments found that the transfer of pathogens posed minimal risk to the abundance and diversity of migrating Fraser River sockeye salmon in the Discovery Islands area, allowing DFO to continue to issue licenses for the area.
- After consultations with First Nations in December 2020, and in response to the Cohen response, Minister Bernadette Jordan announced that DFO would phase out salmon farming operations in the Discovery Islands by June 2022, with the stipulations that no new fish be introduced into the facilities during this time and that all farms be fish free by June 30, 2022.
- This will affect approximately 26 percent of B.C. farmed salmon capacity, representing 20 percent of provincial aquaculture revenue (\$132M in 2019).
- Currently, four operators of the area have filed a judicial review to the Federal Court of Canada in Vancouver asking the courts to find the decisions made by Minister Bernadette Jordan as unreasonable.
- DFO has provided the Province tables of the relevant sites and their proportional production. Briefly, the area represents 32 percent of current B.C. farmed biomass and represents approximately 20 percent of provincial aquaculture revenue (\$132M in 2019).

CROSS JURISDICTIONAL COMPARISON:

- Nationally, there are approximately 24 federally administered programs that provide financial support for the fish and seafood sector. Of these, six are specific to certain provinces (Quebec) or regions (Atlantic Fisheries Fund; several Atlantic Canada Opportunities Agency (ACOA) funds that are specific to the Atlantic Region). In addition, there are three funds specific to First Nations capacity building, including one that is specific to British Columbia. The remaining 15 funds support a range of activities from basic science research to innovation, marketing, and financing.
- In addition, the federal government provided several COVID-19 support programs that were national scope, such as the Canadian Seafood Stabilization Fund (CSSF), to provide COVID-19 specific relief. The CSSF, shared nationally, provide \$62.5M in new temporary funding to the fish and seafood processing sector.
- Each province manages provincially funded programs in concert with the federal programs. The number of each program developed by each province ranges: Newfoundland (1); Nova Scotia (13); Prince Edward Island (9); New Brunswick (7), Quebec (10); Ontario (10), Manitoba (1); B.C. (3). However, these numbers include federal-provincial cost-shared programs, such as the British Columbia's Agrifood and Seafood Market Development Program.
- Similar to the federal programs, provincial programs support a range of activities but focus on financial assistance, market development, and labour and skill development.
- Of particular note, all provinces have funding programs for loans, loan guarantees or access to capital for business development. British Columbia does not have a program to provide access to capital for business development with the exception of the Pacific Integrated Commercial Fisheries Initiative (PICFI) Aquaculture Development Source fund for First Nations aquaculture business development.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- **FACTAP:** For the 2020/21 fiscal, the province expended \$232K to support five projects (three shellfish and two finfish) with total project costs of \$2.3M.
- **CFSOF:** Nominally, \$35M will be available nationally to support up to 90 percent of project costs. This allocation will be shared 70/30 between the federal government and provinces participating in projects. Current allocation for three projects, two of which for aquaculture, which will be completed in the 2021/22 fiscal is \$60K and has been expended in 2019/20 fiscal year. Expenditure for the third (crab fisheries) for 19/20 fiscal is \$25K to support a total project cost of \$90K, that will also be completed in the 2021/22 fiscal.
- **State of Salmon Aquaculture Technology Review:** Cost totaling \$50K was expended in the 2019/20 fiscal year.
- **B.C. Oyster Recover Fund:** Total expenditures were \$1.185M. Program funds are fully expended with no further expenditures planned.
- **BCSRIF, Buy BC and CAP** (B.C. Agrifood and Seafood Market Development Program; B.C. Traceability Adoptions and Traceability Value Chain Programs) are currently outlined within program allocations.
- Intergovernmental Communications

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Big Bar Landslide

RECOMMENDED RESPONSE:

- In late June 2019, a landslide was reported in a remote location along the Fraser River north of Lillooet that created a five-metre waterfall barrier impeding salmon migration beyond the landslide. The barrier affected several salmon species migration.
- There has been tremendous collaboration between Provincial agencies, Fisheries and Oceans Canada, First Nations and others in the work done at the Big Bar landslide site.
- Despite incredible efforts in 2020, including blasting, river widening, construction of a “nature-like” fishway, as well as the use of alternate fish passage systems, more work is needed. An analysis completed in July 2020 determined that a permanent fishway is the only certain and reliable solution to restoring permanent fish passage at Big Bar.
- On December 9, 2020, DFO announced a contract award of \$176.3 million to Peter Kiewit Sons ULC Burnaby B.C. (Kiewit) to design and construct a permanent fishway at the Big Bar landslide site. With work on the new fishway starting in the winter of 2020, it is expected to be operational by the start of the 2022 Fraser salmon migration.
- DFO does not anticipate that all salmon will be able to naturally pass the rockslide area again in 2021 without assistance and has plans to capture some runs for enhancement at hatcheries in the areas.
- Additional management measures to close or curtail fisheries to protect Fraser salmon stocks migrating to spawning areas upstream of the rockslide will likely be required for the 2021 season and further discussions with First Nations and advisory groups on management measures are taking place
- The Province committed over \$22M towards both the initial emergency response work in 2019, and towards a portion of the federal government’s 2020 work to clear the slide and develop infrastructure to save Fraser River salmon.
- As work goes forward, it’s important we have a multi-pronged recovery strategy that leaves room for improved natural passage, and a range of options for the future.
- As a Province, we have stepped up our support for wild salmon recovery and finding a resolution to the Big Bar Landslide remains a priority we will continue to work with the federal government and First Nations to achieve.

BACKGROUND:

In late June 2019, a landslide was reported in a remote location along the Fraser River north of Lillooet. Debris from a 125-metre cliff created a five-metre waterfall barrier impeding salmon migration beyond the landslide. The barrier affects several salmon species including three sockeye and three chinook populations considered at significant risk, and interior Fraser steelhead stocks. A significant portion of the Fraser run migrates passed Big Bar. Much of the total B.C. commercial salmon landed value coast-wide comes from areas that are highly impacted by the slide.

The management of fish habitat is a shared federal and provincial responsibility. There has been tremendous and continued cooperation between provincial agencies, the Department of Fisheries and Oceans Canada (DFO), First Nations and others. The agencies recognize the

need for fish passage remediation to reduce water velocities prior to the 2021 spring freshet and subsequent salmon run events.

On December 9, 2020, DFO announced the contract award to Peter Kiewit Sons ULC Burnaby B.C. (Kiewit. Construction and design work at the site continue through the winter to prepare for the 2021 salmon migration and beyond.

Advice/Recommendations

CROSS JURISDICTIONAL COMPARISON:

All jurisdictions managing fisheries are experiencing challenges related to extreme environmental variability and uncertainty with respect to stock abundance and reduced productivity. B.C. is unique with having six species of wild Pacific salmon within its waters. All jurisdictions within Canada are subject to the federal *Fisheries Act*, which provides protection to fish habitat and limitations on allowable harm when utilizing adjacent natural resources.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

The Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR) has an existing mandate within its Fish and Aquatic Habitat Branch to manage freshwater habitat for all fish, including federally managed salmon. Funding for Big Bar remediation work is being cost-shared between the federal and provincial governments.

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B.C. Efforts on Hatcheries

RECOMMENDED RESPONSE:

- We are working to advance the understanding of the role of hatcheries in salmon recovery and support community-based hatcheries in the province.
- Our goal is to work with partners to optimize salmon productivity, returns and other ecosystem functions.
- B.C. is investing in community hatcheries through the B.C. Salmon Restoration and Innovation Fund (BCSRIF).
- Hatchery infrastructure improvements was a key priority area for the 2020 BCSRIF intake, and several projects related to that area are currently under staff review.
- Ministry staff participate in the Salmon Enhancement and Habitat Advisory Board to ensure that B.C. is more closely involved in decision making and advice to Fisheries and Oceans Canada (DFO).
- We are working with partner organizations (e.g., Pacific Salmon Foundation) and research institutions to increase scientific understanding through support from BCSRIF on the role of community hatcheries in salmon conservation and management.
- The Ministry of Agriculture, Food and Fisheries (AFF) has been in discussions with DFO to express interest in a provincial role in hatcheries, including mass marking of hatchery-reared salmon which would increase identifiability of hatchery fish and advance hatchery technologies to mitigate risks to wild salmon. Those discussions are ongoing with federal counterparts and will help inform development of the provincial salmon strategy.
- The Wild Salmon Advisory Council (WSAC) identified hatchery improvements and production as an area for further research, and BCSRIF has supported projects related to hatcheries.
- AFF worked with B.C. Assessment in 2019 to review the Farm Status policy to ensure that eligible hatcheries can receive farm status and access lower electricity rates, something that was determined to be a significant financial burden for some facilities.

BACKGROUND:

- B.C. has an interest in salmon hatchery production and the benefits resulting from First Nations, commercial and recreational harvest opportunities provided by them. DFO is the agency responsible for salmon hatchery production and provides funding to salmon hatcheries within B.C., including contributions to feed costs. Several hatcheries around B.C. are run by community groups, with financial support coming from fundraising and from DFO.
- The final report from the Wild Salmon Advisory Council (WSAC) identified increased hatchery production as an area for further investigation. WSAC identified the need to define best practices for hatchery reform, such as adipose fin clip (marking) and monitoring and to include small-scale hatchery production in strategic salmon enhancement efforts. In the spring of 2019, Premier Horgan announced that B.C. will continue working with the federal government to rebuild salmon stocks, and support habitat restoration and community-based hatcheries.
- AFF has expressed an interest to DFO in a provincial role for marking of hatchery-reared chinook salmon through removal of the adipose fin using a mass-marking machine. This would have several benefits, including increasing identifiability of hatchery fish by harvesters and hatchery managers. Several concerns related to hatcheries stem from being unable to determine the difference between wild and hatchery-reared salmon. DFO's current practice is to inject a coded wire tag on all fish that are marked by removing the adipose fin. However, they have recently moved to increase adipose fin removal without associated wire tags in

four rivers on the west coast of Vancouver Island. DFO's support is necessary for this initiative, and discussions are ongoing.

- In the spring of 2020, DFO and AFF discussed options for AFF's involvement in hatchery management. AFF has offered to participate in the Salmon Enhancement and Habitat Advisory Board to ensure that B.C. is more closely involved in decision making. AFF is currently evaluating several options that DFO has proposed for AFF's involvement in hatcheries.
- For the 2020 BCSRIF Expression of Interest (EOI) intake, hatchery infrastructure was a priority for project selection. The hatchery priority was related to improving and repairing existing facilities but did not support projects that would result in increased production. Many excellent expressions of interest were submitted, totaling several million dollars in hatchery infrastructure projects at community facilities. These proponents were invited to submit full proposals which are being reviewed for funding decisions in spring 2021. With the future doubling of BCSRIF and the renewed commitment to supporting innovation in hatcheries, B.C. is dedicated to setting hatchery innovation as one of the priorities for future funding.
- AFF successfully worked with B.C. Assessment in 2019 to facilitate lower electricity rates for hatcheries, something that was determined to be a significant financial burden for some facilities. AFF has identified further initiatives to support hatcheries, including:
 - Supplementing DFO's contribution to community hatchery's food budgets;
 - Establishing a Chinook license plate program to fund initiatives;
 - Purchasing a mass-marking machine to mark hatchery Chinook; and
 - Working with DFO to develop a mass-marking program in the Salish Sea.

CROSS JURISDICTIONAL COMPARISON:

- All jurisdictions managing fisheries are experiencing challenges related to extreme environmental variability and uncertainty with respect to stock abundance. However, B.C. is unique with having six species of wild salmon within its waters. All jurisdictions within Canada are subject to the federal *Fisheries Act*, which provides protection to fish habitat and limitations on allowable harm when utilizing adjacent natural resources.
- Alaska and Washington have embarked on significant mass marking programs on wild salmon. In Alaska, it is the result of large hatchery production and ocean ranching which has led to high returns of various salmon species. In Washington, more like B.C., mass marking programs were developed in response to Puget Sound chinook conservation concerns to keep the valuable First Nations, recreational, and commercial fisheries in operation.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR) has an existing mandate within its Fish and Aquatic Habitat Branch to manage freshwater habitat for all fish, including federally managed salmon.
- Implementation of WSAC recommendations and the B.C. Wild Salmon Strategy is expected to require funding to implement.
- BCSRIF is valued federally at \$105M over five years, including a \$5M grant to the Pacific Salmon Foundation (PSF) Endowment Fund in 2018/19. Provincial contribution is \$42.85M over five years beginning in 2019/20, plus an additional matching \$5M one-time grant to the PSF in 2018/19. B.C. has committed to double the funding for BCSRIF.

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B.C. SALMON RESTORATION AND INNOVATION FUND

RECOMMENDED RESPONSE:

- The protection of wild salmon is critically important to B.C.'s environment, history, economy and way of life.
- On March 15, 2019, the Province of British Columbia and the Federal Government announced a joint commitment of \$142.85 million dollars over the next five years to protect wild salmon.
- Our government's \$42.85 million investment in the B.C. Salmon Restoration and Innovation Fund (BCSRIF) is the largest provincial financial commitment to protect wild salmon in the past 20 years.
- We are committed to helping restore abundant wild salmon stocks, while we develop sustainable wild fisheries and support communities around B.C. and on our coast.
- The B.C. Salmon Restoration and Innovation Fund is providing support for many wild salmon initiatives in B.C. with focus on high impact areas including:
 - Habitat protection and restoration for rivers and streams that are crucial for salmon reproduction.
 - Maintenance of healthy and diverse salmon populations, with focus on existing community-based hatcheries and community education.
 - Supporting the implementation of the recommendations from the Government-to-Government process in the Broughton Archipelago.
- These priorities align with the report from the B.C. Wild Salmon Advisory Council, and the province's work with First Nations, industry, and the federal government in the Broughton Archipelago.
- To date, 42 projects have been approved totaling \$71.3M of funding. The projects are very diverse in terms of location, scale, and proponent, but all contribute to protecting and restoring wild salmon stocks and creating a more sustainable future for local communities and workers.
- \$42.8M of the funds spent to date have gone towards projects that focus on habitat and healthy salmon. 86% of the projects supported focused on salmon.
- Building on the program's success and continued need for such a funding mechanism, our government has made the commitment to work towards doubling BCSRIF to ensure strong, healthy wild salmon stocks are available for future generations of British Columbians.

BACKGROUND:

Wild Salmon: Wild Pacific salmon are of great social and economic importance to B.C., sustaining communities coast-wide and generating a wholesale value of \$235.8 million in 2018. Many Pacific salmon stocks have suffered disastrous declines leading to equivalent declines in the ecosystems

and economies that rely on them. B.C., through the Ministry of Agriculture and other provincial agencies, works on a variety of initiatives that support the restoration and conservation of wild Pacific salmon.

Wild Salmon Advisory Council (WSAC): On June 15, 2018, B.C. launched the Wild Salmon Advisory Council (WSAC), a multi-stakeholder advisory council that contributed to the development of a strategy to support restoring healthy and abundant wild salmon stocks in B.C. The initial report from the WSAC formed the basis of public consultations and was followed by the release of the final report on March 8th, 2019, that outlined 13 recommendations.

B.C. Salmon Restoration and Innovation Fund (BCSRIF): On March 15th, 2019, the Premier and Minister Wilkinson jointly announced the new B.C. Salmon Restoration and Innovation Fund. This fund is a federal-provincial collaboration that helps to restore the habitat of our wild fish stocks in communities across B.C. and protect our vulnerable wild Pacific salmon species. Canada is investing \$100 million over five years, and B.C. is investing \$42.85 million over five years.

AFF has a role in the administration of BCSRIF and the agreement identifies DFO as the implementing party for the fund. DFO is assigned activities including:

- financial administration of federal and provincial funding;
- project information collection and reporting;
- development and management of project funding agreements with proponents; and,
- secretariat for the associated federal-provincial committees.

Conversely, AFF's role in BCSRIF is focused on:

- strategic oversight of the initiative, such as annual priority-setting, in partnership with DFO;
- cross-Ministry collaboration to represent provincial interests in BCSRIF;
- sector and industry engagement on provincial priorities and project concept development, in cooperation with DFO; and,
- collaboration with DFO in the adjudication of project applications.

In alignment with the Recommendations for a Made-in-B.C. Wild Salmon Strategy provided by the WSAC, the BCSRIF has and will continue to resource initiatives that strive to increase the abundance of wild salmon. To date, BCSRIF has funded 42 projects and is currently reviewing a new intake of project proposals from Indigenous groups, conservation groups, commercial organizations in the wild fisheries and industry sectors, recreational fisheries, as well as non-commercial organizations such as universities and academia, industry associations and research institutions. The fund supports projects that leverage local knowledge such as local Indigenous monitoring and guardianship programs and community-led habitat restoration, among other innovative projects aimed at protecting and restoring wild fish stocks.

BCSRIF had 192 submissions for its first intake of "Expression of Interest" (EOI) in 2019, and 126 EOI applications requesting \$197.1M (343% of available funding) in 2020, demonstrating the popularity of the fund. Once EOI's were received a joint review process was undertaken involving DFO and provincial subject matter experts. This resulted in a request for project proposals which are again jointly review (this is currently underway for the 2020 EOI's) and ultimately a final list of projects to be funded. Announcements regarding the 2019 intake were made at various points in 2020 by both provincial and federal ministers. Announcements regarding the 2020 intake are anticipated in Spring/Summer 2021.

The investments from the BCSRIF will ensure B.C.'s wild fisheries are environmentally and economically sustainable for the long-term and that jobs in the fishery are resilient to the challenges of climate change and evolving economic conditions. The fund will help protect and restore priority

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wild B.C. fish stocks, including Pacific salmon. Consumers will also benefit from high-quality, sustainably sourced, Canadian fish and seafood products.

CROSS JURISDICTIONAL COMPARISON:

All jurisdictions managing fisheries are experiencing challenges related to extreme environmental variability and uncertainty with respect to stock abundance.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

Implementation of WSAC recommendations and the B.C. Wild Salmon Strategy is expected to require funding to implement.

BCSRIF is valued federally at \$105M over five years, including a \$5M grant to the Pacific Salmon Foundation Endowment Fund in 2018/19. The provincial contribution is \$42.85M over five years beginning in 2019/20, plus an additional matching \$5M one-time grant to the Pacific Salmon Foundation in 2018/19.

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BROUGHTON AGREEMENT IMPLEMENTATION

RECOMMENDED RESPONSE:

- The protection of wild salmon is critically important to B.C.'s environment, history, economy and way of life.
- Our historic government-to-government talks with First Nations in the Broughton produced a way to address First Nations' longstanding concerns and protect and restore wild salmon stocks.
- The talks were grounded in the shared responsibility of reconciliation.
- Their success demonstrates that when we work government-to-government with First Nations, we can deliver results that work for industry and make life better for everyone in B.C. – Indigenous and non-Indigenous people alike.
- The 'Namgis, Kwikwasut'inuxw Haxwa'mis, and Mamalilikulla First Nations are beginning projects to restore habitat and develop monitoring and inspection plans for salmon farms operating in the Broughton area.
- The projects follow the spirit of mutual respect and cooperation between the First Nations, government and B.C. salmon farmers to work together to protect and restore wild salmon stocks, allow an orderly transition plan for open-pen finfish for the Broughton area and create a more sustainable future for local communities and workers.
- The B.C. government is committed to working with the federal government, First Nations, environmental groups, and industry to support the conservation of wild salmon in the province.
- There are many factors involved in the declining wild salmon population. This problem requires diverse tools and perspectives to help maintain and restore current wild salmon stocks.
- We are committed to helping restore abundant wild salmon stocks, while developing sustainable wild fisheries and supporting communities around B.C. and on our coast.

BACKGROUND:

- On June 27, 2018, the consent-based government-to-government (G2G) process regarding salmon aquaculture in the Broughton area was formalized in a letter of understanding (LOU). The Province and the 'Namgis, Kwikwasut'inuxw Haxwa'mis and Mamalilikulla First Nations are signatories to the LOU. A total of 17 tenures are listed under the LOU.
- On December 14, 2018, the Province and the three signatory First Nations announced the endorsement of the recommendations resulting from the LOU process. The Province, First Nations, and aquaculture companies with tenures in the area support the recommendations, which:
 - Establish a farm-free migration corridor in the Broughton in the short-term to help reduce harm to wild salmon;
 - Develop a First Nations-led monitoring and inspection program to oversee those farms during the transition, which will include compliance requirements and corrective measures;
 - Implement new technologies to address environmental risks including sea lice;
 - Call for immediate action to enhance wild salmon habitat restoration and rehabilitation in the Broughton;
 - Confirm a willingness to work together to put into place the agreements and protocols necessary to implement the recommendations, including continued collaboration with the federal government; and
 - Secure economic development and employment opportunities by increasing support for

First Nations implementation activities and industry transition opportunities outside the Broughton.

- Additionally, 17 farms owned by Mowi Canada West and Cermaq Canada will be subject to a transition plan:
 - 2019 – four farms close.
 - 2020 – two farms close, with decommissioning of one of those farms extending into 2021.
 - 2021 – one farm closes, with decommissioning extending until 2022.
 - 2022 – three farms close, with decommissioning extending until 2023; and three farms have the potential to continue operations, subject to securing First Nations - industry agreements and valid Fisheries and Oceans Canada's (DFO) licences. Additional time is required for decommissioning.
 - 2023 – four tenures have potential to continue operations, subject to securing First Nations - industry agreements and valid DFO licences. Additional time is required for decommissioning.
- The transition is on track as scheduled.
- On September 19, 2019, the Province announced the approval and funding of three BCSRIF project proposals related to the Broughton Implementation Plan. The three projects are:
 - The Development of an independent B.C. First Nations Genomic Laboratory (\$50K);
 - Initiation of the Broughton Wild Salmon Restoration Program (\$4.2M); and
 - Broughton First Nations Indigenous Monitoring and Inspection Plan (\$7.3M).
- Through 2020 and into 2021, work on the projects has been ongoing. A business plan and partnerships with the Okanagan Nation Alliance for the genomic laboratory has been completed, and it is expected that construction of the laboratory will begin soon. The project will cost \$2.1M and will be supported by BCSRIF.
- The launch of the Indigenous Monitoring and Inspection Plan (IMIP) has been focused on building capacity through hiring staff and investing in equipment (e.g., boats), which is providing employment opportunities for First Nations and other qualified personnel.
- The COVID-19 pandemic has suspended or made aspects of the transition plan more difficult. MOWI and Cermaq have had difficulty performing adequate engagement with several First Nations due to travel restrictions. The Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR) and the Ministry of Indigenous Relations and Reconciliation (MIRR) are aware of these issues and are working together to reach out to affected communities. Industry has relayed concerns that a lack of adequate Lands Authorizations staff within FLNR is prohibiting a transition of farm capacity out of the Broughton as per the transition plan. FLNR has added additional staff and has reprioritized resources to address the current backlog of tenure applications.
- The Ministry of Agriculture, Food and Fisheries (AFF) continues to support IMIP work through the participation on three task groups focused on Indigenous monitoring and inspection; wild salmon restoration and enhancement; and new farming technologies, respectively.

CROSS JURISDICTIONAL COMPARISON:

- Atlantic Canada is rapidly increasing its farmed Atlantic salmon industry and encouraging investment to develop marine net pens in that area. For example, Cermaq Canada has committed \$500M in Nova Scotia to develop 10-20 net pens, a hatchery, and processing plant.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not applicable.

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AQUACULTURE AND FISHERIES CLOSED-CONTAINMENT AQUACULTURE

RECOMMENDED RESPONSE:

- The B.C. government encourages innovation across agriculture and seafood, and that includes trying and evaluating new technology.
- The B.C. government supports the evaluation and use of innovative technologies like closed-containment to explore new markets and build on B.C.'s reputation as a provider of great-tasting, sustainable seafood.
- "Closed-containment" describes a range of aquaculture technologies that minimize interactions with the environment. The current focus is on the development of land-based, fully contained Recirculating Aquaculture Systems (RAS), floating closed systems and hybrid systems.
- While RAS has been used in B.C. for many years by commercial salmon hatcheries, with advancements in the technology, it is increasingly being used to produce market size fish and seafood including trout, tilapia, sturgeon, salmon, and char.
- Currently the constraints to the development of land-based RAS is the very high capital cost associated with very large sites required to take advantage of economies of scale. Financing such ventures, which is in the hundreds of millions, will require private investor financing.
- The Ministry of Agriculture, Food and Fisheries (AFF) provided financial support to the land-based Kuterra (Atlantic salmon) and Taste of B.C. (steelhead) pilot projects. In 2019, AFF, in partnership with Fisheries and Oceans Canada (DFO), provided funding through the Fisheries and Aquaculture Clean Technology Adoption Program (FACTAP) for the acquisition of RAS technology for several land-based RAS fish farms and a single semi closed-containment marine pen pilot project in Tofino.
- AFF provided funding in partnership with DFO and Sustainable Development Technology Canada for a Study on the State of Salmon Aquaculture Technology this year and provided technical expertise for the development of the Indigenous and Multi-stakeholder Advisory Body (IMAB) Salmonid Alternative Production Technologies report.

BACKGROUND:

- "Closed-containment" is a broad term that describes a range of aquaculture technologies that minimize interactions with the environment. The current focus is on the development of land-based, fully contained recirculating aquaculture systems (RAS) and, more recently, floating closed-containment systems and hybrid systems.
- Land-based closed-containment aquaculture utilizing RAS have been in development in B.C. for many years for the hatchery production of salmon smolts. Recent technology advances have resulted in broader application of the technology to grow market-ready Atlantic and coho salmon, trout, Arctic char, sturgeon, and tilapia in B.C.
- The single land-based Atlantic salmon farm, the Namgis First Nation owned and operated "Kuterra" pilot project, has been in operation since 2013 and has successfully grown and marketed Atlantic salmon grown in RAS. However, annual production is less than 300 metric tonnes (MT), one-tenth of the average production capacity of a B.C. net-pen farm.
- The Kuterra project has experienced several technical challenges and has yet demonstrated financial profitability when capital subsidies are taken into consideration. In 2019, Emergent

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Holdings (who own Whole Oceans) signed a 15-year lease agreement to operate the farm.

- High capital cost remains the single most significant barrier to developing land-based closed-containment systems to produce market-size Atlantic salmon as profitability is dependent on large economies of scale.
- Current estimates suggest the capital cost to build a RAS system is between \$7M and \$14M per metric tonne of production for sites producing 5,000-10,000 MT respectively. In contrast, the capital cost of a net-pen is estimated at \$2.3M per metric tonne.
- Key approaches to address economic viability include locating farms close to key markets to reduce freight costs, developing larger sites (> 10,000 MT) and co-locating with processing facilities to vertically integrate the value chain.
- In January 2018, the B.C. Minister of Agriculture's Advisory Committee on Finfish Aquaculture (MAACFA) Final Report affirmed the importance of a better understanding of alternative technologies and approaches of land-based salmon farming technologies as a future approach to industry development and recommended the province undertake a study or alternative salmon aquaculture technology. In response, the Ministry partnered with Fisheries and Oceans Canada (DFO) and Sustainable Development Technology Canada to undertake a review of the state of "readiness" of salmon farming production technology that could replace open-net pens. The report found that of the four basic system types studied, only the first two were commercially ready for development.
 1. Land-based recirculating aquaculture systems (RAS).
 2. Hybrids involving land and marine based systems.
 3. Floating semi closed-containment systems (SCCS).
 4. Offshore open production systems.
- In B.C. some producers are developing hybrid production systems, as well as one pilot test of a floating SCCS in Tofino.
- There are no funding programs available in B.C. that can facilitate the building of land-based salmon production sites which depend on private equity financing. However, the Fisheries and Aquaculture Clean Technology Adoption Program (FACTAP) has been used by small scale B.C. land-based fish farmers and net-pen operators to develop/upgrade technology used for RAS systems and pilot other alternatives to open-net pens. Over the last four years, the Ministry has invested \$245,297 to support eight projects with total project costs of \$2.4M. FACTAP will be sunset as of March 31, 2021.
- AFF's Aquaculture and Marine Fisheries (AMF) Team provides on-going technical and funding advice and support for industry producers with land-based closed-containment systems, including First Nations, as well expert advice to: FACTAP, the Fraser Basin Council's "RAS Atlantic Salmon Industry on Vancouver Island, Financial Model and Economic Impact Analysis", DFO's "Study on the State of Salmon Aquaculture Technology Review" and DFO's Indigenous and Multistakeholder Advisory Committee Salmon Alternative Production Technologies Technical Working Group and the Working Group's report.

CROSS JURISDICTIONAL COMPARISON:

- Outside of B.C., there are notable RAS projects in Nova Scotia (salmon), Ontario (tilapia) and Manitoba (rainbow trout).
- While there are no land-based salmon RAS farms anywhere in the world producing more than 3,000 MT at this time, it is estimated that there are over 20 large scale projects (> 10,000 MT) in construction or planning phases around the world developing land-based RAS farms. In the U.S., there are several high-profile projects under development with long-term production targets of 30,000, 50,000 and 200,000 MT.

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PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- 1.5 full-time equivalent (FTE) Fisheries, Aquaculture and Wild Salmon Team staff directly engaged with industry, with support from seafood policy staff.
- Over the last four years, the Province has supported eight producers that employ or are developing RAS and SCCS production systems using FACTAP funds. In total, \$2.5M was allocated to support total RAS-related project costs, shared with the federal government and industry. The FACTAP program is now fully expended.
- The Ministry expended \$50K towards a “Study on State of Salmon Aquaculture Technology”, in collaboration with DFO and Sustainable Development and Technology Canada to address MAACFA Final Report Recommendation 5.2 (total budget \$150K) in 2019.

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AQUACULTURE AND FISHERIES 2021 OUTLOOK

RECOMMENDED RESPONSE:

- British Columbia's extensive coastline and unique geography provide for a significant fisheries and seafood industry. The aquaculture and fisheries sectors provide thousands of jobs to British Columbians.
- The impacts of the COVID-19 pandemic were widespread throughout seafood producing and processing sectors and their markets in 2020, and this will continue in 2021.
- Most wild Pacific salmon runs are expected to, once again, experience record low returns and limited economic opportunities for all salmon fisheries as a result.
- Several Fraser River bound salmon stocks will undergo assessments for potential Federal *Species At Risk Act* (SARA) listing and are stocks of concern.
- The Big Bar rockslide has impeded natural fish passage beyond it, further impacting several salmon species migration in the Fraser River.
- Concerns and conservation actions to assist with Southern Resident Killer Whale (SRKW) protection and recovery will also likely negatively impact salmon harvest for all salmon fisheries.
- Thompson and Chilcotin River steelhead populations have reached critical lows and are undergoing Committee on the Status of Endangered Wildlife in Canada (COSEWIC) reassessment. Since 2019 Fisheries and Oceans Canada (DFO) has used a window closure to reduce commercial fisheries bycatch of Fraser steelhead.
- Pacific hake harvests were the largest on record in 2017, 2018, and 2019 but were lower in 2020 and expected to be lower still in 2021 given a lack of recruitment of juvenile hake into the fishery. Canada and the U.S. were unable to reach an agreement in 2020 as part of the Pacific Hake Treaty given Canada's concerns about the long-term state of the stock.
- Halibut harvest, which had been reduced in 2020, will see a small increase for 2021 based on stabilized coast-wide stock assessments and the four-year Canadian agreement as part of the 2019 negotiations.
- In 2020, Pacific herring in the Strait of Georgia (SOG) had an allowable catch of 12,000 metric tonnes (MT), roughly half of the annual average over the previous 12 years, which will impact the commercial fishing and seafood processing industries. Due to a higher expected biomass, 2021 SOG catch levels are expected to be higher than 2020 at 18,000 MT.
- The crab fishery continues to grow in value and experienced an exceptionally large harvest in 2019 and 2020. However, COVID-19 had some impacts on the traditional markets and processing capacity. It is unknown if 2021 will continue to see such high harvest levels.
- Most other wild fisheries are expected to remain stable or declining in 2021 but will continue to be affected by factors such as COVID-19, climate change, stock variability, and conservation measures.
- Farmed salmon remains the largest contributor to B.C. seafood revenues. Continued work is required to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.'s wild fishery resource.
- In December 2020, Fisheries and Oceans Canada (DFO) announced the phase out of salmon farming operations in the Discovery Islands by June 2022, and while B.C. respects the federal

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government's position and their authority on the decision of licensing in the Discovery Islands, we remain committed to ensuring that our federal counterparts will mitigate the impact of this decision on the affected companies and communities. The Discovery Island decision may result in significant reduced production over the next few years.

- In November 2019, DFO released the National Fisheries Monitoring Policy which set guidelines for monitoring requirements for all fisheries including First Nations fisheries. Other federal policy reviews may further impact fisheries management and harvest allocation.

Snapshot of 2021 Seafood Trends

| Species | Harvest | Landed Value | Wholesale Value) |
|------------------|---------|--------------|------------------|
| Wild Salmon | ↔ | ↔ | ↔ |
| Farmed Salmon | ↓ | ↓ | ↓ |
| Herring | ↑ | ↑ | ↑ |
| Halibut | ↑ | ↑ | ↑ |
| Groundfish | ↔ | ↔ | ↔ |
| Wild Shellfish | ↔ | ↔ | ↑ |
| Farmed Shellfish | ↔ | ↔ | ↔ |
| Other Species | ↔ | ↔ | ↔ |
| Total B.C. | ↔ | ↔ | ↔ |

BACKGROUND:

British Columbia's (B.C.) extensive coastline and unique geography provide for a significant fisheries and seafood industry. In 2019, fisheries and aquaculture in B.C. harvested 283,000 MT of over 100 different species of fish, shellfish, and marine plants with a wholesale value of \$1.8B. The aquaculture and fisheries sectors provide thousands of jobs to British Columbians.

Continued and increasing demand for seafood globally, population growth, and climate change will likely increase the importance and value of fisheries and seafood to B.C. moving forward. Wild fisheries are managed by Fisheries and Oceans Canada (DFO), but B.C. plays a key role in representing provincial interests at both domestic and international fisheries tables.

First Nations Considerations:

First Nations have been participating in fisheries, including shellfish culture, since time immemorial and have been significant participants in B.C. commercial fisheries, primarily in the fishing fleet and as employees in the processing sector and more recently the aquaculture sector. Access to marine resources remains important for food, social and ceremonial (FSC) fisheries for First Nations communities.

One third of fish harvesting jobs are in First Nations communities. There is now growing Indigenous involvement in contemporary aquaculture, with 78 percent of B.C. salmon production in areas covered by partnerships with First Nations who hold approximately 20 percent of the jobs in B.C. associated with salmon farming. First Nations are also active participants in shellfish aquaculture with increasing interest in the emerging seaweed farming sector.

Some First Nations have also established or acquired processing companies with mixed success. The recent Ahousaht decision, that grants a Constitutional right to sell fish for five Nuuchal-Nuuth First Nations, and other fisheries Indigenous Reconciliation initiatives, will likely change the current market and allocation formulas.

COVID-19

B.C.'s aquaculture and fisheries producers and processors have experienced unique challenges from the COVID-19 pandemic due to an over-reliance on the food service market. In response to industry's concerns, B.C. created and coordinated the COVID-19 Emergency Working Group for Fisheries, Aquaculture and Seafood (CEWG) to work with all groups to understand key issues and advance solutions. Through CEWG, industry concerns surrounding aquaculture's ineligibility to funding programs were relayed to the Federal Minister of Fisheries and Oceans, which helped develop the Canadian Seafood Stabilization Fund, Farm Credit Canada lending programs, and Agriculture and Food Business Solution Fund to support the aquaculture industry.

Aquaculture

1. Salmon and finfish

Aquaculture contributed 35 percent of the harvest (100,000 MT) and 47 percent of the wholesale value (\$828M) of B.C. seafood in 2019. Within aquaculture, farmed salmon are the dominant species group representing 89 percent of the harvest (89,000 MT) and 91 percent of the wholesale value (\$750M) and is B.C.'s top agriculture food and seafood export. The landed and wholesale value of farmed salmon in 2019 was \$663M and \$758M respectively. Compared to 2018, these values decreased by 14 percent and 15 percent respectively. Most farmed salmon are Atlantic salmon, with modest amounts of chinook and minor amounts of coho, steelhead and Arctic char. Other finfish species producing minor volumes include sablefish, tilapia, and sturgeon.

The outlook for the B.C. farmed salmon sector is tenuous given the impacts of COVID-19. This is further exacerbated by past and recent policy developments, including the Discover Island decision (see below), the removal of farms from the Broughton Archipelago (for further information see Estimate Note Title: *Broughton Recommendation and Implementation*), the Federal Minister of Fisheries and Oceans Canada's mandate commitment to review a "substantiable transition from open-net pen operations", and the Provincial moratorium (Order in Council 174) from 2008 prohibiting the disposition of crown land in tidal waters for finfish aquaculture on the North Coast. Additional issues that have resulted in stalled growth and investment of the salmon farming sector include uncertainty over perceived environmental impacts, allocation of Crown land tenures and First Nations' interests. Despite these challenges, the industry had committed to further investment in the sector, which is now uncertain with much investment (in the order of hundreds of millions of dollars) for salmon farming development in Newfoundland, Nova Scotia, and New Brunswick.

For a discussion on land-based/closed containment aquaculture – see the Estimate Note titled *Closed Containment Aquaculture* and the Note titled *Salmon Aquaculture Policy and Discovery Islands*.

2. Shellfish

In 2019, within aquaculture, farmed shellfish represented 9.7 percent of the harvest (9,730 MT) and 4.6 percent of the wholesale value (\$38M). The landed and wholesale value of cultured shellfish in 2019 was \$27M and \$38M, respectively, representing a 15 percent increase and a 2.6 percent decrease, respectively, from 2018.

The dominant farmed species is oysters, followed by modest production of clams, mussels, and scallops. The release of the federal Integrated Geoduck Management Framework was expected to contribute to the expansion of B.C. production of geoduck and significant economic opportunities, but it is still facing implementation delays.

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Current demand for B.C. shellfish far exceeds supply. However, growth of the industry is constrained. Furthermore, between 2017 and 2018, B.C.'s farmed shellfish declined by 10 percent in harvest volume and 20 percent in wholesale value. In comparison, from 2014 to 2018, Nova Scotia saw a compound annual growth rate of 128.6 percent in exported value and 136.5 percent in exported volume of fresh, live, and frozen shellfish to China whereas B.C. saw a 7.3 percent and 8.9 percent increase in exported value and volume, respectively. To address these issues, the B.C. government has committed \$75,000 for a value chain study to assess opportunities for increasing capacity and profitability to support long-term stability and competitiveness of the B.C. shellfish aquaculture sector.

Other issues will need to be addressed in the longer term to support the growth of the sector.

- **Climate Change – Ocean Acidification (OA)**

The B.C. Preliminary Strategic Climate Risk Assessment for British Columbia identified ocean acidification as one of the highest ranked risks to the province due to the impacts on marine invertebrates and other marine organisms. Shellfish growers were one of the first sectors to document OA impacts on the growth of larval oysters. However, much remains unknown on specific vulnerabilities, baseline data, and potential adaptation strategies. To address this concern, the minister is working with the Climate Action Secretariat and the Provincial Climate Preparedness Adaptation Strategy. The Ministry is proposing a one-year project to carry out a "B.C. fisheries and aquaculture needs assessment for climate risks and vulnerabilities."

- **Shellfish Traceability**

DFO has reported a high volume of illegally harvested shellfish being laundered into regular market distribution channels, representing a serious public health risk.

- **Norovirus**

Impacts from illness from the consumption of raw oysters due to norovirus which led to outbreaks in 2017, 2018, and early 2020. In 2019, there were no reported cases of food-borne illness from consuming B.C. oysters which coincided with the development and implementation of a Norovirus Action Plan. The Norovirus Action Plan was put into place again in 2020 which minimized contributing factors to Norovirus but was not enough to prevent a small outbreak. The industry is addressing the risk and outbreak management from Norovirus by supporting collaborative research in partnership with GenomeBC.

- **Marine Debris**

Marine debris from shellfish farming has caused a degree of public concern. To address this issue, the industry, through the B.C. Shellfish Growers Association (BCSGA), is currently managing a large Styrofoam replacement initiative funded through the Fisheries and Aquaculture Clean Technology Program (FACTAP). The goal is to replace approximately 50 percent of the old exposed Styrofoam currently being used in the industry. In addition, the BCSGA has just launched the Shellfish Farm Environment Plan (SHEP). SHEP is aimed at improving the environmental performance of the membership. Currently SHEP focusses on three key issues of concern: exposed foam floatation; non-seabed debris; and wildlife protection measures.

- **Shellfish Seed Stock**

Most of the shellfish seed stock used by the sector is imported from the U.S. and Chile, presenting not only an external liability should supply chains be disrupted (as seen with COVID-19) but also a potential source of genetic and foreign disease risks. Recent efforts to create more seed locally are easing the pressure on the oyster farmers. The Ministry of Agriculture, Food and Fisheries (AFF) is working with the shellfish industry on seed access

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issues through the previously established Ocean Acidification Shellfish Industry Seed Supply (OASISS) project and by facilitation the adoption of innovative hatchery technology through the FACTAP and B.C. Salmon Restoration and Innovation Fund (BCSRIF).

3. Sardine

Preliminary data from International Sardine Forums suggests the biomass in U.S. spawning waters is low again, and it is unlikely there will be a sardine fishery in B.C. Due to the lack of sardine fishery again, there are some questions as to the continuation of the Canadian Pacific Sardine Association. The fishermen wish this to continue so that should sardine once again show up in B.C., the infrastructure will be in place to re-enter the fishery.

4. Wild Shellfish

Overall, most wild shellfish stock will likely remain at relative stable levels again for 2021. The impacts of changing environmental conditions, and in particular impacts from climate and ocean acidification, will increase uncertainty in forecast and harvest levels. Market conditions are expected to remain strong.

5. Shrimp

The B.C. shrimp trawl fishery had two years of large offshore biomass in 2015 and 2016. Since then, there has been a large decline in biomass which resulted in limited fishing opportunity and loss of markets. The fishery is further challenged with market access due to competition from the U.S. and Atlantic Canadian mechanically processed, cheaper products which are Marine Stewardship Council (MSC) certified. Shrimp biomass is correlated with ocean temperatures, so there will generally be low abundance two years after a warm water event. The 2019 shrimp fishery experienced low stock biomass in many management areas with additional limitations due to reaching the Eulachon bycatch limits on the west coast of Vancouver Island. The 2021 shrimp trawl fishery will face similar constraints with many area's stock biomass being in the critical and cautious zones. Indigenous communities on the North Coast are lobbying DFO for the introduction of eulachon bycatch limits for the North Coast which will impact fisheries in the area.

6. Prawn

The spot prawn fishery experienced increased landings in 2018 and 2019. The 2020 spot prawn harvest is estimated to have been similar. This fishery is one of the most valuable, generating \$63M in wholesale value in 2019. Due to limited stock assessment surveys, there may be some limited openings going forward. Additionally, with spot prawn being primarily an Asian market product, the fleet postponed the fishery opening by two weeks in order to allow some further economic opening at the global level. The impact on the international market by COVID-19 had many in the prawn sector turning to domestic markets where market prices are lower. The outlook for 2021 is expected to be very similar to 2020. However, going forward, this fishery will be complicated by DFO's recent reinterpretation of Fishery (General) Regulations that now puts a 50-year-old practice of harvesters tubbing and freezing spot prawn tails in salt water, the main product form in the domestic market, out of compliance. This recent reinterpretation will have a significant impact on the socio-economic performance of this fishery.

7. Crab

The Dungeness crab fishery is one of the most socio-economically important fisheries on the coast. Fishing occurs coast-wide and has one of the highest participation rates, approximately 92 percent of licensed vessels. In 2019 and 2020, Dungeness landings were among some of the largest on record. North Coast fisheries (Areas A and B) account for the majority of Dungeness crab landings. In 2020, the main markets in China and the U.S. were impacted by COVID-19. Dungeness crab biomass experienced regular fluctuations in fishable biomass and cannot be accurately forecasted into 2021.

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Marine planning initiatives, like the Northern Shelf Bioregion, and illegal fishing are threats to the continued success of the Dungeness fishery. Illegal fishing in all crab sectors has now spread coast-wide but is still largely concentrated on the South Coast. COVID-19 impacts to the northern crab market still loom large, particularly for the cooked crab markets in the U.S. Delays in U.S. Dungeness crab fisheries for 2021 are expected to provide more competition for Area A's harvest in 2021. Area B has also been successful with DFO granting a shift of their season opening from March 1 to April 1. Area B is expecting this will allow them to take greater advantage of American, Canadian, and Asian holiday seasons in November and December. The Ministry is working with the sector to assist with these issues and with domestic marketing through the Canadian Fish and Seafood Opportunities Fund.

8. Wild Pacific Salmon

The overall outlook for most Pacific salmon stocks in 2021 will be very poor and similar to 2020, which was one of the lowest on record. Salmon returns will be highly variable, with an overall continued trend of reduced productivity, especially for southern salmon populations and chinook in all areas. A key factor is the poor conditions for ocean survival for the sea entry and freshwater rearing years for salmon stocks returning in 2021. The Big Bar rockslide, reported in 2019, has impeded natural fish passage beyond it, further impacting several salmon species migration in the Fraser River, many of which are stocks of concern and pending assessment under SARA.

- **Sockeye:** Sockeye returns are expected to remain below historical averages in both north and south coastal regions. Below average returns are expected for many Fraser River sockeye runs in 2021. There remains significant uncertainty with these runs. There will likely be very limited economic opportunities for salmon fishermen as a result.
- **Chinook:** Northern and southern populations of chinook salmon are expected to produce poor returns. Conservation efforts for stocks of concern and further plans for SRKW recovery efforts being considered by DFO may also further limit commercial and recreational harvest opportunities in 2021.
- **Pink:** 2021 is an odd year and therefore a 'pink year' (odd years see larger returns than even years). However, Fraser River pink returns are expected to be low. Some Central Coast pink runs could see better than average returns in 2021.
- **Coho:** Abundance will remain uncertain and depend on marine survival. Southern coho populations will mostly remain at historic lows for 2021. Harvest restrictions will likely continue. Northern coho populations are expected to be more variable but will likely show declines.
- **Chum:** Forecasts are highly uncertain. 2021 is not expected to be as productive as previous years. Poor chum returns are expected in northern systems while southern inside populations are expected to yield some fisheries opportunities, despite high stock variability and conservation concerns for other species.

9. Tuna

The USA-Canada Albacore Tuna Treaty fishing arrangement expired in 2019. A new 3-year roll-over arrangement was agreed to extending from 2020 to 2023 which provides some stability for B.C.'s tuna fishermen. The wholesale value of B.C. albacore tuna products was \$40M in 2019. Catch levels are expected to remain relatively stable for 2021. Fish behavior and movement were unusual in 2019 and 2020 as fish were closer to shore than normally observed due to poor mixing of cool and warm water areas. Tuna markets and prices remain strong, partially offsetting reduced harvest levels.

10. Herring

In 2020, the Total Allowable Catch (TAC) was set at approximately 12,000 MT (food, bait, special use and roe) which was roughly half of the average TAC over the previous 12 years. The significant drop in TAC impacted the commercial fishing industry as well as the seafood processing industry as roe herring is one of the only fisheries that sustains employment through winter months when most other fisheries are closed. However, no fishery in Sitka, Alaska meant favorable market conditions for B.C. herring roe, even with COVID-19 impacts. Due to higher expected biomass, the 2021 TAC has increased to 18,330 MT, and COVID-19 has had an impact on selling herring roe to the traditional Japanese and Chinese markets. Further, it is anticipated that Sitka's stocks are rebounding which may provide significant market competition for 2021. There is growing public concern, and advocacy groups are calling for a complete moratorium on the herring fishery. Conflicts on the water in 2020 were not as drastic as expected by DFO, but there was an increased presence of protesters in boats around the fishing fleet. However, there are expected to be less protests gathering in 2021 due to COVID-19. On the Central Coast, the Heiltsuk First Nation has worked with DFO to reach the decision to not allow a roe herring fishery despite the DFO science advice to allow harvest since 2019. Spawn on Kelp, food and bait, and special use herring are harvested at lower volumes. Of the five main herring stocks that are managed in B.C., three of five appear to still be recovering from a low in 2010. The Strait of Georgia stock is the largest and in 2021 is showing an increase after the significant decline in 2020.

11. Groundfish

- **Hake:** While the 2020 data are not yet finalized, confirmed Canadian hake landings have decreased from the record setting harvests in 2017, 2018 and 2019. Hake have seen moderate increases in landed and wholesale values since 2015 which are expected to continue as companies manage to find more diverse markets for hake. In 2020, the U.S. and Canada were unable to reach an agreement for the first time under the Pacific Hake Treaty. The U.S. was advocating for continued high catch levels, and Canada sought a reduction in catch given the long-term status of the stock. Hake stocks are dependent on large recruitment years that bring large harvestable masses of fish that can sustain both countries for years. However, there is no evidence of any large recruitment events since 2014. Canada and the U.S. independently set TAC levels, where Canada voluntarily took a lower TAC. 2021 negotiations will occur at the end of March. There is not expected to be a Joint Venture (JV) fishery this year. However, industry noted in 2020 that concerns of any COVID-19 outbreaks at shoreside facilities that would impact the ability to catch the annual quota, would see them shift the opportunity to open a JV fishery.
- **Halibut:** Halibut stocks, which have been stable up until 2017, were thought to be in decline, so the coastwide TAC was reduced significantly in 2018 down to 27.9M lbs. An agreement was reached with the U.S. at the 2019 International Pacific Halibut Commission negotiation sessions, which gives B.C. a proportional share of halibut for four years. The 2021 coastwide TAC for Pacific halibut was set at 39M lbs. (a 6 percent increase from 2020) and provides Canada with 7.0M lbs. (up from 6.83M lbs. in 2020). The recreational halibut fishery has gained significant importance to the public fishery as salmon stocks have been at record lows in 2019 and 2020. The commercial fishery remains very strong in recent years in B.C. as prices and consumer demand are high. 2020 market conditions were poor as a result of COVID-19 related closures of food service and high-end dining, and it is anticipated that the 2021 market outlook is similar.
- **Other Groundfish:** Groundfish hook and line harvests may show a small decrease or remain stable in 2021 due to navigating area changes due to rockfish conservation

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concerns, mostly around yelloweye and bocaccio rockfish. Bocaccio rockfish has shown a historic recruitment event that expects to provide enough fish by the 2023 fishing season to satisfy DFO's rebuilding plan and ease that pressure on the trawl fisheries. The groundfish trawl outlook is good, however, with similar conservation concerns for some rockfish, including bocaccio rockfish and Arrowtooth flounder. Opportunities for lingcod and other minor species should be similar to last year. Sablefish markets and prices remain strong, and harvest should remain stable through 2021.

CROSS JURISDICTIONAL COMPARISON:

- All jurisdictions are experiencing market changes and difficulties as well as issues of changing safety practices because of the COVID-19 global pandemic.
- All jurisdictions that manage wild fisheries are experiencing the effects of high variability and uncertainty with fish returns. For example, while B.C. has been experiencing record low salmon returns, now Alaska and the Southern U.S. have also been reporting significant conservation concerns in 2019, 2020 and for 2021.
- There has been more significant investment recently in Atlantic Canada by large aquaculture companies due to more certainty in their industry.
- The global demand for seafood, from all sources, continues to rise due to global population growth, increase in wealth, especially in the middle classes in third world countries, and increased interest in the health benefits of from seafood.
- The global production of seafood from aquaculture surpassed that of wild fisheries in 2012. The Food and Agriculture Organization of the United Nations (FAO) estimates that 78 percent of global marine fish stocks (that are monitored) are fully exploited (52 percent), over exploited (17 percent), depleted (7 percent) or recovering from depletion (1 percent). Increasing future demand is expected to be met by aquaculture.

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MAACFA IMPLEMENTATION

RECOMMENDED RESPONSE:

- In June 2015, the B.C. government announced a Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA).
- MAACFA was tasked to examine the salmon aquaculture application and approval framework to ensure the operations were socially and ecologically sustainable and could coexist with B.C.'s wild fishery resources.
- Members include those from the aquaculture industry, academia, environmental, non-governmental organizations, First Nations, and federal and provincial government officials.
- The Council met between July 2016 and January 2018, during which it was provided background on salmon farming (regulatory regime, operational arrangements, and research and health developments) and diverse presentations on finfish aquaculture issues.
- The final report was provided to the Province on February 1, 2018, and in coordination with Fisheries and Oceans Canada (DFO) and other provincial agencies, progress has been made on many of the strategic recommendations and associated actions.
- Working with the federal government and other partners, we have developed an approach for area-based aquaculture management and community engagement; a framework for aquaculture risk management based on the precautionary approach, science-based pathogen risk assessments; pathogen research to expand our knowledge base; and progress on the assessment of the feasibility of alternative production technologies.
- Development of the new salmon farm tenure policy requiring agreements with First Nations in whose territory a salmon farm operates satisfies a key recommendation in the MAACFA report.
- The *B.C. Declaration on the Rights of Indigenous Peoples Act* (Bill 41) passed unanimously into law. The Act establishes the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as the framework for reconciliation in B.C. and creates a path forward that respects the human rights of Indigenous Peoples while introducing better transparency and predictability with respect to aquaculture development in B.C. The legislation allows for flexibility for the Province to enter into agreements with a broader range of Indigenous governments, meeting a key MAACFA action item regarding Aboriginal Rights and Title.

BACKGROUND:

- In June 2015, the Minister of Agriculture announced the initiation of the Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA) "to examine the rules and restrictions that guide the application and approval process for finfish aquaculture to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with British Columbia's wild fishery resource".
- MAACFA members (appendix 1) heard from experts on a wide range of related topics including: the existing federal and provincial regulatory frameworks related to finfish aquaculture; fish health and disease risks associated with farmed and wild salmon; First Nations' perspectives; concerns of environmental and non-government organizations; the economic benefits of the industry; land-based aquaculture; and Aquaculture Stewardship Council certification.

- On February 1, 2018, MAACFA submitted its final report to the Minister of Agriculture. The report reflects three divergent perspectives on the risk levels of salmon farming to wild salmon stocks:
 - 1) The current risk is too great to allow the continuation of marine net-pen industry.
 - 2) The current risk can be managed through best practices and more considerate siting guidelines.
 - 3) There is no evidence that serious risk to wild salmon populations exists or is greater than any number of other natural risk factors.
- MAACFA members were able to reach consensus on six overarching themes with associated strategic recommendations and immediate and long-term actions, providing a total of 29 recommended actions. (Appendix 2).
- In coordination with Fisheries and Oceans Canada (DFO) and other provincial agencies, progress has been made on many of the strategic recommendations and associated actions contained in the MAACFA report.

Highlights include:
- February 2, 2018: The Federal fisheries Minister announced the Independent Expert Panel on Aquaculture Science. The Panel was formally established in May 2018 with a mandate to providing DFO with advice and recommendations on three areas of concern:
 - 1) The appropriate use of scientific evidence in risk-based aquaculture decision making;
 - 2) The priority-setting process for aquaculture science at DFO; and
 - 3) The communication of aquaculture science and resulting decisions to Canadians.

The final report was released on December 13, 2018 and contained 10 recommendations.

- June 20, 2018: The Province announced a new provincial approach to issuing salmon farm tenures. Effective June 2022, the Province will grant *Land Act* tenures only to fish farm operators who have satisfied DFO that their operations will not adversely impact wild salmon stocks, and who have negotiated agreements with the First Nation(s) in whose territory they propose to operate.
- June 27, 2018: The Province established joint decision-making processes with First Nations for Broughton Archipelago fish farm tenures. The 'Namgis, Kwikwasutinuxw Haxwa'mis and Mamalilikulla First Nations and the Province of British Columbia executed a letter of understanding (LOU), formalizing ongoing talks.
- July 2018: The Aquaculture Activities Regulations (AAR) Monitoring Standard was released to support industry to meet the monitoring and sampling requirements of the AAR and produce consistent and high-quality data annually. Site-level data is now made public on the DFO website and over the longer term could form the basis of an online tool similar to the BarentsWatch site in Norway.
- December 10, 2018: DFO announced a new way forward on aquaculture management and the protection of wild salmon, with a suite of aquaculture-related initiatives including:
 - A study on the alternative technologies for aquaculture. B.C. is co-funding and managing this study in partnership with DFO and Sustainable Development Technology Canada.
 - Moving towards an area-based approach to aquaculture management.
 - Developing a framework for aquaculture risk management, based on the precautionary approach.

- Creating a single comprehensive set of regulations, the General Aquaculture Regulations.
- December 14, 2018: The Province and the three signatory First Nations announced endorsement of the recommendations resulting from the LOU process. Work is ongoing on the development of an Indigenous Monitoring and Inspection Program for the region. DFO is participating, and this work is aligned with their development of area-based management for aquaculture in the Pacific region.
- January 14, 2019: The Province announced an investment of \$215K for The Centre for Innovation in Fish Health at Vancouver Island University. These funds were provided by the Ministry of Advanced Education, Skills and Training to aid the development of a laboratory that meets the federal regulations of the Canadian Food Inspection Agency for Aquatic Animal Pathogen Level 2 biocontainment.
- March 15, 2019: B.C. and the federal government announced a joint commitment of \$142M over five years to protect wild salmon through the British Columbia Salmon Restoration and Innovation Fund (BCSRIF). The fund is cost-shared with the Province (70 percent federal and 30 percent provincial) and targets salmon habitat protection and restoration, as well as ensuring the fish and seafood sector in B.C. is positioned for long-term environmental and economic sustainability.

The fund continues to benefit B.C. aquaculture producers by supporting science partnerships, innovation, clean technology adoption, and green infrastructure investments that improve productivity, sustainability, and safety.

To date, BCSRIF has supported 41 projects totaling \$68.8M of funding, directly contributing to protection and restoration of wild salmon stocks and creating a more sustainable future for local communities and workers. Notable examples include:

- The establishment of a genomics lab to support independent First Nations' fish health testing; and
- The implementation of the Indigenous Monitoring and Inspection Plan (IMIP) of Salmon Farms in the Broughton Area, which will provide capacity for First Nations' monitoring and oversight.
- June 2019: DFO announced the establishment of the Indigenous Multi-stakeholder Advisory Body (IMAB) to convene policy, technical, planning and scientific experts from the federal and provincial governments, First Nations, environmental and non-governmental organizations, industry and others to propose and advise DFO on specific actions that would improve the overall management of aquaculture within the Pacific Region. The IMAB was supported by three Technical Working Groups (TWGs):
 - Area-based Management Technical Working Group;
 - Salmonid Alternative Production Technologies Technical Working Group; and
 - Marine Finfish and Land-based Fish Health Technical Working Group.
- Following review of the IMAB, the TWGs submitted final reports in the summer of 2020 along with comments from the IMAB. The reports provide 47 recommendations that are science-based and very comprehensive on the themes of area-based management, alternative production technologies and fish health. If adopted in practice, they would address several of the MAACFA's recommended actions under Themes 1-5; however, they include many additional recommendations.
- November 2019: The *B.C. Declaration on the Rights of Indigenous Peoples Act* (Bill 41) was passed into law. The Act establishes the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as the framework for reconciliation in B.C. The Province

worked with the First Nations Leadership Council (FNLC) to develop the legislation. The legislation requires:

- Alignment of B.C.'s laws with the UNDRIP; and
- An action plan that includes consistent public reporting.

Over time, as laws are modified or built, they will be aligned with the UNDRIP. In addition, the legislation allows for flexibility for the Province to enter into agreements with a broader range of Indigenous governments, meeting a key MAACFA action item regarding Aboriginal Rights and Title.

- December 2016 – September 2020: Through the Canadian Science Advisory Secretariate (CSAS) process, DFO completed comprehensive peer-reviewed scientific risk assessments on nine pathogens (six bacteria and three viruses) known to cause diseases on marine Atlantic salmon farms. All of the assessments concluded that these pathogens posed minimal risk to Fraser River Sockeye abundance and diversity if released from farmed Atlantic Salmon (*Salmo salar*) in the Discovery Islands area under current farm practices. The assessments addressed, in part, the recommended action to “better understand the potential effects of pathogens transferring from farmed salmon and producing disease in wild salmon.”
- Strategic Salmon Health Initiative (SSHI): The SSHI is a partnership between GenomeBC, DFO and the Pacific Salmon Foundation. Created in 2013, the SSHI will wrap up in March 2021. The goal of the SSHI is to assess the presence of pathogens in wild and cultured salmon, as well as transmission dynamics using molecular and genomic diagnostic tools. This research will add significantly to our body of knowledge and address, in part, the MAACFA's goal to “better understand the potential effects of pathogens transferring from farmed salmon and producing disease in wild salmon.”

CROSS JURISDICTIONAL COMPARISON:

- Not Applicable

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not Applicable

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Appendix 1

Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA)
Content provided by council members
MAACFA Membership

The following MAACFA members attended meetings on a regular basis.

Tony Allard

Chairman, Wild Salmon Forever

Tony Allard is a lawyer and investor from West Vancouver. His passion for wild Pacific salmon has motivated him to support those doing important salmon conservation work. As owner of Good Hope Cannery he supports Simon Fraser University (SFU) led salmon ecology research on Rivers Inlet sockeye salmon, "Take a Stand", an innovative program of SFU's Centre for Coastal Science and Management and the Wannock Chinook Protection Plan, which is building a hatchery at the head of Rivers Inlet. Good Hope Cannery has also donated several ecologically sensitive land parcels to the Nature Conservancy of Canada. He also supports the Pacific Salmon Foundation and the Salish Sea Marine Survival Project.

Keith Atleo

Operations Manager for the Ahousaht First Nation and the Ahous Business Corporation

John Bones (Vice-Chair)

Principal, JG Bones Consulting

John Bones has worked in land and marine policy and planning for over 35 years. He has been heavily involved throughout his working career in marine planning and policy initiatives on the B.C. coast, including those aimed at resolving issues associated with finfish aquaculture. He has worked with local and federal governments, as well as many First Nations and non-governmental organizations. He retired as a provincial government assistant deputy minister in 2009, and since then has continued work as an independent consultant, primarily in the areas of marine planning and policy.

Dr. Christina Burrridge

Executive Director, BC Seafood Alliance

Dr. Christina Burrridge is the executive director of the British Columbia Seafood Alliance, an umbrella association whose members represent about 90% of the value of B.C.'s wild seafood. Its mandate is to encourage sustainable, profitable fisheries on Canada's West Coast. She is closely involved with third-party programs to verify seafood sustainability, particularly the Marine Stewardship Council (MSC), and is a member of the MSC's Stakeholder Council. She is also the chair of the international Association of Sustainable Fisheries, representing fisheries in the MSC program and has worked for various Canadian fishing industry associations since 1988 and has been a member of numerous industry and government advisory groups, including the BC Pacific Salmon Forum, 2004-2009.

Bill Cranmer

President, Kuterra

Chief Bill Cranmer is a hereditary chief of the 'Namgis First Nation and former elected chief councillor from 1994 to 2014. College educated in Vancouver and a member of the Royal Air Force until 1959, he has been a positive force in the economic and cultural development of his community since his return to Alert Bay in 1978. He has served on the executive of both the Native Brotherhood of B.C. and the Native Fishing Association. He is currently President of Kuterra, a land-based recirculating aquaculture system, owned and operated by the 'Namgis First Nation.

Jeremy Dunn

Executive Director, BC Salmon Farmers Association

Jeremy Dunn has served as the executive director of the BC Salmon Farmers Association since March 2014 and has over 15 years of experience in communications, strategic planning, issues management and stakeholder relations. He has a great interest in aquaculture practices, scientific research and is an avid consumer of farm-raised salmon. Born and raised in B.C. and originally from Ucluelet on the west coast of Vancouver Island, he is proud to work with salmon farmers in B.C. who are raising some of the world's best fish.

Dr. Anthony Farrell

Canada Research Chair, Faculty of Land and Food Systems & Department of Zoology, University of British Columbia (UBC)

Dr. Anthony Farrell currently holds a Tier I Canada Research Chair (Fish Physiology, Culture and Conservation) at UBC where he researches the cardiorespiratory systems of fish and comparative animal physiology. He serves as assistant editor with the J Fish Biology, as the fish physiology section editor for Aquaculture and on the editorial board of Canadian J Zoology. He has published over 400 peer-reviewed articles in the scientific literature, co-edits a book series and has co-edited an Encyclopedia of Fish Physiology. He previously held faculty positions in Biology at Mount Allison University (1980-84) and Biological Sciences at Simon Fraser University (1984-2004).

Larry Greba

Director, Kitasoo Economic Development Corporation

Larry Greba has extensive experience and training in the field of wild fisheries management and community economic development. He has worked with 25 First Nations communities throughout British Columbia over the past 32 years primarily in fisheries enhancement, management, policy development, strategic planning and negotiation including shellfish and finfish aquaculture business development and environmental monitoring. He has worked closely with the Kitasoo/Xaixais Nation, Central Coast Indigenous Resources Authority, the First Nations Fisheries Council and the Coastal First Nations-Great Bear Initiative, and has represented the interests of many of these organizations on a myriad of boards and committees and has developed and serves as a director for several Kitasoo Band businesses.

Richard Harry

President, Aboriginal Aquaculture Association

Saya Masso

Natural Resource Director, Tla-o-qui-aht First Nation

Saya Masso is a member of the Tla-o-qui-aht First Nation and is currently their Natural Resource Director. He has a B.A. in economics and a master's degree in Indigenous Governance. He has been involved in the development of wild and cultured salmon resources in the Tla-o-qui-aht First Nations traditional territory for many years. In this capacity he has completed several land use plans and has been key in implementing a Guardian/Watchmen program for Tla-o-qui-aht.

Dr. Donald Noakes

Dean, Faculty of Science and Technology, Vancouver Island University

Dr. Donald Noakes is currently the Dean of the Faculty of Science and Technology at Vancouver Island University. He has been actively involved in research on Pacific salmon and interactions between wild and farmed salmon for 30 years. His career includes 19 years working for Fisheries and Oceans Canada and teaching and academic administration appointments at Thompson Rivers University (Kamloops) and Vancouver Island University (Nanaimo).

Dr. Brian Riddell

President and CEO, Pacific Salmon Foundation

Dr. Brian Riddell was a fishery scientist in the Department of Fisheries and Oceans for 30 years where he worked extensively on the assessment and management of wild Pacific salmon and has been associated with the development of salmon aquaculture since its very beginning in B.C. He is now the President/CEO of the Pacific Salmon Foundation in Vancouver B.C. and project leader, with Dr. K. Miller Saunders, of the Strategic Salmon Health Initiative that is currently researching microbes in all B.C. salmon and the potential impact of pathogens on the productivity of Pacific salmon.

Lee Spahan

Chief, Coldwater First Nation

Paul Sprout (Chair)

B.C. Commissioner, Pacific Salmon Commission

Paul Sprout works as a fisheries management consultant and is a director on the Pacific Salmon Foundation and a commissioner on the Canada-US Pacific Salmon Treaty. He has extensive experience in fisheries policy and management and during a 34-year career with the Department of Fisheries and Oceans held numerous positions, ranging from fisheries management biologist to associate assistant deputy minister resource management. He retired as the regional director general for the Pacific region in 2010. He has a strong interest and background in applying collaborative approaches in finding solutions to the challenges of sustainably managing fisheries.

John Werring

Senior Science and Policy Advisor, David Suzuki Foundation

John Werring received his master's of science degree in animal resource ecology from the University of British Columbia in 1986. He is a registered professional biologist and a member in good standing of the College of Applied Biology of B.C. He worked as an environmental consultant on major resource development projects throughout North and South America from 1984 to 1992 before joining the environmental not-for-profit sector in B.C. since 1992. He is currently senior science and policy Advisor to the David Suzuki Foundation based in Vancouver. He has been active on issues related to the environmental impacts of open net-pen fish farming since 2000.

Ex Officio Members:

Tom Ethier, Assistant Deputy Minister, Resource Stewardship Division, B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Sharon Hadway, Regional Executive Director, West Coast Operations, B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Wes Shoemaker, Deputy Minister, B.C. Ministry of Agriculture

Charles Short, Executive Director, Strategic Projects, Regional Operations Division — Coast Area, B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Craig Sutherland, Assistant Deputy Minister, Regional Operations — Coast Area, Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Note: Derek Sturko attended MAACFA meetings as ex-officio member (B.C. Ministry of Agriculture) until mid-2017.

Fisheries and Oceans Canada (Observers):

Rebecca Reid, Regional Director General, Fisheries and Oceans Canada (DFO)

Or alternate Andrew Thomson — Regional Director of Fisheries Management Branch, Fisheries and Oceans Canada (DFO)

MAACFA Secretariat:
James Mack, B.C. Ministry of Agriculture
David Travia, B.C. Ministry of Agriculture
Appendix 2

Minister of Agriculture Advisory Council on Finfish Aquaculture (MAACFA)

Themes – Strategic Recommendations - Actions

Theme 1 — Salmon Farm Locations

Strategic Recommendation

Strengthen the precautionary approach to regulating salmon farming in B.C. to reduce the potential risk of serious harm to wild salmon.

Immediate Recommended Actions

1.1. Adopt an area-based approach to managing salmon farms and initiate work to identify geographic areas and their management requirements, including the maximum number of permitted net-pen salmon farms, and maximum total allowable biomass based on the environmental capacity and other scientific considerations. This approach should also examine the feasibility of locating salmon farms in areas with lower salinity and that may result in fewer sea lice.

1.2. Place greater emphasis on the cumulative effects of multiple salmon farms operating in the same geographic area as part of site approval process and area-based approach to managing salmon farms.

1.3. Provide regulatory flexibility to relocate existing salmon farms to new sites based on the primary objective of reducing risks to wild salmon, in addition to other considerations such as addressing First Nations and community concerns and reducing the number of farms operating in sub-optimal locations.

1.4 Define in a prescriptive manner how the precautionary principle will be applied in the siting of salmon farms outlining its key elements and objectives.

Longer-Term Recommended Actions

1.5 Establish criteria to govern any future siting of net-pen salmon farms in B.C., including evidence that the farm poses no more than a minimal risk of serious harm to wild salmon, the location of the farm has First Nations support at the outset, and the location of the farm is favourable from an environmental perspective.

1.6. Increase investment in the assessment of wild salmon stocks, the public dissemination of stock assessment information and in the restoration of wild salmon habitat and other resources, such as Pacific herring, on which they depend.

Theme 2 — Aboriginal Rights and Title

Strategic Recommendation

Acknowledge and incorporate First Nations' rights, title and stewardship responsibilities in all aspects of fish farm governance, including tenuring, licensing, management and monitoring in a manner consistent with the United Nations Declaration of Rights of Indigenous Peoples (UNDRIP).

Immediate Recommended Actions

- 2.1. Establish policy requiring industry to have agreements with a First Nation(s) affected by a net-pen aquaculture site as a condition of any new or replacement site tenure, and provide guidelines to industry for developing these agreements.
- 2.2. Review and strengthen B.C. government engagement processes with individual First Nations governments on new or replacement net-pen aquaculture site tenures.
- 2.3. Establish a salmon aquaculture forum comprised of coastal and B.C. Interior First Nations organizations — and where possible using appropriate existing provincial and federal advisory bodies — to provide advice on net-pen aquaculture management issues such as site applications and farm operations in First Nations shared territories.

Longer-Term Recommended Actions

- 2.4. Develop a program and secure funds to support additional First Nations capacity for engagement in review of new and replacement net-pen aquaculture site applications, and for subsequent engagement in related science, management, monitoring and enforcement.
- 2.5 Increase involvement of First Nations in the planning, management and operation of salmon stock assessments and salmon habitat restoration projects.

Theme 3 — Marine Planning and Community Engagement

Strategic Recommendation

Increase community, stakeholder and local government engagement and marine spatial planning to improve public trust in aquaculture siting and operations.

Immediate Recommended Actions

- 3.1. Require applicants to engage affected communities and local governments and provide documentation of feedback prior to submitting applications for new net-pen aquaculture sites.
- 3.2. Require community meetings and local government review of replacement net-pen aquaculture site tenures and the inclusion of resulting comments in the replacement tenure decision-making process.
- 3.3. Establish and support stakeholder and local government advisory committees for new and replacement site and licence applications and for aquaculture spatial planning activities, utilizing appropriate existing provincial and federal advisory committees where possible.
- 3.4 Direct B.C. staff to follow siting and tenure management direction found in recently completed B.C. – First Nations approved marine spatial plans when making decisions on new and replacement tenure applications for net-pen aquaculture.

Longer-Term Recommended Actions

3.5. Identify and apply appropriate B.C. regulatory tools to reinforce the direction provided on net-pen finfish aquaculture siting and tenure management in existing, approved marine spatial plans developed and approved by B.C. and First Nations.

3.6. Update appropriate existing B.C. coastal spatial plans and initiate new collaborative marine spatial plans for currently unplanned areas, to provide direction on net-pen aquaculture siting.

Theme 4 — Pathogens and Disease

Strategic Recommendation

Move expeditiously to better understand the risk salmon farming poses to wild salmon from the transfer of pathogens (including sea lice) as well as the actual consequences of pathogen infection on wild salmon.

Immediate Recommended Actions

4.1. Establish as soon as possible an independent science council, with the support of the federal Department of Fisheries and Oceans, comprised of non-government scientists with a mandate to address “conflicting science”, identify information gaps, provide advice on future research priorities and communicate to the public and appropriate advisory committees on behalf of the scientific community about salmon farming.

4.2. Conduct additional scientific research to better understand the potential effects of pathogens transferring from farmed salmon and producing disease in wild salmon.

4.3. Continue monitoring sea lice levels on B.C. salmon farms and on juvenile wild salmon; monitor populations of wild salmon in proximity to salmon farms; and, test on a regular basis the effectiveness of treatments in controlling sea lice levels and for resistance to sea lice therapeutants.

4.4. Increase the capacity of B.C. Level 2 wet lab facilities in order to conduct work required on pathogens.

Longer-Term Recommended Actions

4.5. Contribute funding and engage with the federal Department of Fisheries and Ocean around its work to create a new research framework to identify future directions on research and collaborations to be done at the Pacific Science Enterprise Centre in West Vancouver.

4.6. Conduct research on *Caligus* sea lice and its host dynamics and to better inform future management decisions and potential regulation.

Theme 5 — Alternate Technologies and Approaches

Strategic Recommendation

Provide incentives for the continued research, development and adoption of salmon farming technologies that reduce the risk to wild salmon, including land-based closed containment.

Immediate Recommended Actions

5.1. Establish financial incentives to invest in developing and implementing salmon farming technologies that reduce the risk to wild salmon and require their incorporation into siting and operational licences, as appropriate.

5.2. Conduct a study examining the feasibility of utilizing closed containment technology in B.C. (land-based recirculating aquaculture systems, advanced net-pen systems, near-shore floating containment and off-shore farming systems) as (i) an alternative to ocean-based open net-pens and (ii) an option for expanding the current salmon farming production. The study should explore a range of considerations including the technical, biological and economic feasibility of growing salmon in closed containment facilities, which locations would be suitable for these types of operations and the level of public support for closed containment relative to net-pen salmon farms.

Longer-Term Recommended Actions

5.3. Define a clear process for considering approval of a discharge licence during the site selection and approval process for land-based closed containment salmon farms.

Theme 6 —Transparency and Information Gaps

Strategic Recommendations

Improve the timeliness and accessibility of information on finfish aquaculture.

Immediate Recommended Actions

6.1. Collaborate with DFO to develop a new, interactive and GIS-based website similar to the BarentsWatch site in Norway (<https://www.barentswatch.no/en/>) that provides ongoing information and updates on information collected and decisions made in association with new and replacement site tenure applications, site inspections, and farm operational permitting requiring provincial and federal government authorizations. Examples of information that should be available on the new website are provided in Appendix 7 (Theme 6).

6.2. Provide an annual update on the work of the science council (recommended action 4.2) describing the issues addressed by the council and advice provided, including progress on the state of science and future research priorities.

Longer-Term-Recommended Actions

6.3. As part of the regular review of aquaculture licence conditions, review public communication and data transparency activities, including the incorporation of new and emerging communications technologies, to increase public awareness and understanding.

MARINE PLANNING AND NEW FEDERAL TARGETS

RECOMMENDED RESPONSE:

- B.C. will continue to work with federal and Indigenous partners to explore the new targets of protecting 25 percent of Canada's oceans by 2025, and 30 percent by 2030, within the provincial context.
- B.C. fully supports and wants to continue to work in partnership with Fisheries and Oceans Canada (DFO) on Marine Protected Area (MPA) network planning.
- Under the current draft North Shelf Bioregion (NSB) MPA network scenario, 32 percent of the total area (101,500 km²) is proposed for protection with 10 percent under consideration for high protection.
- It is important for B.C. to ensure there is effective engagement of directly affected stakeholders (e.g., recreational and commercial fishers, and aquaculture) as well as First Nations, in the NSB MPA network planning process.
- The Province, led by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR), is currently working together with Canada and 17 First Nations in a government-to-government (G2G) process.
- 21 other First Nations with territories in the area are not part of the planning process and will require continued early notification and consultation.
- Stakeholders and local governments continue to provide advice through participation in regional and sub-regional advisory committees and bilateral meetings.
- B.C. is beginning to engage with the federal government around their plans for a Blue Economy Strategy that will consider both marine conservation and the Pacific's marine economy, which is the most significant in Canada.

BACKGROUND:

- MPAs are clearly defined geographical spaces that are recognized, dedicated, and managed through legal or other effective means to achieve the long-term conservation of nature with associated ecosystem services and cultural values. The federal and provincial governments have a variety of legislative tools for designating and managing MPAs. Currently, Pacific Region MPAs and other effective area-based conservation measures protect over one-third of B.C.'s oceans, making up about three percent of overall Canadian protected areas, and several areas prohibit extractive use (e.g., Hecate Strait Glass Sponge Reefs).
- The Province has a commitment to provide coordinated and sustainable management and stewardship of coastal and marine environments. B.C. has a mandate to conserve biodiversity and provide access to outdoor recreation and tourism opportunities within marine parks and protected areas and delivers on this mandate through a variety of legislative and other tools.
- There is currently no mandate in B.C. to increase conservation, park, or protected areas.
- As a result of the 2019 federal election, the federal government was issued a mandate to introduce a new plan to conserve 25 percent of Canada's oceans by 2025, working toward 30 percent by 2030.

Marine Protected Area Network – North Shelf Bioregion

- In 2011, the Canadian Council of Fisheries and Aquaculture Ministers approved the National Framework for Canada's Network of Marine Protected Areas, which guides the national approach for marine protected area (MPA) network development. Under this strategy, the establishment of a network of MPAs serve six goals:

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1. To protect and maintain marine biodiversity, ecological representation, and special natural features;
 2. To contribute to the conservation and protection of fishery resources and their habitats;
 3. To maintain and facilitate opportunities for tourism and recreation;
 4. To contribute to social, community, and economic certainty and stability;
 5. To conserve and protect traditional use, cultural heritage, and archaeological resources; and
 6. To provide opportunities for scientific research, education, and awareness.
- Working in partnership, federal and provincial agencies completed the Canada-British Columbia Marine Protected Area Network Strategy in 2014. Consistent with the national framework, the strategy outlines network goals and principles for a coast-wide system of MPAs to help guide MPA establishment and regional planning initiatives. It identifies ecological, social, economic, and cultural design principles for the creation of effective, functional networks in B.C.
 - The Government of Canada, the Province and some Pacific North Coast First Nations are working together to develop a network of MPAs in the Northern Shelf Bioregion (NSB), extending from the middle of Vancouver Island to the Canada - Alaska border. These groups make up the Marine Protected Area Technical Team (MPATT) with the goal to develop a network of MPAs that will protect key ecological and cultural values while minimizing the socio-economic impacts to communities and user groups.
 - In February 2019, a draft scenario of potential MPAs was completed for the NSB and presented to stakeholders for review.
 - Industry has coordinated itself, in part, through the establishment of a Marine Planning Team (MPT). Throughout 2019, the group presented the draft scenario to all fisheries sectors in the area. MPT was scheduled to communicate sector responses and proposed changes towards a revised scenario to MPATT in February 2020.
 - The MPT, with administrative support from the B.C. Seafood Alliance (BCSA), received \$75K from a Stakeholder Support Fund established to support the process. The Ministry of Agriculture, Food and Fisheries (AFF) supported the sector by funding a contractor to complete a socio-economic analysis on the potential impacts to commercial fishing and processing as a result of the initial draft scenario and the revised scenario put forward by the MPT. This contract was valued at \$35K and completed on February 1, 2020, and findings have been used in discussions of Scenario 1 revisions, with the MPT communicating sector responses to the MPATT during February 2020 stakeholder forum.
 - The partners have received considerable input from all stakeholders on a first draft MPA network scenario and are now incorporating feedback into a revised version that will describe a phased approach to implementation. The aim is to have a revised design scenario, along with the results of socio-economic analyses, for further review and broader public engagement in the fall of 2021.
 - The end goal of the planning process is to produce an MPA Network Action Plan by June 2022, in time to be released and announced at the Fifth International Marine Protected Areas Congress (IMPAC5) held in Vancouver. Implementation would then follow in phases, timed to align with the federal government's commitments to protect 25 percent of the ocean by 2025 and 30 percent by 2030.
 - COVID-19 has impacted the MPATT's work, including stakeholder and DFO feedback review. However, this work continued through 2020, with public engagement and final approval of revised scenario being anticipated for 2021.

CROSS JURISDICTIONAL COMPARISON:

All Canadian provinces and territories are subject to the federal government's marine protection

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targets. A disproportionate amount of protection has been implemented in the Pacific region. Nova Scotia and other Atlantic provinces are particularly vocal and resistant to further marine protection that affects commercial fishing in their respective regions.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

The Ministry of Agriculture (now the Ministry of Agriculture, Food and Fisheries) funded a contractor in 2019 to complete a socio-economic analysis on the potential impacts to commercial fishing and processing at a value of \$35K.

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PROTECTING WILD SALMON

RECOMMENDED RESPONSE:

- We have a renewed mandate to develop new strategies to protect and revitalize B.C.'s wild salmon populations, which are critically important to B.C.'s environment, history, economy, and way of life.
- We are working closely with partners to develop a suite of strategies that address recommendations from past reports that will be directly beneficial to salmon in B.C.
- B.C. is examining the options for supporting research to fill the remaining gaps in salmon knowledge, including critical research into marine survival and hatcheries.
- B.C. is developing strategies to support regional approaches to salmon restoration initiatives through salmon hubs that support and coordinate regional activities.
- The appointment of Parliamentary Secretary Fin Donnelly to lead this will help drive this work provincially and with Indigenous and federal partners.
- We are committed to helping restore abundant wild salmon stocks while developing sustainable wild fisheries and supporting communities around B.C. and on our coast.
- The Wild Salmon Advisory Council's (WSAC) final report was released in February 2019. It provides advice on a broad range of policy issues affecting wild salmon that will inform a made-in-B.C. Wild Salmon Strategy.
- On March 15, 2019, the Province of British Columbia and the federal government announced a joint commitment of \$142.85M to protect wild salmon, and we have once again recommitted to this program.
- This government has pledged to invest an additional \$42.85M in the B.C. Salmon Restoration and Innovation Fund (BCSRIF), doubling the largest provincial financial commitment to protect wild salmon in the past 20 years.
- To date, 42 projects have been approved, totaling \$71.3M of funding. The projects are very diverse in terms of location, scale, and proponent, but all contribute to protecting and restoring wild salmon stocks and creating a more sustainable future for local communities and workers. Over 50 more projects are under staff review.
- Most importantly, we will work to ensure strong and healthy wild salmon stocks are available for future generations of British Columbians.

BACKGROUND:

- Minister Popham and Parliamentary Secretary Donnelly's November 2020 Mandate letters direct: *"lead work with the federal government to develop new strategies to protect and revitalize B.C.'s wild salmon populations, including by working to double the size of the Salmon Restoration and Innovation Fund, building on past successes and supporting innovation in fish hatcheries, and ensuring B.C. processing of B.C.-caught fish"*. This work has commenced.
- **Wild Salmon:** Wild Pacific salmon are of great social and economic importance to B.C., sustaining communities coast-wide and generating a wholesale value of \$235.8M in 2018. Many Pacific salmon stocks have suffered disastrous declines leading to equivalent declines in the ecosystems and economies that rely on them. B.C., through the Ministry of Agriculture, Food and Fisheries (AFF) and other provincial agencies, works on a variety of initiatives that support the restoration and conservation of wild Pacific salmon.
- **Wild Salmon Advisory Council (WSAC):** On June 15, 2018, B.C. launched the Wild Salmon Advisory Council (WSAC), a multi-stakeholder advisory council that contributed to

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the development of a strategy to support restoring healthy and abundant wild salmon stocks in B.C. The initial report from the WSAC formed the basis of public consultations and was followed by the release of the final report on March 8, 2019. The final report outlined 13 recommendations that helped to inform a made-in-B.C. Wild Salmon Strategy.

- In July 2020, B.C. released an update on the Provincial Action, following up on the WSAC report, detailing actions taken that aligned with the recommendations.
- **International Year of the Salmon:** At the 2019 launch of the North Pacific Anadromous Fish Commission's International Year of the Salmon (IYS), Fisheries and Oceans Canada (DFO) Minister Jonathan Wilkinson highlighted the federal government's commitment to salmon preservation. Specifically, he addressed the recommendations in the Cohen Commission and implementation of the 2018-2022 Wild Salmon Policy as initiatives that would help bolster salmon in the Fraser River. The Premier also spoke at the event, highlighting the importance of salmon to all British Columbians and the need for ongoing collaboration with DFO on conservation initiatives, including salmon enhancement and habitat restoration.
- **B.C. Salmon Restoration and Innovation Fund (BCSRIF):** On March 15, 2019, the Premier and Minister Wilkinson jointly announced the new B.C. Salmon Restoration and Innovation Fund. This fund is a federal-provincial collaboration that helps to restore the habitat of our wild fish stocks in communities across B.C. and protect our vulnerable wild Pacific salmon species. Canada and B.C. are investing \$100M and \$42.85M, respectively, over five years.
 - AFF has a role in the administration of BCSRIF. However, the agreement identifies DFO as the implementing party for the fund. DFO is assigned activities including:
 - Financial administration of federal and provincial funding;
 - Project information collection and reporting;
 - Development and management of project funding agreements with proponents; and
 - Secretariat for the associated federal-provincial committees.
 - AFF's role in BCSRIF is focused on:
 - Strategic oversight of the initiative, such as annual priority-setting, in partnership with DFO;
 - Cross-ministry collaboration to represent provincial interests in BCSRIF;
 - Sector and industry engagement on provincial priorities and project concept development, in cooperation with DFO; and
 - Collaboration with DFO in the adjudication of project applications.
 - In alignment with the Recommendations for a Made-in-B.C. Wild Salmon Strategy provided by the WSAC, the BCSRIF has and will continue to resource initiatives that strive to increase the abundance of wild salmon. To date, BCSRIF has funded 42 projects and is currently reviewing a new intake of project proposals from Indigenous groups, conservation groups, commercial organizations in the wild fisheries and industry sectors, recreational fisheries, as well as non-commercial organizations such as universities and academia, industry associations and research institutions. The fund supports projects that leverage local knowledge such as local Indigenous monitoring and guardianship programs and community-led habitat restoration, among other innovative projects aimed at protecting and restoring wild fish stocks.
 - BCSRIF had 192 submissions for its first in take of "Expression of Interest" (EOI) in 2019 and 126 EOI applications requesting \$197.1M (343% of available funding) in

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2020, demonstrating the popularity of the fund. Once EOI's are received, a joint review process is undertaken involving DFO and provincial subject matter experts. This results in a request for project proposals which are, again, jointly reviewed (this is currently underway for the 2020 EOI's) and, ultimately, a final list of projects to be funded.

- Announcements regarding the 2019 intake were made at various points in 2020 by both provincial and federal ministers. Announcements regarding the 2020 intake are anticipated in spring/summer 2021.
- The investments from the BCSRIF will ensure B.C.'s wild fisheries are environmentally and economically sustainable for the long term and that jobs in the fishery are resilient to the challenges of climate change and evolving economic conditions. The fund will help protect and restore priority wild B.C. fish stocks, including Pacific salmon. Consumers will also benefit from high-quality and sustainably sourced Canadian fish and seafood products.

CROSS JURISDICTIONAL COMPARISON:

- All jurisdictions managing fisheries are experiencing challenges related to extreme environmental variability and uncertainty with respect to stock abundance.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Implementation of WSAC recommendations and the B.C. Wild Salmon Strategy is expected to require funding to implement.
- BCSRIF is valued federally at \$105M over five years, including a \$5M grant to the Pacific Salmon Foundation Endowment Fund in 2018/19. The provincial contribution is \$42.85M over five years beginning in 2019/20, plus an additional matching \$5M one-time grant to the Pacific Salmon Foundation in 2018/19.
- B.C. has committed to double the funding for BCSRIF.

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SALMON AQUACULTURE POLICY AND DISCOVERY ISLANDS

RECOMMENDED RESPONSE:

- In June 2018, we announced a new policy regarding salmon farming tenures along B.C.'s coast.
- That policy makes it clear that, effective June 2022, no new tenures will be approved unless:
 - The fish farm operator has negotiated agreements with the First Nation(s) in whose territory they propose to operate; and
 - The operator can satisfy Fisheries and Oceans Canada (DFO) that their farm will not adversely impact wild salmon stocks.
- This approach provides clarity to industry and outlines our expectations moving forward for a sustainable industry that protects wild salmon, embraces reconciliation, and provides good jobs for local communities.
- This is the new provincial policy approach to salmon farm tenures.
- Our government has committed to addressing the concerns of First Nations and all British Columbians when it comes to salmon farming.
- The Province is dedicated to meaningful engagement with First Nations as demonstrated by this new policy, the work done in the Broughton, and the legislation recently passed to implement the principles of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).
- A number of operators already have agreements with First Nations. Those types of partnership will grow and lead to more predictability over the long term as First Nations and industry work together.

If asked about the December 2020 federal government decision to cease licensing of open-net pen salmon farming in the Discovery Islands by 2022:

- B.C. respects the federal government's position and their authority on the decision of licensing in the Discovery Islands. However, we remain committed to ensuring that our federal counterparts will mitigate the impact of this decision on the affected companies and communities.
- We will continue to work with DFO to highlight the concerns of the salmon aquaculture sector and the many dependent service and processing sectors.

If asked about the federal government's plan to transition from open-net pen salmon farming in B.C. by 2025:

- I am aware of the federal government's intentions and timelines regarding their commitment to a shift from open-net pen systems and look forward to hearing more about their recommended approach and transition plans.
- We have agreed to participate as an observer in the 2025 Transition Plan to better understand the intent.

BACKGROUND:

- The B.C. salmon farming industry has been operating since the mid-1970s. Due to rapid expansion and the high profit margins, the industry is now B.C.'s highest valued seafood product and a significant economic contributor in rural coastal communities.
- Prior to 2010, the management of finfish aquaculture was under provincial jurisdiction. Management of finfish aquaculture and shellfish aquaculture fisheries transferred back to the

federal government in 2010 as part of a B.C. Supreme Court ruling, often referred to as the Hinkson decision.

- Currently in B.C., aquaculture companies must operate in a multi-jurisdictional space where provincial and federal roles and responsibilities are clearly defined through legislation.
 - The provincial government sets the overall policies regarding economic development, regulates processing and transportation, and disposes the use of Crown land for the purposes of aquaculture through tenure administration. These roles are divided between the Ministry of Agriculture, Food and Fisheries (AFF) and the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR), respectively.
 - The federal government regulates the actual culture or rearing of fish, fish health, marine environmental effects and monitors and mitigates potential implications to wild fish stocks.
- Since salmon aquaculture began in B.C., it has always been a controversial topic. Concerns range from potential environmental impacts and fish health (especially wild Pacific salmon) to social preference and First Nations impacts regarding their asserted rights and title in their territories.
- Over the years, the Province has attempted to mitigate these concerns by two formal moratoria on new finfish aquaculture tenures in the Pacific:
 1. On March 27, 2008, a moratorium north of 52 degrees 50 (Klemtu area) was established through a Provincial Order in Council under the *Environmental and Land Use Act*.
 2. On March 22, 2013, a moratorium in the Discovery Islands area until September 30, 2020 in response to recommendations directed to the Province by the Cohen Commission.
- In addition, in 2015, the Province announced a “pause” on approvals for any new salmon aquaculture tenures and restrictions on amendments to existing tenures.
- Despite these actions, escalating civil disobedience, concerns of potential impacts to wild salmon and mounting First Nations opposition towards the industry compelled the Province to address this situation in a way that provides more certainty and clarity for the industry and for British Columbians.
- In April 2018, AFF released the Ministry of Agriculture’s Advisory Council on Finfish Aquaculture’s (MAACFA) final report with recommendations on salmon aquaculture which included a recommendation to: “establish policy requiring industry to have agreements with First Nations affected by a net-pen aquaculture site as a condition of any new or replacement site tenure and provide guidelines to industry for developing these agreements.”
- On June 20, 2018, the Province announced new conditions for the disposition of Crown land for salmon aquaculture that replaced the “pause” announced in the 2015 bulletin. These new conditions come into effect for new and replacement tenures as of June 2022 and require that operators:
 1. Meet all existing and future federal aquaculture license conditions that assures protection of the health of wild salmon.
 2. Demonstrate support from relevant First Nation(s) in whose territory they propose to operate via industry/First Nations agreements; and
 3. Meet all provincial *Land Act* policies related to the siting of finfish aquaculture sites.
- On September 28, 2020, Fisheries and Oceans Canada (DFO) responded to Cohen Commission’s Recommendation #19 by announcing the completion of nine peer-reviewed risk assessments. All nine assessments found that the transfer of pathogens posed minimal risk to

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the abundance and diversity of migrating Fraser River sockeye salmon in the Discovery Islands area, allowing DFO to continue to issue licenses for the area.

- After consultations with First Nations in December 2020, and in response to the Cohen response, Minister Bernadette Jordan announced that DFO will phase out salmon farming operations in the Discovery Islands by June 2022, with the stipulations that no new fish be introduced into the facilities during this time, and that all farms be fish free by June 30, 2022.
- This will affect approximately 26 percent of B.C. farmed salmon capacity, representing 20 percent of provincial aquaculture revenue (\$132M in 2019).
- Currently, four operators in the area have filed a judicial review to the Federal Court of Canada in Vancouver asking the courts to find the decisions made by Minister Bernadette Jordan as unreasonable.
- DFO has provided the Province tables of the relevant sites and their proportional production. Briefly, the area represents 32 percent of current B.C. farmed biomass and approximately 20 percent of provincial aquaculture revenue (\$132M in 2019).

CROSS JURISDICTIONAL COMPARISON:

- In British Columbia, the Province issues the lease, and DFO issues aquaculture licences and monitors license conditions. In all other provinces and territories, the provincial authority issue both the lease and the license. Prince Edward Island is the only other exception, where a management board with members from DFO, the Province and industry issue leases which have a license attached.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not applicable.

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SEAFOOD INSPECTION PROGRAM OVERVIEW

RECOMMENDED RESPONSE:

- Seafood processing is a major contributor to our economy with more than 4,500 British Columbians working directly in this sector, many of them in rural and remote communities.
- In 2019, provincial production from wild and farmed harvests totaled 283,005 tonnes with a landed value of \$1.106 billion.
- The *Fish and Seafood Act* (FSA) was brought into force in 2017 and replaced the *Fisheries Act* and *Fish Inspection Act*, which were last significantly updated in the 1960s.
- The FSA provides a modern framework that streamlines the licensing model and sets out higher levels of food safety accountability for those engaged in the seafood industry to better protect public health.
- The FSA is a cornerstone of the ministry's commitment to growth and development of this sector, and the production of safe seafood.
- The Ministry of Agriculture, Food and Fisheries has 3 seafood inspectors, and other staff who support licensing administration and provide expert knowledge and advice to government and the public.
- The seafood inspection program issued 401 licences last year.

BACKGROUND:

- The Seafood Inspection Program (SIP) is responsible for administering and enforcing the Fish and Seafood Act (FSA), except the portions related to aquaculture and wild aquatic plant harvesting.
- The FSA came into force in 2017 to replace the Fisheries Act and Fish Inspection Act with a modern framework that streamlines licensing and sets out higher levels of food safety accountability for those engaged in the seafood industry.
- 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 general public for their own consumption, directly from the harvest vessel; or

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- restaurants or retail stores regulated under Food Premises Regulation.
- SIP issued 401 licences in 2020, up 6.4% from 2019.
- In 2020, SIP conducted 301 inspections (down 13% from 2019) and 44 investigations (22.8% down from 2019).
- To promote food safety and encourage voluntary compliance with the regulatory framework, SIP conducted 28 targeted outreach activities to 1,802 regulated parties in 2020.
- Outreach activities will continue throughout 2021 as an important and necessary supplement to traditional enforcement methods.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Program Revenue:

| 2018 | 2019 | 2020 |
|-----------|----------|----------|
| \$105,710 | \$92,550 | \$86,380 |

- Program Budget:

| 2018/19 | 2019/20 | 2020/21 |
|-----------|-----------|-----------|
| \$594,500 | \$596,000 | \$660,000 |

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SEAFOOD PROCESSING CAPACITY

RECOMMENDED RESPONSE:

- Fisheries and Oceans Canada (DFO) is responsible for the conservation and management of wild fisheries in B.C. and for making decisions on licensing vessels for processing at-sea.
- The Canadian Food Inspection Agency (CFIA) is responsible for licensing shore-based processing plants that process seafood destined for international export.
- The Province of British Columbia licenses shore-based seafood processing plants that solely process seafood that is not exported internationally. This leads to a majority of plants requiring federal CFIA certification over provincial certification.
- The Province is exploring options to ensure benefits of processing seafood remain in B.C., as per the new Ministry of Agriculture, Food and Fisheries' (AFF) mandate commitment to see more B.C.-caught fish processed within the province.
- B.C. remains supportive and committed to its long-standing policy of prioritizing shoreside access to fisheries resources and recognizes that both shore-based processors and freezer trawlers contribute greatly to the economic viability of the hake fishery.
- An economic study, cost-shared by AFF, that was completed in 2018 found that both shore-based processing and at-sea freezer vessels contributed significantly to the provincial economy.
- Some in the groundfish trawl industry are lobbying to have the rules changed to allocate a dedicated portion of Pacific hake quota to shoreside processing.
- This is not supported by a majority of the seafood industry on the west coast, even though it is a long-standing policy in the Atlantic region and aligns with recommendations from the report released by the federal Standing Committee on Fisheries and Oceans in May 2019 (also known as the FOPO Report).
- Ministry staff, through the Groundfish Trawl Advisory Committee (GTAC), are working to find a workable solution that ensures onshore processing is supported.
- This will ensure that the discussions are conducted at the table in partnership with DFO, where all hake processors, fishermen, and stakeholders, including coastal communities, can engage meaningfully.
- The Province is working with industry to address concerns related to COVID-19 and to ensure impacts to seafood processing is minimized as B.C. initiates its Restart Plan.

If asked about the Ministry of Environment's (ENV) Fish Plant Effluent Review:

- ENV is taking steps to ensure the environment is protected and has updated the permits of all fish processing plants after extensive industry engagement and outreach to permittees, Indigenous governments and organizations, federal agencies, and stakeholders.
- All facilities that discharge into the environment from processing fish now have disinfection and secondary treatment for solids removal.
- Encourage to speak to ENV colleague for further information.

BACKGROUND:

- The B.C. seafood processing sector faces a range of challenges which vary by species, abundance and concentration, and by fish processing economics.
- Pacific hake are a high volume, relatively low unit value fish that must be preserved quickly to maintain flesh quality and value.
- Pacific hake stocks have been at near record biomass levels in B.C. waters in 2017-2020 but are showing a decline with no evidence of a new strong recruitment event on which the fisheries rely. They are mostly concentrated in traditional harvest areas off Ucluelet. However, there is an increasing annual trend of more fish being caught in more northern areas by Port Hardy.
- In 2020, the U.S. and Canada were unable to come to agreement under the Pacific Hake Treaty as Canada was advocating for reduced catch levels given the decreasing projection of the stock. Canada will put forward a lower than recommended total allowable catch (TAC) this year and is expected to catch a much higher percentage of the TAC than the previous years.
- At the 2020 rates, the catch is not expected to exceed the processing capacity of both the shore-based plants and the B.C. freezer trawler fleet.
- The Ukraine/Russia conflict resulted in a collapse of the main market for B.C. hake. This situation continues to affect the entire groundfish fleet and potentially the entire industry given the linkages with other fisheries and supporting infrastructure.
- The outlook for 2021 suggests another decrease in TAC, which will once again raise the question of if there is too much pressure on the stock at current management levels without any evidence of strong recruitment into the fishery of juveniles in recent years.
- In previous years, Pacific hake stocks in B.C. have been more widely dispersed and mainly accessible to the freezer trawler fleet as they are able to preserve fish quickly. Trawlers operated by the shore-based processing plants are restricted in range because they store and deliver their catch fresh.
- In 2020, the hake stock was more dispersed and therefore more available to freezer trawlers. This resulted in the freezer trawlers catching around 10K more tonnes in 2020 than 2019 whereas the shoreside vessels caught around 10K tonnes less in 2020 compared to 2019.
- This history has created concerns for the shore-based plants who are asking for a fixed share of the TAC for shore-based plants, and the increased difference between the fleets in 2020 will likely lead to more outcry for support for the shore-based fleet and processors.
- Provincial government policy has historically, under our formal 1981 policy, limited processing-at-sea in order to protect shore-side processors. Both the Province and DFO have reviewed the processing-at-sea policy numerous times.
- A shift in policy or reallocation/division of the hake TAC could have sweeping implications for not only the hake fishery, but also B.C.'s many other commercial fisheries.

Fish Plant Effluent Review:

- The Ministry of Environment (ENV) began undertaking an effluent and fish processing review in 2018. The review project included significant outreach to permittees, Indigenous governments and organizations, federal agencies, and stakeholders, along with extensive industry engagement in the summer and fall of 2018.
- There are currently 30 effluent discharge permits issued under the *Environmental Management Act* (EMA) for fish processing facilities, and all 30 were audited and have had their permits updated as part of the completion of the review project.
- Updates to permits included additional environmental protection provisions, such as more rigorous discharge requirements which limit both the quantity and content of the effluent. Permit holders must also use best achievable technologies and conduct more frequent monitoring to

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confirm that effluent is not impacting the environment, including wild salmon.

- All facilities that have a fish processing discharge to the environment now have secondary treatment for solids removal and disinfection, and facilities with bloodwater discharges from processing farmed fish are now required to disinfect their effluent to deactivate pathogens.
- Industry is still concerned with the permitting process as permit costs are based on volume and need to be determined ahead of processing. With the fluctuation in fish supply to plants (which is now at all-time lows due to salmon season), they have no way of knowing which type of permit to pay for. They risk high expense for a permit with capacity they might not use if the fish do not show up, or they risk paying for a low cost/low output permit and being forced to shut down or truck fish to other plants if there are more fish than expected (i.e., out of small communities and into the lower mainland).

CROSS JURISDICTIONAL COMPARISON:

- All jurisdictions managing fisheries are experiencing challenges related to extreme environmental variability and uncertainty with respect to stock abundance, labour challenges, and the impacts of the COVID-19 global pandemic.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not applicable.

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SHELLFISH AND FOOD SAFETY

RECOMMENDED RESPONSE:

- B.C.'s shellfish producers face challenging conditions that are often out of their control.
- The consumption of raw oysters harvested from B.C. waters can result in foodborne illness outbreaks linked to pathogens found in the marine environment.
- These events are concerning, though they are not unusual given the known risks of eating raw or undercooked seafood.
- In 2020, there was one reported norovirus and no *Vibrio* outbreaks resulted from the consumption of raw B.C. oysters.
- The Ministry of Agriculture, Food and Fisheries works with federal and provincial agencies, shellfish growers, seafood processors, and restaurants to investigate outbreaks, support research, raise food safety awareness, develop recommendations to improve public health outcomes, and provide financial relief.
- In 2019, B.C. produced 7,800 tonnes of oysters with a landed value to growers of \$15.3 million, making it B.C.'s most valuable cultured shellfish commodity and fourth most valuable shellfish commodity.
- We want to ensure that B.C. oyster growers continue to provide world-class products that are enjoyed locally and around the world.
- I encourage all British Columbians to enjoy high quality and sustainably produced B.C. seafood products and support local food producers year-round.
- By supporting local producers year-round, British Columbians can help building more resilient local businesses and economies.

BACKGROUND:

- All harvested shellfish in BC must be processed or held by a federally registered processor before entering the food system.
- The Canadian Food Inspection Agency (CFIA) regulates and enforces compliance for all federally registered processors handling shellfish.
- Shellfish are filter feeders that can concentrate bacteria and virus. As a result, people who consume raw or undercooked shellfish risk exposure to these pathogens.
- *Vibrio parahaemolyticus* (*Vibrio*) is a naturally occurring bacteria found in marine waters that can cause illnesses through consumption of raw oysters.
- Illnesses due to *Vibrio* have resulted in public advisories warning against the consumption of raw oysters. The most recent *Vibrio* outbreak related to raw oyster consumption in BC occurred in summer 2015.
- Norovirus is highly contagious and can be contracted from drinking contaminated water or eating contaminated food (such as raw oysters).
- Live oysters can be contaminated with norovirus in the marine environment through boat overboard discharges, failing septic systems, malfunctioning wastewater treatment plants, or direct handling by an infected person.
- Four outbreaks of norovirus occurred from consumption of raw oysters from BC in 2004, 2016/17, 2018, and 2020.
- The 2016/2017 norovirus outbreak involved 344 cases and was estimated to have cost the industry \$9.1 million in sales. The BC Centre for Disease Control (BCCDC) concluded that this outbreak likely resulted from a combination of land and marine-based sources of human sewage containing norovirus, combined with favorable environmental conditions (rain, cold weather, downwelling and low sunlight) supporting the virus viability.

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- The 2018 norovirus outbreak involved fewer cases (176) in BC, Alberta, and Ontario and was shorter in duration compared to the 2016/17 outbreak. Five oyster farms in Baynes Sound were temporarily closed to prevent further illness. The outbreak resulted in an estimated \$1.0 million in direct losses and an estimated 50 percent reduction in sales. BCCDC determined that the source of the outbreak was likely from the discharge of human sewage from commercial fishing vessels.
- The 2020 norovirus outbreak involved 53 cases in BC. Three oyster farms were temporarily closed, and two product recalls were issued to prevent further illness. BCCDC could not determine the source of the outbreak.
- As part of outbreak responses, BCCDC, regional health authorities, Ministry of Agriculture, Food and Fisheries (Ministry), CFIA, Fisheries and Oceans Canada, and Public Health Agency of Canada addressed concerns by conducting investigations, initiating recalls, and issuing on-going public health warnings regarding the risk of consuming raw oysters.
- In response to past norovirus and Vibrio outbreaks, the Ministry has taken the following actions to support the industry:
 - Developed the \$1.325 million BC Oyster Recovery Fund to provide stability within the province's oyster aquaculture sector. The fund provided:
 - \$860,000 to 108 oyster farmers for seed purchases in 2018 to ensure continuity of production;
 - \$75,000 in 2018 to develop educational and communication materials to raise awareness about BC oysters and the real and perceived risks from shellfish foodborne illness, and educate the public and stakeholders about proper oyster handling; and
 - \$250,000 in 2019 for three research projects to genetically characterize norovirus and Vibrio to assist in future outbreak investigations and pathogen risk characterization, and research into an early environmental warning system for norovirus for oyster growers in Baynes Sound. These three research projects are ongoing into 2021 and will provide important information for preventing future outbreaks.
 - For 2020/21, the Ministry allocated \$75,000 to the BC Shellfish Growers Association for a shellfish industry opportunity assessment to support sector recovery from the impact of several years of closures, reduced sales, and negative publicity linked to food borne illness. A final report is expected in spring of 2021.
 - Ministry staff remains actively engaged in providing support through food safety and industry expertise to assist in identifying research and strategies for reducing the likelihood of infections in BC oysters in the future. These initiatives include:
 - Norovirus Action Plan;
 - National Vibrio Working Group;
 - Shellfish Aquaculture Industry Advisory Panel;
 - Shellfish Aquaculture Management Advisory Committee; and
 - GenomeBC Sector Innovation Program.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Four Ministry staff continue to support the food safety initiatives mentioned above.

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INTERIOR FRASER STEELHEAD

RECOMMENDED RESPONSE:

- The protection of wild salmon, including steelhead, is critically important to B.C.'s environment, history, economy and way of life.
- The Interior Fraser Steelhead (IFS), commonly called the Thompson and Chilcotin Steelhead, have declined from over 8,000 spawners in 1978, to under 300.
- We need to preserve all the associated cultural, social, economic, and environmental benefits of steelhead and all salmon species for future generations.
- Steelhead are managed by both the provincial and federal governments. They are under provincial jurisdiction until they migrate into the ocean where they are then managed by the Department of Fisheries and Oceans Canada (DFO), who also manage the salmon fisheries that impact steelhead stocks. Environment Canada is the decision-making agency for Species at Risk legislation.
- We are working within the provincial agencies, closely with DFO, recreational and commercial fishers, First Nations, and with stakeholders on the implementation of the Interior Fraser Steelhead Emergency Recovery Plan.
- First Nations have a constitutionally protected Aboriginal right to fish for food, social and ceremonial purposes. We recognize the significance of First Nations acting under their own jurisdictional authorities for conservation by foregoing fishing.
- B.C. has encouraged DFO to increase monitoring and enforcement of salmon fisheries, and their bycatch, in the Fraser River.
- B.C. has a long history of programs that support or benefit salmon and their habitats and is actively working towards new initiatives to assist salmon recovery, including the \$142M B.C. Salmon Restoration and Innovation Fund (BCSRIF).
- There are at least 10 BCSRIF projects currently funded that list benefits to steelhead stocks. These projects total over \$5.5M in Year 1 funding, and over \$20.5M in total BCSRIF funding.
- We have worked with DFO to determine priorities for the 2020 BCSRIF intake, and selective fishing methods have been identified by provincial staff as a recommended priority funding area. Proposals from that intake are currently under staff review.
- The Province, through the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR), continues to take targeted management and recovery actions, including establishing legal protections on habitat, improving fish access, and closing of all recreational fisheries during steelhead spawning periods.
- It is important that all partners continue to work together to find a way to take actions that ensure this species and the benefits they provide to British Columbians is sustained.

BACKGROUND:

- Steelhead populations across the south coast of B.C. have been declining in productivity and abundance for the past few decades. Warming oceans, capture in commercial salmon fisheries, degradation of marine and freshwater habitat, marine mammal predation and competition with enhanced salmon populations in offshore environments are the key factors in the decline.
- Recovery potential for IFS is higher than many other salmon because they can spawn multiple times and adjust the time spent in freshwater or marine water.
- 2018 and 2019 represent the two worst years for returning IFS spawners. With a five-year life cycle, another three years of low numbers will result in a full generation at extreme risk of

extinction and recovery becomes improbable. 2020 offered negligible improved over 2019 returns.

- There are three primary factors contributing to the decline in IFS, in no order:
 - Ocean competition, particularly from Pink, Chum, and Sockeye salmon;
 - Increased pinniped predation;
 - Non-selective fisheries, particularly salmon net fisheries.
- In February 2018, the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) concluded the species was at imminent risk of extinction and stated that there are several contributing factors including bycatch, freshwater and marine habitat, pinniped predation, and low marine survival.
- DFO led an emergency *Species at Risk Act* (SARA) review on IFS. The process moved beyond the public and First Nations consultation phase, and a formal listing decision by the federal government was delivered on July 11, 2019. The Government of Canada determined that an emergency listing would not produce the best ecological, social, and economic outcomes relative to a comprehensive, long-term collaborative action plan with B.C.
 - In winter 2019, the Province and DFO agreed on the development of a Conflict Resolution document after the provincial Ministries of Environment (ENV) and Forests, Lands, and Natural Resource Development (FLNR) were not in agreement with the final scientific reports as part of the SARA determination made by Canada. ENV has worked with DFO to prepare a document which would detail when provincial and national scientific positions differ on SARA listings of freshwater species with shared jurisdiction. Currently, options are being explored as to where best to home the document, e.g., in an appendix or a memorandum of understanding (MOU).
- Canada and B.C. announced a comprehensive Steelhead Action Plan, which is the product of collaboration between DFO and B.C. The comprehensive measures included in the Action Plan include actions in watershed management, fisheries management and supplementation and predation.
- On March 20, 2018, the Tsilhqot'in National Government announced a full closure of steelhead fisheries on the Chilcotin River, including foregoing their Constitutional rights for food, social and ceremonial purposes (FSC). This is in addition to other Interior Nations also closing or reducing their FSC fisheries.
- The Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR) has worked on habitat protection and already closed all Interior Fraser recreational fisheries due to conservation concerns.
- DFO has used a window closure approach for many years within the Fraser River to reduce bycatch of steelhead during commercial fisheries targeting salmon. In 2018 and 2019, the window closure approach was expanded both spatially and temporally, and to all fishing sectors, to protect IFS along their migration corridor in marine waters and into the Fraser River and tributaries.
- Expectations for IFS in 2021 are for continued extremely poor returns, requiring ongoing measures to reduce impacts in salmon fisheries to maximize the number of potential IFS spawners. Specific measures to be implemented in 2021 will be based on those measures implemented in 2019 and 2020.

- Due to the complex life history, the use of hatcheries is technically challenging. In addition, hatchery fish can outcompete low levels of wild fish, and wild population recovery presents the best genetic mix for survival and climate change adaptation (e.g., climate changes). However, given the low returns, the Province continues to investigate aquaculture ideas.
- On November 30, 2018 the federal government announced the British Columbia Salmon Restoration and Innovation Fund (BCSRIF). This federally managed fund is a cost-share with the Province (70 percent federal and 30 percent provincial) and targets salmon habitat protection and restoration as well as ensuring the fish and seafood sector in British Columbia is positioned for long-term environmental and economic sustainability. BCSRIF is providing opportunities for projects in support of steelhead recovery, including:
 - The Canadian Wildlife Federation will bring together partners, including federal and provincial governments, non-governmental organizations, First Nations, and communities to prioritize fish passage remediation efforts across B.C. to maximize the benefits for steelhead trout and Pacific salmon.
 - The Scw'exmx Tribal Council and partners will assess and rehabilitate degraded habitats in the Coldwater River and Guichon Creek watersheds to improve survival of Thompson steelhead and Chinook salmon.
 - Led by the British Columbia Conservation Foundation, the 'Innovative Habitat Restoration Demonstration' is a multi-year, watershed-scale demonstration project to showcase innovative habitat restoration methods that accommodate the effects of recent ecosystem shifts with benefits to Chinook, coho, sockeye and steelhead. The project will promote restoration, protection and maintenance of healthy and diverse salmon populations and their habitats.
- Selective fishing methods have been incorporated into the 2020 BCSRIF priorities for project selection.

CROSS JURISDICTIONAL COMPARISON:

- Steelhead are a species subject to management measure by both the provincial government (FLNR) and federal government. DFO manages steelhead in their marine phase, as well as salmon fisheries that impact steelhead stocks. Environment Canada is the decision-making agency for Species at Risk legislation.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- BCSRIF is valued federally at \$105M over five years, including a \$5M grant to the Pacific Salmon Foundation Endowment Fund in 2018/19. The provincial contribution is \$42.85M over five years beginning in 2019/20, plus an additional matching \$5M one-time grant to the Pacific Salmon Foundation in 2018/19.

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Animal Welfare and Biosecurity

RECOMMENDED RESPONSE:

- Effective and strategic management of animal welfare and disease prevention is a key part of maintaining a competitive and ethical BC regulated agriculture sector.
- To help ensure orderly marketing of regulated agricultural products, BC's commodity boards have the authority to adopt and enforce appropriate animal welfare and biosecurity standards.
- BCFIRB is responsible for commodity boards fulfilling their animal welfare and biosecurity responsibilities as related to orderly marketing in the public interest.
- BCFIRB also hears appeals of specific animal seizure and cost decisions of the BC Society for the Protection of Animals (BC SPCA). BCFIRB's priority under this mandate is the welfare of the animals

BACKGROUND:

- Overarching responsibility for BC's biosecurity and animal welfare legislation rests with the Ministry of Agriculture, Food and Fisheries.
- BCFIRB has legislated oversight and appeal responsibilities in relation to biosecurity and animal welfare in regulated marketing.
- BC's agricultural commodity boards and commissions (commodity boards) have legislated authorities to establish and enforce biosecurity and animal welfare standards.

Biosecurity - Commodity Boards.

- Previous high pathogenic avian influenza (AI) outbreaks devastated BC's poultry industries and associated value chains.
- The BC hog industry currently faces the risk of a Porcine Epidemic Diarrhea (PED) or an African Swine Fever (ASF) outbreak. Both PED and ASF are highly contagious, spread quickly and result in full hog herd mortality.
- PED outbreaks were reported in several provinces (PEI, ON, QC, PEI) and the United States. It is typically spread by direct contact between infected and non-infected pigs as well as through people's clothing, boots, vehicles, equipment, and other items contaminated with the feces of infected animals.
- ASF is not treatable. As a highly contagious, reportable disease, any outbreak in Canada would likely have significant economic impact on the pork industry and Canada. It is spread through both direct and indirect contact with infected pigs or pig products. ASF has never been detected in Canada but it is present in at least 15 African, Asian, and European countries and is responsible China culling 60% of its hogs in 2018.
- The highest risk factor for ASF transmission is travelers coming in contact with the virus and bringing it back to Canada on their clothes and footwear, and people smuggling in infected pork and pork products.
- The impact of disease outbreaks on food production highlight the importance of effective on-farm biosecurity programs.
- Poultry boards have developed an effective and strategic tool to address the financial impacts of AI on producers with BCFIRB's support.
- BCFIRB continues to work with other government authorities (e.g., Provincial Chief Veterinarian) and the commodity boards on managing industry issues (e.g. disease, food safety or animal welfare) as they arise to minimize impacts on orderly marketing.

Biosecurity - BCFIRB Oversight Role

- As the supervisory body, BCFIRB is responsible for ensuring all BC commodity boards use biosecurity authorities effectively, strategically and accountably to maintain orderly marketing in their sectors.
- The Natural Products Marketing (BC) Act provides commodity boards with authority to make insurance related to disease loss mandatory, clarifies board authority over biosecurity programs intended to ensure the safety of regulated products and, allow boards to use administrative monetary penalties as part of a graduated approach to enforcement.

Animal Welfare - Commodity Boards

- Animal welfare incidents in dairy, eggs and chicken had serious impacts to these industries and their value chains, highlighting the importance of effectively ensuring appropriate animal welfare standards are followed and enforced.
- The National Farm Animal Care Council Codes of Practice are science based and industry informed guidelines for the care and handling of farm animals.
- BC commodity 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.

Animal Welfare - BCFIRB Oversight Role

- BCFIRB is responsible for ensuring the commodity boards establish and enforce appropriate animal welfare standards to maintain orderly marketing in their sectors.
- Commodity boards are expected to demonstrate informed and proactive risk management approaches by adopting enforceable standards to fulfill their statutory responsibilities and respond quickly, effectively and appropriately to critical and emerging issues.

Animal Welfare - BCFIRB Appeal Role

- BCFIRB is responsible for hearing BCSPCA animal seizure and cost decisions under the Prevention of Cruelty to Animals Act (PCAA).
- Timely dispute resolution is an important consideration when animal welfare is the primary consideration. BCFIRB developed a timely and procedurally fair process for hearing these appeals.
- As of January 31, 2021, BCFIRB has managed 13 appeals to date under the PCAA mandate in 2020/21, compared to 10 in 2019/20; 9 in 2018/19, 11 in 2017/18 and 16 in 2016/17.

CROSS JURISDICTIONAL COMPARISON:

- All provinces have some form of regulation related to animal welfare and biosecurity.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- N/A

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BCFIRB 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 BC to use Alternate Dispute Resolution (e.g., facilitated settlements and negotiations) and continues to use such methods whenever possible.
- As appeals and complaints are within the independent, exclusive jurisdiction of BCFIRB, it is inappropriate for the Minister to intervene or comment on any specific complaint that is 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 (SPCA).
- 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 2020/21, as of December 31, 2020, BCFIRB has administered 50 cases. Of these, 27 have been resolved -- 13 decided through a hearing, 3 settled and 11 either dismissed or withdrawn. There are 23 cases still in process in 2020/21.
- There were three active Judicial Reviews of BCFIRB decisions in 2020/21, two of which have been resolved as of February 2020. One Judicial Review of a PCAA case that commenced in May 2019 ^{Personal} remains active.

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 in-person 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 teleconference hearing with a one to two-member panel.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- Costs for Judicial Reviews start at about \$10,000 -15,000, which can rise significantly above this amount depending on legal complexities and level of BCFIRB representation required at the BC Supreme Court.

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Chicken Sector Pricing

RECOMMENDED RESPONSE:

- Pricing is historically very contentious between BC chicken growers, hatching egg producers, processors and hatcheries.
- BCFIRB is conducting a Supervisory Review of Chicken Board and Hatching Egg Commission pricing structures, given a series of appeals over the last several years.
- The Chicken Board and Hatching Egg Commission are working with stakeholders and will be providing their pricing structure recommendations to BCFIRB for final decision later this spring.
- The overall goal is a long-term BC chicken sector pricing strategy that takes balanced the interests of all stakeholders, is adaptive, resilient and sustainable into the future, building on a united vision for the BC chicken industry.
- It would not be appropriate for the Minister to make statements or intervene with respect to issues under review with BCFIRB.

BACKGROUND:

- The fundamental tension between price and processor competitiveness remains high in BC and may be exacerbated by BC's high cost of production, combined with Ontario's increasingly competitive price position and high volume of production.
- Under provincial regulation, the BC Chicken Marketing Board (Chicken Board) is responsible for setting the price a grower is paid for their chicken; and, the BC Broiler Hatching Egg Commission (Commission) is responsible for setting the price a hatching egg producer receives for their chicks, and the price growers pay hatcheries for chicks.
- If stakeholders disagree with the prices set by the Chicken Board and/or the Commission, they have the right of appeal with BCFIRB. BCFIRB, in turn, can address stakeholder concerns through either its tribunal role (appeals) or supervisory role (proactive policy or market review), under the Natural Products Marketing (BC) Act.

Supervisory Review

- There have been a series appeals to BCFIRB over the last several years related to Chicken Board and Commission decisions around pricing and price linkage between the two boards.
- Multiple appeals have been filed by the BC Chicken Growers Association (BCCGA) and the Primary Poultry Processors Association of BC (PPPABC).
- BCFIRB launched a Supervisory Review in March 2020 after a BCFIRB appeal panel deferred two 2019 appeals by the BCCGA and the PPPABC of a Commission pricing decision to BCFIRB's supervisory mandate.¹
- As the Chicken Board had not yet met BCFIRB's 2018 appeal direction to develop a long-term pricing formula for the industry by March 2020, the BCFIRB supervisory panel concluded the supervisory review should encompass long-term pricing structures for both hatching eggs and chicken. As part of the same supply chain, pricing by one board necessarily impacts the sector regulated by the other board.
- The BCFIRB supervisory panel met with, and sought submissions from, the Chicken Board, the Commission, the BC Broiler Hatching Egg Producers Association (BCBHEPA); the BCCGA, PPPABC, and the BC Hatchery Association (BCHA).

¹ Natural Products Marketing (BC) Act s. 8(8)

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- After hearing from all parties, BCFIRB established a 3-phase review process, with the conclusion tentatively scheduled for April 2021:
 - Establish a Terms of Reference
 - Develop pricing recommendations for submission to BCFIRB (Chicken Board, Commission)
 - BCFIRB review and final decision.
- To help facilitate work between the two boards and sectors, BCFIRB engaged a 3rd party contractor (Liaison). The Liaison role includes facilitating information exchange, open and transparent communication and the development of Chicken Board and Commission pricing options and recommendations to BCFIRB.
- To date the Liaison has been working successfully with the parties.
- The Chicken Board and Commission will be providing draft pricing structure solutions to their stakeholders this spring for final consultation before making recommendations to BCFIRB.
- BCFIRB expects, and has clearly communicated, that the Chicken Board and Commission pricing recommendations, by necessity, take each other into consideration.

CROSS JURISDICTIONAL COMPARISON:

- All provinces have a chicken marketing board that sets the live price of chicken.
- BC chicken production is higher cost compared to most other provinces, primarily due to the high cost of feed. Other costs such as land may have some influence, but feed is considered the major factor.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- NA

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Turkey Processing Access

RECOMMENDED RESPONSE:

- Although only 12 of BC's 64 licenced turkey producers market their own products, these growers fill high value niche and specialty markets and are an important part of BC's turkey sector.
- These self-marketers require access to processing, and in some cases, custom cut up services.
- Recent appeals to BCFIRB of the BC Turkey Marketing Board (Turkey Board) decisions over the last 2-3 years have highlighted the importance of processing for self-marketers.
- The Turkey Board recently released information about its new multi-stage dispute resolution process should growers find themselves unable to reach a processing agreement. This was done after extensive consultation across the supply chain.
- BCFIRB is following up with the Turkey Board, in its supervisory capacity, to encourage further work on a strategic direction for the self-marketing sector.
- BCFIRB expects any strategic direction will necessarily need to coordinate with the Ministry's overall work on provincial processing and plant licences.

BACKGROUND:

- "Self-marketers" are licenced turkey growers who market and sell their own product, rather than selling their product to a processor.
- There are 12 self-marketers in B.C., all of whom hold quota.
- Some self-marketers do their own processing, others have business agreements with established processors for certain services (e.g. "kill and chill" of whole birds, custom cut up).
- Access to processing is key for self-marketer business success.
- There are 10 B.C. processors (4 federally licenced in the Lower Mainland, 6 provincially licenced with 1 in the Lower Mainland, 2 on Vancouver Island and 3 in the Interior).
- The Turkey Board is established by regulation and is responsible for orderly marketing. This includes engaging in problem solving to resolve self-marketer processing access issues so markets can be served.
- BCFIRB is responsible under the *Natural Products Marketing (BC) Act (Act)* for ensuring the Turkey Board meets its legislated roles and responsibilities, including sound marketing policy and maintaining orderly marketing, in an accountable manner. BCFIRB is also responsible under the Act for hearing appeals of any Turkey Board decisions or orders.

K&M Farms(K&M)

- Over the last 3 years K&M (Mr. Robbins), a self-marketer, has raised custom processing access concerns with the Turkey Board, BCFIRB, the Minister and his customers.
- K&M is a self-marketer who grows turkeys and chickens on fenced pasture in Abbotsford.
- K&M sells whole birds and parts directly to consumers who pay a premium.
- Under K&M's business model, it pays for processing services to slaughter, eviscerate and cool the whole turkeys after kill ("kill and chill") and a processor or other entity to cut up some of its turkeys into parts ("primal cut").
- K&M has facilities to cut up turkeys, but it cannot handle the total number of birds.
- In 2017, Rosstown Farms & Natural Foods (Rosstown) advised K&M it could continue to provide "kill and chill" services as it had since 2006, but not primal cut services as of 2018. In 2018 K&M asked the Turkey Board to direct Rosstown to provide primal cut services.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- The Turkey Board declined the request & K&M appealed the decision to BCFIRB.
- Since this time, there has been an extensive history of appeals from K&M and decisions of the Turkey Board and BCFIRB in this area of self-marketing in the turkey sector.
- IBCFIRB directed the Turkey Board to complete and implement a workplan to address issues within the sector, no later than January 31, 2021.
- After a fulsome consultation process with the supply chain, the Turkey Board submitted its work plan to BCFIRB by the January 2021 deadline. The Workplan sets out a new dispute resolution process should producers have difficulty in finding and making processing arrangements.
- For the 2021/22 quota year, K&M and Rosstown reached a Grower Marketing Agreement without requiring Turkey Board assistance.
- BCFIRB, in its supervisory role, is following up with the Turkey Board in spring 2021 on a strategic direction for the self-marketer sector.

CROSS JURISDICTIONAL COMPARISON:

- All provinces regulate turkey production.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- NA

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BC Regulated Vegetable Sector

RECOMMENDED RESPONSE:

- A December 2020 BCFIRB supervisory decision directs the BC Vegetable Marketing Commission (Commission) to make a number of changes to allow it to effectively, fairly and accountably manage conflicts of interest and apprehension of bias in its decision-making.
- The recommended changes take into consideration the importance of retaining industry knowledge on the Commission.
- In addition, BCFIRB has recommended that the government change the Vegetable Scheme regulation to amend the Commission's current board structure. The Ministry is currently examining implications of this change.
- Prokam has filed several appeals of Commission decisions. It would not be appropriate for the Minister to make statements or intervene with respect to issues under active appeal with BCFIRB.
- Outstanding agency licence applications by CFP and Mastronardi are before the Commission for decision. It would not be appropriate for the Minister to make statements or intervene with respect to issues under BCFIRB's supervisory authority.

BACKGROUND:

- Growing and marketing regulated vegetables is an on-going challenge in B.C. due to high input costs, a limited land base, and direct competition with low priced, high volume imports.
- BCFIRB is responsible for evaluating whether the Commission's activities and decisions accord with sound marketing policy in the public interest.

Supervisory Review

- BCFIRB established the latest Supervisory Review of the Vegetable Sector in BC (Review) in September 2019 due to a number of appeals that arose from Commission decisions, and in the context of the Commission undertaking several management projects.
- In early 2020 the BCFIRB supervisory panel (panel), in consultation with the Commission and industry, finalized the Review's areas of focus:
 - Commission Structure and governance;
 - Agency accountability; and,
 - Storage crop delivery allocation.
- The panel met with 25 industry individuals and groups through a series of virtual or telephone meetings in summer 2020, as well as the Commission. Written submissions were also received.
- In October 2020 BCFIRB directed the Commission to lift its moratorium on accepting new agency and producer-shipper licence applications. The Commission had put the moratorium in place in June 2019 to allow it time to complete governance-related projects.
- In its final decision, BCFIRB concluded in part that:
 - the current Commission structure does not allow it to effectively, fairly or accountably manage conflicts of interest and apprehension of bias in its decision-making.
 - Change is required to Commission structure to address these concerns through amendments to the Commission's Election Rules (short-term) and, a Vegetable Scheme amendment to increase the number of independent members and decrease the number of elected producer members.
 - A designated agency accountability framework should be implemented.

Judicial Review in 2020 (Prokam and Canada Fresh)

- A complex Judicial Review Petition (petition) was filed on June 30, 2020 in the BC Supreme Court by Prokam and Canada Fresh Produce (CFP) Marketing Corporation, the Petitioners, against BCFIRB and the Commission, the Respondents.
- The scope of the petition was extraordinarily broad. The petition raised Constitutional Questions and appeared to impugn no less than thirteen (13) decisions made by the Commission and/or BCFIRB in the administration of the provincial regulated vegetable industry from October 2017 to 2020.
- In December 2020 the Supreme Court of British Columbia dismissed the entire petition and found that it was an abuse of process.

CROSS JURISDICTIONAL COMPARISON:

- Many provinces have some form of provincially regulated vegetable production.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- NA

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BCFIRB GOVERNANCE OF BC's REGULATED MARKETING SECTOR

RECOMMENDED RESPONSE:

- BCFIRB regularly and publically reports on its service and strategic objectives. BCFIRB's last annual report was published in December 2020.
- BCFIRB presented its first Summary Report on its Public Accountability and Reporting Project (PARP) in October 2019 and an updated second Summary Report for 2020 will be published in Spring 2021 (expected March 2021).
- 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 of Agriculture for its budget, to the courts for its decisions and to the Ombudsperson for its practices and procedures.
- In 2020/21, all boards 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.
- Work continues to refine cost-of-service measures for BCFIRB appeals and complaints.
- BCFIRB continues to use a user experience survey that was implemented in June 2017, focusing on areas such as staff response times, transparency and ease of use of using website and finding information.
- Work continues on improvements to BCFIRB's website, including a more user friendly navigational format.
- BCFIRB will continue to work with the commodity boards in 2021/22 to improve the PARP reporting process.

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 (IF APPLICABLE)

- N/A

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BCFIRB – FARM PRACTICES COMPLAINTS AND NORMAL FARM PRACTICE

RECOMMENDED RESPONSE:

- The *Farm Practices Protection (Right to Farm) Act (FPPA)* balances community interests by both protecting farmers from disturbance complaints (e.g., noise, dust, odour), and by giving neighbors of a specific farm business the right to formal conflict resolution through BCFIRB.
- Farmers using normal farm practices are protected from certain local government bylaw enforcement, court injunctions and lawsuits related to nuisance complaints.
- BCFIRB does not develop industry-wide standards of “normal farm practice” for any agricultural sector. The jurisdiction to prescribe standards rests with Cabinet and to date no standards have been prescribed for normal farm practice, including for the cannabis sector.
- BCFIRB’s role is to determine “normal farm practice” for individual farms subject to a complaint being made about a farming operation under the FPPA, should a matter proceed to a hearing.
- While the FPPA allows complaints to be filed, BCFIRB encourages or mandates farmers and their neighbors to work together to resolve disputes in the first instance.
- It is not appropriate for the Minister to comment on any specific complaint that is before BCFIRB.

BACKGROUND:

- BCFIRB, under the FPPA, hears complaints from people aggrieved by a site specific disturbance arising from a farm practice, as well as studying and reporting on any matter related to farm practices (e.g., propane cannon use to protect crops against birds).
- BCFIRB’s complaints role has been defined by the courts as, where possible, balancing the interests of the farming and non-farming communities. BCFIRB uses alternative dispute resolution processes whenever possible.
- Both local governments and the Ministry have planning and regulatory roles in managing farm practices regarding disturbance complaints.
- If a farmer meets all the criteria in the FPPA, local governments are not legally entitled to enforce bylaws passed under the Local Government Act or the Community Charter Act for dealing with animal control, noise control, nuisance control or fireworks.
- Under the Local Government Act, local governments can apply to Cabinet to be designated the power to enact farm bylaws (a form of land use regulation). Farm bylaws related to disturbance override the protection of the FPPA and can be enforced by local governments. Currently, Langley, Abbotsford, Delta and Kelowna have been designated the ability to enact, and hence enforce, farm bylaws.

Normal Farm Practice

- BCFIRB does not develop industry wide standards of normal farm practice for any agricultural sector.
- BCFIRB’s role is to determine “normal farm practice” for individual farms subject to a complaint being made about a farming operation under the FPPA, should a matter proceed to a hearing.
- To determine normal farm practice, BCFIRB’s analysis is both broad and site specific.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- BCFIRB's broad considerations include any industry customs or standards for the practice, and what may be followed by similar farm businesses under similar circumstances.
- Site specific considerations include any site specific contextual factors that need to be considered – for example, proximity, topography, degree of the disturbance.
- Normal farm practice is determined for each complaint on an individual case by case basis, and both broad and site specific factors may all play a role in any given determination.
- BCFIRB may engage the assistance of experts to advise on the practices typically used by similar farm operations within any agricultural sector.
- BCFIRB can decide a practice is normal and dismiss the complaint, or decide the practice is not normal, and then order the farmer to modify or cease the practice.
- Previous BCFIRB decisions on a subject complaint may be referenced by a Panel on a separate complaint. These decisions are not binding and any remedies ordered by BCFIRB would be determined by the evidence heard relating to site specific factors involved in the subject complaint.
- BCFIRB complaint decisions can be appealed to the Supreme Court on a question of law or jurisdiction. They are enforceable by a party to the complaint by filing them with the BC Supreme Court.

Cannabis Cases

- Over the past four years, BCFIRB has received 24 complaints involving 6 different cannabis operations, mostly involving odour.
- As of February 2021, BCFIRB staff assisted 13 of these complainants to resolve their concerns directly with three of these operations. The other 11 complaints were either withdrawn or dismissed for various reasons.

CROSS JURISDICTIONAL COMPARISON:

- Most provinces have a "farm practices board" or equivalent body.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Where possible, Ministry staff support BCFIRB as knowledgeable persons retained to provide advice around "normal farm practices" in various agricultural sectors.

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BCFIRB – FEDERAL PROVINCIAL AGREEMENTS

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 each other's signatory roles.

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.
- No information is currently available on when a draft updated Egg FPA will be presented to all signatories for review and potential sign-off. The 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

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 BC provide specialized entry opportunities for smaller scale producers. For example, through licence exemptions, low volume permits, or programs aimed at the niche or small producers.
- All of BC's supply managed commodity boards operate New Entrant Programs. Entry requirements and applicant interest varies 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 farmers, the supply-managed poultry commodity boards (chicken, hatching eggs, turkey and eggs):
 - exempt personal production from their rules; and,
 - provide basic permits for smaller scale farmers, the primary purpose being a record of farmers for biosecurity and food safety reasons.
- In dairy, the BC Milk Marketing Board offers quota for small-scale production-processing ventures.
- 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 New Entrant Programs (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.
- In BCFIRB's view, with the exception of spouses, family members of quota holders cannot be excluded from applying for new entrant quota where they genuinely plan to develop a farm operation independent from that of an existing quota holder.
- Commodity boards can use new entrant programs and small-lot programs to help address regional and niche marketing demands. For example, the Egg Board selected 2 new entrants to be drawn for the Creston Valley region in 2018, and the Turkey Board gives priority status to applicants interested in organic production.

Summary of Supply Management New Entrant Programs:

- The Milk Marketing Board implemented a new lottery-based NEP in 2019. Given the success and interest in the program, the Milk Board decided to hold an annual, versus biennial, NEP process. In 2021, 79 applications were received and 3 successful applicants will be in milk production by December 2022. They have invited approximately 27 new entrants over the last 5 years.
- The Chicken Marketing Board operates a lottery-based NEP with 3 different lists for the Interior, the Lower Mainland, and Vancouver Island. Applicants can apply for either specialty or mainstream quota. They have invited approximately 29 new entrants in the past 5 years, including 6 that started in 2020. As of 2021, there are 6 applicants on the Lower Mainland waitlist, and 2 on the Interior waitlist. The Vancouver Island list is currently closed to applications. All new entrants are assigned a mentor chicken farmer.
- The Egg Marketing Board runs a lottery-based NEP, which was reviewed in 2019. The Egg Board has invited approximately 17 new entrants into the sector over the past 5 years and will be holding its next NEP draw in 2021.
- 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. In the past 5 years they have invited 5 new entrants, and as of 2019 there were 4 on the waitlist. The Commission temporarily suspended its NEP in 2021 to conduct a full review, including consideration of specialty entry opportunities.
- The Turkey Marketing Board operates a waitlist-based NEP with priority given first to organic, and then regional applicants. They have invited approximately 9 new entrants in the past 5 years. A call for applications was made in 2020 for a NEP waitlist draw scheduled for 2021.

CROSS JURISDICTIONAL COMPARISON:

- Most provinces have New Entrant Programs for their supply managed milk, chicken and eggs sectors.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- N/A

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BCFIRB 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.

Background:

- BCFIRB's statutorily mandated responsibilities are established in *the Natural Products Marketing (BC) Act*, the *Farm Practices Protection (Right to Farm) Act*, the *Prevention of Cruelty to Animals Act* and are supported by the *Administrative Tribunals Act*. These responsibilities include:
 - Supervising BC's 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 (SPCA)
 - 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 can adopt practices and procedures – which must be fair – that enable them to resolve disputes within their jurisdiction in ways that are appropriate to that sector.
- 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 (JR).
- Complaints about BCFIRB practices 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.

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 (IF APPLICABLE):

- BCFIRB's budget in 2020/21 was \$1,364,000.

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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.
- As a result of Covid-19, a surge in consumer panic buying followed by the sudden loss of food services markets required rapid production, processing and storage adjustments in BC in 2020.
- Planned 2021 production for hatching eggs, chicken and turkey remains below what was forecast prior to Covid and will likely remain so unless there is a significant return of the food service market. Dairy production is returning towards pre-COVID forecast levels.

BACKGROUND:

- Most countries provide some form of agricultural supports 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).
- B.C.'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, making these industries – including their processing and marketing sectors – a significant part of B.C.'s agri-economy, creating jobs and supply chain benefits.

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- A surge in consumer panic buying followed by the sudden loss of food services markets required rapid production, processing and storage adjustments in BC.
- Poultry processing plant measures to protect staff and temporary plant closures continues to result in below normal capacity.
- Poultry processors continue to coordinate with each other to lower the risk of poultry flocks being humanely euthanized without being processed for food.
- Dairy processing, hog processing and egg grading capacity have not been directly impacted to date. However, the risk of a COVID-related processing plant shut down remains.
- Processors are concerned about unknown and potentially differing health authority criteria for directing COVID-related plant closures.
- Rapid and continued production cutbacks meant immediate losses for producers on planned sales and continued compensation questions. These producers cannot readily respond to sudden market decreases without suffering substantive losses.
- Planned 2021 production for hatching eggs, chicken and turkey remains below what was forecast prior to COVID and will likely remain so unless there is a significant return of the food service market. Dairy production is returning towards pre-COVID forecast levels.

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 (IF APPLICABLE):

- Total farm gate receipts for agricultural commodities in 2019 was \$3.9 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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BEEF – BC BEEF BRAND/PACKING PLANT

RECOMMENDED RESPONSE:

- We are supporting 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.
- We provided \$1,050,000 for this project through the StrongerBC program to help ensure B.C. Beef Producers had increased diversity in potential market channels.
- B.C.'s beef producers have been 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 COVID-19 pandemic changed the focus to establishing a B.C. beef brand and sales and marketing opportunities for B.C. branded beef while leasing an existing underutilized plant.
- We are investing in B.C.'s food supply and B.C. farms through the development of the B.C. beef brand "Genuine B.C. Beef", processed by federally inspected abattoirs.
- This project creates jobs and addresses the need for increased processing capacity.
- Operations at the new federal plant support eight full-time staff that will train, trial, and transform quality B.C. beef into the products consumers want.
- The organization will become a self sustaining and viable business administered by industry. As the brand progresses and develops the benefit to the province will be increased processing capacity and in turn increased revenues and employment.
- Increased revenues and improved operating margins for B.C. beef producers will be achieved through reduced barriers to processing facilities

BACKGROUND:

- The British Columbia Cattlemen's Association (BCCA) believes there is a feasible market opportunity for a federally inspected beef processing facility (plant) in the Central Interior region (Prince George, B.C., is the proposed location).
- With funding from the Investment Agriculture Foundation of BC (IAF), the BCCA commissioned a viability initiative (total cost \$124,000). The Viability Initiative report was completed in April 2015.
- The Ministry of Agriculture, Food and Fisheries (Ministry) funded BCCA completion of a business plan and feasibility study (\$450K expended by end of fiscal year 18/19).
- IAF funding for 'BC Beef Packing Plant, Phase 1: Commercialization Roadmap (Si025)' was approved in 19/20 for \$138,185.
- BC Beef Brand project objectives include:
 - Formation of a B.C. Beef producer organization:
 - BCCA formed an entity to implement and manage the beef plant (B.C. Beef Producers Incorporated or BCBPI)
 - In December 2020, transition from a steering committee to a board of directors (chair, vice chair and secretary/treasurer elected)
 - Preparation of a B.C. brand sales and marketing plan:
 - The Ministry is working with BCCA on marketing and Buy BC program opportunities
 - Establishment of a B.C. based processing capacity partnership:
 - In November 2020, the plant began limited slaughter to test the plant and identify where corrective measures are needed and where efficiencies can be gained
 - In January 2021, the Board moved to pause slaughter operations until March 31,

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2021, to enable management to ready plant operations for a May 1, 2021, start-up of expanded slaughter (will allow the time needed to get the required combination of hook-shares sold and toll processors necessary to commence operations).

- BCBPI will source and recruit the labour force needed for the May 2021 start-up

CROSS JURISDICTIONAL COMPARISON:

- In 2015, slaughter in provincially regulated facilities represented 13 percent of total cattle marketed from B.C.
- B.C. has a well-distributed 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.
- The proposed facility in Prince George would have about 10 per cent of the capacity of the Cargill Plant in Southern Alberta.

PROGRAM EXPENDITURE/REVENUE IMPLICATION:

- Ministry support for the B.C. Beef Brand initiative is \$1.05M (\$515,000 has been spent to date) for brand and organization development, sales and marketing plans, lease of existing federally inspected facility and upgrades required, and business development.

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BEEF – LIVESTOCK PROTECTION PROGRAM

RECOMMENDED RESPONSE:

- The Province is partnering with the B.C. 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 livestock. This is done 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 puts the viability of their business at risk. LPP is designed to protect the viability of those ranching families.
- The Program will only target coyotes and wolves that have preyed on livestock, including cattle, dairy cows or sheep. As the Province is responsible for wildlife management, including wolves, we also have a role to play in programs that prevent and mitigate the damage or impact they 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.
- About 200 wolves are being trapped per year, out of approximately 8,500 wolves in B.C.

BACKGROUND:

- The Conservation Officer Service (COS) within the Ministry of Environment and Climate Change Strategy (ECCS) has the responsibility for mitigating verified livestock predation and attacks caused by wolves. The Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) has the responsibility for the management of wolf populations including the setting of regulations and the issuance of permits.
- The Ministry of Agriculture, Food & Fisheries (AFF) delivers wildlife compensation through the AWP. Best management practices are promoted by AFF 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 B.C. Cattlemen's Association (BCCA). The expected result of LPP is fewer attacks and reduced harm on livestock, reduced AFF 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 AFF 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.
- LPP provides mitigation services that had previously been delivered by the COS. LPP now responds to livestock losses in a timely manner and frees up COS staffing resources for other priorities.
- There are an estimated 8,500 wolves in B.C. In 2017/18 the LPP trapped an average of 200 wolves per year. In 2019/20, 137 wolves have been trapped, and in 2020/21 79 wolves to-date.
- The Program is jointly managed with FLNRORD, COS, AFF 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., in hopes of potentially adopting a similar model as 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 through the B.C. Cattlemen's Association and the LPP.

ESTIMATE NOTE- FISCAL 2021/22 Fisheries

Ministry of Agriculture, Food and

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- 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The proposed provincial budget is \$300,000 per year as a 60/40 split between FLNRORD/AFF.
- 0.2 FTE is allocated to the Program for the AFF Qualified Receiver as well as FLNRORD and COS oversight and verification.

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BEEF – PRESCRIBED AREAS

RECOMMENDED RESPONSE:

In April 2015, the B.C. beef sector requested that the Livestock Identification Regulation (LIR) be amended to expand the prescribed livestock inspection area to encompass the whole province due to increased transport of livestock within B.C. The Prescribed Area is currently comprised of five brand inspection zones and does not include the Lower Mainland or Vancouver Island. This topic continues to be a high priority issue for the beef sector.

BACKGROUND:

B.C.'s brand registration and inspection program, regulated by the LIR, protects cattle (dairy and beef), horse and bison owners against animal theft, straying or misappropriation. In 1997, the then Minister of Agriculture designated Ownership Identification Inc. (OII), a private industry-owned entity, to administer the program under the auspices of the LIR and the *Livestock Inspection Act (LIA)*.

The program consists of livestock brand registration and the inspection of cattle and horses for lawful possession prior to transportation, sale, or slaughter. Branding of livestock for identification purposes under the *LIA* is voluntary, however, inspections of ownership and use of a Form 3 manifest are mandatory for movements through or within the Prescribed Area. Current LIR requirements apply equally to dairy and beef cattle. Horses are also included but compliance within that sector is reportedly low.

In 2015, the Ministry initiated further exploration into the beef industry's Prescribed Area expansion proposal, and in 2016, the Ministry formed a working group composed of staff and industry representatives from the beef and dairy sectors.

Among key concerns identified by the working group, was the dairy industry's request to be excluded from brand inspection requirements, particularly if the Prescribed Area were expanded to the Lower Mainland, where approximately 80 percent of dairy operations are located. The dairy industry asserts that the brand inspection system offers limited benefit to their sector given the more 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).

Other issues raised during consultation are listed below in relative order of priority:

1. **Risk of cattle theft:** Prescribed Area producers are vulnerable to theft of animals, which may be transported to the non-prescribed areas, sold, or slaughtered and not found. Eighty percent of B.C.'s beef production is currently in the Prescribed Area and impacted the most by theft.
2. **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.
3. **Regulatory requirements not being followed:** A properly completed livestock manifest (Form 3) is required to accompany all livestock when being transported but is not always being utilized.
4. **Traceability:** Animal movement reporting requirements are anticipated under proposed new federal traceability regulations, but the implementation timeline is unknown. Use of the livestock manifest (Form 3) is currently the only documentation of animal movements in use in B.C. that can be used for traceability purposes. Horse is not included in these federal traceability regulations.

5. **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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- .25 FTE Industry Specialist, Beef and Livestock

| Approved by: | Prepared by: | Alternate Contact: |
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Bee BC 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 committed \$450,000 to the Bee BC program since 2018. The government also invests an additional \$50,000 each year in bee health and sector development.
- Supporting bees is incredibly important to me and impactful to the mandate that I have been tasked with achieving in my role as Minister.
- I look forward to opportunities to work with our province's honey producers and pollinators throughout the province.
- Honey bees play a major role in agriculture as pollinators of crops, contributing an estimated \$470M to the economy in British Columbia (\$250M in field crops and \$220M in greenhouse crops), and over \$2B in Canada.

BACKGROUND:

- The Bee BC program was launched on May 29, 2018.
- The objective of the Bee BC program is 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 \$5,000 per project is available through the program to assist regional or community-based organizations, beekeeping associations and/or beekeepers with project costs.
- A funding agreement was established with B.C. Investment Agriculture Foundation to deliver the program, including activities such as program promotion and applicant recruitment, application processing and adjudication, liaison with project proponents, financial management, and management and delivery of an information sharing event.
- A total of six application intakes have been completed since the program was launched, and a sixth intake is currently in the application adjudication phase. The five completed intakes have resulted in:
 - 66 funded projects; and
 - \$277,046 invested in bee health projects throughout the province.
- Examples of funded projects to date include:
 - In Victoria, beekeeper Evan Machin is comparing the overwintering survival rate between a Langstroth hive, a hive constructed by stacking rectangular boxes with removable frames for the bees to build comb in, and a natural-style hive made by bees. Machin is building a Langstroth hive that will closely resemble the natural hive honey bees in the wild reside in and will monitor and share his findings with the bee keeping community.
 - In the West Kootenays, the Bee Awareness Society is providing an educational program that will teach students the life-cycle of the honey bee, the importance of pollination and the importance of bees and other pollinators on the ecosystem using a glass observation bee hive as a learning tool.

- Hives for Humanity in Vancouver is converting an urban area into a forage site for managed and native bees and offering workshops on-site that relate with seasonal activities such as disease and pest management, native bee identification, and seed collection and propagation.
- In addition to the Bee BC program, the Province has provided an annual grant of \$25,000 to the B.C. Honey Producers Association in support of bee health and sector development since 2017-18 (i.e., \$100,000 between 2017-18 and 2020-21).
 - This funding has been used to leverage additional funding from other sources for research projects tackling high priority honey bee health and apiculture industry issues. Projects include:
 - Researching measures to improve bee colony health during blueberry pollination;
 - Confirming a novel method to reduce parasitic mites of bees;
 - Seeking the cause of an atypical brood disease arising in Southeast B.C.;
 - Documenting a new method to ensure authentic honey supply; and
 - Documenting the quality of honey bee stock reared in British Columbia.

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 Honey Bee 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Total investment in the Bee BC program between 2018-19 and 2021-22 (four fiscal years) is up to \$450,000.
- Total provincial investment in the Bee BC program is \$250,000 for the period 2018-19 to 2021-22.
 - \$42,500 in 2018-19
 - \$107,500 in 2019-20
 - \$50,000 in 2020-21
 - \$50,000 in 2021-22
- B.C. Investment Agriculture Foundation also contributes up to \$50,000 per year to the program (up to \$200,000 over four fiscal years).

| Approved by: | Prepared by: <i>(the person who wrote the note)</i> | Alternate Contact: |
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Appendix A – Bee BC Funded Projects to Date

First Application Intake (July 2018)

- Thirteen projects were approved for funding

| Recipient | Project Description | Geographic Region | \$ |
|---------------------------------------|---|--|---------|
| Pollinator Partnership Canada Society | <ul style="list-style-type: none"> • Create a ½ acre demonstration native plant pollinator meadow with area with small scale agriculture operations (urban/agricultural area). • Create best management practices • Engage schools, community groups, and First Nations in bee awareness activities. | <ul style="list-style-type: none"> • South Vancouver Island | \$5,000 |
| Brad Cooke – Beekeeper | <ul style="list-style-type: none"> • Ethical Bees initiative • Develop a locally-bred varroa sensitive hygiene bee strain. | <ul style="list-style-type: none"> • South Vancouver Island | \$3,000 |
| Heidi Schnepf – Beekeeper | <ul style="list-style-type: none"> • Ethical Bees initiative • Develop a locally-bred varroa sensitive hygiene bee strain. | <ul style="list-style-type: none"> • Central Vancouver Island | \$3,000 |
| Mark Schilling – Beekeeper | <ul style="list-style-type: none"> • Ethical Bees initiative • Develop a locally-bred varroa sensitive hygiene bee strain. | <ul style="list-style-type: none"> • Central Vancouver Island | \$3,000 |
| Curtis Robinson - Beekeeper | <ul style="list-style-type: none"> • Ethical Bees initiative • Develop a locally-bred varroa sensitive hygiene bee strain. | <ul style="list-style-type: none"> • South Vancouver Island | \$3,000 |
| Iain Glass - Beekeeper | <ul style="list-style-type: none"> • Ethical Bees initiative • Develop a locally-bred varroa sensitive hygiene bee strain. | <ul style="list-style-type: none"> • Gulf Islands | \$3,000 |
| Environmental Youth Alliance Society | <ul style="list-style-type: none"> • Enhance habitat for bees • Create native wildflower strips near/in urban farms and food-producing community gardens • Engage youth in 8-week programs to create the strips and grow bee forage | <ul style="list-style-type: none"> • Lower Mainland | \$5,000 |
| Michael Campbell – beekeeper | <ul style="list-style-type: none"> • Compare bee dysentery treatments • 3 replicates of 9 hives each will be supplemented with a diet of different treatments. | <ul style="list-style-type: none"> • Fraser Valley | \$5,000 |
| Morgan Creek Farm | <ul style="list-style-type: none"> • Enhance bee habitat and deliver education component to youth • Youth will learn about bees and plant bee forage in an agricultural area | <ul style="list-style-type: none"> • Central Vancouver Island | \$4,665 |
| Roselyn Lambert – beekeeper | <ul style="list-style-type: none"> • Queen performance comparison – VSH and Saskatraz | <ul style="list-style-type: none"> • Central Interior | \$1,180 |

ESTIMATE NOTE- FISCAL 2021/22 **Ministry of Agriculture, Food and Fisheries**
C o n f i d e n t i a l A d v i c e t o M i n i s t e r

| | | | |
|------------------------------|--|---|-----------------|
| Bee Awareness Society | <ul style="list-style-type: none"> Construct hives/observation hives and deliver education component to youth | <ul style="list-style-type: none"> West Kootenay | \$5,000 |
| Michael Campbell – beekeeper | <ul style="list-style-type: none"> Evaluate Yellowjacket wasp control measures in partnership with Kwantlen Polytechnic University, Emma's Acres, LINC Society | <ul style="list-style-type: none"> Lower Mainland, Abbotsford, Fraser Valley | \$5,000 |
| Michael Campbell – beekeeper | <ul style="list-style-type: none"> Evaluate control measures for high humidity in hives in partnership with Kwantlen Polytechnic University, Emma's Acres, LINC Society | <ul style="list-style-type: none"> Lower Mainland, Abbotsford, Fraser Valley | \$5,000 |
| TOTAL | | | \$50,845 |

Second Application Intake (December 2018)

- Ten projects were approved for funding

| Recipient | Project Description | Geographic Region | \$ |
|---|---|--|---------|
| Ian Kennard - Howe Sound Honey & Bees | <ul style="list-style-type: none"> 1: Grafting from hygienic colonies and mating of enough queens to bank in mass storage hive. 2: Prepare and build large queen storage colonies (Queen Banks) 3: Setup mass storage bank colonies using insulated brood boxes, lids and bottoms; collect and cage mated queens in Fall as weather indicates. 4: Store mated queens overwinter. 5: Assess survival rate in Spring, move mated queens into overwintered hives that lost queens and create early nucleus colonies. 6: Prepare a report on Mass Queen Overwintering | <ul style="list-style-type: none"> South Coast (Bowen Island) | \$3,313 |
| The Honest to Goodness Farm Co - Carolyn Essaunce | <ul style="list-style-type: none"> Restore 1 acre of land on the MacInnes farm as a Pollinator Conservation Area with designated nesting ground and beneficial trees/plants/flowers focusing on blossom times that are lacking. The area will have a path through it with benches and educational plaques to encourage home/land owners to create space for pollinators on their own land. Plant beneficial plants/trees specially selected by a volunteer Horticulturist to provide year-round diverse | <ul style="list-style-type: none"> Lower Mainland | \$5,000 |

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
Confidential Advice to Minister

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| | <p>nutrition to local pollinators, benches, and educational plaques.</p> <ul style="list-style-type: none"> Labour will come from volunteers with support from LEPS. Plants and trees will be planted/transplanted throughout 2019 as seasonally appropriate and will be completed and open to the public starting 2020 | | |
| Bradford Vinson – Heartford Honey | <ul style="list-style-type: none"> The standard set up for many honey bee research projects uses a minimum of 10 hives for each test. This project compares 2 different protein sources among 20 colonies. These will be set up in the spring of 2019 and include our 7 hives. Thirteen packages will be ordered, and every colony will be given clean and new hive equipment to control for pesticide residue, disease or parasites in old equipment. | <ul style="list-style-type: none"> Lower Mainland | \$5,000 |
| Nancy Leonard - Sunnyside Farm and Apiary | <ul style="list-style-type: none"> This funding request is to continue to raise and improve locally adapted hygienic and disease resistant queens. <ul style="list-style-type: none"> learn to do liquid nitrogen freeze testing of brood and will learn to do sampling of honey bee antennae to send for analysis at Dr. Foster's mass spectrophotometer (mass spec) lab to look for bio-markers that are related to reducing hive diseases. Based on results of these tests, graft and raise queens which will be naturally mated using increased populations of selected drone (male) bees. | <ul style="list-style-type: none"> South Coast (Bowen Island) | \$4,100 |
| Yellowhead Community Services | <ul style="list-style-type: none"> Increasing Nectar and Pollen sources: Volunteers and community partners will plant nectar and pollen-rich plants in community and municipal park spaces, school gardens and community gardens. Also, distribution of plants/seeds to home-owners to plant in their yards. Increase winter survival rates of local hives: Secure a bee health consultant to travel to our community and attend a Clearwater Bee Club | <ul style="list-style-type: none"> Thompson Nicola | \$5,000 |

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| | meeting to share in-depth information and education relating to best management practices for hive health and winter survival of colonies. | | |
| Ryan Jenks | <ul style="list-style-type: none"> Planting of carefully selected natural bee forage to increase the overall health of bees and production of honey stores. Eventually after the plants have established themselves, it is anticipated that the use of nectar substitutes will not be required, and bees will be fed their own honey in times of seasonal shortfall. Goal is to create a working model to demonstrate how the community can also select and plant nectar and pollen efficient garden areas within the community as well as translate it to urban environments in the form of backyard gardens and bee friendly lawn substitutes. Intention is to share progress, information and innovations with West Kootenay Beekeepers, the community in general. | <ul style="list-style-type: none"> Kootenay | \$5,000 |
| Honey Bee Zen Apiaries Ltd. Jeff Lee | <ul style="list-style-type: none"> This project will focus on identifying whether commercially-available extracts of mycelium (fungi) are beneficial in reducing levels of viruses in honey bees. In the 2019 beekeeping season establish two test groups, each made up of 20 colonies: 10 overwintered "survivor" hives from our operations (likely carrying viruses) and 10 imported packaged colonies established in the spring of 2019. A total of 40 hives will be involved. One test group will be fed a 1 percent solution of Stamets' mycological extract mixed in a 1:1 sugar syrup. The second test group will be fed 1:1 syrup without extract. Pre-treatment samples will be taken of both groups; a second sampling after 28 days (post-one brood cycle) and a third sampling after 56 days (post-two brood cycles). All hives will be monitored through the 2019 pollination and honey season. A final | <ul style="list-style-type: none"> Kootenay | \$5,000 |

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| | <p>sampling will be done in August, when viral loads would be expected to reach a peak in untreated colonies.</p> <ul style="list-style-type: none"> • Samples will be sent to the National Bee Diagnostic Centre located at the Beaverlodge Research Farm in Beaverlodge, Alberta for viral detection and quantification. • Expectation is to determine whether the application of mycological extracts reduces the level of up to seven viruses identified in our honey bees, including five of the most prevalent in Canada: Black Queen Cell Virus, Deformed Wing Virus, Lake Sinai Virus, Israeli Acute Paralysis Virus and Sacbrood Virus. • If these mycological extracts are helpful, they may offer other beekeepers a cost-effective method for reducing levels of viruses in honey bees. | | |
| Central Cariboo Beekeepers' Association | <ul style="list-style-type: none"> • Applicant will monitor their group's collective colonies for desirable attributes that can be selected for the best performing bees in the Cariboo Chilcotin as breeding prospects. • The proposal is to preserve these outstanding lines by grafting eggs from established healthy colonies, then see that these virgin queens are well mated in the open to strong, acclimatized male drones. | <ul style="list-style-type: none"> • Cariboo-Chilcotin | \$5,000 |
| Oceanside Hive: A Beekeepers Collective | <ul style="list-style-type: none"> • Add hygienic Canadian queen stock to "amp up" queen mating yard and create diversity. • Complete hygienic testing • Continue queen rearing program progressing from queen cells to mated queens. • Increase forage availability with suitable forage plants for honey bees and native pollinators on the farm where the Queen Mating Yard is located. | <ul style="list-style-type: none"> • Vancouver Island | \$3,350 |
| Honey Bee Zen Apiaries Ltd. Jeff Lee | <ul style="list-style-type: none"> • This project will focus on making available IOTRON sterilization transportation services to beekeepers in the Kootenay region of B.C. | <ul style="list-style-type: none"> • Kootenay | \$4,500 |

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| | <ul style="list-style-type: none"> Beekeepers would be responsible for paying their own IOTRON sterilization costs, but the project covers the cost of transport to and from the facility. The project will to create up to three transitional collection points for beekeepers; Cranbrook, Creston and Castlegar, with a final collection point for the transport truck in Creston. The plan is to organize a community collection of hive equipment beekeepers need to sterilize. | | |
| TOTAL | | | \$45,263 |

Third Application Intake (March 2019)

- Six projects were approved for funding

| Recipient | Project Description | Geographic Region | \$ |
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| Green Bee Honey Darwyn Moffatt-Mallett | <ul style="list-style-type: none"> The project includes the purchase of insemination equipment to help with the Bowen Island breeding project in collaboration with UBC; learning how to use the equipment from Sue Cobey in Washington state and then offer to train other interested beekeepers in the community to use the equipment. Objective is to test the performance of the instrumentally inseminated queens in different wintering configurations including regular, nucleus and 'bank' colonies. The most successful queens will be made available to local beekeepers in addition to the knowledge of the use of the equipment. | <ul style="list-style-type: none"> South Coast (Bowen Island) | \$5,000 |
| Smithers Beekeeping Association | <ul style="list-style-type: none"> The Association will research pollen sources and consult with the District Agriculturalist, Pollinator Partnership Canada, Xeres and other beekeeping associations to determine appropriate and varied forage sources for honey bees and other pollinators. They will plant flowering trees and ground cover or other suitable forage plants to widen the variety and feeding season in the area | <ul style="list-style-type: none"> Smithers | \$5,000 |
| Cariboo Apiaries | <ul style="list-style-type: none"> From the beginning of June until August, pollen traps will be used for | <ul style="list-style-type: none"> Lillooet | \$4,110 |

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| | <p>3-day periods every 7 days in 3 different yards. This will indicate when pollen forage is most abundant, and which pollen bees prefer to collect.</p> <ul style="list-style-type: none"> • Pollen will be dried as collected and prepared in September be fed back to hives starting in early October. • A control group will be fed regular pollen substitutes and pathogen levels between the two groups will be monitored. | | |
| Elizabeth Huxter | <ul style="list-style-type: none"> • This project involves the planting of at least two different varieties of sunflower and buckwheat to enhance nectar and pollen sources for bees at critical times of the year to enhance winter survival and bee performance. | <ul style="list-style-type: none"> • Grand Forks - Boundry | \$4,770 |
| Chilliwack Beekeepers Community | <ul style="list-style-type: none"> • This project is intended to provide educational and awareness opportunities in the Chilliwack community in partnership with apiary businesses, the City of Chilliwack and the elementary and secondary schools in the District. • School field days, City endorsed educational events and resource materials will provide awareness to the broader community. • The timing of the events coincides with anticipated regulatory changes in the City's by-laws to encourage urban bee keeping. | <ul style="list-style-type: none"> • Chilliwack | \$3,285 |
| Peace River Beekeepers Association | <ul style="list-style-type: none"> • This project is intended to demonstrate, using modern electronics and the internet, how the beekeepers (either beginner or professional) of a region could more accurately adjust their existing management to take better advantage of the forage available, and achieve healthier colonies resulting in better survival and higher yield. • This project involves the purchase of bee health monitoring equipment including scales which will measure the foraging success of the bees. • Information will be shared on how the bees are performing and what management practices can be | <ul style="list-style-type: none"> • Dawson Creek | \$4,727 |

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| | changed to take better advantage of forage availability, resulting in healthier colonies, higher survival and yield. | | |
| | | TOTAL | \$26,892 |

Fourth Application Intake (July 2019)

- Thirteen projects were approved for funding

| Recipient | Project Description | Geographic Region | \$ |
|----------------------------|--|--|---------|
| Orchard Blossom Honey | <p>Bee Foraging Improvement to Meet Demands of Climate Change</p> <ul style="list-style-type: none"> • Applicant proposes increased bee forage and accessibility by seeding one-acre of apiary with plants that produce in high heat and drought conditions • Learnings to be shared with backyard and hobby beekeepers to advise on low cost/low maintenance, drought-tolerant forage | <ul style="list-style-type: none"> • Okanagan | \$5,000 |
| Bee Awareness Society | <p>Full Day Education Program</p> <ul style="list-style-type: none"> • Project proposes use of live learning tool (glass observation beehive) to provide education program for schools in the Kootenays—to be taught in English and French. • Evaluation survey will be provided to teachers/students; with scheduled follow-up | <ul style="list-style-type: none"> • Kootenays | \$5,000 |
| Worker Bee Honey | <p>Electronic monitoring of hives to assess hive conditions</p> <ul style="list-style-type: none"> • Project proposes inserting hive monitors from Nectar Technologies, for 8-weeks monitoring for brood quantification, brood pattern assessment, examining early signs of disease. • Hives also assessed for queen rightness and laying pattern, disease symptoms, hive size/growth | <ul style="list-style-type: none"> • South Coast (Rosedale) | \$4,495 |
| Elk Root Conservation Farm | <p>Winter Survival and Spring bee forage optimization: The Bee Barn</p> <ul style="list-style-type: none"> • Project proposes for design and construction of a “Bee Barn” to improve overwintering and colony survival (application detailed impact on temperature/humidity | <ul style="list-style-type: none"> • Central/West Kootenay | \$5,000 |

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| | <p>regulation, ventilation and predator protection, metabolism and cluster management, mite control, stimulation of early Spring Brood rearing etc.)</p> <ul style="list-style-type: none"> Community partnerships (West Kootenay Beekeepers); long term potential as educational resource and community involvement. | | |
| Evan Machin | <p>Native Bee Houses and Seed Bombs</p> <ul style="list-style-type: none"> Project proposes the construction of "Bee Houses" and seed bombs made available to preschool and student groups to use as an educational tool to learn about bees and the roles that pollinators play in agriculture and the broader ecosystem | <ul style="list-style-type: none"> Vancouver Island (Victoria) | \$1,355 |
| Alberni District Secondary School Bee Club | <p>Exploring Hygienic Bees in the Alberni Valley</p> <ul style="list-style-type: none"> Project proposes exploration and experimentation of new strategies for bee health, including the purchase a new equipment to apply oxalic acid treatments, learn about how to breed VSH queens (workshops and guest speakers), experiment with pollen patty replacements and planting forage. Communication plan includes newsletter to community partners and local newspaper submission | <ul style="list-style-type: none"> Vancouver Island (Port Alberni) | \$2,050 |
| Environmental Youth Alliance Society | <p>Nectarscapes: Youth-led citizen science monitoring native wildflower lawns</p> <ul style="list-style-type: none"> Proposing to implement 2nd phase of 2018 project---Engaging youth to enhance and assess meadow establishment, measure impact of the native wildflower meadows as bee forage through citizen science surveys and communicate their findings to the public. High potential for education and public/community engagement; identified partners include Copley Community Orchard, Still Moon Arts Society, Urban Native Youth Association. Communication plan includes newsletter to community | <ul style="list-style-type: none"> South Coast | \$5,000 |

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| | partners and local newspaper submission. | | |
| Simone Schlichting | <p>The Bee Can</p> <ul style="list-style-type: none"> Project proposes is to retrofit a sea container to create a controllable environment for year-round hive/colony housing for up to 16 colonies. Communication proposal includes "open house" for beekeepers in area to see results of environmental control. | <ul style="list-style-type: none"> West Kootenays | \$4,680 |
| Heidi Schnepf | <p>Healthy Bees: Mite Free, Disease Free, Chemical Free!</p> <ul style="list-style-type: none"> Project proposes the acquisition of the Bienensauna, or 'BeeSauna', a sophisticated, finely tuned piece of equipment designed and manufactured in Germany, that eliminates the use of chemical treatments and strengthen the health of the bee colony. Main project activities include testing, monitoring and tracking hive data (varroa mites) for BeeSauna results | <ul style="list-style-type: none"> Denman and Hornby Islands | \$4,700 |
| Sun Hill Apiaries and Neskonlith Education Center (NEC) | <p>Enhancing Bee Health at Sun Hill Apiaries and Neskonlith Education Center</p> <ul style="list-style-type: none"> Proposes to assist hives preparing for Winter by using Apipasta fondant, and pollen substitutes. Monitor hive activity and health, applying Shungite pebbles in late Summer to assess for mites in Spring. Strong community involvement and educational component with Neskonlith Education Center as well as Neskonlith Indian Band reserve #1. | <ul style="list-style-type: none"> Shuswap, Southern Interior (Chase/Salmon Arm) | \$5,000 |
| Thetis Island Bee Keepers Co-operative | <p>Thetis Island Bee Co-operative Forage Corridors</p> <ul style="list-style-type: none"> Project proposes to address lack of forage issues (Thetis Island). Main project activities include identifying dearth times/locations, mapping/selecting planting sites, planting, report and article creation | <ul style="list-style-type: none"> Thetis Island, Cowichan Area | \$4,925 |
| BC Honey Producers | Education days, website and printed magazine | <ul style="list-style-type: none"> All B.C. | \$5,000 |

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| Association | <ul style="list-style-type: none"> BeeBC project participants will be invited to attend the BCHA two-day educational event in Prince George on Oct 2 to 4, 2019. Funding for eligible participants will be provided to assist with travel, 1-day conference registration, and preparing posters/communications materials to report the results of their projects, through oral or poster presentations, and/or to present the results through the BCHA web page and printed magazine. | | |
| Worker Bee Honey | <p>Electron Beam Sterilization</p> <ul style="list-style-type: none"> Project aims to reduce the prominence of European Foulbrood (EFB) in hives via Electron Beam Sterilization to improve hive health, increase productivity, while decreasing or eliminating the need for antibiotics and chemical treatments. Electron Beam Sterilization reduces disease, destroys pathogens (including bacteria, mold, micro-organisms etc.). | <ul style="list-style-type: none"> South Coast (Rosedale) | \$2,650 |
| TOTAL | | | \$54,855 |

Fifth Application Intake (Mar 2020)

- Twenty-four projects were approved for funding

| Recipient | Project Description | Geographic Region | \$ |
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| Janet Simpson, Lyall Acheson, and Victoria Acheson | <ul style="list-style-type: none"> Project proposes testing, developing and improving hive design (insulated, biologically appropriate housing). Share best practices, ideas, innovations and construction methods. Engage and educate local beekeeping community and general public. | <ul style="list-style-type: none"> Gulf Islands | \$5,000 |
| Evan Machin, Beekeeper | <ul style="list-style-type: none"> Project proposes to compare overwintering survival rate between Langstroth hive and natural-style hive. Build hive that closely resembles natural hive honeybees in the wild reside in. Monitor and report on hive status. | <ul style="list-style-type: none"> South Vancouver Island | \$1,050 |

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| Bee Awareness Society | <ul style="list-style-type: none"> • Education program for schools in Kootenays and surrounding areas. • Teach the life-cycle of the honey bee, the importance of pollination, and the importance of bees and other pollinators on the larger eco-system. • Utilize glass observation bee hive as "live learning tool". | <ul style="list-style-type: none"> • West Kootenay | \$5,000 |
| Hives for Humanity Society | <ul style="list-style-type: none"> • Convert urban area into a forage site for managed and native bees (replace existing lawn with clovers and wildflowers). • Grow pollinator friendly native scrubs and perennials. • Workshop series to correlate with seasonal activities on site (lawn alternatives, disease and pest management, native bee identification, seed collection and propagation, preserving habitat for over-wintering pollinators). | <ul style="list-style-type: none"> • South Coast | \$5,000 |
| Blueberry Commons Farm Cooperative | <ul style="list-style-type: none"> • Prepare 2.5-acre area with diverse forage crops (best forage crops for region include combination of perennials and annuals). • Engage with schools and community groups to promote increasing forage for bees throughout community. • Hold school group tours and workshops of bee forage pasture and apiary. • Increase capacity for beekeeping through mentoring program. | <ul style="list-style-type: none"> • Central Vancouver Island | \$5,000 |
| Alan Wong | <ul style="list-style-type: none"> • Testing brood breaks in an urban setting. • Test effectiveness of Nosevit. • Test need for pollen patties vs naturally sourced pollen in urban environments. | <ul style="list-style-type: none"> • South Coast | \$5,000 |
| Rushing River Apiaries | <ul style="list-style-type: none"> • Host local elementary schools classes for apiary visits to educate on honeybee lifecycle, hive organization, mechanics of pollination and hive products. | <ul style="list-style-type: none"> • Omineca-Skeena | \$1,350 |
| BC Honey Producers Association | <ul style="list-style-type: none"> • Convert planned 2-day educational event to an online education meeting (due to COVID-19) to distribute education material to | <ul style="list-style-type: none"> • South Coast | \$5,000 |

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| | increase beekeeper capacity to manage colonies, allow better colony survival, better crop pollination, and more successful practices of beekeeping business. | | |
| Worker Bee Honey Company | <ul style="list-style-type: none"> • Test if probiotic supplements are effective against snotbrood disease in bees involved in blueberry pollination. | <ul style="list-style-type: none"> • South Coast | \$4,800 |
| Sun Hill Apiaries and Neskonlith Education Centre | <ul style="list-style-type: none"> • Scientific study on different methods of enhancing bee health (avoid hard chemicals in mite treatment, fondant and pollen patties for hive health and management, new forage purchased). • Provide education, mentorship to novice beekeepers. | <ul style="list-style-type: none"> • Interior | \$3,275 |
| Thetis Island Bee Keepers Co-operative | <ul style="list-style-type: none"> • Claim/recover land for mass forage planting. • Design and plant custom forage cover crop blend. • Tend and monitor forage cover crop plantations. • Share education and reporting with other beekeepers and community partners. | <ul style="list-style-type: none"> • South Coast | \$4,919.50 |
| BC Honey Producers Association | <ul style="list-style-type: none"> • Enable network of electronic monitoring of hives in Southern BC. | <ul style="list-style-type: none"> • Vancouver Island | \$5,000 |
| BC Honey Producers Association | <ul style="list-style-type: none"> • Enable network of electronic monitoring of hives in Northern BC. | <ul style="list-style-type: none"> • Omineca Skeena | \$5,000 |
| BC Honey Producers Association | <ul style="list-style-type: none"> • Enable network of electronic monitoring of hives in Southeast BC. | <ul style="list-style-type: none"> • Thompson Nicola | \$5,000 |
| Chilliwack Beekeepers Community | <ul style="list-style-type: none"> • Host several community education open-hive days to teach good beekeeping management related to varroa mite control and treatment. • Demonstrate the use of Oxalic Acid Vapour to treat mites. | <ul style="list-style-type: none"> • South Coast | \$330 |
| Cariboo Apiaries | <ul style="list-style-type: none"> • Test overwintering nucleus colonies inside of reefer sea cans, to prevent starvation and increase survival. | <ul style="list-style-type: none"> • Southern Interior | \$5,000 |
| Hay Meadow Honey | <ul style="list-style-type: none"> • Conduct research to better understand what factors can predict when fireweed will produce nectar. | <ul style="list-style-type: none"> • Cariboo Chilcotin | \$5,000 |
| The Salty Hive | <ul style="list-style-type: none"> • Mass planting nectar trees and other perennial bee flowers to | <ul style="list-style-type: none"> • Gulf Islands (Salt Spring) | \$5,000 |

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| | address lack of local summer nectar forage during summer dearth period. | | |
| Honey Bee Zen Apiaries | <ul style="list-style-type: none"> • Provide IOTRON sterilization transportation services to regional beekeepers, to reduce transmittable hive diseases and improve hive health. | <ul style="list-style-type: none"> • Kootenay (Creston) | \$5,000 |
| Honey Bee Zen Apiaries | <ul style="list-style-type: none"> • Continuing study to determine if mycelium (fungi) are effective in reducing levels of viruses in honey bees in commercial beekeeping operations. | <ul style="list-style-type: none"> • Kootenay (Creston) | \$5,000 |
| Central Cariboo Beekeepers' Association | <ul style="list-style-type: none"> • Thermal Monitoring of Overwintered Colonies for Selective Queen Breeding. | <ul style="list-style-type: none"> • Cariboo Chilcotin Coast (150 Mile House) | \$716.53 |
| Oceanside Hive: A Beekeepers Collective | <ul style="list-style-type: none"> • Breed and raise locally adapted stock to increase winter survival. • Increase local forage availability with suitable forage plants for honey bees and native pollinators. • Promote concept of local bee forage to community. | <ul style="list-style-type: none"> • Vancouver Island (Nanaimo) | \$2,750 |
| Elk Root Conservation Farm | <ul style="list-style-type: none"> • Construct equipment to make natural swarm cycle queen rearing more efficient. | <ul style="list-style-type: none"> • Central/West Kootenay (Winlaw) | \$5,000 |
| Country Bee Honey Farm Ltd | <ul style="list-style-type: none"> • Plant 7 acres of flowers for forage crops. • Create educational pamphlets and provide tours. | <ul style="list-style-type: none"> • Vancouver Island | \$5,000 |
| TOTAL | | | \$99,191 |

Sixth Application Intake (Mar 2021)

- Applications were accepted between January 11, 2021 and February 12, 2021.
 - Funding decisions will be made by the end of March 2021.
- A total of 64 applications were received with a total request for approximately \$245,000 (note: there is approximately \$82,000 available for projects).
 - 33 projects were submitted under the Bee Forage category.
 - 20 projects were submitted under the Bee Health category.
 - 11 projects were submitted under the Public Education category.

On February 25, 2021

- **TOTAL # OF PROJECTS FUNDED – 66**
- **TOTAL CONTRIBUTION - \$277,046**

HONEY BEE IMPORTS AND THE THREAT TO BEE HEALTH

RECOMMENDED RESPONSE:

- The import ban of US 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 the introduction of Africanized Honeybees, Small Hive Beetle, resistant Varroa mites and other exotic diseases.
- 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 selected Californian and Hawaiian breeders has been permitted under CFIA permit for nearly 20 years. The continued threat of Africanized Honeybees (AHB) has demanded a regular review of inspection standards and import conditions of honeybee queens.
- Honey bee packages and queens from Australia, New Zealand and Chile are still authorized under CFIA permit. In 2020, CFIA permitted limited import of queens (only) from Ukraine and Malta/Italy under permit.

BACKGROUND:

- After initial discovery of the Varroa mite in the USA in 1987, the Canadian Food Inspection Agency (CFIA) restricted the importation of honeybees from the US to protect Canadian honeybee colonies from Varroa and other exotic bee pathogens. The import ban has been in place ever since.
- Since the early 2000's, honeybee queens imported from selected Californian and Hawaiian breeders have been permitted.
- Since the arrival of Africanized Honeybees (AHB) in North America in 1990, the requirement has been in place that only California queen producers at a minimum distance of 100 miles from the nearest confirmation of AHB were permitted to export queens to Canada.
- In 2020, FPT parties agreed that the minimum distance requirement could be reduced to 50 miles (approx. 80 km) without increasing the risk of AHB introduction into Canada.
- The import restriction of US bee packages will remain in place.
- Some commercial beekeeping interests have continued to oppose the import ban and lobbied federal and provincial governments to overturn the ban on various occasions.
- CFIA's Risk Assessment identified four risk factors of which two are viewed as significant:
 - AHB pose a low risk of establishment in Canada due to climatic conditions. However, the import of honeybee queens with AHB genes in the spring may pose a public health risk and legal liability during the summer season.
 - Small Hive Beetle (SHB) has only been reported in a few Fraser Valley locations in 2015 and not detected in recent years. While SHB is viewed as a minor and incidental pest, large-scale US bee package imports would quickly introduce SHB to different parts of the province and Western Canada.

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C o n f i d e n t i a l A d v i c e t o M i n i s t e r

DISCUSSION:

- 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% of imported queens come from California and Hawaii.
- All provinces including BC are opposed to the import of packages from California.

CROSS-JURISDICTIONAL COMPARISON:

- The BC Honey Producers Association has historically been in support of the import restriction and policies.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Bees play a major role in agriculture as pollinators of crops, contributing an estimated \$550 million to the economy in British Columbia, and over \$2 billion in Canada.
- BC's beekeeping industry totaled an estimated \$18.8 million in farm receipts in 2020 of the sale of hive products and pollination services. BC bee breeders have also increased their sales of bees and queens to beekeepers in BC and outside the province.

| Approved by: | Prepared by: | Alternate Contact: |
|----------------------------|---------------------------|---------------------------------|
| ADM Name: Jennifer McGuire | Name: Paul van Westendorp | Name: Paul van Westendorp |
| Date approved: Mar 29/21 | Branch: Ursula Viney | Branch: Plant and Animal Health |
| Phone: 778-698-8521 | Phone: 778-666-0546 | Phone: 778-666-0582 |
| Cell: 250-361-5944 | Cell: Government | Cell: Government |

MINISTRY STAFF ADDRESSING BEES (FTES)

RECOMMENDED RESPONSE:

- The B.C. government's apiary inspectors' peak inspection period is from March until late June each year. The Ministry adjusted its inspection delivery model to improve the quality of services to beekeepers while reducing operating expenses.
- In 2021, the Ministry has a full complement of 12 Apiary Inspectors in all beekeeping regions of the province:
 - Vancouver Island & Gulf Islands – South
 - Vancouver Island & Gulf Islands – North
 - Powell River & Sunshine Coast
 - Fraser Valley, Metro Vancouver & Pemberton Valley
 - West Kootenays - Boundary
 - East Kootenays
 - South Okanagan
 - North Okanagan & Shuswap
 - Thompson – Cariboo
 - Prince George - Vanderhoof
 - Smithers – Terrace
 - Peace
- When there is an indication of a bee disease anywhere in the province, inspection, extension and diagnostic services are available to the beekeeper(s).
- The BC government's apiculture program has delivered free support to BC's beekeepers for over 60 years, including apiary inspections, extension services, education through webinars, courses, seminars and field days, and laboratory diagnostic services.

BACKGROUND:

- The Apiculture Program's core business is to address bee health issues by assisting the beekeeping industry to prevent the introduction of diseases and pests and to mitigate their impact.
- As of 2019, inspection and extension services are offered to beekeepers in all beekeeping areas of the province.
- Inspection services are complemented with courses and free extension materials through the Internet.
- The Animal Health Centre provides a comprehensive range of diagnostic services of bee diseases and pests at no cost to BC beekeepers.
- The Apiculture Program carries out annual spring and fall surveys to determine winter losses and production estimates at the end of the season.
- Surveys are carried out on-line, comply with the *Personal Information Protection Act* and results are posted on the Ministry website.

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries

Confidential Advice to Minister

- 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. Its format provides an educational opportunity for beekeepers in isolated regions. The February 2021 course attracted over 1,300 participants in and outside the province.
 - The Ministry 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 UBC. The coronavirus pandemic may cause Bee Master 2022 to be presented through a series of webinars.
- All courses are self-funded.
- The BC Honey Producers Association (BCHPA) is exploring the feasibility of a Tech Transfer program similar to other provinces. Funding would need to support the technicians and the projects. BC's current model provides annual support directly to the BCHPA and supports grass-roots projects through the BEE BC program.

CROSS JURISDICTIONAL COMPARISON:

- Other western provinces offer different services for apiculture and inspections.
- **Alberta** – In 2019, a Tech Transfer Program was introduced through CAP funding support for at least three years. Apiculture technicians are hired and work directly with producers to improve management techniques.
- **Saskatchewan** - the Provincial Apiarist is primarily involved in the administration of regulations and provision of extension services. Inspections are carried out on a case-by-case basis.
- **Manitoba** – A Tech Transfer Program has been introduced in 2020 and was implemented in collaboration with the University of Manitoba.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The BC Bee Program operates with 3 FTE's. One FTE for the Bee Program Manager and 2 FTE equivalents for auxiliary 'as and when' apiary inspectors at the technical enforcement officer (STO 11R) classification.
- Expenses for bee inspection, separate from salaries average approximately \$35,000 a year.

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NEONICOTINOID INSECTICIDES AND THEIR IMPACT ON HONEY BEES

RECOMMENDED RESPONSE:

- The debate about the impact of neonicotinoid insecticides on non-target organisms including honeybees and native pollinators remains polarized.
- Health Canada's Pest Management Regulatory Agency (PMRA) is responsible for reviewing and registering pesticides and for approving label directions for use.
- Pesticide use is also regulated by provinces but use by the agricultural sector is largely unregulated under the B.C. *Integrated Pest Management Act*. Farmers using neonicotinoids are not required to have certification or an authorization from Ministry of Environment and Climate Change Strategy, but they must follow label directions.
- Health Canada released a Proposed Re-evaluation Decision (December 2017) assessing the potential risk of three most commonly used neonicotinoid formulations to bees.
- Studies in Canada, USA and Europe have so far failed to provide evidence that systemic neonicotinoid insecticides, when correctly applied, are directly responsible for pollinator population declines. However, there is increasing evidence that frequent and widespread use of neonicotinoids contribute to overall pollinator declines, especially in areas subject to habitat fragmentation, intense mono-cultural farming practices and vegetative cover alterations.
- Prior to the introduction of neonicotinoids, insect pests were treated with organo-phosphates, organo-chlorines and carbamates that were highly toxic to many non-target organisms and persistent in the environment.
- In 2018, Health Canada announced its proposed decision to phase out most neonicotinoid uses because of their impact on aquatic invertebrates. Since then, neonicotinoid use has been restricted or banned in various crops.
- Health Canada is expected to release its final decision in Spring/Summer 2021.

BACKGROUND:

- Neonicotinoids, first introduced in the 1990's, belong to a class of insecticidal nerve toxins that mimic the action of nicotine. They are highly hazardous to insects, while being moderately toxic to mammals.
- Neonicotinoids have been applied as a foliar spray, soil drench or seed coating.
- Neonicotinoids are most widely used in Canada as seed treatments that are incorporated into the plant tissue and become systemic, effectively controlling plant-feeding insect pests. This allows for a single application during the growing season at ultra-low volume.
- Neonicotinoids may persist in the environment and cause exposure to non-target insect populations including bees. Studies have confirmed their significant impact on aquatic invertebrates.

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries
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- The widespread prophylactic use of neonicotinoids in major field crops has contributed to the polarization of the issue.
- PMRA initiated a reassessment of the three most common neonicotinoid formulations in 2012. In 2017 PMRA concluded that neonicotinoids are not solely responsible for pollinator declines but their widespread use is suspected to contribute to these declines. It also concluded that the universal practice of prophylactic use in some crops is unsustainable.
- A Ministry supported project tested for neonicotinoid residues in selected watersheds in the Okanagan and Fraser Valley in 2017. No neonicotinoid residues were detected in any watershed except one instance which was subsequently traced to a single farming operation.
- A recent study indicates that neonicotinoid residues in the soil may impact the reproduction of soil-nesting native pollinators (and many other soil-nesting insects).

CROSS JURISDICTIONAL COMPARISON:

- The BC Bee industry has so far not supported a complete ban of neonicotinoids unlike the Ontario bee industry.
- Ministry staff will continue to liaise closely with PMRA and other provinces on future strategies to promote the judicious use of neonicotinoids.

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BUSINESS DEVELOPMENT – CANADIAN AGRICULTURE PARTNERSHIP (CAP)

RECOMMENDED RESPONSE:

- Business Development programs, funded under the Canadian Agriculture Partnership (CAP) Markets and Trade priority, are designed to support Grow BC by expanding food production, local business growth and improving the competitiveness of B.C.'s farmers and processors.
- To support agriculture and food businesses to be successful, the B.C. Agri-Business Planning Program provides funding for Business Coaching and Specialized Business Planning. During COVID-19, this program was used to help farmers and processors pivot their operations and make informed business decisions.
- Other Business Development programs include support for:
 - Self-directed online resources such as cost of production by community, how-to-guides and AgriServiceBC webinars,
 - Agri-Skills workshops and training courses to help educate on business management skills and other topics,
 - Knowledge Transfer funding for industry groups to host speakers and learning events on adaption topics, and
 - Research and planning to guide industry to move forward toward sustainable growth and increased competitiveness.
- The CAP Business Development programs are also intended to:
 - Increase the participation of under-represented groups such as indigenous peoples, women, and youth.
 - Increase support for young and new farmers by making supports and programs available for startup businesses; and
 - Increase resiliency and a strong operating environment by supporting skill development and strong business management that position B.C. producers and processors for success.

BACKGROUND:

- In April 2018, the CAP came into effect with a five-year investment of \$115M in B.C. programs. One of the six priority areas in CAP is Markets and Trade which focuses on opening new markets and helping farmers and food processors improve their competitiveness.
- The CAP Business Development programs include:
 - B.C. Agri-Business Planning Program (BCABPP) for producers and processors to access funding (\$5,000 individual businesses up to \$20,000 for groups) for business consulting services through two streams:
 - Specialized Business Planning to complete strategic, financial, risk, value add, human resource and succession planning; and
 - COVID Business Recovery Planning, which replaced the Disaster Recovery Planning stream, to support our farmers and processors to recover and adapt to COVID-19 impacts. The program also piloted support for seafood producers (aquaculture and commercial fisheries) with base budget funding.
 - Business Plan Coaching (Piloted in 2020/21) to assist new and small farmers in the development of their business plan (access up to \$3,000 in funding).
 - As of November 2020, 63 applications were approved for the B.C. Agri-Business Planning Program for 2020/21 with a total budget of \$274,713 which includes:
 - 13 applicants to pivot their business in response to COVID-19.

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- 19 applicants to develop their business plan
- 31 applicants to complete a specialized business plan
- Through Agri-Skills workshops and self-directed online resources, the Ministry helps improve business management skills and capacity. Over 2020/21, these included working with industry partners such as Farm Credit Canada (FCC), BC Dairy Producers (BCDP) Association and Small-Scale Food Processors to strategically develop and deliver training and resources. Projects included:
 - Farm Business Management and Direct Farm Marketing Sessions at the Pacific Agriculture Show (\$24,225).
 - Four-part online learning series with the Canadian Agriculture Human Resource Council to increase knowledge and skills on HR best practices (\$4,200).
 - Three-day Business Essential online learning series for BCDP Producers to help maximize their profitability (\$15,000).
 - Delivered 19 AgriServiceBC webinars including Reducing the COVID-19 Risk in Agriculture Workplaces and Pivoting Farm Production and Marketing during COVID-19 and Working with Your Lender Webinar with FCC (\$500); and
 - Developed enterprise budgets for raspberry, blueberries, haskap, apples, cherries, and cow-calf operation (\$19,980).
- The Knowledge Transfer Events Program provides up to \$5,000 in funding for industry groups to host speakers, field days and other extension activities to improve the adoption of best management practices and address barriers to growth. Due to COVID-19 and associated physical distancing recommendations, the program was put on hold for 2020/21 and will re-open next fiscal year.
- Strategic Sector Projects support applied research, strategic planning, and industry capacity building to address competitiveness issues, improve collaboration and guide industry as it moves forward to sustainable growth. In 2020/21 projects included:
 - Design and system testing of the Towards Income Profits Report which uses AgriStability data to provide a simplified farm financial analysis at no cost to the producer (\$50,000); and
 - Partnering with AgSafe on Mental Health Project to complete a jurisdictional scan (Phase 1) and survey of B.C. producers (Phase 2) to inform the approach for B.C. agriculture to mental health supports and service (\$14,700).
- CAP business development programs support informed decision making and reducing or mitigating risks which, in turn, reduce stress and uncertainty. Working together with the Industry Specialists and Regional Agrologists, the farm business staff provide technical advice and guide clients to available programs.

CROSS JURISDICTIONAL COMPARISON:

- B.C. provides a similar suite of farm business management programs and services to those offered by other provinces.
- Staff participate in Federal-Provincial-Territorial working groups to share information, learn from other jurisdictions, and improve the effectiveness of programs. They also participate in the National Risk Roundtable and CANFAX National Cost of Production Working Group.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The CAP Business Development Programs have a budget of \$6M over the five-year period in programs and services to individual producers and processors as well as industry associations, Indigenous communities, and new entrant groups.

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- Anticipated Business Development Program spend for 2021/22 will be \$1.2M. Program budgets are under review.
- Three FTE's (Two Farm Business Specialists and one Program Analyst) from the Indigenous and Entrepreneur Services Unit support the delivery of the CAP Business Development programs.

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BUY BC MARKETING PROGRAM

RECOMMENDED RESPONSE:

- Throughout the COVID-19 pandemic, more British Columbians have taken notice of where their food comes from.
- I'm very proud of the importance British Columbians are placing on local B.C. food and beverage products. This makes a difference to our farmers, fishers and food and beverage processors across the province.
- Now in its fourth year, Buy BC is helping British Columbians choose local and in turn feed the local economy.
- Buy BC makes it easier for British Columbians to identify and enjoy B.C. food and beverage products at grocery stores and farmers' markets.
- Building on the success of previous Buy BC marketing campaigns, the 2021-22 campaign will continue to increase awareness of the diverse range of seasonal B.C. fresh and processed food products available.
- Since Buy BC was relaunched in 2018, over 500 B.C. companies have signed up to leverage the Buy BC brand to increase sales of their products, and our government is working closely with retailers, such as Safeway and Thrifty Foods, to ensure that consumers can more easily identify local foods through the use of in-store, Buy BC-branded signage.
- The Buy BC Partnership Program continues to provide \$2 million in funding per year and access to a free Buy BC logo to support industry-led marketing campaigns.
- We will continue to work together with farmers and food processors to build a stronger B.C. and ensure British Columbians can identify and access the amazing local foods that are grown, harvested, raised and processed close to home.

BACKGROUND:

- Buy BC programming focuses on three key areas:
 1. Increasing consumer motivation to purchase B.C. food/beverages over other alternatives (through activities/resources/promotions that build the local food literacy of B.C. consumers).
 2. Increasing availability of local food/beverages at grocery stores, farmers markets, and food service establishments, (through activities, events and initiatives that connect producers/processors with chefs, restaurateurs, retailers, and distributors).
 3. Increasing visibility of Buy BC-branded food/beverages at the point of sale to trigger consumers to purchase B.C. food/beverages when shopping and dining out across the province.
- Key Accomplishments for Buy BC in 2020/21:
 - Delivered a Buy BC advertising campaign (\$1.3M budget) in collaboration with GCPE highlighting the people behind B.C.'s agriculture, food and fish sector (TV, digital and transit ads in market from Jan 25 to Mar 15, 2021). Campaign results are still outstanding.
 - Funded 63 industry-led local marketing projects and licensed 161 applicants to use the Buy BC logo through the Buy BC Partnership Program. Since the program launch in 2018, a total of 116 projects have been funded and over 500 applicants licensed.
 - Provided \$550K in Buy BC e-commerce funding to support farmers and food and beverage processors impacted by COVID-19 to move online. 98 projects were funded.
 - This funding has created new opportunities for applicants including:

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- Walcan Seafood from Quadra Island, who successfully launched their Tide to Table e-commerce platform in May 2020 and have received 10,000 orders so far that have generated \$1 million in sales.
- Jenny Marie's Cracker Company from Victoria, who indicates that they would have not been able to pivot to online sales without the funding they received from Buy BC.
- Ongoing e-commerce funding support will not be provided through Buy BC in 2021/22 because the Ministry of Jobs, Economic Recovery and Innovation recently launched a \$12M Launch Online Grant Program as part of StrongerBC which provides this support.
- Continued to expand two major Buy BC retail partnerships, one with Thrifty Foods and one with Safeway (both owned by Sobeys) to promote B.C. products with in-store signage in over 40 B.C. communities.

CROSS JURISDICTIONAL COMPARISON:

- N/A

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- \$3.75 million of base budget is committed to all Buy BC programming in FY 2021/22, including \$2M in cost-shared funding for industry through the Buy BC Partnership Program and \$1.75M for government-led advertising, promotions, and industry partnership activities.

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FARMERS' MARKETS AND COVID-19

RECOMMENDED RESPONSE:

- Farmers' markets (FMs) across B.C. have been an integral part of our provincial food security for many years.
- They are venues to learn about fresh, local, in season foods and they serve as springboards for local farmers to introduce their products to new audiences.
- They are places to connect with friends, family and neighbours and celebrate the uniqueness of each community and region.
- Over the past year, we've seen how resilient and adaptable market organizers, farmers, vendors, partners, and community collaborators are.
- Last summer FMs season had a difficult start due to the pandemic. But markets were quick to adapt to physical distancing measures and protocols to ensure the safety of vendors, organizers, and customers.
- On behalf of the Government of British Columbia, I want to say – thank you!
- You quickly adapted to ensure you could continue to serve your communities, and many markets went digital as well.
- As we continue during this time of COVID-19, it is even more important to support your community and each other during this time of uncertainty, and a virtual shopping trip to a farmer's market is an easy way to get the groceries on your list and to Buy BC, while ensuring physical distancing measures are being followed.
- I'm proud of our Ministry's work to partner with the BC Association of Farmers' Markets (BCAFM) to move FMs online this past year to ensure the health and safety of vendors and consumers, while still providing the same fresh and local food that families all over the province count on.
- Nearly 70 FMs moved to an online presence with support from Buy BC funding, generating over \$2.5 million sales in 2020.
- The Ministry will be continuing to support the expansion of the online platform with the BCAFM in 2021.
- The Ministry is also working with the BCAFM to expand a new initiative across B.C. starting in the 2021 market season that will feature and promote new products and vendors to local consumers.

BACKGROUND:

- BCAFM had 135 member FMs operating throughout 2020 (slightly lower than usual due to COVID-19).
- Operating revenues of FMs – which rely primarily on vendor booth fees – have decreased due to vendor selling restrictions, market layout restrictions reducing the overall number of vendors, and the extra work required to modify and manage markets in response to COVID-19. Due to the Provincial Health Order of December 9, 2020, non-food vendors have been restricted from selling their goods at in-person markets, except for on-line sales and pick-up orders.
- To mitigate the impacts of COVID-19, the Ministry of Agriculture, Food and Fisheries (AFF) is providing \$55,000 to BCAFM over two years to help member farmers' markets transition to an online B.C. Farmers' Markets platform (\$31k in 2020/21 and \$24k in 2021/22). More than 70 markets have set up online markets, generating nearly \$2M in vendor sales across B.C. since April. More FMs are expected to transition to the online platform over the next year.
- BCAFM has developed a new local agriculture, food and beverage marketing initiative program called Fresh Finds which will be launched as a pilot in the Kootenay region (in

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

approximately 15 markets) for the 2021 market season. The initiative will provide a venue for new local products and vendors to be showcased at participating markets, making the products highly visible and available to shoppers. The Ministry provided \$24k to BCAFM in 2020/21 (February) to support the development of a strategy to outline how B.C. farmers' markets can expand the Fresh Finds initiative across the province (i.e. beyond the Kootenay region) over the next three years starting in the 2021 market season. Once this is complete, a decision will be made about whether AFF will provide additional funding to support the implementation of this strategy.

CROSS JURISDICTIONAL COMPARISON:

- N/A

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In 2021/22, \$24,300 in Buy BC funding is allocated to BCAFM to support the continued expansion of the B.C. Farmers Market Online Platform, and \$25,000 has been budgeted to support additional Buy BC promotions that support BCAFM member markets.
- Individual farmers markets are also eligible to apply for up to \$10,000 in cost-shared funding (50% applicant contribution and 50% government contribution) through the Buy BC Partnership Program annually to support local marketing campaigns aimed at increasing the demand and sales of B.C. agriculture, food and beverage products within B.C.

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LEGALIZATION OF CANNABIS AND AGRICULTURE

RECOMMENDED RESPONSE:

- In July 2018, our government announced a policy framework regarding cannabis production on land within the Agricultural Land Reserve (ALR).
- It provided local and First Nations governments with the authority to prohibit cannabis production in the ALR within their communities, unless it is grown in ways that preserve the productive capacity of agricultural land, such as inside a structure that has a base entirely consisting of soil.
- The decision allowed local and First Nations governments to make decisions about cannabis production that align with local planning and community priorities.
- The regulatory change ensured local and First Nations governments had the authority to prohibit new cement-based cannabis-production facilities on ALR land within their communities, while clarifying that cannabis production in the ALR cannot be prohibited if grown lawfully:
 - In an open field;
 - In a structure that has a base consisting entirely of soil;
 - In a structure that was either fully constructed or under construction, with required permits in place, prior to July 13, 2018; or
 - In a structure existing as of July 13, 2018, that was constructed for the purpose of growing crops inside it.
- In 2015, the government of the day protected the production of medical cannabis by regulation. This meant that local governments, First Nations governments, and the provincial Agricultural Land Commission (ALC) could not prohibit medical cannabis production in the ALR.
- Local and First Nations governments asked the Province to strengthen their decision-making authority regarding cannabis production in the ALR, and we took action.
- Ministry staff continue to support the Ministry of Public Safety and Solicitor General (PSSG) in the development of a provincial framework for direct delivery and farm-gate sales of cannabis.

BACKGROUND:

- The *Cannabis Act*, administered by Health Canada,
 - Legalizes and regulates non-medical cannabis;
 - Continues the existing medical cannabis regulatory framework to non-medical cannabis production, Access to Cannabis for Medical Purposes Regulation (ACMPR), for at least the next five years; and
 - Updates and incorporates Industrial Hemp Regulations.
- The *Cannabis Act* gives federal government authority to regulate cannabis production, including licensing of producers, establishing product standards, and related inspection authority.
- The *Cannabis Act* gives the provincial and territorial governments authority to regulate the distribution and retail of non-medical cannabis.
- In B.C., the Cannabis Legalization and Regulation Secretariat (Cannabis Secretariat) 'leads the development of the provincial non-medical cannabis framework and is the central coordinating body for non-medical cannabis policy across the provincial government'.
(<https://www2.gov.bc.ca/gov/content/safety/public-safety/cannabis>)
- Other Estimates Notes on cannabis:
 - Ministry Support and Programs; and
 - Normal Farm Practices and Odour Complaints.

CANNABIS AND THE AGRICULTURAL LAND RESERVE (ALR)

- Within B.C., both the provincial government and local governments have powers to regulate land use, including agricultural land. Local governments regulate land use through their powers for community planning and zoning bylaws.
- The Medical Marihuana Access Regulations (MMAR) was the first regulation enacted with respect to medical cannabis in Canada. Producers of medical cannabis could be designated under MMAR and were loosely regulated.
- The Marihuana for Medical Purposes Regulations (MMPR) repealed and replaced the MMAR in 2013. The MMPR introduced a new class of licenses, known as Commercial Grower Licenses. Federal requirements for licensing under the MMPR required producers to have substantial infrastructure, resulting in a sizable land footprint.
- In 2015 MMPR medical cannabis production was designated as a farm use under the Agricultural Land Reserve Use, Subdivision and Procedure Regulation and established that local governments in B.C. could not prohibit medical cannabis production within community boundaries if the cannabis production facility was located in the ALR.
- A Federal Court of Canada ruling in 2016 found that the MMPR was unconstitutional and that some MMAR licenses issued to producers were still in effect and had no expiry date until the Court orders otherwise.
- The Access to Cannabis for Medical Purposes Regulations (ACMPR) repealed the MMPR in 2016. The ACMPR was enacted under the *Controlled Drugs and Substances Act*. The ACMPR carried forward both the MMPR facility standards and the loosely regulated designated producer licenses issued under the MMAR.
- In July 2018, an amendment was made to the Agricultural Land Reserve, Use Subdivision and Procedure Regulation which prevented Local and First Nations governments from prohibiting of cannabis production on the ALR under the following circumstances:
 - In an open field;
 - In a structure with a base consisting entirely of soil;
 - In a pre-existing structure for the purpose of growing crops inside it; or
 - In a structure that was under construction prior to the amendment.
- In B.C., as of February 2021, there are 77 standard cultivation license holders, 33 micro-cultivation license holders, eight nursery license holders, 66 standard processing license holders, three micro-processing license holders, four revoked licenses, one suspended license and 57 medical cannabis sales licenses.
- The federal government is in possession of data that includes specific details about cannabis production facilities in B.C. (e.g., location, size of cannabis production facilities and other business operations). This information has not been shared with B.C.
- Without provincial tracking, the current number and size of cannabis production facilities that have been built on the ALR is unknown.

CANNABIS AND FARM GATE SALES AND DIRECT DELIVERY

- The Cannabis Secretariat is leading the development of the direct delivery and farm-gate programs for launch in late 2022.
- In December 2019, Minister Farnsworth publicly commented that the Province is investigating farm-gate sales of non-medical cannabis for small scale producers.
- For the farm-gate program, the Province is pursuing a broad approach that would see most B.C. licensed cultivators of cannabis (including nurseries) able to participate, which will allow them to sell their own products at their production site.
- For direct delivery, the main decisions made to date are:
 - The program criteria for small-scale producers will be broader than the federal micro-licence category and will include nursery licence holders; and

- Small-scale cannabis producers will be able to deliver products directly to local retailers.
- The Cannabis Secretariat heard from small-scale producers that direct delivery to retailers is important because it will allow them to develop customer brand recognition as their products can be more consistently presented by the retailers they choose to work with.
- The Cannabis Secretariat is engaging with Ministry of Agriculture, Food and Fisheries (AFF) staff to support the development of these programs as it relates to impacts on the cannabis industry from an agricultural perspective and any potential impacts to agricultural land.

Additional information on ISSP:

- The Indigenous Shelf Space Program (ISSP) will highlight B.C. Indigenous-produced cannabis products in B.C. Cannabis Stores and through the B.C. Cannabis Stores online site.
- The program is anticipated to launch in late 2021 and will help consumers easily identify Indigenous products while making purchasing decisions.

CROSS JURISDICTIONAL COMPARISON:

- The Secretariat is monitoring how other jurisdictions in Canada are implementing cannabis regulations and legislation.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- See Estimate Note-Ministry Supports and Programs.

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CANNABIS – MINISTRY SUPPORT AND PROGRAMS

RECOMMENDED RESPONSE:

- After the legalization of non-medical cannabis (cannabis) by the Federal government in 2018, The Ministry of Agriculture, Food, and Fisheries (AFF), and Agri-food Canada (AAFC) recognizes cannabis as an agricultural crop.
- Currently, based on AAFC's direction, cannabis is not eligible for AGRI Invest and AGRI Stability programming, but is eligible for other AFF programs and services.
- Licensed cannabis producers are eligible to apply for Federal programs under the Canadian Agricultural Partnership (CAP). Provinces and territories are given the ability to determine what CAP programs and services licensed cannabis producers are eligible for within their own jurisdictions.
- In B.C., licensed cannabis producers are eligible for several CAP-funded initiatives, such as the full suite of Business Development and Environmental Sustainability/Climate Change programs.
- AFF recognizes the importance of the cannabis sector to B.C.'s economy and has committed funding and services to support the transitioning of cannabis producers into the legal framework.

BACKGROUND:

- As of December 31, 2020, there were 88 standard cultivation license holders, 30 micro-cultivation license holders, and 27 standard processing license holders authorized for cannabis production or processing by Health Canada in British Columbia (B.C.). Eight of the cultivation licenses were also authorized for the outdoor production of cannabis, with five being standard cultivation licensee's and three being micro-cultivation licensees. As of April 2020, five of the cultivation licensee's in B.C. were Indigenous-affiliated producers.
- As of April 2020, there were 210 cultivation license applications in the queue and submitted to Health Canada's intake process for authorization; 21 of which were Indigenous-affiliated applications.
- As of February 2021, there were 315 non-medical cannabis, private retail licenses granted in B.C. 206 active applications were in the queue and were submitted to the Liquor Distribution Branch (LDB) for evaluation.
- As of April 2020, (LDB) had opened 16 public stores in the Province.
- Cannabis is a significant economic driver in the Province. In 2019, the total retail sales from licensed cannabis stores in B.C. was \$49,659,000. In 2020, the cash amount received by the Province from the 'Federal Government for British Columbia's share of the Federal excise duty on cannabis' was \$24,835,314.01.
- In 2020, the legal cannabis sector provided 2,275 jobs for British Columbians, and 2,262 jobs in 2019. 189 jobs were hired into the legal cannabis sector in January 2021 in the Province.
- The Cannabis Legalization Secretariat (CLS) of the Ministry of Public Safety and Solicitor General (PSSG) leads the development of the provincial non-medical cannabis framework and is the central coordinating body for non-medical cannabis policy across the provincial government.
 - The CLS is currently developing the policy framework to be enacted in late 2021 or early 2022 for the direct delivery, and farm gate sale of legal-market cannabis in the Province. Major regulatory changes include allowing producers to sell their cannabis directly to private retailers, or from on-site retail stores. It is anticipated that there will

be a major increase in the transition of illicit market producers to the legal sector, either near or after these changes have been enacted, due to the enhanced marketability it will give licensed producers of cannabis.

- The Ministry of Jobs, Economic Recovery, and Innovation (JERI) and PSSG are the lead ministries for cannabis economic development and receive support from AFF and the Ministry of Attorney General.
- Historically and prior to legalization, AFF played a minor role in assisting the medical cannabis sector by addressing community complaints about medical cannabis operations, assisting with minor use pesticide registrations, and providing general diagnostic service for plant pests.
- The federal government advised Provinces and Territories, prior to legalization, that cannabis would not be eligible for bilaterally funded programs due to its classification as a narcotic. Under the *Cannabis Act*, cannabis was removed from the narcotics list leaving some flexibility for economic development for the cannabis sector.
- The new Canadian Agricultural Partnership (CAP) came into effect April 1, 2018. Under this five-year framework, cannabis is eligible for some programs and services. In May 2018, Minister Eby, Minister Farnworth and Minister Donaldson concluded that some, but not all of AFF programs would be available to the cannabis industry.
- Based on this direction, AFF staff have worked through the eligibility of cannabis under CAP and have identified the programs that are eligible for cannabis (see Appendix A).
- AFF funded and supported the following initiatives relating to cannabis in the 19/20 fiscal:
 - *Legal Market Entry Project*: This project was one of the first pieces of economic development work that was initiated to assist in market entry for illicit cannabis producers, with a primary focus on increasing the number of legal cannabis producers in the Province. This was a joint project between AFF and JERI. In 2018/19, JERI used funding to host a webinar on the small-scale licensed production of cannabis, and to create a web-video highlighting the value-added benefits of producing legal market cannabis. JERI also developed the Cannabis Regulatory Navigator Tool; a website designed to better aid illicit cannabis producers in navigating Health Canada licensing requirements.
 - Due to COVID-19, JERI staff that were supporting delivery of the Legal Market Entry Project have been reallocated to Economic Recovery initiatives. AFF staff have continued supporting the transition of illicit cannabis producers into the legal framework under this project, with new initiatives and projects being budgeted for the 20/21, and 21/22 fiscals (see Program Expenditure).
 - *Organic Standard for Cannabis*: \$12.3K in funding was budgeted for the Certified Organic Associations of BC (COABC) in fiscal 19/20 to allow for the potential expansion of the BC Certified Organic Program (BCCOP) to enable COABC certification bodies to certify the production of cannabis and simple processing. It is anticipated that phase 2 of this project may continue in 20/21.
 - *Surveillance and Management of New and Emerging Cannabis Diseases*: \$60K in funding over two fiscal years for a biosecurity project by the Plant and Animal Health Branch (PAHB). This project has been continued for the 20/21, and 21/22 fiscals.
 - *2021 Pacific Agriculture Show*: Two 3-hour cannabis sessions were developed for the Lower Mainland Horticultural Improvement Association Growers Shortcourse events. AFF staff developed the sessions to cover technical, and production related issues that new entrants to the legal market of cannabis are struggling with.

CROSS JURISDICTIONAL COMPARISON:

- Federal (AAFC): Funding provided to cannabis projects through CAP and federal-only programs (i.e., non-CAP). Applicants must have all requisite eligibility criteria, and licenses from Health Canada, and be in compliance with all applicable legislation and regulations.
- Ontario: Legal cannabis production/processing/value-add activities are eligible for CAP funding
- Manitoba: Cannabis projects are eligible to receive funding under CAP
- Newfoundland: Cannabis projects are not eligible for CAP funding.
- New Brunswick: Cannabis projects are not eligible for CAP funding.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- One FTE, Industry Specialist from the Industry Development Unit is allocated to manage the Cannabis and Hemp files; receiving support from the Resource Management and Land Use/Geospatial Units, under the Extension and Support Services Branch (ESSB), Agricultural Resource Division (ARD).
- \$70K was allocated for the 'Legal Market Entry Project' for fiscal 2020/2021 from CAP Market Development Funding.
 - \$49,942 for the 20/21 fiscal has been budgeted for delivery of the 'Cannabis Micro-Cultivation Guide' SRFP. This project will enhance the technical resources available to support the transition of illicit cannabis producers into the legal sector in B.C. and was advocated for by stakeholder groups. Project completion date of June 21, 2021.
 - \$3,780 for the 20/21 fiscal was budgeted to support a video project under a Memorandum of Understanding (MOU) between AFF and JERI to highlight the value-added benefits of legal-market cannabis.
- It is anticipated, yet unconfirmed, that \$40K of CAP Market Development Funding will be allocated for the 21/22 fiscal to support PSSG in delivery of their 'Indigenous Cannabis Supply-Chain and Market Access' project.
- \$44,910 for the 2020/2021 fiscal was budgeted for the 'Relative Impact of Volatile Organic Compounds (VOC) Emissions from Agriculture on Air Quality of Urban Centers' study to be administered by AFF Resource Management Unit (RMU). This contract will be completed on March 15, 2021. Metro-Vancouver staff will be invited to review a draft of this study prior to its release, for consideration in relation to their 'Proposed Emission Regulation on Cannabis Production and Processing Operations.'
- \$96K has been allocated for the 20/21 and 21/22 fiscals by Plant Animal Health Branch (PAHB), under the Science, Policy, and Inspection Division to deliver their project, 'Surveillance and mitigation for diseases of Hemp, Hops, and Cannabis grown in British Columbia'. This project utilizes subject-matter expertise from Simon Fraser University to identify upcoming plant diseases that may impact the emerging cannabis sector.
 - PAHB is also developing a business model to have their plant diagnostic and laboratory services available to receive and analyze submissions from licensed cannabis and hemp producers in British Columbia.

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Appendix A: Cannabis Eligibility for AFF Programs and Services

| Program or Service | Funding source | Description | Eligible Oct 17'18 |
|---|----------------|---|--------------------|
| Canada-BC Agri-Innovation Program | CAP | Supports research and pilot projects that lead to commercialization and/or adoption of innovative products, processes, and technologies. | Yes |
| Provincially Significant Projects Program | CAP | Supports strategically important innovative projects. | Yes |
| Innovation Accelerator Program | CAP | Training and mentorship for early growth stage companies. | Yes |
| Greenhouse Carbon Tax Relief Program | Base | Provides carbon tax relief for greenhouse operators. | No |
| Market Preparedness Initiatives | CAP | Marketing seminars, workshops and advisory services. | No |
| Market Development Initiatives | CAP | In-market advisory services and international market development activities | No |
| BC Agrifood and Seafood Market Development Program | CAP | Industry support for marketing skills training, market research and plans and market development and promotional activities. | No |
| Buy BC Program | Base | Build and maintain BuyBC brand recognition, increase competitiveness of B.C. companies in the domestic market and undertake food literacy activities. | No |
| Environmental Farm Plan Program | CAP | Supports farmers to identify agri-environmental risks and opportunities. | Yes |
| Beneficial Management Plan Program | CAP | Supports farmers to mitigate risk identified in their EFP. | Yes |
| Environmental Sustainability & Climate Change Strategic Initiatives Program | CAP | Collects, develops and transfers information to support sustainable agriculture practices. | Yes |
| Environmental Emergencies & Extreme Events Planning Program | CAP | Supports agriculture planning for environmental emergencies. | Yes |
| Climate Change Adaptation Program - FAIP | CAP | Increase capacity of B.C. agriculture sector to adapt to climate change. | Yes |

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|---|--------------|--|----------|
| Regional development services | Base | Front line support to industry, local government and the public. | Yes |
| Industry development services | Base | Provides access to industry knowledge and support. | Yes |
| AgriService BC | Base | A window resource through website, phone, emails and webinars to provide business development information on B.C.'s agrifood sector. | Yes |
| Business Development Program – Producers & Processors | CAP | Support to producers and processors to strengthen and expand business management capacity. | Yes |
| Knowledge Transfer Program | CAP | Supports industry-led knowledge transfer activities. | Yes |
| Strategic Sector Projects Program | CAP | Supports strategic projects with broad industry competitiveness benefits. | Yes |
| On-Farm Food Safety Program | CAP | Industry funding to encourage implementation of recognized food safety standards and certification programs on farm. | Yes |
| Post-Farm Food Safety Program | CAP | Industry funding to encourage implementation of recognized food safety standards and certification programs post-farm. | No |
| Food Safety Extension Services | CAP | Food safety education/outreach services. | No |
| Traceability Adoption Programs | CAP | Industry funding to implement/improve traceability systems. | Yes |
| Traceability Knowledge Transfer Program | CAP | Raise awareness and increase knowledge of traceability systems and requirements. | Yes |
| BC Premises Identification | CAP | Online system to link livestock and poultry premises to a specific geographic location. | No |
| Biosecurity and Surveillance Initiatives | CAP/ Base | Initiatives and projects supporting animal welfare, invasive species and pest and disease management. | Yes |
| Plant & Animal Health Lab Services | CAP/ Base | Plant and animal health lab and diagnostic services. | Yes |
| Agri Insurance | CAP | Financial protection against production losses. | Possibly |
| Agri Invest | CAP | Contribution to producer owned savings around to help producers make investments in their farms to offset financial losses. | No |
| Agri Recovery | CAP | Government framework to respond to disasters and help offset extraordinary costs to return to agricultural production. | Possibly |
| Agri Stability | CAP | Protection against drops in farm financial margins due to lower income and/or higher expenses. | No |

CANNABIS – NORMAL FARM PRACTICES AND ODOUR COMPLAINTS

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food, and Fisheries (AFF) acknowledges that residential property owners living near commercial cannabis operations have been aggrieved by odours arising from some of these businesses.
- Many indoor, licensed-cannabis producers have tried to implement odour control technologies and mitigation strategies to address these concerns, as is required of them by Health Canada.
- Other agricultural operations in B.C. may also cause some disturbances such as odour, noise, and dust. With the close proximity between farms and urban areas, there is a greater potential for complaints regarding farm operations and practices.
- Cannabis Legalization is still new to Canada and with any new industry, it will take time for this sector to mature and address any issues that emerge from its operations.
- B.C. residents aggrieved by odour, noise, dust, or other disturbances resulting from a licensed cannabis operation may file a complaint with Health Canada.

BACKGROUND:

- Non-medical cannabis (cannabis) was legalized by the federal government on October 17, 2018. Health Canada is the Federal department that regulates cannabis production and processing across Canada.
- Following legalization, both the indoor (concrete structures) and greenhouse (glass structures) production of cannabis has increased in B.C., mainly in the Lower Mainland and Metro-Vancouver areas. Most producers moved into pre-existing greenhouses that were used for floriculture or vegetable crops, and further retro-fitted these structures to adhere to Health Canada licensing requirements for cannabis production.
- This shift led to a number of new complaints arising from the public; particularly from residents living near these facilities, regarding the perceived odour, noise and light pollution arising from some of these operations. Many of the concerns are primarily attributed to the retro-fitted greenhouse operations, as they were not originally designed to reduce odour from cannabis production.
- In some cases, where nuisance odour is being associated with licensed cannabis facilities; the odour may actually be arising from nearby cannabis producers authorized under the 'Access to Cannabis for Medical Purposes Regulations (ACMPR). These producers were not required to implement air-filtration technologies or mitigation strategies in their operations. It is also currently unclear as to what or how regulations may apply to the outdoor, licensed production of cannabis in regard to odour.
- The Federal Cannabis Regulations addresses odour control under section 85(1) – Filtration of Air and states: "the building or part of the building where cannabis is produced, packaged, labelled and stored must be equipped with a system that filters air to prevent the escape of odours".
 - Prior to obtaining a cannabis production license, applicants need to demonstrate to Health Canada that they have an effective air filtration system in operation that would comply with the requirements under section 85(1).
 - If odour is present outside of a licensed facility, Health Canada inspectors may inspect the air filtration system, records of equipment maintenance and use other documents/tools available to assess if the facility sufficiently prevents the escape of odours and complies with the requirement of the regulation.

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- If Health Canada conducts an inspection whether routine, or due to a complaint, and the air-filtration system is found to be functioning within regulatory guidelines, Health Canada will take no action against the producer. If an air-filtration system is found to be not functioning to standard, or requires maintenance, Health Canada may issue a 'cease and desist' order against the producer, until the equipment is functioning properly and inspected as such again.
- Since legalization, many cannabis producers operating on land within the Agricultural Land Reserve (ALR) have been the subject of complaints to the BC Farm Industry Review Board (BCFIRB). The complaints associated with all of these operations have been settled or withdrawn.
 - A formal hearing was scheduled for March 9 to 13, 2020, for the complaints against a Canopy Growth facility located in Langley, B.C., however this hearing was cancelled after the company closed down the operation.
 - Several AFF staff were identified as key-persons to participate in this hearing, to where a 'Key-Persons' report was compiled by these staff on behalf of BCFIRB, but never utilized. AFF has since obtained this report in anticipation of future developments on the issue.
- The Metro Vancouver Regional District (MVRD) has delegated authority under the *Environmental Management Act* (EMA) to manage air quality in their region.
 - In May 2019, MVRD published a Proposed Emission Regulation (Regulation) for Cannabis Production and Processing Operations Discussion Paper, which summarizes the regulatory authority MVRD may have to reduce odour from cannabis production, if the odours are defined as air-contaminates, or 'volatile-organic-compound' (VOCs) emissions.
 - MVRD completed phase one of their consultation at the end of October 2019. In response, the Cannabis Secretariat in the Ministry of Public Safety and Solicitor General (PSSG) coordinated an official response from the Ministries of PSSG, AFF, ENV and JERI. AFF stated in this letter the concern that if the Regulation is implemented, it could be applied to regulate odour from other agricultural sectors in B.C., including the mushroom, swine, poultry, and dairy industries.
 - To better understand the emission of VOCs from farming operations and their impact on air quality and the best-available control technologies currently used to mitigate cannabis odour, AFF has developed an RFP on this topic.
 - MVRD staff managing the proposed Regulation, and staff from AFF's Extension and Support Services Branch (ESSB), as well as staff from the Ministry of Environment and Climate Change meet on a monthly basis to discuss developments regarding the issue.
 - MVRD is currently conducting their second round of formal government, public, and industry consultation and is seeking feedback on the issue, to where ESSB staff are facilitating and supporting MVRD conversations with large, indoor producers of cannabis in the Metro Vancouver area.
- The need to develop Normal Farm Practices (NFPs) for the cannabis industry is still apparent and desired by industry, stakeholder-groups, and local governments.
 - Industry stakeholders and producers have recently advocated for working with the Provincial Government, and Local Governments to collaborate on the establishment of NFPs in regard to standardizing odour-control technologies in the production of indoor cannabis.

CROSS JURISDICTIONAL COMPARISON:

- No jurisdiction in Canada has implemented any guidelines or measures for cannabis facilities to utilize in mitigating odour, noise, and light from their operations.
- Ontario and Alberta have experienced similar concerns from members of the public on odour from cannabis facilities.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- \$44,910 for the 2020/2021 fiscal was budgeted for the 'Relative Impact of VOC Emissions from Agriculture on Air Quality of Urban Centers' study to be administered by AFF's Resource Management Unit (RMU). This contract will be completed on March 15, 2021. Metro Vancouver staff will be invited to review a draft of this study prior to its release, for consideration in relation to their 'Proposed Emission Regulation on Cannabis Production and Processing Operations.'
- Issue receives support from 0.3 FTE Industry Specialist from the Industry Development Unit, and 0.3 FTE Provincial Soils Specialist, 0.2 FTE Environmental Engineer from the Resource Management Unit, under the Extension and Support Services Branch (ESSB), Agricultural Resource Division (ARD).

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COMMERCIAL CAT AND DOG BREEDERS REGISTERING AND STANDARDS

RECOMMENDED RESPONSE:

- Amendments made to the *Prevention of Cruelty to Animals Act* (PCAA) in 2017 was a significant milestone to address irresponsible commercial breeders of cats and dogs in B.C.
- Since that time, ministry staff have met with stakeholders including the B.C. Society for the Prevention of Cruelty to Animals (BC SPCA), breeders and concerned MLAs to inform the development of a regulatory framework for commercial cat and dog breeders.
- Ministry's work on the development of a regulatory framework is currently on hold as the province focuses its resources on the current mandate to address the COVID-19 pandemic in B.C.
- Once the COVID-19 pandemic is over, the ministry will need to evaluate the priority of the registry project in the context of government's economic recovery mandate.
- Animal welfare is a priority in B.C.
- It is an offence under the PCAA for anyone to cause an animal distress. This includes anyone who causes a cat or dog distress in the breeding and selling of them.
- The PCAA provides some of the highest penalties in the country available for convictions of causing animal distress.
- Concerns about an animal's welfare should be reported to the BC SPCA.

BACKGROUND:

- In 2016, the Ministry conducted initial consultations with stakeholders to inform amendments to the PCAA.
- On March 16, 2017, amendments to the PCAA received Royal Assent.
- The amendments enabled the creation of a licensing and/or registration system for commercial breeders of cats and dogs and accompanying inspections against minimum standards of care.
- In order for the new authorities to come into force, a new regulation is required, and ministry staff undertook extensive policy work to develop a regulatory framework that would include definitions, a mandatory registration system, enforceable standards of care, fees, fines and administrative costs.
- Ministry executive provided direction to develop a registration system versus a licensing system.
- In March 2020, with the COVID-19 pandemic, the Ministry put this project on hold in order to prioritize ministry resources on emergency management.

CROSS JURISDICTIONAL COMPARISON:

- The Province of New Brunswick requires all establishments that raise dogs for sale to undergo an annual inspection and obtain a Pet Establishment License through the New Brunswick SPCA by way of an online application and renewal form. The regulatory system references the Canadian Veterinary Medical Association (CVMA) Codes of Practice which are applicable primarily to large kennel operations.
- Legislation in the Province of Manitoba allows for a licensing system; however, they have not been enforcing the licensing component because of a lack of resources. According to

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government staff, they are now considering a change from licensing to an online registration system. Manitoba legislation covers three main categories for dogs and cats – retail, kennels, and breeders.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Funding would be required for final development of online registration system and potential enforcement infrastructure.

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CleanBC

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) is working with other ministries to support the implementation of CleanBC and the Province's legislated greenhouse gas reduction targets.
- Agricultural activity accounts for approximately 4.8 percent of B.C.'s total greenhouse gas (GHG) emissions.
- Through the Canadian Agricultural Partnership (CAP), AFF is funding programs and projects that reduce agricultural GHG emissions and enhance agricultural carbon sinks by encouraging the adoption of clean technologies and beneficial management practices in the sector.
- CAP-funded programs that directly support reductions of GHGs include the Environmental Farm Plan Program, the Beneficial Management Practices Program, the Canada-B.C. Agri-Innovation Program, and the Farm Adaptation Innovator Program.
- AFF has initiated a longer-term research project to assess additional opportunities for greenhouse gas emissions reduction in the agriculture sector.
- AFF is exploring options for actions that can support the next phase of CleanBC.

BACKGROUND:

- The primary sources of agricultural greenhouse gas (GHG) emissions in B.C. are: enteric fermentation from cattle, on-farm fuel use, manure management, and agricultural soils. Together, these account for about 4.8 percent of B.C.'s total emissions.
- B.C.'s *Climate Change Accountability Act* commits to emissions reduction targets, from 2007 levels, of 40 percent by 2030, 60 percent by 2040, and 80 percent by 2050. The Act also provides for the establishment of sectoral targets. In addition, the legislation of a new target of net zero carbon emissions by 2050 is a mandate letter commitment for the Minister of Environment.
- Through the Canadian Agricultural Partnership (CAP), the Ministry of Agriculture, Food and Fisheries (AFF) is funding programming that reduces GHG emissions in the agriculture sector.
 - The Environmental Farm Plan (EFP) and Beneficial Management Practices (BMP) programs provide farmers with cost-shared funding for energy assessments, energy efficiency retrofits, and improved manure storage, as well as for practices that enhance carbon sinks such as shelterbelts and hedgerows.
 - The Farm Adaptation Innovator Program is funding applied research projects which include investigating enhancement of soil carbon sinks.
 - The Canada-B.C. Agri-Innovation Program funds projects related to biogas, bioproducts, and clean technology. For example, one project is exploring the use of seaweed as a cattle feed additive to reduce methane emissions.
- AFF is reducing GHGs through its nutrient management program, which helps farmers to reduce applications of nutrients such as fertilizers and manure.
- AFF is also working with other ministries on CleanBC programming interfacing with agriculture. Actions are underway to develop biofuels, divert organic waste from landfills, and increase the energy efficiency of vegetable greenhouses, and AFF is also engaged in the development of B.C.'s Climate Preparedness and Adaptation Strategy.
- AFF has initiated a longer-term research project to accurately measure GHG emissions and assess additional opportunities for GHG emissions reduction in the agriculture sector.

CROSS JURISDICTIONAL COMPARISON:

- In Canada overall, agriculture emissions accounts for 10 percent of total GHG emissions.
- In other provinces, the relative proportions accounted for by agriculture are: Alberta – 7.6 percent, Saskatchewan – 24.2 percent, Manitoba – 35.2 percent, Ontario – 7.5 percent, Quebec 10.9 percent, and Atlantic Region – 3.5 percent.
- Most other provinces have CAP-funded Environmental Farm Plan programs, which encourage adoption of beneficial management practices and clean technologies that contribute to GHG emissions reductions.
- Alberta and Quebec are recognized as the leaders in reducing agricultural GHG emissions, with significant programming for agricultural carbon offsets, reduction of nitrogen fertilizer use, and healthy agricultural soils that sequester carbon.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In fiscal year 2021/22 AFF has allocated 1.2 full-time employees (FTEs) to support CleanBC.
- In fiscal year 2021/2022, an estimated \$70,000 of CAP funding will be provided to support assessment of additional opportunities for agricultural emissions reductions.
- Other programs that provide some support for GHG reductions have been allocated CAP funding over 2018 - 2023 as follows:
 - Environmental Farm Plan Program and Beneficial Management Practices Program: \$13.4 million
 - This includes \$1.6M of provincial recovery funding through the On-Farm Innovation Top-Up Program in 2020/2021
 - Agri-Innovation Program: \$25.8 million
 - Farm Adaptation Innovator Program: \$1.4 million

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CLIMATE ADAPTATION IN AGRICULTURE

RECOMMENDED RESPONSE:

- Climate change creates serious implications for B.C. farmers.
- The Ministry of Agriculture, Food and Fisheries (AFF) is working with the agriculture industry, local governments, and other partners to help farmers and ranchers across the province prepare and adapt to changing climate and weather-related production risks and impacts.
- AFF has allocated \$6.5M for climate change adaptation from 2018 to 2023, funded through the five-year federal-provincial-territorial *Canadian Agricultural Partnership* (CAP).
- Eight regional agricultural adaptation strategies have been completed in key agricultural regions of the province since 2013; the final strategy under CAP was completed in 2020/21 for Vancouver Island.
- These strategies address climate related risks such as wildfire, drought, flooding, pests, and diseases.
- Since 2013, 71 climate change regional adaptation projects have been funded, and 20 were in progress in 2020/21.
- AFF is also funding 12 collaborative applied research projects to pilot and demonstrate innovative adaptation practices on B.C. farms and ranches.

BACKGROUND:

- Adapting to climate change is a priority for the agriculture sector, and B.C. farmers face unique challenges due to diverse geographies and commodities. For B.C. producers, climate change implications include: increased management complexity, business costs, and uncertainty due to impacts from climate related risks such as wildfire, drought, flooding, pests, and diseases.
- Climate change also creates opportunities for the sector in terms of an increase in growing days and opportunities for new crops.
- Successful adaptation is required for industry to manage risks and realize opportunities.
- AFF supports adaptation by providing funding to and working in partnership with industry, primarily through the Climate & Agriculture Initiative BC (CAI).
- Existing programming focuses on working with industry, local governments, and other partners to create regional adaptation strategies that identify and address climate change priorities. Strategies have been completed for eight regions: Bulkley-Nechako & Fraser Fort George, Cariboo, Delta, Fraser Valley, Kootenay & Boundary, Okanagan, the Peace, and Vancouver Island.
- Existing programming also supports applied research on innovative adaptation practices on B.C. farms and ranches, with 12 projects currently underway across the province. Many of these projects are focused on regenerative agricultural practices and technologies.
- Building on the success of wildfire planning templates developed in the Cariboo and Okanagan regions, the Ministry's Climate Change Adaptation Program has funded 18 regional "BC Farm & Ranch Wildfire Preparedness Workshops" reaching 438 workshop participants since 2018.
- Climate adaptation programming is funded with approximately \$6.5M (2018-2023) provided through the federal-provincial-territorial *Canadian Agricultural Partnership*.
- The Ministry is providing the BC Agricultural Climate Adaptation Research Network (ACARN) with \$22,000 each fiscal year, from 2019/20 to 2021/22, to support delivery of provincial and regional workshops. ACARN is a collaboration among agricultural researchers, industry specialists, policy-makers, students and producers.

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- Based on the B.C. climate risk assessment, AFF is working with other Ministries on the development of a B.C. climate change preparedness and adaptation strategy. Public release of the draft strategy is planned for spring 2021.

CROSS JURISDICTIONAL COMPARISON:

- B.C. is a leader in agricultural climate action. The regional adaptation strategies are the most advanced work of this type in Canada.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Approximately \$1.5M of *Canadian Agricultural Partnership* funding will be allocated to climate change adaptation programming in 2021/22.
- AFF has 4 FTE positions directly supporting climate change adaptation.

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Climate Preparedness and Adaptation Strategy

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) is working with other ministries to support the implementation of CleanBC.
- The CleanBC Plan commits government to develop a Climate Preparedness and Adaptation Strategy in collaboration with Indigenous Peoples.
- AFF is participating in inter-agency work to develop the draft adaptation strategy targeted for release in 2021/22.
- AFF has proposed actions to help agricultural producers to take advantage of season extension and to manage climate change risks such as wildfire, drought, heat, flooding, and pests.
- The proposed actions include:
 - Water infrastructure programming;
 - Enhancing the agricultural weather monitoring network;
 - Actions on pests and invasive species; and
 - Actions for the aquaculture and fisheries sector.

BACKGROUND:

- Adapting to climate change is a priority for the agriculture sector, and B.C. farmers face unique challenges due to diverse geographies and commodities. For B.C. producers, climate change implications include:
 - Increased management complexity;
 - Business costs; and
 - Uncertainty due to impacts from climate related risks such as wildfire, drought, flooding, pests, and diseases.
- Climate change also creates opportunities for the sector in terms of an increase in growing days and opportunities for new crops.
- Successful adaptation is required for industry to manage risks, realize opportunities, and ensure long-term food supply security.
- AFF is supporting agricultural adaptation by participating in ENV-led inter-agency work to develop the draft Climate Preparedness and Adaptation Strategy (CPAS) targeted for release in 2021/22.
- This work meets a recommendation from a 2018 report by the B.C. Auditor General, on B.C.'s preparedness for climate risks, that recommended the completion of a climate risk assessment and adaptation plan for B.C. that is refreshed every five years.
- The 2019 provincial climate risk assessment looked at the 15 top risks to B.C., over half of which would affect agriculture significantly (e.g., wildfire, drought, flooding).
- Ministry of Environment and Climate Change Strategy (ENV), Climate Action Secretariat (CAS) proposes to release CPAS in a two-phase approach. CPAS 2021/22, which includes actions focused on program development and scoping (target release spring 2021), in preparation for the full CPAS 2022/25 plan (target release spring 2022) comprising actions for 2022-2025.
- AFF Phase 1, actions for 2021/22 lay the foundation for multi-year actions in Phase 2, needs:
 - Assessment, design scoping, engagement, and outreach for development of an agricultural water infrastructure program (including water storage);
 - Assessment for climate risks and vulnerabilities for fisheries and aquaculture; and

- Planning and engagement for enhanced agriculture weather monitoring networks.
- AFF has developed a suite of potential actions based on:
 - AFF's new mandate letter commitments including shared responsibility to meet CleanBC goals.
 - Work done since 2013 through the CAP-funded, industry-led climate adaptation programming delivered by the B.C. Agriculture & Food Climate Action Initiative (CAI):
 - Regional adaptation strategies for eight key agricultural regions;
 - Applied research and demonstration on B.C. farms and ranches; and
 - Wildfire planning and preparedness workshops across the province.
 - Targeted outreach with key partners and stakeholders over summer 2020, including: B.C. Agriculture Council, ARDCorp, Climate & Agriculture B.C., B.C. Cattlemen's Association, B.C. Institute of Agrologists, B.C. Agricultural Climate Adaptation Research Network, Young Agrarians, and the aquaculture/seafood sector.
- AFF and CAS are planning to engage with federal agencies to explore opportunities for additional funding partnerships to support implementation of the CPAS.

CROSS JURISDICTIONAL COMPARISON:

- B.C. is a leader in agricultural climate action. CPAS presents an opportunity to leverage and build on this strong foundation.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In fiscal year 2021/2022, an estimated \$740,000 of provincial funding will be provided to program development, scoping, and pilots (based on Cabinet and Treasury Board approval).
- AFF has allocated three full-time employees (FTEs) to support CPAS.

| Approved by: | Prepared by: | Alternate Contact: |
|---------------------------------|---|---|
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COVID-19 Response

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) has developed an internal strategy to respond quickly to COVID-19 related issues across the agriculture and seafood sectors.
- We continue to work across the province in supporting our agriculture producers and processors through these difficult times.
- We have worked with the Ministry of Health and WorkSafe B.C. officials to ensure that safe operating guidelines have been made available to the agriculture, fisheries and food processing sectors.
- We continue to work with the federal government on ensuring COVID-19 response funding is both allocated appropriately and working to serve the needs of British Columbians in the agriculture industry.
- There continue to be market impacts to various seafood commodities that we are working with industry to help resolve and determine where the Province can assist.

Industry Outreach (NO UPDATE RECEIVED)

- The Ministry has conducted extensive and ongoing outreach across the agricultural sector to understand the issues the sector is facing and provide the support and assistance required to maintain operations and comply with Provincial Health Orders (PHO) orders to ensure a safe and secure food supply
- Between March and May 2020, approximately 50 Ministry Staff spoke with 5 stakeholders per day/3 days per week for 11 weeks = 8,250 points of outreach
- Staff reached out to 70 Industry Commodity Groups (Associations/Councils/Commissions) and 160 Individuals (Farmers, ranchers, farmer's institutes, farm markets, companies).
- As part of COVID-19 Industry Outreach, A Guidelines and Policy Working group was established with responsibility for the development of information documents meant to support industry with the implementation of PHO orders and guidance.
- Documents produced to date include one key message document, two Q and A documents, three COVID-19 information documents, as well as support for review and revision to two industry created guidance documents. Work is still ongoing as documents providing clarification to the industry will continue to be updated as PHO orders and guidance change.

Labour

Temporary Foreign Workers:

- B.C. is continuing to support the agriculture, seafood and food processing sector's labour needs by working with the relevant parties to ensure ongoing access to agriculture temporary foreign workers (agTFWs).
- The Province introduced the Agriculture TFW Quarantine Program in April 2020 to allow agTFWs to safely quarantine for 14 days upon arrival to Canada as required by the federal *Quarantine Act*.
- The Province is continuing to provide support for 2021, funding hotel, food-service costs, laundry services, wellness walks, interpretation and translation services, health screening, and other necessary supports for these workers during the quarantine period.
- All agTFWs arriving in B.C. for seasonal farm work are required to self-isolate in government-

managed accommodations near the Vancouver Airport for 14 days prior to being transported to farms throughout B.C. Program costs are approximately \$3,044 per worker for the 14-day period

- All farms must pass inspection before they can receive their workers to ensure safety and health protocols are in place. Since the program started, over 1,026 farm sites have been inspected and passed, allowing them to receive workers. The majority of farms utilizing agTFWs are located in the Okanagan and Lower Mainland.
- The Province has received over 6,700 TFWs since the program started in April 2020 and expects to receive an additional 9,000+ workers, mostly from Mexico, Guatemala and Jamaica, before the end of 2021.
- As of February 26, 2021, there have been 100 COVID-19 positive cases caught during the quarantine period in the program, resulting in the prevention of outbreaks on farms (95 of these workers have recovered while the remainder remain in the program).
- In February 2021, AFF drafted a Treasury Board Submission requesting operating funds of \$9.4M in 2020/21, \$37.9M in 2021/22 and \$2.9M in 2022/23 onward to fund COVID-19 14-day quarantine accommodation and related costs while federal *Quarantine Act* and PHOs are in effect.
- Included in these amounts are staffing costs to create a permanent Labour Unit to develop a broader Agriculture Labour Strategy; funding to establish a permanent inspection team model; and capital funds to develop a supporting database.
- AFF expects to be notified of Treasury Board's decision in early March 2021.

Domestic Farm Workers:

- In June 2020, Treasury Board approved access up to \$1.617 million from the Contingencies (All Ministries): Pandemic Response and Economic Recovery Vote to implement COVID-19 and public health safety protocols at accommodations used by domestic farm workers (DFWs).
- Funding was provided for enhancements to the On-Farm Food Safety Program (OFFS) for on-farm sanitation upgrades.
- Ultimately, only \$417K was spent out of the \$1.617M allotment (approximately \$1.2M is remaining) because the funding was provided too late to be properly expended.
- During spring 2020, AFF was in the unfortunate position of asking local governments to spend money on workcamp improvements and amenities for COVID-19 compliance but had no assurance of being able to reimburse local governments for these costs.
- When the funding was made available in June 2020, AFF had already secured campgrounds for DFWs, and farmers had already purchased on-farm sanitation upgrades (which were not eligible for retroactive compensation).
- DFW workcamps continue to be identified and discussions are ongoing with local government and industry representatives around location, amenities and infrastructure required to safeguard health and wellbeing, and prevent and reduce COVID-19 transmission among workers and into neighboring communities.
- Supported DFW workcamps are still required due to the continuation of the Provincial Health Officer's Industrial Camps Order Regulations.
- Although \$1.2M remains from last fiscal, Cabinet direction is required for any further spending of these funds. The Labour Unit will request direction from the Cabinet Committee on Economy (following presentations to the ADM and DM level Committees).
- A new Treasury Board Submission to fund DFW workcamp staffing, amenities and infrastructure will likely be required following Cabinet direction. AFF may be in a similar position as in spring 2020, depending on when funding is approved and able to be disbursed to local governments.

Agriculture Labour Strategy:

- The Ministry of Agriculture, Food and Fisheries (AFF) Labour Unit has developed an Agriculture Labour Strategy to:
 - Address systemic and longstanding challenges with the agriculture workforce (i.e., housing, working conditions, transportation);
 - Identify COVID-19-specific supports for agTFWs, DFWs and B.C. residents; and
 - Increase resident participation in the agriculture workforce through incentives and by leveraging existing provincial training and employment funding.
- The Agriculture Labour Strategy strives to reduce B.C.'s over-reliance on international and interprovincial labour sources which can be reduced or eliminated through circumstances beyond the province's control or purview (as demonstrated through the COVID-19 pandemic and federal government policy response).
- In working towards recalibration, strategies are also required to ensure and enforce safe, healthy, and comfortable living standards (particularly for interprovincial and international workers residing in on-farm accommodations or workcamps) and introduce improved working conditions for all agricultural workers.

Agricultural Land Commission

- Since March 15, 2020, the Agricultural Land Commission (ALC) has continued to be "open" for business" for both deciding applications as well as compliance and enforcements (C&E) actions.
- In response to the COVID-19 pandemic, the ALC had to suspend site visits and inspections but provided applicants with alternatives (i.e., virtual application meetings) and was able to continue to process applications remotely.
- Site visits and site inspections have resumed but are limited to within the region where staff and or Commissioners are located where travel by vehicle is possible.
- Temporary Foreign Worker (TFW) worksite inspections were identified as a provincial response priority, and ALC C&E staff were voluntarily re-deployed to assist with the worksite (including accommodation) inspections.

Applications:

- A comparison of ALC applications received for the period between April 1 and December 31, 2020 versus the same time period last year shows slight decrease in the number of applications submitted to the ALC (-8.5%), likely due to the pandemic.
- Total number of applications received from April 1 to December 31, 2020: 260
- Total number of decisions made from April 1 to December 31, 2020: 252

Compliance and Enforcement:

- Compliance inspection of properties located within the ALR are being conducted within region.
- Seven C&E staff were involved in the provincial TFW worksite and accommodation inspections.
- Complaints received from local governments (Referrals) did decrease (-19%) during the April 1 and December 31, 2020 period as compared to the same period in 2019 due in large part to local government shut down in response to the pandemic.
- Incoming complaints from the public this fiscal remained virtually unchanged from the previous fiscal (38 in 2020 versus 41 in 2019).
- Overall, the total number of new incoming C&E case files was down (-13%) as compared to the same period last year (68 to 78).

Market Access and Distribution

E-commerce:

- British Columbians have come together during these difficult times and continue to show their strength and support for each other. By providing a new Buy BC e-commerce funding stream, we were able to support over 90 farmers and food and beverage processors to adjust their business model to sell their products directly to consumers all over the province while maintaining physical distancing and safe practices.
- Moving to online sales gives customers the opportunity to continue to Buy BC and enjoy fresh food, while supporting families in our communities.
- I am pleased to say that we have heard from several farmers and food and beverage processors that the funding has led to new business opportunities for them.
- One of them is Walcan Seafood from Quadra Island, B.C. which has successfully launched their Tide to Table e-commerce platform in May 2020 and have received 10,000 orders so far that have generated \$1.0 million in sales.
- Another small producer, Jenny Marie's Cracker Company from Victoria, B.C. would not have been able to pivot to online sales without the funding they received from the Buy BC e-commerce stream.
- Saltspring Harvest from Salt Spring Island, a small business operating with a tight budget, successfully upgraded their website to accommodate online sales which might not have been possible without the funding received through Buy BC.

Farmers' Markets:

- It's important to support your community and each other during this time of uncertainty, and a virtual shopping trip to a farmer's market is an easy way to get the groceries on your list and to Buy BC while ensuring physical distancing measures are being followed.
- Moving farmers' markets online this past year has helped to ensure the health and safety of vendors and consumers while still providing the same fresh and local food that families all over the province count on.
- Nearly 70 farmers' markets moved to an online presence (with funding from the Ministry) that generated \$2.5 million sales in 2020. The Ministry will be continuing to support the online platform with the British Columbia Association of Farmers' Markets (BCAFM) in 2021.
- The Ministry is also working with BCAFM Markets to launch a new initiative to help new products and vendors to be featured at markets across B.C. and introduced to the public.

Business Supports

- The Ministry adapted the B.C. Agri-Business Planning Program to include the COVID-19 Business Recovery stream that supports farmers, processors and seafood producers (aquaculture and commercial fisheries) to pivot to new sales channels, develop new value-added businesses, and conduct cash flow and financial analysis.
- The Ministry worked directly with specific industry associations to provide targeted business and financial support services to producers who have experienced significant losses or were at risk of closure because of COVID-19.
- The B.C. Food and Beverage Association worked with AFF and the B.C. Investment Agriculture Foundation to create a purchasing platform for Personal Protective Equipment (PPE).

- The Ministry's farm business and food processing specialists continue to monitor COVID-19 impacts and will support the recovery and ongoing resilience of the agriculture and food processing sectors.

Aquaculture/Seafood

- We continue to work across the province in supporting our fish and seafood industry through these difficult times.
- We have received new requests from various industry groups and are adapting our priorities to respond to them appropriately.
- In response to requests from industry, we have created a COVID-19 Emergency Working Group (CEWG) for Fisheries, Aquaculture and Seafood to help the sector coordinate and solve related issues. This group continues to meet and discuss issues as 2021 activities increase with many B.C. fisheries soon.
- We have worked with Ministry of Health and WorkSafe B.C. officials to ensure that safe operating guidelines have been made available to the sportfishing and commercial fishing sectors.
- We continue to work with the federal government on ensuring COVID-19 response funding is both allocated appropriately and working to serve the needs of British Columbians in the fish and seafood industry.
- There continue to be market impacts to various seafood commodities that we are working with industry to help resolve and determine where the Province can assist.

Financial Supports

Support for Animal Care Facilities Initiative

- The Initiative provided a rapid response to impacted animal care facilities to help ensure the wellbeing of animals was maintained at the start of COVID-19 restrictions. The support period was from April 15, 2020 to June 30, 2020.
- The support provided the opportunity to transition and restructure operations whilst gaining access to government and private financing.
- A variety of animal facilities received the care they needed during the COVID-19 pandemic. The funding was provided for food, animal hygiene, habitat upkeep, veterinarian care, limited transportation, and repairs.
- 24 animal care facilities received a total of \$4.2M.
- Access to contingencies was approved for emergency funding up to \$15M.

Emergency Management

- The ministry has supported the overall provincial COVID-19 response through participation in various COVID-19 specific cross-ministry working groups and committees under the leadership of the Ministry of Health and coordination of Emergency Management B.C.

BACKGROUND:

General

- On March 11, 2020, the World Health Organization (WHO) announced COVID-19 as a global pandemic. The COVID-19 situation is continuously evolving, and is exacting a toll on many

people personally, socially, and economically by the measures put into place by federal and provincial governments to stop the spread of a novel coronavirus.

- The Province released a list of essential services which are those daily services essential to preserving life, health, public safety and basic societal functioning. Within the list of essential services are food and agriculture service providers which includes aquaculture, fishing, food processing, manufacturing, storage and distribution of foods, and businesses that support the food supply chain.

Agricultural Land Commission

- Applications
 - A comparison of ALC applications received for the period between April 1 and December 31, 2020 versus the same time period last year shows slight decrease in the number of applications submitted to the ALC (-8.5%), likely due to the pandemic.
 - 2020/21
 - Total number of applications received from April 1 to December 31: 260
 - Total number of decisions made from April 1 to December 31: 252
 - 2019/20
 - Total number of applications received from April 1 to December 31: 284
 - Total number of decisions made from April 1 to December 31: 290 (includes a # of apps from the previous 201/2019 fiscal)
- Compliance and enforcement
 - As of December 31, 2020, complaints received from local governments and other agencies, are down (-19%) as compared to the same time last fiscal. Only slightly fewer complaints (38) were received from the public to date this year as compared to same time period last year (41).
 - While the number of new complaints received in December 2020 were 50 percent higher than those received that month in the previous fiscal, overall, the total number new incoming C&E case files received April 1 to December 31 was down -13% as compared to the same period last year (68 to 78).
 - Ministry requested the assistance of ALC C&E Program staff to assist with TFW accommodation inspections prior to the TFW arriving on farms across BC.
 - Since mid-April 2020, seven of the eight C&E program staff participated in the TFW worksite inspections along with AFF and FLNRO staff. Most of the ALC staff conducting the inspections on a full-time basis plus weekend and after-hours work.
 - To date, approximately 408 worksite and accommodation inspections were conducted across the province with ALC officers completing more than 55 percent of all inspections.

Market Access and Distribution

- e-Commerce
 - AFF added \$550k for a new e-commerce stream to be delivered under the Buy BC Partnership Program, administered by BC Investment Agriculture Foundation (IAF).
 - This stream provided up to \$5K to farmers and food and beverage processors to undertake activities associated with e-commerce website development, listing products on existing e-commerce platforms, fees associated with online payment systems for e-commerce, etc.
 - This stream was fully subscribed within a week of program launch. A total of 92 projects (or \$500,000) were supported.

- This stream has supported farmers and food and beverage processors to become more resilient by diversifying, expanding their markets and increasing their sales amidst the COVID-19 pandemic. Program success stories were captured and posted on the Buy BC website (<https://buybc.gov.bc.ca/about-buy-bc/success-stories/>).
 - Walcan Seafood from Quadra Island, B.C. has successfully pivoted their business model from international to domestic online sales during the pandemic by launching the Tide to Table e-commerce platform in May 2020 which was supported through the Buy BC e-commerce stream. On February 19th of 2021 it grossed its first million dollars in sales and have received 10,000 orders so far.
 - Jenny Marie's Cracker Company from Victoria, B.C. have been selling crackers to retailers since 2012.
 - Saltspring Harvest from Salt Spring Island, B.C. sells vegan végé-pâté and dips at farmers' markets, direct-to-consumers and to retailers across B.C. since 2016.
- Ongoing e-commerce support will not be provided through the Buy BC Partnership Program.
- B.C. businesses will be able to access e-commerce funding as part of the recently announced StrongerBC, B.C.'s Economic Recovery Plan being delivered by the Ministry of Jobs, Economic Recovery and Innovation (JERI):
 - As part of StrongerBC, B.C.'s Economic Recovery Plan, the B.C. government is investing \$12 million in the Launch Online Grant Program. This program will help B.C.-based businesses launch or strengthen their online operations to increase their sales revenues and become more competitive and grow. Up to 25 percent of the program funds will be reserved for regional and Indigenous businesses.
 - Also, as part of StrongerBC: BC's Economic Recovery Plan, the B.C. government has invested \$2 million to fund up to 2,500 seats in the Digital Marketing Bootcamp. The bootcamp is free for small and medium-sized businesses with one to 149 employees, and sole proprietors.
- Farmer's Markets
 - During the COVID-19 pandemic, the B.C. Association of Farmers' Markets (BCAFM) set up the B.C. Farmers' Markets Online platform for members of the BCAFM to help British Columbians access fresh and local food.
 - AFF provided \$55K to BCAFM to cover fees for individual farmers' markets to join the online platform and set up their digital market store presence for the 2020 and 2021 seasons. Each participating farmers' market is able to create its own virtual market store to best serve its communities.
 - The funding is part of the Ministry's Buy BC program. Buy BC helps farmers, ranchers and producers market their products as locally grown, raised, harvested or produced, making it easy for British Columbians to Buy BC.
 - As markets join and become ready to sell online to communities, they will be listed on the BCAFM website (<https://bcfarmersmarkettrail.com/bc-farmers-markets-online/>)
 - The BCAFM has 145 markets that run throughout the year in the province. Nine markets run year-round, 126 are summer markets and 27 are winter markets.
 - AFF also has provided \$24K to BCAFM to plan a new Fresh Finds initiative starting in 2022 to promote new products and vendors at Farmers' Markets and tie the promotion with Buy BC.

Business Supports

- The B.C. Agri-Business Planning Program's COVID-19 Business Recovery stream supported nine farmers (\$45,000), processors, and seafood producers to pivot to new sales channels, develop new value-added businesses, and conduct cash flow and financial analysis.
- The Ministry monitored the most impacted sectors – tree fruit, field fruit, greenhouses and nurseries, field vegetables and mushrooms, and meat and seafood processing. Staff worked directly with the B.C. Landscape Nursery Association to set up a targeted business and financial support triage service for members at risk of bankruptcy and closure due to COVID-19 impacts. The project included up to \$40,000 in advisory services from four specialized farm debt mediation specialists. At present, the association is monitoring impacts and no referrals have been made.
- The B.C. Food and Beverage Association worked with the AFF and the B.C. Investment Agriculture Foundation to create a purchasing platform for Personal Protective Equipment (PPE). This addressed a critical need for processors and farmers, providing affordable access to PPE for food and beverage manufacturers as well as the agriculture and seafood sectors. Ministry staff worked to distribute this platform across the sectors through regular digital communication and targeted outreach and presentations to industry groups. Uptake was particularly strong with seafood producers.
- The Ministry's farm business and food processing specialists continue to monitor COVID-19 impacts and will support the recovery and ongoing resilience of the agriculture and food processing sectors. Staff completed over 6000 direct touchpoints (e.g., email, phone, etc.) with sector stakeholders during the emergency response.

Aquaculture/Seafood

- Canadian fisheries and aquaculture sectors provide the world with sustainably sourced, high quality, high value, fish and seafood, and are experiencing unique challenges from the intended and unintended consequences of measures enacted to mitigate the spread of COVID-19. The various fishing, aquaculture and seafood industries in B.C. have expressed a need to collaboratively work together to identify and address the various issues arising from the pandemic, in partnership with provincial and federal governments.
- The COVID-19 Emergency Working Group (CEWG) for Fisheries, Aquaculture and Seafood is forum for discussion and resolution of issues that the industries are facing as a result of the COVID-19 pandemic.
- The purpose of CEWG is to provide a forum for discussion and resolution of issues that the fisheries, aquaculture and seafood industries are facing as a result of the COVID-19 pandemic. Issues within provincial jurisdiction will be prioritized for discussion.
- The creation of this group was by request of the B.C. Seafood Alliance (BCSA) and the United Fishermen and Allied Workers Union (UFAWU) given the gap in support for fish and seafood relative to other agriculture industries when the COVID-19 pandemic began. Membership was expanded to include the B.C. Salmon Farmer's Association, the Shellfish Grower's Association, the Processors Association, Indigenous representation and local government (via UBCM Coastal Communities Area Association).
- In some instances, the members of the group have not always worked well together in the past; however, this group has brought them together and is working cohesively and effectively. We see this as an overarching win beyond the issues the group is tackling.
- The group identified three key themes and has made great progress in each: Health and Safety, Funding and Emergency Programs, and Economic and Revenue Issues.
- Ministry staff have worked with industry and have coordinated with Ministry of Health and WorkSafe B.C. officials to ensure that safe operating guidelines have been made available to the sportfishing and commercial fishing sectors. The safe guidelines for fishers have been provided

through the Fish Safe website as directed by WorkSafe B.C.

- The federal government has developed numerous funding programs in response to COVID-19 and staff are continuing to find out more information and details on how these funds will be implemented:
 - \$62M Canadian Seafood Stabilization Fund
 - \$267M Fish Harvester Benefit Fund
 - \$201.8M Fish Harvester Grant
 - Changes to 2020 Employment Insurance qualifications.

Financial Supports

- Support for Animal Care Facilities
 - In response to the Provincial Health Officer's orders and guidance around minimizing and containing the spread of COVID-19, numerous animal attractions and animal care facilities across the province were closed, leading to wide-reaching financial losses. Animal care expenses continued, and many facilities requested support from the provincial (and in some cases the federal) government.
 - Animals eligible for support under the Program were terrestrial, avian, or aquatic animals that inhabit zoos, aquariums, the British Columbia Society for the Prevention of Cruelty to Animals (BC SPCA), animal rehabilitation centres or refuges, and for tourism or entertainment. Ineligible animals were animals that are livestock, a food source, or are for companionship, pets, work (including service animals), research, leisure activity or recreation.
 - The support period was from April 15, 2020 to June 30, 2020.
 - Commercial businesses that had eligible animals were eligible for support; however, they must have used all reasonable efforts to use commercial credit for eligible costs before any payment will be made under the Program.
 - The Initiative provided funding for the following cost categories:
 - Feed Assistance
 - Animal Hygiene
 - Habitat Maintenance
 - Veterinary Costs
 - Extraordinary Handling and Transportation Costs
 - Owned Feed Transportation Assistance
 - Animal Care Equipment Repair
 - Waste Disposal
 - COVID-19 Restrictions Clean-up
 - Animal Welfare Enforcement
 - 24 animal care facilities received a total of \$4.2M, including the BC SPCA and Ocean Wise Conservation Association (the Vancouver Aquarium).

BC Farm Industry Review Board

- A surge in consumer panic buying followed by the sudden loss of food services markets required rapid production, processing and storage adjustments in B.C.
- Poultry processing plant measures to protect staff and temporary plant closures continues to result in below normal capacity.
- Poultry processors continue to coordinate with each other to lower the risk of poultry flocks being humanely euthanized without being processed for food.
- Dairy processing, hog processing and egg grading capacity have not been directly impacted to date. However, the risk of a COVID-19-related processing plant shutdown remains.

- Processors are concerned about unknown and potentially differing health authority criteria for directing COVID-19-related plant closures.
- Rapid and continued production cutbacks meant immediate losses for producers on planned sales and continued compensation questions given AgriRecovery refusal to provide support for egg and hatching egg sectors. Some producers have greater upfront investment due to planning and production cycles (e.g., one year to produce a saleable table egg, one plus years for dairy, one year to produce a saleable hatching egg; one year to produce a saleable turkey). These producers cannot readily respond to sudden market decreases without suffering substantive losses.
- Planned 2021 production for hatching eggs, chicken and turkey remains below what was forecast prior to COVID-19 and will likely do so unless there is a significant return of the food service market. Dairy production is returning towards pre-COVID-19 forecast levels.

CROSS JURISDICTIONAL COMPARISON:

Financial Supports

- British Columbia is currently the only province offering an initiative specifically targeting animal care facilities

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Financial Supports

- Access to the 2020/21 Contingencies Vote was approved for the purpose of providing up to \$15M of emergency funding to support continued care of animals in major facilities, tourism attractions, and refuge and rehabilitation facilities for two months, ending June 30, 2020

| Approved by: | Prepared by: | Alternate Contact: |
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FARMER INFORMATION SERVICE**RECOMMENDED RESPONSE:**

- The Farmer Advocate Office (FAO) expired in 2018 after serving the Peace region since 2010.
- A revised Memorandum Of Understanding (MOU) signed in February 2020 between the Ministry of Energy, Mines and Low Carbon Innovation (EMLI), the Ministry of Agriculture, Food and Fisheries (AFF) and the Peace River Regional District (PRRD) to fund a rebranded Farmer Information Service (FIS). The BC Oil and Gas Commission (OGC) also funds the FIS.
- A contract was put in place December 1, 2020, to launch the FIS.
- The FIS is active and working with clients across the PRRD.

BACKGROUND:

- In 2009, EMLI, AFF and the 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 relationship between rural residents and the oil and gas sector. The resulting FAO was opened in Dawson Creek in 2010 under a pilot project and was reviewed in 2012. The review resulted in a decision to continue with the FAO through a MOU with the PRRD for another five years.
- Funding for the management and implementation of the FAO was cost shared by EMLI and PRRD between 2010 and 2018, where each party provided 50 percent of the funding to the maximum program cost of \$270,000 per year.
- Representatives from EMLI, AFF, PRRD and a landowner representative sit on the FAO management committee to provide oversight and accountability.
- The cost sharing arrangement between EMLI and PRRD expired in June 2018. At that time, the PRRD Board asked that EMLI and AFF take on the full responsibility of funding FAO.
- The FAO officially closed in July 1, 2019.
- EMLI, AFF and the PRRD recognized the value that the FAO provided to landowners and have been working on updating the functions of the office to reflect evolving operational needs.
- On February 4, 2020, AFF, EMLI and the PRRD signed a MOU to revitalize this important service.
- Highlights include:
 - Changing the name of the office from the Farmers Advocacy Office to the Farmers Information Service (FIS) to reflect the overall mandate to be a source of information for rural landowners.
 - FIS management committee mirrors that of the FAO (described above).
 - AFF took on the administrative functions of the FIS, this included drafting of the MOU, overseeing the procurement process, and holding the contract with the successful proponent.
 - The FIS will be cost shared between EMLI, AFF, the PRRD and the OGC for a period of up to two years to a maximum program cost of \$180,000 per year. Cost sharing will be broken down as follows:

| Organization | Annual Contribution |
|--|---------------------|
| B.C. Ministry of Agriculture, Food and Fisheries | \$60,000 |
| B.C. Ministry of Energy, Mines and Low Carbon Innovation | \$60,000 |
| Peace River Regional District | \$30,000 |
| BC Oil and Gas Commission | \$30,000 |

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- AFF engaged in a competitive process through BC Bid to secure a contractor for the FIS. All proposals were thoroughly reviewed by the FIS management committee.
- AFF signed a one-year contract starting December 1, 2020, with Maria Reschke in November 2020. This contract has the option to be extended for up to one additional, one-year term at the discretion of the Province.
- FIS workplan for 2020/2021 includes:
 - Supporting clients in the PRRD in navigating interactions with the oil and gas industry.
 - Creating a website with links to resources and information regarding oil and gas activity.
 - Creating a current resource library for clients.
 - Establishing a collaborative working relationship with provincial government and local government agencies.
 - Reporting to the management committee on a quarterly and annual basis regarding the activities and outcomes of the FIS.
 - Hosting an annual joint information session with provincial government, local agency, and industry representatives to provide updates on client needs and to clarify the work of the FIS.

CROSS JURISDICTIONAL COMPARISON:

- This is a collaborative contract between AFF, EMLI, and the PRRD. Within B.C. many entities have connection to oil and gas activities on agricultural lands including:
 - Within B.C., EMLI tenures subsurface rights to Petroleum and Natural Gas (PNG) resources.
 - AFF is responsible for supporting the production, marketing, processing and merchandising of agriculture products and food; research, advisory, promotional or educational extension programs; and projects relating to agriculture and food.
 - The OGC is the regulatory agency responsible for oil and gas activities within B.C.
 - The Agricultural Land Commission (ALC) is mandated to preserve agricultural lands and encourage and enable farm business throughout B.C.
 - The Surface Rights Board (SRB) assists in resolving disputes when landowners and resource developers cannot agree on compensation or other terms of entry to land.
 - The Peace River Regional District (PRRD) works to support rural, community and regional interests on behalf of its constituents.
- In Alberta, a public agency known as the Farmers' Advocate Office supports farmers and ranchers in several topic areas including utilities and surface rights as well as rural disputes. In addition, the Alberta Energy Regulator is tasked by the provincial government to regulate development of energy sources.
- The Canada Energy Regulator (CER) regulates federal energy infrastructure. The CER's roles include: Indigenous and stakeholder engagement, providing information regarding land matters involved in an energy project and provision of alternative dispute resolution in resolving issues with a company about a project of facility under CER regulation.
- In Saskatchewan, the Surface Rights Board 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 AFF for 2020/21, and moving forward, to support the FIS is a maximum of \$60,000 per year.

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- The Regional Agrologist in the Peace is the ministry staff lead on this project with approximately 0.2 Full Time Equivalent (FTE) allocated to management and oversight of the FIS.

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FARMERS INSTITUTES

RECOMMENDED RESPONSE:

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

BACKGROUND:

- Farmers Institutes (Institutes) are rural organizations that may be incorporated or continued under the *Farmers and Womens Institutes Act* (the *Act*), Chapter 133. They are similar to, but distinct from, Societies.
- 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 local areas in the South Coast and Thompson regions have recently seen increased interest in Farmers Institutes.
- Approximately 40 Institutes with an estimated total of 1,500 members are or were recently in good standing under the *Act* across British Columbia. Membership is diverse but typically include a mix of farmers and non-farmers within an Institute's geographic area.
- Institutes vary widely in size, composition, interests, and level of activity.
- Minister Popham convened 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 of a standalone non-government web platform in 2019 to allow Institutes to more easily connect to and share information with each other and the general public.
- The Ministry funds ongoing maintenance and updates of the website.

CROSS JURISDICTIONAL COMPARISON:

- A recent scan indicated Farmers Institutes do not exist in other Provinces.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Ministry provided approximately \$22,000 in 2018 and \$20,000 in 2019 to BC Farmers Institutes events convened by the 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 fiscal year 20/21.
- Website maintenance and updates budget for fiscal year 21/22 is \$5,000.
- Multiple ministry staff liaise with and support Institutes regularly via an appointed Superintendent to administer the legislation; annual reports receipt and filing; knowledge transfer events.

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INSTITUTIONAL PROCUREMENT (FEED BC IMPLEMENTATION)

RECOMMENDED RESPONSE:

- Feed BC helps grow food system resilience and local jobs and businesses across the province. Through Feed BC, we're working to connect and build opportunities between public institutions and B.C. producers and processors.
- Feed BC partnerships with public institutions help agriculture and food businesses participate in B.C.'s \$415 million per year non-commercial food service market.
- Our government partners are a key part of our success.
- With the Ministry of Health (HLTH), Feed BC supported regional health authorities to increase their proportion of B.C. food expenditures from 27.3% (2018/19) to 30.8% (2019/20). This 3.5% increase translates into tangible economic opportunities for our sector, and demonstrates the value of Feed BC partnerships, which in September 2020 grew to include the Northern Health Authority.
- With the Ministry of Advanced Education and Skills Training (AEST), Feed BC is also helping public post-secondary institutions increase B.C. foods on campuses across the province. In February 2021, Feed BC partnered with nine institutions: British Columbia Institute of Technology, Camosun College, Selkirk College, Simon Fraser University, Thompson Rivers University, University of British Columbia, University of Northern British Columbia, University of Fraser Valley, and Vancouver Community College. These Feed BC partners and champions are all committed to growing their B.C. food purchases toward a minimum of 30% and growing local food awareness on campuses and communities they serve.
- Our partnerships are inspiring others to join Feed BC, and we're looking forward to working closely with the Ministry of Education (MOE) to involve Feed BC in the K-12 education sector.
- Our Feed BC partners include foodservice companies and food distributors working with public institutions. During the pandemic, they all brought renewed energy and commitment to B.C.'s food system and the social and economic benefits of supporting our local producers and processors.

Commented [AMA1]: This has not yet been made public, but the report has been ready for release since late Nov 2020.

BACKGROUND:

- Feed BC was a 2017 mandate letter commitment to increase the use of B.C. grown and processed foods in hospitals, schools, and other government facilities.
- Expanding Feed BC is part of new 2020 mandates, to help encourage greater food security and local business growth, and to support the work of the MOE by integrating Feed BC so school districts can include more locally grown food in school meal programs.
- Feed BC's strategies build public and private sector collaboration, awareness and demand for B.C. foods, and the capacity of B.C. food producers and processors to meet those demands.
- Feed BC aligns with other government priorities and takes a comprehensive 'whole supply chain' approach to increase demand, supply, and innovation that brings B.C. food benefits to communities (new jobs, and economic development and diversification)
- Feed BC works within existing trade agreements and provincial policy

- Under Feed BC, more B.C. patients, residents, students, and clients have access to B.C. foods

CROSS JURISDICTIONAL COMPARISON:

- Many jurisdictions have initiatives which promote the use of regionally grown and processed foods. These range from legislated approaches to local food strategies, funding programs, and procurement policies and practices. Ontario and New Brunswick are currently involved in initiatives in-line with Feed BC's objectives, and last year Quebec launched a provincial strategy for local foods in public institutions.
- 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 being recognized as comprehensive and robust.
- Ontario:
 - Ontario's initiatives begun several years ago are still in place under its Local Food Strategy, which includes a *Local Food Act* and funding for various grants and programs.
- New Brunswick:
 - New Brunswick's key initiative around local foods in public institutions is a comprehensive approach to bringing more local foods to school cafeterias in all corners of the province.
- Quebec:
 - Quebec's approach includes a registry of Quebec products, institution market product development program, local food promotions, and a cross-Ministry committee to ensure engagement and a coordinated approach for public institutions to purchase of Que foods.

PROGRAM EXPENDITURE/REVENUE IMPLICATION:

BUDGET 2019:

- B.C. provided \$1,165,000 for Feed BC projects and initiatives in 2019/2020
- Feed BC Year 2 focused on inspiring and growing change by filling key capacity gaps for producers and processors, expanding Feed BC partnerships with public and private sector stakeholders, and exploring value chain innovation with agriculture industry associations and supply chain leaders.
- Feed BC expenditures aligned with core program strategies:
 - Government Facilities Strategy: \$326,000
 - Producers and Processors Strategy: \$418,500
 - Value Chain Innovation Strategy: \$400,000
- Feed BC provided approximately \$20,000 for education and outreach materials.

BUDGET 2020:

- B.C. provided \$1,289,000 for Feed BC Year 3 projects and initiatives in 2020/2021
- Focus: expanding scope, scale and reach of Feed BC through new: government partnerships, Feed BC program standards, B.C. product sourcing for partners, targeted public sector-supply chain projects, value chain innovation service and technology, to bring long-term shifts and business opportunities to the sector. Due to extenuating circumstances of COVID-19, some projects were delayed, modified, or redirected to business recovery.

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- Feed BC expenditures aligned with core program strategies:
 - Government Facilities Strategy: Implementation in healthcare facilities, post-secondary institutions and supporting projects equals \$175,300
 - Producers and Processors Strategy: Business development supports equals \$128,400
 - Value Chain Innovation Strategy: Technology and partnerships \$236,000
 - Feed BC provided \$55,000 for education and outreach materials
 - Feed BC staff resources were \$596,000

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Appendix – Further Details on Feed BC

- Feed BC was first implemented in healthcare through a HLTH partnership directing all health authorities to annually track B.C. food expenditures and, without violating trade agreement obligations, seek opportunities to purchase more B.C. foods (early aspirational target of 30%). Year 1 (2018-2019) tracking saw a 27.3% average across health authorities, while Year 2 (2019-20) tracking saw a 30.8% average (Year 2 tracking has not yet been publicly reported)
- Feed BC is being implemented in public post-secondary institutions (PSIs) through partnership with the AEST and the Ministry's Administrative Services Collaborative (ASC) representing all Post-Secondary Institutions (PSIs). For 2019-2022, Feed BC is one of the ASC's six strategic priorities. Feed BC projects with PSIs to date include assessment of practices, barriers and opportunities for increasing B.C. foods, procurement guidance including better tracking and sourcing of B.C. foods, market intelligence on 'in-demand foods' in PSIs that could be sourced in B.C., and new B.C. food product innovation to meet PSIs' needs.
- Feed BC is supported by a Feed BC in PSIs Advisory Committee that reports to the ASC and AEST.
- In February 2021, Feed BC launched its first partnerships with nine post-secondary institutions, with each committed to working within their institutions and with their food service operators and caterers to grow B.C. food purchases toward at least 30% of their total food expenditures. Partner institutions include the following nine:
 - British Columbia Institute of Technology
 - Camosun College
 - Selkirk College
 - Simon Fraser University
 - Thompson Rivers University
 - University of British Columbia
 - University of Northern British Columbia
 - University of Fraser Valley
 - Vancouver Community College

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- Post-secondary partners are committed to working across departments to track and source more B.C. food, build innovative local food initiatives and promote local food education and awareness on campus and beyond.
- Feed BC is exploring opportunities with the K-12 sector with the MOE. In early 2020, Feed BC co-sponsored a school food environment survey of all K-12 public schools in partnership with the ministries of Education and Health. Results will help confirm B.C. food opportunities within the K-12 system to support the MOE mandate letter commitment to expand school meals.
- Feed BC is a priority initiative for government procurement under the B.C. Procurement Strategy and is working with the Ministry of Citizen Services and procurement working groups, experts, and leaders to understand food service provision/ B.C. food opportunities across public sector institutions and facilities.
- Feed BC provides a range of program supports to increase capacity and help prepare B.C. food producers and processors to meet the stringent requirements for selling food products to government-supported facilities. These include:
 - Guidance, education, and training to help B.C. food producers and processors become more 'government facilities-ready'
 - Ministry specialists, expanded technology, and program development to better connect and innovate between facilities and B.C. food products
- A Feed BC Value Chain Advisory Committee representing the full food service supply chain advises on and tests gaps and opportunities, including value chain coordination to pull B.C. food products through the supply chain that meet government facilities' needs.
- Feed BC is also engaged with senior executive leaders across food service management and broadline distribution companies on how their corporate policies and practices align with and could better support Feed BC's objectives.
- Given different 'local/B.C. food' definitions across public institutions, baseline information is challenging for more independent government-supported facilities such as colleges and universities. Feed BC has worked across stakeholders and partners to develop Feed BC program standards for sourcing and tracking B.C. foods including definitions, targets, and methodology.
- Feed BC is building a comprehensive reporting framework with metrics and indicators to quantify Feed BC progress across different sectors, institution types, and partners. This includes work underway with BC Stats that will measure direct, indirect, and induced impacts of increases in B.C. food expenditures by public institutions including GDP, employment, labour income and tax impacts.

FOOD HUB ECONOMIC RECOVERY PROJECT

RECOMMENDED RESPONSE:

- Through the BC Food Hub Network program (Network), the Ministry of Agriculture, Food and Fisheries (Ministry) aims to foster growth and innovation in B.C.'s food and beverage processing sector with improved industry access to facilities, equipment, technology, technical services and business supports.
- The Network is being developed in collaboration with industry, communities and post-secondary institutions, while at the same time serving the regional and sector diversity of the province.
- Food hubs are shared-use food and beverage processing facilities that offer food and agriculture businesses access to commercial processing space, equipment, expertise, and resources.
- Through the StrongerBC Economic Recovery Plan, \$5.6M has been allocated during 2020/21 to expand the Network through the Food Hub Economic Recovery Project (FHERP).
 - The Ministry is funding seven new regional food hubs in Creston, Rock Creek/Greenwood, Kamloops, Abbotsford-Mission, the Cowichan Valley, Bowser, and Victoria. Each is regionally tailored, with strong local partnerships, and expected to become operational in 2021/22.s:
 - These will join the five existing food hubs in Vancouver, Surrey, Port Alberni, Quesnel, and Salmon Arm (funded through the Ministry's base budget).
 - The FHERP is also funding additional activities to support the expansion of the BC Food Hub Network, such as a BC Seed Hub Feasibility Study and a needs assessment for the regional food hubs, their anchor tenants and key partners.
- Overall, the FHERP is providing important 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 Feed BC pillar of the Minister of Agriculture, Food and Fisheries' Mandate Letter Commitment to "expand the Grow BC, Feed BC and Buy BC programs to encourage greater food security and local business growth."
- The Network is comprised of regional food hubs, and an Endowed Food and Beverage Innovation Professorship, currently held by Dr. Anubhav Pratap Singh, at the University of British Columbia Vancouver campus.
 - The Endowed Food and Beverage Innovation Professor leads academic and applied industry research in food and beverage processing and develops partnerships with other post-secondary institutions.
- The Network will bring together services and technology that improve support to the agriculture, seafood, and food processing industry and advance innovation in the province's processing sector.
- Through the Network, five regional food hubs have been awarded implementation funding through the Ministry's base budget to date, of which 3 are currently operational and 2 are under development in the following communities:
 - 1 Pilot and Demonstration food hub in Vancouver (\$750k) that launched in early 2019.
 - 2 food hubs in Surrey (\$750k) and Port Alberni (\$750k) that launched in summer 2020; and
 - 2 food hubs in Quesnel (\$500k) and Salmon Arm (\$500k) that are under development and expected to be operational by spring 2021.

Commented [WAA1]: BC Seed Hub Feasibility Study – announcement date TBC

Commented [CBG2R1]: Will be announced March 15

Commented [WAA3]: Network Needs Assessment – not yet publicly announced

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- Through the StrongerBC Economic Recovery Plan, Treasury Board funding of \$5.6M was allocated during 2020/21 towards the expansion of the Network.
 - Regional Food Hub initiatives that had previously demonstrated significant planning work were invited to submit project proposals to the Ministry and were assessed according to a set of common criteria including the project's economic potential, state of readiness, and partnerships.
 - In total, \$4.75M was awarded to fund the development of seven food hubs in the following communities (all are under development and expected to become operational in 2021/22):
 - Cowichan Valley (\$0.75M contract executed, announced March 2, 2021).
 - Kamloops (\$0.75M contract executed, announced February 22, 2021).
 - Victoria (\$0.75M contract executed, announced March 2, 2021).
 - Abbotsford (\$0.75M contract executed, announced February 24, 2021).
 - Rock Creek and Greenwood (\$0.75M contract executed, announced February 19, 2021).
 - Bowser (\$0.5M contract executed, announced March 2, 2021); and
 - Creston (\$0.5M contract executed, announced February 19, 2021).
 - Additionally, \$0.85M was awarded to fund further activities for expanding the Network, as follows:
 - Funding technology service and/or platform supports for regional food hubs (\$0.415M total, no public announcement to date).
 - Initial planning and implementation activities for an Upper Skeena regional food hub (\$0.165M contract executed, no public announcement to date).
 - Feasibility study assessing how regional food hubs can support seed processing and storage activities, and the acquisition of seed processing equipment for regional food hubs (\$0.140M contract executed, public announcement expected in March 2021).
 - A Network needs assessment (\$0.100M contract executed, no public announcement to date), and
 - A Comox Valley food hub business plan (\$0.030M contract executed, no public announcement to date).

Commented [WAA4]: Victoria Food Hub contract – expected to be signed/executed March 3

Commented [WAA5]: This number is anticipated but TBC – modifications to existing Food Hub contracts are underway that will increase contract amounts for some of the locations listed above.

CROSS JURISDICTIONAL COMPARISON:

- B.C. is a leader in food and beverage processing innovation and the Network is an innovative model that is new to Canada, encompassing an Endowed Professorship leading academic and applied industry research in food and beverage innovation and a number of food processing and innovation hubs ('food hubs') across the province that are tailored to the regions in which they are developed.
- Currently, B.C. is the only province in Canada funding the expansion of a Food Hub Network as part of its COVID-related economic recovery initiatives.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Food Hub Economic Recovery Project received one year of funding, totaling \$5.6M, as part of the StrongerBC Economic Recovery Plan, which was allocated as follows during 2020/21.

| | |
|---|----------|
| Economic Recovery Food Hubs | \$4.750M |
| Food Hub Technology Implementation | \$0.415M |
| Upper Skeena Food Hub | \$0.165M |
| Seed Feasibility Study and Processing Equipment | \$0.140M |

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| | |
|--|-----------------|
| B.C. Food Hub Network Needs Assessment | \$0.100M |
| Comox Valley Food Hub Business Plan | \$0.030M |
| Total | \$5.600M |

| | | |
|---------------------|--------------------------|---------------------------|
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FOOD SAFETY - SAFE FOOD FOR CANADIANS REGULATIONS COMING INTO FORCE

RECOMMENDED RESPONSE:

- The federal *Safe Food for Canadians Act* (SFCA) was passed in 2012.
- The Safe Food for Canadians Regulations (SFCR) came into force January 15, 2019, consolidating 14 regulations governing food in Canada.
- The SFCR introduces new licenses for businesses, makes enhanced traceability requirements mandatory, and ensures preventive food safety plans and control plans are in place for most businesses.
- Implementation has been staggered over the past 2 years to allow businesses to adapt to the new requirements.
- Due to COVID-19, CFIA is currently not prioritizing compliance related to the July 15, 2020 deadline for new requirements for the manufactured food sector.
- The Ministry of Agriculture, Food and Fisheries (MAFF) is working with the Canadian Food Inspection Agency (CFIA) and other stakeholders to ensure industry is aware of new requirements.
- MAFF is ready with funding programs and expert staff prepared to answer questions to support B.C. businesses.
- MAFF will continue to monitor any impacts of the changes to federal requirements and work collaboratively with the CFIA to ensure positive outcomes.

BACKGROUND:

- The federal Safe Food for Canadians Regulations (SFCR) came into force on January 15, 2019.
- The key objectives, and benefits, of the SFCR are to:
 - apply internationally recognized standards for food safety to food that is imported into, or prepared in, Canada for interprovincial trade or for export;
 - support market access for Canadian exporters by keeping pace with food safety modernization efforts in other countries; and
 - consolidate 14 regulations governing food.
- Requirements focus on three key food safety elements: licensing, traceability, and preventive controls.
- **Licensing:**
 - SFCR replaces existing Canadian Food Inspection Agency (CFIA) registration with licensing, and introduces new licenses for activities like: import, export, food processing, packaging, and labeling for inter-provincial trade.
 - Exemptions include growing or harvesting fresh fruit or vegetables, inter-provincial transport of food commodity (as a sole activity), or activities of a business covered by provincial regulation for intra-provincial trade.
- **Traceability:**
 - Businesses must be able to trace their food commodity one step back (to the immediate supplier) and one step forward (to the immediate purchaser).
 - Traceability requirements extend to a broader scope of businesses than those that must be licensed. Activities that do not require a license, such as primary production or preparing food additives and alcoholic beverages must still meet traceability requirements.
 - Traceability requirements do not apply to restaurants or similar businesses.

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- It is expected that many businesses, namely those with 3rd party food safety certification, will already have the required level of record-keeping in place.
- **Preventive Controls:**
 - Preventive controls focus on: controlling food safety risks, consumer protection, and ensuring animal welfare during slaughter activities.
 - Most businesses need to have a written preventive control plan (PCP) that outlines how businesses manage food safety risks.
 - Some businesses with less than \$100,000 in annual sales are exempt from the requirement to have a written PCP.
 - Most BC businesses have some form of PCP already in place, such as a food safety plan or other nationally or internationally accredited 3rd party certified food safety standards
 - CFIA doesn't specify a template for PCP but accepts any existing plan that meets the SFCR requirements.
- Implementation of SFCR has been staggered for different regulatory elements depending on:
 - type of food,
 - size of business, and
 - level of trade (import/export vs. inter-provincial).
- The implementation schedule allows small or medium enterprises time to adapt and meet the new requirements.
 - As of February 2021, all businesses that undertake activities under SFCR, except those in the manufactured foods sector (MFS), are subject to licensing and traceability requirements.
 - Businesses in MFS were scheduled to come under the new requirements on July 15, 2020. These included industries that were previously not federally registered, such as nuts and seeds, coffee and tea, cereals, pasta, snacks, confectionary, beverages, and bakery products.
 - On April 7, 2020 CFIA announced that due to the COVID-19 pandemic, until further notice CFIA would "not prioritize compliance activities" associated with the July 15, 2020 implementation of SFCR for the MFS.
 - On July 16, 2021 the final phase of implementation is anticipated to occur:
 - Businesses with more than \$100,000 in annual sales and 4 employees or less will be required to have preventive controls in place and written PCP; and
 - Businesses with \$100,000 or less in annual sales or 4 employees or less will be required to have preventive controls in place, but not required to have a written PCP.
- MAFF is working with CFIA to ensure government and industry are prepared for all stages of SFCR implementation.
- MAFF participates on the Team BC working group with representatives from Ministry of Health, regional health authorities, BC Centre for Disease Control and CFIA.
- A sub-committee is examining facilities that produce products for both intra and inter provincial trade to identify potential gaps and overlap between CFIA and provincial inspection agencies.
- In addition to extensive CFIA resources and support available, MAFF is well positioned to aid businesses as they transition to the SFCR requirements:
 - Support is available through Canadian Agriculture Partnership (CAP) programs (on-farm food safety \$2M, post-farm food safety \$3.4M, and traceability \$4.4M) to eligible BC agriculture and food businesses.
 - MAFF also communicates best practices to industry through workshops and webinars; liaises with industry associations to discuss and propose actions to mitigate perceived impacts; provides business planning support related to regulatory impacts and/or competitive advantages of SFCR through the BC Agri-Business planning program; and

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provides support for businesses to develop PCPs.

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GREENHOUSE CARBON TAX RELIEF GRANT PROGRAM**RECOMMENDED RESPONSE:**

- The Greenhouse Carbon Tax Relief Grant (GCTRGP) is a program that focuses on commercial vegetable, floriculture, and wholesale and forest seedling nursery greenhouse operations.
- The program is fully expended annually, with demand from commercial vegetable and horticulture growers filling the available budget.
- As the Ministry of Agriculture, Food and Fisheries (AFF) commitment to continuous improvement, programs are regularly reviewed for consistency and alignment with other government offered programming.
- The Province supports British Columbia's (B.C.) diverse agriculture sectors in different ways. This action provides relief to our greenhouse and floriculture growers, who employ about 5,000 British Columbians.
- 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.
- 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. At this point annual \$5 per tonne increases will resume.

| 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 |

- 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 provides eligible B.C. commercial greenhouse operators with a grant of 80 per cent of the carbon tax paid (in the previous calendar year) on natural gas and propane used for heating and carbon dioxide production.
- 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 British Columbia commercial greenhouse operator during the current production year, submit a completed application form and submit required documentation to the AFF. 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 metres.

- The 2021 program intake is anticipated to be open for applications by mid-2021.

CROSS JURISDICTIONAL COMPARISON:

- The Federal government implemented a carbon tax and rebate program for provinces and territories that did not previously have carbon pricing schemes that met federal requirements (i.e., 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 per cent relief from the fuel charge on natural gas and propane for growing plants.
- This is aligned with, but does not duplicate, B.C.'s Program. As such, the Program ensures B.C. greenhouse growers equally benefit from grant reliefs that are applicable across Canada.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Program is fully expended each year. In 2020, the budget was \$7.55 million. The GCTRGP returned approximately \$9.3 million to commercial greenhouse operators in 2020/21.
- AGRI estimates the 2021/22 program disbursement to be approximately \$10.0 million if the coverage rate (80 per cent) remains the same. The increase is attributable to a full program year with the carbon tax rate at \$40 per tonne (rather than a portion as in the previous year) and increased fuel usage in Winter 2020.

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GROW BC

RECOMMENDED RESPONSE:

- Grow BC expands sustainable production by helping B.C. producers expand local food production and business growth.
- The Agriculture Land Reserve and the Strengthening Farming Program ensure land is available for farming throughout the province.
- The current regional services provide extension services that support on farm profitability, grow the sector, promote environmental sustainability, and enhanced public trust and agriculture awareness.
- By enhancing production with the use of leading-edge management practices, Grow BC supports the adoption of new and existing technology and regenerative practices to ensure food security within B.C.
- 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.
- 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, labour challenges, and changing climate conditions.
- As a key strategy under Grow BC, the Ministry of Agriculture, Food and Fisheries (AFF) delivers the BC Land Matching Program and the Small Farm Business Acceleration Pilot Program to support the implementation of the New Entrant Strategy, a framework for increasing the number of new and young farmers working in B.C.'s agriculture sector.
- Sustainability also depends on farmers' access to clean water, clean air, and healthy soils, as well as farmers' actions related to environmental stewardship.
- The Environmental Farm Plan program supports farmers to complete on-farm risk assessments and access cost-share funding to mitigate environmental risks.
- 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.

BACKGROUND:

- See Estimates notes for further detail on specific Grow BC components:
 - NEW ENTRANTS – SUPPORT FOR NEW BEGINNING FARMERS

CROSS JURISDICTIONAL COMPARISON:

- Not Applicable

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The ministry invested \$500,000 to support programming related to new and young farmers. The primary program funded through this initiative is the BC Land Matching Program.
- The ministry invested \$215,000 to increase coverage of Agriculture Land Use Inventories (ALUIs) across the province and improve usability and accessibility of ALUI data. This included establishing baseline inventories for 1.195M hectares in the northern region, including Cariboo, Northern Rockies, Central Coast, Buckley Nechako and Kitimat Stikine, and completing an update survey for Abbotsford.
- The ministry invested \$688,000 to support its Nutrient Management Program. This included

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funding 10 nutrient management program that included decision support tools, producer cost-share funding to support the adoption of practices, knowledge transfer events and a nutrient management training program.

- The Ministry invested \$520K to support 13 fishing and aquaculture projects to improve the environmental impacts of these sectors through the Fisheries and Aquaculture Clean Technology Adoption Program.
- The Ministry supported the planting of 21,000 new hazelnut trees through investment of \$100,000 into the Hazelnut Revitalization Program.
- Grow BC requests through the 2021 Treasury Board Submission for incremental increases were: FY 21/22: \$13.399M, FY 22/23: \$16.599M, FY 23/24: \$18.149M, FY 24/25: \$18.149M

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GROUNDWATER LICENSING

RECOMMENDED RESPONSE:

- Many farmers require access to groundwater to successfully run their operations, and under the *Water Sustainability Act* (WSA), are now required to attain a groundwater licence.
- With a licence in place, a farmer secures the right to use groundwater and protects their water supply for agricultural purposes.
- As of January 31, 2021, approximately 2,000 of the 8,000 expected agricultural existing use groundwater applications have been received. Among the applications submitted, 25 percent have had a decision made.
- Provided applications are submitted to the Province by the deadline of March 1, 2022, farmers are permitted to continue their existing groundwater use until the Province makes decisions on the applications (even past March 1, 2022).
- If farmers do not submit applications by the deadline, they will need to cease using groundwater for non-domestic purposes and apply for a new use licence.
- The Ministry of Agriculture, Food and Fisheries (AFF) has participated in over 70 groundwater licensing outreach activities to farming communities across the Province including workshops, conferences, publications, field tours, and webinars.
- As part of the application process, farmers and Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) staff use AFF's BC Agriculture Water Calculator (online tool) to successfully calculate annual water use requirements.
- The Ministry of Environment and Climate Change Strategy (ECCS), FLNRORD, and AFF continue to work together on communication and outreach of groundwater licensing requirements and processes to farmers.

BACKGROUND:

- On February 29, 2016, the *Water Sustainability Act* (WSA) was enacted, requiring licensing for both surface water and non-domestic groundwater use. Under the previous *Water Act*, only surface water use was required to be licensed.
- A water licence provides a right to divert and use water, construct works, and sets a precedence that establishes a First-In-Time First-In-Right (FITFIR) priority date.
- The WSA includes provisions that recognize impacts of existing use of groundwater that have already occurred and allows precedence-dating from the time of first use.
- Non-domestic groundwater users (including farmers) who were using groundwater before February 29, 2016, may apply for an existing use groundwater licence before March 1, 2022.
- There is an application fee of \$250 (or more) for new applicants, which is waived for existing use groundwater licence applications.
- Applicants also need to pay an annual rental fee (at least \$50 per year) for the use of groundwater, bringing groundwater rental fees on par with the use of surface water.
- All existing use groundwater licensees will incur annual water rental fees from February 29, 2016, and those that apply for licences now will need to pay retroactively; however, applicants may continue to use groundwater until they are issued a water licence.
- After the March 1, 2022, licensing deadline, all applicants will be treated as "new" users with the application date as the priority date and must pay application fees.
- ECCS introduced the WSA and are responsible for development of regulations and policy under the WSA.
- FLNRORD accepts and adjudicates applications for water licences, and issues water licences to all users.

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- AFF supports existing use groundwater licensing to minimize the impact on farmers and help farmers secure rights to use water.

CROSS JURISDICTIONAL COMPARISON:

- In Alberta, farmers need to obtain a licence under the *Water Act* to divert groundwater or surface water.
- In Saskatchewan, every person desiring approval to commence the construction, alteration, extension, or operation of works and/or right to use water shall file with the Water Security Agency.
- In Manitoba, licences are issued for municipal, agricultural, industrial, irrigation and "other" purposes.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AFF has contributed \$153,000 to the development of the BC Agriculture Water Calculator, which has received a total of \$250,000 from AFF, ECCS and FLNRORD.
- AFF plans to spend an additional \$25,000 in FY21/22 to implement new features and improvement to the calculator to support groundwater licensing.
- AFF contributed an additional \$50,000 in-kind to deliver over 70 groundwater licensing outreach activities to farming communities across the Province including workshops, conferences, publications, field tours, and webinars.

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HULLCAR

RECOMMENDED RESPONSE:

- Our government is taking all necessary actions to ensure residents using Hullcar aquifer 103 have safe drinking water, while preserving the region's agriculture economy.
- The Province is negotiating a new Memorandum of Understanding (MOU) with Splatshin, to replace the 2017 agreement that AGRI co-signed, for ongoing collaboration to support improved water quality in the Hullcar area including supporting the implementation of the HARP. The new MOU is anticipated to include a commitment to explore opportunities for decision-making and governance models related to water for the Hullcar Valley.
- In partnership with the Ministry of Environment and Climate Change Strategy, the Ministry of Indigenous Relations and Reconciliation and Splatshin First Nation, the Ministry of Agriculture, Food and Fisheries has signed an extension to the Memorandum of Understanding to work collaboratively to support improved water quality in the Hullcar area.
- In March 2017, the Ministry of Agriculture provided \$300K to the sector to implement beneficial management practices that will promote better nutrient management.
- The Ministry of Agriculture, Food and Fisheries is taking action on many fronts. Current initiatives include:
 - Participating in the Interagency Working Group for the Hullcar aquifer
 - Completing soil nutrient monitoring studies
 - Improving nutrient management calculation tools
 - Developing a new training program to increase the number of consultants who can prepare nutrient management plans for farmers.
- The Province conducted a review to ensure agricultural practices in the Hullcar aquifer are consistent with the provision of clean, safe drinking water. The review led to the POLIS Recommendations Report in November 2017. The Province is now focused on implementing the report's recommendations.
- The Ministry will continue to focus its research and efforts on improving the nutrient management practices of the agriculture sector as well as finding innovative agritech solutions for producers to manage their nutrients.

BACKGROUND:

- The Hullcar (Clcahl) aquifer is a drinking water source for the Steele Springs Waterworks District which provides water for roughly 250 residents (53 connections). Interior Health Authority is also aware of 22 additional private water wells that are not connected to the waterworks system.
- Groundwater samples collected from the former Steele Springs water spring (no longer in use as a drinking water source) in January 2020 showed nitrate levels of 8.09mg/L, slightly higher than results in December 2019 of 7.73 and 7.65mg/L. However, these results are slightly lower than December 2018 nitrate levels of 8.93 mg/L and considerably lower than 16.8mg/L nitrate measured in December 2017. Health Canada's maximum concentration for drinking water nitrate is 10 mg/L.
- In March 2019, Interior Health Authority rescinded its 2014 Water Quality Advisory for the Steele Springs Water District following construction of a new well that accesses water from deeper in the aquifer, as well as a pump house and chlorination system. Although the drinking

water advisory has been rescinded, monitoring wells continue to show elevated aquifer nitrate concentrations in some parts of the Hullcar aquifer.

- A combination of factors is likely affecting the Hullcar aquifer, but agriculture has been identified as the primary cause.
- In March 2017, the Province provided \$950K to help ensure the residents have safe drinking water.
 - \$300K was managed by the Agricultural Research and Development Corporation to cover the costs of a community liaison consultant and to assist the agricultural community in developing nutrient management plans and implementing beneficial management practices.
 - \$650K is being managed by the Fraser Basin Council. \$300K was used to develop an alternative water supply for the SSWD; \$50K was allocated for at-tap nitrate conversion for private well owners (funding still available); and \$300K to be allocated for infrastructure and water protection for the Splatshin First Nation.
- Since September 2016, AFF has led annual soil nutrient monitoring in farm fields in the Hullcar Valley, with results showing an overall decrease in the amount of soil nitrate that can leach from the farm fields into groundwater since the beginning of the study.
- Inspections confirmed compliance with Pollution Abatement and Pollution Prevention Orders made at Hullcar Valley sites. Effective September 24, 2019, the Orders are no longer in effect.
- In 2017 the Ministry of Environment engaged POLIS to undertake an independent review of Nitrate pollution of the Hullcar aquifer. The review made nine sets of recommendations. In response Government published the Hullcar (Clcahl) Aquifer Response Plan (HARP) in November 2018.
- The new Code of Practice for Agricultural Environmental Management was implemented on February 28, 2019, replacing the Agricultural Waste Control Regulation. This Code aims to improve farm practice and compliance and will be phased in over a 10-year period starting in the Hullcar Valley.
- With respect to the Code and nutrient management education, AFF provides the Nutrient Management Calculator (an online decision support tool) and is developing a training program for consultants, to increase the number of qualified professionals who can prepare nutrient management plans for farmers.
- The Environmental Farm Plan (EFP) Program provides a voluntary, no-cost, confidential on-farm risk assessment process to educate producers on better understanding their environmental risks as well as support to identify beneficial management practices to support improvements related to nutrient management.
- The Beneficial Management Practices Program provides cost-share funding to support producers in implementing beneficial management practices. This funding supports both planning as well as cost-share funding for nutrient management related equipment and innovative technology.
- The Province is negotiating a new Memorandum of Understanding (MOU) with Splatshin, to replace the 2017 agreement that AGRI co-signed, for ongoing collaboration to support improved water quality in the Hullcar area including supporting the implementation of the HARP. The new MOU is anticipated to include a commitment to explore opportunities for decision-making and governance models related to water for the Hullcar Valley. Further work is needed to scope what this may look like.

- The Province and Splatshin are also working to establish a Water Sustainability Act Advisory Board to guide further implementation and make recommendations on regulatory and planning tools.

CROSS JURISDICTIONAL COMPARISON:

Not Applicable

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The EFP Program, a Canadian Agricultural Partnership (CAP) program, provides over \$2.25M annually to support education and cost-share funding for on-farm infrastructure to support environmental sustainability.
- It is anticipated that agricultural producers over the Hullcar aquifer will incur costs of greater than \$75K (cumulative) to develop nutrient management plans as required under the Code of Practice for Agricultural Environmental Management.
- Through CAP, support for environmental sustainability will continue.

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INDIGENOUS AGRICULTURE DEVELOPMENT PROGRAM

RECOMMENDED RESPONSE:

- Through our programs, services and strong relationships built on trust, understanding and respect, the Ministry of Agriculture, Food and Fishers (AFF) strives to support Indigenous governments, organizations, and entrepreneurs to meet their economic self-determination goals and build their capacity in the agriculture and food sector.
- We are committed to continuing to move forward with lasting and meaningful reconciliation through the implementation of the *Declaration on the Rights of Indigenous Peoples Act (DRIPA)*
- One of the ways we are strengthening this relationship is by working together to support Indigenous peoples' in the food and agriculture sector.
- As a part of the Indigenous Agriculture team, there are 3 staff located across the province supporting Indigenous programs and outreach, including technical staff to provide on-the-ground support and referrals to additional programs and services available to Indigenous governments, organizations, and entrepreneurs.
- The B.C. Indigenous Agricultural Development Program, funded through the Canadian Agricultural Partnership (CAP), provides funding to complete Agriculture Opportunity Assessments, financial and business plans, coaching, and other training to assist Indigenous governments, organizations, and entrepreneurs to succeed in their business endeavors, build their knowledge and make informed decisions.
- In addition to economic health, we also support community health by promoting local agriculture and food security. We have heard from our Indigenous partners that local food security and food sovereignty are high priorities especially related to the COVID-19 related impacts over this past year.
- AFF is uniquely positioned to work collaboratively with Indigenous communities both on and off reserve, endeavoring to narrow the socio-economic gap that separates Indigenous peoples from the rest of British Columbians and support Indigenous peoples' self-determination objectives.

BACKGROUND:

- AFF is committed to the full implementation of *DRIPA* through the alignment of laws, policies, and programs with the principles of the *United Nations Declaration on the Rights of Indigenous Peoples*. AFF has developed a plan to implement the *Draft Principles that Guide the Province of British Columbia's Relationship with Indigenous Peoples*, which includes three focus areas: Self-Determination, Building Capacity, and Program and Economic Development.
- The Ministry's Indigenous Team is comprised of 3 staff who support First Nations and Métis communities and entrepreneurs in the development and growth of their agriculture and food businesses and initiatives. Other team roles include:
 - Providing secretarial support to the B.C. Indigenous Advisory Council on Agriculture and Food (IACAF – see IACAF estimate note) which was formed in 2019.
 - Supported the Indigenous and Youth Community Recovery Working Group during the COVID-19 response and developed gardening resources for communities and school groups.
 - Working with the Regional Agrologist Network to facilitate referrals and access to local knowledge, resources, programs, and advisory services.
- B.C. Indigenous Agriculture Development Program (IADP), funded through CAP, supports Indigenous peoples' success in the food and agriculture sector. In 2020/21, the program was adapted to include two streams of tailored services for (1) Governments, Communities and

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Organizations and (2) Entrepreneurs and provides a two-step process for:

- Agriculture Opportunity Assessments (up to \$5,000 for Stream 1 and \$3000 Stream 2), including feasibility studies and business and food security planning with a Qualified Business Advisor; and,
- Business Planning (\$10,000 for Stream 1, \$5,000 for Stream 2), including business and financial planning services, technical training, and capacity building.
- In 2020/21, an optional Community Engagement Top-up of \$2,000 per project for community engagement activities was added to the Governments, Communities and Organizations stream.
- Working with Feed BC staff to support two initiatives with Indigenous foods components:
 - Increasing access to traditional foods in publicly funded institutions; and,
 - Good collection practices for wild harvesting.
- Over 64 First Nations, one Métis Society and eleven entrepreneurs have completed IADP projects since 2011. Twenty-seven applications were approved and funded for 2020/21 (20 Governments, Communities and Organizations and 7 entrepreneur stream projects).
- The *Indigenous Agriculture Inventory* project launched in 2019, in partnership with Investment Agriculture Foundation of BC, is intended to increase understanding and information available on the involvement, opportunities, and challenges of Indigenous peoples in the food and land-based agriculture sector. Deliverables include:
 - A databased of publicly available Indigenous food and agriculture enterprise information and a review of existing reports and studies have been completed as part of Phase 1.
 - Engagement with First Nations and Métis farm operators, governments and supporting organizations occurred in 2020/21.
 - Working with Indigenous and agency partners to identify opportunities to improve access to food security funding and support.
- Staff developed a *Greenhouse Checklist* tool in response to the high level of interest and investment in small scale greenhouses by First Nations communities and Indigenous producers. The checklist supports critical planning and decision-making processes for community greenhouse projects.
- Staff also work closely with organizations such as the First Nations Health Authority, the Ministry of Health and the Heart and Stroke Foundation of B.C. and the Yukon on local food systems and community food initiatives.
- AFF Youth Development Program staff have worked to increase engagement of Indigenous youth in agriculture through activities such as the Building Community Connections event with 4-H British Columbia, the Uncovering Common Ground Project with BC Agriculture in the Classroom Foundation, and the Indigenous Foodscapes Toolkit developed in partnership with Farm to School BC.

CROSS JURISDICTIONAL COMPARISON:

- B.C. provides unique, Indigenous specific programming and technical staff support that is not currently offered by all provinces. Other provinces provide similar business development support through their CAP programs, but it is not tailored to Indigenous peoples.
- Agriculture and Agri-Food Canada launched an Indigenous Agriculture and Food Systems Initiative and Indigenous Pathfinding Service in 2018 for Indigenous communities and entrepreneurs launching agriculture and food systems projects and others who want to build their capacity to participate in the Canadian agriculture and agriculture food sector.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- \$176,900 is allocated to Indigenous Agriculture Development Program from the CAP

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Business Development budget. Indigenous producers and processors are also eligible for other programs under CAP and other programs delivered by AGRI.

- The Indigenous Agriculture Inventory Project, to be completed in 2021, was allocated \$25,000 in CAP Business Development funding and leveraged \$20,000 from the Investment Agriculture Foundation. An additional \$35,000 of Indigenous Funding Envelope (IFE) supplemented the project in 2020/21 to allow additional research, engagement, and reporting.
- \$63,000 in CAP Business Development funding to 4-H BC for specialized programs focused on urban and Indigenous youth, as well as farm safety initiatives. In 2020/21, this was supplemented with \$25,000 from IFE for research and special initiatives supporting Indigenous youth in agriculture.

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FIRST NATIONS NEGOTIATIONS

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (MAFF) is committed to lasting reconciliation with Indigenous peoples and fully supports B.C.'s Bill 41, 2019: *Declaration on the Rights of Indigenous Peoples Act*, and the United Nations Declaration on the Rights of Indigenous Peoples.
- During negotiations that involve land settlements, MAFF works together with the Ministry of Indigenous Relations and Reconciliation (MIRR) to assess prime agricultural land and make recommendations.
- The preservation of agricultural land in the Agricultural Land Reserve (ALR) and encouraging farming and ranching in B.C. is a priority for MAFF.
- When the preservation of agricultural land is not possible during a negotiation process, MAFF seeks to facilitate continued agricultural use of highly capable and suitable ALR lands, when and if appropriate.
- MAFF also supports First Nations governments, organizations, and entrepreneurs to succeed in the agriculture and food sector through its B.C. Indigenous Agricultural Development Program and other Ministry programs and staff resources.

BACKGROUND:

- MIRR leads the Province's development and implementation of First Nations agreements. Negotiations for an agreement may include cash, land, and other components to establish a new treaty or to amend an established treaty (e.g. Treaty 8).
- The land component of a negotiation may involve Crown land to meet established needs for shortfall lands (often referred to as a Treaty Land Entitlement (TLE)) for an established treaty and/or additional lands that are negotiated either for a new treaty or as part of the TLE negotiations.
- Land can be transferred several ways including a transfer to Canada to create Indian Reserve or a fee simple land transfer or purchase, among other options. Parcels of B.C. Crown land may include land designated as ALR. Depending on how the land is transferred, that land may lose its ALR designation.
- When a First Nation(s) and MIRR negotiation involves land parcels, MAFF staff participate in MIRR's Land Analysis Tables (LAT), where MAFF staff analyze the land for agricultural potential and determine whether they are designated within the ALR.
- MAFF staff also provide comments to MIRR, noting concerns with potentially loss of agricultural land and if appropriate, providing recommendations.
- MAFF staff have developed Geographic Information System (GIS) applications and an Agricultural Land Value Assessment Report process to guide evaluation of the agricultural capabilities of proposed TLE land parcels, including identification of parcels with ALR designations to include in their comments to MIRR negotiators.
- The Natural Resource Sector has an established DM-to-DM Sign-off Memo Process for Land Selection for when the agreement negotiations are nearing completion.
- Despite an established process for identifying agricultural land and any concerns, other negotiating priorities can take priority. This can result in large quantities of land being removed from the ALR. For example, the Province, Canada and the five Treaty 8 First Nations are negotiating a settlement that proposes transferring 10,891 hectare of ALR land in the Northeast to five Treaty 8 First Nations as new Federal Indian Reserves. There is concern with the public perception considering the past publicity surrounding *Bill 15 (Agricultural Land*

ESTIMATE NOTE- FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries

Confidential Advice to Minister

Commission Amendment Act, 2019) and Bill 52 (Agricultural Land Commission Amendment Act, 2018).

- Removal of ALR lands may reduce the ability of the Province to maintain the land resources integral to the economic viability and sustainability of the agriculture sector. Transfer of certain parcels out of the ALR could have greater or lesser impacts depending on that parcel's agricultural capability.
- The Province is interested in preserving agricultural land and encouraging agricultural activities. MAFF has established the B.C. Indigenous Agriculture Development Program to support Indigenous communities, organizations, and entrepreneurs throughout B.C. in the growth and development of agriculture ventures.
- MIRR and MAFF staff have committed to working together on a guiding policy for dealing with ALR land in First Nation land negotiations.
- MAFF staff work with MIRR negotiation teams to support successful treaty implementation (e.g. building capacity for future ranch transfers).

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MINISTER'S INDIGENOUS ADVISORY COUNCIL ON AGRICULTURE AND FOOD

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) is collaboratively developing an Indigenous Advisory Council on Agriculture and Food (IACAF) with representatives from Indigenous nations across B.C. to better understand priorities, strengthen opportunities and reduce barriers for Indigenous nations, communities, organizations, and entrepreneurs to achieve their goals in the agriculture and food sector, and work at a strategic level to implement the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP) as the framework for reconciliation in B.C..
- As Minister, I have met four times with representatives from 18 Indigenous nations since Fall 2019 to discuss the Advisory Council's formation. Quarterly meetings are planned for 2021-22.
- Discussions to date have focused on building trust and understanding through the sharing of priorities, perspectives and experiences in the food and agriculture sector and on the co-development of a Terms of Reference for the Advisory Council.
- Through strong relationships built on trust, understanding and respect, we strive to work together to support Indigenous peoples' agriculture and food economies, food security, and self-determination and advance the implementation of *Declaration on the Rights of Indigenous Peoples' Act* (Bill 41, 2019) (*DRIPA*) within the Ministry's mandate.

BACKGROUND:

- Building on the success of the Minister of Agriculture's Advisory Council on Finfish Aquaculture, in anticipation of the passing of the *DRIPA*, and with the intent of creating an opportunity for dialogue on reconciliation in the land-based food and agriculture sector, work started in Spring 2019 to form the B.C. Indigenous Advisory Council on Agriculture and Food (IACAF, formerly the Minister's Indigenous Advisory Group on Agriculture).
- IACAF's purpose is to create a platform for the Ministry and members to work together to enhance the equitable participation of Indigenous peoples in the land-based agriculture and food sector and support the realization of their food security, food sovereignty and economic development objectives as part of the Province's reconciliation commitments. IACAF is intended to provide strategic advice, recommend priorities, and offer guidance to the Ministry.
- IACAF's identified priority areas are to:
 - Advance Indigenous peoples' food security and food sovereignty across B.C. and contribute to more resilient local, regional, and provincial food systems.
 - Increase Indigenous peoples' success and participation in the sector.
 - Strengthen and inform the Ministry's understanding of Indigenous peoples' inherent rights, interests, and perspectives as they relate to the sector through the provision of advice on policy and operations to support the AFF's implementation of *DRIPA*.
- The members met virtually with Minister Popham in June 2020 to reconfirm a shared commitment to forming the council. A series of virtual meetings with members and Ministry staff took place in summer 2020 to co-develop a Terms of Reference.
- In January 2021, following Minister Popham's reappointment, a virtual meeting with IACAF was held to reconfirm commitments to forming IACAF and kick-off a series of three virtual planning sessions to develop a workplan for 2021-2022 with a three-year strategic outlook.
 - Three virtual planning meetings facilitated by Four Directions Management Services, an Indigenous-owned company with extensive experience in Indigenous-government relationship building and facilitation, occurred between January and March 2020.

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- An engagement session on the Province's Declaration Act Action Plan was held with IACAF in January 2021, which informed the priority actions put forward by MAFF for consideration by MIRR for inclusion in the Action Plan.
- In early 2020, IACAF was approved by the Public Sector Employers' Council Secretariat as a Level 1 Advisory Board with approval from the Appointee Remuneration Committee for an exemption to remunerate appointees consistent with a Level 2 Board, under Treasury Board Directive 2/20. AFF has also been working with the Crown Agencies and Board Resourcing Office (CABRO) to complete the onboarding of public appointee process with IACAF members.
- The IACAF 2021-22 membership is being confirmed as a part of the CABRO process. It is expected to include 16 Indigenous representatives from 15 First Nations and 1 Métis Society, the majority of whom are elected representatives (8 Chiefs, 3 Councilors, 1 Métis Society President). Other members are technical staff such as the President of the First Nations Agriculture Association.
- Four IACAF meetings are planned for 2021-22. These will focus on relationship building, joint-learning opportunities, and building shared understanding and identifying priority actions related to IACAF's priority areas through discussion papers and strategy development.
- See Indigenous Agriculture Development Program Estimate Note for further detail on other Indigenous Project work.

CROSS JURISDICTIONAL COMPARISON:

- IACAF is unique in Canada as the only provincial- or territorial-level Indigenous advisory body on food and agriculture.
- In B.C. other Indigenous advisory groups have been established in recent years to support other areas of government include:
 - Ministry of Indigenous Relations and Reconciliation's (MIRR) Minister's Advisory Council on Indigenous Women (est. 2011) to advise on how to improve Indigenous women in B.C.'s quality of life
 - Ministry of Environment and Climate Change Strategy's Indigenous Climate Adaptation Technical Working Group (est. 2019).
 - Ministry of Jobs, Economic Recovery and Innovation's Indigenous Business and Investment Council Board (est. 2011, renewed 2018).
- Several First Nations Industry Advisory Boards and Councils (e.g. BC First Nations Forestry Council and BC First Nations Fisheries Council) represent interests and perspectives in other sectors.
- Federally, Agriculture and Agri-Food Canada 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- \$39,000 was spent in 2020-21 to support the formation of IACAF, including working and strategic planning facilitation services and remuneration for IACAF members.
- The 20/21 budget for the IACAF secretariat is expected to be \$85,000 with additional funds required to support the IACAF Work Plan implementation. Staff have put in a funding request to the Indigenous Funding Envelope to support this work.

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United Nations Declaration on the Rights of Indigenous Peoples

RECOMMENDED RESPONSE:

- On November 26th, 2019 we made history. British Columbia was the first jurisdiction in Canada to enshrine the human rights of Indigenous peoples in law.
- Bill 41, the *Declaration on the Rights of Indigenous Peoples Act (DRIPA)*, passed unanimously. The legislation established the United Nations Declaration on the Rights of Indigenous Peoples as the foundational framework for reconciliation in B.C., as called for by the Truth and Reconciliation Commission.
- This legislation advances a path toward true and lasting reconciliation for all of us in B.C. that will uphold Indigenous rights and create stronger communities, stable jobs, and economic growth.
- The Ministry of Agriculture, Food and Fisheries (MAFF) is committed to the success of this new legislation and advancing the principles it articulates by ensuring Indigenous peoples are part of the policy and decision-making processes that affect them, their families and their territories, as demonstrated by the work done in the Broughton Archipelago.
- Our historic, government-to-government talks with First Nations in the Broughton brought all parties to the table ready to work collaboratively to develop shared recommendations that everyone could support.
- The recommendations are working to protect and restore wild salmon stocks, allow an orderly transition from open-pen finfish aquaculture in the Broughton and create a more sustainable future for local communities.
- This success demonstrates that when we work government-to-government with First Nations, we can deliver results that work for industry, and make life better for everyone in B.C. – Indigenous and non-Indigenous people alike.
- The commitment to work in partnership with Indigenous peoples is intended to help establish predictable, sustainable, and collaborative approaches to the sector.
- As part of this approach, MAFF along with the Ministries of Indigenous Relations (MIRR) and Forests Lands and Natural Resource Operations (FLNRO) have signed a 2019 Memorandum of Understanding (MOU) with the First Nations Fisheries Council. The MOU provides a mechanism through which the FNFC and the provincial government can work collaboratively to advance reconciliation priorities (legislative, policy, and operational) that pertain to shared aquatic resources.
- The Ministry will continue to work with Indigenous peoples to ensure that their rights and interests are respected.
- MAFF is committed to true, lasting reconciliation with Indigenous peoples through the implementation of the UN Declaration and the Calls to action of the Truth and Reconciliation Commission and has developed a draft Implementation Plan for B.C.'s Ten Draft Principles for Relationships with Indigenous peoples based on three focus areas: self-determination, building capacity, and program and economic development.

BACKGROUND:

- **UNDRIP:** In 2007, the United Nations General Assembly adopted the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), which includes 46 articles covering all facets of the rights of Indigenous peoples, including, but not limited to, the rights to traditionally owned, occupied or otherwise used or acquired lands, territories, and resources, culture and cultural practices, identity, religion, language, health, education, intellectual property and community. The UN Declaration emphasizes Indigenous peoples' rights to live in dignity, to maintain and strengthen their institutions, cultures, and traditions and to pursue self-determined development,

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in keeping with their needs and aspirations. It does not however, create new rights. It has been adopted by 148 countries, including Canada.

- **UNDRIP IN B.C.:** With the passing of *Declaration on the Right of Indigenous Peoples Act* (Bill 41), the Government of B.C. became the first jurisdiction in Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples into law. The Act establishes the UN Declaration as the framework for reconciliation in B.C. and creates a path forward that respects the human rights of Indigenous peoples while introducing better transparency and predictability in our work together. The Province worked with the First Nations Leadership Council (BC Assembly of First Nations, First Nations Summit and Union of BC Indian Chiefs), who were directed by First Nations Chiefs of B.C., to develop the legislation. The legislation requires alignment of B.C.'s laws with the UN Declaration and an action plan that includes consistent public reporting. Over time as laws are modified or built, they will be aligned with UN Declaration. In addition to these core components, the legislation allows for flexibility for the Province to enter into agreements with a broader range of Indigenous governments.
- **UNDRIP and THE MINISTRY OF AGRICULTURE, FOOD AND FISHERIES:**
 - MINISTRY POLICY AND OPERATION
 - MAFF has drafted an Implementation Plan for B.C.'s Draft Ten Principles for Relationships with Indigenous Peoples, which identifies three focal areas: self-determination; building capacity; and, program and economic development.
 - The plan seeks to support self-determination through work with Indigenous communities and governments to realize their rights to self-determination and self-government as it relates to decisions on Crown Land tenures, fisheries management and aquaculture (see Agriculture Sector and Seafood Sector - Broughton).
 - The plan seeks to support building capacity through an Indigenous cultural training program for new and existing staff.
 - The plan seeks to support program and economic development through strengthening existing agriculture and food programming, working with Indigenous peoples to identify needs and opportunities, and hiring new staff to support Indigenous clients.
 - MAFF has formed a cross-branch working group to support *Declaration Act* implementation.
 - MAFF is working collaboratively with MIRR and other Ministries in consultation and cooperation with Indigenous peoples to develop the Declaration Act Action Plan, as prescribed by Section 4 of the Act, to act as a strategic, provincial-scale, whole-of-government document that identifies short-, medium-, and long-term actions that reflect priorities identified by Indigenous peoples.
 - AGRICULTURE SECTOR

The Government of B.C., Indigenous peoples, and the agriculture and ranching sectors work together in several areas that support the B.C. government's commitment to implement the UN Declaration. Examples of work underway include:

 - MAFF is collaboratively to form a B.C. Indigenous Advisory Council on Agriculture and Food with Indigenous representatives from 18 nations across B.C. to identify opportunities to support Indigenous peoples in the food and agriculture sector, reduce barriers to achieving their goals in the sector, and work at a strategic level to implement the UN Declaration (See FBB Estimate Note on B.C. Indigenous Advisory Council on Food and Agriculture).
 - Agricultural Land Reserve Revitalization – The Minister of Agriculture, Food and Fisheries' nine-member Advisory Committee on the revitalization of the Agricultural Land Reserve included Indigenous representation. The proposed legislative amendments to the *Agricultural Land Commission Act* included in Bill 52 (Agricultural Land Commission Amendment Act,

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- 2018) and Bill 15 (Agricultural Land Commission Amendment Act, 2019) were informed by input from Indigenous peoples.
- Treaty and Reconciliation Agreements – MAFF continues to collaborate with the agriculture and ranching sectors and Indigenous nations to create new opportunities for farmers and ranchers, such as through more flexible, innovative and incremental approaches to treaty negotiations.
 - Economic Development and Job creation – MAFF has supported business planning and increased capacity with Indigenous governments, organizations, and entrepreneurs (see FBB Estimate Note on Indigenous Agriculture Development).

• SEAFOOD SECTOR - BROUGHTON

On June 27, 2018, the consent-based G2G process regarding salmon aquaculture in the Broughton Area was formalized in a letter of understanding (LOU) to which the Province and the 'Namgis, Kwikwasut'inuxw Haxwa'mis and Mamalilikulla First Nations are signatories. The joint decision-making process resulted in a December 2018 agreement to protect and restore wild salmon stocks and create a more sustainable future for local communities and workers. The Province, First Nations, and aquaculture companies with tenures in the area (Mowi Canada West and Cermaq Canada) support the recommendations that include:

- an orderly transition of 17 farms, operated by Mowi Canada West and Cermaq Canada, from the Broughton area between 2019 and 2023.
- establishing a farm-free migration corridor in the Broughton in the short term to help reduce harm to wild salmon.
- developing a First Nations-led monitoring and inspection program to oversee those farms during the transition, which will include compliance requirements and corrective measures.
- implement new technologies to address environmental risks including sea lice.
- a call for immediate action to enhance wild salmon habitat restoration and rehabilitation in the Broughton;
- confirming a willingness to work together to put into place the agreements and protocols necessary to implement the recommendations, including continued collaboration with the federal government; and
- securing economic development and employment opportunities by increasing support for First Nations implementation activities and industry transition opportunities outside the Broughton.

Achievements to date include:

- The Nations, along with Cermaq Canada and Mowi Canada West, have reached a landmark agreement through the Broughton First Nations Indigenous Monitoring and Inspection Plan (IMIP) establishing First Nations oversight of salmon farms operating in their territories during the orderly transition of salmon farms in the area.
- The transition has commenced with the decommissioning of six salmon farms. By the end of 2022, 10 farms in total will have ceased operations. The remaining seven farms will continue to operate under the agreement until 2023, when if no agreement has been reached between the Nations and the salmon farming industry, or if there are not valid Fisheries and Oceans Canada (DFO) licenses in place, they will also cease operations.
- To help protect, restore and enhance wild salmon in the Broughton area, support from the \$143-million B.C. Salmon Restoration and Innovation Fund been put towards:
 - assessing, prioritizing and restoring critical salmon habitat in rivers and creeks in the region (\$4.2M);
 - establishing a genomics lab to support independent First Nations' fish health testing (\$2M); and
 - implementing the IMIP, which will provide capacity for First Nations' monitoring and oversight (\$7.3M during the transition of fish-farm sites and see First Nations monitoring fish health, sea

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- lice, pathogens, disease agents and diseases before and after introduction of fish into the fish farms.
- MAFF continues to support IMIP work through the participation on three task groups focused on indigenous monitoring and inspection; wild salmon restoration and enhancement; and new farming technologies, respectively.

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INTERNATIONAL MARKET DEVELOPMENT

RECOMMENDED RESPONSE:

- COVID-19 has placed tremendous pressure on families and businesses across British Columbia (B.C.), including those that depend on access to international markets for their livelihood.
- Lockdowns and efforts to contain the spread of the virus have exposed economic vulnerabilities around the world, but also presented new areas of opportunity for B.C.'s agriculture, food and fisheries products in local and international markets as a result of increased demand for safe, healthy food.
- I'm proud of our Government's commitment to work together with British Columbians to build back a more resilient StrongerBC, and look forward to continuing to work closely with the B.C. Ministry of Jobs, Economic Recovery and Innovation (JERI) and the federal government to ensure that industry has access to supports at home and abroad to develop, maintain, and grow markets for their products.
- In light of continued challenges around delivery of large events and tradeshow due to COVID-19, our government is pivoting this year to deliver over 25 targeted business-to-business matchmaking and in-market promotional activities with support from overseas provincial and federal trade representatives.
- This approach will ensure that B.C.'s farmers, harvesters, producers, and processors have the support they need to connect with buyers in key markets and build back their businesses to be more resilient than ever.

BACKGROUND:

- Cost-Shared Funding for Industry-led Activities
 - Ministries of Agriculture, Food and Fisheries (AFF) provides \$1,000,000 per year through the B.C. Agrifood and Seafood Market Development Program (BCASMDP) to support industry-led market research, marketing/export plans, and export-focused market development activities.
 - In 2020/21, 35 new projects were supported (44 originally approved; 9 cancelled due to COVID-19). Examples of approved projects include:
 - \$50,000 to Nonna Pia's Gourmet Sauces to execute in-store Costco demonstrations across the south-eastern United States.
 - \$35,000 to B.C. Food and Beverage to conduct market research and develop an export plan for B.C. food and beverage processors targeting Washington, Oregon, and California; and,
 - \$25,000 to B.C. Fresh to implement branding for sustained growth outside B.C.
- International Tradeshow/Events
 - AFF and JERI typically support industry participation and promotion of B.C. food/beverages at 10-15 large international tradeshow/events each year through a \$625,000 Memorandum of Understanding (MOU).
 - Due to COVID-19 in 2020/21, nearly all international tradeshow/activities were cancelled, postponed to next fiscal, or modified to virtual formats.

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- As a result, for 2021/22, AFF/JERI have revised their MOU to focus on:
 - Delivering over 25 smaller/targeted in-market promotions and business-to-business matchmaking activities (virtual and in-person); and
 - Maintaining a B.C. booth space presence at critical tradeshow where the federal government does not have a presence (i.e. Seafood Expo North America in Boston and Natural Products Expo West in Anaheim), as well as tradeshow where B.C.'s fish and seafood industry are ineligible to apply for federal funding support under the Canada Pavilion Program (i.e. Seafood Expo Global in Barcelona and China Fisheries and Seafood Expo in Qingdao).

CROSS JURISDICTIONAL COMPARISON:

- N/A

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Canadian Agriculture Partnership (CAP) Market Development budget is approximately \$2,480,000 annually, which includes support for both domestic and international market development. This includes \$1,930,000 in federal funding through the CAP agreement with Agriculture and Agri-Food Canada, as well as a \$560,000 provincial base funding contribution.
- In 2021/22, \$1,980,000 of CAP funding is allocated to support international market development:
 - \$1,000,000 to BCASMDP to support industry-led market research, marketing/export plans and export market development activities.
 - \$690,000 to support government-led export activities, events, and in-market promotions.
 - \$290,000 to support export market research, market readiness and market access.

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KAMLOOPS NOBLE CREEK IRRIGATION SYSTEM

RECOMMENDED RESPONSE:

- The land in the area serviced by the Noble Creek Irrigation System (NCIS) has excellent agricultural capability and has been irrigated since 1905; agricultural operations in the area contribute to the local economy.
- The Ministry of Agriculture, Food and Fisheries (AFF) has engaged with the Ministry of Municipal Affairs (MAH), Ministry of Forest, Lands, Natural Resource Operations and Rural Development (FLNRORD) and Kamloops (the City) to address concerns raised by NCIS users.
- AFF staff are providing regional and technical support to the Task Force in hopes of finding funding options that result in a solution beneficial to both the NCIS users and the City.

BACKGROUND:

- After a major rebuild of the NCIS with Federal/Provincial funding in 1968, the system was amalgamated with the City in 1974. The system originally provided both domestic and irrigation water and an additional domestic branch was added in 1984.
- With irrigation, the agricultural capability of the land in the Noble Creek area is quite high (primarily Class 1, Class 2 with some Class 3) and without irrigation, it is significantly lower (Class 5M). The area is one of the few remaining pockets of good agricultural land that has not been developed for alternative land uses within the City.
- The area has grown a variety of different crops and currently it produces wine/grapes, vegetables, tree fruits, forages and livestock; these operations enhance both local food security and the local economy.
- The current NCIS user group consists of approximately 41 users with active accounts and six users with inactive accounts. Twenty-five of the users within the service area have farm tax status.
- On November 9, 2018 the City delivered a letter to NCIS users advising of the City's intention to divest itself of the NCIS; users had significant concerns following this announcement.
- Between the fall of 2018 and July 2019, meetings occurred between interested parties including AFF technical staff.
- AFF conducted data collection for an updated Agriculture Land Use Inventory (ALUI) of the area in 2019, this data enabled modeling of agriculture water demand.
- In the fall 2020, the City proposed a Local Area Service (LAS) plan to address system upgrades identified as required in a 2020 engineering report. The NCIS users opposed the LAS and the City Council subsequently rescinded the resolutions regarding the NCIS LAS, resulting in its cancellation.
- The majority of NCIS users expressed concern with the LAS voting and cost share structure as well as the potential negative impact the LAS would have on the area's agricultural producers and businesses.
- The City Council directed City staff to develop an agricultural engagement or advisory group, as well as a task force to work to find a solution for the NCIS.
- The City of Kamloops (the City) has established an Economic Grant Opportunities Task Force (the Task Force) under the Chief Administrative Officer (CAO) to pursue potential grant funding for one of the following options;
 - the \$14M of capital works required for the City to continue operating the NCIS,
 - the capital work deemed necessary to sell the NCIS to its users, or

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- the NCIS users obtaining other sources of irrigation water so that the NCIS may be decommissioned.
- The City Council passed a motion to extend operating the NCIS until the end of the 2023 growing season, and is expecting a recommendation from the Task Force for Q1 of 2022.
- AFF and FLNRORD staff are currently engaged with the Task Force.

CROSS JURISDICTIONAL COMPARISON:

- In B.C. there is a variety of ways which purveyed irrigation systems can be operated including; Municipalities, Private Water Utilities, Water Users Community's and Irrigation Districts. MAH staff have stated that they are not considering additional Irrigation Districts.
- The Canada Infrastructure Bank (CIB) has partnered with governments to support irrigation related projects through infrastructure loans however, the scale of the NCIS upgrades is not consistent with CIB's area of focus which is typically on very large initiatives.

Irrigation in Alberta

- Alberta accounts for approximately two thirds of the irrigated landbase in Canada. The majority of land (approximately 525,000 hectares) irrigated in Alberta fall within one of their 13 irrigation districts, with private irrigation serving more than 100,000 hectares.
- The 13 irrigation districts and Alberta have a cost share agreement where the province will cover up to 75 percent of a infrastructure rejuvenation project, with the irrigation district responsible for the remaining 25 percent.
- Irrigation districts generate their revenue through water rates charged to the land irrigated.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Province may be approached by both the NCIS users and the City to contribute funding towards the irrigation system upgrade.
- AFF is currently represented on the Task Force by the Thompson-Nicola Regional Agrologist with support from the AFF Water Management Specialist, requiring a combined 0.20 FTE in 2020/2021, with a similar requirement for 2021/2022.

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AGRICULTURE LABOUR STRATEGY

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) Labour Unit has developed an Agriculture Labour Strategy to:
 - Address systemic and longstanding challenges with the agriculture workforce (i.e. housing, working conditions, transportation);
 - Identify COVID-specific supports for agTFWs, DFWs and BC residents; and,
 - Increase resident participation in the agriculture workforce through incentives and by leveraging existing provincial training and employment funding
- The Agriculture Labour Strategy strives to reduce BC's over-reliance on international and interprovincial labour sources which can be reduced or eliminated through circumstances beyond the province's control or purview (as demonstrated through the COVID-19 pandemic and federal government policy response).
- In working towards recalibration, strategies are also required to ensure and enforce safe, healthy, and comfortable living standards (particularly for interprovincial and international workers residing in on-farm accommodations or workcamps) and introduce improved working conditions for all agricultural workers.

BACKGROUND:

- Cabinet Confidences; Advice/Recommendations
- Several components of the Agriculture Labour Strategy can be funded through existing provincial agreements between the federal government and the Ministries of Advanced Education and Skills Training (AEST) and Social Development and Poverty Reduction (SDPR). AFF has established partnerships with both ministries.
- Investments are required to increase resident participation in the agriculture workforce for spring/summer 2021. Wage subsidies and student bursaries were introduced successfully in other provinces in 2020.
- Supported DFW workcamps are still required due to the continuation of the Provincial Health Officer's Industrial Camps Order Regulations. Funding is required for DFW workcamps before May 1, 2021 to establish partnerships with local governments, outfit workcamps with requisite amenities and infrastructure, and communicate site locations to DFWs for booking in advance of arrival to BC.

CROSS JURISDICTIONAL COMPARISON:

- AFF is leading national efforts on the Labour Task Team meetings that are hosted by Agriculture and Agri-food Canada (AAFC). Several provinces have expressed interest in receiving copies of BC's draft Agriculture Labour Strategy to begin increasing resident participation in the agriculture workforce.

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- AFF's partnerships with ministries who administer large federal funding agreements for employment, education and training is being used as a federal blueprint to guide other provinces towards leveraging these (or similar) agreements with provincial partner ministries.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Agriculture Labour Strategy is new and under development. Domestic labour-related budget for FY 2020/21 was secured through the Contingencies (All Ministries): Pandemic Response and Economic Recovery Vote (see DFW Estimates Note).
- A mandate and a budget for the 2021/22 Agriculture Labour Strategy activities is being sought through Cabinet decision and Treasury Board. Options will be developed, and the intended funding request is:
 - Short-term labour programs: \$8.3M
 - Wage subsidies: \$2.5M
 - On-farm Housing Improvements (including green-based solutions): \$4.95M

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FRUIT PICKING PIECE RATE INCREASE

RECOMMENDED RESPONSE:

- The Ministry of Labour is currently engaged in further discussions about future changes to minimum piece rates. This engagement is supported by the Ministry of Agriculture, Food and Fisheries.
- In spring 2020, tentative agreement was reached to remove minimum piece rates for apricots, peaches, Brussels sprouts, mushrooms and daffodils from the *Employment Standards Act*, but this decision was not implemented due to the COVID-19 pandemic.
- For these crops, piece rates were rarely if ever used and the removal of these crops from the regulation would have no impact on workers or employers. This conclusion has not been reconfirmed with stakeholders post-COVID.
- On April 1, 2020, the direction was that the minimum piece rates would continue for 10 crops: apples, beans, blueberries, cherries, grapes, pears, peas, prune plums, raspberries and strawberries. Government has contemplated that future increases will occur at some point, however there is no clarity regarding when or by how much.
- The Ministry of Agriculture, Food and Fisheries (AFF) looks forward to continued collaboration with the Ministry of Labour on the shared mandate item of piece rates.

BACKGROUND:

- The minimum piece rates for B.C. farm workers increased by 11.5 percent on January 1, 2019. This is the same rate increase made to the general minimum wage in June 2018.
- The increase for piece work crops means that farm workers who hand harvest the following crops will see the following increases to the minimum piece rates:

| Crop | September 15, 2017 | January 1, 2019 |
|------------------|--|--|
| Apples | \$18.89 a bin (27.1 ft ³ / 0.767 m ³) | \$21.06 a bin (27.1 ft ³ / 0.767 m ³) |
| Apricots | \$21.73 a 1/2 bin (13.7 ft ³ / 0.388 m ³) | \$24.23 a 1/2 bin (13.7 ft ³ / 0.388 m ³) |
| Beans | \$0.259 a pound / \$0.571 a kg | \$0.289 a pound / \$0.637 a kg |
| Blueberries | \$0.438 a pound / \$0.966 a kg | \$0.488 a pound / \$1.077 a kg |
| Brussels sprouts | \$0.180 a pound / \$0.397 a kg | \$0.201 a pound / \$0.443 a kg |
| Cherries | \$0.248 a pound / \$0.547 a kg | \$0.277 a pound / \$0.610 a kg |
| Grapes | \$20.07 a 1/2 bin (13.7 ft ³ / 0.388 m ³) | \$22.38 a 1/2 bin (13.7 ft ³ / 0.388 m ³) |
| Mushrooms | \$0.260 a pound / \$0.573 a kg | \$0.290 a pound / \$0.639 a kg |
| Peaches | \$20.07 a 1/2 bin (12.6 ft ³ / 0.357 m ³) | \$22.38 a 1/2 bin (12.6 ft ³ / 0.357 m ³) |
| Pears | \$21.27 a bin (27.1 ft ³ / 0.767 m ³) | \$23.72 a bin (27.1 ft ³ / 0.767 m ³) |
| Peas | \$0.323 a pound / \$0.712 a kg | \$0.360 a pound / \$0.794 a kg |
| Prune plums | \$21.27 a 1/2 bin (13.7 ft ³ / 0.388 m ³) | \$23.72 a 1/2 bin (13.7 ft ³ / 0.388 m ³) |
| Raspberries | \$0.395 a pound / 0.871 a kg | \$0.440 a pound / 0.971 a kg |
| Strawberries | \$0.380 a pound / \$0.838 a kg | \$0.424 a pound / \$0.934 a kg |
| Daffodils** | \$0.152 a bunch (10 stems) | \$0.169 a bunch (10 stems) |

** Rates include vacation pay of 4 percent of earnings for all except daffodils.

Piece Rate Study – December 2019 (Ministry of Labour)

- Government retained Karen Taylor, an agricultural economist with the University of British Columbia, to conduct an in-depth study of B.C.'s piece-rate system after a report on alternative minimum wages from the Fair Wages Commission revealed significant gaps in information on this sector.
- The study focused on B.C. farmers' use of piece rates and provided data about the economic impact and use of piece rates in various crops. The report is the first B.C.-specific review of how piece rates have been used in the province for several years.
- In December 2019, as part of its ongoing work to ensure working people earn a fair wage, the Province released Taylor's study.
- The study, which took place between September and December 2018, was submitted to Government on January 10, 2019, and publicly released on December 10, 2019.
- To read Taylor's study, Exploring the Economic Impact of the Piece Rate System in B.C.: <https://engage.gov.bc.ca/app/uploads/sites/121/2019/12/FINAL-Piece-Rate-Study-K-Taylor-Jan-2019-1.pdf>

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TEMPORARY FOREIGN WORKERS

RECOMMENDED RESPONSE:

- Agriculture Temporary Foreign Workers (agTFWs) have become increasingly critical to the B.C. agricultural sector due to a growing unmet labour need within the sector.
- B.C. is continuing to support the agriculture, seafood and food processing sector's labour needs by working with the relevant parties to ensure on-going access to agTFWs.
- The Province introduced the Agriculture TFW Quarantine Program in April 2020 to allow agTFWs to safely quarantine for 14 days upon arrival to Canada as required by the federal *Quarantine Act*.
- The Province is continuing to provide support for 2021, funding hotel, food-service costs, laundry services, wellness walks, interpretation and translation services, health screening, and other necessary supports for these workers during the quarantine period.
- All agTFWs arriving in B.C. for seasonal farm work are required to self-isolate in government-managed accommodations near the Vancouver Airport for 14 days prior to being transported to farms throughout B.C. Program costs are approximately \$3,044 per worker for the 14-day period.
- All farms must pass inspection before they can receive their workers to ensure safety and health protocols are in place. Since the program started, over 1,067 farm sites have been inspected and passed to ensure that TFW employers have adequate infection prevention and control (IPC) protocols in place. The majority of farms utilizing agTFWs are located in the Okanagan and Lower Mainland.
- The Province has received over 6,700 TFWs since the program started in April 2020 and expects to receive an additional 9,000+ workers, mostly from Mexico, Guatemala and Jamaica, before the end of 2021.
- As of March 5, 2021, there have been 102 COVID positive cases caught during the quarantine period in the program, resulting in the prevention of outbreaks on farms (95 of these workers have recovered while the remainder remain in the program).
- In February 2021, AFF drafted a Treasury Board Submission requesting operating funds of \$9.4M in 2020/21, \$37.9M in 2021/22 and \$2.9M in 2022/23 onward to fund COVID-19 14-day quarantine accommodation and related costs while federal *Quarantine Act* and Provincial Health Orders are in effect.
- Funding is also included to create a permanent Labour Unit to develop a broader Agriculture Labour Strategy, and to establish a permanent inspection team model. Improving TFW housing is an objective of the Labour Unit, which is currently undertaking work to support improvements in federal TFW housing standards and streamline TFW housing inspections.
- AFF expects to be notified of Treasury Board's decision in early March 2021.

BACKGROUND:Temporary Foreign Worker Program

The TFW Program was established on April 13, 2020. The introduction of BC's TFW Program dovetailed with the province's decision to manage and monitor repatriated Canadians, verify their self-isolation plans, and offer hotel accommodations to individuals that did not have adequate accommodations to satisfy the 14-day quarantine requirement. Both initiatives were implemented to reduce the risk of transmission and outbreaks in communities. TFWs are required to stay at hotels because on-farm accommodations do not meet the standards and requirements for groups of individuals to satisfactorily quarantine (i.e. overcrowding).

In 2020/21 EMBC expended approximately \$17M to fund the TFW program from April 13, 2020 to November 30, 2020. During this time, the TFW program processed 4997 workers and detected/managed 64 COVID positive TFWs (whom otherwise would have been released directly to farms/communities in the absence of this approach).

2021/22 projections are based on 11,500 TFWs (slight reduction from the 2019 baseline to account for COVID-related travel complications) and \$3,044 for hotel, food, and laundry per TFW. The \$3,044 total can be broken down as follows: \$2,115 (room rental and security) + \$879 (meals under contract with the hotel) + \$50 (laundry) for a 14-day period, per TFW. The 2020/21 cost estimate for room, security, meals and laundry was calculated using 11,500 TFW * \$3,044 = \$35,009,044.

Temporary Foreign Worker Housing

- Employers are required to meet various federal and provincial employment standards to ensure TFWs are treated fairly while working in British Columbia.
- One of these standards is the minimum housing requirements set by the federal government in consultation with the countries most workers in the TFW Program (TFWP) originate from.
- The B.C. Agriculture Council (BCAC), under an agreement with Service Canada, is responsible for supporting and organizing pre-occupancy inspections of TFWP housing, using updated industry-developed housing guidelines that exceed federal program requirements in many areas.
- Authorized inspectors inspect accommodations as part of the TFWP requirement to help ensure TFWs receive adequate housing conditions and to increase public trust.
- All BCAC housing inspectors are currently licensed with Consumer Protection BC. The certified inspectors are managed by BCAC and are located on the Western Agriculture Labour Initiative (WALI) website.
- The federal government requires pre-occupancy inspections of TFWP housing in order to receive workers. There is no requirement for mid-season (occupancy) inspections.
- During the COVID-19 pandemic, the Provincial government has required a pre-occupancy inspection of TFWP housing to ensure proper IPC protocols are in place.
- In December of 2020, the AFF Labour Unit compiled and submitted a cross-ministry response to the Government of Canada's consultation on their proposed minimum requirements for TFWP employer-provided accommodations.
- In February of 2021, the AFF Labour Unit obtained a seat on the Inter-Agency Agriculture Compliance Committee to explore the streamlining of housing inspections and improving compliance with housing standards.

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DOMESTIC FARM WORKERS

RECOMMENDED RESPONSE:

- Temporary seasonal workers, both interprovincial and international, are a vital part of BC's food chain security and agriculture industry.
- AFF initiated a Steering Committee consisting of local and regional governments, Interior Health Authority, fruit growing industry associations, and the Province to develop and implement a coordinated regional response, including the creation and management of designated temporary DFW camp sites.
- The Province coordinated with Interior Health, industry partners and BC Housing to develop self-isolation and outbreak procedures for domestic workers staying on farms or in the campsites; \$15,000 was provided to the Western Agriculture Labour Initiative for self-isolation logistics support.
- \$72,200 to BC Housing to hold hotel rooms near campsites in case of isolation or an outbreak. There were no reported COVID cases in DFWs using provincially funded workcamps in 2020.
- A COVID-19 Awareness for Fruit Pickers in BC course, developed by AgSafe BC, was required for workers to stay at designated campsites and/or pick fruit. AgSafe estimates that approximately 1,000 people took the course online or in-person to date.
- The Province provided \$14,580 to 16 farms to support on farm PPE and sanitation upgrades for domestic workers through an application-based funding program. Applications were thought to be low due to timing of funding availability (too late in the farm season).
- The designated workcamps program was deemed successful by regional partners; the Steering Committee is ongoing in preparation for 2021 farm season and in consideration of longer-term solutions to the seasonal labour and accommodation challenges in the Okanagan.
- In June 2020, Treasury Board approved up to \$1.617 million from the Contingencies (All Ministries): Pandemic Response and Economic Recovery Vote to implement COVID-19 and public health safety protocols at accommodations used by domestic migrant farm workers and for on-farm sanitation upgrades.
- Ultimately, only \$423K was spent out of the \$1.617 allotment (approximately \$1.2M is remaining) because the funding was provided too late to be properly expended. During the spring, AFF was in the unfortunate position of asking local governments to spend money on workcamp improvements and amenities for COVID compliance but had no assurance of being able to reimburse local government for these costs.
- When the funding was made available in June, AFF had already secured campgrounds for DFWs and farmers had already purchased on-farm sanitation upgrades (which were not eligible for retroactive compensation).
- Renewed funding for FY2021/22 is estimated at \$1.5M. A new Treasury Board Submission will be developed in March 2020 with an anticipated approval date of May 2020 to facilitate timely release of funds to local government in support of DFW health, safety and wellbeing.

BACKGROUND:

Every summer, approximately 1,000-1,500 domestic migrant seasonal workers from other parts of Canada (mainly from Quebec and Ontario) arrive in B.C. to work in agricultural jobs in B.C. Most of this work is on fruit farms in the Okanagan and Creston Valley. In addition to paid seasonal farm workers, some farmers access short-term labour through experiential tourism/work exchange programs from within and outside of Canada. There is a lack of reliable data on this workforce, however it is known for certain that farmers rely on this seasonal harvest labour.

To date the temporary and migratory (move from farm to farm following harvest season) domestic labour force has stayed in a mix of campsites, on-farm camping, and camping in undesignated areas. Municipal elected officials have expressed concern that COVID-19 outbreaks could be caused by these workers as they tend to live communally in tents and gather in groups in the small town municipal centres. The COVID transmission concerns are in addition to pre-existing concerns about camping in undesignated areas, perceptions of 'unruly' behaviours, and issues with debris and lack of sanitary facilities in camping locations.

Regional governments have allowed camping in certain sites such as the Loose Bay camp site (Crown Land near Oliver) in previous years, however there were insufficient amenities to meet the COVID-19 public health orders and guidelines and ensure worker and community safety. Approximately \$150,000 of the \$200,000 Provincial funding contribution to RDOS went towards permanent upgrades to Loose Bay (septic, showers, wash stations, wifi access) that will continue to provide benefit over the long term. The Summerland and Creston campsites were rentals and the Provincial funding commitment supported temporary infrastructure (wash station, showers, waste disposal, site coordinators) that enabled COVID-19 public health orders and guidelines to be met at the campsites and to support worker and public safety.

The PHO Order for Industrial Camps was issued on April 23, 2020 and updated on July 2, 2020. The order applies to all employers, Infection and Prevention Control Coordinators and workers in the agriculture and aquaculture sectors and applies to all employers offering employee accommodation in any amount and on or off-site. The agriculture sector is unique from other natural resource sectors as there are not centralized, large industrial work camps, and workers move between employers. Many workers stay on farms and the Okanagan and Creston valley regions are the two main locations where there are significant number of seasonal workers that arrive and camp off-farm. The DFW program was focused uniquely on the Okanagan and Creston Valley for this reason. Due to the lack of industry leadership/capacity with respect to off-farm work camps there was a need for the Province and regional partners to develop the DFW program and there continues to be a need moving into the 2021 season.

On June 11, 2020 Treasury Board approved up to \$1.617 million from the Contingencies (All Ministries): Pandemic Response and Economic Recovery Vote to implement COVID-19 and public health safety protocols at accommodations used by domestic migrant farm workers and for on-farm sanitation upgrades. The funding was used to support campsite planning, set-up, upgrades, and operations and for the PPE and on-farm sanitation program. Total expenses are as follows:

| Domestic Migrant Agriculture Worker Program FY2020/21 Expenses | |
|---|---------------------------------|
| Program Budget (TBS2104): \$1,617,000.00 | |
| Activity | Expenses (excluding GST) |
| Campsite Planning & Liaison | \$50,516.11 |
| Peach Orchard Site, District of Summerland | \$49,357.79 |
| Loose Bay Site, RDOS | \$200,000.00 |
| Kozy Tent and Trailer Campground Creston, RDCK | \$20,170.55 |

| | |
|---|-----------------------|
| Self-isolation support (BCAC/WALI) | \$15,000.00 |
| BC Housing Hotel Room Agreement (reserved for self-isolation) | \$14,580.00 |
| On-Farm Domestic Farm Worker PPE Program | \$72,200.70 |
| Total Expended | \$421,825.15 |
| Unallocated | \$1,195,174.85 |
| Total | \$1,617,000.00 |

- On June 11, 2020 Treasury Board approved up to \$1.617 million from the Contingencies (All Ministries): Pandemic Response and Economic Recovery Vote to implement COVID-19 and public health safety protocols at accommodations used by domestic migrant farm workers and for on-farm sanitation upgrades.
- The Province provided funding to support the establishment and operations of three designated DFW campsites in line with the PHO Order for Industrial Camps and public health guidelines to ensure worker and community safety:
 - The Province provided \$200,000 to the Regional District of Okanagan Similkameen to upgrade a permanent campsite used by DFWs (Loose Bay, Oliver) with permanent infrastructure and for operational support. The campsite was accessed by 1500 unique users, cumulative 13,500 total night stays, max usage in 2020 was 165/night (down from max usage of 300/night).
 - The Province provided the District of Summerland with approximately \$49,360 to lease a campsite, add temporary infrastructure and operational support for DFWs. Average of 21 people/night and 474 camping nights total during program.
 - The Province provided the Regional District of Central Kootenays with approx. \$50,500 to lease a campsite, add temporary infrastructure and operational support for DFWs. There were 23 unique users in total with an average 3-4 night stays per person.

The Ministry is continuing to work with the Domestic Farm Worker Steering Committee to plan for the 2021 season. A program evaluation was conducted through internal assessment and partner debrief and is being used to inform current planning. The 2021 planning includes establishment of the same three sites as 2020, consideration of additional camp site locations, site planning, protocol improvements, self-isolation and outbreak planning with Interior Health, and communications. Renewed funding for FY2021/22 is estimated at \$1.5M and will be requested through a new TB Submission.

In addition to short-term planning the Ministry is initiating discussions with the Steering Committee to consider longer-term planning and strategies to address the unique labour and accommodation needs of the seasonal domestic labour force in the Okanagan and Creston Valley. This would be developed in partnership with the Ministry of Social Development and Poverty Reduction and/or the Ministry of Advanced Education and Skills Training.

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LIVESTOCK WATERING DEVELOPMENTS

RECOMMENDED RESPONSE:

- A livestock watering (LSW) policy proposal was jointly developed by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD), the Ministry of Environment and Climate Change Strategy (ECCS) and the Ministry of Agriculture, Food and Fisheries (AFF) in 2020 to recognize the livestock sectors' historical water use.
- The policy proposal included three tiers of authorization based on water volumes and exempting low volume use.
- Due to scheduling legislative priorities for the new government mandate, and the fact that the ranching sector has been unable to consolidate support for the livestock watering legislative proposal, the province will not be advancing development of amendments at this time.
- LSW policy will be revisited as progress is made on the Watershed Security Strategy and Fund (WSS&F), the organizational review of FLNRORD and *Declaration Act* implementation.
- Government will continue to work with Indigenous peoples to align the LSW policy development with the *Declaration Act* and to advance reconciliation.
- Ranchers are encouraged to apply for recognition of their historical groundwater use before the March 1, 2022 end of the *Water Sustainability Act* (WSA) existing use groundwater transition period.
- Ranchers applying for surface water licences can receive priority dates based on date of application but without volume exemptions or historical use recognition.

BACKGROUND:

- Most ranchers using extensive rangelands (private and Crown) lack WSA authorization to divert and use surface water needed for their livestock.
- The BC Cattlemen's Association (BCCA) lobbied government to change policy to recognize their historical use of water on extensive rangelands.
- A policy proposal was developed to recognize the livestock sectors' historical water use through three tiers of authorization based on water volumes and exempting low volume use.
- Engagement with Indigenous Nations and key stakeholder groups on the proposed policy proposal occurred in June 2020, followed by broader public notification in July 2020.
- In 2020 a Request for Decision to amend the WSA was notionally endorsed by the ECCS and Land Use Committee and a Request for Legislation drafted.
- Despite the engagement with BCCA throughout the policy development and a proposal that is largely responsive to their requests, BCCA members are not unanimously supporting the proposal, as a segment (particularly in northern B.C.) remains opposed to government regulation.
- As part of government's prioritization of legislative priorities for its new mandate, proposed legislative amendments for LSW are not to come forward until 2023.
- Government's new priorities include developing a Watershed Security Strategy and Fund (WSS&F), creating a new natural resources agency structure and new ministry (Lands and Natural Resource Operations – LNRO) and further aligning legislation with the *Declaration Act* (DA)
- Deputy Ministers from ECCS and FLNRORD have directed the LSW policy proposal be deferred until progress is made on the WSS&F, LNRO and DA implementation.
- The LSW policy development predated the DA and government's approach aligned with principles of Indigenous reconciliation. Although significant Indigenous engagement was

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undertaken and, the policy proposal was not co-developed with Indigenous Nations and may raise long standing Indigenous concerns regarding recognition of their historical use of water.

CROSS JURISDICTIONAL COMPARISON:

- Not applicable.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not applicable.

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MARKET IMPACTS ON RASPBERRIES

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (the Ministry) recently completed a market opportunities assessment to identify new market channels for B.C. raspberries. It identified opportunities in fresh and Individually Quick Frozen (IQF) raspberry markets.
- The Ministry is supporting the raspberry industry through a Raspberry Replant Program to incentivize the planting of raspberry varieties suitable for fresh and IQF markets.
- The Ministry has a full time Industry Specialist to work with the berry industry.
- The Ministry is supporting the berry industry to develop competitive berry production practices through Canadian Agricultural Partnership (CAP) funding (\$200,000 per year for five years)
- The B.C. raspberry industry has been decreasing in size due to high costs of production and increased global competition in jam and puree markets.
- High demand for raspberries in 2020 resulted in price increases to growers.
- The Province is helping to build domestic and export markets for B.C. foods.

BACKGROUND:

- British Columbia (B.C.) is the largest raspberry producing-province in Canada, producing 78 percent of the Canadian crop on 56 percent of the acreage.
- B.C. produces 10 to 15 million pounds of raspberries annually. There are around 90 commercial growers producing raspberries on approximately 1800 acres, mostly in the Fraser Valley.
- B.C. producers face higher input costs relative to producers in the United States and other areas of the world. The cost and availability of labour is a barrier to fresh market production.
- The B.C. raspberry industry has been steadily decreasing in size from peak production in the 1980's when there were approximately 6000 acres producing over 40 million pounds. There is concern about losing economies of scale along the value chain as the B.C. raspberry industry contracts.
- Over 80 percent of the raspberries produced B.C. are machine-harvested and destined for the processing market. Fruit is graded and frozen into Individually Quick Frozen (IQF) berries, jam-grade (flats), puree-grade (drums) or juice-grade. Approximately 20 percent of the crop is harvested by hand for fresh markets. There is little value-added processing.
- Grower prices were high in 2020 and are expected to remain high in 2021 due to high demand for raspberries. The B.C. raspberry industry is a price taker on the global market.
- Opportunities for increased domestic sales of fresh and IQF raspberries were identified through a CAP-funded Market Opportunities Assessment for B.C. Berries in March 2020.
- A Raspberry Replant Program was launched in December 2020 to incentivize the planting of raspberry varieties with suitability for fresh and IQF raspberries. This program funded 12 producers and 46 acres of new raspberries for planting in Spring 2021.
- Approximately 50 B.C. raspberry growers subscribe to the Agriculture Income Protection (AgriStability) program which protects against declines in net farming income due to production or market conditions.

CROSS JURISDICTIONAL COMPARISON:

- There is one Full Time Equivalent (FTE) Berry Crop Specialist in each of the other two large raspberry-producing provinces, Quebec (1050 acres raspberries) and Ontario (680 acres raspberries).

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- 1.0 FTE position has been allocated to the berry sector as the Industry Specialist.
- Additional AFF staff including 1.0 FTE Entomologist, Plant Pathologist, Nutrient Management Specialist and Minor Use Pesticide Coordinator spend a portion of their time on the raspberry sector.
- The province has supported the raspberry industry with a raspberry replant program (\$113,000), a market opportunities assessment for B.C. berries (\$60,000 across raspberries, blueberries, strawberries and cranberries) and research into competitive berry production practices and berry breeding (\$200,000 per year from 2018-2023 across raspberries, blueberries and strawberries).

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MEAT INSPECTION PROGRAM OVERVIEW

RECOMMENDED RESPONSE:

- The Meat Inspection Program ensures that consumers can enjoy B.C. meats with full confidence that the program maintains the highest standards of food safety and humane slaughter.
- The Ministry of Agriculture, Food and Fisheries has 51 employees who conduct inspections at provincially licensed Class A and B abattoirs, and other staff to provide information for licensing applicants.
- There are 60 provincially licensed Class A and Class B abattoirs across British Columbia: 40 are licensed for red meat and 28 are licensed for poultry.
- There are 39 provincially licensed Class D and 52 Class E abattoirs
- We have heard concerns from some operators about problems of access to slaughter services.
- As Minister of Agriculture, I am committed to working with operators and applicants—of all types and sizes—to support development of food safe, cost effective and innovative slaughter capacity solutions in all regions of the province.

BACKGROUND:

- The Meat Inspection Program currently has 51 inspection staff who work in a union environment
- Regional supervisors support staff in four regions; Vancouver Island; Lower Mainland; Interior and Northern BC.
- A Meat Hygiene Veterinarian supports inspection staff to make dispositions regarding animals and carcasses.
- **Class A and B Licences**
 - An inspector must be present for a Class A or B abattoir to operate to ensure best practices in animal welfare and the highest standards of food safety at Class A and B abattoirs.
 - There are 60 provincially licensed Class A and Class B abattoirs, with 40 licensed for red meat and 28 for poultry (some facilities are licensed for both).
 - Most Class A and B establishments are small scale operations: 82 percent of Class A and B production is from four abattoirs. Some plants process only 20 animals per year.
- **Class D and E licences**
 - On December 1, 2020, administration of Class D and E licences transferred from health authorities to the Ministry of Agriculture, Food and Fisheries.
 - Class D and E licences support local livestock and meat production in remote and rural communities where slaughter capacity is limited.
 - Class D licences are available in 13 regional districts and electoral areas prescribed in the Meat Inspection Regulation. These are areas of the province where it is unlikely that Class A or B abattoirs will operate due to low population, low livestock numbers, and transport challenges.
 - On June 10, 2020, three new regions were designated: Alberni-Clayoquot Regional District, Area H in Regional District of Fraser Fort-George; and, Area D in Regional District of Central Kootenay.
 - A Class D licence permits a holder to slaughter up to 25,000 lbs. (live weight) of their own animals and other peoples' animals on-farm and sell at their farm gate, to retail outlets, and temporary farm markets within the regional district in which the licence was issued.
 - Class E licences are available anywhere in the province, subject to conditions that are

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more restrictive than those for Class D. Class E licensing permits a holder to slaughter 10,000 lbs. per year of their own animals on-farm and sell at their farm gate, and to temporary farm markets within the regional district in which the licence was issued, but not to retail outlets.

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.
- BC collaborates with other provinces to share information, inform best practices, and continue improving the Meat Inspection Program.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- MIP Program Budget (\$ millions):

| 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|---------|---------|---------|---------|---------|---------|
| 3.2 | 3.3 | 3.3 | 3.4 | 3.4 | 3.6 |

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Rural Slaughter Modernization

RECOMMENDED RESPONSE:

- On September 14, 2020, the Ministry of Agriculture, Food and Fisheries released the Rural Slaughter Modernization Intentions Paper to gather input from current licence holders, meat industry stakeholders and the public.
- Feedback received showed strong support for modernizing meat production in B.C. and increasing consumer access to locally produced meat.
- Intentions Paper feedback also highlighted capacity issues facing B.C.'s meat industry, including challenges accessing slaughter services, a shortage of cut-and-wrap businesses to process meat, and difficulties finding skilled labour.
- Opportunities under consideration for modernizing B.C. meat production include increasing production limits, expanding where meat products can be sold, and increasing areas where rural licences are available.
- Opportunities for all licence holders include exploring alternative approaches to traditional inspection and redefining the licensing framework.
- Proposed changes respond to consultation by alleviating capacity issues, providing more opportunities for B.C.'s small-scale meat producers, and supporting ongoing work to action recommendations from the 2018 Select Standing Committee report.

BACKGROUND:

- The current Meat Inspection Program in BC is based on 4 types of licences:
 - Class A licences allow unlimited custom slaughter (own and other's animals) and cut-and-wrap within the same structure, and meat can be sold anywhere in the province.
 - Class B licences allow unlimited custom slaughter (but not cut-and-wrap within the same structure), and meat can be sold anywhere in the province.
 - Class D licences allow limited custom slaughter (25,000 lbs. live weight), and meat sales are restricted to retail and direct to consumer within the regional district where the meat is produced. These licences are only available within designated areas.
 - Class E licences allow limited slaughter of the operator's animals only (10,000 lbs. live weight) and sales are restricted to direct to consumer within the regional district where the meat is produced. These licences are available within designated areas and may be approved in non-designated areas upon review of a Feasibility Study.
- On September 14, 2020, the Ministry of Agriculture, Food and Fisheries (Ministry) released a Rural Slaughter Modernization Intentions Paper to licence holders, meat industry stakeholders and the public for comment. The consultation period closed on November 16, 2020, and 88 submissions were received.
- The Paper feedback supports modernization of meat production and highlights potential for further improvement of meat inspection and overall administration.
 - Support for modernization and increasing access to local meat was high. The feedback is consistent with what was heard during previous consultations.
 - Responses highlight that B.C.'s meat industry is facing capacity issues such as challenges accessing slaughter services, and a shortage of cut-and-wrap businesses to process meat.
 - Facility operators are facing a shortage of skilled labour for their businesses.

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- This consultation follows three other initiatives:
 - the 2018 Select Standing Committee on Agriculture, Fish and Food consultation resulting in the “Local Meat Production and Inspection in British Columbia” report;
 - the Ministry’s 2018 Class D and E consultation; and
 - the Ministry’s 2019 consultation with regional districts regarding designated areas.
- Recent updates to the Ministry’s Meat Inspection Program (MIP) include:
 - the December 1, 2020 transition of oversight of Class D and E to the Ministry from health authorities,
 - designating three new areas for Class D in June 2020, and
 - reducing the travel time restriction where Class E’s are allowed from two hours down to one hour in June 2019.
- A What We Heard summary report is currently in review to be released in early 2021 that outlines the feedback the Ministry received and lays out options for modernization.
- The Ministry is exploring changes to the Meat Inspection Program that could:
 - establish a graduated licensing system to support entry level and developing business opportunities,
 - increase opportunities for where and how meat can be sold to consumers, and
 - enable options for new remote inspection methods.

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.
- BC collaborates with other provinces to share information, inform best practices, and continue improving the Meat Inspection Program.

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NEW ENTRANTS – SUPPORT FOR NEW BEGINNING FARMERS**RECOMMENDED RESPONSE:**

- New entrants to agriculture face significant barriers to entry with the rising cost of agricultural land and inputs as well as the increased complexity of regulations, markets access, technology advancements and production practices.
- The Ministry of Agriculture, Food and Fisheries (AFF) recognizes the importance of attracting the next generation of young farmers, and ensuring support is available to help them succeed.
- As a part of Grow BC, the Ministry launched the *New Entrant Strategy: Growing BC's Next Generation of Agricultural Leaders* to help address new farmers access land, knowledge, and capital.
- The New Entrant Needs Assessment, conducted by MAFF in 2019, highlighted the three barriers that hinder the success of new farmers:
 - Access to affordable farmland,
 - Access to capital, credit, or other sources of financing, and
 - Access to knowledge through informal mentorship, business coaching and online resources.
- In September 2018, AFF launched the BC Land Matching Program which is delivered by the Young Agrarians. The Program provides land matching services to new farmers and landowners, as well as educational events across the Province.
- AFF has technical experts, programs, workshops, and resources related to cost of production, financial and business planning, and other topics to support new entrants to the sector and our economy.
- In response to COVID-19 and as a part of the StrongerBC Economic Recovery Plan, AFF launched the Small Farm Business Acceleration Pilot Program (SFBA) intended to support new and small farms in growing their agricultural businesses.
- Investment in new entrant programming was \$1.3M in 2020/21 including the SFBA pilot which is over and above the \$1.2M in Business Development funding through the Canadian Agricultural Partnership (CAP).

BACKGROUND:

- The Ministry of Agriculture, Food and Fisheries (AFF) New Entrant Agrologist leads the delivery of the *New Entrant Strategy*, as a part of Grow BC, and develops resources and programs for new entrants in B.C..
- The *New Entrant Strategy* consists of three pillars:
 - Help new entrants to access land,
 - Increase the business and production knowledge of new entrants, and
 - Support new entrants to access capital.
- The New Entrant Advisory Group consists of members representing different regions, sectors and new farmer groups and provides feedback to the New Entrant Agrologist to support the implementation of the *New Entrant Strategy*.
- In 2019, AFF, in partnership with BC Stats, conducted a New Entrant Needs Assessment, to better determine the barriers facing new entrants to agriculture:
 - The assessment received feedback from 697 new farmers through a survey of individuals who had registered an agriculture business in B.C. in the last five years, a publicly

- accessible survey, and web-based focus groups.
- Major challenges highlighted: access to capital, credit, or other sources of financing; and access to knowledge through informal mentorship opportunities and online resources.
- 64 per cent of respondents indicated that they farmed fewer than 10 acres. Common crops and livestock produced by new farmers include vegetable and melons (20 per cent), poultry and eggs (18 per cent), and fruit and tree nuts (14 per cent).
- As many as 90 per cent of new farmers who responded to the survey sell food directly to consumers.
- BC Land Matching Program, delivered by Young Agrarians, provides land matching and business support services to new farmers looking for land as well as landowners interested in finding someone to farm their land. Since the pilot launch in 2016, the program has helped 109 farmers, with 5000 acres brought into or maintained in agricultural production (see ESSB Estimates Note – BC Land Matching Program for more detail.)
- In response to COVID-19, the Ministry launched the Small Farm Business Acceleration Pilot Program. The pilot provided cost-shared funds to support agriculture business growth through access to capital. The Ministry had more than 170 applications for the program and was able to fund 64 farm businesses from across the province – the majority of which are owned by new and young farmers.
- AFF also expanded existing CAP programs to provide appropriate access to business planning support through the B.C. Agri-Business Planning Program. This included the development of business plan coaching to support new farmers to develop their business plan with the support of a qualified business consultant.
- AFF has also begun the development of an informal mentorship framework to increase opportunities for farmer-to-farmer knowledge transfer.
- Additional AFF resources available to new entrants to agriculture include:
 - The New Farm Start Up Guide, Growing Your Farm Enterprise, and the Guide for Agriculture Lease Agreements in British Columbia are available online and in print.
 - Access to professional business coaches through one-on-one support and farm business management short courses at agriculture shows or through online webinars.
 - Funding for industry groups and new entrant groups such as BC Young Farmers to support new farmers to access knowledge transfer events and conferences.

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 in the program suite among the provinces which includes land matching and grant/loan programs.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The Province supported the BC Land Matching Program with \$300,000 in 2018/2019, \$375,000 in 2019/2020, and \$390,000 in 2020/2021.
- The Province piloted the Small Farm Business Acceleration Pilot Program with cost-shared funding support of more than \$800,000 in purchasing of infrastructure and equipment.
- The Province also provided \$30,000 through the B.C. Agri-Business Planning Program to support business plan coaching for new and small farmers.

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NEW ENTRANTS – BC LAND MATCHING PROGRAM

RECOMMENDED RESPONSE:

- As of January 2021, the BC Land Matching Program has supported 109 farmland matches between new farmers and landowners. 2000 hectares (5000 acres) of B.C. farmland have been brought into production as a result of the program, many in areas of the province with very expensive real estate.
- Land matcher support and services have been implemented in Metro Vancouver and the Fraser Valley, Cowichan Valley and Vancouver Island, Okanagan Central North, Columbia Basin and Central/North.
- One of the largest barriers for many new entrants to agriculture is finding land to farm that is affordable, suitable for agriculture, and to secure land agreements.
- Recognizing the importance of supporting young and new farmers entering agriculture to find affordable and secure land to farm, the Ministry launched the BC Land Matching Program (BCLMP), delivered by the Young Agrarians, in 2018 with an investment of \$300,000. We increased this investment to \$375,000 in 2019/20 and \$390,000 in 2020/21 to support the expansion of the program in Northern B.C..
- The program provides land matching and business support services for new and established farmers and matches them with landowners seeking to lease their properties and ensure their land stays in production or starts producing food.
- Farmers and landowners matched through the program have more secure land agreements allowing farmers to focus on developing their business and increasing production.
- 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.

BACKGROUND:

- BC Land Matching Program (the Program), delivered by Young Agrarians, provides land matching and business support services to new farmers looking for land as well as landowners interested in finding someone to farm their land.
 - The Program has dedicated land matchers for the Okanagan, Metro Vancouver / Fraser Valley, Vancouver Island, Columbia Basin, and Central / Northern BC.
- Program activities include:
 - An online and searchable inventory of B.C. land opportunities.
 - 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 and facilitate matches between new farmers and landowners.
- The Program is delivered by Young Agrarians with an investment of \$300,000 in 2018/2019 and \$375,000 in 2019/2020, \$390,000 in 2020/2021. Provincial funding was supplemented by additional funding from the Bullitt Foundation, Real Estate Foundation of BC, Columbia Basin Trust, Cowichan Valley Regional District, and the Regional District of North Okanagan.
- Since the pilot launch in 2016, the program has helped make 109 land matches with 5000 acres brought into or maintained in agricultural production.

- 90% of the matches arranged through the program are in regions with high real estate prices including Metro Vancouver, the Fraser Valley, Vancouver Island, and the Okanagan.
- Number of land matches finalized by region: Metro Vancouver/Fraser Valley (33), Vancouver Island (33), Okanagan (26), Columbia Basin (7), Central and Northern BC (10).
- Between April 2019 and January 2021, the BC Land Matching Program (the Program) achieved the following:
 - Completed matches: 46 matches representing 5167.62 acres with matches ranging from 0.1 to 3737.5 acres.
 - Range and average of length of lease for completed matches: Range - 0.5 to 22 years; Average – 4.73 years.
 - 11 in-person Land Access events, total 282 attendees; Online Land Forum with 3 land leasing themed sessions, total 213 attendees: Land Leasing 101 & Regional Networking, Participant Panel, Legal Literacy 101 (plus 5 non-family transition sessions).
- The Program continues to work towards supporting new entrant business readiness, increasing acres in production and the length of land matched leases.

CROSS JURISDICTIONAL COMPARISON:

- Apart from Quebec, B.C. is the only Province or territory in Canada to support regional land matching services.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The Province supported the BC Land Matching Program with \$300,000 in 2018/2019, \$375,000 in 2019/2020, and \$390,000 in 2020/2021

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YOUTH DEVELOPMENT PROGRAMMING

RECOMMENDED RESPONSE:

- The Ministry of Agriculture, Food and Fisheries (AFF) recognizes the importance of attracting the next generation of young farmers, and ensuring support is available to help them succeed.
- AFF's continued support towards youth development includes development and delivery of resources and programs annually, in the following areas:
 - Increasing agriculture-based concepts in British Columbia (B.C.) elementary and secondary school curricula.
 - Providing opportunities for youth to explore careers in agriculture.
 - Delivering agriculture and community leadership education to 4-H British Columbia (4-H BC) members and leaders.
 - Increasing youth awareness of B.C. agriculture and AFF resources.
- AFF provides support to school-based agriculture education organizations including BC Agriculture in the Classroom (BCAITC) and Farm to School BC (F2SBC) on a project by project basis.
- AFF maintains a longstanding partnership with 4-H BC. AFF Youth Development Program (YDP) staff are responsible for the development and delivery of educational content for youth and volunteers. The 4-H BC program is delivered in partnership with AFF through a memorandum of understanding which runs through March 31, 2025.

BACKGROUND:

- AFF's YDP team is currently comprised of 4.5 FTEs that work to develop agriculture education initiatives for B.C. youth in partnership with provincial youth agriculture organizations. Focus areas include:
 - Increased agriculture-based concepts into B.C. elementary and secondary school curricula:
 - Maintain and deliver the Grade 11/12 external 4-H high school credit program for 4-H BC in compliance with Ministry of Education external credit requirements.
 - Establish and support the Agriculture and Food Education Roundtable, a network of school-based agriculture education organizations, to encourage increased resource sharing and collaboration.
 - Providing opportunities for youth to explore careers in agriculture.
 - Develop resources and programs that encourage young people to consider careers in the agriculture industry including the Fields for your Future career resources, and the Agri-Career Quest conference, for youth ages 16-22.
 - Deliver agriculture and community leadership education to 4-H BC members and leaders.
 - Develop and deliver conferences and programs for youth to increase their leadership capacity and knowledge of the agriculture sector.
 - Conduct ongoing development and delivery of leadership training for 4-H club leaders on topics including animal husbandry, agriculture awareness, youth safety, communications, and teaching techniques.
 - Review and update 4-H publication resources and agriculture learning materials.
 - Increase youth awareness of B.C. agriculture and AFF resources.
 - Create opportunities for youth to become informed about the agriculture industry in B.C. and to share that information with their peers through programs such as the 4-H BC Ambassador program, the Field to Fork Challenge, and the Buy BC 4-H social media contest series.

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- Represent AFF on provincial and national youth in agriculture organization committees and boards to influence policy and program direction.
- Increase engagement of Indigenous youth in agriculture through activities such as the Building Community Connections event with 4-H BC, the Uncovering Common Ground Project with BCAITC, and the Indigenous Foodscapes Toolkit developed in partnership with F2SBC.

CROSS JURISDICTIONAL COMPARISON:

- 4-H BC:
 - Provincial 4-H programs receive support from provincial Agriculture Ministries in B.C., Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, and Prince Edward Island.
 - 4-H Quebec receives federal funding from Canadian Heritage.
 - 4-H Canada receives federal funding through Agriculture and Agri-Food Canada.
- School Programs:
 - Provincial AITC organizations receive support from their respective provincial governments in B.C., Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland.
 - Provincial F2S organizations receive support from provincial governments in B.C., Alberta, and New Brunswick.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AFF supported 4-H BC in the following ways in FY20/21:
 - \$87,000 annual grant from base funding.
 - \$63,000 per year Canadian **Agricultural** Partnership CAP funding for 2018-2021 for specialized programs focused on urban and indigenous youth, as well as farm safety initiatives.
 - \$3,000 one-time funding through Buy BC for youth social media initiative.
- AFF supported school programs in the following ways in FY20/21:
 - \$12,500 one-time funding through the Indigenous Funding Envelope (IFE) to BCAITC for development of the Uncovering Common Ground program, to be delivered in schools in 2021.
 - \$12,500 one-time funding through IFE to F2SBC for the development of an Indigenous Foodscape Toolkit resource for teachers and school districts.

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Nutrient Management and the Agricultural Environmental Management Code of Practice

RECOMMENDED RESPONSE:

- In February 2019, the Ministry of Environment and Climate Change Strategy (ECCS) introduced a minister's regulation, the Code of Practice for Agricultural Environmental Management (AEM Code).
- The AEM Code phases in nutrient management requirements for nearly all agricultural sectors over multiple years, affecting how manures and fertilizers are managed and used to grow crops.
- The Ministry of Agriculture, Food and Fisheries (AFF) will continue to work with the agriculture industry, the agriculture industry associations and ECCS to support the implementation of the regulation and communications with producers: since February 2019, AFF has participated in 18 outreach events directly on the AEM Code, reaching over 700 producers.
- AFF staff are implementing a Nutrient Management Program that helps farmers grow crops profitably and meet AEM Code requirements, including an investment of more than \$320K in 2020/21 for the following:
 - soil testing results for approximately 300 fields and 100 farms, providing information about soil health while helping farmers to meet AEM Code requirements
 - web-based tools to help develop nutrient management plans (NMPs), and to help demonstrate compliance with AEM Code requirements
 - research and demonstration trials to optimize fertilizer use on 18 berry farms
- Through AFF's Beneficial Management Practices program, \$300K of \$1.55 M in cost-share funding was allocated for practices and technologies (such as nutrient management planning services) that help producers adapt to AEM Code requirements, in addition to \$38K paid directly to 98 farms for soil testing costs.
- AFF will continue to focus its research and efforts on improving the nutrient management practices of the agriculture sector as well as finding innovative agri-tech solutions for producers to manage their waste.

BACKGROUND:

- Farms in B.C. are responsible for managing crop nutrients (manures and fertilizers) in an Environmentally sustainable manner.
- Nitrogen and phosphorus are essential for crop growth, but these nutrients can contaminate surface and drinking water sources or become a greenhouse gas (nitrous oxide).
- The AEM Code covers on-farm practices and the storage and use of materials which may impact water and air quality.
- While most requirements are already in effect, a gradual phase-in of formal nutrient management planning is underway: horticultural operations may be required to have NMPs starting in 2023, depending on their soil test results and location relative to areas specified in the AEM Code.
- AFF's provides producers with information and tools they can use to demonstrate compliance with new nutrient management planning requirements.
- During the AEM Code development, AFF estimated the cost implications of the AEM Code to the agriculture sector at \$81.5M over the first 10 years of its implementation. The dairy sector is the most impacted by the more stringent regulatory requirements.

CROSS JURISDICTIONAL COMPARISON:

- Most other provincial governments across Canada have Environmental regulations that have similar or more stringent nutrient management requirements, primarily to protect water quality.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Approximately \$700K per year is planned for the continuation of the nutrient management program activities such as those described above.
- AFF has 3 FTE positions supporting the nutrient management program activities.

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OPEN BURNING SMOKE CONTROL REGULATION REVIEW

RECOMMENDED RESPONSE:

- The Ministry of Environment and Climate Change Strategy (ECCS) revised the Open Burning Smoke Control Regulation (OBSCR) in September 2019.
- The Ministry of Agriculture, Food and Fisheries (AFF) understands the importance of clean air and reducing smoke from burning and supports OBSCR, on which AFF staff worked with ECCS collaboratively since 2008.
- The primary groups affected by this regulation are forage and tree fruit producers, but most producers were not affected by the revisions to OBSCR.
- The burning of crops, foliage, stubble and burning for weed control continues to be exempt from the revised regulation. There are also relaxed conditions for burning diseased and smaller material (under 10cm in diameter).
- AFF staff are collaborating with ECCS to create guidance material on the revised regulation and alternatives to burning that will assist the sector in meeting the revised regulation.
- Ministry staff are available to provide advice and support producers in identifying the most appropriate disposal options.

BACKGROUND:

- The revised OBSCR falls under *the Environmental Management Act*.
- The Regulation was under review and public consultation held from 2008 to 2019.
- Intentions papers were released in 2008 and 2010 and an update was posted to the ECCS webpage in 2016. ECCS presented the details of the final proposed changes to stakeholders through webinars in April/May 2018.
- Representatives of the agriculture sector and the BC Agriculture Council (BCAC) voiced their concerns to ECCS and AFF staff during the consultation meetings and most recently during the April/May 2018 webinars. The representatives and BCAC also submitted written responses to the intentions papers.
- The primary groups that will be affected by this regulation are forage and tree fruit producers. These producers will have reduced ability to burn debris from land clearing for crop production or replanting by the tree fruit industry. Individual producers may incur additional costs under new OBSCR requirements for burning and are subject to stricter rules (e.g., stricter setback distances and reduced burning windows).
- In some locations, alternatives to burning will have to be pursued, usually at a higher cost (e.g., chip and mulch, disposal at a facility, bury). ESSC estimated that a worst-case scenario could create an incremental cost of \$1,500/acre for producers.
- Overall, AFF staff expect there will not be significant costs to the agriculture sector from the updated regulation and that most producers will not be affected, because of the accommodations that ECCS made to accommodate the agriculture sector, such as allowances for diseased materials and reduced setbacks for smaller debris.
- AFF updated the open burning-related portions of the government website in September 2019 to provide farmers with correct information about OBSCR.
- In addition, AFF is currently collaborating with ECCS to create guidance material on the revised regulation, related local government restrictions, and alternatives to burning that allow the agriculture sector to meet the regulations.
- Ministry staff are available to provide advice and support producers in identifying the most appropriate disposal options.

CROSS JURISDICTIONAL COMPARISON:

- Not applicable

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not Applicable

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ORGANICS IN BRITISH COLUMBIA

RECOMMENDED RESPONSE:

- B.C. has a long history of production and consumption of organic products and strong market demand.
- Despite the unprecedented consequences of the COVID-19 pandemic, organic produce maintains a top position. Consumers are increasingly seeking out local organic products to feed their families the healthiest food possible.
- As of September 2018, all food and agricultural products marketed in B.C. as “organic” must be certified under either a provincial or national certification program.
- The B.C. government continues to work with the Certified Organic Associations of British Columbia (COABC) to provide assistance to farmers and growers interested in organic production.
- With support through the Canadian Agriculture Partnership (CAP), the Ministry of Agriculture Food and Fisheries (AFF) is providing the industry with funding for 2 projects:
 - Organic Online System to support COABC.
 - Organic Extension Needs Assessment led by Kwantlen Polytechnic University (KPU) with collaboration from COABC and AFF.
- We are committed to ensuring consumers in B.C., Canada and around the world can enjoy B.C. organic foods with the full confidence that they are produced according to recognized organic standards.

BACKGROUND:

- COABC administers the BC Certified Organic Program (BCCOP) under the *Agri-Food Choice and Quality Act (the Act)*. This program allows participants to market their products using the phrase “Organic” and a related B.C. Checkmark logo.
- The Ministry consulted with the industry in the spring of 2015. A majority (approximately 80 percent) of certified organic operators that participated in the consultation process supported the proposed regulatory scheme and many felt that it would enable positive impacts to their business by increasing consumer certainty.
- The Act and regulations came into effect on January 1, 2017 and since September 2018, the Act requires all food and agricultural products marketed as “organic” in B.C. to be certified under either a provincial or national certification program.
- With these new organic regulations, certification bodies have seen a large increase in registration.
- In 2019, there were 793 certified organic operations in B.C. (up from 736 in 2018) with currently 96 operators (included in total) transitioning to certified organic.
- AFF funded/supported the following initiatives relating to the organic sector in 2020/21:
 - Organic Online System (OOS): This four-year project supports COABC in developing an innovative tool that will streamline the process of certification to make registration and record-keeping easier for both new and established organic growers. The new COABC online organic certification system iCertify is now live. The project will also include the development of a new COABC website, improvement of the internal technology and a rebranding of COABC.
 - Organic Extension-Needs Assessment study: \$100,000 in funding over 2 fiscal years (2019/20-2020/21) to support KPU. The goal of the study is to identify and assess extension needs and knowledge gaps in organic extension support in B.C. and to develop recommendations and options available for organic programming. KPU will

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be leading all the aspects of this project and AFF will be reviewing all content that is published.

CROSS JURISDICTIONAL COMPARISON:

- Each province has a different approach to regulating intra-provincial food quality programs.
- Manitoba, New Brunswick, and Quebec have established legislation that prohibits the use of the word “organic” in advertising unless the food has been certified under the federal Organic Products Regulation, or a provincial accredited body.
- Ontario and Alberta are pursuing provincial certification schemes.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- 1.0 FTE (one Industry Specialist) with policy support from the Corporate Governance, Policy and Legislation Branch and enforcement of regulation led by the Food Safety and Inspection Branch.
- COABC has received multi-year funding to support further development of the Organic Online System (OOS).
 - 2018/19- \$45,000
 - 2019/20- \$89,560
 - 2020/21- \$113,425
 - 2021/22- \$58,660
 - Total: \$306,645
- Organic Extension-Needs Assessment study; CAP funded project, \$16,000 in 2019-2020 and up to \$84,000 in 2020/2021 fiscal year to support KPU.

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ARMYWORMS

RECOMMENDED RESPONSE:

- Invasive pests are always a challenge for farming and the Ministry of Agriculture, Food and Fisheries is working with farmers in British Columbia to reduce the risk of armyworm outbreaks.
- Ministry entomologists and other staff monitor armyworms in the Okanagan, Fraser Valley, and Vancouver Island, provide treatment advice for impacted farmers and residents and will continue trapping and surveillance efforts in 2021.
- Ministry staff visit farms and have recommended Health Canada-approved products to treat armyworms, provided the conditions of use on the labels are followed.
- The ministry also has a number of programs which support farmers who experience crop losses and income declines due to armyworm damage to crops.
- Western Yellowstriped Armyworm was first discovered in the Okanagan in 2018 and it will take time to understand its behavior and spreading patterns.
- True Armyworm was first discovered on Vancouver island and the Fraser Valley in 2017. We have been researching and surveying since then.
- Farmers and homeowners can help by reporting any suspect Western Yellowstriped Armyworm caterpillars, True Armyworm, and damage to crops to the ministry directly.
- The ministry will continue to partner with farmers and communities in the area to minimize the risk and limit the damage.

BACKGROUND:

- In 2017, Vancouver Island and Fraser Valley forage producers (grass and corn) experienced unprecedented losses from invading armyworm caterpillars. True Armyworm (*Mythimna unipuncta*) is a North American insect that may be introduced annually in April-May to southern Canada on wind currents. Larvae or caterpillars feed voraciously on grass crops including hay, corn, and cereals.
- Having surveillance (traps and field scouting) and communication tools (timely pest notices/updates circulated) in place each spring and summer will enable growers to properly manage True Armyworm.
- Area-wide monitoring with traps and visual searches for True Armyworm moths and larvae occurred in affected regions of Vancouver Island and the Fraser Valley in 2018, 2019, and 2020. Fortunately a low number of armyworm moths were found, and no outbreaks of armyworm larvae occurred.

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- 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 low numbers of Western Yellowstriped Armyworm moths were trapped in 2020 and there were no outbreaks of larvae or crop damage. Western Yellowstriped Armyworm attacks various broadleaf crops, including alfalfa, canola, corn, vegetables and various ornamentals.
- Ministry staff answered calls, conducted field visits, and monitored Western Yellowstriped Armyworm population into the fall of 2020.
- Ministry staff prepared a factsheet, brochure and bulletin for outreach. Media and other web platforms were also used to promote awareness about the pest.
- Trapping and visual searches will be conducted in 2021 in order to evaluate the risk from armyworms for farmers.

CROSS JURISDICTIONAL COMPARISON:

- 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 2018, 2019, or 2020. 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Funding via the CAP Biosecurity and Surveillance Program supported activities related to True Armyworm and Western Yellowstriped Armyworm monitoring, biology, and outreach to industry amounting to \$35,000 in 2019/2020. A control program planned for the the North Okanagan in 2020/2021 was not needed because of low numbers of moths caught in traps and absence of caterpillars.
- Up to \$50,000 in CAP funds is estimated for 2020/21 to support studies on the migration and biology of armyworms in order to help with predicting outbreaks in the future. Planning is underway to ensure some surveillance can continue in 2021/2022 in areas of concern on Vancouver Island, Fraser Valley, and Okanagan.
- In 2021/2022, the Ministry will contribute staff time and funds to investigate impacts, inform growers, buy monitoring supplies and check traps and fields for the pest. Total estimated staff time will be between 0.1 and 0.2 of an FTE as well as travel costs. Summer students and contractors are funded via CAP and industry contributions.

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Eastern Filbert Blight Regulation

RECOMMENDED RESPONSE:

- In February 2019, based on the national Pest Risk Assessment and Pest Risk Management analysis, the CFIA proposed to deregulate Eastern Filbert Blight (EFB) and completed a 30-day consultation process with the stakeholders.
- The stakeholders, including the BC Hazelnut Growers' Association and the Pacific Northwest hazelnut growers (based in Oregon and Washington, USA), opposed the CFIA's proposal to deregulate EFB.
- A nationwide deregulation will increase the risk of introducing EFB strains that are not present in BC. New hazelnut varieties, from the Oregon hazelnut breeding program, being planted in BC are only resistant to the strain present in the Pacific Northwest. These varieties are not resistant to the EFB strains present in eastern North America and elsewhere.
- The Ministry requested the CFIA to revise the directives to allow the movement of EFB-free propagation material only from the states of Oregon and Washington, while maintaining the current plant movement restrictions on other provinces and states. This will allow the BC hazelnut growers to access safe propagation material from nurseries outside the province to revitalize the industry and to benefit from the hazelnut renewal program launched by the Ministry since July 2018, over a 3-year period valued at \$300,000.
- The CFIA had discussions with the Ministry to address the BC hazelnut industry's concern and will engage in further discussions with the Ministry and stakeholders before making changes to the EFB regulation.
- Delay in the regulatory changes and final decision by the CFIA are expected due to COVID-19 related priorities by the federal government.

BACKGROUND:

- *Anisogramma anomala*, the causal agent of Eastern filbert blight (EFB) of hazelnut and other *Corylus* spp. is regulated by the CFIA.
- The regulation is meant to protect the BC hazelnut industry. It prohibits import of hazelnut plants for planting in BC from EFB-infested states in the US and other Canadian provinces, but permits tissue culture-derived sterile plantlets from EFB-free production areas. All planting material requires an import permit and a phytosanitary certificate.
- EFB was first detected in BC in 2001. The pathogen is now established in commercial hazelnut orchards throughout the Lower Mainland and on Vancouver Island, resulted in the death of trees and decline of the BC hazelnut industry.

ESTIMATE NOTE - FISCAL 2021/22 Ministry of Agriculture, Food and Fisheries

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- The CFIA proposed to deregulate EFB and completed a 30-day consultation process with the stakeholders in February 2019. The stakeholders, including the BC Hazelnut Growers' Association and the Pacific Northwest hazelnut growers (based in Oregon, USA), are opposed to the deregulation of EFB.
- Currently, the BC hazelnut growers have limited access to EFB-resistant hazelnut varieties from Oregon, supplied by one or two BC nurseries who have the license to produce them.

CROSS JURISDICTIONAL COMPARISON:

- Eastern provinces of Canada will not be negatively impacted by deregulation since the genetic diversity (strains) of EFB present in the east is broader and no resistant hazelnut varieties are currently available.
- EFB is not regulated federally in the USA. However, Oregon and Washington have control over the hazelnut nursery stock production areas to protect their hazelnut industries from EFB strains not found in the Pacific Northwest.
- The hazelnut industry may expect BC to follow a similar provincial control in parallel with Oregon and Washington.

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JAPANESE BEETLE

RECOMMENDED RESPONSE:

- Surveillance, movement control, communications, and eradication continue to be recommended by all industry stakeholders, the BC Plant Protection Advisory Council, and trading partners in California, Oregon, and Washington.
- Results in the BC eradication program are promising, with an 86% and 82% decrease in beetle catch in 2019 and 2020 and no new infested locations. Treatments are planned for 2021 in remaining areas with beetle catches around False Creek in Vancouver.
- There are no proposed changes in the size of the regulated area in 2021. In 2018, the CFIA created a regulated area around the False Creek site to enforce movement restrictions of potentially infested materials such as yard waste and soil, and continued trapping/surveillance work.
- In March 2021, the Ministry will issue a notice to treat to the City of Vancouver and Vancouver Parks under the Japanese beetle regulation in the BC *Plant Protection Act* to enable treatment of larvae and adult beetles and aid in movement control by CFIA.
- The Ministry is partnered with the Invasive Species Council of BC (ISCBC) to help deliver on public outreach, collaboration, and facilitation of the Japanese beetle initiative.

BACKGROUND:

- Japanese beetle (*Popillia japonica*) was identified in the False Creek area of Vancouver in July 2017, a first detection for BC. Japanese beetle (JB) is a regulated pest in Canada and the United States. It was introduced to North America in 1916 and is now widespread in Eastern North America, including parts of Ontario, Quebec, and the Maritime provinces.
- JB is not considered established in the Western US, and not detected in BC prior to 2017. BC is currently considered to be free from Japanese beetle (pest-free status).
- Major impacts of JB establishment would include damage to agricultural crops, turf, and landscape plants, as well as an increase in pesticide use. In agriculture, the nursery sector is anticipated to be hit the hardest. They would be required to participate in a costly certification program to export product to JB-free areas in western North America.
- Eradication is supported by all Industry stakeholders, and the Ministry of Forests, Land, Natural Resources and Rural Development, Ministry of Environment, City of Vancouver, Vancouver Parks Board, Metro Vancouver, the BC Plant and Protection Advisory Council, the Invasive Species Council of BC, and trading partners in California, Oregon, and Washington.
- The JB population is still confined to a small area in Vancouver, with over 90% of the beetle detections in one park; David Lam Park on False Creek.

- In 2018, the Province of BC, Vancouver Parks Board, and the City of Vancouver launched a treatment program for larvae of Japanese beetle. Based on trap catches, larval treatment occurred in 2018-2020 and is planned for 2021. Additional years and locations of treatments will be determined based on beetle trap catches.
- A registered, effective, and safe larvicide, Acelepryn is available and was used in 2018-2020 as an annual early spring ground treatment between April 1 and July 15.
- CFIA is committed to carrying out the annual trapping and surveillance in the area.

CROSS JURISDICTIONAL COMPARISON:

- Eradication success requires a multi-year program, as evidenced by programs in other jurisdictions.
- JB is present in New Brunswick, Nova Scotia, Ontario, PEI and Quebec.
- JB is not expected to survive on the Canadian prairies.
- JB is a regulated pest in all western states of the United States. BC 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 Vancouver and into crop production areas of British Columbia.
- California, Oregon and Washington have active surveillance and eradication programs to prevent JB establishment.
- BC representatives are in contact with colleagues in the western United States about JB initiatives.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- A 2017 risk assessment by the Ministry estimates \$28 million in annual losses to crop production if Japanese beetle becomes established. Additional losses would occur due to the cost of management, certification and potentially with loss of export markets.
- Funding has been provided through the CAP Biosecurity and Surveillance Program for activities related to Japanese beetle 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). This included \$10,500 for 17/18, \$460,000 for 18/19, \$350,000 for 19/20, and an estimated \$350,000 for 20/21.
- In 2021 resource requirements for an eradication or suppression program included a minimum 0.5 FTE.
- Funding requirements and support are expected to be similar in 2021.

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RESTAURANTS: EAT DRINK LOCAL

RECOMMENDED RESPONSE:

- COVID-19 has had devastating impacts on the restaurant industry, as well as the farmers and food and beverage processors across British Columbia who depend on food service sales channels for their livelihood.
- During COVID-19, we have again been reminded about the importance of having a strong local food economy to put food on the table and keep people working.
- British Columbians have come together during these difficult times and continue to show their strength and support for each other, and B.C.'s restaurants have stepped up to the challenges of COVID-19.
- At this difficult time, it's more important than ever to support our local restaurants and enjoy fresh, high-quality local food made right here in B.C.
- Our government is continuing to work closely with the BC Restaurant and Food Association to encourage British Columbians to support local restaurants in their communities through the Buy BC: EAT DRINK LOCAL campaign.
- Chefs are often the greatest cheerleaders for B.C.'s farmers and ranchers, championing the local food system and showcasing B.C.'s amazing products in imaginative and delicious ways.
- We are committed to continuing to work together with chefs, restaurateurs and our local farmers and food processors to support economic recovery and a resilient local food system in B.C.

BACKGROUND:

- Buy BC: EAT DRINK LOCAL was launched in 2018 and is delivered in partnership with the BC Restaurant and Foodservices Association (BCRFA).
- Buy BC: EAT DRINK LOCAL connects local farmers, ranchers and growers with restaurateurs and chefs who develop feature menus highlighting locally grown and processed food and drinks.
- Participating restaurants throughout the province showcase B.C. food and beverage products on their menus during a Buy BC: EAT DRINK LOCAL month, giving consumers an opportunity to try local, seasonal, and sustainable food grown right here in the province.
- The campaign is designed to be inclusive. All restaurants and foodservice establishments across the province featuring local B.C. food products on their menus are eligible to participate free of charge.
- In May 2019 nearly 400 restaurants across B.C. participated in the EAT DRINK LOCAL campaign (up from 323 in 2018).
- Due to COVID, the Ministry cancelled the delivery of the Buy BC: EAT DRINK LOCAL campaign within restaurants scheduled for May 2020, and instead focused on promoting restaurants across B.C. on Buy BC social media channels.
- In 2021/22 the Ministry is planning to deliver a summer campaign in partnership BCRFA promoting local chefs and restaurants serving B.C. foods and beverages across B.C. and encouraging consumers to dine at and/or do take out from participating businesses.

CROSS JURISDICTIONAL COMPARISON:

- N/A

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- In 2021/22, \$157,000 of Buy BC funding is allocated to support Buy BC: EAT DRINK LOCAL.

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RETAIL CODE OF CONDUCT

RECOMMENDED RESPONSE:

- Over the last year, B.C.'s food system has seen unprecedented changes resulting from COVID-19. Throughout this time, we have seen great commitment from our food systems stakeholders to ensuring nutritious, safe, and affordable food to all residents across British Columbia.
- Part of the Ministry of Agriculture, Food and Fisheries (AFF) new mandate is to encourage greater food security and local economic growth.
- AFF is deeply concerned by the recent announcement by some of Canada's largest retailers on additional fee increases on Canada's producers and processors.
- To have a successful and resilient food supply chain, there must be stability in the supplier-retailer relationship.
- The need for balance in this relationship was discussed along with retail fees at the November Federal – Provincial – Territorial (FPT) agriculture ministerial meeting.
- A working group was established as a result to collaborate with industry to identify solutions that support Canada's food supply chain. This is co-chaired by Quebec's Minister of Agriculture, Fisheries and Food, André Lamontagne, and the Minister of Agriculture and Agri-Food, Marie-Claude Bibeau, and aims to propose concrete actions at the next Ministers meeting in July 2021.
- The working group will work to understand grocery retail fee practices in consultation with experts and industry members.
- AFF has begun informal consultation with stakeholders across the food supply chain regarding the impact of the fees and opportunities to address them including initial conversations with retailers, producers, and processors.
- The supplier-retailer issues and their potential impact on Canada and B.C.'s food supply chain is top of mind as we continue to work with our partners to identify lasting solutions that will help the sector emerge stronger from these uncertain times.

BACKGROUND:

- In August of 2020, major retailers, starting with Walmart, introduced a new fee structure for producers and processors to offset growing costs of COVID-19, to build e-commerce infrastructure and to upgrade stores.
- Several Canadian Associations and companies in the food sector have expressed their concerns about the use of arbitrary fees and penalties and the related non-compliance on contracts by large grocery retailers. This has created a climate of uncertainty in the supplier-retailer relationship.
- Fees range in percentage amounts. For example, Loblaws charges its largest suppliers an extra 1.2 percent on the cost of goods sold, as well as a customized fee to cover some costs associated with loyalty offers and online promotions. This differs from their arrangement with small manufacturers and farmers who are exempt from fee increases.
- The increasing cost of food has put downward pressure on retailers, distributors, processors, and producers. Food costs are expected to rise three to five percent in 2021 with the most significant increases in meat, baked goods, and vegetables (see Dalhousie University Canada Food Price Report, 2021).
- Retailers have noted that consumer affordability is a priority which has increased the strain on producer/processor profitability. Retailers have used messaging on the importance of affordability to reinforce need for downward pressure on producers and processors.
- In response to increasing challenges between retailers, manufacturers, and producers, the

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

Federal, Provincial and Territorial (FPT) Ministers of Agriculture have created a joint working group to consult with experts and industry members to clarify the impact of the announced fees and their impacts on the Canadian food supply chain.

- In discussions between FPT Ministers in November 2020, there was agreement that a collaborative and coordinated approach was the best method to move forward.
- The FPT working group is currently undergoing engagement with retailers and suppliers at the national level. Provincial and Territorial members have begun engagement at the provincial level.
- The FPT working group is also undertaking a jurisdictional scan of dispute mechanisms in other nations such as the UK Grocery Retail Code of Conduct.
- The FPT working group is conducting research into the role and use of the Competition Bureau and what role they could play in addressing these challenges.

CROSS JURISDICTIONAL COMPARISON:

- The FPT working group has taken a partnership approach to addressing retail fees and their impacts on Canada's food supply chain. Each FPT member has been encouraged to undertake provincially specific research and engagement as well as look to legal and/or regulatory mechanisms that exist at the provincial level.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- MAFF provides staff time to participate in the FPT working group to address retail fees and engage retailers and industry.

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AGRICULTURE WILDLIFE PROGRAM AND THE WILDLIFE DAMAGE MITIGATION INITIATIVE

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 forage and grain crops caused by specified wildlife.
 - AWP compensates for livestock losses to beef and sheep caused by specified wild predators.
- In addition to compensation, the Ministry has a goal of preventing and reducing adverse interactions between wildlife and agriculture in the first place. 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.

BACKGROUND:

- 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 (CAP), as of April 1, 2018.
- 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 CAP requirements to provide mitigation initiatives to gain federal cost-sharing of AWP compensation payments.
- The Conservation Officer Service verifies predator caused deaths and injuries and provides predator control and mitigation services to farmers.
 - As of 2020/2021, 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:

- Alberta compensates up to 100 percent of verified losses; payments more than 80 percent are not cost-shared by the federal government.
 - B.C. and 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Payments in fiscal 2020/2021 are about \$4.7M, mainly due to continued high forage replacement costs and elevated wildlife damages due to excessive moisture extending the cropping harvest time.
 - \$300,000 is budgeted annually for the WDM initiatives.

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AGRISTABILITY

RECOMMENDED RESPONSE:

- The AgriStability program helps producers manage significant 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 \$260M for the period of 2007 to 2019.
- B.C. will continue its work with the federal, provincial, and territorial partners to improve AgriStability nationally.
- AgriStability is playing a critical role in helping farms recover from the impacts of COVID-19.
 - B.C. established the 2019 and 2020 B.C. AgriStability Enhancement Program, which increased the compensation rate from 70 percent to 80 percent and removed the Reference Margin Limit.
 - Over 1,000 farmers who did not participate in AgriStability have been contacted by phone to ensure they understand the protection it offers. 449 new enrolments were received for 2020, a participation increase of over 20 percent.
 - The enrolment deadline was extended from April 30, 2020 to July 3, 2020.
 - 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 \$8M has already been paid to B.C. producers, most of which was made available through interim payments.
 - Producers with severe revenue declines early in 2020, started receiving interim payments in May of 2020.
 - To help with cash flow issues, administrative changes continue to ensure fast turnaround time for interim payments; average time is now 16 days until applications are completed.
- B.C. is a strong advocate for national program improvements and has taken some unilateral steps to improve the program for B.C. farmers.
 - B.C. continues to strive for federal cost-sharing and the continuation of the B.C. enhancements.
- AgriStability will respond to milk producers who have been impacted by COVID-19. Administrators are currently working to quantify the financial loss that has been suffered to provide an interim payment as soon as possible.

BACKGROUND:

- 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 the Canadian Agricultural Partnership (CAP), effective

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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; and
 - Removed the Reference Margin Limit (RML), which for some farms can cause a reduction in compensation and result in an inequitable level of income protection when compared to farms not impacted by the RML.
 - The RML is an average of your allowable expenses for the five-year reference period, to limit the maximum payment.

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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Annually, approximately 2,100 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:
 - 2018 program year payments were \$9.2M.
 - 2019 payments are forecasted to be \$15M.
 - Approximately \$5M of which will be a result of B.C. enhancements.
 - 2020 payments are forecasted at \$33M.
 - Approximately \$8M 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 2019-2020 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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ANIMAL CARE FACILITIES INITIATIVE

RECOMMENDED RESPONSE:

- In response to the Provincial Health Officer's orders and guidance around minimizing and containing the spread of COVID-19, numerous animal attractions and animal care facilities across the province closed, leading to wide-reaching financial losses.
- The Animal Care Facilities Initiative provided a rapid response to animal care facilities that were impacted to help ensure the wellbeing of animals was maintained at the start of COVID-19 restrictions.
- The support period was April 15, 2020 to June 30, 2020.
- The support provided the opportunity for facilities to transition and restructure operations whilst gaining access to government and private financing.
- A variety of animal care facilities received the care they needed during COVID-19. The funding was provided for food, animal hygiene, habitat upkeep, veterinarian care, limited transportation, and repairs.
- 24 animal care facilities received a total of \$4.2M.

BACKGROUND:

- The Animal Care Facilities Initiative provided financial assistance to operators of eligible animal care facilities in British Columbia (B.C.), which helped with the costs required to ensure animals in their care were not in distress as a result of the Provincial Health Officer's COVID-19 operational restriction orders and guidance.
- The support period was April 15, 2020 to June 30, 2020.
- Animals eligible for support under the Initiative were terrestrial, avian, or aquatic animals that inhabit zoos, aquariums, the BC SPCA, animal rehabilitation centres or refuges, and for tourism or entertainment. For clarity, ineligible animals are classified as livestock, a food source, are for companionship, pets, work (including service animals), research, leisure activity or recreation.
 - Commercial businesses that have eligible animals are eligible for support; however, they must use all reasonable efforts to use commercial credit for eligible costs before any payment will be made under the Program.
 - The Initiative provided funding for the following cost categories:
 - Feed Assistance
 - Animal Hygiene
 - Habitat Maintenance
 - Veterinary Costs
 - Extraordinary Handling and Transportation Costs
 - Owned Feed Transportation Assistance
 - Animal Care Equipment Repair
 - Waste Disposal
 - COVID-19 Restrictions Clean-up
 - Animal Welfare Enforcement

CROSS JURISDICTIONAL COMPARISON:

- No other comparable program was available in any other provinces.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Initiative had contingencies approved for emergency funding up to \$15M.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

- 24 animal care facilities received a total of \$4.2M (\$4,170,099).
 - BC SPCA received a payment of \$1,463,342.
 - The Ocean Wise Conservation Association (the Vancouver Aquarium) received a payment of \$1,850,100.
 - \$856,657 has been paid to 22 other animal care organizations in B.C.

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B.C. Bred Heifer Association Loan Guarantee Program
B.C. Feeder 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.
- Producers 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 \$68M to \$74M 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 691,000 cattle for a total value of over \$332M.
- In the last 30 years of the Program, only one association has defaulted, which resulted in a draw against the provincial guarantee.

BACKGROUND:

- 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 691,000 cattle for a total value of over \$332M 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, the bank, and the association. This process takes from three to six months.
- Government Financial Information

CROSS JURISDICTIONAL COMPARISON:

- British Columbia is comparable to other provinces which have similar associations and loan

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guarantees for the purpose of purchasing feeder and breeder cattle.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In 2016, the Treasury Board increased the approved program cap for loan guarantees from \$9.75M to \$15M under the Loan Guarantee Program.
- Currently, the total outstanding government guarantees to all 12 Co-Operatives is \$12.87M, which allows the Co-Operatives to access up to \$74M in loans from private sector lenders.
- The Province does not incur actual cost unless an association defaults.

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BUSINESS RISK MANAGEMENT OVERVIEW

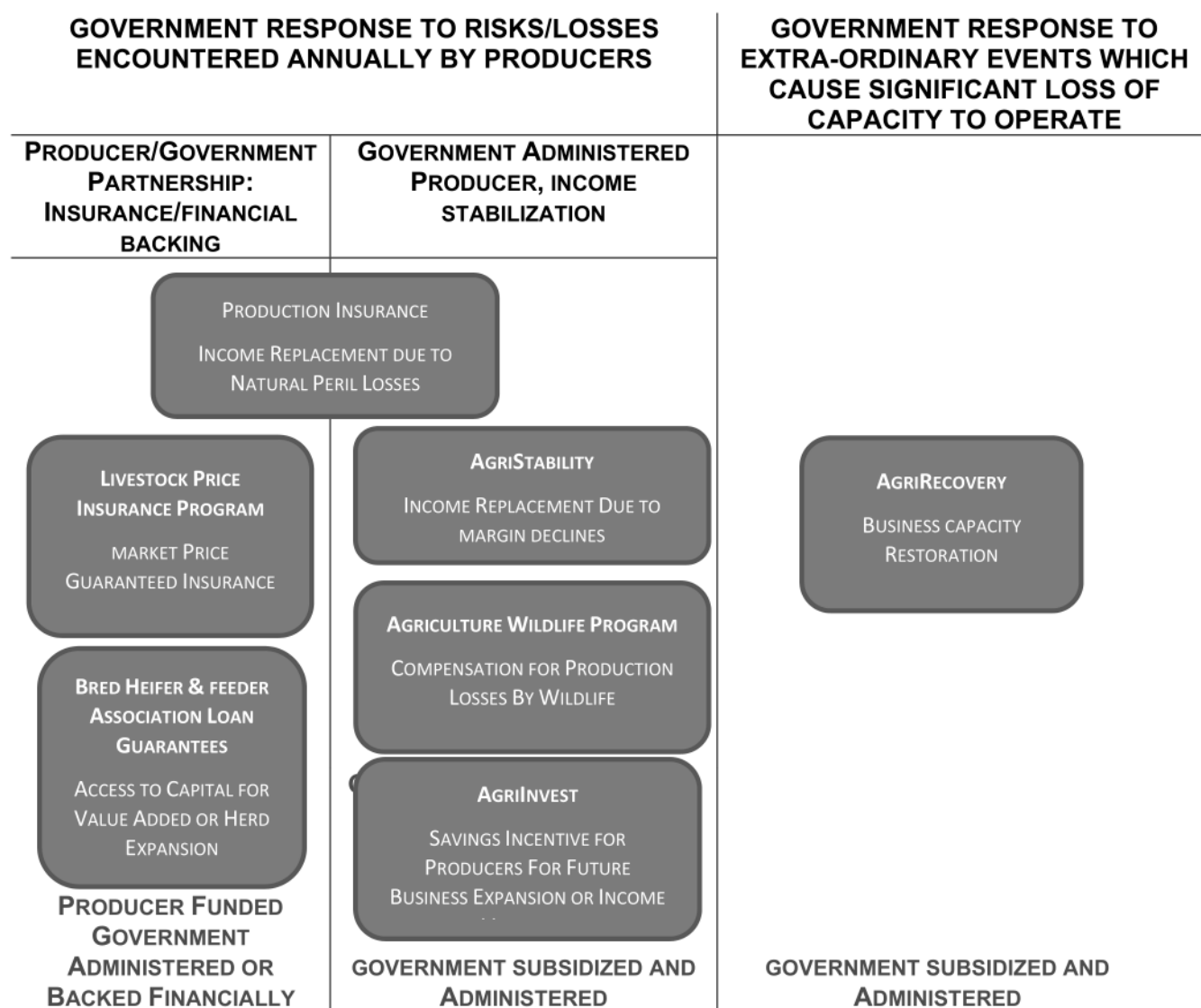
RECOMMENDED RESPONSE:

- 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.)
- From April 1, 2015 to March 31, 2020, BRM programs provided \$178M in support to B.C. farmers.
- Growing Forward 2 (GF2) ended March 31, 2018. CAP replaced the GF2 Agreement on April 1, 2018.
- 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.

BACKGROUND:

- Business Risk Management (BRM) programs are cost-shared with Canada under the Canadian Agricultural Partnership (CAP).
- Producers contribute some of the costs with the remaining costs covered on a 60 percent Canada / 40 percent British Columbia (B.C.) basis.
- The CAP Agreement between Canada and the provinces and territories came into effect April 1, 2018 replacing the expiring GF2 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 Program (LPIP) and the B.C. Bred Heifer Association Loan Guarantee and B.C. Feeder Association Loan Guarantee programs.
- LPIP 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 ran the Animal Care Facilities Initiative. The Initiative provided financial assistance to operators of eligible animal care facilities in B.C., to help them deal with the costs required to ensure animals in their care would not be in distress as a result of the Provincial Health Officer's COVID-19 operational restriction orders and guidance. The support period ran from April 15, 2020 to June 30, 2020. \$4.17M was accessed from contingencies for direct payments to the operators.

| | DESCRIPTION |
|---|---|
| Production Insurance | Stabilizes farm income by providing indemnities to insured producers 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 Program | Provides compensation to grain, forage, and cattle producers for non-insurable losses to crops and cattle caused by designated wildlife. |
| Livestock Price Insurance | Insurance that protects cattle and hog producers from unanticipated 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. |
| AgrInvest | 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 Feeder Association Loan Guarantees | Supports sector associations and rancher members to access capital to purchase livestock and expand their operations and increase investment in the industry. |

BUSINESS AND FINANCE RISK / LOSS PROGRAMMING**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, Food and Fisheries (AFF). All other jurisdictions deliver the programs through Crown Corporations, Special Operating Agencies or Commissions.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The total provincial budget in 2020/2021 for the Business Risk Management Branch was \$22.204M for program expenditures and administration. The Branch also accessed \$4.17M from contingencies for the Animal Care Initiative.

BUSINESS RISK MANAGEMENT BRANCH BUDGET *

,000 FISCAL 2021

| | AgriStability | Production Insurance | Wildlife Damage Compensation | Western Livestock Price Insurance | Wildlife Mitigation | Animal Care |
|---|----------------------|-----------------------------|-------------------------------------|--|----------------------------|--------------------|
| FTE (Full Time Equivalents) | 39 | 44 | 9 | 1 | | |
| Salaries and Benefits | 2,924 | 3,374 | 772 | 125 | | |
| Operating Expenses | 370 | 980 | 575 | 79 | | |
| Transfer to Income Stabilization Trust | 8,786 | | | | | |
| Transfer to Production Insurance Account | | 10,000 | | | | |
| Wildlife compensation/mitigation payments | | | 3,840 | | 120 | |
| Animal Care payments | | | | | | 4,170 |
| Expense Recoveries | -3,294 | -3,098 | -3,209 | -139 | | |
| TOTAL | 8,786 | 11,256 | 1,978 | 65 | 120 | 4,170 |

*Table shows only Provincial share of budget expenditures. Excluded is the Federal and Producer related premium expenditures of the AgriStability (\$16M), AgriInvest (\$6.8M), and Production Insurance programs (\$19.8M).

- 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 AFF's budget.
- There are 93 full-time equivalents.

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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 PI 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 average processing time for claims with indemnities payable is 19 days from the day the administration receives all required information from an insured client.
- The PI program is strongly supported by producer organizations. Regular consultations occur with industry led advisory committees.
- During COVID-19 restrictions, extensive outreach was undertaken to ensure client service levels were maintained. Business processes have not been interrupted; renewals and claims proceeded as usual, utilizing electronic means.

BACKGROUND:

- Production Insurance (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 (CAP).
- 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 claims 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 (B.C.).
- Claims are processed quickly, with 86 percent of growers receiving payment within 30 days of the administration receiving all required information from an insured client; average processing time for claims with indemnities payable is 19 days.

CROSS JURISDICTIONAL COMPARISON:

- Comparable Production Insurance programs exist in all 10 provinces.
- Alberta AgriInsurance in January 2020 announced a 20 percent reduction in crop insurance premiums for this crop year. Even with the 20 percent discount, Alberta crop insurance premiums are still significantly higher than B.C., and in many cases, more than double the cost of premiums paid by B.C. farmers. Questions may be raised on why a similar move has not been made in B.C.:
 - Alberta fund surplus is much larger than the balance in the B.C. PISA. The PISA balance is not sufficient to justify such a substantial reduction in rates. Alberta did not just reduce producer premiums, but also governments share of premiums.

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- Governments realize greater savings than producers.
 - Production Insurance does not cover risks for livestock or greenhouse producers and is very inexpensive for many low risk horticulture crops.
 - B.C. enhanced the AgriStability program, in which all farmers can participate for 2019 and 2020. B.C. continues to push for AgriStability enhancements nationally for 2021 and 2022, but if not available, will evaluate if B.C. only enhancements can be afforded.
- Ontario added labour shortage to the list of perils covered under Production Insurance for 2020 and 2021. Questions may be raised on why B.C. did not follow suit. There are numerous reasons:
 - B.C. risk is heavily re-insured on global markets to protect provincial and ministry budgets. Re-insurers will not agree to changing the perils without a full review and increased reinsurance costs.
 - Ontario has a much larger fund balance than in the B.C. PISA account, enabling them to incur higher costs with no additional authorities or change to budgets.
 - It is fundamentally unsound insurance program management to insure against perils which can be controlled by those purchasing insurance.
- Ontario and Alberta both operate their Production Insurance programs through crown corporations. While having some distinct disadvantages, they do have more financial flexibility and are not constrained by Ministry expenditure budgets.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- PI provides approximately \$670M in coverage.
- Annual premium revenue is approximately \$29M and is cost-shared between the federal government, the provincial government, and the producer.
- Final insurance claim payments for the 2020 crop year were approximately \$40M (of which, tree fruits \$23M and grain \$15M).
- The Ministry is in the second year of its' three-year renewable reinsurance agreements, which began January 2020. These agreements provide coverage for losses up to 235 percent of annual premiums (approximately \$68M) and ensures that the PISA expenditure budget for claims will not be exceeded. With the high claim year of 2020, the reinsurance program allowed the Program to pay indemnities without having to initiate a Treasury Board submission.

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LIVESTOCK PRICE INSURANCE PROGRAM
(formerly Western Livestock Price Insurance Program)

RECOMMENDED RESPONSE:

- British Columbia (B.C.), in collaboration with Canada and the other western provinces, continues to offer the Livestock Price Insurance Program (LPI) until 2023, as an initiative under the Canadian Agricultural Partnership (CAP).
- LPI protects cattle and hog producers from unanticipated drops in average market prices.
- Since the program was launched in 2014, \$186M in coverage was sold in price protection.
- The delivery of LPI is unique and very cost effective for B.C. By collaborating with Alberta as the primary delivery agent, B.C., Saskatchewan, Manitoba, and Canada can offer price protection at a fraction of the cost it would take B.C. to develop and deliver on its own.
- There are two features in other provinces which B.C. does not offer:
 - Saskatchewan provided premium rebates during a period of very high premium rates
 - B.C. and other provinces did not offer this rebate. It was a very short-term issue and Saskatchewan's action of adding a subsidy to a program premised on being producer paid is a dangerous precedent.
 - Adding subsidy to LPI changes the treatment of claims from that program in AgriStability. The rebate in Saskatchewan is reducing AgriStability payments to their producers or forcing Saskatchewan to lose federal cost-sharing. Saskatchewan continues to struggle with the results of their actions.
 - B.C. had already enacted an AgriStability Enhancement program, which can overlap with LPI.
 - The three prairie provinces offer LPI "on account", which essentially means on credit.
 - Interest is charged; however, lower interest rates are available under the Federal Advanced Payment Program than provinces can offer.
 - Manitoba is struggling with the accounts receivable created by this feature and may consider discontinuing.
 - Selling insurance on credit is poor policy. It leads to poor purchase decisions over insurance, unrealistic expectations of claims, and higher administration costs. B.C. ceased providing AgriInsurance on credit in 1996 for these reasons.
- LPI was reviewed through a third party (SERECON) in 2020, which highlighted issues and provided recommended changes for future program delivery.
 - The SERECON report was summarized and shared with federal and provincial governments as well as industry representatives.
 - Program enhancements emanating from the review for 2021 include:
 - The program formerly known as Western Livestock Price Insurance has been rebranded as Livestock Price Insurance.
 - Sales of price protection for the 2021 calf crop began early in February and has now been extended by two weeks from the end of May to mid-June.
 - The claim settlement date will be extended from December to February 22, 2021.
 - Purchasing hours for producers have been extended from 2:00 pm-5:30 pm to 2:00 pm-11:30 pm.
 - Settlement hours have been extended from 1:30 pm-6:00 pm to 1:30 pm-10:00 pm.

BACKGROUND:

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- Alberta first launched livestock price insurance in 2009 on fed cattle. They have since expanded to cover feeder cattle, calves, and hogs. The three different products for cattle reflect the marketplace and provide price coverage through the entire production cycle.
- Producers in other provinces actively lobbied for access to the Alberta products. Canada and the western provinces collaborated to make this happen and the program was made available across western Canada in May 2014.
- In British Columbia, LPI was launched in May 2014. The British Columbia Cattlemen's Association (BCCA), B.C. Association of Cattle Feeders, and BC Feeders & Breeders Association (BCBFA) are well informed about the products and are involved in an LPI industry working group. These associations strongly support B.C.'s participation in LPI, while the hog sector has expressed little interest to date.
- Premium rates fluctuate and can experience wide variations. The volatility of cattle futures contracts is the most significant factor affecting premium rates. When volatility is high, premium rates increase.
- LPI is enabled by a complex set of four agreements that detail the obligations of the provinces, Canada, and Alberta as the central service provider.
- The Governments of Canada and the western provinces pay the administration costs of the program. Livestock producers are charged the full premium costs. Governments will also finance any program deficits, premiums will be self-sustaining, and any deficits should be recovered from premiums.
- LPI was continued under the Canadian Agricultural Partnership. The enabling agreements have been amended and LPI will continue at least through the life of the CAP, which expires March 2023.
- Producers may request purchases on account of LPI products; Alberta, Saskatchewan and Manitoba offer this service. B.C. does not offer purchases on account on any insurance as the provincial interest rate would be higher than if producers obtained financing through the federal Advanced Payment Program (APP) and Farm Credit Corporation. APP is delivered through BCBFA and the Canadian Canola Growers Association; producers can access up to \$100,000 in interest free advance payments, with preferential rates beyond this value. If B.C. were to consider purchases on account, this would result in additional administrative costs with default producers being sent to collections.
- Premium rebate had been offered by Saskatchewan in 2020 when volatility of premium was greater than 19 percent, which resulted in very high premium rates; however, the market has returned to normal levels. B.C., Alberta, and Manitoba did not offer this rebate as providing a rebate affects the credibility of the program and sets future expectations and B.C. had already provided enhanced AgriStability coverage. Adding subsidy to LPI changes the way LPI claims are considered by AgriStability reducing AgriStability benefits. This is an issue Saskatchewan is still struggling to resolve.

CROSS JURISDICTIONAL COMPARISON:

- The four western provinces all have access to the same products.
- Livestock producers in eastern Canada do not have access to a comparable product.
- 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 than LPI.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- B.C.'s share of annual administration costs is approximately \$100,000. This represents 40 percent of costs with Canada contributing 60 percent. A centralized delivery through

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Alberta and web-based purchases and payments are providing administrative efficiencies.

- Private reinsurance is in place and Canada will cash flow short-term deficits. B.C. is responsible for any negative balance should the program terminate.
- The B.C. account has maintained a small surplus since inception in 2014.

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SITE C – AGRICULTURE 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 (ALR). 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 (PRRD), one member who is a Peace River Valley agricultural producer, and three members-at-large.
- As of December 2020, about \$600K had been distributed to 24 projects including:
 - Boreal Gardens for the installation of a 510 square foot dome greenhouse on the Indigenous-owned farm in Charlie Lake.
 - Nordic Vale Honey Farm for the purchase of upgraded honey and wax processing equipment.
 - Northern Environmental Action Team's northern cohort market garden extension program.
 - Chetwynd Public Library Association's community gardening literacy project.
 - Forage Extension and Mentorship Program through the Peace River Forage Association of B.C.
 - Haskap berry project involving the planting of 5,000 plants at Hasberry Farms.
 - Indoor Growing Facility for microgreens and lettuce through Eden Greens.
 - Pulse Processing Feasibility Study at Summit Acre Farms.

BACKGROUND:

- 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 (CSC), comprised of staff from BC Hydro, the Ministry of Agriculture, Food and Fisheries (AFF) and what is now the Ministry of Energy, Mines and Petroleum Resources (EMPI), 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 B.C. Environmental Assessment Office, the Peace River Regional District, the District of Hudson's Hope, AFF, EMPI and the 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

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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.

CROSS JURISDICTIONAL COMPARISON:

- This file is linked to the BC Food Security Fund – based on Site C revenues – dedicated to supporting farming and enhancing agricultural innovation and productivity in the province.
- The BC Food Security Fund (AFF lead) is not yet framed or scoped out yet as revenues will not be forthcoming until after 2024.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Approximately \$600K funding for projects since late 2019.

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MARKET ACCESS ISSUES AND SUPPORTS

RECOMMENDED RESPONSE:

- Market disruptions and global trade uncertainty, particularly as a result of COVID-19, have presented many challenges for B.C. food and seafood producers and processors.
- Our Government is committed to continue working closely with the Government of Canada to protect the interests of B.C. workers and their families from any unwarranted international trade investigations and decisions.
- This past year, our government leveraged this collaborative relationship with Canada to support a US trade investigation against our blueberry industry. Working closely with the BC Blueberry Council (BCBC), we were able to protect the interests of our farmers and ensure that the United States did not place trade restrictions on B.C. blueberry exports to our largest international market.
- I look forward to continue working with the B.C. Ministry of Jobs, Economic and Recovery (JERI), 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 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 developing markets around the world.
- After all, the diversity of products that British Columbians are able to 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.

BACKGROUND:

- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP):
 - The CPTPP entered into force on December 30, 2018. Currently, seven countries in addition to Canada have ratified the agreement including: Mexico, Japan, Singapore, Canada, New Zealand, Australia, and Vietnam. The countries yet to domestically ratify the agreement continue to be Peru, Chile, Malaysia, and Brunei.
 - Once fully implemented, the CPTPP will form a trading bloc representing 495M 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.
- Canadian-US-Mexico Agreement (CUSMA):
 - B.C. continues to work with federal and provincial partners along with industry to collaborate on approach and response to ongoing investigations launched by the U.S. under CUSMA.
 - Global Safeguard Investigation:
 - **Blueberry** Global Safeguard Investigation launched in 2020 and ended on February 11 with a finding of no injury to the U.S. domestic Blueberry industry.
 - Significant resources from BCBC and the Federal Government were required to support the legal and economist costs that supported Canada's argument and litigation.
 - Fact Finding Investigations:
 - USITC Fact Finding investigation underway for **Bell Peppers** and **Strawberries**
 - January 15 joint-filed submission through U.S. council with Canada, Ontario, and Quebec along with Ontario Greenhouse and BC Vegetable Marketing.

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- March 7, earliest date in which U.S. can request it turn into a Global Safeguard Investigation
- USITC Fact-Finding investigation underway for **Cucumbers** and **Squash**
 - Hearing set for April 8; opportunity for parties to present arguments.
 - This is **not** expected to move to a global safeguard investigation.
- Comprehensive Economic and Trade Agreement (CETA):
 - CETA provisionally applied in September 2017 and is still awaiting full ratification from European nations.
 - Currently, 15 countries in addition to Canada have ratified the agreement, with Romania and Luxembourg domestically ratifying in 2020. The countries yet to domestically ratify are Belgium, Bulgaria, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Poland, and Slovenia. Cyprus voted against ratification in 2020.

CROSS JURISDICTIONAL COMPARISON:

- B.C. is the largest blueberry producer in Canada (80,332 tons), followed by Quebec (38,955 tons) and Nova Scotia (17,553 tons).
- The largest bell pepper producer is Ontario (44,805 tons), followed by Quebec (21,945 tons) and B.C. (2,866 tons).
- The largest strawberry producer is Quebec (15,562 tons), followed by Ontario (6,345 tons), Nova Scotia (1,593 tons), and B.C. (1,369 tons).
- The largest fresh squash and zucchini producer is Ontario (28,970 tons), followed by Quebec (14,364 tons) and B.C. (6,044 tons).
- The largest producer of fresh cucumbers and gherkins is Ontario (44,231 tons), followed by Quebec (15,813 tons) and B.C. (1,146 tons).

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AFF and JERI provided the federal government with \$80,000 (\$30,000 and \$50,000 respectively) that went toward the cost of Dr. Ludema's economic analysis and report that was used as the basis for Canada's legal argument that Canadian blueberry exports to the U.S. are not injuring or threatening to injure the U.S. domestic blueberry industry.
- While the funds did not go directly to the B.C. blueberry industry, they were used to offset the costs to the industry of contracting out the study to the economist from Georgetown University.

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SUPPORT FOR SUPPLY MANAGEMENT

RECOMMENDED RESPONSE:

- Our government remains a strong advocate for B.C.'s supply managed sector, both at home and abroad.
- I am proud of the hard work behind our dairy, poultry, and egg producers to provide a trusted and consistent supply of safe, reliable, high-quality food to British Columbians.

BACKGROUND:

- Supply Management Background
 - In B.C., the dairy, eggs, and poultry (chicken and turkey) industries - BC Dairy, Egg and Poultry Industries (BCDEPI) - operate under a system of supply management.
 - Supply management is a federal-provincial system where production volumes (federal) and imports (federal) are controlled, and producer price (provincial) is set to fulfill the policy objective of a safe steady supply of food for consumers and fair return for efficient farmers.
- Economic Overview
 - The BCDEPI sectors contribute significantly to B.C. agriculture and the B.C. economy.
 - In 2019 (most recent data available), farm cash receipts for the BCDEPI totaled \$1.3B, representing 34% of the provincial total (\$3.9B).
 - Jobs related to the BCDEPI are estimated at nearly 13,500 for dairy and poultry combined. With the addition of processing, this estimate reaches over 31,500 jobs.
- Free-Trade Agreement Concerns
 - Economic Impacts to the Dairy Market:
 - Early estimates from the sector on the cumulative impact to the dairy market [due to Canada-US-Mexico Agreement (CUSMA), Comprehensive Economic Trade Agreement (CETA), Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)] equal approximately ten percent of Canada's production, as well as a decrease of exports close to 50 percent.
 - Import Tariff Rate Quotas (TRQ):
 - B.C. industry associations and representatives were engaged by Global Affairs Canada, with support from the B.C. government, in February 2021 on new policy options for the allocation of import quotas for supply management products under CUSMA/CPTPP/CETA. These allocations determine who can import supply managed products from abroad at a lower (within access) rate of duty.
 - GAC began conducting TRQ policy option consultations with province-specific industry stakeholders in 2020, but this process was put on hold due to COVID-19. The process restarted in January 2021, in advance of a March 5, 2021 deadline for written industry comments on policy options.
 - During these consultations, and in written submissions that followed, B.C. industry representatives expressed concerns over the allocation of products to importers that are not actively engaged in the supply management system (e.g. non-processor importers that bring cheese and other products already popular in Canada that are made with highly-subsidized European milk) and are advocating for the majority of the allocation to go to dairy/poultry/egg further processors directly engaged in the supply management system.

- Federal Support:
 - In August 2019, Canada announced that it will make available \$1.75B over eight years to supply-managed cow's milk producers.
 - The Dairy Direct Payment Program provided payments in 2019-20 of \$345M to compensate Canadian cow's milk producers. These initial payments did not include compensation for CUSMA, as the agreement had not yet been ratified.
 - In November 2020, the government announced the payment schedule for the remaining \$1.405 billion in direct payments over the next three years (amounts are available until March 31 of each year):
 - \$468 million in 2020-21
 - \$469 million in 2021-22
 - \$468 million in 2022-23
- The chart below demonstrates the notional allocation of funds on a provincial basis to reflect the provincial shares of the national quota on October 31, 2020.

| Provinces | Allocated Quota (% of the total, rounded) | Provincial Share \$ |
|---------------------------|---|---------------------|
| Newfoundland and Labrador | 0.63% | \$2,953,382.34 |
| Prince Edward Island | 1.27% | \$5,923,700.49 |
| Nova Scotia | 2.16% | \$10,111,033.80 |
| New Brunswick | 1.68% | \$7,880,079.78 |
| Quebec | 36.84% | \$172,399,222.96 |
| Ontario | 31.96% | \$149,573,352.49 |
| Manitoba | 4.36% | \$20,396,924.40 |
| Saskatchewan | 3.12% | \$14,614,096.71 |
| Alberta | 8.96% | \$41,937,901.14 |
| British Columbia | 9.02% | \$42,210,305.89 |
| Total | 100.00% | \$468,000,000.00 |

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- No funding support provided to industry for supply management in 2020/21.

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TREE FRUIT AND NUT – APPLE SECTOR STRUGGLES

RECOMMENDED RESPONSE:

- The tree fruit industry is composed of approximately 800 growers managing 14,500 acres of tree fruit in crops in the Okanagan, Similkameen and Creston Valleys. Apples constitute roughly 7,200 acres of this total.
- The tree fruit industry in particular apples, has seen a downward trend in acreage and profitability over the last 10 years. This has been compounded by the additional challenges brought on by COVID-19 and the loss of crops due to poor weather in 2020.
- The Ministry is keenly aware of the challenging circumstances facing apple producers and is concerned about the future of the apple industry.
- The Ministry of Agriculture, Food and Fisheries (the Ministry) has been a key supporter of the tree fruit industry over the past three decades, most notably through replant and industry competitiveness initiatives, among many other programs.
- Over the past five-years, government has supported the tree fruit industry with over \$60M through various programming including Crop Insurance, AgriStability, Replant and Competitiveness.
- Despite the significant financial support, the Ministry has provided to the tree fruit industry, it's become clear that growers aren't seeing the benefits from these investments.
- The Ministry wants to make sure programs are working properly and helping B.C. tree fruit growers become more competitive.
- In February 2021, the Ministry launched an ambitious workplan with key industry stakeholders to assess the current situation, develop and implement recommendations to stabilize and revitalize the tree fruit industry.
- Part of the Ministry's new mandate is to encourage greater food security and local economic growth; through the stabilization and renewal plan we can help accomplish this.

BACKGROUND:

- Since 2017, there has been a steady decline in the average financial return to growers (grower return) with 2019 marking the lowest price in recent history of \$0.12/lb. for apples. This is well below the \$0.30/lb. Cost of Production (CoP).
- The planted apple acreage has dropped from 8,781 acres in 2018 to 7,200 in 2020. Much of this land is being converted to cherry and wine grape crops.
- 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. The rest is met by imports, primarily from Washington State and New Zealand.
- Washington State is a competitor due to their acreage in production and competitive fruit prices. Washington has seen rapid consolidation along the supply chain with the amalgamation of farms, packers, and retailers.
- In contrast to Washington, there has been a notable fragmentation of the tree fruit packers within the Okanagan and Similkameen Valleys. Over the past decade the number of packers has increased to 37 from below 20.
- A major contributing factor to this fragmentation has been the ongoing leadership and governance challenges at the BC Tree Fruit Cooperative (BCTF).
- The BCTF packing house has suffered from lack of capacity, lack of stability, governance, and 'political' issues with their Board.

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- Infighting between members and the board/management of BCTF had become untenable. Many growers ended their contracts with the packing house early and moved to other packing houses.
- This has caused increased internal competition for buyers in the rapidly consolidating retail sector, resulting in significant pricing pressures that are passed onto growers.
- The Ministry partnered with BCTF in August 2020 to help stabilize their leadership and modernize their governance. Positive progress and desirable outcomes have been accomplished to date, such as the recent announcement of an increase to \$.21/lb. (from the previous \$0.13/lb.) in the first growers advance of 2020.
- Leading from the successful and ongoing collaboration with BCTF, the Ministry has launched an ambitious project with the key industry stakeholders to stabilize and revitalize B.C.'s tree fruit sector.
- The internal project team consists of two FTE 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, and KPMG has been retained to provide audit and assessment services for major government funding contracts with the tree fruit industry (Tree Fruit Competitiveness Fund, and the Tree Fruit Replant Program).

CROSS JURISDICTIONAL COMPARISON:

- B.C. produced 103,020 tonnes of apples in 2018 with grower farm cash receipts (FCR) \$60M.
- B.C. is Canada's third largest apple producer after Ontario and Quebec.
- Despite the majority of B.C.'s apple supplying western Canada, in 2019 B.C.'s apple exports exceeded \$18.8M.
- The majority of B.C. apple export activity was to the United States and Vietnam.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Over the past five-years, government has supported the tree fruit industry with over \$60M through:
 - \$42.5M paid for production insurance claims between the 2018-2020 crop years.
 - \$10.2M through AgriStability and B.C.'s AgriStability enhancement program for the 2017-2019 program years.
 - B.C.'s AgriStability enhancement program increased the AgriStability compensation rate to producers from 70 percent to 80 percent
 - \$4M was paid into producer's Agri Invest accounts for the 2017-2019 program years.
 - \$3M for Tree Fruit Replant Program
 - \$5M for Tree Fruit Competitiveness Fund
- Two FTE Ministry staff will be assigned to this project, and additional support will be on an as-needed basis.
- One Co-op student will be hired to provide support to Ministry staff.

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TREE FRUIT AND NUT – HAZELNUT REVITALIZATION AND REPLANT

RECOMMENDED RESPONSE:

- In July 2018, the Ministry of Agriculture, Food and Fisheries (AFF) launched the Hazelnut Renewal Program (HRP), providing \$300,000 in funding over three years (2018-2021) and partnering with the BC Hazelnut Grower's Association (BCHGA) in program delivery.
- This funding allows new and existing growers to replace dead and diseased orchards with Eastern Filbert Blight (EFB) resistant varieties, expanding hazelnut acreage in B.C. with new plantings.
- During these three years of the program (Fall 2018- Spring 2020) 135 acres (28,324 trees) of new trees have been planted and 42 acres (4,795 trees) of EFB infected trees have been removed. Last year (2020/21), the program was oversubscribed, and it is expected that 50 more acres of trees (10,700 trees) will be planted.
- The Ministry through the Canadian Agriculture Partnership (CAP) is supporting three projects: 1.) a three-year study (with a budget of \$180,000) on emerging diseases and their impact on hazelnuts, 2.) a four-year study (\$150,000) on Emerging Pests in Lower Mainland Horticulture, and 3.) a one-year study (\$16,500), the BC Hazelnut Participatory On-farm Trial Network.
- Despite the size of the hazelnut industry, B.C. can be competitive in the agricultural sector by revitalizing the industry through the HRP and capitalizing on its competitive advantages: being a low input crop, having the potential for value-added products, and promoting local food security.

BACKGROUND:

- The BC Hazelnut Growers Association (BCHGA) is composed of approximately 40 growers. These growers represent collectively 100 acres of new and established orchards.
- The current hazelnut industry is highly concentrated in the Chilliwack-Agassiz region, as climate and soils are favorable for growing. More studies are needed to determine the suitability of new Oregon cultivars for cultivation in B.C.
- Eastern Filbert Blight (EFB) caused the collapse of B.C.'s hazelnut production, from 1.1 million lbs. in 2013 to 29,000 lbs. in 2016.
- Despite the decimation of B.C.'s hazelnut sector between 2000-2016 by EFB, the sector maintains some key competitive advantages. There is existing knowledge and capacity within the sector, and it is in proximity to the continent's largest hazelnut-producing region, Oregon.
- Interest in hazelnuts remains strong. New EFB resistant varieties are currently being planted and evaluated.
- The Hazelnut Renewal Program (HRP) was launched in July 2018 to incentivize growers to replace dead and diseased orchards with Eastern Filbert Blight (EFB) resistant varieties, and to expand hazelnut acreage in B.C. with new plantings.

Table 1-Program Expenditure for the Hazelnut Renewal program (2018-2021)

| Year | Estimated acres | Estimated trees | Program funding |
|---|---|--|------------------|
| Year 1* (2018-2019) Fall intake | 38 acres new plantings 25 acres removed | 8,254 new plantings 3,025 removed | \$100,000 |
| Year 2* (2019-2020) Spring/Fall intake | 56 acres new plantings 17.5 acres removed | 10,790 new trees planted 1,770 infected trees removed | \$100,000 |
| Year 3* (2020-2021) Spring intake | 40.85 acres new plantings | 9,480 new trees planted | \$47,400 |
| Year 3 (2020-2021) Fall intake | 51.9 acres new plantings | 10,723 new trees planted | \$53,615 |
| Total estimated | 186.7 acres new plantings 42.5 removed | 39,247 new plantings 4,795 infected trees removed | \$300,000 |
| *Year 1, 2 and 3 (spring intake) are final numbers (acres and trees). | | | |

- New growers participating in the HRP are bringing new ideas and energy to the sector.
- Hazelnuts could be an option for growers with marginal land in some regions of the province (e.g. Okanagan land unsuitable to stone-fruit).
- The long-term production potential added by the HRP to the sector is approximately 225,000 lbs. annually (90 acres at 2500 lbs./acre). If the current rate of support for replanting and additional grower involvement continues, by 2031 the hazelnut sector could return to a point similar to 2012-13 with a production of 1.1 million lbs. There is sufficient processing capacity for this projected scale within existing facilities in the Fraser Valley.
- AFF funded/supported the following initiatives relating to hazelnuts in 2020/21:
 - BC Hazelnut Participatory On-Farm Trial Network Project, a one-year project in which the BCHGA and their partners created a detailed and actionable plan for on-farm testing of blight resistant hazelnut varieties across relevant agricultural zones in B.C.
 - Emerging diseases and their impacts on hazelnuts: AFF staff are conducting a three-year study focused on emerging diseases and their impact on hazelnuts to develop management strategies to help growers to implement best management practices.
 - Emerging pests; as part of a five-year biosecurity surveillance project, AFF staff are monitoring emerging pests in hazelnut orchards such as Brown Marmorated Stink Bug (BMSB). BMSB is a serious threat to several B.C. crops, including nuts, fruit, ornamentals, and field vegetables

CROSS JURISDICTIONAL COMPARISON:

- B.C.'s Hazelnut Industry is very small compared to its direct competitor (Oregon State). B.C. produced about 20 tons in 2020 compared with the forecasted 71,000 tons produced by Oregon in the same year.
- Despite the size of the hazelnut industry, B.C. can be competitive in the agricultural sector by revitalizing the industry through the HRP and capitalizing on the competitive advantages of the crop. Hazelnuts are a low input crop with the potential for value-added products that promote local food security.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- 0.3 FTE is committed to work with BCHGA and the industry.

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- The budget for the HRP is \$300,000 over three years (2018-2021).
- The HRP is managed and administrated by AFF, keeping administrative costs to a minimum. BCHGA receives 10 percent of the funding for their collaboration on the program.
- Under the Canadian Agriculture Partnership (CAP), three studies are being funded:
 - Emerging diseases and their impact on hazelnuts, a three-year project with total funding of \$180,000.
 - Emerging Pests, Lower Mainland Horticulture, a five-year project with total funding of \$150,000.
 - BC Hazelnut Participatory On-Farm Trial Network, a one-year project with total funding \$16,500.

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TREE FRUIT AND NUT – TREE FRUIT REPLANT PROGRAM

RECOMMENDED RESPONSE:

- In November 2014, the \$8.4M Tree Fruit Replant Program (TFRP) was announced and subsequently launched in April 2015.
- The seven-year TFRP supported growers' efforts to meet consumer demand for high value, high quality B.C. fruit.
- In June 2016, the B.C. Government added \$1M more to that commitment, bringing the total funding to \$9.4M in total.
- The Replant Program is administered cooperatively by BC Fruit Growers Association (BCFGA) and Ministry of Agriculture, Food and Fisheries (the Ministry) staff.
- Approximately 120 growers are supported to remove and replant 250 acres of tree fruit annually.
- In February 2018, the Minister announced a new \$5M Tree Fruit Competitiveness Fund (the fund) to be administered by the Investment Agriculture Foundation of British Columbia (IAF). The fund is open to tree fruit growers, producers, and processors to support three key areas of research, marketing, and infrastructure, as well as a top-up to the Replant Program.
- Over the past three years, we've provided tree fruit growers with \$8M in support through our TRFP and the fund, but it's become clear that some growers aren't seeing the benefits from these investments.
- We want to make sure our programs are working properly and helping B.C. tree fruit growers become more competitive.
- An independent performance assessment of the fund allows us to step back and look at how we can best use this fund going forward, so growers receive the benefits the fund was designed to provide.
- This is just the first step and there is much more work to be done to ensure a stronger, more resilient, and more competitive industry.
- Despite the significant financial support, the Ministry has provided to the tree fruit industry, it's become clear that growers are facing an uncertain future.
- To better understand how these supports could have been allocated differently and to ensure sound program management and transparency in the expenditure of public funds, the Ministry has initiated a third-party review of the fund and will be looking at an operational and financial audit of the TFRP.
- If all parties co-operate, the performance assessments can proceed expeditiously with minimal delay to the potential competitiveness fund projects.

BACKGROUND:

- The tree fruit industry is composed of approximately 800 growers managing 14,500 acres of tree fruit crops in the Okanagan, Similkameen and Creston Valleys.
- A seven-year, \$8.46M TRFP was introduced November 2014, with a program launch in April 2015. The B.C. Government added \$1M to that commitment bringing the total available to \$9.4M.
- The program was co-developed with the BCFGa and continues to be strongly supported by industry.
- The replant program is co-administered between the BCFGa and Ministry staff.
 - The BCFGa is an industry association representing B.C. fruit growers' interests through activities which include lobbying government and providing services and products to growers.

- The TRFP is projected to partially fund 2,080 acres of fruit tree plantings for the years 2015 to 2021, which would exceed its seven-year goal of funding 1,600 acres of plantings.
- From 2015 to 2020, the program has provided funding of \$7.6M to growers, while growers contributed an estimated \$30M toward planting costs. This resulted in the program partially funding the planting of 1,732 acres of fruit trees during these six years.
- The Net Present Value of the projected cash flows from new plantings of apples and cherries in the years 2016 to 2018 is estimated to be \$96,618,415 representing a 90 percent increase over the projected cash flows of \$50,846,397 had the old plantings remained in the ground.
- The current funding agreement is in its final year, ending March 31, 2022.
- As part of the Ministries commitment under the Tree Fruit Stabilization and Renewal Plan, a third-party assessment of the financial, administrative, and operational capacity of the program will be undertaken beginning in March 2021.
- This third-party assessment will provide transparency in the expenditure of public funds and provide the necessary background to assess future replant funding requests.

TABLE 1: FUNDED FRUIT TREE PLANTINGS

| | Actual | | | | | | Projected | |
|------------------|--------|------|------|------|------|------|-----------|-------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
| Total # of acres | 207 | 230 | 374 | 229 | 330 | 362 | 350 | 2,080 |
| Total # of trees | 325K | 344K | 497K | 340K | 337K | 213K | 250K | 2.3M |

TABLE 2: ACRES OF FUNDED APPLE AND CHERRY TREES, BY VARIETY – 2016 TO 2020

| <i>APPLE:</i> | | ACRES |
|-----------------|--|------------|
| VARIETY | | PLANTED |
| AMBROSIA | | 409 |
| GALA | | 84 |
| HONEYCRISP | | 99 |
| PINK LADY | | 68 |
| OTHER VARIETIES | | 20 |
| TOTAL | | 680 |

| <i>CHERRY:</i> | | ACRES |
|-----------------|--|------------|
| VARIETY | | PLANTED |
| STACCATO | | 262 |
| SENTENNIAL | | 130 |
| LAPIN | | 25 |
| SKEENA | | 30 |
| SANTINA | | 21 |
| CHRISTALINA | | 15 |
| SWEETHEART | | 40 |
| BENTON | | 13 |
| TIETON | | 7 |
| SATIN | | 5 |
| OTHER VARIETIES | | 95 |
| TOTAL | | 618 |

CROSS JURISDICTIONAL COMPARISON:

- B.C.'s tree fruit industry is very small compared to its direct competitor (Washington state) to the south. B.C. produces approximately four million boxes of apples compared to Washington states' 130 million boxes annually.
- Despite the relative size of the industry, B.C. continues to produce high quality, high value

apples and cherries, capitalizing on competitive advantages of late season harvest and superior variety selection for worldwide transport.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The program invests approximately \$1.2M per year in the Okanagan/Similkameen and Creston Valleys assisting the tree fruit industry.
- Total number of approved Tree Fruit Replant Applications in FY19/20 is 126.
- Total amount \$ paid out to producers in FY19/20 is ~\$1.13M.

Program Expenditure for 2015-2021 Tree Fruit Replant Program

| Year | \$8.4M Budget | \$1M Added | New Program Budget Remaining Years | Actual Annual Expenditure |
|---------|----------------|-------------|------------------------------------|---------------------------|
| 2015/16 | \$1.15M | | \$1.15M | |
| 2016/17 | \$1.28M | | \$1.28M | |
| 2017/18 | \$1.53M | | \$1.53M | |
| 2018/19 | \$1.53M | | \$1.53M | \$1.25M |
| 2019/20 | \$1.03M | \$0.4M | \$1.43M | \$1.13M |
| 2020/21 | \$1.03M | \$0.35M | \$1.38M | \$0.79M |
| 2021/22 | \$0.91M | \$0.25M | \$1.16M | - |
| Total | \$8.46M | \$1M | \$9.46M | |

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TREE FRUIT AND NUT – TREE FRUIT COMPETITIVENESS FUND

RECOMMENDED RESPONSE:

- In February 2018 the Minister announced a \$5M dollar Tree Fruit Competitiveness Fund.
- The Tree Fruit Competitiveness Fund (TFCF) is targeted at funding requests for infrastructure, marketing, and research. It may also be used to top up Replant Program shortfalls.
- The Ministry partnered with Investment Agriculture Foundation, as the third-party administrator. Funding is provided to project proponents after application, review and confirmation from the industry led technical review and adjudication committee.
- During the summer and fall of 2018 an industry wide consultative strategic plan was created to guide the fund expenditure.
- Over the past three years, 17 projects have been approved, valued at approx. \$2.1M.
- Despite this support, it has become clear that some growers aren't seeing the benefits from these investments. We want to make sure our programs are working properly and helping B.C. tree fruit growers become more competitive.
- On December 14, 2020, a letter was sent out from the Assistant Deputy Minister, Arif Lalani to the BC Fruit Growers Association (BCFGA) and Investment Agriculture Foundation (IAF), informing them of an immediate pause on funding for the Tree Fruit Competitiveness Fund (TFCF) pending a third-party operational and financial review.
- A third-party operational and financial review of the TFCF allows us to step back and look at how we can best use this fund going forward, so growers receive the benefits the fund was designed to provide and to ensure sound program management and transparency in the expenditure of public funds.
- Audits and assessments play a necessary role in sound program management and are part of a responsible oversight of public funds. While we certainly appreciate that they can cause disruption, these audits should be viewed as intended, which is as an appropriate and sometimes necessary function of good governance.

BACKGROUND:

- The TFCF was announced in February 2018, at the BCFGAs Annual General Meeting held in Kelowna.
- The TFCF provides up to \$5M in funding over five years to support marketing, infrastructure, and research and increase the competitive advantage of the tree fruit sector in B.C.
- On March 28, 2018, the BC Ministry of Agriculture, Food and Fisheries (the Ministry) provided IAF with a grant of \$5M to support the tree fruit industry including the existing Tree Fruit Replant Program (TFRP) and related competitiveness initiatives.
- To work collaboratively, IAF entered into a five-year Agreement with BCFGAs to co-administer the TFCF. A roles and responsibilities document was developed and signed by BCFGAs and IAF in September 2018. Under this agreement:
 - BCFGAs leads application development, outreach/advertising, project review and communication of project results to industry and government.
 - IAF receives new project applications, manages contracting, project reporting, Direct Participant Payments, summarizing project outcomes, and fund accounting.
 - BCFGAs allocated \$3.5M for "competitiveness" and the remaining \$1.5M be set aside for

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- top-up of the TFRP.
 - BCFGA requested to be solely responsible for administering the replant top-up program and agreed to co-administer the competitiveness allocation of the fund with IAF.
 - A cost sharing formula, between IAF and BCFGA, of the 10 percent of the fund for administration costs was also established.
 - BCFGA receives 4 percent of the \$3.5M competitiveness fund - \$140K
 - BCFGA receives 10 percent of the \$1.5M replant top-up fund - \$150K
 - BCFGA receives \$75K for industry support services
 - Total for BCFGA: \$365K
 - IAF receives 6 percent of the \$3.5M competitiveness fund - \$210K
- In the Summer of 2018, the BCFGA commissioned a third-party assessment of the B.C. tree fruit industry to provide recommendations as to how the funding should be spent.
- The recommendations were that the TFCF should help growers increase efficiency, sales, and productivity levels through projects that support:
 - Infrastructure: modernization, such as new or innovative equipment.
 - Marketing: exploring export market opportunities and market development research.
 - Research: cultivator, disease, and pest research.
- The BCTFGA struck a Technical Review Committee (TRC) to review and rate all incoming projects, and to provide those recommendations to the IAF Board Committee
- The membership of the TRC is composed of: Chair-Pinder Dhaliwal, President BCFGA; Vice-Chair – Jeet Dukhia, VP BCFGA; Svan Lembke, Professor Okanagan College; Madeline van Roechooudt, grower; Tahir Raza, grower; Adrian Arts & Georgina Beyers, Ministry of Agriculture Food and Fisheries; and Glen Lucas, General Manager, BCFGA.
- Program uptake has been significantly lower than had been expected; to date, the total number of projects that have been approved is 17.
- The co-administration between the BCFGA and IAF has been tenuous, with regular delays in reporting, due in part, to a lack of administrative capacity and organization by the BCFGA.
- On December 14, 2020 a letter was sent out from the Assistant Deputy Minister, Arif Lalani to Glen Lucas (General Manager BCFGA) and Michelle Koski (Executive Director, IAF) informing them of an immediate pause on funding for the TFCF pending a third-party operational and financial review.
- The Ministry secured KPMG as the firm to execute the operational and financial review and have outlined a work plan with completion of the project no later than the end of April 2021.

Tree Fruit Competitiveness Funded projects, to date:

| Title | Applicant | Amount | Date Approved by IAF | Status | Completion |
|---|-------------------------------------|-------------|----------------------|--|-------------|
| Improving the marketing and sales model for new apple varieties | Summerland Varieties Corp. | \$58,000 | February - 2019 | Underway \$47,350 paid to date | Spring 2020 |
| Mapping IT and Tech Readiness | BC Fruit Growers Association | \$78,260 | February - 2019 | Complete \$72,983.53 Final Paid | Complete |
| BC Treefruit Cooperative Governance Study | BC Treefruit Cooperative | \$48,200 | July - 2019 | Complete \$48,200 Final Paid | Complete |
| Programs for Reflective materials to improve apple colour and quality | New Varieties Development Council | \$704,000 | July - 2019 | Year 2 of 4 complete \$176,000 paid to date | 2019-2022 |
| Sustainable control practices for apple pests in Canada (leaf midge, etc.) | BC Fruit Growers Association | \$25,992 | July - 2019 | Year 2 of 4 complete \$9,272 paid to date | 2019-2022 |
| Develop New Markets for Ambrosia apple | New Varieties Development Council | \$225,000 | October 2019 | Underway \$112,500 paid to date | Spring 2020 |
| Right strategy, right focus, right tools for a renewed sales and marketing program at BC Treefruit Cooperative | BC Treefruit Cooperative | \$240,000 | October 2019 | Underway \$144,000 paid to date | Spring 2021 |
| Leaf and fruitlet nutrient analysis as a tool for assessing 'Staccato' cherry orchards' nutrient status and associated post-storage fruit quality | BC Cherry Association | \$23,340 | April - 2020 | Underway \$0 paid to date | Fall 2022 |
| Delivering extension support remotely to Creston Valley Tree Fruit Growers | Pearl Agricultural Consulting, Inc. | \$22,888 | April - 2020 | Underway \$17,000 paid to date | Fall 2021 |
| Reducing Storage Breakdown in Apples | Cornucopia Crop Consulting Ltd. | \$29,136.50 | June - 2020 | Underway \$14,568 | Summer 2021 |

| | | | | | |
|---|-------------------------------------|-----------|-----------------|-----------------------------------|-------------|
| Ambrosia Export Market Goals | New Varieties Development Council | \$140,000 | June - 2020 | Underway \$50,000 paid to date | Fall 2022 |
| Containerized Closed Loop Low Temperature Dryer Adaptation to Tree Fruits | Rich Naturals Inc. | \$36,000 | February - 2021 | Underway \$0 paid to date | Winter 2021 |
| New Horizons for Ambrosia – Part 1: Industry Cooperation for a More Profitable Ambrosia Apple | New Varieties Development Council | \$144,200 | February - 2021 | Underway \$0 paid to date | Fall 2022 |
| New Horizons for Ambrosia – Part 2: Developing New Markets for a More Profitable Ambrosia Apple | New Varieties Development Council | \$175,000 | February - 2021 | Underway \$0 paid to date | Fall 2022 |
| Cherry Drying with Drones | Rekon Solutions Inc. | \$11,798 | February - 2021 | Underway \$0 paid to date | Fall 2021 |
| Identifying Best Management Practices for the Production and Storage of Honeycrisp Apples in British Columbia | Pearl Agricultural Consulting, Inc. | \$59,000 | February - 2021 | Underway \$0 paid to date | Fall 2022 |
| Introduction of New Cherry Varieties in British Columbia | Calissi Farms Inc | \$20,940 | February - 2021 | Underway \$0 paid to date | Fall 2022 |

CROSS JURISDICTIONAL COMPARISON:

- N/A

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The total funding commitment for Tree Fruit Competitiveness Projects to date is ~\$2.46M of the \$3.5M available for projects.
- The total value paid out to date is ~\$750K.
- The total funding commitment for Tree Fruit Replant top-up to date is ~\$0 of the \$1.35M available for projects.

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SUPPORT FOR B.C. WINE

RECOMMENDED RESPONSE:

- The Province is strongly committed to supporting our B.C wine-making industry.
- B.C.'s vineyards and wineries create fantastic wine and provide good jobs for communities across the province over the past year, our government has supported B.C.'s wine industry in many ways:
 - Celebrating April 2020 as B.C. Wine Month
 - Continuing to support a Wine Centre of Excellence for B.C. and the action and financial plans required to move the Centre of Excellence forward
 - Supporting Wine Growers British Columbia (formerly B.C. Wine Institute) in developing their 2021-2023 B.C. Wine Export Strategy
 - Providing cost-shared funding to B.C. wine organizations for local and international market development (via Buy BC Partnership Program and B.C. Agrifood and Seafood Market Development Program)
- Our government will continue to work with the wine industry to support trade and promotion of our B.C. wines in markets around the world.
- With over 370 wineries, many of whom are earning international awards in numerous categories, B.C. is gaining an international reputation for quality wines
- B.C. is well on its way to achieving world-wide recognition as a premier wine region.

BACKGROUND:

- B.C. is home to 929 vineyards. Of B.C.'s 370 licensed wineries, 284 are grape wineries, with the remaining being fruit wineries.
- B.C.'s wine industry employs approximately 12,000 people¹ and has an economic impact of \$2.8 billion annually (see Appendix for breakdown of the wine industry workforce).
- In 2019, B.C. exported \$6.4 million in wine, a drop of 30% from 2018. Exports to China in 2019 fell 30% to \$4.7 million.
- Combined sales from B.C. breweries, wineries and distilleries amounted to \$1.42 billion in 2019, up 10.7% from 2018.

CROSS JURISDICTIONAL COMPARISON:

- In 2019, B.C.'s wine industry ranked third among Canadian provinces in beverage processing sales.

PROGRAM EXPENDITURE/REVENUE IMPLICATION:

In 2020-2021, the Ministry of Agriculture, Food and Fisheries (Ministry):

- Committed over \$377K in cost-shared funding for local market development projects under the Buy BC Partnership Program to 14 wine organizations, and a further \$153K under the

¹ THE ECONOMIC IMPACT OF THE WINE AND GRAPE INDUSTRY IN CANADA 2015: *Canada's Wine Economy – Ripe, Robust, Remarkable*, A Frank, Rimerman + Co. LLP Report with special assistance from Rob Eyler, President, Economic Forensics and Analytics, May 2017.

C o n f i d e n t i a l A d v i c e t o M i n i s t e r

Buy BC Partnership Program's E-Commerce stream to 34 wine organizations including two honey meaderies (see Appendix for more detail).

- Provided Wine Growers of British Columbia:
 - Nearly \$75K (Buy BC Partnership Program) to support its "Celebrating 30 Years of B.C. VQA" project to raise awareness of B.C. VQA wines and its history with consumers
 - \$18K to support development of its 2021-2023 B.C. Wine Export Strategy (primary target markets: UK, Nordic Europe, Scandinavia; secondary target markets: US, Hong Kong)
- Recognized April 2020 as B.C. Wine Month and provided the following industry support:
 - \$10K (\$40K next fiscal) for the B.C. Wine Centre of Excellence action plan
 - \$75K (committed) in cost-shared funding for international market development projects under the B.C. Agrifood and Seafood Market Development Program to four wine organizations: B.C. Wine Grape Council, Sperling Vineyards, Quails' Gate Winery, and Dirty Laundry Vineyard (note this project was cancelled by client due to COVID-19)
 - \$12K to the B.C. Wine Grape Council to update and modernize the Wine Grape Acreage Report to support future policy work
 - \$11K to the B.C. Grape Growers Association to help decrease invasive starling populations in the Okanagan valley through increased trapping and new infrastructure
 - \$10K to New Wave Wine Society to develop quality standards for fruit wines and mead
 - \$80K to the B.C. Wine Grape Council over four years to develop the Sustainable Winegrape Growing Certification Program through Sustainable Wine BC
 - \$63K across nine wineries participating in the B.C. Lean Program (provides up to \$7K cost-shared funding for specialized business skill development to support beverage processing production capacity, labour productivity and strengthened businesses)
 - \$4K for implementing a pivot plan under the Food Business Refresh Program to Seaside Pearl Farmgate Winery, and full business coaching and technical expert support
 - Up to \$5K (individuals) and \$20K (groups) in expert business planning services and coaching to Wine Growers British Columbia (AgriBusiness Planning Program)

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Appendix A – 2020/21 Buy BC Partnership Program Support for B.C. Wine

In 2020/21, the Ministry committed over \$377K in cost-shared funding for local market development projects under the Buy BC Partnership Program to 14 wine organizations:

1. Wine Growers British Columbia (\$74.9k)
2. Corcelettes Estate Winery (\$23.7k)
3. Poplar Grove Winery (\$44.4k)
4. Kamloops Wineries Association (\$22.1k)
5. La Frenz Estate Winery Ltd. (\$20.3k)
6. Quails' Gate Estate Vineyards Ltd. (\$24.3k)
7. Okanagan Falls Winery Association (\$16.6k)
8. Stag's Hollow Winery (\$39.4k)
9. Mayhem Wines Inc. (\$10k)
10. Ex Nihilo Vineyards (\$24.9k)
11. Festina Lente Estate Winery Ltd. (\$24.3k)
12. House of Rose Vineyards Ltd. (\$7.4k)
13. Quinta Ferreira Estate Winery (\$28.9k)
14. De Vine Vineyards Inc. (\$15.9k)

In 2020/21, the Ministry committed \$153K under the Buy BC Partnership Program's E-Commerce stream to 34 wine organizations:

1. Vista D'oro Farms & Winery (\$5k)
2. Deadman Lake Vineyard Ltd. (\$5k)
3. Dirty Laundry Vineyard (\$3.8k)
4. Howling Bluff Estate Winery (\$5k)
5. Foxtrot Winery ULC (\$5k)
6. Maverick Estate Winery Inc. (\$4.3k)
7. TH Wines (\$1.2k)
8. Beaufort Winegrowers Ltd. (\$5k)
9. Niche Wine Company Ltd. (\$3.6k)
10. Moraine Winery (\$5k)
11. Black Dog Cellars (\$5k)
12. Kutatas Wines Ltd. (\$1.2k)
13. Hillside Cellars Winery (Hillside Winery) (\$4.9k)
14. Da Silva Vineyards and Winery Inc. (\$5k)
15. Red Bird Estate Winery (\$5k)
16. CPM Farms Ltd. (dba Ripples Winery) (\$5k)
17. Township 7 Vineyards & Winery (\$3.4k)
18. Bartier Family Vineyards Ltd. (\$4.3k)
19. Avoca Vineyards Ltd (\$5k)
20. Clos du Soleil Winery Inc. (\$5k)
21. Tender Hope Holdings Ltd. (Tender Hope Winery) (\$5k)
22. Eauvivre Winery and Vineyards Ltd. (\$5k)
23. Singletree Winery Ltd. (\$5k)
24. Bordertown Vineyards and Estate Winery (\$5k)
25. Okanagan Crush Pad Winery Ltd. (\$5k)
26. Blasted Church Vineyards Inc. (\$5k)
27. La Casa Bianca Winery (\$5k)
28. Seaside Pearl Farmgate Winery (\$5k)
29. Harkers Organics Rustic Roots Winery Ltd. (\$4k)
30. Elysia Vineyard Ltd. (Lightning Rock Winery) (\$5k)

- 31. Vibrant Vine Winery Inc. (\$5k)
- 32. Monte Creek Ranch Winery (\$5k)
- 33. Tugwell Creek Honey Farm and Meadery Inc. (\$2.5k)
- 34. Campbell's Gold Honey Farm and Meadery (\$5k)

Appendix B – Breakdown of B.C. Wine Industry-Related Employment:

| Employment: | 100% Canadian Wine | International Canadian Blended (ICB) Wine | Total |
|-------------------------------|---------------------------|--|---------------|
| Wineries | 427 | 699 | 1,126 |
| Liquor Boards | 117 | 188 | 305 |
| Restaurants and Retail stores | 1,253 | 570 | 1823 |
| Vineyard | 868 | 120 | 988 |
| Tourism | 2,615 | - | 2,615 |
| Winery Suppliers | 73 | 167 | 240 |
| Vineyard Suppliers | 13 | 2 | 15 |
| Trucking/Warehousing | 16 | 35 | 51 |
| Research/Education/Consulting | 22 | - | 22 |
| Indirect (IMPLAN) | 1,490 | 876 | 2,366 |
| Induced (IMPLAN) | 1,426 | 998 | 2,424 |
| Total Employment | 8,320 | 3,655 | 11,975 |