

TABLE OF CONTENTS

Key Messages	LIGHT ORANGE
Ministry Budget - Budget Q's & A's	ORANGE
MANDATE LETTER COMMITMENTS	PINK
REVITALIZE THE ALR • Ministry Issue Note	1
GROW B.C. • GCPE Issues Note (Key Messages) • Ministry Issues Note	2
FEED B.C. • GCPE Issues Note (Key Messages) • Ministry Issues Note	3
BUY B.C. • GCPE Issues Note (Key Messages) • Ministry Issues Note	4
B.C. FOOD INNOVATION CENTRE • GCPE Issues Note (Key Messages) • Ministry Issues Note	5
2016/17 – 2018/19 SERVICE PLAN	LIGHT PURPLE
GROWING FORWARD 2 COST-SHARED PROGRAMS	DARK PURPLE
MINISTRY ISSUE / TOPICS	BLUE
Agricultural Land Use Inventories (ALUIs)	6
Agritech	7
Animal Health and Welfare	
<i>Animal Health Act Overview</i>	8
Animal Welfare Overview	9
Army worms	10
Domestic/ Wild Sheep disease risks	11
Poultry Sector	12
Animal Disease Emergency Support plan	
AI Response – continuous improvement	13
Beef	
Mobile Abattoir in the Cariboo	14
Planned Prince George Slaughter Facility	15
Beer, Wine and Spirit Panel	16
Bees	
Honey Bee Imports and the Threat to Bee Health	17
Ministry Staff addressing Bees (FTEs)	18
Neonicotinoid Insecticides and their Impact on Honey Bees	19
Small Hive Beetle	20
Breweries on ALR Land • Ministry Issues Note • ALC Issues Note	21
Buy BC Program • GCPE Issues Note (Key Messages) • Ministry Issues Note	22

Canadian Agricultural Partnership negotiations and implementation	23
Cannabis	
Legalization of Recreational Cannabis and Agriculture	24
Medical Cannabis	25
Cherry Orchards	26
Climate Adaptation	
OAG Adaptation Audit	27
Commercial Dog & Cat Breeders – Registering and Licensing	28
Domestic Consumption Study	29
Drought	30
EAT DRINK LOCAL Program	31
Environment Farm Plan (EFP) and Beneficial Management Practices (BMP) Program	32
Estate Homes in the ALR	
<ul style="list-style-type: none"> • GCPE Issues Note (Key Messages) • Ministry Issues Note • ALC Issues Note 	33
Extension Services – FBAS, SOI, AgriService	34
First Nations	35
Fisheries and Aquaculture Outlook	36
Food Processing Strategy and Supports	37
Foreign Ownership of Agricultural Land	
<ul style="list-style-type: none"> • GCPE Issues Note (Key Messages) • Ministry Issues Note 	38
Genetically Engineered Agricultural Products (including Peace Canola)	39
George Massey Tunnel	40
Grain Transportation in Northeast BC	41
Greenhouse Carbon Rebate Tax Program (GHCTRP)	42
Hazelnuts	43
Hullcar	44
Meat Inspection Program	
Class E Pilot	45
Meat Inspection Program Overview	46
Slaughter Capacity	47
NAFTA negotiations	48
Nechako alfalfa impacts from Torix moth	49
New Entrants	50
Nutrient Management	51
Propane Cannons	52
Replant Program	53
Risk Management Programs	
Agriculture Wildlife Program & Wildlife Damage Mitigation Initiative	54
Agri-Stability	55
Bred Heifer Association Loan Guarantee Program (BHALG)	56
Business Risk Management (Overview)	57
Production Insurance Program Delivery	58
Western Livestock Price Insurance Program	59
Seafood	
2017 Sockeye Return (GCPE Issues Note – Key Messages)	60

Atlantic Salmon Escape (GCPE Issues Note – Key Messages)	61
Closed containment	62
Cohen Commission Follow-up	63
Commercial Harvesting of Aquatic Plants	64
Salmon Aquaculture Policy	65
Shellfish Industry and Food Safety	66
Wild Salmon and MAACFA	67
Seafood processing capacity (e.g. Prince Rupert, Ucluelet)	68
Shark Finning	69
Site C Agricultural Compensation Fund	70
Temporary Foreign Worker Housing	
• GCPE Issues Note (Key Messages)	71
• Ministry Issues Note	
Weed Free Grain and Forage	72
Wildfire Response	
Emergency Response: General (GCPE Issues Note – Key Messages)	73
Emergency Response: Timing of Response/ Accessing Support (GCPE Issues Note – Key Messages)	74
Funding programs for ranchers and farmers impacted by wildfire	75
Ministry support to wildfire response	76
Recovery planning	77
Engagement with stakeholders	78
Lessons learned with this Year’s Devastating Fires	79
Livestock carcass disposal	80
Replacement of fencing	81
Wildlife/Agriculture Conflict Reduction Review	82
Wine Appellation Work Group & Wine Plebiscite	83

ALC ISSUES / TOPICS	LIGHT BLUE
Additional Dwellings in ALR	84
Agri-Industrial Processing in the ALR	85
ALC Land Included To and Excluded from the ALR by Fiscal Year	86
• GCPE Issues Note (Key Messages): Agricultural Land Commission Exclusions	
Application Processing Times	87
Compliance & Enforcement at the ALC	88
Filming in the ALR	89
Gathering for Events in the ALR	90
Kinder Morgan Trans Mountain Expansion Project	91
Reconsideration of Panel Decisions directed by ALC Chair	92
Targeted ALR Boundary Review	93

FIRB ISSUES / TOPICS	DARK GREEN
Animal Welfare and Biosecurity	94
BCFIRB – Responsibilities, Practices & Procedures as an Administrative Tribunal	95
Farm Practices Complaints	96
Federal Provincial Agreements – BCFIRB Signatory Role	97
Appeals and Complaints Overview	98
Governance - BCFIRB	99

Governance – BC’s Regulated Marketing Sector (commodity boards and commissions)	100
Supply Management	T
BCFIRB Quota Assessment Tools Supervisory Review	U
BC Dairy Industry – Ingredient Strategy (NAFTA dispute)	V
BC Chicken Pricing	W

SUPPLEMENTARY INFORMATION	LIGHT GREEN
---------------------------	-------------

Key Messages
Ministry of Agriculture
August 2017

MANDATE LETTER

BUY/FEED/GROW BC GENERAL

BUY BC

FEED BC

GROW BC

REVITALIZATION OF THE ALR AND ALC

B.C. FOOD INNOVATION CENTRE

TOP ISSUES

AQUACULTURE POLICY

EMERGENCY RESPONSE

TIMING OF RESPONSE

HELPING RANCHERS RETURN

AGRIRECOVERY

AVAILABLE SUPPORT

RANCHERS ACCESSING SUPPORT

MEGA HOMES ON ALR

FOREIGN OWNERSHIP OF ALR LAND

ECONOMIC BENEFITS

AGRICULTURE FAST FACTS

AGRITECH

SUPPORT FOR LOCAL FARMERS / MINISTRY BUDGET

NEW ENTRANTS/YOUNG FARMERS

EXTENSION SERVICES

INTERNATIONAL TRADE

AGRICULTURE LAND COMMISSION

AGRICULTURAL LAND COMMISSION

ALC REVITALIZATION

ALC PANEL APPOINTEES

AGRICULTURE LAND RESERVE

MEGA HOMES ON ALR

FOREIGN OWNERSHIP OF ALR LAND

BREWERIES ON ALR

AGRITOURISM ACTIVITIES IN THE ALR

SITE C AGRI

AQUACULTURE

AQUACULTURE POLICY

SEAFOOD

AQUACULTURE GENERAL

ATLANTIC SALMON ESCAPE - WASHINGTON STATE

CLOSED CONTAINMENT FISH FARMS

NEW FINFISH AQUACULTURE TENURES

FINFISH TENURE AMENDMENTS

NOROVIRUS IN OYSTERS

FISH DISEASES

INFECTIOUS SALMON ANAEMIA VIRUS (ISA)

INFECTIOUS HAEMATOPOETIC NECROSIS (IHN)

PISCINE REOVIRUS SUMMARY (PRV)

HEART AND SKELETAL MUSCLE INFLAMMATION (HSMI)

SEA LICE

SUPPORT FOR WILD SALMON

AGRICULTURE

BUY LOCAL PROGRAM

GROW LOCAL PROGRAM

EAT, DRINK LOCAL

BC FOOD SUPPLY SECURITY

FARMERS' FOOD DONATION TAX CREDIT

ORGANIC REGULATION

GENETICALLY MODIFIED ORGANISMS (GMO)

SUPPORT FOR WINE INDUSTRY

WINE APPELLATION TASK GROUP

GROWTH OF TREE FRUIT INDUSTRY

TREE FRUIT REPLANT PROGRAM

HAZELNUT REPLANT PROGRAM

BLUEBERRY PROPANE CANNONS

SUPPORT FOR BEES

HONEY BEE BACKGROUNDER

NEONICOTINOIDS

SMALL HIVE BEETLE

BEE INSPECTORS

SUPPORT FOR BC RANCHERS

LIVESTOCK PROTECTION PROGRAM

CATTLE FENCING

DOGS ATTACKING LIVESTOCK

B.C.'s MEAT INSPECTION SYSTEM

SLAUGHTER CAPACITY IN B.C.

SLAUGHTER CAPACITY ON VANCOUVER ISLAND

RDNO CLASS E PILOT LICENSES

100 MILE HOUSE MOBILE ABATTOIR

MEDICAL MARIJUANA BYLAWS

GROWN IN THE ALR

PROPERTY TAX

GROWING FORWARD 2

SUPPLY MANAGEMENT

BUSINESS RISK MANAGEMENT

AVIAN FLU

EMERGENCY RESPONSE

DROUGHT / WILDFIRES / CLIMATE CHANGE

CLIMATE ACTION INITIATIVES

ANIMAL WELFARE AND PROTECTION

SUPPORT FOR ANIMAL WELFARE ORGANIZATIONS

PREVENTION OF CRUELTY TO ANIMALS ACT

PREVENTION OF CRUELTY TO ANIMALS ACT (PCAA) AMENDMENTS

CAT AND DOG BREEDERS CODES OF PRACTICE

DAIRY CODE

FUR FARMS

COLLEGE OF VETS HUMAN RIGHTS TRIBUNAL

OTHER MINISTRY FILES

SCHOOL FRUIT AND VEGETABLE NUTRITIONAL PROGRAM (MOH)

PETS LEFT IN HOT CARS (CSCD)

HULLCAR

MANDATE LETTER

BUY/FEED/GROW BC GENERAL

- My goal is to create opportunities for B.C. food producers and that includes the export market, but also focuses on a thoughtful, planned approach to growing the market here in BC.
- BC farmers, seafood and food producers deserve our support, not only for the fresh and healthy foods they provide us, but because of the jobs, incomes and revenues they create, and the role they play economically and socially in so many of our communities.
- The B.C. government will be taking a three pronged approach to building opportunities and sales for B.C. food producers, and those wishing to join the sector.
- We're going to be supporting the full spectrum of BC's food, seafood and value-added processing sectors, by encouraging new entrants, increased production and higher consumption of B.C. products
- I have heard from BC farmers and food producers all around the Province that are excited by the thoughtful, planned approach we are bringing, and I am looking forward to seeing them started.

BUY BC

- The first pillar includes an enhanced Buy B.C. marketing program to help local producers market their products and increase sales in B.C.
- B.C. products are some of the best in the world, and we need to do more to help British Columbians understand the impact their choices to support local agriculture and seafood companies have in our province.
- Buy BC offers the value of mass-marketing and a brand that everyone can recognize and everyone can support.
- The Buy B.C. program was an incredible success in the 1990s, and even though it hasn't been supported in 16 years, British Columbians still recognize it and they still want it.

- That's the power of a successful brand, and that's the power of a good program.
- We're going to be bringing it back, with some enhancements that fit in with modern life and technology.
- Consumers Buying BC products results in high-quality, great tasting meals on our tables, and healthy, diverse communities in our province, and that deserves our attention and our support.

FEED BC

- The part of our plan that will be the biggest game-changer is the Feed B.C. policy.
- Feed B.C. will increase the use of B.C. foods in hospitals and other government facilities
- The benefits are obvious, not only are we working to increase the sales of BC food products, we are working to increase the production of BC foods as well.
- Creating a market and demand for year-round B.C. food products in government facilities in communities around our province, also supports opportunities to start or expand a farm or food business in communities all around British Columbia.
- FEED BC is a straight forward idea and plan, but as it involves planning for and growing crops, its implementation will take some time.
- FEED BC is going to be developed in terms and periods of time that make sense to farmers and food producers beginning and expanding operations, and when the results of the program are seen, it is going to be worth it.

GROW BC

- Grow B.C. will be centred on policies that support farmers and help B.C. producers expand local food production, and include policies that support new entrants and young people getting into farming.

- British Columbians are so keen to grow local products, and we need to create opportunities that help people do that.
- We have entrepreneurs in our province that are growing traditional crops, and many new ones like tea, kiwi fruit and okra, and we need to encourage people who have a vision and the passion to try it.
- Agriculture and food production contributes so much to our society in terms of food supply, economic activity and community strength, and to encourage it we need two things, secure farmland, and secure farmers.
- We are revitalizing the ALC to help the Commission fulfill their mandate of protecting farmland and encouraging farmers, and Grow BC will offer targeted programs to make sure the people who are passionate about working on the farm, are there on the land, doing just that.

REVITALIZATION OF THE ALR AND ALC

- My expectation of the ALC is they uphold their mandate of protecting farmland and encouraging farming, and we will be looking at changes to make both parts of their mandate easier.
- I want to be clear. This is not about the decision making process of the Commission. Their decision making is independent of government, and I respect and support that completely.
- The revitalization will look at ways we can make it easier and more efficient for the Commission to fulfill their mandate of protecting farmland and encouraging farming.
- We will be doing consultation work with the ALC, the farming community and businesses before any changes occur.
- Areas of concern that I have heard from stakeholders about include the two zone system in the ALR, the regional panel system, and the need for boundary reviews
- I understand that BC farmers are excited about changes to the ALR and ALC that will make their lives and businesses better, because I am excited by them too.
- But policy and legislative changes will take some time, and we are going to take that time to get it right.
- I'm looking forward to revitalizing the ALC and ALR as much as B.C. farmers are, and once those changes are ready, believe me, it's going to be a great day announcing them.

B.C. FOOD INNOVATION CENTRE

- The Food Innovation Centre will be a model of collaboration with industry, colleges and universities and government colleagues with a clear goal, creating opportunities for BC's food sector.
- The centre will support agri-tech in B.C. and the creation and adoption of products and practices that lead to innovation in the production, processing and packaging, and marketing of BC foods.
- It will also serve as a centre to build on BC agriculture, seafood and food exports, and link local food producers with the marketing and access advice and support they need to reach and grow in world markets

Top Issues

TOP ISSUES

AQUACULTURE POLICY

- The B.C. government is committed to implementing the recommendations of the Cohen commission and working with the aquaculture industry to move to closed containment where possible.
- We will be working closely with the industry, First Nations and the public to ensure BC's aquaculture industry is environmentally sustainable and respects First Nations rights while supporting good jobs for British Columbians.

STATUS OF TENURE ISSUING:

- In June 2015, the B.C. government announced it was going to examine the salmon aquaculture application and approval framework to ensure the operations are socially and ecologically sustainable, and could coexist with B.C.'s wild fishery resources.
- The announcement also clarified that while it was being undertaken, the Province would not consider any further approvals for new salmon aquaculture tenures.
- No new tenures have been issued since that time.
- The review included the commitment to form a Minister of Agriculture's Advisory Council on Finfish Aquaculture with members from the aquaculture industry, non-governmental organizations, First Nations and provincial government employees.
- The Council has met and discussed a range of matters related to salmon aquaculture and it is anticipated they will provide their report with recommendations this coming fall or winter .
- I look forward to receiving and reviewing the report and any recommendations it includes.
- The B.C. government is open to hearing from First Nations and stakeholders with their concerns and ideas about aquaculture operations.

Top Issues

- The Federal Department of Fisheries and Oceans (DFO) is responsible for the conservation and management of wild fisheries and has regulatory oversight of aquaculture operations in Canada, and as such, the B.C. government works in collaboration with DFO in all areas involving their jurisdiction.

Protesters At Aquaculture (FLNRO)

- While we respect the right of people to engage in peaceful protests, we also expect them to follow the law.
- In every situation, we ask people to remain respectful of one another.
- We encourage resolution of issues through discussion wherever possible. We believe negotiation is the best way to resolve issues.
- The licence of occupation was legally issued. The ministry only grants the right to use Crown land foreshore. It is the federal government that provides the licence for the fish.
- Further to a review of aquaculture policy and licensing announced in 2015, the ministry is currently not issuing any licences for new fish farms.

UNDRIP (MIRR):

- We have recognized the need to change how government works with First Nations, and all Indigenous people.
- That is part of why we are committed to adopting the UN Declaration on the Rights of Indigenous Peoples, which has been adopted by 148 nations, including the federal government.
- As part of our commitment to true, lasting reconciliation with First Nations in British Columbia, all ministers' mandate letters include a requirement to review policies, programs and legislation to determine how to bring the principles of the declaration into action in B.C.
- We look forward to working in partnership with First Nations to determine a way forward.
- We have a First Nations Leadership Gathering in Vancouver Sept. 6 and 7 where we hope to respectfully approach those conversations.

Top Issues

EMERGENCY RESPONSE

- When emergencies occur, Ministry of Agriculture staff work with Emergency Management BC and local governments to provide support to the response when agriculture is involved.
- During this summer's wildfires, the ministry is working closely with the BC Cattlemen's Association and providing assistance supporting livestock relocation through the Provincial Regional Operation Centre's.
- The number of livestock within the boundaries of wildfire-affected areas is estimated to be 30,000 animals, I want to be clear, that is a lot of cattle, and this is a large scale emergency response.
- At this stage, we do not have any firm numbers on livestock injuries and losses
- Income support for ranchers and crop producers will be available through existing federal and provincial government's insurance and income protection programs, (<http://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/insurance-and-income-protection>)but we recognize, given the scope of the fires, more will likely be needed.
- The B.C. government continues to work with the Government of Canada regarding support for BC ranchers, and will do our best to ensure ranchers have as efficient access to either existing or new programs

Top Issues

TIMING OF RESPONSE

- Recovery from an emergency of this magnitude is not going to be instant and it is not going to be easy. It will take energy, resources and partnership from all involved, and my commitment to the farmers and ranchers of B.C. Is the Ministry of Agriculture will contribute all three.
- I want to be clear, we are committed to assisting our farmers and ranchers return to full production as quickly as possible.
- This has been an unprecedented emergency, and we are working with our federal partners to ensure a complete response, including the development of an AgriRecovery program.
- Establishing a program and securing funding for B.C. farmers and ranchers requires processes and steps to ensure the program is both effective for the recipients and that it provides good value.
- There are a number of programs available through both the Emergency Response centres and the Ministry to help support farmers and ranchers by providing feed or helping relocate cattle, or by covering income declines or other losses.
- Other ways, in which the government can support ranchers are being considered, and we are assessing those options with stakeholders and partners.
- The governments of Canada and BC are working with producers, local officials and stakeholders to respond to this emergency as efficiently and collaboratively as possible and will keep working until the job is done.

Top Issues

HELPING RANCHERS RETURN

- As ranchers and residents return to affected areas, the B.C. government will continue working with ranchers and partners to help identify how many of those cattle were relocated, followed escape routes, or sheltered in place.
- The B.C. government is working with the BC Cattlemen's Association, local government Emergency Operation Centres, and other partners to offer situation specific advice and responses to ranchers seeking help relocating, gathering, sorting or identifying their cattle.
- We don't have precise numbers yet, a rough estimate suggests more than 500 ranchers have received support or information through the emergency response, but that number could be higher.
- That estimate is a broad one, and includes everything from logistical support in relocating cattle, helping ranchers re-access their property, or connecting with them with the right people or agency that can help them.
- For example, about 350 ranchers in the Cariboo have been able to re-access their property, feed has been arranged for more than 20 ranches, and more than 100 ranchers have received varying levels of support from the Kamloops emergency response centre.
- We have programs and people in place to help them relocate cattle, provide feed for their cattle if they need it, and to re-enter and re-access their property.

Top Issues

AGRIRECOVERY

- This has been an unprecedented emergency, and we are working with our federal partners to ensure a complete response, including the development of an AgriRecovery program.
- Together, the governments of Canada and British Columbia continue to support British Columbians and First Nations communities facing the immediate and long-term impacts of wildfires.
- The AgriRecovery response will help B.C. ranchers recover from their losses, return to their land and their livelihoods, and continue to be an economic driver in B.C.
- Within the AgriRecovery Framework, the 2017 Canada-British Columbia Wildfires Recovery Initiative will provide up to \$20 million to assist agricultural producers with the extraordinary costs incurred.
- The program will support ranchers and farmers with categories under consideration such as:
 - Costs related to ensuring animal health and safety.
 - Feed, shelter and transportation costs.
 - Costs to re-establish perennial crop and tame forage damaged by fire.
- The governments of Canada and B.C. are working with producers, local officials and stakeholders to respond to this emergency as efficiently and collaboratively as possible and will keep working until the job is done.
- Federal and provincial government staff are working hard to finalize the program details and criteria, and I very much look forward to seeing applications made available in the coming weeks.
- The governments of Canada and BC are working with producers, local officials and stakeholders to respond to this emergency as efficiently and collaboratively as possible and will keep working until the job is done.

Top Issues

- I very much look forward to seeing applications made available in the coming weeks.

Top Issues

AVAILABLE SUPPORT

- I'd also like to mention the programs available to help commercial livestock producers impacted by the 2017 wildfires.
- Fence reconstruction along highways and on Crown range will begin soon using a prioritized approach to protect public safety and the welfare of livestock.
- The Province will be spending about \$6 million on these reconstruction efforts.
- The Emergency Management BC Commercial Livestock Relocation program provides resources to commercial livestock producers to help evacuate and relocate livestock in areas under an evacuation alert or evacuation order.
- Emergency livestock feed is available to commercial livestock producers in the Cariboo Regional District that have lost grazing areas as a result of wildfires.
- The BC Cattlemen's Association and Range staff from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development have begun working with ranchers throughout the province to locate Crown range and private grazing areas that are available to accommodate wildfire-impacted ranchers who need summer and fall grazing.

Top Issues

RANCHERS ACCESSING SUPPORT

- I know there have been situations in which ranchers have complaints about the service they have received, and we have reached out to them to offer our support and assistance.
- I'd acknowledge that in an emergency of this scope and length, there are always developing parts of the emergency response that need and deserve our attention, including the ranchers who have expressed their concerns.
- I'd extend the offer of help and assistance to any rancher impacted by the fires in BC and ask them to contact us with their concerns
- The BC govt has been in daily communication with the BC cattlemen and working with them, local govts and stakeholders to provide the best possible response to challenges and problems as they arise
- We'd like to hear from ranchers with concerns, so we can do our best to connect them with the support and services they need.

MEGA HOMES ON ALR

- The B.C. government shares the concerns around land use and affordability in the ALR, and have been clear in our belief that land in the ALR should be used for farming.
- The Agricultural Land Reserve is managed by an independent Agricultural Land Commission with a very clear mandate - preserve agricultural land and encourage farming in British Columbia.
- Decisions regarding housing and building permits are the responsibility of local governments.
- To help support local government decision making, the Ministry of Agriculture created a by-law standard in November 2011 that provides local governments with a ready-to-use model that restricts building large residential homes in the centre of ALR lots and ensures the majority of the land is preserved for agricultural use.
- Local governments are encouraged to use this Standard when developing bylaws to regulate residence size and location within the ALR.
- The resulting standard followed extensive consultation with local governments, agriculture producers, stakeholders and the general public.
- Owners of farmland are required to follow all relevant federal, provincial and local government laws and regulations, regardless of their residence.

Top Issues

FOREIGN OWNERSHIP OF ALR LAND

- The B.C. government shares the concerns around land use and affordability in the ALR, and have been clear in our belief that land in the ALR should be used for farming.
- The Agricultural Land Reserve is managed by an independent Agricultural Land Commission with a very clear mandate - preserve agricultural land and encourage farming in British Columbia.
- Owners of farmland are required to follow all relevant federal, provincial and local government laws and regulations, regardless of their residence.
- In addition, any and all owners of land in British Columbia's Agricultural Land Reserve must abide by all regulations and decisions of the independent Agricultural Land Commission.
- B.C.'s Agricultural Land Reserve protects B.C.'s farmland for future generations and is unique in Canada, only two other provinces (Ontario and Quebec) have zones where agriculture is a priority.

Economic Benefits

ECONOMIC BENEFITS

AGRIGULTURE FAST FACTS

- \$14 billion in 2016 in annual revenues. (highest ever)
- The primary agriculture sector (farmers, ranchers and producers) down 2.5% to \$3 billion;
- The seafood sector up 31% to \$1.2 billion;
- The food and beverage manufacturing sector up 7% to \$9.8 billion.
- British Columbia agrifood and seafood producers exported \$3.8 billion worth of products in 2016. (new record for the fourth year in a row)
- The top five export markets in 2016 were:
 - United States (\$2.7 billion),
 - China (\$407 million),
 - Japan (\$207 million),
 - South Korea (\$64 million) and
 - Hong Kong (\$55 million).
- British Columbia exported over 700 agrifood and seafood products to 160 markets in 2016.
- The top five agrifood exports were:
 - food preparations for manufacturing and natural-health products (\$307 million),
 - baked goods and cereal products (\$293 million),
 - blueberries (\$200 million),
 - mushrooms (\$156 million), and
 - chocolate and cocoa preparations (\$119 million).
- The top five seafood exports were:
 - farm-raised salmon (\$545 million),
 - crab (\$142 million),

Economic Benefits

- hake (\$71 million),
 - shrimp and prawns (\$47 million), and
 - herring (\$45 million).
- Highlights from 2016:
 - B.C.'s farms generated \$3 billion in farm sales – down 78 million dollars from the previous year.
 - B.C.'s fisheries and aquaculture sectors generated \$1.2 billion in sales – an increase of close to \$280 million from the previous year.
 - B.C.'s food and beverage manufacturing shipments rose to \$9.8 billion, an increase of over \$645 million over the previous year.
 - Total farm cash receipts from B.C.'s agricultural crops topped \$1.5 billion, a decrease of \$18 million from the previous year.
 - B.C. grain and oilseed farmers produced more than 336,000 tonnes of wheat, oats, barley & canola, worth over \$50 million in farm cash receipts.
 - B.C. is Canada's largest fruit producer, with over 325,000 tonnes of fruit valued at \$397 million.
 - B.C. farmers produced Canada's third largest vegetable crop, generating in \$536 million farm cash receipts.
 - B.C. greenhouses produced around 120,000 tonnes of vegetables worth over \$315 million
 - B.C. grape growers generated close to \$57 million in revenue
 - Farm cash receipts in B.C.'s livestock and poultry sectors totaled close to \$1.5 billion
 - B.C. poultry and egg farmers generated almost \$560 million combined
 - B.C. beef farmers generated close to \$220 million
 - B.C. dairy producers generated over \$586 million
 - B.C. hog producers generated just over \$32 million
 - B.C. lamb producers generated nearly \$10 million
 - B.C. beekeepers produced generated \$12.4 million

Economic Benefits

AGRITECH

- The British Columbia agritech sector represents significant opportunity for the agrifood and seafood industry, as it can help maximize productivity, minimize inputs and create greater value from B.C.'s farmland and coast.
- The Ministry of Agriculture is supporting the development and commercialization of innovative agritech to maximize commercialization opportunities and accelerate growth in agritech companies.
- By supporting agritech, B.C. is attracting new talent, creating jobs, and ensuring that the province's agriculture industry remains ahead of the curve.
- The Ministry of Agriculture is supporting the development and commercialization of innovative agritech in a number of ways:
 - The governments of B.C. and Canada partnered in the \$13.4-million Canada-BC Agri-Innovation Program (CBCAIP) program, to support new product development and commercialization.
 - The CBCAIP provides funding to support industry-led, late-stage research, pilot and pre-commercial demonstration projects that lead to the commercialization and/or adoption of innovative products, processes, practices and technologies in B.C.
 - The B.C. government supports the University of the Fraser Valley's Agriculture Centre of Excellence. The centre provides infrastructure and programs to identify and react to trends, challenges and opportunities in agribusiness that includes production, processing and marketing for food, ornamental plants and nutraceuticals.
 - The B.C. government is also working with the BC Innovation Council on programs which provide agri-tech entrepreneurs and start-ups with business plan assistance, market analysis, funding guidance and networking to help accelerate their growth.

Economic Benefits

SUPPORT FOR LOCAL FARMERS / MINISTRY BUDGET

- The ministry's \$80 million annual operating budget supports many aspects of agriculture, seafood and value-added food production.
- The B.C. government will be taking a three pronged approach to build opportunities and sales for B.C. food producers, and those wishing to join the sector.
- We're going to be supporting the full spectrum of BC's food, seafood and value-added processing sectors, by encouraging new entrants, increased production and higher consumption of B.C. products
- I have heard from BC farmers and food producers all around the Province that are excited by the thoughtful, planned approach we are bringing, and I am looking forward to seeing them started.
- British Columbia agrifood and seafood producers exported \$3.8 billion in products in 2016, and we are going to work with them to help them build on that even more.
- British Columbia exported 712 types of foods to 160 markets in 2016, building on the demand for high quality, trusted BC products, and the network British Columbians have with family, friends, and businesses all over the world

Economic Benefits

NEW ENTRANTS/YOUNG FARMERS

- The Ministry of Agriculture recognizes the importance of attracting the next generation of young farmers, and ensuring support is available to help them succeed.
- A new program is going to focus on just that. Grow B.C. will be centred on policies that support farmers and help B.C. producers expand local food production, and include policies that support new entrants and young people getting into farming.
- British Columbians are so keen to grow local products, and we need to create opportunities that help people do that.
- Agriculture and food production contributes so much to our society in terms of food supply, economic activity and community strength, and to encourage it we need two things, secure farmland, and secure farmers.
- We are revitalizing the ALC to help the Commission fulfill their mandate of protecting farmland and encouraging farmers, and Grow BC will offer targeted programs to make sure the people who are passionate about working on the farm, are there on the land, doing just that.
- In addition the Ministry of agriculture has experts, programs and resources to support new entrants to the sector and our economy.
 - The Agriservice BC phone line and e-mail is your link to the experts in the Ministry you are looking for, the assistance and programs we offer, and the services and funding we provide.
 - The “Farm Business Advisory Service for the Beginning Farmer” providing professional farm business advisory service to new farmland owners.
 - Resources such as The New Farm Start Up workbook, Growing Your Farm workbook, and The Guide for Agriculture Lease Agreements in BC guidebook
 - Succession Planning Workshops for exiting producers and their families are being regularly presented throughout B.C.

Economic Benefits

- Food Processing Workshops (2-day sessions) focusing on marketing, cost of production, regulations, food safety, human resources
- Agriculture Land Leasing Workshops focusing on assisting land owners and those interested in leasing land
- The success of beginning farmers is often linked to their ability to secure land and to develop their individual business plans.
- The Ministry continues to invest resources and dollars in farm business management and new entrant programming, including more than \$900,000 in 2015/16

Economic Benefits

EXTENSION SERVICES

- The ministry has employees that provide strategic services and specialized information to local producers, agriculture associations and stakeholders, and local governments across the province, including more than 20 regional agrologists in offices throughout B.C.
- In addition to the agrologists the Ministry of Agriculture employs industry specialists, food safety specialists, environmental engineers, and strengthening farming program specialists.
- The ministry has staff located across B.C. including Kelowna, Vernon, Victoria, Courtenay, Duncan, Abbotsford, Invermere, Creston, Kamloops, Williams Lake, Prince George, Dawson Creek, and Fort St. John.
- The Ministry's support services have evolved to reach larger audiences by working with industry associations, local governments, educational institutions and other key stakeholders, and to include web and smart phone resources that offer the information to broader audiences.
- The Ministry's AgriService BC, offers a toll-free phone and e-mail service to connect farmers, and agri-businesses with the people and information they need to help their businesses succeed and grow.

Economic Benefits

INTERNATIONAL TRADE

- British Columbia agrifood and seafood producers exported \$3.8 billion worth of exports in 2016. (highest ever) and we are going to work with them to help them expand their markets and build on their success even more.
- British Columbia exported 712 types of foods to 160 markets in 2016, building on the demand for high quality, trusted BC products, and the network British Columbians have with family, friends, and businesses all over the world
- Recent B.C. government initiatives to increase trade include:
 - An International Market Development Strategy that focuses on providing programs and services that support three key areas: market knowledge, generating investment, and building networks;
 - Two recently hired B.C. Agrifood and Seafood Trade and Investment Representatives – one in Hong Kong and one in South Korea – to support the expansion of B.C. agrifood and seafood export sales and to collect market intelligence on current and future growth opportunities; and
 - Online, searchable access of the B.C. government's Agrifood and Seafood Export Ready Business Catalogue in English, Simplified Chinese, Japanese, Korean and French. The catalogues represents B.C.'s diverse agrifood and seafood sector, and include profiles of about 100 B.C. producers of fruits and vegetables, seafood, meat, packaged food, natural health products and beverage makers, ready to export B.C. products.

Agricultural Land Commission

AGRICULTURE LAND COMMISSION

AGRICULTURAL LAND COMMISSION

- Land use decisions within the ALR are up to the Agricultural Land Commission.
- The ALC is an administrative tribunal – arm’s length from government - and government does not interfere in that independent decision-making process.
- The ALC looks at many factors when carrying out its mandate and each application has its own distinct set of circumstances and is considered on its own merits.
- Questions about specific applications or decisions should be addressed to the Agriculture Land Commission.

ALC Budget – 2011/12 to 2016/17

	2011/12	2012/13	2013/14	2014/15	20015/16	2016/17	2017/18
Base Budget	1.974	1.974	2.905	3.516	3.406	4.5	4.5

Agricultural Land Commission

REVITALIZATION OF THE ALR AND ALC

- My expectation of the ALC is they uphold their mandate of protecting farmland and encouraging farming, and we will be looking at changes to make both parts of their mandate easier.
- I want to be clear. This is not about the decision making process of the Commission. Their decision making is independent of government, and I respect and support that completely.
- The revitalization will look at ways we can make it easier and more efficient for the Commission to fulfill their mandate of protecting farmland and encouraging farming.
- We will be doing consultation work with the ALC, the farming community and businesses before any changes occur.
- Areas of concern that I have heard from stakeholders about include the two zone system in the ALR, the regional panel system, and the need for boundary reviews
- I understand that BC farmers are excited about changes to the ALR and ALC that will make their lives and businesses better, because I am excited by them too.
- But policy and legislative changes take time, and we are going to take that time to get it right.
- I'm looking forward to revitalizing the ALC and ALR as much as B.C. farmers are, and once those changes are ready, believe me, it's going to be a great day announcing them.

Agricultural Land Commission

ALC PANEL APPOINTEES

- It is expected that all members of the Commission including new commissioners and vice-chairs will execute their duties with the utmost integrity and professionalism.
- The ALC has a great team of commissioners in place to protect farmland and encourage farming.
- A variety of criteria were evaluated when assessing potential candidates, including meeting residency requirements and connections to the agricultural industry.
- The **Governing Principles** of the appointment process are as follows:
 - **Merit-Based:** Appointments are governed by the overriding principle of selection based on merit - an objective assessment of the fit between the skills and qualifications of the prospective candidate and the needs of the agency.
 - **Transparent:** The appointment process guidelines are clear and understandable and available to the public.
 - **Consistent:** The appointment process is applied consistently in respect of all appointments to agencies.
 - **Probity:** Agency members must be committed to the principles and values of public service and perform their duties with integrity.
 - **Proportionate:** The appointments process is subject to the principle of proportionality; that is, the process is to be appropriate for the nature of the post and its responsibilities.
- A list of candidates was discussed with the ALC; however final decisions are made by cabinet.
- Ultimately it's the responsibility of elected representatives to make decisions about how best to resource these positions.

AGRICULTURE LAND RESERVE

AGRICULTURE LAND RESERVE

- The ALR includes 47,000 square kilometres of B.C. that are preserved for agricultural use.
- Land in the ALR falls into one of seven soil classes, ranging from Class 1 (wide range of crops can be grown without difficulty) to Class 7 (unsuitable for soil-based agriculture or sustained grazing, suitable for barns, greenhouses and processing facilities).
- Currently, 10% of the land in the ALR produces 85% of B.C.'s farm cash receipts (FCR) and the 3% of ALR land in the South Coast region produces 66% of the province's FCR.
- By Agricultural Land Reserve region:
 - Island region - 2% of ALR, 6% of FCR
 - South Coast region - 3% of ALR, 65% of FCR
 - Okanagan region - 5% of ALR, 14% of FCR
 - Kootenay region - 8% of ALR, 2.5% of FCR
 - Interior region - 31% of ALR, 4.5% of FCR
 - North region - 50% of ALR, 8% of FCR

MEGA HOMES ON ALR

- Decisions regarding housing and building permits are the responsibility of local governments.
- To help support local government decision making, the Province created a by-law standard in November 2011 that provides local governments with a ready-to-use model that restricts building large residential homes in the centre of ALR lots and ensures the majority of the land is preserved for agricultural use.
- Local governments are encouraged to use this Standard when developing bylaws to regulate residence size and location within the ALR.
- The resulting standard followed extensive consultation with local governments, agriculture producers, stakeholders and the general public.
- Owners of farmland are required to follow all relevant federal, provincial and local government laws and regulations, regardless of their residence.

FOREIGN OWNERSHIP OF ALR LAND

- Owners of farmland are required to follow all relevant federal, provincial and local government laws and regulations, regardless of their residence.
- In addition, any and all owners of land in British Columbia's Agricultural Land Reserve, must abide by all regulations and decisions of the independent Agricultural Land Commission.
- B.C.'s Agricultural Land Reserve protects B.C.'s farmland for future generations and is unique in Canada, only two other provinces (Ontario and Quebec) have zones where agriculture is a priority.
- The Agricultural Land Reserve is managed by an independent Agricultural Land Commission with a very clear mandate - preserve agricultural land and encourage farming in British Columbia.

BREWERIES ON ALR – GENERAL

- In 2015, the B.C. government introduced new regulation, allowing breweries, distilleries and meaderies to operate on ALR land, without requiring a decision from the Agricultural Land Commission, provided at least 50% of the farm products used were grown on the farm where they are located.
- Prior to this change in 2015, any proposal for a brewery, distillery or meadery on ALR land required a decision on a non-farm use application by the ALC on a case by case basis.
- The 50% farm products threshold does not preclude a brewery, distillery or meadery from operating on the ALR, rather it provides clarity on when a non-farm use application is required for the ALC to decide on a case by case basis.

BREWERIES ON ALR - PERSEPHONE

- Persephone did not have the majority of its inputs coming from its farm and therefore required a decision from the ALC.
- The ALC did not approve the application.
- Persephone will be allowed to continue to operate for the next 2 years to provide Persephone the opportunity to come into compliance with the regulation, or relocate.

AGRITOURISM ACTIVITIES IN THE ALR

- The Ministry of Agriculture developed a regulation to clarify that ALR land owners will not need to apply to the Agricultural Land Commission (ALC) to host activities like commercial weddings, concerts, or non-agriculture related festivals, providing:
 - The land has farm status
 - No new permanent structures are being built
 - All parking will be on the property (no road parking)
 - The number of guests is 150 or less
 - The number of annual events is 10 or less
- These parameters were decided on following conversations with representatives of local governments, farmers, and the ALC

SITE C AGRI

- The Ministry of Agriculture recognizes that agricultural impacts were included in the decision making process.
- BC Hydro will take appropriate action to address the ALR lands affected by the Project that includes a \$20 million agricultural compensation fund.
- BC Hydro is developing an Agricultural Mitigation and Compensation Plan to ensure the agricultural sector in the Peace and the Province of British Columbia is supported.

AQUACULTURE

SEAFOOD

- The B.C. government is committed to the socially and ecologically responsible management of B.C. fisheries, including an environmentally and economically sustainable aquaculture industry for the benefit of all British Columbians.
- We have one of the most diverse agrifoods industries in Canada, producing more than 100 seafood species, including our sustainable aquaculture sector that produces salmon, shellfish and other products enjoyed locally and around the world.
- B.C. seafood is respected and desired worldwide as great tasting and sustainably harvested.
- The Fish and Seafood Act came into effect on January 1, 2017 and replaced legislation that was last significantly updated in the 1960s. The Act increases food safety requirements and modernized the compliance and enforcement process
- More than 3,400 British Columbians work directly in the primary seafood sector, many in rural and remote communities.
- The Province supported the Marine Stewardship Certification (MSC) of six species of B.C. fish. MSC certification is an internationally recognized measure of sustainability, used on packaging and menus around the world, and something consumers are increasingly demanding.
- B.C. exported about \$1.3 billion of seafood in 2016. The top five export markets in 2016 were the USA (\$799 million), China (\$265m), Japan (\$106m), Ukraine (\$31m) and Hong Kong (\$24m)
- The top five seafood products exported in 2016 were farm-raised salmon (\$545 million), crab (\$142 million), hake (\$71 million), shrimp and prawns (\$47 million), and herring (\$45 million).

AQUACULTURE GENERAL

- The B.C. Government is committed to the socially and ecologically responsible management of B.C. fisheries, including an environmentally and economically sustainable aquaculture industry for the benefit of all British Columbians.
- B.C. aquaculture operations provide a sustainable and responsibly produced source of seafood that is enjoyed around the world, and creates jobs and economic activity in British Columbia.
- The B.C. government places the health of all wild fisheries, including salmon, as paramount.
- The B.C. government works with our federal counterparts and aquaculture operators to monitor for diseases and is prepared to implement a prompt, coordinated, and science-based response if required.
- The B.C. government operates a state-of-the-art veterinary diagnostic laboratory at the Animal Health Centre in Abbotsford that is one of three labs in North America accredited by the American Association of Veterinary Laboratory Diagnosticians. The lab is also accredited by the International Organization for Standardization (ISO). Both accreditations recognize the lab's excellence in veterinary diagnostic testing.
- The Animal Health Centre diagnoses, monitors and assists in controlling and preventing animal diseases in B.C., including fish viruses such as Infectious Salmon Anaemia Virus (ISAV) and Piscine Reovirus (PRV).
- In July 2015, the Ministry announced no further approvals for salmon aquaculture tenures would be considered until a number of actions were complete to ensure aquaculture operations are socially and ecologically sustainable and can coexist with our wild fishery resource.
- The Minister of Agriculture formed an Advisory Council on Finfish Aquaculture that includes members from the aquaculture industry, non-governmental organizations and First Nations, to advise the Minister on matters related to Finfish aquaculture, and their report is expected in Fall 2017.

AQUACULTURE POLICY

- The B.C. government is committed to implementing the recommendations of the Cohen commission and working with the aquaculture industry to move to closed containment where possible.
- We will be working closely with the industry, First Nations and the public to ensure BC's aquaculture industry is environmentally sustainable and respects First Nations rights while supporting good jobs for British Columbians.

STATUS OF TENURE ISSUING:

- In June 2015, the B.C. government announced it was going to examine the salmon aquaculture application and approval framework to ensure the operations are socially and ecologically sustainable, and could coexist with B.C.'s wild fishery resources.
- The announcement also clarified that while it was being undertaken, the Province would not consider any further approvals for new salmon aquaculture tenures.
- No new tenures have been issued since that time.
- The review included the commitment to form a Minister of Agriculture's Advisory Council on Finfish Aquaculture with members from the aquaculture industry, non-governmental organizations, First Nations and provincial government employees.
- The Council has met and discussed a range of matters related to salmon aquaculture and it is anticipated they will provide their report with recommendations this coming fall or winter .
- I look forward to receiving and reviewing the report and any recommendations it includes.
- The B.C. government is open to hearing from First Nations and stakeholders with their concerns and ideas about aquaculture operations.
- The Federal Department of Fisheries and Oceans (DFO) is responsible for the conservation and management of wild fisheries and has regulatory oversight

of aquaculture operations in Canada, and as such, the B.C. government works in collaboration with DFO in all areas involving their jurisdiction.

Protesters At Aquaculture (FLNRO)

- While we respect the right of people to engage in peaceful protests, we also expect them to follow the law.
- In every situation, we ask people to remain respectful of one another.
- We encourage resolution of issues through discussion wherever possible. We believe negotiation is the best way to resolve issues.
- The licence of occupation was legally issued. The ministry only grants the right to use Crown land foreshore. It is the federal government that provides the licence for the fish.
- Further to a review of aquaculture policy and licensing announced in 2015, the ministry is currently not issuing any licences for new fish farms.

UNDRIP (MIRR):

- We have recognized the need to change how government works with First Nations, and all Indigenous people.
- That is part of why we are committed to adopting the UN Declaration on the Rights of Indigenous Peoples, which has been adopted by 148 nations, including the federal government.
- As part of our commitment to true, lasting reconciliation with First Nations in British Columbia, all ministers' mandate letters include a requirement to review policies, programs and legislation to determine how to bring the principles of the declaration into action in B.C.
- We look forward to working in partnership with First Nations to determine a way forward.
- We have a First Nations Leadership Gathering in Vancouver Sept. 6 and 7 where we hope to respectfully approach those conversations.

ATLANTIC SALMON ESCAPE - WASHINGTON STATE

- I was concerned to hear about the escape of the salmon from Washington State.
- DFO is the lead agency in Canada, and as the escape occurred at a U.S. facility subject to U.S. regulation, we trust they will work with their U.S. counterparts to ensure appropriate actions are taken.
- Ministry staff will continue to stay in contact with their federal colleagues to share information and updates.
- British Columbians who catch Atlantic Salmon should report it to the federal government's Atlantic Salmon Watch Program at 1-800-811-6010
- The federal government requires as a condition of licence, that containment systems (such as net pens) must be able to withstand local weather and ocean conditions, including storms, water currents and other environmental factors, and we respect their jurisdiction and trust their expertise.
- Systems are regularly inspected and maintained to ensure integrity and to control for factors that could contribute to failures of the containment system.
- No escapes were reported from salmon farms operating in B.C. during this time.
- There were 22 confirmed escaped fish from salmon farms in B.C. in 2016, and three confirmed escaped fish from B.C. salmon farms in 2015.

CLOSED CONTAINMENT FISH FARMS

- There are a number of BC success stories with closed containment systems that include sturgeon (to produce meat and caviar), tilapia (fresh fish market), sablefish (fingerlings) and commercial salmon hatcheries that support marine net-pens. While this technology is becoming more popular in BC, economic viability remains a real challenge for many applications.
- The B.C. government encourages innovation across agriculture and seafood, and that includes trying and evaluating new technology.
- Government supports the evaluation and use of new technologies like closed containment to explore new markets and build on B.C.'s reputation as a provider of great-tasting, sustainable seafood.

NEW FINFISH AQUACULTURE TENURES

- Following the federal government's decision to issue aquaculture licences, the B.C. government issued two new tenures under the Land Act for salmon aquaculture purposes in 2015, near Hope Island off the northern tip of Vancouver Island, and offered two more, one in the Clio Channel, east of Port McNeill, and one near Flores Island, north of Tofino.
- The federal government carefully considers any potential impacts aquaculture operations could have on wild fisheries, fish health and the ocean floor, before making a decision on an application
- All B.C. government tenure applications are reviewed by a civil servant who has been designated the statutory decision maker. They review and assess the applications they receive, and use their professional knowledge and expertise to determine if the application is approved or rejected.
- The B.C. government is going to examine the application and approval framework to ensure aquaculture operations are socially and ecologically sustainable and can coexist with our wild fishery resource. Specifically, the government committed to the following actions:
 - A Minister of Agriculture's Advisory Council on Finfish Aquaculture that will include members from the Ministry of Forests, Lands and Natural Resource Operations, the aquaculture industry, non-governmental organizations and First Nations.
 - Examine establishing a protocol for receiving advice from the Aquaculture Stewardship council in regards to tenures for new aquaculture sites.
 - The feasibility of improved microbe detection at aquaculture sites arising from the work currently being undertaken by Genome BC in tandem with the other scientific evidence/analysis already available to the Province.
- The Council will advise the Minister on matters related to Finfish aquaculture to be included in the strategy in BC and their report is expected in Fall 2017.
- While this is being undertaken, the Province will not consider any further approvals for new salmon aquaculture tenures.

FINFISH TENURE AMENDMENTS

- No licenses or tenures for new salmon farms have been issued, and none will be while the B.C. government examines the provincial tenure application and approval framework to ensure aquaculture operations are socially and ecologically sustainable and can coexist with our wild fishery resource.
- As announced in September 2015, while no tenures for new salmon farms would be issued, the B.C. government would accept and review for decision applications to relocate an existing tenure to a more suitable location if the operations remain consistent.
- Four applications to relocate existing tenures have been approved (Cougar Bay, Alexander Inlet, Minstrel Island/Tsa-ya and Robertson Island) A relocation application must be approved by both the federal government (authority to farm fish) and the provincial government (authority for a farm to operate on a specific area of Crown land.)
- All applications, including the recent relocation of tenure from Cliff Cove (Esperanza Inlet, near Zeballos) to Minstrel Island (Broughton Archipelago) met all federal and provincial requirements, and included all required consultations.
- The federal government carefully considers any potential impacts aquaculture operations could have on wild fisheries, fish health and the ocean floor, before making a decision on an application. The B.C. government has confidence in the federal government's processes and that any concerns raised to them, including those by shrimp fishers, were given due consideration in the federal government's decision making.
- All B.C. government tenure applications are reviewed by a civil servant who has been designated the statutory decision maker. They review and assess the applications they receive, and use their professional knowledge and expertise to determine if the application is approved or rejected.
- First Nation support is an important consideration in the relocation decision. For example, the relocation of the Minstrel Island/Tsa-ya tenure is supported by the Tlowitsis First Nation within whose traditional territory the site resides.

NOROVIRUS IN OYSTERS

- Human safety is paramount. All food products should be handled and prepared safely, from producers to consumers.
- The Province is proud of B.C.'s world-class oyster growers and we take food safety issues very seriously.
- The Ministry of Agriculture urges people who enjoy oysters to follow the recommendations of health officials.
- B.C. oyster producers are advised to contact the Canadian Food Inspection Agency for information and guidance around product testing and safety.
- The B.C. government is partnering (\$275,000) with the BC Shellfish Growers Association (BCSGA), Vancouver Island University and the Hakai Institute to address issues affecting the shellfish industry.
- The partnership will include efforts to boost the local production of high quality and disease resistant oyster seed, expand climate change monitoring capacity and to develop a business case outlining priority areas for investment and action in the future.

FISH DISEASES

INFECTIOUS SALMON ANAEMIA VIRUS (ISA)

- Since October 2011, media have covered a number of reports that ISA was found in various wild salmon samples from rivers and the ocean in B.C., and Atlantic salmon purchased at B.C. supermarkets. The Canadian Food Inspection Agency conducted follow-up tests and investigations and all results were negative--no virus.
- ISAV is the cause of the Atlantic salmon disease infectious salmon anaemia (ISA), but Pacific salmon are not known to be susceptible to ISA. The Province tests about 1,000 farmed salmon a year, and all test results have been negative--no virus.
- Through federal surveillance program and provincial testing, more than 11,000 B.C. salmon and trout (8K wild and 3K farmed) have been tested for ISA since 2012 – and all have been negative, no virus.

INFECTIOUS HAEMATOPOETIC NECROSIS (IHN)

- The IHN virus is native to B.C. and though sockeye salmon may carry the virus, they are at low risk of disease in the ocean because of natural immunity.
- IHN can be lethal for Atlantic salmon. Two farms near Tofino were depopulated in August 2012. An IHN outbreak also occurred in 2003. The industry has put in place a Viral Management Plan, to prevent the virus spreading between farms. A vaccine is now also available to protect farmed Atlantic salmon against IHN.
- The federal government ran a surveillance program to ascertain the status of three viruses including IHN on the west coast. They tested a total of 1,300 B.C. wild salmon and trout tested for IHN (2012 and 2013) – and all were negative, no virus.

PISCINE REOVIRUS SUMMARY (PRV)

- Reoviruses got their name because many are "respiratory and enteric orphans". They are called "orphans" because many are viruses without a disease. To date that is the case with the Piscine Reovirus in B.C. The virus is

common in farmed fish and some wild fish, but it is not associated with any disease.

- Some scientists think PRV is the cause of Heart and Skeletal Muscle Inflammation (HSMI), a disease that affects farmed Atlantic salmon in Europe.
- In May 2016, a team of international researchers, led by Fisheries and Oceans Canada's diagnosed a potential Heart and Skeletal Muscle Inflammation (HSMI) in farmed Atlantic salmon samples collected from a B.C. aquaculture facility in 2013-2014. This research was published in an online journal in February 2017.
- This research was undertaken as part of the Strategic Salmon Health Initiative (SSHI), a collaboration between DFO, the Pacific Salmon Foundation and Genome British Columbia to better understand the distribution of microbes and diseases in wild and cultured (hatchery and aquaculture) salmon in B.C.
- Other scientists refer to peer-reviewed research and consistent farmed fish production levels in B.C. for the past several years as good evidence that B.C. farmed salmon have no serious new diseases.
- The B.C. government supports the advancements of science and recognizes ongoing discussions and different viewpoints help that process. At this point, scientists agree that HSMI has not been diagnosed in wild Pacific salmon and there is no risk to human health.

HEART AND SKELETAL MUSCLE INFLAMMATION (HSMI)

- The B.C. Government is committed to the socially and ecologically responsible management of B.C. fisheries, and is always reviewing new reports and studies.
- Heart and Skeletal Muscle Inflammation (HSMI) is not a condition that causes high mortality in farmed Atlantic salmon and is currently not among the diseases regulated by the Canadian Food Inspection Agency.
- To date there have been no reports of HSMI in wild fish in British Columbia, Washington or Alaska.

- The Department of Fisheries will continue to monitor the health of wild and farmed salmon in Canada and to track international research developments.
- It is also important to note that human health is not affected by the consumption of farmed fish with HSML.

SEA LICE

- Sea lice are native to the B.C. waters and like many wild animals have population cycles and trends. Sea lice populations move freely between wild fish and farm fish.
- In the Broughton Archipelago, when salmon returns in the fall are poor, sea lice numbers in the spring on farm and wild salmon are often low. When salmon returns in the fall are good (e.g., 2014), sea lice numbers in the spring can be greater.
- In the Discovery Islands regions of B.C., sea lice from Pacific herring are a major source of sea lice on farm salmon.
- The federal government requires each finfish aquaculture operation in BC to have a fish health management plan in place as a condition of licence, which includes provisions for sea lice management and treatment. The federal government audits each BC farm during the wild salmon outmigration season (March through June) to ensure that sea lice are under control.

SUPPORT FOR WILD SALMON

- The B.C. government supports sustainable management of wild fisheries by:
 - Participating in international negotiations that result in responsible, science-based fishery allocations.
 - Delivering diagnostic and research support services that improve the understanding of fish populations and the risks they face
 - Operating the provincial veterinary diagnostic laboratory which supports a comprehensive fish health management program for salmon aquaculture including the federal government's fish health auditing and surveillance program
- The B.C. government promotes the conservations and enhancement of wild fish populations and habitat by:
 - Establishing the Living Rivers Trust - a \$21-million fund by B.C. government to create a legacy for the province based on healthy watersheds, sustainable ecosystems and thriving communities. Since the Trust was started in 2006, more than 300 projects have been funded to improve watershed governance, fisheries management, habitat, and public engagement in watershed stewardship. The B.C. government provided an additional \$1 million in core funding in 2012
 - Supporting the Pacific Salmon Foundation, a non-profit charitable organization dedicated to the conservation and restoration of wild Pacific salmon and their natural habitats in British Columbia and the Yukon. BC has provided over \$12 million to the Foundation through the Living Rivers Trust.
 - Supporting the Freshwater fisheries society of BC with about \$3 million a year through provincially issued freshwater fishing license. The Society stocks about 800 lakes and streams throughout BC annually, and conducts research and conservation projects.
 - Providing the B.C. commercial fishing industry with \$100,000 to help them achieve Marine Stewardship Council certification of sockeye salmon and other fisheries as sustainable fisheries. The Council's standards were

developed through consultation with the fishing industry, scientists, conservation groups, experts and stakeholders.

- Establishing the Habitat Conservation Trust Foundation to invest in projects that maintain and enhance the health and biological diversity of British Columbia's fish, wildlife, and habitats so that people can use, enjoy, and benefit from these resources. The foundation receives on-going funding through the purchase of provincial hunting and angling licenses and have invested over \$140 million in over 2000 projects across B.C.
- Establishing policies and systems such as the Riparian Areas Regulation to ensure any development projects near riparian areas undergo a science-based assessment of proposed activities, and the Fisheries Information Summary System be used as a resource to safeguard fisheries in waterbodies throughout B.C.
- B.C. hydro invested \$8.9 million in 2015-16, funding 124 fish and wildlife conservation projects across the Province.

AGRICULTURE

BUY LOCAL PROGRAM

- \$8 million have been invested in the Buy Local program Since 2012.
- Approximately 200 B.C. agrifood and seafood companies have expanded their reach and sales in communities throughout B.C. since the program began,
- The Buy Local program provides BC recipients with matching funding to market their products in the way they think best, to launch or expand their own buy local marketing campaigns.

GROW LOCAL PROGRAM

- The \$250,000 Grow Local program was a pilot program in 10 B.C. communities that funded residents growing local fruit and vegetables, and increasing awareness and appreciation for supporting local food production.
- The ten projects included developing resources on how to grow local food, group education and awareness activities such as workshops, mini-courses, and “how-to” demonstrations, and one-on-one consultation and advice.
- Projects took place in Metro Vancouver, Greater Victoria, the Okanagan, and other communities around B.C.

EAT, DRINK LOCAL

- EAT DRINK LOCAL will be a province-wide campaign IN that promotes and fosters relationships between BC restaurants, food service establishments, chefs, farmers and producers, and builds greater awareness of and consumer demand for local BC agrifood and seafood products.
- The Province is providing about \$225,000 to the BC Restaurant and Food Services Association to deliver the program and build our efforts help build consumer appreciation of the excellence of BC's agrifood and seafood products.
- EAT DRINK LOCAL will offer restaurants and food service establishments the opportunity to showcase their creativity and skill with local products and flavours during a month-long celebration, which will enable diners to sample regional BC cuisine.
- During the EAT DRINK LOCAL month-long celebration, restaurants and food service establishments across the province will offer special menus that feature unique dishes made from local BC agrifood and seafood ingredients.
- Beyond this month-long celebration, a web site will provide further information on products grown and harvested in BC and the restaurants and food service establishments that serve them to enable diners to eat and drink local all year.
- The program is expected to increase the demand and sales of local food in the restaurants and food service establishments, build consumer awareness about the quality, range and flavour of B.C. foods, and help residents and tourists easily identify where local flavours are being served.
- The program will begin with a consumer facing website in the fall and then have the one-month promotion in the spring 2018

BC FOOD SUPPLY SECURITY

- The B.C. government believes local is best - so we are doing everything we can to support local farmers, and their products, for all British Columbians to enjoy.
- The B.C. government will be taking a three pronged approach to build opportunities and sales for B.C. food producers, and those wishing to join the sector.
- We're going to be supporting the full spectrum of BC's food, seafood and value-added processing sectors, by encouraging new entrants, increased production and higher consumption of B.C. products
- The first pillar includes an enhanced Buy B.C. marketing program to help local producers market their products and increase sales in B.C.
- Feed B.C. will increase the use of B.C. foods in hospitals and other government facilities
- The benefits are obvious, not only are we working to increase the sales of BC food products, we are working to increase the production of BC foods as well.
- Creating a market and demand for year-round B.C. food products in government facilities in communities around our province, also supports opportunities to start or expand a farm or food business in communities all around British Columbia.
- Grow B.C. will be centred on policies that support farmers and help B.C. producers expand local food production, and include policies that support new entrants and young people getting into farming.
- We are revitalizing the ALC to help the Commission fulfill their mandate of protecting farmland and encouraging farmers, and Grow BC will offer targeted programs to make sure the people who are passionate about working on the farm, are there on the land, doing just that.

- Agriculture Technology (Agritech) represents significant opportunity to increasing B.C.'s food supply security by maximizing productivity, minimizing inputs and creating greater value from B.C.'s farmland and coast.
- Through these efforts, we are working to improve B.C.'s food supply security.

FARMERS' FOOD DONATION TAX CREDIT

- The Farmers' Food Donation Tax Credit was announced in February 2016.
- The Farmers' Food Donation Tax credit is available to individuals and corporations that carry on the business of farming and donate a qualifying agricultural product to a registered charity.
- The agricultural product may include meat products, eggs or dairy products, fish, seafood, fruits, vegetables, grains, pulses, herbs, honey, maple syrup, mushrooms, nuts or other produce that has been grown, raised or harvested on a farm in B.C.
- The credit is worth 25% of the fair market value of the qualifying agricultural product and must be claimed in the same year that a charitable donation tax credit or deduction is claimed for the donation.
- The credit is available for the 2016, 2017 and 2018 tax years, after which the credit will be reviewed.

ORGANIC REGULATION

- There are growing domestic market opportunities for B.C. organic food producers.
- In January 2015, the Ministry of Agriculture consulted with BC organic sector stakeholders to develop a three pillar approach to strengthen the awareness and reputation of B.C.'s organically produced agri-foods, locally, across Canada, and around the world. Based on those consultations, we've made some decisions.
- In 2016, the B.C government passed the *Food and Agricultural Products Classification Act*, which allows the government to set standards for specific food products.
- The Act and regulations came into effect on January 01, 2017, and beginning in 2018, the Act will require all food and agricultural products marketed as "organic" in B.C. to be certified under either a provincial or national certification program.
- The B.C. government will also work with COABC to provide assistance to help interested farmers and growers achieve or transition to organic certification by 2018, and support a brand to market B.C. organic foods
- We are committed to ensuring consumers in B.C., Canada and around the world can enjoy organic B.C. agri-foods with the full confidence and certainty that it is produced to recognized organic standards.

GENETICALLY MODIFIED ORGANISMS (GMO)

- The Federal government has jurisdiction to approve or deny foods for production in Canada and the Ministry of Agriculture respects their decisions.
- The B.C. government expects businesses operating or selling their products in British Columbia will meet all government requirements.
- The responsibility for the evaluation of the safety of genetically engineered products rests with the federal government.
- The federal food safety and environmental evaluation processes for genetically engineered products must be kept current to ensure a safe food supply.
- The federal process must be transparent. Based on good scientific analysis and acceptable to independent scientists.

SUPPORT FOR WINE INDUSTRY

- The B.C. government is keen to work with BC grape growers and winemakers to help them build their markets and their businesses
- The B.C. government has a number of programs to help winemakers reach new customers in BC and overseas.
- BC wine has become a symbol of many parts of our province, and part of the B.C. experience for both residents and visitors.
- BC wineries generated \$482.1 million in shipments in 2015, and are a key economic driver in many of our communities.
- BC wine exports globally continue to grow, rising to almost \$9.7 million in 2016, with 55 percent destined for the Chinese market.
- China is B.C.'s most important wine market, with \$5.2 million worth of shipments; Taiwan was at \$2.2 million, and \$1.1million to the USA.

WINE APPELLATION TASK GROUP

- In 2015, B.C.'s winemakers expressed their interest for an industry-led review of the current appellation system for wines produced from 100% BC grapes.
- Following the work of the Wine Appellation Task Group and several rounds of engagement across the industry, the BC Wine Authority presented the results of a plebiscite of all BC wine makers on these recommendations, and we've acted on three of them.
- In December 2016, the BC government updated the Wines of Marked Quality Regulation so B.C. wineries can more easily identify and promote the terroir and flavours specific to the areas where their grapes and wines are produced.
- The regulatory changes also require wineries using a sub-geographic indication (i.e. Golden Mile Bench) on a wine label to also include the geographic indication that it is within (i.e. Okanagan Valley) on the label.
- In addition, the updated regulations recognize the diversity and innovation of B.C. winemakers by removing the restrictive requirement that all wines from the same geographic indicator must demonstrate the same distinctive characteristics.
- The changes follow recommendations that received majority support from both BC Wine Authority members as well as non-members, and are supported by the B.C. Wine Institute. The Task Group's process included the consultation of 252 licensed wineries that produce 100% B.C. wines and resulted in 11 proposals, the remaining eight of which continue to be reviewed by the Ministry of Agriculture.

GROWTH OF TREE FRUIT INDUSTRY

- The Okanagan tree fruit industry is a vital part of our food system and a part of B.C.'s heritage that all British Columbians are proud of.
- The B.C. government is committed to promote the growth and production of high-value, high-quality B.C. fruit, and help develop a stronger, more sustainable tree fruit sector that results in growers earning more dollars.
- The B.C. government has funded a \$9.4-million-tree fruit replant program, as well as joint fed-prov funded multi-million dollar investments to help packinghouses modernize.
- In June 2014, an agreement between the Governments of Canada and China resulted in full, unimpeded access for fresh B.C. cherries into China.
- B.C. cherry growers estimate up to \$20 million dollars in new revenue annually in the next few years.

TREE FRUIT REPLANT PROGRAM.

- In November 2014, a \$8.4 million Replant Program was launched
- The seven-year tree fruit Replant Program supports grower's efforts to meet consumer demands for high-value, high quality B.C. fruit.
- In June 2016, the B.C. Government added \$1 million more to that commitment, bringing it to \$9.4 million total.
- The long-term Replant Program provides certainty for B.C. growers and strengthens the future viability and competitiveness of the sector in domestic and export markets.
- The funding will help ensure British Columbians have fresh and local foods, and also bring employment and business opportunities to B.C. growers in the future.

HAZELNUT REPLANT PROGRAM –

- Ministry of Agriculture staff have been working with the BC Hazelnut Growers Association about the challenges that industry is facing.
- With support from the B.C. Government and the Government of Canada the Association completed an industry review, and submitted a copy of their industry development plan.
- In August 2017, the Minister of Agriculture met with the Association to hear their concerns and has asked staff to review any options or programs in which the Ministry may provide support or advice.

BLUEBERRY PROPANE CANNONS

- The Ministry of Agriculture acknowledges that blueberry farmers are aware of the problems caused by propane cannons and they have made a sincere effort to make changes to their practices and be good neighbours.
- The B.C. government has funded pilot projects to look at other options of bird control, including starling trapping and drones, and are waiting to see the results.
- The BC Blueberry Council has also been effective in responding to noise complaints from propane cannons.
- Farms come with 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 practices.
- The B.C. government supports using technology to develop other methods that could be deterrents.
- The Ministry's 2016 Agritech Innovation Challenge brought together innovators with industry to develop a product or process to enhance productivity, sustainability and resiliency of B.C.'s agrifood sector.
- One of the winners of a \$20,000 prize was a local company that is using drones to deter birds from B.C. berry farms. We're optimistic that technology will eventually provide alternatives.
- We are working with local governments, producers and associations so neighbours understand and value the benefits farming brings to their communities, and to be aware of the farming lifestyle and activities before they move into an agricultural area.
- People aggrieved by a noise or other disturbance resulting from a farm practice may also file a formal complaint with the BC Farm Industry Review Board.

SUPPORT FOR BEES

- The provincial government recognizes the vital role honeybees play in British Columbia's food production and environment and is working to support and expand bee habitat and health throughout the province.
- Honeybees play a major role in agriculture as pollinators of crops, contributing an estimated \$470 Million to the economy in British Columbia (\$250 million in field crops and \$220 million in greenhouse crops), and over \$2 Billion in Canada. That's why our government has staff available to support beekeepers.
- We have one of Canada's foremost apiary specialists on staff and we have assigned bee inspectors in six regions, who provide free support services to BC's beekeepers.

HONEY BEE BACKGROUNDER

- May 29, declared the Day of the Honey Bee in B.C. to recognize and celebrate how beekeeping in B.C. has grown from May 1858 when two hives arrived in Victoria Harbour into an industry that has a \$470-million-a-year agricultural impact today.
- There are more than 2,300 beekeepers throughout B.C. operating as a hobby, part-, or full time business with about 47,000 colonies, and as many as two billion bees.
- Bees play a key role on B.C.'s fruit, berry, and canola farms, with approximately \$470 million (\$250m crops, \$220m greenhouse) in agricultural production dependent on honey bee pollination every year.
- The Day of the Honey Bee recognizes the importance honey bees play in human survival and daily life, and the partnership between the province and B.C. beekeepers to improve agricultural production, and monitor and maintain bee health.

NEONICOTINOIDS

- First and foremost, the use of all pesticides, needs to be science based and judicious – when they are used, it needs to be appropriate and with care.
- The registration of pesticides falls under federal authority and is administered by Health Canada’s Pest Management Regulatory Agency (PMRA).
- We recognize their expertise and authority in determining the safety of pesticide use in Canada and support Health Canada’s commitment to protect the health and safety of Canadians and their environment.
- The B.C. government will support Health Canada’s final decision following their consultation, whether that follows the current recommendation of a proposed 3-5 year phase out, or a different approach.
- Any changes to the B.C. regulatory model would have to be done in consultation with the Ministry of Agriculture, the agricultural sector, beekeepers and the pesticide industry.

SMALL HIVE BEETLE

- As soon as the presence of the Small Hive Beetle was confirmed in British Columbia In 2015, the Ministry of Agriculture informed BC beekeepers and other stakeholders in and outside British Columbia.
- The B.C. government is taking the finding seriously. We have taken measures to reduce the introduction and spread to other beekeeping areas and provinces. In 2016, no beetles were found.

BEE INSPECTORS

- The B.C. government's apiary inspectors' peak hive-inspection periods are between March and late June each year.
- The Ministry had inspectors available for on-site visits in every key beekeeping region of the province during the 2016 season.
- The Ministry adjusted the existing inspector area model to improve the quality of services to beekeepers in 2015, and reduce the territory and travel time of bee inspectors for Vancouver Island and the Gulf Islands, and in the interior.
- This adjustment divides two territories into two new ones, resulting in a total of four inspectors instead of the previous two. Three of those positions were filled for the 2015 and 2016 peak seasons
 - Southern Vancouver Island and Gulf Islands
 - Shuswap and North Okanagan
 - Thompson-Cariboo-North Central
 - Central and Northern Vancouver Island – was vacant for 15 and 16
- The Ministry is continuing its efforts to recruit a qualified replacement for the North Island, but regrettably to date has not been able to hire a candidate with the needed skills and expertise.
- The Inspector responsible for the south island is also taking care of the North Island until a replacement for the North Island is found.
- The B.C. government's response to bee health issues has not changed. If there are any indications of a disease outbreak – anywhere on the Island or in BC - services are offered to the beekeeper.
- The B.C. government is proud to have one of Canada's foremost apiary specialists, Paul van Westendorp, on staff. In addition, we have assigned bee inspectors in all key beekeeping regions.
- The BC government's apiculture program has provided free support services to BC's beekeepers for over 50 years, including apiary inspections, advice and materials, and laboratory services for the diagnosis of bee diseases.

SUPPORT FOR BC RANCHERS - (Unrelated to 2017 wildfires)

- The Ministry of Agriculture has provided \$225 million to cattle ranchers over the last 15 years through Provincial and Federal programs, including \$193 million through the Business Risk Management Branch and \$32 million in programs that develop market opportunities, and invest in research and management practices. Some programs include:
 - \$5 million (2010/2012) Fed-Prov (60-40) Canada British Columbia Ranching Task Force Funding Initiative for programs supporting access to emerging markets; producer education to meet consumer demands; product development and branding; and education to increase domestic demand, including the Behind the Beef campaign.
 - \$7.3 million (2006/2008) for the Meat Transition Assistance Program to help upgrade or build abattoirs to comply with new meat inspection regulations.
 - \$3 million (2008) Age Verification Program that enabled industry to reach markets with imposed age limits. (Many countries only allow imports of beef under thirty months as a precaution to BSE/ mad cow disease).
 - \$5 million (2005) Livestock Tissue Initiative to help industry manage abattoir waste.
- The Government of Canada, the B.C. government and the B.C. Cattlemens Association, are contributing to the development of a business plan that examines the possibility of a federally inspected beef processing plant up and running in Prince George.
- The Governments of Canada and British Columbia are providing up to \$144,000 to identify supply chain and investment partners, and develop business models for the ownership and operation of the plant.

LIVESTOCK PROTECTION PROGRAM

- The B.C. government is partnering with the BC Cattlemen's Association to enhance delivery of its livestock protection program.
- The BC Cattlemen's Association have been reporting increased cattle losses due to wolf predation in recent years.
- The goal of the program is to protect livestock.
- For some ranchers, the loss of cattle to wolves puts the viability of their business at risk. This program is designed to protect the viability of those ranching families.
- The program will only target coyotes and wolves that have preyed on livestock. As the B.C. government is responsible for wildlife management, including wolves, in the province, we also have a role to play in programs that mitigate the damage or impact they have on British Columbians.
- The new program is consistent with the direction provided in the 2014 Management Plan for the Grey Wolf in BC, which ensures that wolf populations are self-sustaining but recognizes that wolf attacks on cattle can be addressed in a timely manner.

Secondary:

- Under this program trapping only takes place in the immediate vicinity of verified livestock losses or attacks due to wolves or coyotes.
- We anticipate about 150 wolves being trapped per year, out of the 8,500 wolves in B.C
- The B.C. government has budgeted \$250,000 for each of the next three years in addition to funding of \$50,000 provided by the BC Cattlemen's Association.

CATTLE FENCING

- The Province will be spending about \$6 million on fencing reconstruction efforts to help commercial livestock resulting from the 2017 wildfires.
- Fence reconstruction along highways and on Crown range will begin soon using a prioritized approach to protect public safety and the welfare of livestock.
- In addition to the wildfire response, the province has invested about \$19 million since 2004 to build about 1,250 kilometers of livestock fencing along transport corridors throughout the province.
- The Province is spending an additional \$4 million to expand livestock fencing in B.C. as part of a partnership with the BC Cattleman's Association which targeted the building of an additional 250 kilometres of fencing.
- In addition the B.C. government is providing \$2.2 million over three years to help replace damaged fencing on provincial Crown land.
- These improvements to rangeland fencing will benefit individual tenure holders and British Columbia's entire ranching industry. Upgrading range infrastructure is one of the key ways that the B.C. government is taking action to strengthen, grow and diversify rural communities.
- Fencing is a vital component of range infrastructure that supports the day-to-day management of livestock by the cattle industry on Crown land.
- Fencing also helps protect other resources on Crown land that contribute to the economic stability of rural communities, such as water sources, wildlife, sensitive ecosystems, fisheries and recreational amenities.
- Much of the fencing that now exists on Crown land was built in the 1970s and 1980s, so some of it is past its normal life expectancy and is beyond the normal maintenance capabilities of ranchers.
- Ranchers have worked very hard to maintain these fences up to now, but some of this fencing will need to be completely replaced.

DOGS ATTACKING LIVESTOCK

- We are always open to talking to stakeholders about what government can do to support industry.
- The Livestock Act allows people to protect their livestock from dogs that are 'running at large' and 'attacking or viciously pursuing livestock'.
- In considering this matter, there is an important balance to be achieved between the rights of livestock owners and the rights of citizens, including dog owners.
- In response to these concerns, the ministry to review this part of the act, and consultation with stakeholders (Livestock and poultry producers, UBCM, BC SPCA) is underway.
- The consultation allowed for the review and feedback of current regulations and to look at ideas at what we can do better. We are looking forward to receiving a summary and any recommendations from the Ministry in the near future.

B.C.'s MEAT INSPECTION SYSTEM

- On Jan. 1, 2014, the B.C. Government fully implemented a new provincial meat inspection system.
- Consumer safety is paramount. British Columbians can be confident that their provincial meat inspection system is continuing to support the highest standards of food safety.
- The B.C. government consulted with communities, producers, health agencies and ranchers extensively and recognized a continuation of the traditional system maintaining third party government inspection is the best choice.
- The new system has received strong support as B.C.'s Provincial Health Officer, the B.C. Cattlemen's Association, the BC Abattoirs Association, the BC Food Processors Association all endorse the system.
- The Ministry of Agriculture has about 50 employees who conduct inspection duties at provincially licensed Class A and B abattoirs in British Columbia.
- B.C. government (Meat Inspection Program) staff provide information to support applicants in meeting requirements in the abattoir licensing process but do not offer strategic business advice or market share guarantees.

SLAUGHTER CAPACITY IN B.C.

- Consumer safety is paramount. British Columbians can be confident that their provincial meat inspection system is continuing to support the highest standards of food safety.
- There are currently 63 class A and B provincial slaughter establishments throughout the province, up from 60 in 2014.
- The Ministry has approximately 50 employees who conduct inspection duties at provincial abattoirs to ensure food safety requirements are being met.
- Ministry of Agriculture staff provide information and work with applicants to support them in meeting the food safety requirements in the abattoir licensing process and can assist those considering developing new slaughter facilities.
- The Ministry of Agriculture remains committed to continuing to work with industry and stakeholders to address the challenges they are facing.

SLAUGHTER CAPACITY ON VANCOUVER ISLAND

- Consumer safety is paramount. British Columbians can be confident that their provincial meat inspection system is continuing to support the highest standards of food safety.
- There are currently ten red meat and eight poultry slaughter establishments on Vancouver Island.
- The Ministry has nine Meat Hygiene Inspectors and one Agri-Food Inspection Supervisor who conduct inspection duties at provincial abattoirs on Vancouver Island to ensure food safety requirements are being met.
- Ministry of Agriculture staff provide information and work with applicants to support them in meeting the food safety requirements in the abattoir licensing process and can assist those considering developing new slaughter facilities.
- The Ministry of Agriculture remains committed to continuing to work with industry and stakeholders to address the challenges they are facing.

RDNO CLASS E PILOT LICENSES

- Two licenses were issued for the Regional District of North Okanagan Class E Pilot Project. A license for red meat was issued in Lumby in May 2014, and another for poultry in Gardom Lake in June 2014.
- Participants were required to adopt a new Code of Practice, complete new training in humane slaughter best practices, and participate in a two year evaluation.
- The two year evaluation was initiated spring 2015. An interim evaluation of the pilot program was completed in September 2015.
- The evaluation included:
 - discussions with all five project participants including those that chose not to proceed with the licensing process;
 - Site inspections at regular intervals with review of required records, information on practices, sales, and product distribution; and
 - A review of participants' implementation of the Code and humane slaughter best practices training.
- Early findings from the interim evaluation are that:
 - There is a value in the Code of Practice and training in humane slaughter for Class D and E licenses
 - There has not been strong interest to date in Class E licenses in the area
 - There is growing capacity in Class A and B facilities in the region and this seems to be addressing slaughter capacity.
- At the conclusion of the evaluation it was determined there was not sufficient interest in the program to continue or expand its operation.

100 MILE HOUSE MOBILE ABATTOIR

- When developing the new meat inspection system, we heard through our consultation process, that the South Cariboo has unique challenges that were not being accommodated through existing programs.
- As a result, a mobile abattoir was stationed in 100 Mile House to help meet the demand for local meats in the Cariboo.
- An agreement was made with the operator to run the abattoir until January 2018. The operator has indicated they will be focussing their energy on their butcher shop after that date, and not expressing interest in operating the abattoir.
- The Ministry of Agriculture is connecting with stakeholders, and looking at options for the mobile abattoir in 2018

MEDICAL MARIJUANA BYLAWS

GROWN IN THE ALR

- The federal government has been clear in their policy and legislation around the production of medical marijuana and we respect their decision and jurisdiction.
- The Province's policy is that local governments should not prohibit medical marijuana production in the ALR.
- The BC government also respects the Agricultural Land Commission's (ALC) determination that medical marijuana production is allowable on the Agricultural Land Reserve (ALR). This view was also conveyed by the BC Agriculture Council.
- We trust, given these multiple positions, that local governments will respect the B.C. government's policy, and the framework for medical marijuana production established by the federal government.
- These positions formed the basis of the B.C. government's decision to make licensed medical marijuana production a farm use that cannot be prohibited by a local government
- The Ministry developed a bylaw standard that offers local governments ready to use bylaws to regulate medical marijuana production facilities in the ALR in their communities.
- It was developed following consultations with local governments, and includes input and guidance the ministry received from communities across B.C.
- It offers provincial standards on the positioning of medical marijuana production facilities on ALR lands, including appropriate distances from neighbouring property lines, schools, parks, watercourses and so on.
- The Ministry will continue working with local governments to ensure there is consistency in communities across the province, and that all bylaws align with the B.C. government's regulation and bylaw standard.

- We recognize that this process will take time and resources for all local governments to adjust their bylaws, but remain confident that all local government bylaws will fully align with the B.C. government's policy - local governments can regulate, but not prohibit federally licensed medical marijuana grown in the Agriculture Land reserve.

Secondary:

- As of January 2017, 90% of local governments were in compliance with the bylaw standard and the ministry continues to work with the remaining local governments.

PROPERTY TAX

- The B.C. Government has made a decision that medical marijuana, and any other federally-regulated narcotic, is not eligible for the farm classification for property tax purposes.
- B.C. is taking a balanced approach which takes into consideration the nature of the operation, and is consistent with the taxation approach being taken in Alberta.
- This decision will ensure local governments do not lose potential property tax revenues from this new emerging industry.
- Local governments expressed concern about the potential loss of property tax revenue – and Government has listened.

GROWING FORWARD 2

- In 2013, the Growing Forward 2 agreement was signed. The federal and provincial governments will invest about \$426.9 million in B.C. from 2013-2018.
- The agreement provides B.C. farmers with risk management support so B.C. producers continue to have access to programs that offer income stability in difficult times.
- Growing Forward 2 is all about ensuring BC producers and processors are using the latest knowledge and technology so they can compete internationally and maximize the potential for earning new dollars while meeting the growing demand for high quality food.
 - For example, the Canada-B.C. Agri-Innovation Program supports new product development and commercialization through \$13.4 million in funding that is available to successful applicants.
- The GF2 agreement makes investments in innovation and strategic initiatives that will further support the production of trusted, great-tasting, B.C. products to be enjoyed at home and abroad.
 - For example, the \$4.3 million B.C. Agrifoods Export Program provides matching funds to support industry participation at international tradeshow, promotional events, incoming and outgoing trade missions, and to develop marketing materials for international audiences.
- The B.C. government continues to negotiate with the federal government and our provincial colleagues on the development of a successor program that will continue to support BC food, and as we are advocating, seafood producers.
- Negotiations are progressing well in anticipation of a smooth transition to a new program suite when the current funding agreement ends on March 31, 2018.

SUPPLY MANAGEMENT

- The B.C. Government remains an advocate of B.C. agriculture on both a national and international level.
- We appreciate the hard work of dairy, poultry and egg producers and the trusted, consistent supply of the safe and high-quality food provided to British Columbians
- The Government of British Columbia expects that Canada will negotiate trade deals that benefit all Canadians, including agricultural producers in the supply managed commodities and urged these interests are given due consideration and representation in Canada's negotiating position as part of TPP or other trade discussions.

BUSINESS RISK MANAGEMENT

- The Province is committed to ensuring farmers and producers have access to programs that protect them from economic hardship due to adverse weather conditions.
- Production Insurance and AgriStability:
 - Production Insurance offers protection against crop losses due to naturally occurring perils such as; hail, spring frost, excessive rain, flood, fire and drought.
 - Individual production insurance coverage varies depending on the choice of coverage purchased.
 - AgriStability is a federal/provincial program designed to provide income stability to farmers and ranchers. AgriStability protects a farmer from farm income declines including when there is a production loss for cattle or hay inventory. A payment is made if the current year income falls more than 30% below the average of prior years.
 - AgriStability will cover a portion of the additional income decline where fire increases allowable expenses such as feed costs or decreases revenue from commodity sales.
- Two other programs also exist to support farmers – AgriInvest and AgriRecovery:
 - AgriInvest is a program in which the farmer can set aside cash in a fund which is matched by government funding. The accumulated funds can be withdrawn and used to support the farming business.
 - Agri Recovery is a federal/provincial program designed to provide financial assistance where the other business risk management programs do not. Agri Recovery requires a joint assessment of damage and losses due to extraordinary events of naturally occurring perils.

AVIAN FLU

- The avian flu outbreak in December 2014 was tough for all British Columbians to see, but particularly devastating to the farmers involved.
- The teamwork involved in the avian flu response was incredible. Affected producers, industry associations, provincial and federal government staff, all worked very hard together in very trying circumstances, to contain, and eradicate the outbreak.
- B.C.'s poultry sector did an excellent job. They practiced a high level of bio security and they were almost immediate in bringing in a voluntary quarantine to help contain the virus to begin with. Their efforts were instrumental to minimizing the number of farms that were directly impacted.
- Ministry of Agriculture staff supported the Canada Food Inspection Agency with mapping, laboratory services and logistical support.
- We had trained staff on the ground working with our federal colleagues and farmers to take all steps necessary to contain the impacts of the disease.
- The Ministry of Agriculture's Animal Health Centre was front and centre in the response – diagnosing samples, and providing science-based advice.
- The state-of-the-art veterinary diagnostic laboratory is one of three labs in North America accredited by the American Association of Veterinary Laboratory Diagnosticians.
- The lab is also accredited by the International Organization for Standardization (ISO). Both accreditations recognize the lab's excellence in veterinary diagnostic testing.
- This \$1.25 million AgriRecovery initiative is one more step in that process and reimbursed producers for extra cleaning and disinfection expenses that had to be incurred in order to eradicate the disease and return to production.
- We've also stepped up testing and monitoring of wild birds for avian flu, with \$300,000 (Fed-prov) to strengthen the surveillance, early detection, and response measures to avian flu.

- The funding enhanced the resources at the Ministry of Agriculture's Animal Health Centre in Abbotsford with specialized equipment to diagnose samples collected in the Ministry's avian flu surveillance efforts.
- Ministry of Agriculture staff began a pilot surveillance project that collected sediment samples at ponds and wetlands used by wild waterfowl following the December 2014 avian flu outbreak in the Fraser Valley.
- Using this technology, the pilot project is evolving into ongoing surveillance, and increasing or the ability to diagnose the samples quickly and enhance early detection efforts.

EMERGENCY RESPONSE

- When emergencies occur, Ministry of Agriculture staff work with Emergency Management BC and local governments to provide support to the response when agriculture is involved.
- During 2017's floods and wildfires for example, the ministry is working closely with the BC Cattlemen's Association and is providing assistance supporting livestock relocation through the Provincial Regional Operation Centre's.
- The Ministry of Agriculture will continue to work with producers and encourage farmers to be prepared for emergencies, including specific emergency guides for B.C. beef, dairy and pork producers.
- The guides provide educational materials on various natural and human-caused threats to farms. The guides are an opportunity to be prepared, to mitigate impacts and to tailor responses that a farm would follow in the event of any such emergency.
- The guides, emergency preparedness tips, and other resources are available at <http://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/farm-management/emergency-preparedness>
- The British Columbia Premises ID program allows for rapid notification of livestock and poultry producers during emergencies. More details are at: <http://www2.gov.bc.ca/gov/content?id=42322F3170584E32BA56CBCBDB4B3F9D>

DROUGHT / WILDFIRES / CLIMATE CHANGE

- British Columbians need to be prepared for emergencies and extreme weather, and the B.C. government is funding programs and projects to help B.C. farmers prepare for emergencies and changing weather conditions.
- The B.C. and the federal government have invested approximately \$3 million dollars to help farmers and ranchers across the province prepare and adapt to changing climate and weather conditions.
- In partnership with Agriculture and Agri-Food Canada, the Ministry of Agriculture, has developed an Agricultural Water Demand Model to determine how much water the agriculture industry needs today and in the future for a number of regions including Metro Vancouver, Nanaimo, Cowichan, Okanagan, Similkameen, Kettle, Nicola, Bonaparte, Salmon River, North Thompson, South Thompson, Comox, Fraser Valley, Lillooet, Pemberton, East Kootenay, Southern Gulf Island, and Cariboo.
- The model results can be used by each of the regions in developing their watershed plans and water reserves for agriculture.
- Regional adaptation strategies have been developed in six key agricultural areas of the province: Cowichan, Delta, the Peace, the Cariboo, the Fraser Valley, and the Okanagan.
<http://www.bcagclimateaction.ca/regional/overview/>
- Over 40 projects have been funded, addressing climate related risks such as drought, excess moisture, flooding, pests, diseases, and wildfires.
- The Environmental Farm Plan is a guided process to help farmers and ranchers identify on-farm environmental strengths and weaknesses to reduce agricultures' impact on the environment. The program is no charge, confidential, and voluntary.
- B.C. farmers are recognized for their leadership in sustainable agriculture, whether that be through developing new products, or practices that support a sustainable environment, and Environmental Farm Plans are part of that.
- Environmental Farm Plans can help farmers and ranchers reduce water and energy use, improve waste management.

- The Governments of B.C, and Canada provide funding to address environmental risks identified in completed farm plans that can include:
 - nutrient management improvements
 - riparian protection
 - irrigation planning
 - integrated pest management
 - product and waste management
 - CO₂, N₂O and CH₄ emission reduction
- B.C. began the Environmental Farm Plan (EFP) program in 2004, over 4,200 Environmental Farm Plans have been developed since then.
- Estimates suggest more than 1,000 additional B.C. farms will complete the EFP process by 2018,
- When wildfires and other emergencies occur, Ministry of Agriculture staff work with Emergency Management BC and local governments to provide support to the response when agriculture is involved.
- In general, Production Insurance, AgriStability and AgriInvest are the available provincial agriculture risk management programs to compensate ranchers for losses.
- Private insurance providers can insure livestock, as well as buildings and their contents (e.g. stored feed etc.) against fire perils.

CLIMATE ACTION INITIATIVES

- The British Columbian government is funding programs and projects to help B.C. farmers prepare for emergencies and changing weather conditions.
- The B.C. government has worked with industry on adaptation and have invested significantly in climate adaptation programming. This includes working with local governments, industry and others to develop and implement regional agricultural adaptation strategies
- The BC Agriculture & Food Climate Action Initiative began in 2008 to develop tools and resources to enhance the ability of the BC agriculture sector to adapt to climate change.
- Along with the federal government, we have invested approximately \$3 million dollars to help farmers and ranchers across the province prepare and adapt to changing climate and weather conditions.
- Regional adaptation strategies have been developed in six key agricultural areas of the province: Cowichan, Delta, the Peace, the Cariboo, the Fraser Valley, and the Okanagan.
- Over 40 projects have been funded, addressing climate related risks such as drought, excess moisture, flooding, pests, diseases, and wildfires.
- In partnership with Agriculture and Agri-Food Canada, the Ministry of Agriculture, has developed an Agricultural Water Demand Model to determine how much water the agriculture industry needs today and in the future for a number of regions including Metro Vancouver, Nanaimo, Cowichan, Okanagan, Similkameen, Kettle, Nicola, Bonaparte, Salmon River, North Thompson, South Thompson, Comox, Fraser Valley, Lillooet, Pemberton, East Kootenay, Southern Gulf Island, and Cariboo.
- The model results can be used by each of the regions in developing their watershed plans and water reserves for agriculture.
- We are committed to working with the sector to improving the resilience of agricultural production in a changing climate.

Animal Welfare and Protection

ANIMAL WELFARE AND PROTECTION

SUPPORT FOR ANIMAL WELFARE ORGANIZATIONS

- The B.C. government recognizes and values the important work of the BC SPCA and its contributions to the welfare of animals.
- The BCSPCA has received \$10 million in provincial funding (\$5 million in 2015 and 2017) to support their eight-year Facilities Development and Service Plan.
- The BC SPCA's facilities plan will replace or renovate aging BC SPCA facilities in 10 B.C. communities including Vancouver, Nanaimo, Kamloops, Kelowna, Prince George, Dawson Creek and the Kootenays.
- The B.C. government also provides \$400,000 to \$500,000 to community-based not-for-profit animal welfare organizations through gaming grants a year.

Animal Welfare and Protection

PREVENTION OF CRUELTY TO ANIMALS ACT

- Under B.C.'s Prevention of Cruelty to Animals Act, charges can be laid against anyone who causes suffering or distress to an animal in British Columbia.
- The provincial Prevention of Cruelty to Animals Act was updated in 2011 to have the toughest penalties in Canada.
- The maximum penalties that can be levied under provincial legislation against a person who is convicted of causing distress to an animal is \$75,000 and up to 24 months imprisonment.
- The B.C. Government encourages the reporting of any events which may be in contravention of those laws and regulations so they can be fully investigated.
- The Act also requires veterinarians to report any contraventions to the Act they encounter in their duties.
- The B.C. Government expects all employees in the agriculture sector to treat their animals with the utmost care and respect, and knows the great majority of B.C. producers do exactly that.

Animal Welfare and Protection

CAT AND DOG BREEDERS REGULATIONS AND CODES OF PRACTICE

- 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 British Columbia, including dog and other domestic animal breeders.
- Though charges against pet breeders who cause or permit animals to be in distress can be recommended under B.C. government legislation, more was needed.
- In spring 2017, the Prevention of Cruelty to Animals Act was updated to allow for the development of a system that supports responsible breeders in B.C., and targets the ones that are not.
- The legislation establishes the broad framework for a licensing or registration scheme. The details (the activity for which a license/registration is required, standards of care, fees, penalties, the administrator, etc) will all be defined by future regulation.
- The legislation follows consultation with key stakeholders, including the B.C. Society for the Prevention of Cruelty to Animals, the Canadian Kennel Club, Canadian Cat Association, individual breeders and local governments that found broad support for the development of a registration or licensing system that would help stop irresponsible commercial breeders.
- In Spring 2016, the B.C. government 's recognized the Canadian Veterinary Medical Association's Codes of Practice for both Kennel and Cattery operations as generally accepted management practices for cat and dog breeders in British Columbia.
- The codes provided clear direction to breeders, and sets clear expectations for breeders to respect the practices considered acceptable by government.
- The Codes of Practice include areas such as housing, ventilation, food and water, care and supervision, record-keeping, behavioural needs, socialization and transportation and specifically notes:

Animal Welfare and Protection

- If a dog is sick, injured, in pain, or suffering, prompt and adequate veterinary care must be provided, and for cats, veterinary care is provided at the first indication that the animal is not well.
- Cleaning and sanitizing should be carried out daily
- Minimal spacing for dogs and cats (1.1 to 2.2 square metres depending on the dog's size, and 1.5 square metres for cats)
- Written procedures for care should be posted so that they are available to personnel at all times.
- The full codes are posted
at: <https://www.canadianveterinarians.net/documents/a-code-of-practice-for-canadian-cattery-operations>
and <https://www.canadianveterinarians.net/documents/Code-of-Practice-for-Canadian-Kennel-Operations>

Animal Welfare and Protection

ANIMAL CRUELTY INVESTIGATIONS

- While I am not speaking to any one incident, under B.C.'s Prevention of Cruelty to Animals Act, charges can be laid against anyone who causes suffering or distress to an animal in British Columbia.
- The B.C. government does not tolerate any mistreatment of animals.
- The maximum penalties that can be levied under provincial legislation against a person who is convicted of causing distress to an animal is \$75,000 and up to 24 months imprisonment.
- Charges under B.C.'s PCAA can be laid against anyone who causes suffering or distress to an animal in British Columbia, including livestock and pet owners, as well as dog and other domestic animal breeders.
- The B.C. Government encourages the reporting of any events which may be in contravention of those laws and regulations so they can be fully investigated.

Animal Welfare and Protection

DAIRY CODE

- In July 2015, the B.C. government adopted the National Dairy Code of Practice as generally accepted management practices to improve the welfare of dairy cows in this province.
- The Dairy Code of Practice outlines standards of care and practices for owners and employees on dairy farms across Canada. It includes an array of applicable areas such as animal handling, feed & water, housing, health and welfare management, and husbandry practices, and ensures dairy cows in B.C. are treated with care and respect, each and every day.
- The Dairy Code defines accepted management practices for farmers to use in their daily operations to ensure dairy cows in B.C. are treated with care and respect, each and every day.
- 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 British Columbia, including owners, managers and employees in the agriculture sector.
- The maximum penalties that can be levied under provincial legislation against a person who is convicted of causing distress to an animal is \$75,000 and up to 24 months imprisonment, the toughest in Canada
- We expect all employees in the agriculture sector to treat their animals with the utmost care and respect.

Animal Welfare and Protection

FUR FARMS

- The B.C. government does not tolerate any mistreatment of animals.
- 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 British Columbia, including owners, managers and employees in the agriculture sector and on fur farms.
- The maximum penalties that can be levied under provincial legislation against a person who is convicted of causing distress to an animal is \$75,000 and up to 24 months imprisonment.
- The SPCA has the authority to investigate animal cruelty anywhere in British Columbia, including cases that involve domestic animals, farm animals or fur farms.
- In January 2015, the BC government a new Fur Farm Regulation came into effect, which replaced the 66 year old Fur Farm Act.
http://www.bclaws.ca/civix/document/id/complete/statreg/8_2015
- The regulation sets out requirements for areas including health management plans, general health, food and water, pens and structure design.
- Under the new regulation, each mink farm licensed in BC in 2015-16 was inspected as a condition of relicensing.
- Fur Farming is a licensed agricultural activity in B.C. and the B.C. government has legislation and regulations in place that require all animals in British Columbia, to be treated with due care and respect.

Animal Welfare and Protection

SLED DOGS

- The Province established a Sled Dog Standard of Care Regulation that is enforceable under the *Prevention of Cruelty to Animals Act*. The Regulation establishes legal requirements for such things as containment, health and working conditions.
- The Sled Dog Standards of Care also require all operators to keep and maintain records for each dog, and make them available to either the government or the British Columbia Society for the Prevention of Cruelty to Animals (BCSPCA).
- The Province also worked with commercial operators, veterinarians, the BCSPCA, and academics to develop a Sled Dog Code of Practice outlining a set of recommended best practices for B.C.'s sled dog industry.
- The code also provides information to both commercial and recreational sled dog operators-in such areas as:
 - health and welfare
 - nutrition
 - housing
 - husbandry
 - transportation
 - euthanasia

Other Ministry Files

OTHER MINISTRY FILES

SCHOOL FRUIT AND VEGETABLE NUTRITIONAL PROGRAM (MOH)

- We are proud to support the BC School Fruit and Vegetable Nutritional Program, an initiative to improve the health of BC children and families
- The Ministry of Health and the Provincial Health Services Authority have provided combined funding of \$25 million to the B.C. Agriculture in the Classroom Foundation to support the BC School Fruit and Vegetable Nutritional Program since 2010/11.
- The Program works with distribution partners including Overwaitea Food Group and Save-On Foods, Saputo Dairy Products Canada, Independent Grocers and regional carriers in remote locations, representing 526 BC growers and 500 dairy producers.
- 1,374 public schools and 83 First Nations schools are participating in the program. This comprises nearly 90 percent of BC public and First Nations schools.
- The objective of the program is to increase students' knowledge of, preference for and consumption of fruits and vegetables, specifically those grown in B.C.
- In 2016-17, this program will provide fresh fruits and vegetables to 508,864 students in grades K-12 in 1,457 public and First Nations schools.
- Since the 2013-14 school year, milk has been provided to students throughout British Columbia through a partnership with the BC Dairy Association.

Other Ministry Files

PETS LEFT IN HOT CARS (CSCD)

- The BC SPCA receives more than 1,200 calls about animals left in hot vehicles a year.
- Temperatures in vehicles can rise rapidly in warm, sunny weather and quickly become hot enough to seriously impair a dog's or other pet's health.
- In as little as 20 minutes, it can be a matter of life or death, and also result in charges under B.C.'s Prevention of Cruelty to Animals Act.
- British Columbians who spot animals in distress should contact the BC SPCA's Animal Cruelty Hotline at 1-855-622-7722
- The B.C. government and BC SPCA had also partnered together on a joint public awareness campaign to remind British Columbians of their responsibilities as pet owners.
- The campaign focused on social media, and making sure British Columbians know the dangers and consequences of leaving their pet in a car, and how to evaluate the condition of an animal left in a vehicle.
- The B.C. government is looking at whether or not provincial legislation would be the appropriate step. There can be consequences to private property, illegal entry and so forth that must be carefully considered.

HULLCAR (MOE)

Review

- Our government initiated this review because residents need to have faith their government is listening and will be taking action to ensure both water quality and agricultural interests are protected.
- The goal of the review is to ensure agricultural practices are consistent with the provision and protection of clean, safe drinking water.
- Providing the residents of the Hullcar Valley with an innovative, new path forward is a priority for me and I look forward to reviewing the report and recommendations.
- This review, and the report with recommendations, will help inform both best practices for the agricultural sector and future regulations that can be applied province wide.

Funding

- The Province has provided funding to explore alternative drinking water sources and is supporting best farming practices to ensure residents have access to safe, clean drinking water.
- The inter-agency working group's testing and analysis shows the complexity of managing agricultural nutrients, and reinforces that there is no simple short term solution to removing the water quality advisory from the aquifer.
- We will be working with the Township of Spallumcheen, Splatkin, Steele Springs Water District and Interior Health Authority to bring alternative drinking water sources on line.

Working Group

- Working with the local community, government is taking all necessary actions to ensure the residents using Hullcar Aquifer 103 have safe drinking water, while supporting the region's agriculture economy which includes:
 - Reviewing all available water quality data, as well as relevant legislation (this is underway).

Other Ministry Files

- Establishing a cross-agency working group to collaboratively work with the local agriculture industry and provide information to community.
 - Conducting environmental studies in the Hullcar Valley, including an enhanced aquifer monitoring study, post-harvest nitrate study and ambient groundwater study.
 - Working with local, external agencies with expertise, including UBC Okanagan and the Okanagan Basin Water Board, on long-term water quality solutions.
- A statutory decision maker issued seven pollution abatement orders and two pollution prevention orders to agricultural operators in the Hullcar valley. Ministry staff are continuing compliance and enforcement actions as appropriate.
 - Provincial agencies have been investigating the cause of nitrate pollution in this aquifer since 2014 with the intention of ensuring that effective solutions are implemented.
 - We are committed to being fully transparent and all information concerning sampling and testing, permitting, compliance and enforcement is available on the ministry website.

MINISTRY OF AGRICULTURE

The mission of the Ministry of Agriculture is to cultivate a competitive and socially responsible agrifood sector.

MINISTRY SUMMARY

(\$000)

	Estimates 2016/17 ¹	Estimates 2017/18
VOTED APPROPRIATIONS		
Vote 12 — Ministry Operations.....	64,859	67,410
Vote 13 — Agricultural Land Commission.....	4,524	4,549
STATUTORY APPROPRIATIONS		
Production Insurance Account Special Account.....	20,800	22,000
Less: Transfer from Ministry Operations Vote.....	(8,800)	(8,800)
OPERATING EXPENSES	<u>81,383</u>	<u>85,159</u>
CAPITAL EXPENDITURES ²	1,168	540
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ³	—	—
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁴	—	—

NOTES

¹ For comparative purposes, figures shown for the 2016/17 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 2017/18 *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
SUMMARY BY CORE BUSINESS
(\$000)

	2016/17	2017/18 ESTIMATES		
OPERATING EXPENSES	Net	Gross	External Recoveries	Net
Core Business				
Agriculture Science and Policy.....	16,455	30,210	(13,867)	16,343
Business Development.....	40,202	53,641	(10,552)	43,089
BC Farm Industry Review Board.....	1,206	1,216	(2)	1,214
Executive and Support Services.....	6,996	6,766	(2)	6,764
Agricultural Land Commission.....	4,524	4,551	(2)	4,549
Production Insurance Account Special Account.....	12,000	13,201	(1)	13,200
TOTAL OPERATING EXPENSES.....	81,383	109,585	(24,426)	85,159
CAPITAL EXPENDITURES	Net	Disbursements	Receipts	Net
Core Business				
Executive and Support Services.....	1,168	540	—	540
TOTAL CAPITAL EXPENDITURES.....	1,168	540	—	540

MINISTRY OF AGRICULTURE

VOTE DESCRIPTIONS

(\$000)

Estimates
2016/17

Estimates
2017/18

VOTE 12 — MINISTRY OPERATIONS

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

AGRICULTURE SCIENCE AND POLICY

Voted Appropriations

Corporate Governance, Policy and Legislation.....	3,490	3,538
Plant and Animal Health.....	6,786	6,925
Food Safety and Inspection.....	6,178	5,879
Growing Forward.....	1	1
	<u>16,455</u>	<u>16,343</u>

Voted Appropriations 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. It also provides for improving public health protection and consumer and retail confidence in the safety of British Columbia's meat, seafood, and agrifood products through inspection and regulatory compliance, education and awareness, surveillance, risk assessment, 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 trade 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.

BUSINESS DEVELOPMENT

Voted Appropriations

Sector Development and Management Services.....	5,447	6,364
Innovation and Adaptation Services.....	11,641	13,834
Business Risk Management.....	23,114	22,891
	<u>40,202</u>	<u>43,089</u>

Voted Appropriations 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. It 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, innovation, and domestic and international marketing programs; climate adaptation; and development and implementation of a premise identification registry. 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.....	<u>1,206</u>	<u>1,214</u>
------------------------------------	--------------	--------------

Voted Appropriation Description: This sub-vote provides for the supervision of the operation of the marketing boards and commissions formed under the *Natural Products Marketing (BC) Act*, 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

VOTE DESCRIPTIONS

(\$000)

	Estimates 2016/17	Estimates 2017/18
EXECUTIVE AND SUPPORT SERVICES		
Voted Appropriations		
Minister's Office.....	506	638
Corporate Services.....	6,490	6,126
	<u>6,996</u>	<u>6,764</u>
<p>Voted Appropriations Description: This sub-vote provides for the office of the Minister of Agriculture, including salaries, benefits, allowances, and operating expenses for the minister and the minister's staff; and executive support, including the deputy minister's office 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 12 — MINISTRY OPERATIONS	64,859	67,410

MINISTRY OF AGRICULTURE

VOTE DESCRIPTIONS

(\$000)

	Estimates 2016/17	Estimates 2017/18
--	----------------------	----------------------

VOTE 13 — 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.....	4,524	4,549
-----------------------------------	-------	-------

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. Fees may be refunded if service standards are not met. 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 13 — AGRICULTURAL LAND COMMISSION	4,524	4,549
--	-------	-------

MINISTRY OF AGRICULTURE
STATUTORY DESCRIPTIONS
(\$000)

	Estimates 2016/17	Estimates 2017/18
--	----------------------	----------------------

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.....	20,800	22,000
Less: Transfer from Ministry Operations Vote.....	(8,800)	(8,800)
	12,000	13,200

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	30,240	30,797
Operating Costs	16,268	15,867
Government Transfers	33,359	35,757
Other Expenses	25,951	27,173
Internal Recoveries	(9)	(9)
External Recoveries	(24,426)	(24,426)
TOTAL OPERATING EXPENSES.....	81,383	85,159

MINISTRY OF AGRICULTURE

SPECIAL ACCOUNTS¹

(\$000)

	Estimates 2016/17	Estimates 2017/18
PRODUCTION INSURANCE ACCOUNT		
This account was established as a special account in 2005 by section 9.2 of the <i>Special Accounts Appropriation and Control Act</i> 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	45,618	33,410
OPERATING TRANSACTIONS		
Revenue.....	16,700	17,900
Expense.....	(20,801)	(22,001)
Internal and External Recoveries.....	1	1
Transfer from Ministry Operations Vote.....	8,800	8,800
Net Revenue (Expense).....	4,700	4,700
Difference Between 2016/17 Estimates and Projected Actual Net Revenue (Expense).....	(16,908)	
FINANCING TRANSACTIONS		
Receipts.....	—	—
Disbursements.....	—	—
Capital Expenditures.....	—	—
Net Cash Source (Requirement).....	—	—
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR ²	33,410	38,110

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 2016/17 is based on the 2015/16 *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 (\$000)

VOTE 12 Ministry Operations

Description	Total 2016/17 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
Agriculture Science and Policy	16,455	10,549	22	2,569	—	13,140	—	604	—	2,727	106	676	—	—	847
Corporate Governance, Policy and Legislation	3,490	2,682	—	653	—	3,335	—	72	—	110	23	43	—	—	—
Plant and Animal Health	6,786	4,234	21	1,031	—	5,286	—	92	—	203	9	58	—	—	670
Food Safety and Inspection	6,178	3,633	1	885	—	4,519	—	275	—	491	74	90	—	—	50
Growing Forward	1	—	—	—	—	—	—	165	—	1,923	—	485	—	—	127
Business Development	40,202	10,714	79	2,639	—	13,432	—	321	—	1,756	1,050	380	40	—	92
Sector Development and Management Services	5,447	2,889	29	703	—	3,621	—	114	—	252	47	84	—	—	91
Innovation and Adaptation Services	11,641	2,581	—	628	—	3,209	—	57	—	449	18	96	—	—	—
Business Risk Management	23,114	5,244	50	1,308	—	6,602	—	150	—	1,055	985	200	40	—	1
BC Farm Industry Review Board	1,206	462	—	112	—	574	377	30	—	199	4	30	—	—	—
Executive and Support Services	6,996	1,010	—	266	54	1,330	—	137	443	71	611	468	—	—	—
Minister's Office	506	339	—	103	54	496	—	87	—	—	9	14	—	—	—
Corporate Services	6,490	671	—	163	—	834	—	50	443	71	602	454	—	—	—
Total	64,859	22,735	101	5,586	54	28,476	377	1,092	443	4,753	1,771	1,554	40	—	939

VOTE 13 Agricultural Land Commission

Description	Total 2016/17 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
Agricultural Land Commission	4,524	1,867	—	454	—	2,321	794	188	28	525	239	69	—	21	26
Total	4,524	1,867	—	454	—	2,321	794	188	28	525	239	69	—	21	26

Statutory Appropriations

Description	Total 2016/17 Operating Expenses	50	51	52	54	Total Salaries and Benefits	55	57	59	60	63	65	67	68	69
Production Insurance Account	20,800	—	—	—	—	—	—	—	—	1,250	—	—	—	—	—
Total	20,800	—	—	—	—	—	—	—	—	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 2017/18 Operating Expenses
248	—	503	—	5,711	—	—	11,337	11,337	—	—	25	25	—	(3)	(3)	(4)	(13,863)	(13,867)	16,343
—	—	—	—	248	—	—	—	—	—	—	7	7	—	(1)	(1)	(1)	(50)	(51)	3,538
248	—	485	—	1,765	—	—	338	338	—	—	8	8	—	(1)	(1)	(1)	(470)	(471)	6,925
—	—	18	—	998	—	—	356	356	—	—	9	9	—	(1)	(1)	(1)	(1)	(2)	5,879
—	—	—	—	2,700	—	—	10,643	10,643	—	—	1	1	—	—	—	(1)	(13,342)	(13,343)	1
76	—	57	—	3,772	21,378	—	3,042	24,420	8,800	—	3,220	12,020	—	(3)	(3)	(3)	(10,549)	(10,552)	43,089
4	—	—	—	592	87	—	2,062	2,149	—	—	5	5	—	(1)	(1)	(1)	(1)	(2)	6,364
—	—	—	—	620	9,555	—	680	10,235	—	—	7	7	—	(1)	(1)	(1)	(235)	(236)	13,834
72	—	57	—	2,560	11,736	—	300	12,036	8,800	—	3,208	12,008	—	(1)	(1)	(1)	(10,313)	(10,314)	22,891
—	—	1	—	641	—	—	—	—	—	—	2	2	—	(1)	(1)	(1)	(1)	(2)	1,214
264	—	91	180	2,265	—	—	—	—	—	—	3,172	3,172	—	(1)	(1)	(1)	(1)	(2)	6,764
—	—	—	—	110	—	—	—	—	—	—	32	32	—	—	—	—	—	—	638
264	—	91	180	2,155	—	—	—	—	—	—	3,140	3,140	—	(1)	(1)	(1)	(1)	(2)	6,126
588	—	652	180	12,389	21,378	—	14,379	35,757	8,800	—	6,419	15,219	—	(8)	(8)	(9)	(24,414)	(24,423)	67,410

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 2017/18 Operating Expenses
52	—	281	5	2,228	—	—	—	—	—	—	3	3	—	(1)	(1)	(1)	(1)	(2)	4,549
52	—	281	5	2,228	—	—	—	—	—	—	3	3	—	(1)	(1)	(1)	(1)	(2)	4,549

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 2017/18 Operating Expenses
—	—	—	—	1,250	—	—	—	—	—	—	20,751	20,751	—	—	—	—	(1)	(1)	22,000
—	—	—	—	1,250	—	—	—	—	—	—	20,751	20,751	—	—	—	—	(1)	(1)	22,000

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

CHANGES FROM 2016/17	3
1. What are the budget changes from 2017/18 budget from 2016/17?	3
2. Why has the capital budget changed?	3
3. Are there any new programs in 2017/18?	3
4. Has there been any budget increase to existing programs?	3
5. Have any programs moved out of the ministry?	3
6. Did the Ministry receive Treasury Board approval to access Contingencies in 2016/17? What programs did it fund?	3
7. Did the Ministry access Contingencies in two years previous i.e., 2014/15?	3
8. Is there any contingency access for 2017/18?	3
MINISTER'S OFFICE	4
9. What is the Minister's basic compensation? What is the Minister's compensation as an MLA and the total?	4
10. What is the exact amount of the Minister's holdback?	4
11. What is the number of Staff in the Minister's office and what are the budget changes?	4
12. What is the Minister's Office budget for 2017/18? What was the budget and actual spend in 2016/17?	4
SALARIES AND STAFFING	5
13. Which programs have staff reductions?	5
14. How many FTEs are there in the ministry and what is the change from last year?	5
15. How many auxiliary employees does the ministry have?	5
CONTRACTORS	6
16. What services has this ministry outsourced to contractors? How much was spent on contractors providing services to the Ministry in the last fiscal year? Has this gone up or down since the previous fiscal year?	6
17. How many contracts were tendered? How many were direct awarded? Which ones?	6
18. How much has been budgeted for contracts for the coming year? How does this compare to the previous year? Why the variance?	6
OPERATING EXPENSES	8
19. What is the Ministry Travel budget in 2016/17 and in 2017/18? What has been spent to date in 2016/17?	8
20. What is the Ministry STOB 67 (<i>Informational Advertising and Publications</i>) budget in 2017/18? What has been spent to date in 2017/18?	8

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

GOVERNMENT TRANSFERS	9
21. What is the comparative year over year Government Transfers?	9
22. What are the Recoveries found on Page 46 of 2017/18 Estimates?.....	9
CAPITAL ALLOCATION.....	10
23. Describe the capital budget and what the funding will be used for.	10
OTHER.....	11
24. Have there been any audits done of the ministry?	11
25. Were there any recommendations from the Office of the Auditor General? If so, what is outstanding?	11

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

CHANGES FROM 2016/17

1. What are the budget changes from 2017/18 budget from 2016/17?

The Ministry of Agriculture 2017/18 budget estimate is \$85,159 million, an increase of \$3.776 million or 4.6 per cent over the 2016/17 budget.

This includes increases in the following:

- \$2.000 million for Buy Local
- \$1.200 million lift for Production Insurance Special account
- \$0.400 million due to the Economic Stability Mandate and Dividend affecting most divisions
- \$0.150 million for other ministry pressures

2. Why has the capital budget changed?

My ministries capital budget is \$0.540 million, a decrease of \$0.33 million from 2016/17 due to the conclusion of the fleet replacement.

3. Are there any new programs in 2017/18?

No, there are no new programs.

4. Has there been any budget increase to existing programs?

\$2 million for Buy Local, which was previously funded by contingency access in 2015/16.

5. Have any programs moved out of the ministry?

No programs have moved out of the ministry.

6. Did the Ministry receive Treasury Board approval to access Contingencies in 2016/17? What programs did it fund?

Yes. The Ministry received approval for \$5.0 million for a grant to the Society for the Prevention of Cruelty to Animals in 2016/17.

The Ministry received approval for additional \$1.2 million in other appropriations for the Production Insurance Special Account.

7. Did the Ministry access Contingencies in two years previous i.e., 2014/15?

The ministry received \$1.8M in 2014/15 for the Buy Local Program and for \$5M to provide a grant contribution to the Society for the Prevention of Cruelty to Animals to fund repairs and upgrades to several of its facilities.

8. Is there any contingency access for 2017/18?

There is no contingency access for 2017/18.

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

MINISTER'S OFFICE

9. What is the Minister's basic compensation? What is the Minister's compensation as an MLA and the total?

My basic compensation is \$105,882 as an MLA. An additional 50% compensation is paid as a minister, which is \$52,941.

My total MLA and minister compensation is \$158,823.

10. What is the exact amount of the Minister's holdback?

My holdback is 20% of my compensation paid as a minister; \$52,941, or \$10,588.

Half is accrued to meeting the government's bottom line and the other half by delivering on those accountabilities attributed to my ministry.

11. What is the number of Staff in the Minister's office and what are the budget changes?

My Office is budgeted for 5 FTEs. 2017/18 budget is \$0.638M which has increased \$0.132M from 2016/17.

12. What is the Minister's Office budget for 2017/18? What was the budget and actual spend in 2016/17?

	2017/18	2016/17	2016/17
	Budget	Budget	Actuals
50 Base Salaries and Overtime	339,000	234,000	244,751
51 Supplementary Salary Costs	-	0	0
52 Employee Benefits	103,000	77,000	79,949
54 Leg Sal-Indemnities	54,000	54,000	52,005
57 Public Servant Travel Expenses	87,000	87,000	55,263
59 Centralized Management Support Services	-	0	0
63 Information Systems-Operating	9,000	9,000	8,163
65 Office and Business Expenses	14,000	14,000	4,615
82 Legislative Assembly	-	0	2,506
85 Other Expenses	32,000	31,000	16,250
TOTAL	638,000	506,000	463,502
FTEs	5.0	4.0	4.2

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

SALARIES AND STAFFING

13. Which programs have staff reductions?

There have been no staff reductions in any of the programs.

14. How many FTEs are there in the ministry and what is the change from last year?

There is no plan to return to detailed FTE reporting within budget documents.

Ministers have accountability to balance the budget to the bottom line dollar figure.

The number of FTEs that can be accommodated within a ministry's budget depends on many factors, including attrition, staffing lag and the staff mix throughout the year.

There are about 390 people within the Ministry of Agriculture, who work in approximately 30 locations throughout the province. Total budgeted salary and benefits for 2017/18 is \$30.797 million.

Key 2016/17 ministry staff numbers are as follows:

	2016/17	2015/16
Scientific/Tech Officers	94	87
Licensed Science Officers	64	63
Laboratory/Health Science Officers	24	21

15. How many auxiliary employees does the ministry have?

As at August 31, 2017, the ministry has 53 auxiliary employees as follows:

- Corporate Governance, 2
- Plant & Animal Health, 21
- Food Safety and Inspection, 15
- Sector Development and Management Services, 5
- Innovation, Industry and Development, 8
- Agricultural Land Commission, 1
- BC Farm Industry Review Board, 1

Ministry of Agriculture

Budget 2017 Update

Questions and Answers

CONTRACTORS

- 16. What services has this ministry outsourced to contractors? How much was spent on contractors providing services to the Ministry in the last fiscal year? Has this gone up or down since the previous fiscal year?**

My Ministry awarded 81 contracts valued at \$3.090M in 2016/17 compared to 90 contracts valued at \$3,721M in 2015/16.

- 17. How many contracts were tendered? How many were direct awarded? Which ones?**

53 contracts for a value of \$2.383M were awarded through a competitive process in fiscal 2016/17. 28 contracts for a value of \$0.708M were direct awarded.

Direct awarded contracts include 20 contracts for a total value of \$0.183M where the contract value was under \$25,000 where a competitive process was not cost effective or reasonable.

- 18. How much has been budgeted for contracts for the coming year? How does this compare to the previous year? Why the variance?**

\$6.528M has been budgeted for contracts for 2017/18 which is a \$0.085M decrease from the \$6.613M budgeted in 2016/17.

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

Ministry of AGRICULTURE					
Contract and Transfer Statistics					
April 1, 2016 - March 31, 2017					
	#	\$	% by #	% by \$	Notes
Total number & dollar value of contracts and transfers	131	17,178,121.92			
Total number & dollar value of contracts	81	3,090,630.56	61.8%	18.0%	
Contracts awarded through a competitive process	53	2,382,890.56	65.4%	77.1%	
Contracts directly awarded	28	707,740.00	34.6%	22.9%	
Total number & dollar value of transfers (shared cost arrangements & grants)	50	14,087,491.36	38.2%	82.0%	
Transfers awarded thorough a competitive process	21	11,818,400.00	42.0%	83.9%	
Transfers directly awarded	29	2,269,091.36	58.0%	16.1%	
Analysis of competed contracts, shared cost arrangements & grants:	72	9,114,290.56			
Code 100 - Open Competitive Process	27	7,980,095.00	37.5%	87.6%	2
Code 300 - Competitive Process Among Selected Vendors	23	560,380.00	31.9%	6.1%	
Code 400 - Selected Vendor from Pre-Qualified List	0	-	0.0%	0.0%	
Code 401 - Competition Among Vendors on Pre-Qualified List	22	573,815.56	30.6%	6.3%	
Code 500 - Purchase from a Corporate Supply Arrangement	0	-	0.0%	0.0%	
Code 600 - Other Purchase Process	0	-	0.0%	0.0%	
Analysis of direct awards:	57	2,976,831.36			
Code 200 - Direct Award to Public Sector Organization	9	793,027.00	15.8%	26.6%	
Code 201 - Direct Award to Sole Source	9	712,400.00	15.8%	23.9%	
Code 202 - Direct Award for Emergency	0	-	0.0%	0.0%	
Code 203 - Direct Award for Security, Order, Etc.	0	-	0.0%	0.0%	
Code 204 - Direct Award for Confidentiality	0	-	0.0%	0.0%	
Code 205 - Direct Award, Notice of Intent	8	274,074.36	14.0%	9.2%	
Code 206 - Direct Award Permitted Under Another Corporate Policy or Legislation	0	-	0.0%	0.0%	
Code 207 - Direct Award Under \$25,000	20	182,740.00	35.1%	6.1%	
Code 208 - Direct Award, Shared Cost Arrangement (Financial Assistance)	0	-	0.0%	0.0%	
Code 209 - Direct Award Shared Cost Arrangement (Competitive Selection Process)	11	1,014,590.00	19.3%	34.1%	
Other:	2	5,087,000.00			
Code 601 - Other Continuing Service Agreements	0	-	0.0%	0.0%	
Code 602 - Other Grants and Entitlements	2	5,087,000.00	100.0%	100.0%	3
Code 900	0	-	0.0%	0.0%	
Un-coded	0	-	0.0%	0.0%	
NOTES:					
Note 1: The summary includes all contracts in the RAW DATA whether or not they have an actual dollar value in the "PO Header Amended Total Amount SUM" column, see the note highlighted in blue on the "Value of contract by PO" tab for					
Note 2: Increase from PY is mostly attributed to 3 transfers: 2 of which were paid to PRICEWATERHOUSECOOPERS LLP for a total of \$2.4M and 1 transfer to the FOOD PROCESSING HUMAN RESOURCES COUNCIL for \$1.7M					
Note 3: Increase from PY is due to a single transfer of \$5M to THE BRITISH COLUMBIA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS					

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

OPERATING EXPENSES

- 19. What is the Ministry Travel budget in 2016/17 and in 2017/18? What has been spent to date in 2016/17?**

The ministry travel budget is \$1.280M in 2016/17 and \$1.280M in 2017/18.

The ministry spend to August 31 in the current fiscal year for travel is \$0.281M.

- 20. What is the Ministry STOB 67 (*Informational Advertising and Publications*) budget in 2017/18? What has been spent to date in 2017/18?**

The ministry has \$0.040M in STOB 67 – *Informational Advertising and Publications* in 2017/18.

Budget in this STOB is managed by Government Communications and Public Engagement in the Ministry of Technology, Innovation and Citizens' Services.

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

GOVERNMENT TRANSFERS

21. What is the comparative year over year Government Transfers?

Describe some of the transfers.

The ministry budget for Government Transfers is \$33.359M in 2016/17 and \$35.757M in 2017/18.

Some examples of Transfers are:

- \$11.736M is allocated to Agri-Stability, a margin based income stability program to protect producers from large declines in their farming income caused by production losses, increased costs or market conditions.
- \$7.555 is allocated to the Greenhouse Carbon Tax Relief Grant Program to provide carbon tax relief to commercial greenhouses (vegetable, floriculture wholesale production nurseries and forest seedling nurseries).
- \$2.000M is allocated for the Buy Local program.
- \$1.722M is allocated to the Tree Fruit Replant program.

22. What are the Recoveries found on Page 46 of 2017/18 Estimates?

Describe some of the recoveries.

The ministry recoveries budget is \$24.426M in 2016/17 and in 2017/18.

Some examples of Recoveries are:

- \$13.343M is recovered from the Federal Government for Growing Forward 2 program.
- \$10.314M is recovered from the Federal Government for Business Risk Management programs (AgriStability, AgriRecovery, Agricultural Wildlife program).
- \$0.471M is recovered from various agencies for work done in the Plant Health Laboratory.
- \$0.236M is recovered from West Coast Reduction Ltd for animal rendering and recycling.

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

CAPITAL ALLOCATION

23. Describe the capital budget and what the funding will be used for.

The ministry has \$0.540M in capital available in 2017/18.

The capital allocation is available for

- \$0.212M Specialized Equipment for the plant and animal health lab,
- \$0.325M for the purchase of vehicles to be used in the field,
- \$0.003M for office furniture and equipment

Ministry of Agriculture
Budget 2017 Update
Questions and Answers

OTHER

24. Have there been any audits done of the ministry?

As part of the year-end process, the Ministry is audited by the Office of the Auditor General. The Ministry is subject to regular payment audits by the Payment Review Office, Ministry of Finance. The Ministry's Growing Forward, Production Insurance, Wildlife and AgriStability programs are also subject to annual audits by the Federal Government.

25. Were there any recommendations from the Office of the Auditor General? If so, what is outstanding?

There are no outstanding recommendations from the Office of the Auditor General.

**MANDATE COMMITMENT: REVITALIZING THE AGRICULTURAL LAND RESERVE
(ALR)****RECOMMENDED RESPONSE:**

- The B.C. government is committed to revitalizing the ALR, and the Agriculture Land Commission (ALC), as the independent decision-making tribunal responsible for preserving B.C.'s farmland.
- This is a foundational part of the Grow B.C., Buy B.C., Feed B.C. platform commitment that will continue to help farmers and ranchers access the land they need to grow food for the benefit of all British Columbians.
- Currently, I am investigating topics that I have continued to hear from farmers and ranchers across B.C. For example, I will be exploring the idea of going back to one zone, or removing the secondary criteria for decision-making in zone 2.
- Maintaining and improving the independence and autonomy of the ALC is a topic I also wish to explore. Ensuring the ALC is free from political influence will assist it in making decisions that are in line with the purposes of the commission, preserving agricultural land and encouraging farming on agricultural land.
- I look forward to working with the ALC and stakeholders to ensure a strong, independent ALC for the future of B.C.

BACKGROUND:

- The ALC is established under the *Agricultural Land Commission Act* (ALCA) as the independent administrative tribunal responsible for administering the ALR, a provincial zone where agriculture is the priority land use.
- The ALR covers about 4,615,880 hectares (or 5 percent) of the 94,646,000 hectare provincial land base, and about 49 percent of ALR is Crown land. ALR is divided into 2 zones:
 - Zone 1 (Okanagan, South Coast, Island), which accounts for 11 percent of the ALR, and;
 - Zone 2 (Interior, Kootenay, North), which accounts for 89 percent of the ALR.
- The ALC received an extra \$1.1 million in operating funding in Budget 2016, bringing their annual budget to \$4.5 million through to 2017/18.
- This funding enabled the ALC to hire six new land use planners to assist with application processing, create a new Land Use Manager position to provide greater oversight and coordination of the application processing team, a Soils Agrologist, three compliance and enforcement officers, a compliance and enforcement program assistant and a data management technician to assist with the intake and processing of referrals, complaints and applications.
- In 2016/17, the ALC made nearly 400 decisions on applications.

Legislative Change History

- In 2010, the Chair of the ALC and the Auditor General of B.C. (AGBC) published separate reports making a number of recommendations to strengthen the ALR, and enhance the ALC's ability to encourage agriculture.
- Based on the AGBC's and ALC Chair's reports, legislative amendments were made that came into effect on November 24, 2011.
- On November 14, 2011, the Ministry of Agriculture (AGRI) announced approval of up to \$0.625 million in 2011/12 and \$0.975 million in 2012/13 of contingency funding for the ALC. Budget 2013 provided an additional \$4 million over three years to support the ALC.
- In 2013/14, as a result of the government's Core Review process, Bill 24 was introduced to amend the ALCA.
- On May 29, 2014, amendments to the ALCA received Royal Assent. These amendments provide for the following changes:
 - Two Zones were established in the ALR to create enhanced economic opportunities for ALR landowners in Zone 2;
 - Six local regional panels were established, with regional panels in Zone 2 being provided with additional decision-making criteria;
 - New reporting and accountability measures were introduced for the ALC; and
 - Consistent province-wide application of the ALCA was maintained through oversight by the Executive Committee.
- Over the summer of 2014, the Ministry conducted a public consultation to get feedback on how to modernize the ALCA's Regulations in both Zones. Additional regulatory amendments were introduced in May-June 2015 to:
 - Allow farmers to undertake additional activities on ALR land without an application to the ALC (e.g. production of medical marijuana; co-ops engaging in

- on-farm packing and processing; breweries, distilleries, meaderies; leases of a portion of a farm); and
- Provide additional flexibility for farmers in Zone 2 (e.g. life leases, second single-family dwelling).
- In addition, AGRI announced the appointment of a new Chair, Frank Leonard, effective May 14, 2015, and a new Chief Executive Officer, Kim Grout, effective December 14, 2015.
- Balanced Budget 2016 increased the ALC's budget by 33 percent (\$1.1 Million) to fulfil its mandate of protecting farm land and to deliver their services to British Columbians in a timely, efficient and accessible manner. These funds are in addition to the \$4.5 million budget increase provided in 2013.
- The budget increase is partially offset by revised fees, which were last set in 2002. The fees for companies or individuals making an application to the ALC will increase from \$600 to \$1500 in Zone 1 and \$900 in Zone 2. The revised fees will recover about 40 percent of the expenses incurred in the application process and include several new fees directly related to compliance and enforcement.

CROSS JURISDICTIONAL COMPARISON:

- In addition to B.C., two Canadian provinces have developed agriculture "districts" where agriculture is recognized as the priority use: Quebec (1979) and Ontario (2005).
- Quebec's Commission de Protection du Territoire Agricole (the Commission) is similar to the ALC, operating under the Law on Protection of Agricultural Land and Agricultural Activities to protect farmland for agriculture, and restrict its use for non-agricultural purposes. Quebec's agriculture zone encompasses 6.3 million hectares (ALR = 4.7 million hectares).
- The Ontario Greenbelt Plan is broader than B.C.'s ALR, providing protection for agricultural and environmental values and a wide range of recreational and tourism uses.

PROGRAM EXPENDITURE/REVENUE IMPLICATION (IF APPLICABLE):

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Base Budget	1.974	1.974	2.905	3.516	3.406	4.5	4.5
Access to Contingency Funding	0.625	0.975					
Total Available	2.599	2.949	2.905	3.516	3.406	4.5	4.5

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Anna North	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250 356-5814	Phone: 250 356-8299
Cell:	Cell:	Cell:

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 23, 2017 Minister Responsible: Hon. Lana Popham	Grow B.C.
---	------------------

RECOMMENDED RESPONSE:

- **Grow B.C. will be centered on policies that support farmers and help B.C. producers expand local food production, and include policies that support new entrants and young people getting into farming.**
- **British Columbians are so keen to grow local products, and we need to create opportunities that help people do that.**
- **We have entrepreneurs in our province that are growing traditional crops, and many new ones like tea, kiwi fruit and okra, and we need to encourage people who have a vision and the passion to try it.**
- **Agriculture and food production contributes so much to our society in terms of food supply, economic activity and community strength, and to encourage it we need two things, secure farmland, and secure farmers.**
- **We are revitalizing the ALC to help the Commission fulfill their mandate of protecting farmland and encouraging farmers, and Grow B.C. will offer targeted programs to make sure the people who are passionate about working on the farm, are there on the land, doing just that.**

BACKGROUND:

- On July 18, 2017, Premier John Horgan issued Agriculture Minister Lana Popham a mandate letter with the priority to establish Grow B.C. to help young farmers' access land, and support fruit and nut growers and processors to expand local food production.
- <http://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/popham-mandate.pdf>

Communications Contact:

Program Area Contact:

Issue: Establishment of Grow B.C. to help young farmers access land, and support fruit and nut growers and processors to expand local food production.

RECOMMENDED RESPONSE:

INSTRUCTIONS:

- **Grow. B.C. will support young farmers and new entrants access land and provide support to fruit and nut growers and processors to expand local food production.**
- **Grow B.C. will continue to encourage increased production, maximization of the agricultural land base, and provides a support for succession planning in agriculture.**
- **Agriculture is a key part of B.C.'s economy, generating \$14B annually in revenues.**
- **Food processing is the second largest manufacturing industry in B.C.**
- **B.C. has a the potential to continue economic growth of the sector, support high-value sectors and encourage new entrants through a coordinated strategy and program supports.**

BACKGROUND:**New Entrants**

- One of the greatest challenges for young farmers in BC is accessing land. Escalating real estate prices have also driven up the price of farm land, especially close to urban centres (e.g. Vancouver, Victoria).
- The Ministry of Agriculture has a number of programs and services designed to increase business knowledge and help young farmers succeed. Through the Growing Forward 2 Program, young farmers have access to supports on topics such as business planning, marketing, environmental management, and food safety.
- The Ministry has a suite of information on "Starting a New Farm" easily accessible from its AgriService BC website. Key products include the popular "New Farm Startup Guide" and the "Land Leasing Guide". The Ministry's Youth Development program works with 4H-BC to equip and motivate youth to explore careers in agriculture.
- In 2016, the Ministry prioritized supporting new entrants into the agrifood sector by developing a New Entrant Strategy and hiring a New Entrant Agrologist.
- In 2016, the Ministry supported a project in partnership with the Young Agrarians to support a land matching pilot project in the Fraser Valley, bringing together landowners with land available for farming, and new entrants looking for land to farm. The second phase expansion pilot throughout the lower mainland will continue in 2017.
- The Ministry has supported a number of training events and workshops throughout the Province designed to provide educational opportunities for new entrants - including New Farm Start-up workshops and Land Access workshops.

Support for Fruit and Nut Growers

- The Ministry of Agriculture supports the fruit industry and industry associations through Growing Forward 2 (GF2) programming including Business Risk Management and strategic initiative (SI) programming such as disease, pest and varietal research, business planning, industry extension, domestic and international marketing programs and innovation funding.
- The Ministry delivers the Tree Fruit Replant Program, administered by BC Fruit Growers Association to provide long-term stable support to replanting activities in the tree fruit sector.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- s.13

Approved by:	Prepared by:	Alternate Contact:
Arif Lalani	Name: TJ Schur	Name: Lindsay Bisschop
Date approved by ADM: Sept 13 2017	Branch:SDB	Branch: SDB
Phone:250-356-1122	Phone:250-387-7173	Phone:604-556-3001
Cell:	Cell:	Cell:

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 23, 2017 Minister Responsible: Hon. Lana Popham	Feed B.C.
---	------------------

RECOMMENDED RESPONSE:

- The part of our three pronged approach that will be the biggest game-changer is the Feed B.C. policy.
- Feed B.C. will increase the use of B.C. foods in hospitals and other government facilities
- The benefits are obvious, not only are we working to increase the sales of B.C. food products, we are working to increase the production of B.C. foods as well.
- Creating a market and demand for year-round B.C. food products in government facilities in communities around our province, also supports opportunities to start or expand a farm or food business in communities all around British Columbia.
- FEED B.C. is a straight forward idea and plan, but as it involves planning for and growing crops, its implementation will take some time.
- FEED B.C. is going to be developed in terms and periods of time that make sense to farmers and food producers beginning and expanding operations, and when the results of the program are seen, it is going to be worth it.

BACKGROUND:

- On July 18, 2017, Premier John Horgan issued Agriculture Minister Lana Popham a mandate letter with the priority to initiate Feed B.C.
- <http://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/popham-mandate.pdf>

Communications Contact:

Program Area Contact:

MANDATE COMMITMENT: FEED BC

ISSUE: Supporting the purchase of B.C. grown and processed foods in government institutions (Feed B.C.)

RECOMMENDED RESPONSE:

- **Feed B.C. is an important initiative to increase the use of B.C. grown and processed foods in hospitals, schools and other government facilities.**
- **Public sector procurement represents a significant opportunity for government to demonstrate leadership and support for our agrifood and seafood producers and processors.**
- **The Ministry is currently working with other provincial agencies to identify baseline data, and identify constraints such as trade agreements and existing contract terms so that informed targets can be set.**
- **The Ministry is exploring the opportunities and the challenges with producers, processors, distributors and food service providers to develop strategies to strengthen the local food supply chain, in order to support more opportunities for the use of B.C. grown and processed foods in government facilities.**
- **Other provinces have already acted to build domestic supply chains that bring together government facilities and local producers, processors and food distributors. It is time for B.C. to step up too.**
- **Initiatives like Feed B.C. will stabilize our domestic market and support new opportunities for B.C. farmers in their local communities.**

BACKGROUND:

- The Minister's 2017 mandate letter provides direction to "initiate Feed B.C. to increase the use of B.C.-grown and processed foods in hospitals, schools and other government facilities."
- Procurement and use of B.C. grown and processed foods is already happening in a range of B.C. government facilities, including hospitals, local health authorities and post-secondary education institutions.
- The current baseline of purchases is not readily available.

s.13,s.16

CROSS JURISDICTIONAL COMPARISON:

s.13,s.16

Ontario:

- Ontario has many initiatives in place including a Local Food Strategy which includes a *Local Food Act* as well as funding for various grants and programs.
- Ontario, in partnership with the University of Guelph, is undertaking a research study that will look to collect site level information by inviting patients from up to 25 diverse hospitals to take part in a food satisfaction survey. In turn, focus groups or key informant interviews will be conducted with individuals from various areas of food service to discuss challenges and opportunities for the provision of good quality food in Ontario hospitals.

New Brunswick:

- New Brunswick's main initiative around local foods in public institutions is focused on getting local foods in school cafeterias.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- To be determined.

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Barbara Ann Tierney	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250 356-1686	Phone: 250 356-8299
Cell:	Cell:	Cell: 250 208-8326

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 23, 2017 Minister Responsible: Hon. Lana Popham	Buy/Feed/Grow B.C.: General
---	--

RECOMMENDED RESPONSE:

- **My goal is to create opportunities for B.C. food producers and that includes the export market, but also focuses on a thoughtful, planned approach to growing the market here in BC.**
- **B.C. farmers, seafood and food producers deserve our support, not only for the fresh and healthy foods they provide us, but because of the jobs, incomes and revenues they create, and the role they play economically and socially in so many of our communities.**
- **The B.C. government will be taking a three pronged approach to building opportunities and sales for B.C. food producers, and those wishing to join the sector.**
- **We're going to be supporting the full spectrum of B.C.'s food, seafood and value-added processing sectors, by encouraging new entrants, increased production and higher consumption of B.C. products**
- **I have heard from B.C. farmers and food producers all around the Province that are excited by the thoughtful, planned approach we are bringing, and I am looking forward to seeing them started.**

BACKGROUND:

- On July 18, 2017, Premier John Horgan issued Agriculture Minister Lana Popham a mandate letter with priorities she is expected to make progress on while Minister. <http://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/popham-mandate.pdf>

Communications Contact:
Program Area Contact:

ISSUE/PROGRAM: Bring back an enhanced Buy BC Program**RECOMMENDED RESPONSE:**

- **Our government is committed to providing inclusive programming for the benefit of all British Columbians.**
- **That is why we are reestablishing enhanced Buy BC programming that will provide benefits to B.C.'s agrifood and seafood industry by ensuring farmers, producers and processors of all sizes in every community in the province can effectively market their products.**
- **In the 1990's, our previous Buy BC program invested over \$17 million and assisted over 1,200 companies and associations. As a result, over 5,000 B.C. products were easily identifiable as local on our B.C. grocery store shelves.**
- **We've heard from industry that a common, sector-wide Buy BC brand and logo are again needed to ensure that consumers can identify local B.C. products at grocery stores, restaurants and food service establishments across the province.**
- **Our government is delivering. Ministry staff have developed a suite of options currently under consideration regarding how we can best achieve this goal through enhanced Buy BC programming.**
- **I look forward to sharing more details of this programming in the months ahead.**
- **As British Columbians increase their demand for local products, this will allow our farmers, producers and processors to produce more, which will in turn, help provide a safe and secure food supply for all British Columbians.**

BACKGROUND:

- In 2002, the provincial government transferred the management and delivery of the Buy BC Program to the BC Agriculture Council (BCAC) through a licensing agreement, which included the responsibility to manage Buy BC trademark usage. BCAC charges annual fees to sublicensees for their use of the trademarks, but does not actively promote the program. Renewals for the licensing agreement with BCAC were issued in 2002, 2010 and 2015, and the current licensing agreement with BCAC will expire on September 12, 2017. After the agreement expires, the Ministry of Agriculture (AGRI) will again take on full management of the Buy BC Program and trademarks.

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Solveig McLaren	Name: Mat Patterson
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-356-5077	Phone: 250-356-2945
Cell: 250-208-9902	Cell: 250-896-9122	Cell: 778-677-6996

ISSUE/PROGRAM: B.C. Food Innovation Centre**RECOMMENDED RESPONSE:**

- **B.C.'s agrifood sector is growing and value-added food and beverage products generate significant revenue.**
- **Revenue in the food and beverage manufacturing sector reached \$9 billion in products for 2016, representing 70% of total agrifood revenues.**
- **The B.C. Food Innovation Centre will support the growth of agriculture, agrifood and seafood companies across the Province.**
- **The Centre(s) will offer a full spectrum of services, including:**
 - **Physical infrastructure and equipment (e.g., commissary kitchen space)**
 - **Advanced, specialized technologies and equipment (e.g., large-scale packing equipment, high-pressure pasteurization, consumer analytics)**
 - **Business accelerator services (e.g., coaching, mentorship, workshops, training)**
- **The Centre(s) will link the agricultural producers with the food processing industry.**
- **The Centre(s) will provide a hub for innovation in the processing, packing and marketing of B.C. food products; help companies accelerate growth and access markets; attract regional investment; and provide cross-sector support, including to the agritech, agrifoods and seafood sectors.**

BACKGROUND:

- Since the 1990s, B.C.'s food processing industry and research community have explored the concept and potential establishment of an agrifood innovation centre for the Province.
- Innovation centres provide access to space, equipment and knowledge that food processors, early-stage entrepreneurs and small and medium enterprises can use to enhance their competitiveness in domestic and export markets.
- In 2009, the Food Innovation Centre of B.C. (FICBC) was established using \$2 million in *Growing Forward* funding. However, due to its inability to secure additional funds and demonstrate a sustainable business model, the FICBC ultimately dissolved in July 2013.
- The landscape of B.C.'s agrifood and seafood sector is changing rapidly and establishing a food innovation centre (or centres) in B.C. is a priority for the food processing industry.
- Food processing centres provide access to specialized equipment and resources that can accelerate the growth of small businesses and provide new market opportunities.

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Julia Diamond	Name: Selena Basi
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-356-9831	Phone: 250-356-6660
Cell: 250-208-9902	Cell: 250-208-9909	Cell: 250-208-7070

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 24 Minister Responsible: Hon. Lana Popham	B.C. Food Innovation Centre
---	------------------------------------

RECOMMENDED RESPONSE:

- The Food Innovation Centre will be a model of collaboration with industry, colleges and universities and government colleagues with a clear goal, creating opportunities for B.C.'s food sector.
- The centre will support agri-tech in B.C. and the creation and adoption of products and practices that lead to innovation in the production, processing and packaging, and marketing of B.C. foods.
- It will also serve as a centre to build on B.C. agriculture, seafood and food exports, and link local food producers with the marketing and access advice and support they need to reach and grow in world markets.

BACKGROUND:

- On July 18, 2017, Premier John Horgan issued Agriculture Minister Lana Popham a mandate letter with the priority to work with growers, processors, colleges and universities, as well as the Minister of Advanced Education and the Minister of State for Trade, to develop a B.C. Food Innovation Centre to innovate in the processing, packaging and marketing of B.C. food products, linking local food producers with new technology, and expanding exports and access to world markets.
- <http://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/popham-mandate.pdf>

Communications Contact:
Program Area Contact:

Ministry of Agriculture

2017/18 – 2019/20 SERVICE PLAN

September 2017



For more information on the British Columbia Ministry of Agriculture contact:

PO BOX 9120
STN PROV GOVT
VICTORIA, BC
V8W 9B4

or visit our website at
<http://www.gov.bc.ca/agri/>

Published by the Ministry of Agriculture

Minister Accountability Statement



The *Ministry of Agriculture 2017/18 - 2019/20 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, appearing to read 'Lana Popham'.

Honourable Lana Popham
Minister of Agriculture
August 29, 2017

Table of Contents

Minister Accountability Statement 3

Purpose of the Ministry..... 5

Ministry Goals, Objectives and Performance Measures 5

Resource Summary 7

Appendix A: Ministry Contact Information 8

Appendix B: Agricultural Land Commission 11

Appendix C: British Columbia Farm Industry Review Board..... 12

Purpose of the Ministry

The Ministry of Agriculture (the Ministry) is responsible for the production, marketing, processing and merchandising of agrifood and seafood products; the institution and carrying out of advisory, research, promotional, sustainability and adaptation, food safety or plant and animal health programs, projects or undertakings relating to agrifood and seafood; and the collection of information and preparation and dissemination of statistics relating to agrifood and seafood. 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 at: <http://www.bclaws.ca/civix/document/id/amr/amr/1135179498>

Ministry Goals, Objectives and Performance Measures

The Ministry of Agriculture's goals are to help government achieve the following three commitments to British Columbians:

- The first commitment is to make life more affordable. British Columbians are counting on government to make their lives easier by containing costs and service fees.
- The second commitment is to deliver the services that people count on. Government services touch the lives of British Columbians every day, and there is so much more that we can – and must – do to provide these services where and when people need them. Additionally, in many cases, critical programs and services are delivered by Crown Corporations, and our Ministry will work with Board Chairs to improve levels of service to citizens.
- The third commitment is to build a strong, sustainable, innovative economy that works for everyone. Our government believes that all ministries and public sector organizations have a role to play in supporting broad-based economic growth, developing poverty reduction strategies, and helping create good-paying jobs in every region of the province.

Integrating with these priorities is government's commitment to true, lasting reconciliation with First Nations in British Columbia, as we move towards fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission.

Beyond our work in supporting these commitments, the Minister of Agriculture has been tasked in the [mandate letter](#) to achieve the following specific objectives and performance targets:

- Establish Grow B.C. Revitalize the Agriculture Land Reserve and the Agricultural Land Commission. Help young farmers access land, and support fruit and nut growers and processors to expand local food production.
- Initiate Feed B.C. to increase the use of B.C.-grown and processed foods in hospitals, schools, and other government facilities.

- Bring back an enhanced Buy B.C. marketing program to help local producers market their products, and work with local producers to expand market access in the rest of Canada and abroad.
- Work with growers, processors, colleges and universities, as well as the Minister of Advanced Education and the Minister of State for Trade, to develop a B.C. Food Innovation Centre to innovate in the processing, packaging and marketing of B.C. food products, linking local food producers with new technology, and expanding exports and access to world markets.

Our Ministry will continue to develop specific objectives and performance measures for inclusion in our 2018/19 Service Plan, which will be released with *Budget 2018*.

Resource Summary

Core Business Area	2016/17 Restated Estimates ¹	2017/18 Estimates	2018/19 Plan	2019/20 Plan
Operating Expenses (\$000)				
Agriculture Science and Policy	16,455	16,343	16,536	16,536
Business Development	40,202	43,089	43,299	43,299
BC Farm Industry Review Board	1,206	1,214	1,233	1,233
Executive and Support Services	6,996	6,764	6,773	6,773
Sub-Total	64,859	67,410	67,841	67,841
Agricultural Land Commission	4,524	4,549	4,579	4,579
Production Insurance Special Account (Net)²	12,000	13,200	13,200	13,200
Total	81,383	85,159	85,620	85,620
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Executive and Support Services	1,168	540	540	540
Total	1,168	540	540	540

Notes:

¹ For comparative purposes, amounts shown for 2016/17 are consistent with the presentation of the 2017/18 Estimates.

² Production Insurance Special Account increases of \$1.2million in 2017/18 for increased insurable value and policy sales.

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

Appendix A: Ministry Contact Information

Ministry of Agriculture:

P.O. Box 9120 STN PROV GOVT, Victoria BC, V8W 9B4

Ph.: (250) 387-5121

Agriculture Science and Policy Division:

Ph.: (250) 356-1821, Fax (250) 356-7279

Business Development Division:

Ph.: (250) 356-1122, Fax (250) 356-7279

Ministry of Agriculture - Regional Offices:

Abbotsford

1767 Angus Campbell Road, V3G 2M3

Ph.: (604) 556-3001

Fax: (604) 556-3030

Toll free: 1-888-221-7141

Animal Health toll free: 1-800-661-9903

Courtenay

2500 Cliffe Avenue, V9N 5M6

Ph.: (250) 897-7540

Fax: (250) 334-1410

Cranbrook/Invermere

635 – 4th Street, Invermere, V0A 1K0

Ph.: (250) 342-4219

Fax: (250) 342-4262

Creston

1243 Northwest Boulevard, V0B 1G6

Ph.: (250) 402-6429

Fax: (250) 402-6497

Dawson Creek

4th Floor, 1201 103rd Avenue, V1G 4J2

Ph.: (250) 784-2601

Fax: (250) 784-2299

Toll free: 1-877-772-2200

Duncan

5785 Duncan Street, V9L 5G2

Ph.: (250) 746-1210

Fax: (250) 746-1292

Fort St. John
10043 100th Street, V1J 3Y5
Ph.: (250) 787-3240
Fax: (250) 787-3299
Toll free: 1-888-822-1345

Kamloops
2nd Floor, 441 Columbia Street, V2C 2T3
Ph.: (250) 828-4506
Fax: (250) 828-4154
Toll free: 1-888-823-3355

Kelowna
Unit 200 1690 Powick Road, V1X 7G5
Ph.: (250) 861-7211
Fax: (250) 861-7490
Toll free: 1-888-332-3352

Kelowna – Hardy Place
200 – 1500 Hardy Street, V1Y 8H2
Ph.: (250) 712-3797
Fax: (250) 712-3269
Toll free: 1-877-343-2767 (AgriStability)

Oliver
Suite 201 583 Fairview Road, V0H 1T0
Ph.: (250) 498-5250 or 5251
Fax: (250) 498-4952
Toll free: 1-888-812-8811

Prince George
2000 South Ospika Boulevard, V2N 4W5
Ph.: (250) 614-7400
Fax: (250) 614-7435
Toll free: 1-800-334-3011

Smithers
3333 Tatlow Road, V0J 2N0
Ph.: (250) 847-6379
Fax: (250) 847-6353
Toll free: 1-888-540-8611

Vernon

2501 – 14th Avenue, V1T 8Z1

Ph.: (250) 260-4610

Fax: (250) 260-4602

Toll free: 1-877-702-5585

Williams Lake

300 640 Borland Street, V2G 4T1

Ph.: (250) 398-4500

Fax: (250) 398-4688

Toll free: 1-800-474-6133

Agricultural Land Commission

133-- 4940 Canada Way, Burnaby BC, V5G 4K6

Ph.: (604) 660-7000

Fax: (604) 660-7033

Email: ALCBurnaby@Victoria1.gov.bc.ca

Internet: <http://www.alc.gov.bc.ca/w>

BC Farm Industry Review Board

780 Blanshard Street, Victoria BC, V8W 9B5

Ph.: (250) 356-8945

Fax: (250) 356-5131

Email: firb@gov.bc.ca

Internet: <http://www.gov.bc.ca/bcfarministryreviewboardw>

For more information about the Ministry of Agriculture, including full contact information, visit our website at: <http://www.gov.bc.ca/agriw>

Appendix B: Agricultural Land Commission

Purpose of the 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. The ALR is based on the biophysical resource base (soil and climate) where lands are capable of growing crops. As an administrative tribunal operating at arm's-length from government, the ALC is accountable to the legislature through the Minister of Agriculture. Its operations are funded by a vote of the legislature.

In general, an administrative tribunal is a specialized government agency established under provincial legislation to implement legislative policy. The ALC is expected to exercise its role in a non-partisan manner and Commission members must faithfully, honestly and impartially perform their duties.

The ALC's goals, objectives and strategies are guided by its legislative mandate as set out in s.6 and s.4.3 of the ALC Act as noted below.

The ALC's mandate as set out in s.6 of the Agricultural Land Commission Act is:

- To preserve agricultural land;
- To encourage farming on agricultural land in collaboration with other communities of interest; and
- To 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.

Appendix C: British Columbia Farm Industry Review Board

Purpose of the 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 Board consists of a part-time board of up to ten members and nine full time equivalent staff positions and is accountable to government for its administrative operations.

The Board's performance measures have changed in 2017/18 to 2019/20 Service Plan for streamlining and clarification purposes. The Board will be further reviewing its Service Plan measures in 2017/18 to determine if additional refinements are warranted.

The Board'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*. They include:

- Supervising BC's regulated marketing boards and commissions;
- Being a signatory to formal federal-provincial cooperation agreements in regulated marketing;
- Hearing appeals of regulated marketing board and commission orders, decisions and determinations;
- Hearing appeals related to certain animal custody and cost decisions of the BC Society for the Prevention of Cruelty to Animals;
- Hearing farm practices complaints from persons disturbed by odour, noise, dust or other disturbances arising from agriculture or certain aquaculture operations; and,
- Conducting farm practices studies.

The Board has adjudicative independence in its decision-making, and through its strategic plan and other documents, establishes goals, objectives, strategies and performance measures necessary to achieve its administrative role as a public sector agency, including cost-consciousness, accountability, appropriate compensation, service, respect and integrity. Further information about the Board may be found at www.gov.bc.ca/bcfarmindustryreviewboard

ISSUE: Growing Forward 2 Cost-Shared Strategic Initiatives**RECOMMENDED RESPONSE:**

- **The current the Growing Forward 2 (GF2) agreement is set to expire in March 2018.**
- **B.C. is in discussions with the federal government and other provinces and territories on the next five year federal agriculture policy framework agreement.**
- **Our first priority is to ensure that this new agreement is finalized in time to provide a seamless transition next year for our programming.**
- **The Province is committed to ensure the voices of British Columbia producers and processors are heard in Ottawa, and that B.C.'s agricultural families receive the best possible deal from the federal government.**

BACKGROUND:

- Growing Forward 2 (GF2) is a national agriculture framework that co-ordinates federal and provincial agriculture policy.
- GF2 is a five-year federal-provincial-territorial agreement that will deliver agricultural programs to BC food producers between 2013 and 2018. In 2013, it was estimated that this could result in approximately \$426M in federal and provincial investments in BC agriculture.
- The GF2 agreement provides funding for two categories of programs:
 - (a) Business Risk Management (BRM): provides financial support through a variety of programs to farmers who suffer weather or market-related losses.
 - (b) Strategic Initiatives (SI): funds projects that encourage innovation, competitiveness, adaptability and increased capacity, through multiple programs. Strategic Initiatives are divided into three Priority Area categories:
 - Innovation;
 - For example, the Canada-BC Agri-Innovation Program supports new product development and commercialization through \$13.4 million in funding that is available to successful applicants.
 - Competitiveness and Market Development; and,
 - For example, the \$4.3 million BC Agrifoods Export Program provides matching funds to support industry participation at international tradeshow, promotional events, incoming and outgoing trade missions, and to develop marketing materials for international audiences.
 - Adaptability and Industry Capacity.
 - support BC producers and processors to use the latest knowledge and technology in the production of trusted, great-tasting, BC products.
- GF2 funding is cost-shared on a 60:40 basis between the Government of Canada and the Province of British Columbia over the five-year term of the agreement. Based on this formula, BC will need to allocate spending of \$44.6 million to access the full federal contribution of \$67.3 million for SI programs.

CROSS JURISDICTIONAL COMPARISON:

- Over the five-year life of GF2, Canada will provide SI funding to all the provinces and territories, totaling \$1.2 billion. BC's share of federal funds is \$67.3 million. The combined total of the four Atlantic Provinces' share is \$89 million. Alberta's share is \$244 million, Ontario's is \$273 million and Saskatchewan's is \$234 million.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- BC's contribution of \$8.7 million in 2017/18 is comprised of funding from the Ministry's base budget and in-kind contributions from other Ministries.
- Canada's 2017/18 contribution of \$13.0 million is budgeted to go directly to industry through programs and services.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: James Mack	Name: Mike Renaud	Name: Lorie Hrycuik
Date approved by ADM:	Branch: CGPL Branch	Branch: CGPL Branch
Phone: 250 356-1821	Phone: 250 380-1678	Phone: 250 356-8299
Cell:	Cell: 250 889-2386	Cell:

ISSUE/PROGRAM: Agricultural Land Use Inventory (ALUI)**RECOMMENDED RESPONSE:**

- **Agricultural Land Use Inventories collect consistent, credible and comprehensive data about land use and land cover on agricultural lands.**
- **The data generates a wealth of information for the sector, local governments and the province.**
 - **The data measures farmland utilization, farmland vacancy, land use change, and identifies potential expansion opportunities.**
 - **Without ALUI, the question of how ALR land is being used would be largely unknown.**
 - **The data contributes to our understanding of climate change impacts, associated risks and adaptation opportunities.**
 - **Several climate related predictive models rely on ALUI data, including the Agricultural Water Demand Model and Agricultural Air Emissions Model.**
 - **The data informs emergency response for environmental disasters and animal health events, such as wildfire or Avian Influenza.**
 - **ALUIs are a key tool for developing agriculturally supportive local government bylaws and policies which contribute to the economic success of the sector.**
- **Since 2007, 3.0 million hectares of B.C.'s agricultural land (66 per cent of the ALR) has been inventoried.**
- **The goal is to complete the remainder of the province by 2021 as reflected in the Ministry's current Service Plan.**
- **Each ALUI project utilizes a unique mix of partnerships and resources, including local governments, nonprofit organizations, and community interest groups.**

BACKGROUND:

- Agricultural Land Use Inventories (ALUI) describe how BC's agricultural land is being used, including non-agricultural uses occurring on designated farmland within the Agricultural Land Reserve (ALR).
- 3.0 million hectares (ha) of farmland (66 per cent of the ALR) has been inventoried since 2007; mostly in the southern half of the province and the Peace region.
- New technologies have been developed to inventory BC's larger and more remote northern areas (including the Peace Region which has 28 per cent of BC's ALR). The Ministry of Agriculture (Ministry) continues to collaborate with Transport Canada, National Research Council, and Agriculture and Agrifood Canada to improve ALUI methods.
- ALUIs provide input into key provincial strategies/projects. ALUIs:
 - Assist policy decisions regarding the Agricultural Land Commission Act (ALCA) and the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (ALRUSPR).
 - Support emergency responders of agricultural values at risk. ALUI's can be overlaid with flood or fire hazard areas to give localized estimations of impact.
 - Inform regional land use decision-making including Official Community Plans and Zoning Bylaw updates; most local governments will undertake an ALUI as a prerequisite to an Agricultural Area Plan.
 - Help identify the siting and size of residential uses in the ALR.
 - Provide data for innovative resource management strategies and provide the base data for the Agricultural Water Demand Model and Agricultural Air Emissions Model; both important tools to understand the effects of Climate Change and adaptation strategies.
 - Support the work of wildlife researchers, species at risk work, water quality work, and almost any area based work on agricultural lands.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- AGRI has two FTEs allocated to ALUIs.
 - ALUIs are often components of GF2 eligible projects. Each ALUI is funded through a unique mix of partnerships and resources, such as regional districts, municipalities, and non-profits.
- There are no other direct expenditure/revenue implications for 2017/18.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Corrine Roesler	Name: Selena Basi
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 604-556 - 3110	Phone: 250- 356-6660
Cell: 250-208-9902	Cell: N/A	Cell: 250-208-7070

ISSUE/PROGRAM: Agritech**RECOMMENDED RESPONSE:**

- **B.C. is globally recognized for its diverse agriculture landscape, thriving tech sector and strong research community. These conditions have propelled emerging opportunities for development and commercialization of agriculture technology (agritech).**
- **B.C.'s agritech sector is a vital and expanding network of investors, researchers and businesses that are developing and adopting technology in the agrifood and seafood sector.**
- **Agritech solutions have the potential to address climate change and production issues in the face of a growing global population with shifting demands and expectations regarding food traceability and sustainability.**
- **Agritech also has significant benefits for domestic application: increased adoption leads to competitiveness and enhanced production for the sector, enhances provincial food security and fosters a culture of innovation to transform traditional sectors across the province.**
- **The Ministry supports the sector through two accelerators, focussed on different stages of company growth: the Agritech Venture Accelerator Program (AVAP) and Bioenterprise BC are part of the BC Innovation Council's BC Acceleration Network (BCAN).**
- **The B.C. agritech cluster has grown to more than 130 companies. B.C. is well positioned to build on its competitive advantages, cement its reputation as a leading jurisdiction for agritech and encourage transformative technology development in other resources sectors.**

BACKGROUND:

- B.C. is home to a growing cohort of over 100 agritech companies that are producing world-class innovations with domestic and global market application. Much of this activity stemmed from investments under the Federal/Provincial/Territorial *Growing Forward 2* (GF2) Innovation Program; this year is the last year of GF2.
- To capitalize on the success of the Innovation Program, the Ministry began to conduct research, fact-finding and intelligence-gathering on the agritech opportunities. In June 2016, the Ministry developed a focused one-year Agritech Plan with the goal to grow, promote and create awareness of agritech as an emerging sector to key stakeholder groups. At that time, there were approximately 50 early-growth stage companies in the agritech space / “cluster.”
- In 2016, the Ministry delivered the Agritech Innovation Challenge, in collaboration with the BC Innovation Council, linking challenges from the agriculture and agrifoods sector to entrepreneurs from general technology/agritech sectors to create market opportunities and enhance competitiveness.
- Building on the momentum of the agritech opportunity, work is currently underway on a sector strategy to further advance the agritech cluster.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Support and development of the agritech cluster has been wholly funded through the GF2 Innovation Program.
 - Approximately \$65,000 is committed in 2017/18 for agritech projects and initiatives.
 - In addition, there is approximately 0.5 FTE (Ministry staff) focused on supporting agritech.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Julia Diamond	Name: Selena Basi
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250 356-1122	Phone: 250-208-9909	Phone: 250-356-6660
Cell: 250-208-9902	Cell: 250-208-9909	Cell: 250-208-7070

ANIMAL HEALTH ACT OVERVIEW**RECOMMENDED RESPONSE:**

- The *Animal Health Act* is an important piece of legislation for BC farmers, ranchers, consumers, and for all those concerned about animal and human health. The act supports:
 - protecting human health through the early detection and management of zoonotic diseases, which are diseases that can spread between animals and humans;
 - the continued productivity and competitiveness of farm operations in B.C. through on-farm prevention strategies, early detection and eradication of animal diseases; and
 - minimizing the likelihood of interprovincial or international trade closures by effectively managing animal disease outbreaks.
- Regulations under the Animal Health Act include those for the Bee Program, Game Farm Licensing, Fur Farm Licensing, Reportable and Notifiable Diseases, poultry purchasing, licensing for Livestock Dealers and Sales yards and recently for Laboratory Fees.
- The Animal Health Act enables the B.C. government to respond with modern animal disease management practices such as inspections, quarantine and surveillance orders, zoning and monitoring diseases, and the ability to enact emergency powers supporting rapid anticipation, mitigation and response to animal disease risks.

BACKGROUND:

- In 2010, the Ministry embarked on a review of animal health legislation and policy, focussing primarily on amending the *Animal Disease Control Act*, with possible amendments to the *Fur Farm Act*, *Game Farm Act* and *Bee Act*.
- That effort culminated in the new *Animal Health Act* that was introduced and debated during the spring 2012 legislative session, but not passed prior to the legislative session ending. Minor amendments were proposed during debate and the Bill was redrafted to accommodate the proposed amendments.
- The *Animal Health Act* was reintroduced and passed in spring 2014. This act strengthens the province's ability to detect and manage diseases that can spread between animals or to humans; ensures competitiveness of farm operations through the prevention, early detection, and eradication of animal diseases; and reflects the realities of increasing global travel and trade.
- The *Animal Health Act* was brought into force on January 19th 2015 with seven supporting Regulations. Subsequent additional regulations bring the count to nine.
- The new act and regulations provide:
 - greater provincial authority for disease control, expanding from 16 diseases to over 120, meaning a quicker initial response to more than 100 additional diseases.
 - Disease control measures such as restricting the movement or sale of affected animals, animal products (such as milk or eggs) or animal by-products such as wool or hides come into effect, reducing the possibility of diseases spreading.
 - For an administrative penalty system for less-serious contraventions and increase the maximum penalty \$75,000 for individuals convicted of an offence.
- Additional regulations, modernize requirements for livestock sales yards and related businesses; increase health management requirements for fur farm operators; update record keeping and traceability requirements for game farm operators; and update registration, importation and movement requirements for beekeepers.
- While the Federal Government has the lead on managing diseases that have trade implications, the Province has an important role to play. This was demonstrated by the response to the H5N2 Avian Influenza outbreak in the Fraser Valley diagnosed initially on December 1 2014.
- During the 2014-2015 Avian Influenza outbreak, British Columbia played a strong role in the disease response through the Joint Emergency Operation Centre, and through diagnostic support. The Animal Health Act was not in force for this outbreak. Plans are under development to be able to use the AHA at the start of the outbreak to avoid any delays and still protect federal compensation to the industry.
- In the fall of 2015, Small Hive Beetle was identified in Fraser Valley Bee Hives. The new Animal Health Act was used to apply quarantines, stop movement of hives and enable inspection of every hive within the surveillance zone. These actions provided

confidence to other provinces to be able to continue to allow hives to enter the Fraser Valley in 2016 and 2017 to support the pollination of the Blueberry crop.

CROSS JURISDICTIONAL COMPARISON:

- BC followed other provinces in updating its animal health framework to address today's emerging animal and zoonotic diseases, mindful of their impact on the economic stability of agriculture, and on public health.
- BC is now one of the leaders with a comprehensive legislative framework to support animal health management in Canada

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name MACK	Name: Jane Pritchard	Name: Angela von Sacken
Date approved by ADM: 24 Aug 17	Branch: Plant and Animal Health	Branch: Corporate Governance Policy and Legislation
Phone:	Phone: 604-556-3886	Phone: 250 356 0248
Cell:	Cell: 604-313-0223	Cell: N/A

Animal Welfare Overview**RECOMMENDED RESPONSE:**

- **Animal welfare is a priority in British Columbia and the B.C. Government expects all British Columbians to treat their animals with care and respect.**
- **B.C. has the strongest penalties in Canada for causing suffering or distress to an animal, up to \$75,000 and 24 months in prison.**
- **The Province is taking actions to strengthen animal welfare in B.C.**
- **This includes enabling the creation of a licensing and/or registration system for commercial breeders of dogs and cats to target irresponsible commercial breeders of dogs and cats and puppy mills.**
- **The Province is also undertaking research with University of British Columbia (UBC), to look at the care of farm animals at transition transportation sites like sales yards and auction marts, will be reviewing potential actions to strengthen animal welfare once the research is complete in March 31, 2018.**
- **And we are working with industry and with transportation providers to ensure appropriate animal welfare expectations and practices are in place for livestock producers, including producers in the supply managed sector.**
- **We are committed to continue to identify ways to ensure industry practices provide the care and attention to all animals in B.C. that they deserve.**

BACKGROUND:

- The *Prevention of Cruelty to Animals Act* (PCAA) is the primary provincial animal welfare legislation and falls under the responsibility of the Ministry of Agriculture (AGRI).
- The PCAA provides a legislative mandate for the British Columbia Society for the Prevention of Cruelty to Animals (BCSPCA).
- In March 2017, amendments to the PCAA enabled the creation of a licensing and/or registration system for commercial breeders of dogs and cats.
- As part of the new system, commercial breeders of dogs and cats will be required to follow minimum standards of care with accompanying inspections against these standards.
- Ministry staff will be consulting with key stakeholders to develop the minimum standards of care for commercial dog and cat breeders in B.C.
- This commitment was to target irresponsible commercial breeders of dogs and cats following two high-profile seizures at suspected puppy mills in the Lower Mainland.
- Other AGRI legislation supports positive animal welfare outcomes through the promotion and management of animal health and disease management, including the *Animal Health Act* and its regulations and the *Natural Products Marketing (BC) Act* (NPMA) and its provisions (not yet in force) to enable Administrative Monetary Penalties to encourage compliance with mandatory biosecurity programs (e.g. animal welfare) in the supply managed sector.
- AGRI has contracted with UBC to undertake a research project through Growing Forward 2 to collect information and assess the welfare of farm animals along the transport continuum in B.C. with a particular focus on cull dairy cows and bull calves (expected completion date: March 31, 2018.)
- Ministry staff have also been working with the B.C. Dairy Association and the B.C. Farm Animal Care Committee to identify and respond to concerns about conditions at ferry terminals such as wait times and staff training.

CROSS JURISDICTIONAL COMPARISON:

- The provincial PCAA was updated in 2011 to have the toughest penalties in Canada.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Animal welfare responsibilities within AGRI are spread across the branches and cover many work areas including policy, legislation, diagnostics and inspections. There is the equivalent of approximately one full-time Ministry staff person working on animal welfare.

- Committed \$5 million to the BCSPCA in 2015 and another \$5 million in 2017 to help replace or renovate aging BCSPCA facilities in 10 B.C. communities (Vancouver, Nanaimo, Kamloops, Kelowna, Prince George, Dawson Creek and the Kootenays).
- Provided BCSPCA a \$100,000 grant in 2011 to defray the costs of investigating sled dog cruelty allegations.
- Provided a \$250,000 grant in 2010/2011 from the B.C. Gaming Commission for spay/neuter programs.
- The province has provided sponsored Crown leases for many of BCSPCA facilities.

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Anna North	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250 356-5814	Phone: 250 356-8299
Cell:	Cell:	Cell:

ARMY WORM

ISSUE: Impact of first reported Armyworm outbreak on Vancouver Island

RECOMMENDED RESPONSE:

- **In BC, there has been no indication of outbreaks or damage to fields by armyworm caterpillars prior to 2017**
- **Vancouver Island's forage producers are experiencing unprecedented losses in 2017 from invading armyworm caterpillars. Since July 5, 2017, growers have been reporting extensive foliage damage and presence of larvae from Black Creek, Courtenay, Comox, Port Alberni, Nanaimo, Cowichan Bay, and Cobble Hill.**
- **Ministry of Agriculture has participated in grower and public meetings held in the affected regions of Port Alberni, Courtenay, and Duncan.**
- **Outbreaks could occur every 5 to 20 years in the future; this variability makes it difficult to predict when another outbreak could occur without the aid of spring trapping for incoming moths and field monitoring for larvae.**
- **Business Risk Management Branch staff will engage with producers in impacted areas to look for opportunities for production insurance to assist in the future.**
- **We anticipate involvement in trapping and monitoring for armyworms to predict threat levels and in providing support for grower's responses to the armyworm to continue into fall 2017 and then again in April-August 2018 at a minimum.**

BACKGROUND:

- Armyworm (*Mythimna/Pseudaletia unipuncta*) is a North American insect in the family Noctuidae that is introduced annually, usually in April, to southern Canada on wind currents. Manitoba and southern Ontario experience outbreaks periodically
- Larvae or caterpillars of armyworms (*Mythimna unipuncta*) will feed on many different plants, including many crops. Adults are moths that do not overwinter in Canada, but move in from the central and southern states. The larvae or worm stage feeds voraciously on grass crops including hay, corn, and cereals.
- Armyworms do most of their feeding damage to cereals as nearly mature larvae.
- BC Ministry of Agriculture staff have conducted field visits, communicated with producers, conducted media interviews, provided pest management suggestions, and have completed and distributed a factsheet to various impacted stakeholders.
- Producers who have been impacted are taking management steps including cutting hay or grazing early and are considering insecticide applications.
- Ministry staff in cooperation with Alberni- Clayoquot Regional District have set up pheromone traps and visual monitoring to aid the growers in preparing for the second generation of larvae expected in August.
- These staff are spending a variable amount of time on this issue during July, August, 2017. There have been several field visits, phone calls, literature searches, media calls and interviews, as well as 3 grower/public meetings with staff in the regions to share biology and management information.
- This education and sharing of protocols will be useful in preparing growers for subsequent years of this pest, as it is possible that high numbers could arrive in BC in future years.
- 28 trap sites from Comox to Cobble Hill are being monitored weekly in August 2017
- Ministry is planning for this number of trap sites again in April –May 2018, to be checked by regional Agriculture staff. Reporting out about catches and risk will be done to interested landowners (via distribution list) as data becomes available.
- Losses of up to 100% of grass hay fields were seen in Port Alberni. In the Comox Valley, Cowichan Valley and Cobble Hill the losses are between 10% and 30%, including a number of barley fields.
- For insured and enrolled producers, there are Business Risk Management (BRM) programs that can provide support to Forage Producers who have experienced production losses due to this infestation. BRM Branch staff has carried out preliminary assessments and has confirmed that the losses are attributable to an insurable yield loss peril (Uncontrollable Insect Infestation) and are covered under the Production Insurance program.

CROSS-JURISDICTIONAL COMPARISON:

- Southern Manitoba and Ontario have outbreaks of Armyworm from time to time in cereal and grass hay crops. Losses can be significant and some growers do apply foliar insecticides registered for this use during the first generation of larvae (June-July).

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Ministry is contributing staff time and funds to investigate impacts, inform growers, buy monitoring supplies, and check traps and fields for the pest. This includes two entomologists from Plant and Animal Health Branch, at least two Business Risk Management staff (Vancouver Island), 2 Regional Agrologists (Courtenay and Duncan). Total time of all staff estimated to be between 0.1 and 0.2 of an FTE to date. Travel costs for staff to date are approximately \$1500.00.
- Cost of lures and trapping supplies: over \$300 to date.
- Some funds to be paid out to Alberni- Clayoquot Regional District agriculture support worker to check traps in Alberni valley. Anticipate up to \$700 for summer trapping paid out by the Plant and Animal Health Branch, and we anticipate a similar cost for this activity in spring 2018.

Approved by:	Prepared by:	Alternate Contact:
ADM : James Mack	Name: Tracy Hueppelsheuser	Name: Jane Pritchard
Date approved by ADM: 24 Aug 17	Branch: Plant and Animal Health	Branch: Plant and Animal Health
Phone:	Phone: 604-556-3031	Phone: 604-556-3013
Cell:	Cell: 604-302-4336	Cell: 604-313-0223

DOMESTIC/ WILD SHEEP DISEASE RISKS**ISSUE/PROGRAM Domestic - Wild Sheep interface and disease transmission risks****RECOMMENDED RESPONSE:**

- Defining and overcoming the risk to wild sheep posed by contact with domestic sheep carrying *Mycoplasma ovipneumonia* (MOVI) is a complex problem with many knowledge gaps.
- AGRI and FLNRO staff have met regularly with Wild Sheep and Domestic Sheep Associations to share progress on testing, address remaining knowledge gaps and plan next steps.
- Work is on-going to determine the MOVI disease status of BC's domestic and wild sheep flocks.
- Mapping of domestic sheep flocks has been over-laid with mapping of wild sheep habitat areas to try to regionalize the problem. Ranges may have been impacted by this summer's forest fires.
- If research does demonstrate that wild sheep interactions have significant consequences, the ministry has prepared options under the Animal Health Act.
- BC's overall goal is to find a solution that protects wild sheep from the disease threat while still enabling sustainable domestic sheep production.

BACKGROUND:

- In the fall of 2013, a decline in the population of bighorn sheep in the Chasm area was reported. This decline was confirmed by aerial and ground surveys, but no sick or dead sheep were observed. Samples from sheep in this flock were tested in Washington State in 2013 and 50% came back seropositive (indicating exposure, but not necessarily infection) for the bacteria *Mycoplasma ovipneumoniae* (MOVI), however the results were inconclusive due to the small size of the sample.
- Work carried out in the western United States has shown that MOVI can be transferred from Domestic Sheep to Bighorns and conclusions have been made that wild sheep must be separated from domestic sheep in order to preserve their very existence.
- Since the Chasm herd is located near two domestic sheep farms, the BC Wild Sheep Society held a meeting with the Ministry of Forests, Lands and Natural Resource Operations (FLNRO) and the Ministry of Agriculture (AGRI) to discuss sheep separation in 2014. At this meeting, the two ministries agreed to work together to scope the issue and provide options.
- AGRI has been working with FLNRO since 2014 to: scope the issue; look at options for mandating separation of wild sheep from domestic sheep; and, gather data to determine what the actual risk of disease transmission is, including geographically locating where those risks would be most serious in BC.
- Without a clear understanding of the risk and a comprehensive policy on how to maintain a healthy bighorn sheep population in BC, it is difficult to assess what would be the most effective measures to take; and in turn, what level of impact on domestic sheep producers would be appropriate.
- AGRI Animal Health Centre has brought in the Washington State Polymerase Chain Reaction test for MOVI. The serological test is not available to bring in and the Animal Health Centre is supporting that test being carried out in Washington State.
- Work is being carried out to test the domestic sheep flocks in the areas close to wild sheep ranges, and to test wild sheep as available.
 - Findings to date indicate that just under a third of domestic sheep flocks (9/30) in wild sheep ranges are positive for MOVI. This is a significantly lower prevalence than in the USA and Ontario.
 - Work to determine the dynamics of MOVI within domestic sheep flocks and the best ways to eradicate MOVI from a flock are ongoing.
 - There is some evidence for exposure in some wild sheep herds, and two herds (Chasm Herd and Battle Creek Herd) had males that tested positive on PCR (indicating they were carrying MOVI) within the past 5 years.

CROSS JURISDICTIONAL COMPARISON:

- Yukon has engaged the Provincial Animal Health Centre to carry out testing for a program similar to BC's to establish the risk of the threat of MOVI in the domestic sheep flock.
- BC appears to have less MOVI endemic in our domestic sheep flock based on initial results and may be able to support creating MOVI free domestic sheep in the risk range cross-over areas.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- GF2 funding was used for an outreach extension program to domestic sheep producers in the high risk wild sheep range areas to educate them on the issue and the risk their sheep posed. Testing was also introduced. (budget \$10,000 for the 3 meetings)
- The Animal Health Centre developed and is the process of final validation of the Washington State test for *Mycoplasma ovipneumonia* bacteria. Cost to date is approx. \$12,000 with a total of closer to \$20,000 expected for a final cost
 - Number of tests for MOVI carried out at the AHC to date: 112 Bighorn Sheep, 14 Stone Sheep, 1 Mountain Goat, 527 domestic sheep, and 44 domestic goats.
- 10% of one FTE (Veterinary Pathologist with wildlife experience and a special interest in sheep) in PAHB is involved on this file. There are two FTE's in BDB that also work on this file.

Approved by:	Prepared by: <i>(The person who wrote the note)</i>	Alternate Contact:
ADM Name: James Mack	Name: Jane Pritchard	Name: Glenna McGregor
Date approved by ADM: 24 Aug 17	Branch: Plant and Animal Health	Branch: Plant and Animal Health
Phone:	Phone: 604-556-3013	Phone: 604-556-3003
Cell:	Cell: 604-313-0223	Cell: NA

POULTRY SECTOR**ISSUE: CURRENT POULTRY ANIMAL WELFARE ISSUES****RECOMMENDED RESPONSE:**

- The Ministry of Agriculture supports the humane treatment of birds along the entire poultry supply chain and continues to support further improvements in poultry welfare in all sectors.
- All commercial poultry producers are obliged to follow the appropriate welfare standards and requirements established in the National Farm Animal Care Council of Canada's Codes of Practice.
- The Ministry supports the table egg industry in removing hens from conventional cages with a target of 100% of hens in either furnished (enriched) or cage-free housing by 2036 in alignment with the 2017 Code of Practice for laying hens and poults.
- With regard to the broiler chicken industry, recent allegations of abuse by poultry catching crews based on video evidence are currently under investigation by the BC Society for the Prevention of Cruelty to Animals (SPCA), who is mandated to enforce the BC Prevention of Cruelty to Animals Act.
- The BC Chicken Marketing Board governs the standards of production of the broiler chickens in these videos.
- The Ministry supports sector-wide improvements to welfare and development of innovative and modernized production systems to ensure all poultry have an acceptable quality of life.
- The Ministry also supports the SPCA investigation into all allegations of abuse of all animals, including poultry, and enforcement of penalties when abuse is found to have taken place.

BACKGROUND:

s.13

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by: <i>(The person who wrote the note)</i>	Alternate Contact:
ADM James Mack	Name: Jane Pritchard	Name: Clayton Botkin
Date approved by ADM: Sept 8	Branch: Plant and Animal Health	Branch: Sector Development Branch
Phone:	Phone: 604-556-3013	Phone: 604-556-3081
Cell:	Cell: 604-313-0223	Cell: 604-768-7965

AI RESPONSE – CONTINUOUS IMPROVEMENT**ISSUE/PROGRAM: Avian Influenza Response – Continuous Improvement****RECOMMENDED RESPONSE:**

- **The BC Ministry of Agriculture (AGRI) has been working in partnership with the poultry industry and the Canadian Food Inspection Agency (CFIA) to address the lessons learned following the 2014 outbreak of avian influenza (AI) to improve future responses.**
 - **In 2004 BC experienced an outbreak of AI that resulted in depopulation of 62 million birds on 53 premises. In the 2014 outbreak of AI, 240,000 birds were depopulated on 13 premises.**
 - **A Rapid Response working group was formed through the recovery process, including the poultry industry, CFIA and AGRI. Their task was to improve the coordinated response following initial detection. The target time for humane depopulation of an infected flock is 48 hours from confirmed diagnosis. In 2014, this process took 4 days.**
- s.13
- **The 2014 response to the AI outbreak was significantly improved over 2004. If there were to be another outbreak, the commitment is to demonstrate a significant improvement in preparedness, communication and focused practice involving all stakeholders.**

BACKGROUND:

- The response to a detection of an H5 or H7 strain of Avian Influenza is defined by the BC Foreign Animal Disease Emergency Support (FADES) plan.
- The Canadian Food Inspection Agency, Public Safety Canada, the BC Ministry of Agriculture, the BC Ministry of Justice, the BC Ministry of Health and the BC Ministry of Environment cosign the FADES plan. The last edition was in 2012. CFIA is lead in updating this plan.
- BC has experienced significant outbreaks of highly pathogenic Avian Influenza in poultry in 2004 and in 2014. Smaller outbreaks of low pathogenic Avian Influenza occurred in 2006 and 2009.
- BC has a high concentration of poultry production in the Fraser Valley, which is located on pathways for natural wild waterfowl migration and popular overwintering grounds. Wild waterfowl may carry many strains of Avian Influenza.
- Two proteins on the surface of the AI virus, the H or hemagglutinin and the N or neuraminidase classify influenza viruses. H5 and H7 strains are known to have the potential to be able to cross to humans and are dealt with most aggressively.
- The 2014 AI outbreak began with the disease confirmation on December 1, 2014. There were 11 affected commercial premises and 2 non-commercial. BC was declared AI free on June 3, 2015.
- Affected producers, industry associations, provincial and federal government staff, all worked very hard together in very trying circumstances, to contain, and eradicate the outbreak.
- BC's poultry sector practiced a high level of bio security and they initially enforced a voluntary quarantine and stop movement to contain the virus while the responders started their work. Their efforts were instrumental to minimizing the number of farms that were directly impacted.
- Improvements to biosecurity to prevent the AI virus from having access to the birds is imperative to prevent future outbreaks.
- AGRI staff supported the CFIA with liaison, mapping, laboratory diagnostic services and logistical support.
- AGRI quickly had trained staff on the ground working with our federal colleagues and industry to take all steps necessary to minimize the impacts of the disease.
- AGRI's Animal Health Centre was front and centre in the response – diagnosing samples, and providing science-based guidance and advice to those leading the response and the public.
- The veterinary diagnostic laboratory is one of three labs in Canada accredited by the American Association of Veterinary Laboratory Diagnosticians (AAVLD) and the Standards Council of Canada with International Organization for Standardization (ISO) 17025 designation. Both accreditations recognize the lab's excellence in veterinary diagnostic testing. Both require stringent quality control programs and frequent audits.

CROSS JURISDICTIONAL COMPARISON:

- The incident in 2014/2015 in BC was handled quickly and efficiently, compared to other jurisdictions.
- The U.S. was faced with a multi-state outbreak in 2015 with the same virus spread

by wild waterfowl that required destruction of 49 million birds.

- Ontario was faced with an outbreak in 2015 with the same virus, likely spread by wild waterfowl, in 3 premises, beginning on April 5, 2015, was declared AI free on October 8, 2015 and required destruction of 80,000 birds. They faced many of the challenges BC had in past incidences, largely around communication challenges and response preparedness.
- BC had 11 affected commercial premises and 2 non-commercial premises and required destruction of 240,000 birds. BC's first diagnosis was on December 1, 2014 and was declared AI free on June 3, 2015.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- In 2014 a \$1.25 million Agri-Recovery initiative reimbursed producers for extra cleaning and disinfection expenses that had to be incurred in order to eradicate the disease and return to production.
- CFIA compensated the province for all costs for materials and supplies AGRI's Animal Health Centre used for testing and for overtime for all AGRI staff dedicated to responding to the outbreak.
- In 2015-16, AGRI purchased 2 sets of gas destruction manifolds and supporting response and biocontainment equipment. This ensures adequate access to the necessary equipment to support the early stages of a response if CFIA does not have access to theirs, or it is being utilized elsewhere in the country.
- AGRI continues to be actively committed to supporting the Rapid Response initiative, committing staff to various response teams and providing administrative support to ensure all the stakeholders are engaged in preparedness planning.

Approved by:	Prepared by: (<i>The person who wrote the note</i>)	Alternate Contact:
ADM James Mack	Name: Jane Pritchard	Name: Clayton Botkin
Date approved by ADM: XXX	Branch: Plant and Animal Health	Branch: Sector Development
Phone:	Phone: 604-556-3013	Phone: 604-556-3081
Cell:	Cell: 604-313-0223	Cell: 604-768-7965

ISSUE: Mobile Abattoir in the Cariboo**RECOMMENDED RESPONSE:****KEY MESSAGES:**

- **Mobile abattoirs such as the 100 Mile House facility are an important piece of regional infrastructure.**
- **The opportunity exists to increase local production of beef, hogs and sheep as access to abattoir services are maintained or increased.**
- **Succession planning is closely tied with the future development of supply chains throughout B.C.**
- **I will continue to work with my Cabinet colleagues and industry stakeholders on the goal of increasing B.C. agricultural and agrifood production.**

BACKGROUND:

- The mobile red meat slaughter unit was delivered to 100 Mile House on August 23, 2013.
- The B.C. Investment Agriculture Foundation (IAF) owns the mobile unit and has a five year lease agreement with the current operators, Rob and Lia Morrison of Findlay Meats Ltd.
- On December 31, 2016 Mr. Morrison gave notice to IAF that Findlay Meats will relinquish the mobile slaughter unit on January 31, 2018.
- Mr. Morrison notified clients of his intention by email on January 16, 2017, noting that, "The government is critically aware of the need for slaughter services in the area, and over the next year will be working closely with stakeholders."
- Mr. Morrison will continue to operate Findlay Meats as a cut-and-wrap business.
- The total cost of the unit was \$381,746.
- An RFP has been posted to BC Bid to find a new operator for the abattoir.
- The RFP expires Monday, August 21st.
- It has been identified by local Regional Agrologists and Meat Inspectors that it would be beneficial to keep the abattoir in the Cariboo region.
- The cost of the docking station, which is required to operate a mobile unit, typically costs \$20,000 to \$30,000. Additional moving costs and set up may be incurred.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- There are no additional provincial expenditure commitments at this time
- The Food Processing Consultant engages with industry and Ministry staff to monitor progress and communicate opportunities. ~0.1 FTE has been allocated to this program.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: James Street	Name: Geneve Jasper
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-356-6373	Phone: 250-398-4504
Cell:	Cell: 778-678-0267	Cell: 250-305-9743

ISSUE: Cattle industry exploring feasibility of slaughter facility in Prince George**KEY MESSAGES**

- **We need to support B.C. producers, not only for the fresh and healthy foods they provide us, but because the agrifoods industry is a job-creator and an integral part of B.C.'s economy.**
- **The B.C. government has been building the market for B.C. agrifoods abroad, reaching a record \$3.8 billion in exports in 2016 to more than 160 markets.**
- **I will continue to work closely with my Cabinet colleagues and industry stakeholders on the goal of increasing B.C. agrifoods exports.**
- **A federally inspected livestock slaughter facility in the Prince George area could potentially bring hundreds of jobs to the region and could generate significant annual revenue. Meat products from the new facility would primarily target export markets.**
- **I look forward to the next step - seeing a full business plan and commercialization strategy for this project.**
- **The Ministry has an important role in advancing and diversifying the agrifood sector in northern B.C. and can partner with industry in seeking funding for business planning, providing technical information and assist in reaching out to international markets.**

BACKGROUND:

- The British Columbia Cattlemen's Association (BCCA) believes there is a feasible market opportunity for a federally inspected beef processing facility in the Central Interior region.
- B.C.'s two federally licensed slaughter facilities are approved to ship to Hong Kong, European Union, USA, Ukraine, and Japan. The majority of B.C.'s beef is shipped internationally after being processed in Alberta or the US. In 2015, the top five Canadian beef product export markets were the US (51.6%), Japan (14.6%), China (8.6%), Angola (6.2%) and Hong Kong (4.8%).
- Slaughter in provincially regulated facilities represents 13 per cent of total cattle marketed from BC (2015).
- With funding from the Investment Agriculture Foundation of B.C. (IAF), the BCCA commissioned a two-phase viability initiative. The Viability Initiative report was completed in April 2015.
- According to the report, the Prince George/Vanderhoof areas have an ample supply of feeder cattle, a rail line to provide access to the coast for shipping boxed beef

overseas and local grain production currently being exported out of the region. The Prince George International Airport could be a strategic location for exports by air.

- There are proposed economic spin-offs regionally and provincially as well as an estimated 620 jobs created within the region by 2020. The plant is projected to provide sales of \$160 million in 2018 and increase to \$256 million within three years of being operational. A complementary outcome could be expansion of the feedlot industry in the region.
- The report does identify the meat packing industry as an extremely difficult business environment with a need to focus on niche markets and a reliable supply of cattle. The report concludes that niche markets are critical to the initiative's success.
- Finally, the report indicates that the proposal is high risk in a very competitive business with high capital requirements and low margins.

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: James Street	Name: Geneve Jasper
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-356-6373	Phone: 250-398-4341
Cell:	Cell: 778-678-0267	Cell: 250-305-9743

HONEY BEE IMPORTS AND THE THREAT TO BEE HEALTH**RECOMMENDED RESPONSE:**

- **The import ban of US bee packages has been a contentious issue in the Canadian beekeeping industry since its implementation in 1987.**
- **The majority of Canadian beekeepers remain opposed to lifting the import restriction of US bee packages even though the health threats are considered low. The import of US honeybee queens from selected Californian breeders is permitted under CFIA permit.**
- **The Canadian Food Inspection Agency (CFIA) completed a risk assessment on this issue in October 2013 and recommended a continuation of the existing import restriction on US bee packages. The Ministry of Agriculture continues to support this recommendation.**

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.
- While the Varroa mite subsequently spread into Canada, threats of other exotic pests justified the continuation of the ban.
- Since the early 2000s, honeybee queens from selected California breeders were permitted.
- In response to industry requests, CFIA agreed to carry out a Risk Assessment (RA) of importation of US bee packages, which it completed in October 2013.
- CFIA identified four primary health threats to Canadian honeybees that included Africanized Honey Bees (AHB), Small Hive Beetle (SHB), Amitraz-resistant Varroa (r-VAR) and antibiotic-resistant American Foul Brood (r-AFB).^{s.13}
- Since the release of the Risk Assessment, industry efforts of removing US bee import restrictions have subsided despite the fact that some of CFIA's arguments and conclusions were questionable in accuracy and validity.

s.13

CROSS-JURISDICTIONAL COMPARISON:

- The import restriction of US bee packages has been the most polarizing issue ever faced by the Canadian beekeeping industry. The majority of Canadian beekeepers, of which most are non-commercial, have been in support of the import ban while a sizable group of commercial beekeepers from Prairie Provinces has been opposed.
- The BC Honey Producers Association has historically been in support of the import restriction.

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Honeybees play a major role in agriculture as pollinators of crops, contributing an estimated \$250 Million to the economy in British Columbia, and over \$2 Billion in Canada. That is why our government has staff available to support beekeepers.
- 2015 was a successful year for the beekeeping industry in British Columbia, with more and more people buying honey direct from beekeepers, bringing the estimated total farm receipts of the year to more than \$25 million.
- British Columbians preferred to buy their honey straight from beekeepers in 2015, with estimated farm receipts for the retail sales of honey in B.C. almost doubling from 2014, to almost \$16.5 million.
- Retail sales include farmers' markets, roadside stands, and direct sales to consumers and restaurants. Beekeepers' farm cash receipts from honey sold to stores and wholesale packers topped \$3 million in 2015 in comparison.
- The sales from beeswax also increased to reach over \$1 million in 2015. Beeswax is used to make candles, and is increasingly being used in the production of food, cosmetics and pharmaceuticals.
- Beekeeper's pollination income for 2015 brought in an estimated \$5 million with honeybees used to pollinate B.C.'s fruit, berry, and canola farms. Crop pollination contributes an estimated \$250 million to the economy in B.C. and more than \$2 billion in Canada. The beekeeping statistics were collected through Ministry of Agriculture beekeeper surveys.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: James Mack	Name: Paul van Westendorp	Name: Jane Pritchard
Date approved by ADM: Aug 24	Branch: Plant and Animal Health	Branch: Plant and Animal Health
Phone:	Phone: 604-556-3129	Phone: 604-556-3013
Cell:	Cell: 604-943-3600	Cell: 604-313-0223

MINISTRY STAFF ADDRESSING BEES (FTES)**RECOMMENDED RESPONSE:**

- **The B.C. government's apiary inspectors' peak hive-inspection periods are between March and late June each year. The Ministry is adjusting the existing inspector area model to improve the quality of services to beekeepers, and reduce the territory and travel time of bee inspectors for Vancouver Island, the Gulf Islands and in the Interior.**
- **In 2017 the Program's seven inspectors offered services in the following beekeeping regions of BC:**
 - **Vancouver Island – South and Gulf Islands**
 - **Vancouver Island – Central & North**
 - **Powell River & Sunshine Coast (Covered by other existing staff, numbers are very low)**
 - **Fraser Valley**
 - **Kootenays**
 - **South Okanagan**
 - **North Okanagan & Shuswap**
 - **Thompson – Cariboo – Central North.**
- **There are two Apiary Inspectors located in the southern portion of the Island that share inspection and extension services throughout the island. The smaller number of beekeepers and colonies in the northern portion of the Island dictates that services will continue to be offered on an as needed/able basis**
- **If there are any indications of a disease outbreak – anywhere on the Island or in BC - services are offered to the beekeeper.**
- **The B.C. government is proud to have one of Canada's foremost apiary specialists, Paul van Westendorp, on staff. In addition, we have assigned bee inspectors in all key beekeeping regions.**
- **The BC government's apiculture program has provided free support services to BC's beekeepers for over 50 years, including apiary inspections, advice and materials, education through webinars, and laboratory services for the diagnosis of bee diseases.**

BACKGROUND:

- The Apiculture Program's primary purpose is to address bee health issues, to assist the beekeeping industry in the prevention of disease introduction and to mitigate the impact of bee diseases.
- Inspection services are not offered in Northwest and Peace regions as colony numbers are insufficient to justify an inspector's position. Beekeepers are offered courses and extension materials through the Internet free of charge.
- The Animal Health Centre provides a menu of comprehensive diagnostic services of suspect bee samples. All laboratory diagnostic services are offered at no cost to BC beekeepers.
- The Apiculture Program carries out spring and fall surveys to determine winter losses and production statistics at the end of the production season.
- Both surveys are carried out on-line and comply with the *Personal Information Protection Act* and results are posted onto the Ministry website.
- To promote Best Management Practices the Apiculture Program has placed emphasis on the delivery of courses and educational services.
 - The newly developed 'Introduction to Beekeeping' webinar series has attracted several hundred participants and plays a key role in the delivery of services to beekeepers in isolated regions of the province
 - The Program offers the annual Introductory Beekeeping in a classroom format and through a webinar series. The classroom format has limited capacity while the webinar course has no class limit.
- The Program also organizes and presents the biennial Bee Master Course in collaboration with the University of British Columbia.
- The Introductory Beekeeping courses and Bee Master course are self-funded.

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name: James Mack	Name: Paul van Westendorp	Name: Jane Pritchard
Date approved by ADM: Aug 24/17	Branch: Plant and Animal Health	Branch: Plant and Animal Health
Phone:	Phone: 604-556-3129	Phone: 604-556-3013

Cell:	Cell: s 22	Cell: s 22
-------	------------	------------

NEONICOTINOID INSECTICIDES AND THEIR IMPACT ON HONEY BEES**RECOMMENDED RESPONSE:**

- **The debate about the impact of neonicotinoid insecticides on non-target insects like honeybees and wild pollinators remains highly polarized.**
- **The use of pesticides falls under federal authority and is administered by Health Canada's Pest Management Regulatory Agency (PMRA).**
- **In 2012, the federal government announced its decision to re-evaluate three of the most commonly used neonicotinoid formulations.**
- **Since then, the federal agency has added more detailed evaluation criteria and more consultation as part of their re-evaluation.**
- **The Province is keenly interested in the outcome of the federal government agency's review**
- **The appropriate use of neonicotinoids, as any treatment, needs to be science based**
- **Prior to the introduction of neonicotinoids, insect pests were treated with organo-phosphates, organo-chlorines and carbamates that were highly toxic to humans, other mammals and bees, and needed to be applied repeatedly during the growing season.**
- **Numerous studies in Canada, USA and Europe have so far failed to provide unequivocal evidence that neonicotinoid insecticides, used appropriately, are directly responsible for pollinator population declines. However, there is an increasing body of evidence that these insecticides may compound the pollinator declines.**

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 are most widely used as seed treatments where they 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.
- Widespread prophylactic use of neonicotinoids in major crops has contributed to the polarization of the issue.
- Canadian beekeepers began reporting high losses in 2007 onward.
- Neonicotinoid use in BC has mostly been limited to Okanagan orchards and Fraser Valley berry and corn crops. There has not been any clear evidence to link neonicotinoid application with bee losses.
- Virtually no neonicotinoid insecticides have ever been used on Vancouver Island, but Island beekeepers reported losses as high as 60% in 2008, confirming that causes other than neonicotinoids were involved.
- In June 2012, PMRA announced that it would reassess the registration of the three most common neonicotinoid formulations. Since then, PMRA broadened the scope of the reassessment by incorporating comprehensive environmental studies.
- PMRA reports concluded that while neonicotinoids are not solely responsible for pollinator declines, 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.
- Given the gravity of pollinator declines, Europe imposed a temporary ban on neonicotinoid use. Canada may need to consider a similar moratorium on the use of neonicotinoids.
- The Ministry has a project in place looking at residual levels of neonicotinoids in water in target areas of the province. (Ken Sapsford – Kelowna – Pesticide Application Specialist)

CROSS JURISDICTIONAL COMPARISON:

- BC Bee industry has so far not supported a ban of neonicotinoids as seen in Ontario.

Approved by:	Prepared by:	Alternate Contact:
ADM Name MACK	Name: Paul van Westendorp	Name: Jane Pritchard
Date approved by ADM: 24 Aug 17	Branch: Plant and Animal Health	Branch: Plant and Animal Health
Phone:	Phone: 604-556-3129	Phone: 604-556-3013
Cell:	Cell: 604-943-3600	Cell: 604-313-0223

SMALL HIVE BEETLE**ISSUE: SMALL HIVE BEETLE IN BRITISH COLUMBIA AND ALBERTA.****RECOMMENDED RESPONSE:**

- **Small Hive Beetle (SHB) was first diagnosed in an Abbotsford apiary in August 2015.**
- **Subsequent surveillance in 2015 confirmed the beetle in six additional apiaries all within 5 km from the Canada-US border in the central Fraser Valley.**
- **Due to climate and management, SHB is expected to be a minor pest causing incidental economic damage.**
- **Thousands of colonies from Alberta and Manitoba are wintered in Southern BC each year. Some are used for contract pollination of blueberry.**
- **BC and western provinces have agreed on inspection standards and movement protocols that permit colonies to return to their home provinces after completion of pollination services.**
- **To meet inspection standards, BC committed the necessary resources for surveillance throughout 2016 and 2017.**
 - **With the exception of one sighting in an isolated location in 2016, no other SHB infestations were recorded in BC in 2016 and spring 2017.**
 - **Apiary staff plans to survey the central Fraser Valley again in September 2017.**
- **On July 29, 2017, Alberta confirmed the first infestation of SHB. SHB was found in colonies that had been shipped to and subsequently returned from Ontario for pollination services without inspections and permits.**
- **Alberta established a 45-day quarantine of the Peace District that will expire on September 02.**

BACKGROUND:

- The small hive beetle (*Aethina tumida*) is a sub-tropical beetle from Africa that was first diagnosed in the southern United States in 1997.
- SHB is a reportable pest under federal and provincial legislation.
- SHB is not a bee parasite but uses the honeybee colony as a nesting site where its larvae feed on honey and pollen by tunneling through the comb.
- SHB has slowly spread through the US with no apparent established infestations in Oregon and Washington State despite seasonal introductions through honeybee colonies shipped up from California each spring.
- SHB adults were first diagnosed in an Abbotsford apiary in August 2015. Subsequent surveillance confirmed adult beetles in 6 additional apiaries within 5 kilometers from the Canada US border in the Central Fraser Valley. One of the apiaries was found to harbor an infestation with immature stages. The infestation was destroyed along with all affected equipment according to Orders under the Animal Health Act.
- In response to the confirmation of SHB, BC initiated the following actions:
 - A comprehensive fall survey in 2015 to determine the distribution and prevalence of SHB;
 - In consultation with other Western provinces, BC developed a framework of inspection standards and protocols that would permit the continued movement of colonies between provinces,
 - Consultation with beekeeper organizations about the SHB plan,
 - Development of an inspection program for SHB, and
 - Development extension material for beekeepers to detect and control SHB,
 - Carried out a comprehensive survey of commercial beekeeping operations in spring 2016 and 2017 during blueberry pollination to facilitate their return to Prairie provinces,
 - Ongoing monitoring during the 2016 and 2017 summer and fall seasons.

Cross-Jurisdictional Comparison:

- All Western provinces agreed to a common set of inspection standards and protocols to manage the risk of SHB while minimizing its economic impact.
- BC's Apiculture Program is among the most comprehensive programs in Canada, by providing a broad spectrum of services to minimize the impact of diseases and ensure the industry's continued sustainability.

Program Expenditure / Revenue Implication:

- To fulfill the agreement with other provinces, BC has committed to increased surveillance of commercial colonies that will return to their home province. The inspection for SHB will be amalgamated with routine inspections carried out during spring season.
- Increased bee inspector costs may be a minor pressure on the Plant and Animal Health Branch Budget in the 2016/2017 fiscal year.

Approved by:	Prepared by:	Alternate Contact:
ADM Name MACK	Name: Paul van Westendorp	Name: Jane Pritchard
Date approved by ADM: 24 Aug 17	Branch: Plant and Animal Health	Branch: Plant and Animal Health
Phone:	Phone: 604-556-3129	Phone: 604-556-3013
Cell:	Cell: 604-943-3600	Cell: 604-313-0223

ISSUE: Breweries in the Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- **June 15, 2015 - Breweries were added to s. 2 (2.3) of the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (the Regulation) as a designated farm use if at least 50% of farm product used to make beer is grown on the farm. A farm can be made up of multiple parcels (owned or leased) and the Regulation is silent on whether or not those parcels must be contiguous.**
- **Brewery proponents have advocated for the same regulations as wineries. Wineries are permitted to process grapes grown in BC under contract (and not of the farm) to make up the 50% “farm” input.**
- **The ALC’s policy position at this time is that agricultural inputs required to make the final value added product should be readily available in the same region as the processing facility. For example – grapes, apples and pears exist in the same region (the Okanagan) that wineries and cideries are located.**
- **ALC staff has communicated directly with five operators and potential operators in 2016/17.**
 - **2016:**
 - **South Coast (two) – met regulations (barley grown on-farm)**
 - **Okanagan (one) – did not meet regulations – application required (barley grown in Quesnel – brewery in Kelowna)**
 - **2017:**
 - **Okanagan (Crannog) - represents a small home based business that was endorsed by the ALC in 1999. They are compliant/grandfathered as long as the footprint does not expand.**
 - **South Coast (Persephone) – does not meet regulations. Constructed without authorization from the ALC. Made an application for a non-farm use that was refused in 2017.**

BACKGROUND:

- The ALC provides additional clarification to the Regulation via ALC Policy #L-21 Activities Designated as Farm use: Breweries, Distillery and Meadery in the ALR.
- The ALC approaches breweries differently than wineries and cideries as both the farm inputs and production process are different.
- Wineries are different from breweries. Water is the primary input in beer production by weight/volume (90% - 95%) and is not a farm product. Grain (mostly barley) is the largest agricultural input in beer but makes up a small proportion of the total input to beer production (<5%). Hops and other flavourings, while a farm product, are an even smaller component of beer production (<2%).
- Wineries/Cideries must be at least 2 ha of farm (owned or leased land in the same geographic region) and be growing 2 ha of product to then be permitted to purchase grapes/apples under contract.
- The Regulations were created through a consultation carried out by the Ministry of Agriculture.

CROSS JURISDICTIONAL COMPARISON:

- The Province of Quebec created a “Commission de protection du territoire agricole du Quebec” (Quebec Commission) to secure the preservation of 6.3 million hectares of agricultural land in Quebec.
- No local government may issue a building permit for a lot in the Quebec ALR unless the Quebec Commission has issued authorization.

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

Breweries on Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- **The Ministry of Agriculture (AGRI) is supportive of growing the craft beer industry and is actively working with the industry to support its continued growth through planning and provision of programs and services.**
- **The Agricultural Land Reserve Use, Subdivision and Procedure Regulation (ALRUSPR) enables breweries to operate on the Agricultural Land Reserve provided at least 50 percent of the farm product used in making the beer is grown on the farm.**
- **This approach is intended to support diversity in our farm sector while also ensuring that agriculture is the primary land use on the ALR.**
- **I am aware of the concerns brought forward by industry that the regulation needs to be reviewed and I will look at the issue in the coming months.**
- **Until then, land owners wishing to establish a brewery on the ALR who do not meet these requirements need to apply to the independent Agriculture Land Commission (ALC) prior to beginning operations.**

BACKGROUND:

- B.C.'s craft beer industry is experiencing rapid growth. Currently, there are approximately 125 craft breweries in the province.
- The ALRUSPR sets out the farm and non-farm uses which can be undertaken on the ALR. For other proposed ALR uses, land-owners are required to make an application to the ALC.
- Prior to June 2015, only wineries, cideries and their ancillary uses were designated farm uses in the ALRUSPR. Breweries, distilleries and meaderies were required to make a non-farm use application to the ALC.
- In June 2015, following extensive consultation with industry stakeholders, the ALRUSPR was amended to also designate B.C. breweries, distilleries and meaderies and their ancillary uses as farm uses if at least 50 percent of the farm product used to make the beer is grown on the farm where the brewery is located.

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- N/A

Approved by:	Prepared by:	Alternate Contact:
ADM: James Mack	Name: Jacqueline Cushing	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250-356-2719	Phone: 250 356-8299
Cell:	Cell:	Cell:

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 23, 2017 Minister Responsible: Hon. Lana Popham	Buy B.C.
---	-----------------

RECOMMENDED RESPONSE:

- Bringing back an enhanced Buy B.C. marketing program will help local producers market their products and increase sales in B.C.
- B.C. products are some of the best in the world, and we need to do more to help British Columbians understand the impact their choices to support local agriculture and seafood companies have in our province.
- Buy B.C. offers the value of mass-marketing and a brand that everyone can recognize and everyone can support.
- The Buy B.C. program was an incredible success in the 1990s, and even though it hasn't been supported in 16 years, British Columbians still recognize it and they still want it.
- That's the power of a successful brand, and that's the power of a good program.
- We're going to be bringing it back, with some enhancements that fit in with modern life and technology.
- Buying B.C. products results in high-quality, great tasting meals on our tables, and healthy, diverse communities in our province, and that deserves our attention and our support.

BACKGROUND:

- On July 18, 2017, Premier John Horgan issued Agriculture Minister Lana Popham a mandate letter with the priority to bring back an enhanced Buy B.C. marketing program .
- <http://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/popham-mandate.pdf>

Communications Contact:
Program Area Contact:

Canadian Agricultural Partnership negotiations and implementation**RECOMMENDED RESPONSE:**

- **As the new Minister of Agriculture, I am pleased to announce the successful conclusion of Federal–Provincial–Territorial (FPT) negotiations toward a new agricultural policy framework, now called the Canadian Agricultural Partnership (CAP) agreement.**
- **CAP is an outcomes based agreement that represents a five-year, \$3 billion investment in agriculture, agri-food and agri-businesses across Canada that will launch April 1, 2018.**
- **I am proud to say that Ministry of Agriculture (AGRI) staff have been working on improving the agreement, making it smarter and more targeted to meet the needs of all farmers, ranchers and agricultural businesses, big and small, across the entire province.**
- **This agreement represents \$400.5 million to B.C.'s farmers, food processors and agri-businesses. I am committed to continue to present strong cases for diversifying funding opportunities that will increase levels of support for all farmers, ranchers, agricultural businesses and other food producing ventures, such as seafood.**
- **CAP will enable AGRI to provide business continuity to farmers, ranchers and agricultural businesses that rely on the current funding agreement, Growing Forward 2 (GF2).**
- **B.C. now moves into finalizing a bilateral agreement with Canada, which will provide details of industry programs centered around assisting farmers, ranchers and food processors in developing domestic and international marketing strategies, becoming more innovative, adapting to the changing climate, effectively planning for and managing risks, growing value added food processing and ensuring that the B.C. food produced is safe.**
- **I expect CAP will enable us to fulfill commitments under the Grow B.C., Buy BC, Feed B.C. and deliver the necessary supports to all farmers, ranchers and agri-businesses in the province.**

BACKGROUND:

- CAP is a multilateral framework agreement, which is the fourth in a series of FPT 60:40 cost shared funding agreements.
- The current agreement (GF2 – April 1, 2013 to March 31, 2018) represents approximately \$400 million over five years.
- CAP will officially commence on April 1, 2018, and will end on March 31, 2023.
- Eligibility to CAP programs is limited to the agriculture, agri-food, and agri-based products sector.
- Industry is consulted on various aspects of CAP through both national consultations lead by Canada and, by B.C. only consultations through our Risk Management Advisory Committee and Strategic Initiatives Advisory Committee.

Business Risk Management (BRM):

- CAP will deliver a fundamental set of business risk management programs as defined by the national agreement.

s.13

Strategic Initiatives:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE:

s.13,s.17

	Federal	Provincial	Total	
Business Risk Management	170	115.5	285.5	70%
Strategic Initiatives	69	46	115	30%
Total	239	161.5	400.5	

- The BRM program costs include both provincial-only and federal contribution funding. These are estimated using market projections, which may change over the course of the agreement.
- Strategic initiatives (industry programing) funding is allocated among PTs based on the agricultural market cash receipts and the number of farms in each jurisdiction, as well as other economic considerations (which only apply to the Atlantic Provinces and territories). See table 1 below for the strategic initiative funding targets by province and territory.

Table 1: CAP Strategic Initiative (SI) Funding Targets by Province and Territory

	Province/Territory	Federal Funding Target	Provincial Funding Target	Total Fed/Prov Target
1	Ontario	\$272,925,000	\$181,950,000	\$454,875,000
2	Alberta	\$243,825,000	\$162,550,000	\$406,375,000
3	Saskatchewan	\$232,800,000	\$155,200,000	\$388,000,000
4	Quebec	\$175,957,500	\$117,305,000	\$293,262,500
5	Manitoba	\$106,072,500	\$70,715,000	\$176,787,500
6	British Columbia	\$69,075,000	\$46,050,000	\$115,125,000
7	New Brunswick	\$22,200,000	\$14,800,000	\$37,000,000
8	Nova Scotia	\$22,200,000	\$14,800,000	\$37,000,000
9	Prince Edward Island	\$22,200,000	\$14,800,000	\$37,000,000
10	Newfoundland and Labrador	\$22,200,000	\$14,800,000	\$37,000,000
11	Yukon	\$4,440,000	\$2,960,000	\$7,400,000
12	Northwest Territories	\$3,663,000	\$2,442,000	\$6,105,000
13	Nunavut	\$2,442,000	\$1,628,000	\$4,070,000
	TOTAL SI Contributions	\$1,200,000,000	\$800,000,000	\$2,000,000,000

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Anna North	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250 356-5814	Phone: 250 356-8299
Cell:	Cell:	Cell:

Appendix 1: GF2 Expenditures fiscal 2013/14 to fiscal 2016/17 (one year outstanding)

GF2 expenditures do not match exactly to the original budget targets for a variety of reasons. On the BRM side, because programs are demand driven and budgets are based on market projections, the final amount spent is related to the amount of demand. On the SI side, the total federal expenditures include a portion that is allocated to Federal-Only programs; the province assumes this is spent in full.

GF2 Expenditures fiscal 2013/14 to fiscal 2016/17		
	Federal Expenditures	Provincial Expenditures
Business Risk Management	\$114,608,804	\$74,764,870
Strategic Initiatives	\$43,592,556	\$37,185,822

- BRM FTE's by location (total of 84):
 - Kelowna: 52
 - Abbotsford: 11
 - Oliver: 9
 - Cranbrook: 1
 - Dawson Creek: 4
 - Fort St. John: 4
 - Kamloops: 2
 - Williams Lake: 1
- Strategic initiatives programs are delivered based on a distributed model, with no single branch delivering programs. On average there is about 105 FTE's working on GF2, and most of these are not at 100 percent.

LEGALIZATION OF RECREATIONAL CANNABIS AND AGRICULTURE**ISSUE: Non-medical Cannabis and AGRI****RECOMMENDED RESPONSE:**

- In April 2017, federal government introduced legislation, the *Cannabis Act*, to legalize non-medical cannabis. Currently, possession and sales of non-medical cannabis remains illegal until July 2018.
- Under this framework, the Federal government will be responsible for licensing producers and setting industry standards for non-medical cannabis and the Province will licence and oversee distribution and retail of non-medical cannabis within B.C. In addition.
- The Province has established goals of implementation that are focused first on public health and safety and secondly on economic development.
- Ministry staff will be reviewing the new legislation and working with the federal government and their provincial colleagues to ensure that decisions are being made collaboratively and comprehensively.
- I will be reviewing the information as it becomes available on the production of non-medical cannabis on the ALR and level of provincial investment for the cannabis industry.

BACKGROUND:

- Bill C-45 continues the existing regulatory framework for non-medical cannabis production (Access to Cannabis for Medical Purposes Regulation (ACMPR)) for at least the next five years. As well Bill C-45 incorporates Industrial Hemp Regulations.
- As of June 8, 2017, Bill C-45 has passed Second Reading before the House and has been referred to the Standing Committee on Health. If Bill C-45 is passed into law, it is expected that its provisions will be in force July 2018.
- Bill C-45 gives federal government authority to regulate cannabis production, including licensing of producers, establishing product standards, and related inspection authority.

CANNABIS AND THE AGRICULTURAL LAND RESERVE

- 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 licences, known as Commercial Grower Licences. Federal requirements for licensing under the MMPR required producers to have substantial infrastructure, resulting in a sizable land footprint.
- The operation of the ALR and the approval of medical cannabis production under the ALCA and Agricultural Land Reserve Use, Subdivision and Procedure Regulation by the Province in 2015 means that local governments in B.C. do not have the ability to prohibit medical cannabis production within community boundaries if the cannabis production facility is located on ALR land.
- The policy intent is that the production of medical cannabis in accordance with federal regulation is specified as a designated farm use. As a designated farm use, local governments can regulate – but not prohibit – medical cannabis production on the ALR.
- The Ministry of Agriculture produced a Minister's Bylaw Standard for Regulating Medical Marijuana Production Facilities in the Agricultural Land Reserve ("Minister's Bylaw Standard"). The Minister's Bylaw Standard creates room for local governments to regulate medical cannabis production within their jurisdictions without enacting an outright prohibition. Compliance with the Minister's Bylaw Standard is not mandatory; rather, it provides guidance to local governments who wish to use them.
- A Federal Court of Canada ruling in 2016 found that the MMPR was unconstitutional and that some MMAR licences issued to producers were still in effect and had no expiry date until the Court orders otherwise.
- The ACMPR repealed the MMPR in 2016 and is the current regulation that governs medical cannabis in Canada. The ACMPR was enacted under the *Controlled Drugs and Substances Act*. The ACMPR carries forward both the MMPR facility standards and the loosely regulated designated producer licences issued under the MMAR.

s.13,s.16

CROSS JURISDICTIONAL COMPARISON:

- B.C. is unique with regards to the ALR.
- The Secretariat is monitoring how other jurisdictions in Canada are implementing cannabis regulations and legislation.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Unknown

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Jacqueline Cushing	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250-356-7219	Phone: 250 356-8299
Cell:	Cell:	Cell:

ISSUE: Medical Marijuana Production in the Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- The federal government has been clear in their policy and legislation around the production of medical marijuana through the Access to Cannabis for Medical Purposes Regulations (ACMPR) and we respect their decision and jurisdiction.
- The BC government also recognizes the Agricultural Land Commission's determination that medical marijuana production is a farm use and allowable on the ALR.
- We expect local governments to respect the framework for medical marijuana production as established by the federal government.
- We encourage local governments to be consistent with the Minister's Bylaw Standard for Regulating Medical Marijuana Production Facilities in the Agricultural Land Reserve which offers local governments "ready to use" bylaws to regulate, without prohibiting, medical marijuana production facilities in the ALR in their communities.
- The Ministry will continue working with local governments to ensure there is consistency concerning medical marijuana production in communities across the province.

BACKGROUND:

- Health Canada's ACMPR came in to force August 24, 2016 replacing the previous Marihuana for Medical Purposes Regulation (MMPR). The MMPR came into force June 19, 2013.
- The provincial government's policy intent is that medical marijuana is an agricultural product and production cannot be prohibited on ALR.
- This position, along with the position of the ALC and the BC Agriculture Council formed the basis of the government's decision to make licensed medical marijuana production a farm use that cannot be prohibited by a local government.
- The Minister's Bylaw Standard for Regulating Medical Marijuana Production Facilities in the Agricultural Land Reserve ("Minister's Bylaw Standard") offers local governments "ready to use" bylaws to regulate, without prohibiting, medical marijuana production facilities the ALR in their communities.
- The Bylaw Standard was developed following consultations with local governments, and includes input and guidance from communities across B.C.
- The Bylaw Standard offers provincial standards on the positioning of medical marijuana production facilities on ALR lands, including appropriate distances from neighbouring property lines, schools, parks, watercourses and so on.
- Currently there are 13 licensed medical marijuana production facilities in B.C., seven that can grow and sell and six that are only permitted to grow.

s.13,s.16

Property Tax:

- In June 2014, amendments were made to the BC Assessment Act (Classification of Land as a Farm Regulation (B.C. Reg. 411.95)) to exclude medical marijuana as a 'farm use' in this farm classification for property tax purposes.
- This responds to concerns that were raised by local governments.

BC FIRB

- To date only one complaint has been filed with BC FIRB. This complaint is currently temporarily suspended.

CROSS JURISDICTIONAL COMPARISON:

s.13,s.16

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

No implications for fiscal 2017/18

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Selena Basi	Name: Gregory Bartle
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-356-6660	Phone: 250-387-9687
Cell: 250-208-9902	Cell: 250-208-7070	Cell: N/A

**ISSUE: NORTH OKANAGAN CHERRY PRODUCTION
FARM PRACTICE COMPLAINTS**

RECOMMENDED RESPONSE:

- The Ministry is encouraged that cherry production is growing in B.C. and the North Okanagan.
- The Ministry supports all sizes of orchards, both large and small, and recognizes that areas in the Agricultural Land Reserve are being newly cultivated for the growing of cherries.
- The Ministry is aware of farm practice concerns by some residents living near cherry orchards in the North Okanagan and staff have been working to raise awareness about farm practices as they pertain to large scale cherry production.
- The B.C. Farm Industry Review Board (BCFIRB) is the independent tribunal that provides the formal process to resolve farm practice complaints through the *Farm Practice Protection Act*.
- The Ministry has well-established policies to encourage positive working relationships between farmers and non-farmers and supports the reduction of land use conflict along the agricultural-urban interface.
- Ministry of Agriculture staff work collaboratively with local governments, the farming industry and the public to support decision making that encourages farming as the primary use in the ALR.

Background:

- 98% of B.C.'s cherry production is within the Okanagan with approx. 4,500 acres, 300 producers, 20 packing houses, and exports to 20 countries.
- The sector is estimated to be growing; approximately five percent per year over a period of approximately five years and industry is moving to Central and North Okanagan because of hardier and later maturing varieties allowing for a longer harvest season and potential to be last cherries on the market.
- Because rain water can split ripe cherries, destroying the market opportunity, cherry producers will use large fans or helicopters to blow rainwater off their crops.
- Neighboring residents are unaccustomed to these orchard farm practices, leading to an increase in complaints, whereas in Central and South Okanagan, residents are more accustomed to living beside an orchard.
- Three formal complaints have been filed with BCFIRB concerning an active cherry orchard in the District of Coldstream. Ministry Industry Specialist and Regional Agrologist staff have contributed as Knowledgeable Persons for BCFIRB.
- Ministry staff have been actively engaged with Coldstream and Township of Spallumcheen concerning local orchard farm practices, including noise and use of helicopters, with the intent to resolve these concerns. Ministry staff presented to Coldstream Council on cherry production and farm practices March 20, 2017.
- Coldstream Council has also approached BCFIRB to "identify the current rationale for making new or change of scale practices "normal" and develop a rationale that includes "best established practices" and best available technology" in determining what is considered a normal farm practice as defined in the *Farm Practices Protection (Right to Farm) Act*." under FPPA s.11. BCFIRB has agreed in principle to pursue this request however only after a decision of the complaint has been finalized.
- Ministry staff encourage local governments to utilize existing land use planning tools and consider adopting the Minister's Bylaw Standards to reduce land use conflict in the future.

CROSS JURISDICTIONAL COMPARISON:

- B.C., Ontario and Quebec having the strongest legislative frameworks for farmland protection across the country.
- Farm practice protection regulations (Right to Farm laws) have been established in various forms in most, if not all Canadian provinces and U.S. states.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE)

- No expenditure/revenue implications for 2017/18.

ESTIMATE NOTE- FISCAL 2017/18

Ministry of Agriculture

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:	Alternate Contact:
ADM Name: Arif Lalani	Name: Selena Basi	Name: Gregory Bartle
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-356-6660	Phone: 250-387-9687
Cell: 250-208-9902	Cell: 250-208-7070	Cell: N/A

ISSUE/PROGRAM: CLIMATE ADAPTATION PROGRAMMING**RECOMMENDED RESPONSE:**

- **Climate change has serious implications for BC farmers.**
- **Ministry is working with the agriculture industry, local governments and other partners to increase the capacity of BC farmers to adapt to climate change.**
- **The Ministry is providing funding to develop and implement regional agricultural adaptation strategies in the Cowichan, Delta, Peace, Cariboo, Fraser Valley, and Okanagan regions.**
- **The Ministry is also funding projects to pilot and demonstrate innovative adaptation practices on BC farms and ranches.**
- **The Ministry's programming for climate change adaptation is funded under the five-year Federal-Provincial-Territorial Growing Forward 2 initiative.**
- **The Ministry looks forward to receiving the recommendations of the OAG audit on the Province's approach to climate adaptation, and continuing to work collaboratively on a cross ministry basis to coordinate provincial efforts in this area.**

BACKGROUND:

- Climate change adaptation is a priority for the agriculture sector. For B.C. producers, climate change implications include: increased management complexity, business costs, and uncertainty due to impacts such as drought, extreme temperature and precipitation, flood risk, and pests and diseases. There will also be an increase in growing days and opportunities for new crops.
- Successful adaptation will be required for the industry to manage the risks and take advantage of the opportunities.
- The Ministry is supporting adaptation by providing funding and working in partnership with industry through the BC Agriculture and Food Climate Action Initiative (CAI). CAI completed a climate change risk and opportunity assessment for the agriculture sector, and follow-up priorities are being actioned. These include working with industry, local governments and other partners on regional adaptation strategies in key agricultural areas of BC and providing support for the piloting and demonstration of innovative adaptation practices on B.C. farms and ranches.
- The program is funded through the federal-provincial-territorial Growing Forward 2 initiative.
- The OAG conducted a climate audit on five ministries, including agriculture.
- The ministry looks forward to continuing to work collaboratively on a cross ministry basis to coordinate provincial efforts in this area in response to the audit, which is anticipated to be released in Fall 2017.

CROSS JURISDICTIONAL COMPARISON:

- BC 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 (IF APPLICABLE):

- The climate change adaptation program has approximately \$5.7 million in federal funds for 2013 - 2018, with approximately \$1.4 million allocated for 2017/18.
- The Ministry has 2 full-time equivalent positions associated with the climate program.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Selena Basi	Name: Ian McLachlan
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-356-6660	Phone: 250-356-1852
Cell: 250-208-9902	Cell: 250-356-7070	Cell: N/A

COMMERCIAL DOG & CAT BREEDERS – REGISTERING AND LICENSING

ISSUE: Development of regulations for a licence or registration system for commercial breeding of dogs and or cats in British Columbia.

RECOMMENDED RESPONSE:

- **Animal welfare is a priority in B.C. and the B.C. Government expects all British Columbians to treat their animals with care and respect.**
- **In March 2017, amendments to the *Prevention of Cruelty to Animals Act* (PCAA) enabled the creation of a licensing and/or registration system for commercial breeders of dogs and cats.**
- **This commitment was to target irresponsible commercial breeders of dogs and cats following two high-profile seizures at suspected puppy mills in the Lower Mainland.**
- **I will be reviewing the legislation and consider the next steps that the Province may wish to take on this issue.**

BACKGROUND:

- On March 16, 2017, amendments to the PCAA received Royal Assent.
- The amendments would enable the creation of a licensing and/or registration system for commercial breeders of dogs and cats and accompanying inspections against minimum standards of care.
- This is a significant milestone to target irresponsible commercial breeders of dogs and cats following two high-profile seizures at suspected puppy mills in the Lower Mainland.
- In order for the new authorities to come into force, a regulation is required.
- The regulation will include the details of the new licensing and/or registration system such as; enforceable standards of care for breeding dogs and cats, definitions, fees, fines, administration and costs.
- Consultation with stakeholders on these topics has been planned to validate standards of care to help ensure the regulations are targeting the correct activities.
- The regulation will also identify the “designated agency” responsible to administer the new license or registration system.

s.12,s.13

- Vancouver City Council recently (June 2017) voted unanimously in favour of directing staff to put forward amendments to the License by-law number 4450 to prohibit the sale of cats, dogs and rabbits in a pet store or other type of retail premises with the exception of those animals offered for adoption from a recognized animal rescue society or shelter organization. No changes have been made to date.
- Richmond, BC prohibits sales of puppies, dogs and rabbits (and various other species of animals) through Business Regulation by-law number 7538. The list of prohibited animals by species is in Schedule B.
- New Westminster, BC by-law no. 7398 prohibits the selling or offering for sale to the public any dog, cat, pet rabbit, hare or pika in a pet store or other type of retail premises, with the exception of those animals offered for adoption from a recognized animal rescue society or shelter organization.

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Heather Anderson	Name: Anna North
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250 356-1687	Phone: 250 356-5814
Cell:	Cell:	Cell:

ISSUE/PROGRAM: B.C. Domestic Consumption Study**RECOMMENDED RESPONSE:**

- **Building the local market and encouraging British Columbians to purchase local foods is a key commitment of our government.**
- **Ministry staff have consulted with industry associations, producers and processors who have identified a need for information that can support them in establishing effective marketing strategies to target local consumers across B.C.**
- **The Ministry is currently working in collaboration with BC Stats to conduct a domestic consumption study that will include interviews with up to 2,800 British Columbians across the province.**
- **The study will present regional profiles of key consumer groups which are more inclined to purchase local food and the motivations behind these behaviours.**
- **This information will be available in a public report in spring 2018 and be presented in a practical, visually-appealing format to support the ability of farmers, producers and processors to easily identify opportunities and make more informed marketing decisions.**
- **This study will also support the Ministry in the development and delivery of an effective Buy BC strategy to ensure sustainable, long-term growth for B.C.'s agrifood and seafood industry.**

BACKGROUND:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Éliane Verret-Fournier	Name: Mat Patterson
Date approved by ADM:	Branch: Innovation and Adaption Service Branch	Branch: Innovation and Adaption Service Branch
Phone: 250-356-1122	Phone: 250-356-0191	Phone: 250-356-2945
Cell: 250-208-9902	Cell: 250-920-6455	Cell: 778-667-6996

ISSUE/PROGRAM Drought Impact on Agriculture and Fishery Resources**RECOMMENDED RESPONSE:**

- **The lack of precipitation and higher temperatures over most of British Columbia in 2017 is leading to a potential drought situation.**
- **When drought occurs provincial agencies and ministries (Agriculture; Forests, Lands & Natural Resource Operations & Rural Development; Environment & Climate Change Strategy; Health; Emergency Management BC; and Indigenous Relations & Reconciliation) partner to provide effective management of water and fisheries resources.**
- **Agencies and ministries work with local governments and specific sectors to help them understand their legislated obligations and provide advice on appropriate water use.**
- **British Columbians need to be prepared for emergencies and extreme weather. The Ministry of Agriculture, in partnership with Agriculture and Agri-Food Canada, is funding programs and projects to help B.C. farmers prepare for drought, emergencies and changing weather conditions.**
 - **To proactively plan for climate change, regional agriculture climate adaptation strategies for six (6) regions of the province have been created.**
 - **An agricultural water demand model has been created that can determine how much water the agriculture industry needs today and in the future in 28 areas within B.C. Results from the model can be used by regions to develop watershed plans and water reserves for agriculture.**
- **With respect to drought, Production Insurance, AgriStability and AgriInvest are Provincial Agriculture Risk Management Programs that offer compensation to eligible farmers and ranchers for losses that meet program criteria.**

BACKGROUND:

- Producers irrigate to grow a productive crop. If producers are unable to irrigate due to loss of water supply, overall crop production can be reduced.
- For the most part, B.C. has adequate water supply to support all needs (e.g. agriculture, forestry, drinking water supply, recreation, habitat & fishery).
- Under the *Water Sustainability Act (WSA)*, the province has authority to regulate and restrict water use in times of drought and water scarcity. Ministry of Forests, Lands, and Natural Resource Operations (FLNRO) holds this legislation.
- When regulatory action related to water use is being considered, AGRI's role historically has been to:
 - Determine the impact of potential water restrictions to the agriculture sector
 - Provide FLNRO with agricultural impact information, and water restriction recommendations
 - Provide FLNRO with potential AGRI Executive support and endorsement on whether or not an order should be issued.
- Due to low stream flows, the Province took regulatory action in 2009 and in 2015, managing and limiting agricultural irrigation access to surface water.
- In recent years, the Nicola Valley has been the agricultural area of the province that is at greatest risk of having its access to surface water regulated by the Province.
- The Ministry has produced and continues to produce a number of tools that support water management for the sector.
 - Agriculture Water Demand Model
 - Agricultural Weather Stations
 - Irrigation Scheduling Calculator
 - Water Use Reporting Tool.
- Producers are able to apply for cost share funding to complete irrigation and drainage management assessments as well as water efficient irrigation equipment.
- The BC Agriculture Climate Action Initiative, through *Growing Forward 2* funding, has developed a number of water related regional resources and tools to support resiliency in the agricultural sector.
- AGRI is an active Inter-Agency Drought Response Plan participant

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Program dollars under the *Growing Forward 2* Agreement are committed to improving water management. To date under GF2 over \$1.25M has been provided to farmers and ranchers to improve irrigation water management.
- Development of the Agriculture Water Demand Model, water management tools and the creation of water management information is also supported with \$2.35 million of expenditures planned under the BC Environmental Farm Plan Program for 2017/18.
- Crop Insurance and Income stability programs are also available to many agricultural operations via Agricultural Risk Management Program.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Andrew Petersen	Name: Mark Raymond
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-828-4514	Phone: 604-556-3107
Cell: 250-208-9902	Cell: N/A	Cell: 604-226-7226

ISSUE/PROGRAM: EAT DRINK LOCAL Program**RECOMMENDED RESPONSE:**

- **Our government's commitment to supporting the growth of B.C.'s agrifood and seafood industry is focused on ensuring that British Columbians across the province are connected to where their food comes from.**
- **We know that many of these connections begin at the dining table, through food conversations with friends and family. The challenge today is that in many B.C. restaurants and food service establishments it is difficult to identify which products are grown, produced or processed in B.C.**
- **EAT DRINK LOCAL will ensure that British Columbians can easily recognize B.C. foods and beverages served at restaurants, cafes, pubs, caterers, hotels, wineries and food tourism establishments.**
- **As part of our enhanced Buy BC programming, EAT DRINK LOCAL will connect local producers with restauranteurs and chefs to develop menus that highlight locally-grown, produced and processed food and beverages.**
- **Consumers can enjoy these menus during a month-long local food promotion this spring, and access information on B.C. agrifood and seafood through an EAT DRINK LOCAL website.**
- **This program was developed in collaboration with the BC Restaurant and Food Services Association, and is an example of the government and industry working together to engage members of the value chain to increase preference, demand, and sales for B.C. food and beverage products.**
- **EAT DRINK LOCAL will build consumer awareness about the quality, diversity and flavour of B.C. foods. It will also increase the demand and sales of local food in the restaurant sector across the province, supporting the growth of local businesses in every community.**

BACKGROUND:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Éliane Verret-Fournier	Name: Mat Patterson
Date approved by ADM:	Branch: Innovation and Adaption Service Branch	Branch: Innovation and Adaption Service Branch
Phone: 250-356-1122	Phone: 250-356-0191	Phone: 250-356-2945
Cell: 250-208-9902	Cell: 250-920-6455	Cell: 778-667-6996

**ISSUE/PROGRAM: Environmental Farm Plan (EFP) Program &
Beneficial Management Practices (BMP) Program****RECOMMENDED RESPONSE:**

- B.C.'s agriculture sector is actively identifying and addressing environmental and climate change risks associated with its production practices.
- Utilizing funding available through *Growing Forward 2* a federal-provincial funding program, farmers and ranchers are obtaining professional assistance to identify their practices and strengths and to address areas of improvement to benefit the environment and address climate change.
- The interest in the cost-share funding available through the BMP Program is significant and 2017/18 funding is now fully allocated.
- Environmental Sustainability and Climate Change are priorities for the Ministry and we will continue provide supporting programs.

BACKGROUND:

- The EFP Program is a voluntary environmental stewardship program funded under the *Growing Forward 2* framework.
- The EFP Program enhances the environmental stewardship of agricultural producers by having trained planning advisors work one-on-one with producers to complete an on-farm risk assessment and develop a prioritized plan to address their environmental and climatic risks.
- Producers may be eligible for financial cost-share incentives from the Beneficial Management Practices (BMP) Program, to address and mitigate the environmental and climatic risks identified in their EFP.
- Cost-share incentives are available for a broad range of planning and innovative infrastructure BMP categories (e.g. irrigation efficiency, manure management, climate change mitigation and adaptation).
- Agricultural Research and Development Corporation (ARDCorp) is the delivery agent for the EFP & BMP Programs.
- Each BMP has various cost share levels and percentages, with an overall per farm cap of \$70,000 of BMP funding.
- Together the programs help achieve measurable and meaningful environmental goals in the areas of water quality, water quantity, and climate change mitigation & adaptation.
- The following table summarizes EFP and BMP program results to date.

	2016/2017:	2017/18 to date
# of Environmental Farm Plans Completed	346 EFPs	15
# of On-Farm BMP Projects Approved	316 BMPs	95
Value of BMP Cost-Share Funding Approved	\$ 1.2M	\$1.38M
Total Funding Provided for EFP & BMP Programs	\$ 2.1M	\$2.3M

CROSS JURISDICTIONAL COMPARISON:

- All other provinces have similar EFP & BMP programs that are *Growing Forward 2* funded.
- Industry is leading a national standardization of EFP Programs across Canadian provinces.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Total EFP/BMP program expenditures of \$2.3M are expected for 2017/18. AGRI provides 40 per cent of these dollars with the remainder provided by the federal government.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Alison Speirs	Name: Mark Raymond
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 604 556-3114	Phone: 604-556-3107
Cell: 250-208-9902	Cell: N/A	Cell: 604-226-7226

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 24, 2017 Minister Responsible: Hon. Lana Popham	Mega Homes on the ALR
---	------------------------------

RECOMMENDED RESPONSE:

- Decisions regarding housing and building permits are the responsibility of local governments.
- To help support local government decision making, the Ministry of Agriculture created a by-law standard in November 2011 that provides local governments with a ready-to-use model that restricts building large residential homes in the centre of ALR lots and ensures the majority of the land is preserved for agricultural use.
- Local governments are encouraged to use this Standard when developing bylaws to regulate residence size and location within the ALR.
- The resulting standard followed extensive consultation with local governments, agriculture producers, stakeholders and the general public.
- Owners of farmland are required to follow all relevant federal, provincial and local government laws and regulations, regardless of their residence.

BACKGROUND:

- The B.C. government shares the concerns expressed by MLA Weaver around land use and affordability in the ALR, and agree that the land in the ALR should be used for farming.
- The Agricultural Land Reserve is managed by an independent Agricultural Land Commission with a very clear mandate - preserve agricultural land and encourage farming in British Columbia.
- Any and all owners of land in British Columbia's Agricultural Land Reserve must abide by all regulations and decisions of the independent Agricultural Land Commission.

Communications Contact:
Program Area Contact:

ISSUE/PROGRAM: LARGE ESTATE HOMES ON ALR**RECOMMENDED RESPONSE:**

- **The Province has delegated decisions over land use (e.g., planning and zoning bylaw powers) to local governments by the Local Government Act (LGA).**
- **The Ministry of Agriculture has developed Minister's Bylaw Standards to provide guidelines to assist in the development of local government bylaws.**
- **The Minister's Bylaw Standard on housing, entitled "Regulating the Siting and Size of Residential Uses in the ALR", was published in September 2011.**
- **Local governments are encouraged but not required to adopt the Minister's Bylaw Standards.**
- **Seven local governments have successfully adopted bylaws, many of which are modelled on the Minister's Bylaw Standard. These are Delta, Port Coquitlam, Surrey, Maple Ridge, Squamish Valley and the District of Kent in the Lower Mainland and Summerland in the Okanagan Valley.**
- **Ministry of Agriculture staff work collaboratively with local governments to support decision making the encourages farming as the primary use on ALR land.**

BACKGROUND:

- ALR landowners are using agricultural land for residential purposes, particularly in Zone 1, where land is scarce and large land parcels zoned for residential use are unavailable outside of the ALR. Local governments in the Lower Mainland report receiving building permit applications for large houses in the ALR ranging from 5,000 – 40,000 square feet.
- Zoning authority provided through the *Local Government Act* enables local governments to regulate the siting, size and dimensions of buildings in their jurisdictions through zoning bylaws; this includes principal single family dwellings in the ALR.
- The Agricultural Land Commission Act (ALCA) states that local governments may not approve more than one residence on a parcel unless the additional residences are for farm use. The ALCA is silent on size and siting of residences.
- The Province supports local government decision making for promoting agriculture as the priority use in the ALR through a Minister's Bylaw Standard that provides guidance for regulating the siting and size of residential uses in the ALR published in September 2011 to guide local government bylaw development
- Some local governments (Delta, Port Coquitlam, Surrey, Maple Ridge, Squamish Valley and the District of Kent in the Lower Mainland, and Summerland in the Okanagan Valley) have successfully passed bylaws, many of which are modelled on the Minister's Bylaw Standard.
- Many other local governments have found it too difficult to implement the Minister's Bylaw Standard through their zoning bylaws after facing extensive public dissent. Some other local governments have not attempted to amend their zoning bylaws.

CROSS JURISDICTIONAL COMPARISON:

- B.C.'s decision making framework for residential uses on agricultural land is consistent with other provinces across Canada. Quebec, B.C. and Ontario have the strongest protections for agricultural land. The ALR is unique to B.C.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- No expenditure/revenue implications for 2017/18.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Selena Basi	Name: Alison Fox
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250 356-1122	Phone: 250-356-6660	Phone: 604-556-3106
Cell: 250-208-9902	Cell: 250-208-7070	Cell: N/A

ISSUE: Housing in the Agricultural Land Reserve (ALR) – Farm Residential Footprint and Size

RECOMMENDED RESPONSE:

- **The *Agricultural Land Commission Act* (ALCA) and the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (the Regulation) do not regulate the siting and size of farm residential footprints or “home plates” within the ALR.**
- **This authority rests with local governments who, under the *Local Government Act*, have the option to regulate the siting and size of farm residential footprints. If a local government chooses to restrict the siting and size of farm residential footprints, the Agricultural Land Commission (ALC) recommends that they adhere to the maximums set out in the Ministry of Agriculture’s (the Ministry) Guide for Bylaw Development in Farming Areas.**
- **In Zone 2, there are a number of local government jurisdictions that do not have zoning and/or building permit regulations of any kind.**
- **The ALC is able to restrict the siting and size of a farm residential footprint through conditions placed on an approved ALC application (ie. an application for subdivision or second dwelling); however, the use of these types of conditions are not consistently applied and are at the discretion of the Commissioners.**
- **The lack of ALC regulations and the inconsistencies between the regulations adopted by some local governments have resulted in the proliferation of excessively-large residential homes, inappropriately-sited residential infrastructure and in some instances multiple dwellings on parcels in some parts of the ALR.**

BACKGROUND:

- The Ministry's Guide for Bylaw Development in Farming Areas states that "the siting of farm residential uses is likely the simplest, most effective method of limiting the negative impacts of residential uses on farming in the ALR" and that "[r]estricting the size of the *farm residential footprint* has a greater impact on the alienation of farmland than the actual *residence* size and is the second most important criteria."
- Section 2.4.6.5.1, Figures 1 and 2 of the Ministry's Guide for Bylaw Development in Farming Areas set out the maximum road setbacks (siting) for the farm residential footprint. Figure 1 sets out a maximum road setback of 60m from the front lot line to the rear or opposite side of the farm residential footprint. Lots narrower than 33 metres are exempted from the 60 m maximum setback from the front lot line, however, the footprint must fill the front of the lot to a maximum of 2000 m² as set out in Figure 2.
- Section 2.4.6.5.2 of the Ministry's Guide for Bylaw Development in Farming Areas sets out the maximum size of the farm residential footprint as either the lesser of a footprint commensurate with urban areas, or, 2000 m² plus 1000 m² for each additional farm residence where permitted and 35 m² for each temporary farm worker housing space where permitted.
- The ALC has occasionally restricted the size or siting of the farm residential footprint. Such restrictions are typically used when conditionally approving applications for second dwellings or homesite severances. The placement of conditions restricting the size or siting of the farm residential footprint is at the discretion of the Commissioners reviewing the application.
- The Corporation of Delta regulates the size and siting of residential structures in farming areas.
- Recent media coverage has revealed very large, expensive estate homes on large ALR parcels in Metro Vancouver.

CROSS JURISDICTIONAL COMPARISON:

- The Province of Quebec created a "Commission de protection du territoire agricole du Quebec" (Quebec Commission) to secure the preservation of 6.3 million hectares of agricultural land in Quebec.
- In Quebec, no local government may issue a building permit for a lot in the ALR without authorization of the Commission. Applications to the Commission are required for a new use for residential purposes or for the enlargement of an existing residential use, with the following exception: a natural person or legal person whose principle occupation is agriculture may without the authorization of the Commission erect on a lot they own, and where they carry out their principle occupation, a residence for himself, for his child or for his employee.

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

PROGRAM: Extension Services - Regional Agrologists, Industry Specialists and AgriService BC**RECOMMENDED RESPONSE:**

- **The Sector Development Branch has professional staff that support the agriculture sector and work with other stakeholders, local governments and First Nations across the province.**
- **These personnel include Regional Agrologists and industry specialists (all of whom are professional agrologists aside from those focused on aquaculture/seafood and food processing) as well as agrologists focused on new entrants and First Nations.**
- **Regional Agrologists are generalists with a focus on a specific geographic area while industry specialists focus on a small number of commodities from a provincial perspective.**
- **Regional Agrologists are located across B.C. in Victoria, Courtenay, Abbotsford, Kelowna, Vernon, Creston, Kamloops, Williams Lake, Prince George, Smithers, Dawson Creek, and Fort St. John.**
- **The Ministry also seeks to meet client needs through AgriService BC which provides multiple service channels including a webpage, a toll-free phone and e-mail service. The purpose of AgriService BC is to connect farmers and agrifood businesses with the people and information they need to help their businesses succeed and grow.**
- **We are currently proceeding with the hiring of a Industry Specialist for the Organics sector.**

BACKGROUND:

- **Regional Agrologists and industry specialists** are the frontline face of the Ministry to agrifood clients throughout B.C. They are a link to the nearly 20,000 farms, 1,800 food processors, and over 200 industry organizations throughout B.C., anticipating and responding strategically to issues and opportunities as they arise.
- Regional Agrologists primarily work with regional clients (e.g. local government, regional producer groups) and industry specialists work most closely with sector based clients (e.g. national/federal and provincial commodity associations and agencies) to identify and facilitate economic growth opportunities.
- By leveraging their respective expertise and relationships, these professionals work to encourage innovation, adaptation, value chain development, and local and export market development in support of agrifood sectors by producers and food processors.
- As frontline staff, they inform client groups and individual clients about Ministry programs and services that will help grow their businesses and address risks. They are also often the first point of contact for emerging issues faced by industry.
- **AgriService BC** is the Ministry of Agriculture's one-stop point of contact for client access to agrifood information, programs and services. Through a website (www.gov.bc.ca/agriservicebc), a central phone number (1-888-221-7141) and a central email address (agriservicebc@gov.bc.ca), clients can easily access the Ministry and are steered to the appropriate staff member or information source to respond to their questions.
- Through more effective and efficient access to information, agrifood businesses in B.C. can maximize benefits from programs and services, leading to greater sector profitability and success as well as enhancing government's investment.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Within the Sector Development Branch, the Ministry has a 4 person leadership team, 34 Regional Agrologists and industry specialists, and 7 administrative and program support staff.
- AgriService BC has a budget of \$25,000 budget under Growing Forward 2.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: TJ Schur	Name: Brent Barclay
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-287-7183	Phone: 250
Cell:	Cell: 250-812-1214	Cell: 250-

ISSUE/PROGRAM: First Nations Agrologist, Sector Development Branch**RECOMMENDED RESPONSE:**

- **The First Nations Agricultural Business Development initiative supports the economic and social development of agriculture in First Nations communities.**
- **Through strong relationships built on trust, understanding and respect, we strive to support First Nations in improving their agriculture and business development knowledge, skills and capacity.**
- **There is currently one First Nations Business Development Agrologist position located in Kamloops covering the province.**
- **We utilize a network of advisors to do Agricultural Overview Assessments, project development and training to enable communities to make informed agricultural management decisions.**
- **Our Regional Agrologists provide consistent messaging regarding programs available to First Nations to enhance agriculture.**
- **We also work together with other ministries and the federal government to support government's broader reconciliation goals. The Ministry of Agriculture is in a unique position to work positively with First Nations both on and off Reserve, endeavouring to close the economic gap that separates indigenous people from the rest of British Columbians.**
- **With the 2017 fire season severely impacting a large number of First Nations in the interior of BC, the Ministry could also play a key role in their wildfire recovery efforts.**
- **In addition to economic health, we also support community health by promoting local agriculture, which is particularly vital to remote communities.**

BACKGROUND:

- The **First Nations Business Agrologist** works as part of the Partnerships and Outreach Section to support approximately 198 First Nations throughout B.C. in the growth and development of First Nations' agriculture.
- This position is the program lead for the First Nations Agriculture Business Development component under the **Growing Forward 2 agreement**.
- We utilize the local knowledge and relationships of the **Regional Agrologists** to provide advisory and referral services to First Nations and to promote programs available to them.
- With the synergies between the **New Entrant Agrologist** and First Nations Agrologist positions we are currently designing an updated workplan to take advantage of overlaps in the client base, considering that many First Nations are also new to agriculture or expanding into new opportunities.
- We work with First Nations on submission and review of applications for **Agricultural Overview Assessments (AOA's)**. These are excellent tools to provide a starting point for First Nations looking to move forward with agriculture opportunities. Over 32 First Nations have completed AOA's since 2011, with another six planned for this year (three approved to date). First Nations engage qualified **advisors** to complete AOA's.
- In addition, **Opportunities to Actions** is a multi-year business development support program pilot supporting longer term agricultural development programs. For 2017-18 there are is one agreement underway, supporting two First Nations.
- We also work with organizations such as local health authorities, the BC Ministry of Health and the Heart and Stroke Foundation of BC and the Yukon on **Community Food Initiatives**.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Approximately \$80,000 is allocated to First Nations agricultural services. There is \$30,000 budgetted for **AOA's** which cost up to \$5000 each.
- First Nations are also eligible for other Growing Forward 2 programs and business advisory services pertaining to agriculture.
- First Nations engagement is supported by one First Nations Business Agrologist FTE with the support of other program and services staff.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Mike Dedels	Name: TJ Schur
Date approved by ADM: XXX	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-371-3717	Phone: 250-387-7183
Cell:	Cell: 250-267-1968	Cell: 250-812-1214

FISHERIES AND AQUACULTURE OUTLOOK

ISSUE: An outlook on the status of major fisheries, aquaculture and seafood sectors in British Columbia

RECOMMENDED RESPONSE:

- The Ministry of Agriculture (AGRI) is committed to economically sustainable fisheries and aquaculture industries.
- B.C.'s seafood industry is a significant economic, social, and cultural contributor to the Province.
- The Province has undertaken a significant amount of work through collaboration across ministries and with the federal government to support B.C.'s wild fisheries and aquaculture industries.
- For 2017, most wild salmon runs are once again experiencing record low returns. There are limited economic opportunities for salmon fishermen as result.
- Most other wild fisheries remain stable in 2017, but continue to be affected by factors such as climate change, stock variability and conservation measures (e.g. marine protected areas).
- Wild fisheries are managed by the Federal agency, Fisheries and Oceans Canada (DFO), but B.C. plays a key role in representing provincial interests at both domestic and international fisheries tables.
- DFO prioritizes access to fisheries: conservation first, First Nations' Food, Social and Ceremonial (FSC) access second and commercial access third.
- Farmed salmon remains the largest contributor to B.C. seafood revenues, despite "paused" growth in the industry. There is significant potential in the aquaculture industry for both finfish and shellfish farming.

BACKGROUND:

B.C.'s extensive coastline and unique geography provide for a significant fisheries and seafood industry. In 2016, fisheries and aquaculture in B.C. harvested over 100 different species of fish, shellfish and marine plants with a wholesale value of \$1.72 billion. The aquaculture and fisheries sectors provide 1,600 and 1,800 jobs to British Columbians, respectively. Continued, 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.

1. Aquaculture

Salmon and finfish: The outlook for the farmed salmon market is excellent. The farmed Atlantic salmon industry reached record sales highs in 2016 and is expected to remain strong in 2017; however, growth of the industry has "paused" in B.C. over the last 10 years due to concerns over perceived environmental impacts and allocation of crown land tenures. Nonetheless, farmed salmon remain the single most significant contributor to B.C. seafood sector revenues. Minor finfish species including trout/steelhead, arctic char, tilapia, sturgeon (including caviar) and sablefish, primarily grown in land-based systems continue to show growth. There is increased involvement of First Nations in finfish aquaculture with over 20 economic and social partnerships in place. It is expected that continued involvement of First Nations in the salmon farming sector will facilitate growth of the sector.

Shellfish: The dominant farmed species are oysters, followed by modest production of clams, mussel and scallops. The release of the federal Integrated Geoduck Management Framework will contribute to the expansion of B.C. production of geoduck and significant economic opportunities of First Nations. This framework could allow for immediate operationalization of pending geoduck aquaculture ventures poised to realize marketable harvests in five to nine years. The oyster industry is facing some challenges currently, most notably illness from the consumption of raw oysters due to norovirus. Harvests of oysters are expected to be down in 2017 due to closures directly linked to norovirus illness. The industry remains somewhat constrained by reliance on imported seed stock and uncertainties due to climate change, and in particular ocean acidification.

2. 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 a fishery for its fourth year there is some question 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.

3. Wild Shellfish

Shrimp: Due to a split in 2016 of shrimp trawl vessel types into two industry associations, the 2017 Integrated Fisheries Management Plan (IFMP) has yet to be developed and signed off which will delay in the opening of the fishery by two months. If the survey outcomes from the west coast of Vancouver Island result in that area being

closed; the landings will most likely go down to about 900 metric tonnes (t).

Crab: Dungeness crab stocks are expected to remain stable in 2017.

4. Wild Salmon

The outlook for most stocks in 2017 is similar to that of 2016. Salmon returns will likely be highly variable, with an overall continued trend of reduced productivity, especially for southern salmon populations.

Sockeye: Sockeye returns are expected to be well below historical averages in both north and south coastal regions.

Chinook: Northern and southern populations of Chinook salmon are expected to produce poor returns; however, the central coast could see an abundance of returning Chinook in 2017.

Pink: 2017 is an odd year and therefore a 'pink year,' but due to poor outmigration, Fraser River pink returns are expected to be below average. Northern pink runs could see better returns in 2017.

Coho: Southern coho populations will remain at historic lows for 2017. Harvest restrictions will be required. Northern coho populations are expected to be more variable with higher early summer returns and mixed returns for Fall coho runs.

Chum: 2017 is not expected to be as productive as the banner 2016 chum salmon fishery was. Poor chum returns are expected in northern systems, while southern inside populations are expected to yield some fisheries opportunities, despite high variability in stock.

5. Tuna

The USA-Canada Albacore Tuna Treaty fishing arrangement has been renewed for three years beginning in 2017. This will provide stability for B.C.'s tuna fishermen for that duration. If oceanographic and weather are conditions "normal" in 2017, then for a fishery with some 180+ vessels participating, an increased catch over last year by 40-50 percent could be expected. There may be possible restrictions on the fleet in the proposed Scott Islands National Wildlife Area proposed by Environment and Climate Change Canada.

6. Herring

The 2017 Total Allowable Catch (TAC) was higher than the previous year. The catch to the end of March was better than in previous years at greater than 20,000 tonnes reported. Of the five main stocks that are managed in BC, three of five are recovering well from a low in 2010. The Strait of Georgia stock is the largest and its current biomass is close to unfished levels of ~150,000 tonnes. Market for various roe products will show little change this coming year but if the harvest increases, the overall landed and wholesale values are expected to increase slightly as well.

7. Groundfish

Hake: Hake stocks are near record levels and the TAC is expected to be 156,067t,

similar or slightly greater than last year. B.C. fishers have managed to find more diverse markets for hake; with exports to 27 countries worth \$70.6 M in 2016. The ability of the B.C. industry to land more than 50 percent of its TAC remains a challenge. There is a joint venture approved with a Dutch trawler to harvest 30,000mt in 2017. This joint venture is supported by industry.

Halibut: Halibut stocks are continuing to recover coast wide and the total B.C. TAC will be 3,380 tonnes. The commercial fleet is expected to harvest their full share of the TAC at 2,860 tonnes. The commercial fishery has been very strong in recent years in B.C. Prices are high, as is consumer demand.

Other Groundfish: Groundfish hook and line harvests will show a small decrease in 2017 due to rockfish conservation concerns. The groundfish trawl outlook is good with similar conservation concerns for some rockfish. Opportunities for lingcod and other minor species should be similar to last year.

Snapshot of 2017 Seafood Trends

Species	Harvest	Landed Value	Wholesale Value)
Wild Salmon	↓	↓	↓
Farmed Salmon	↑	↑	↑
Herring	↑	↑	↑
Halibut	↓	↑	↑
Groundfish	↔	↔	↔
Wild Shellfish	↓	↓	↓
Farmed Shellfish	↓	↓	↓
Other Species	↔	↔	↔
Total BC	↔	↔	↑

CROSS JURISDICTIONAL COMPARISON:

- 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, Alaska has been reporting record high returns in 2017.
- There has been more significant investment recently in Atlantic Canada by large aquaculture companies due to more certainty in the industry.

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Mike Turner	Name: Larry Neilson
Date approved by ADM: XXX	Branch: GGPL	Branch: CGPL
Phone:	Phone: 250-356-1704	Phone: 250 387-7172
Cell:	Cell: 250-886-6318	Cell: 250 889-5054

ISSUE: Food Processing Industry Support from AGRI**RECOMMENDED RESPONSE:**

- **British Columbia's Agrifood sector is growing and value-added food and beverage products are a big part of our growth. Revenue in the food and beverage manufacturing sector reached nine billion dollars in products for 2016, representing 70 per cent of total agrifood revenues.**
- **As part of the *Food Processing Action Plan*, the Ministry is working with industry and other agencies to grow processing capacity, encourage buy local policies, and promote industry growth through increased exports.**
- **The B.C. government is helping build the domestic and export markets for B.C. foods.**
- **The provincial government has hired a full time Food Processing Consultant to work with industry, associations and across ministries to support the food and beverage sector.**
- **The provincial government will support the industry through Canada-BC AgriInnovation Program funding, the path to Commercialization Program, and through workshops that build specialized business skills.**

BACKGROUND:

- The B.C. food and beverage (food processing) industry is one of the largest manufacturing sectors in the province based on revenues. It supports over 30,000 jobs and ships nine billion dollars in products per year. The sector has a broad range of companies with products derived from both local and imported sources.
- The Ministry of Agriculture (AGRI) works closely with the B.C. Food Processing Association (BCFPA) and the Small Scale Food Processing Association (SSFPA).
- The B.C. food processing industry includes, but is not limited to, processed meats, vegetables, fruit, seafood, spirits, non-alcoholic beverages and nutraceuticals.
- The Lower Mainland, Okanagan and Vancouver Island have the largest concentration of food processing facilities.
- Over 85 per cent of processing establishments employ less than 20 staff.
- Food Innovation Center concepts have been proposed throughout the province since the 1980's.
- The Food Processing Consultant has been working with the Innovation Branch of AGRI to develop an updated concept.

CROSS JURISDICTIONAL COMPARISON:

- From Alberta to Ontario, the range of provincially funded FTEs used to support the food processing industry is between five (Saskatchewan) and twelve and a half (Alberta). The roles are most often focused on innovation, improving profitability, growth opportunities, and commercialization.
- From Alberta to Ontario, all provinces either support directly or indirectly some form of food development centre.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- One AGRI FTE position has been allocated directly to the food processing sector.
- Due to the size and scope of the industry, numerous other staff within AGRI and other agencies engage a proportion of their time on the sector.
- The food processing industry currently accesses numerous Growing Forward 2 programs in AgriInnovation as well as through Food Safety.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: James Street	Name: TJ Schur
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone: 250 356 1122	Phone: 250 356 6373	Phone: 250 387 7183
Cell: n/a	Cell: 778 678 0267	Cell: 250 812 1214

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 24, 2107 Minister Responsible: Hon. Lana Popham	Foreign Ownership of ALR Land
---	--------------------------------------

RECOMMENDED RESPONSE:

- **Owners of farmland are required to follow all relevant federal, provincial and local government laws and regulations, regardless of their residence.**
- **In addition, any and all owners of land in British Columbia's Agricultural Land Reserve must abide by all regulations and decisions of the independent Agricultural Land Commission.**
- **B.C.'s Agricultural Land Reserve protects B.C.'s farmland for future generations and is unique in Canada, only two other provinces (Ontario and Quebec) have zones where agriculture is a priority.**
- **The Agricultural Land Reserve is managed by an independent Agricultural Land Commission with a very clear mandate - preserve agricultural land and encourage farming in British Columbia.**

BACKGROUND:

- The B.C. government shares the concerns expressed by MLA Weaver around land use and affordability in the ALR, and agree that the land in the ALR should be used for farming.
- Decisions regarding housing and building permits are the responsibility of local governments.
- The Ministry of Agriculture created a by-law standard in November 2011 that provides local governments with a ready-to-use model that restricts building large residential homes in the centre of ALR lots and ensures the majority of the land is preserved for agricultural use.

Communications Contact:
Program Area Contact:

Genetically engineered (GE) alfalfa, corn and canola**RECOMMENDED RESPONSE:**

- **AGRI supports all legal farm operations and commodities, including organic and conventional production systems.**
- **AGRI encourages producers and producer associations to utilize best management practices including but not limited to: training and ongoing knowledge transfer of new products and technologies, proactive discussions with adjacent landowners and respecting differing points of view, adherence to all safety precautions including labelling requirements, knowledge of the *Farm Practices Protection Act*, Strengthening Farming Program and FIRB.**

Key Messages:

- **GE Alfalfa**
 - **The Peace Region Forage Seed Association is concerned that the introduction of GE alfalfa into the Peace will result in lost marketing opportunities to countries that have zero tolerance for GE product (i.e. Europe) due to contamination of forage seed crops with GE crops**
- **Canola**
 - **BC is producing approximately 95,000 acres of canola annually with the majority grown in the Peace**
- **GE Corn**
 - **There is interest in exploring alternative crops as an adaption to climate change and more Growing Degree Days (GDD), thus supporting a larger selection of potential crop choices.**
 - **Planting of GE corn and resulting herbicide treatment during crop growth can lead to complex multi-party debate, often intertwined with emotion and misinformation.**

BACKGROUND:

s.13

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13,s.16

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

ESTIMATE NOTE- FISCAL 2017/18

Ministry of Agriculture

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

ADM Name	Name: Lori Vickers	Name: Brent Barclay
Date approved by ADM: XXX	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-787-3241	Phone: 250-614-7450
Cell:	Cell: 250-219-2715	Cell: 250-961-8490

ISSUE: Impacts of the George Massey Tunnel (GMT) replacement bridge on agriculture**SUGGESTED RESPONSE:**

- The Ministry of Agriculture recognizes that the George Massey Tunnel (GMT) replacement bridge may have impacts on agriculture.
- The Delta Farmers Institute, some Richmond farmers, and AGRI staff have been consulted in several meetings in which concerns were raised. We will continue working with the farming community in Richmond to avoid or mitigate risks of salt water intrusion.
- We encourage community members to stay engaged.

BACKGROUND:

- The project comprises a new 3.3 km bridge with 10 lanes plus two dedicated transit HOV lanes and improvements to about 24 km of Highway 99.
- Public consultation (three sessions since 2012) were completed in March, 2016. ALC approval and an *Environmental Assessment Act* certificate are in place now.
- Preparation of GMT construction works have started within the Hwy 99 right-of-way in 2017 but are on hold now.
- MOTI estimates a net gain of agricultural land of about 5 hectares by making land available which is currently part of Hwy 99 or in its right-of-way but won't be used.
- Concerns raised by producers in regard to altered drainage and access to land have been addressed in the project design.
- Farmers expressed concerns that the removal of the tunnel may allow the Port of Vancouver to dredge the Fraser River to accommodate deep-drafting vessels and that this would affect the Fraser River salt wedge.
- The "salt wedge" is a term describing the extent to which salt water moves upstream from the ocean. It is influenced by the tide and river flow rate.
- A study suggested that Fraser River water could be unsuitable for irrigation beyond the Alex Fraser bridge for the entire month of August in

years of low river flow rates even without dredging by 2100. Dredging would accelerate and aggravate that situation.

- The installation of three Fraser River water salinity monitoring stations have been commissioned and will be operational soon.
- The study and monitoring stations were commissioned by the Delta Farmers Institute and funded by the Growing Forward 2 Climate Action Initiative and the City of Delta.
- Some of the land that contributes to the calculated net gain may not be suitable for soil-based agriculture.
- Sources within MOTI indicate that even after the tunnel is decommissioned, deep dredging (20 m) will not occur for economic and engineering reasons.
- Risks of salt water intrusion further up the Fraser River are real and can have significant impacts on crop producers in Delta and Richmond who depend on the river for irrigation water.
- New locations for water intake will need to be considered in the future.
- Further concerns raised by the farming community include:
 - GMT may accelerate land development placing more pressure on farmland, and
 - Removal of the tunnel will allow for larger vessels to travel upstream and may result in farmland being required to expand the port in Richmond.

Approved by:	Prepared by: Dieter Geesing	Alternate Contact:
ADM Name: Arif Lalani	Name: Dieter Geesing	Name: Brent Barclay
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 604 556 3048	Phone: 250 614 7450
Cell:	Cell: 778 347 2074	Cell: 250 961 8490

ISSUE/PROGRAM: Grain Transportation in Northeast BC**RECOMMENDED RESPONSE:**

- **AGRI is working with industry and other agencies to improve transportation capacity for grain from Northeast BC and reduce interruptions.**

Key Messages:

- **Effective transportation options are required to facilitate the transfer of animal feed grain from Northeast BC (Peace Region) to the Fraser Valley.**
- **In late 2015, a project to assess grain transportation options from the Peace Region to the Fraser Valley was undertaken by AGRI with support from the Ministry of Transportation and Infrastructure (MOTI). A final draft has been completed with review by AGRI and MOTI staff. The following recommendations were made:**
 - **The Province should consider training sessions for producers on the current Canadian Grain Commission system for administering producer cars.**
 - **MOTI should continue with ongoing policy and procedural harmonization regarding weight restriction procedures (trucking and seasonal load limits with Alberta in the Peace Region).**
 - **AGRI should continue to work with agricultural associations on grain storage as related to emergency preparedness and risk mitigation.**
- **Grain storage is a prevalent management tool for managing risk and optimizing market opportunities in both the Peace Region and the Fraser Valley. There has been significant investment in grain storage in the Peace Region, while in the Fraser Valley many feed mills and livestock producers operate on a just-in-time delivery model.**
- **In the Fraser Valley there is insufficient storage for emergency preparedness purposes.**

BACKGROUND:

- Record grain production in the 2013/2014 season revealed challenges in the rail transportation system's ability to move grain to market.
- Significant shortages in feed grain were experienced during December 2013 to March 2014. This was due in part to limited rail capacity and a reliance on continual supply by the Fraser Valley feed mills.
- Freight costs are an important decision making variable for grain farmers and feed mills.
- The BC Grain Producers Association (BCGPA) and the BC Peace River Grain Development Council (BCPRGDC) are active industry groups involved in regional, provincial and national issues.
- The BCGPA research program has been running for 25 years, doing variety trials, new crop development and agronomy work in the region.
- The BCPRGDC collects levies that are used for projects and initiatives that benefit the whole industry.
- Production strengths for BC Peace growers include the oil content in canola that is consistently higher than other regions; a large affordable land base; and the absence of many diseases and pests common to other grain producing regions.
- There are approximately 300 BC producers in the Grains and Oilseeds sector, 191 of which are in the Peace Region and account for over 80% of the acreage and production for export.
- There are approximately 380,000 acres of land in annual grains and oilseed production in BC. Of this area, over 80% is in the Peace region. The remaining land is primarily distributed in the Nechako, Cariboo and Kootenay Regional Districts.
- The area allocated to BC's main field crops is: wheat 22%, canola 20%, oats 14%, barley 12%, and dry peas 10%.
 - In the Peace Region, these crops are produced on a large scale and mostly for export.
 - The Nechako, Cariboo and Kootenay regions use many of these crops, particularly barley and oats, for local uses such as livestock feed. Very little is harvested for export.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Staff time including the Grains and Oilseed Industry Specialist [0.5 FTE is vacant], as well as policy analysts, Regional Agrologists, Plant Health staff and Business Risk Management Staff totals approximately 1-2 FTEs.

Approved by:	Prepared by:	Alternate Contact:
ADM Name	Name: James Street	Name: TJ Schur
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-356-6373	Phone: 250 387-7183
Cell:	Cell: 778 - 678 -0267	Cell: 250 812-1214

ISSUE/PROGRAM: Greenhouse Carbon Tax Relief Grant Program**RECOMMENDED RESPONSE:**

- **The Greenhouse Carbon Tax Relief Grant Program (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 170 B.C. commercial greenhouse vegetable, floriculture, wholesale and forest seedling operations. It returned to operators approximately \$7.7 million in 2017.**

BACKGROUND:

- The Greenhouse Carbon Tax Relief Grant Program (GCTRGP) supports the provincial greenhouse industry which needs CO₂ and purposefully produces it for plant growth. The program enables B.C. producers to remain competitive with producers in other jurisdictions not subject to a carbon tax.
- The GCTRGP returns to eligible producers 80 per cent of the carbon tax paid (in the previous calendar year) on propane and natural gas utilized for heating and CO₂ production.
- To qualify for a grant, a person must be an eligible British Columbia commercial greenhouse operator and submit a completed application form and required documentation to the Ministry of Agriculture.
- Government has committed to raise the carbon tax by \$5 per year over the next five years and the implications and options for the GCTRGP are currently being assessed so that the program remains positive for industry and sustainable for the Province.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The GCTRGP returned approximately \$7.7 million to commercial greenhouse operators in 2017. This represents an increase of approximately \$0.6 million over the previous year, which is attributable to a colder than normal spring and fall (in 2016).

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Julia Diamond	Name: Colleen Colwell
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 250-208-9909	Phone: 250-356-5346
Cell: 250-208-9902	Cell: 250-208-9909	Cell: N/A

ISSUE: Five-Year Hazelnut Revitalization Program**RECOMMENDED RESPONSE:**

- In August 2017, the Minister met with the B.C. Hazelnut Growers Association (BCHGA) to discuss the potential of a five year hazelnut revitalization program.
- The program need is supported in the Premier's mandate letter which directs: "Establish Grow B.C. to help young farmers access land, and support fruit and nut growers and processors to expand local food production."
- Eastern Filbert Blight (EFB) caused the collapse of B.C. hazelnut production, from 1.1 million lbs. in 2013 to 29,000 lbs. in 2016.
- Replacement of older hazelnut varieties by newer EFB resistant varieties is critical to the future of the B.C. hazelnut industry.
- Adoption of EFB resistant varieties has been impeded by a CFIA imposed ban on importation of hazelnut planting stock/material from Oregon that has recently been lifted.
- Hazelnuts are a small but important crop which is part of the developing agritourism industry in the Fraser Valley.
- The Minister asked BCHGA, to provide her with a plan/proposal for a Hazelnut Revitalization Program in September. Ministry staff assistance has been offered to BCHGA to develop this plan/proposal.

Page 249

Withheld pursuant to/removed as

s.13

ISSUE/PROGRAM: Nitrate Contamination of Hullcar Aquifer**RECOMMENDED RESPONSE:**

- The 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 Ministry of Agriculture is taking action on many fronts. Current initiatives include participation on the Interagency Working Group for the Hullcar Aquifer, completion of research and nutrient monitoring studies, delivery of targeted funding to support education and implementation of beneficial management practices.
- The ministry has implemented an expanded nutrient management program to support increased nutrient management demonstration trials, improved nutrient management calculation tools and targeted funding to the sector to implement beneficial management practices that will promote better nutrient management.
- The Province is conducting a new review of the Hullcar Aquifer to ensure agricultural practices are consistent with the provision of clean, safe drinking water.
 - The review will look at actions taken to-date with respect to curbing nitrate pollution in the Hullcar Aquifer, as well as examine current agricultural practices and regulations in place.
 - The review is expected to provide forward-looking recommendations that help inform best practices for the agricultural sector and improvements to regulations and practices that can be applied province-wide.
- 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 waste.

BACKGROUND:

- Nitrate levels have consistently exceeded water quality guidelines from March 2014 to present with respect to the Hullcar aquifer which is a drinking water source for the Hullcar Valley. There are 53 residents connected to the Steele Springs Water District (SSWD), 22 independent well users, and the Splat sin First Nation which all rely on the aquifer for drinking water.
- A combination of factors is likely affecting the Hullcar aquifer, but agriculture has been identified as the primary cause.
- Hullcar community (including Township of Spallumcheen, Splat sin First Nation, SSWD, and Save Hullcar Aquifer Team) would like to see more government action in the community.
- An inter-agency working group (AGRI Co-Chairs) with representation from Ministry of Environment, AGRI, Forests, Lands & Natural Resource Operations, Indigenous and Northern Affairs Canada, Interior Health Association and Splat sin First Nation are working together to resolve the issue.
- In March, 2017, the Province provided \$950K to help ensure the residents have safe drinking water.
 - \$300K is being managed by the Agricultural Research and Development Corporation (ARDCorp) to cover the costs of a community liaison consultant and to assist the agricultural community in developing Nutrient Management Plans and Action Plans
 - \$650K is being managed by the Fraser Basin Council. \$300K is to be used to develop an alternative water supply for the Steele Springs water district; \$50K to be used for at-tap nitrate conversion for private well owners; and \$300K to be allocated for infrastructure and water protection for the Splat sin
- 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 (BMP) 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.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The EFP Program, a Growing Forward 2 funded program, has provided \$6.9 M cost-share funding towards on-farm infrastructure to support environmental sustainability.
- The Ministry has committed \$400K in 2017/18 towards its nutrient management program.
- The Ministry has committed \$300K in 2017/18 that supports targeted efforts to improve the drinking water quality in the Hullcar aquifer.

Approved by:	Prepared by:	Alternate Contact:
ADM Arif Lalani	Name: Mark Raymond	Name: David Poon
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 604-556-3107	Phone: 604-556-3098
Cell: 250-208-9902	Cell: 604-226-7226	Cell: N/A

CLASS E PILOT PROJECT (REGIONAL DISTRICT OF NORTH OKANAGAN)**RECOMMENDED RESPONSE:**

- **Two licenses were issued in 2013 for the Regional District of North Okanagan Class E Pilot Project: one for red meat, and one for poultry.**
- **License applicants were required to adopt a new Code of Practice, complete training in humane slaughter best practices, and participate in an evaluation of the pilot project.**
- **An interim evaluation of the pilot project included discussions with all five participants, including those who chose not to proceed with the licensing process.**
- **The evaluation also included: site inspections; review of all necessary records and information related to practices, sales, and product distribution; implementation of the Code of Practice; and animal welfare and humane slaughter practices training**
- **The goal of the project was to examine: the feasibility of expanding Class E licences with additional food safety and animal welfare requirements for license holders; and the impact of these Class E licensed facilities on existing abattoirs in the region.**
- **The pilot project is now concluded and a final review is underway.**
- **The final review will consider recommendations of both the earlier interim evaluation and those of a final joint review by AGRI and Interior Health Authority.**

BACKGROUND:

- Class E licences support local livestock and meat production in remote and rural communities where existing slaughter capacity is limited or non-existent.
- Class E licence holders are permitted to slaughter on-farm and sell restricted amounts of uninspected meat at their farm gate and at temporary food markets.
- On February 22, 2013, the BC Government announced a two-year Class E pilot project (Pilot) in the Regional District of North Okanagan (RDNO)
- Five Class E licences were made available for the Pilot. Only one applicant in RDNO completed the licensing process. A second licence was issued to an applicant outside RDNO in order to ensure the project collected enough information to be meaningful.
- Interior Health Authority (IHA) managed the Pilot in partnership with AGRI.
- The interim review recommended that a new Code of Practice and training in humane slaughter should be mandatory for all Class D and E licences. Basic knowledge and skills in these areas—particularly in humane slaughter—were lacking for the applicants in the Pilot.
- There does not appear to be a lack of slaughter capacity in the RDNO, and such claims may be perceived rather than factual as evidenced by the low number of applications for the Pilot. One was accepted from outside the region so that the Pilot was fully subscribed.
- AGRI and IHA staff met in June 2017 to discuss the conclusion of the Pilot and preparations are underway to brief the Minister.
- Since the launch of the Pilot, two new Class A facilities opened in RDNO (both poultry, one in Armstrong and one in Vernon).
- There are a total of 14 Class A and B establishments in the area, making it one of the best serviced areas in the province for slaughter capacity.

Approved by:	Prepared by:	Alternate Contact:
ADM Name James Mack	Name: Diana Edwards	Name: Gavin Last
Date approved by ADM: XXX	Branch: Food Safety & Inspection	Branch: Food Safety & Inspection
Phone:	Phone: 250-356-1833	Phone: 250-387-3195
Cell:	Cell:	Cell: 250-889-2233

BC MEAT INSPECTION PROGRAM OVERVIEW**RECOMMENDED RESPONSE:**

- On Jan. 1, 2014, British Columbia fully implemented a new provincial meat inspection system.
- Consumer safety is paramount. British Columbians can be confident that their provincial meat inspection system is continuing to support the highest standards of food safety.
- Consultation with communities, producers, health agencies and ranchers led to maintaining a traditional system with meat inspection by government inspectors.
- The program has received strong support from B.C.'s Provincial Health Officer, the B.C. Cattlemen's Association, the Association of BC Abattoirs, and the BC Food Processors Association.
- The B.C. Meat Inspection Program has been running successfully since implementation and consumers can continue to enjoy B.C. meats with full confidence.
- The Ministry of Agriculture has about 50 employees who conduct inspection duties at provincially licensed Class A and B abattoirs.
- B.C. government Meat Inspection Program staff also provides information to support applicants in meeting licensing requirements in the abattoir licensing process.

BACKGROUND:

- As of January 1, 2014, BC Government implemented a traditional meat inspection system where a meat inspector must be present for a licensed abattoir to operate. Every animal and every carcass is inspected to support best practices in animal welfare and animal handling and the highest standards of food safety.
- There are 64 provincially licensed abattoirs, with 37 licensed for red meat and 32 for poultry (several facilities are licensed for both).
- These range in size from very small where a few hundred animals are slaughtered to larger operations that may process up to 10,000 chickens in a year.
- The Meat Inspection Program has the ability to support operators and the industry to address slaughter capacity in their local communities.
- The Meat Inspection Program currently has about 50 staff that work in a union environment. The staff is supported by regional supervisors distributed over four regions; Vancouver Island; Lower Mainland; Interior and Northern BC.
- A Meat Hygiene Veterinarian supports the meat inspection staff to make dispositions on animals and carcasses based on the best practices and evidence.
- The sector has been growing since the Province implemented the BC Meat Inspection Program. In 2015 four new Class A abattoirs were licensed; two in the Kootenays and two in the Interior.
- Ten new Class A and B licenses were issued in 2016/17.
- The Program places a priority on continuous improvement and is always looking for opportunities to provide high quality cost efficient meat inspection services across the Province.

CROSS JURISDICTIONAL COMPARISON:

- All provinces now have provincially operated meat inspection systems and the majority has traditional meat inspection systems in place.
- BC collaborates with Saskatchewan, Alberta and Manitoba to continue developing the BC Meat Inspection Program based on current evidence and best practices.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

Budget (\$ millions)

2013/14	2014/15	2015/16	2016/17	2017/18
6.6	5.67	5.67	5.61	

Approved by:	Prepared by:	Alternate Contact:
ADM Name James Mack	Name: Diana Edwards	Name: Gavin Last
Date approved by ADM: XXX	Branch: Food Safety & Inspection	Branch: Food Safety & Inspection
Phone:	Phone: 250-356-1833	Phone: 250-387-3195
Cell:	Cell:	Cell: 250-889-2233

SLAUGHTER CAPACITY IN BRITISH COLUMBIA**RECOMMENDED RESPONSE:**

- **British Columbians can be confident that their provincial meat inspection system is continuing to support the highest standards of food safety.**
- **There are 64 provincially licensed Class A and B abattoirs situated in communities across British Columbia. Of those, 47 are Class A abattoirs that are permitted to do further meat processing and 17 are Class B licenses with slaughter only services provided.**
- **B.C.'s meat processing sector is growing, and the Ministry of Agriculture is working with operators to make that happen.**
- **In 2016/17, five new Class A and five new Class B licenses were added.**
- **The Ministry is actively working with operators and applicants to support cost effective and innovative slaughter capacity solutions.**
- **For example, a food grade shipping container was successfully converted to a provincially licensed Class A poultry abattoir in only six weeks.**
- **We have 50 highly trained meat inspection staff who are dedicated to maintaining the highest standards in animal welfare and food safety and are scheduled to support the demand for inspection at all times, including when demand is highest during peak slaughter times.**

BACKGROUND:

- There are 64 provincially licensed Class A and B abattoirs situated in communities across British Columbia. Of those, 47 are Class A abattoirs that are permitted to do further meat processing and 17 are Class B licences with slaughter only services are provided.
- Four new Class A provincial slaughter licenses were issued in 2015. Two of the licences were formerly Class E licence holders in rural communities in the Kootenays. The two remaining licences were issued in Salmon Arm and Armstrong.
- Ten Class A and B provincial slaughter licenses were issued in 2016/17. Two Class A and four Class B licenses were issued in the Interior region, two Class A and one Class B were issued in the Lower Mainland region, and one Class A was issued in the Northern region.
- A food grade shipping container in Armstrong was successfully converted to poultry slaughter establishment from application to operation within 6 weeks.
- There has been growth in demand for hog and sheep slaughter while cattle and poultry have remained fairly stable.
- There is some evidence that the poultry specialty market (e.g. organic or local) is growing as smaller abattoirs are increasingly active.
- In communities where slaughter capacity is an issue and a provincially licensed abattoir either cannot process animals or does not have the capacity to process a particular species, producers can apply to Regional Health Authorities for a Class E license. A feasibility study is required as a preliminary step.
- In rural and remote communities in designated regions of the Province, a producer can apply for a Class D or Class E licence to Regional Health Authorities. The Ministry of Agriculture has delegated authority to Health Authorities for licensing and managing these on-farm slaughter licences in rural and remote communities.
- The Meat Inspection Program has one Enforcement Officer (EO) who responds to complaints of unlawful slaughter in the province. The EO uses a graduated enforcement approach with the goal being to help unlawful and unlicensed operators to understand the requirements for becoming properly licensed.

CROSS JURISDICTIONAL COMPARISON:

- All provinces have a provincially operated meat inspection system to protect public health and ensure that safe meat products are available to consumers.
- BC collaborates with Saskatchewan, Alberta and Manitoba to continue improving the BC Meat Inspection Program based on current evidence and best practice.

Approved by:	Prepared by:	Alternate Contact:
ADM Name James Mack	Name: Diana Edwards	Name: Gavin Last
Date approved by ADM: XXX	Branch: Food Safety & Inspection	Branch: Food Safety & Inspection
Phone:	Phone: 250-356-1833	Phone: 250-387-3195
Cell:	Cell:	Cell: 250-889-2233

North American Free Trade Agreement (NAFTA) Negotiation**RECOMMENDED RESPONSE:**

- **The U.S. is B.C.'s top export market, in 2016 accounting for 71.4 percent of all exports.**
- **The Province is working to ensure that the needs of the BC agrifood and seafood sector is represented in the NAFTA negotiations.**
- **We understand the three key agriculture priorities of wine, dairy and grain have been identified by the U.S.**
- **We are working to ensure that all sectors continue to have fair access to markets and trade conditions between Canada and with the United States (U.S.) and Mexico are key parts of sustaining B.C.'s agriculture and food sector.**
- **BC believes that that supply managed sector including dairy is important to B.C. with this sector representing approximately 40 percent of agriculture farm cash receipts.**
- **The Province continues to consult with the agriculture and seafood sector stakeholders on their priorities.**

BACKGROUND:

- In June 2016, as part of his campaign, U.S. President Donald Trump criticized the effect that NAFTA has had on the U.S. economy and said that as president he would pull the U.S. out of the agreement. In April of 2017, President Trump said that he was open to renegotiating NAFTA instead of terminating it. In August 2017, renegotiation of NAFTA began in Washington between the U.S., Canada and Mexico. Six more rounds of negotiations are scheduled before the end of this year.
- NAFTA came into force on January 1, 1994, and eliminated nearly all barriers to trade and investment between the U.S., Canada and Mexico, as well as eliminating non-tariff trade barriers and protecting the intellectual property rights on traded products. Since NAFTA was implemented in 1994, Canadian agricultural exports to the U.S. have grown by 10 percent on an annual basis.
- The U.S. is B.C.'s top export market, in 2016 accounting for 71.4 percent of all exports and \$2,738.9 million (an increase of 7.8 percent from 2015). The top B.C. products exported to the U.S. include farmed Atlantic salmon, baked goods and cereal products, food preparations for manufacturing and natural health products, blueberries, mushrooms and chocolate and cocoa preparations. In addition, in 2016, 44 percent (\$17.9 million) of B.C.'s dairy exports went to the U.S.
- International trade policy, including the negotiation of international trade agreements, is a federal responsibility. However, with regular face to face Federal-Provincial-Territorial trade consultations, provinces can help shape federal negotiating positions in areas of concern to them. Within B.C., federal-provincial engagement on international trade issues is primarily led by the Ministry of Jobs, Trade and Technology (JTT), often in consultation with other ministries.
- AGRI is participating on an inter-ministry working group to identify and develop BC negotiating priorities.
- The U.S. NAFTA negotiating objectives identified dairy, wine and grain as areas that they would like to change in the current agreement.
- The federal government declares that the Canadian supply managed system in the dairy sector works, and that they will defend it in any trade negotiations.

s.13,s.16,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name	Name: Thom Dennett	Name: Larry Neilson
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL

Phone:	Phone: 250 356 1671	Phone: 250 387 7172
Cell:	Cell:	Cell:

s.13,s.16

ISSUE/PROGRAM: New Pest, Grey Tortrix Moth, impacting producers in the Nechako Region**RECOMMENDED RESPONSE:**

- **An invasive species of moth newly reported in Fort Fraser area, is a pest of alfalfa that has negatively impacted a number of forage/livestock producers in area. This issue could become ongoing if the species overwinters.**
- **Provincial staff engaged with Agriculture and Agri-Food Canada (AAFC) to identify the unknown pest and confirmed presence of Grey Tortrix Moth which is new to area. AGRI staff shared management information with area producers as soon as the identification was confirmed. Limited management options were available for the current growing year by the time this information was received.**
- **The Provincial Technical Drought Working Group, including AGRI staff, is monitoring drought conditions across the province. As of August 17, 2017 the affected area (Upper Fraser West) is rated as Drought Level 2.**
- **In addition to moisture levels, other factors are negatively impacting area crops including winter kill and grasshoppers, both historically uncommon in area. Overall supply of forage in the area is anticipated to be lower than average.**
- **Impacted producers may not have sufficient winter feed for their livestock, this may lead to premature sale of portions of breeding herds. This could represent an additive impact to the beef sector already impacted by the 2017 wildfire season.**
- **AGRI staff are exploring options to support impacted producers including how existing programs e.g. Livestock Tax Deferral Provision may apply to area farmers/ranchers as well as considering how to respond to the cumulative impacts to the beef/forage sector in 2017.**

BACKGROUND:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Lavona Liggins	Name: TJ Schur
Date approved by ADM: XXX	Branch: Sector Development Branch	Branch: Sector Development Branch
Phone:	Phone: 250-614-7438	Phone: 250-812-1214
Cell:	Cell: 250-565-5280	Cell: 250-387-7183

ISSUE: AGRI Support for New Entrants/Beginning Farmers**RECOMMENDED RESPONSE:**

- **The Ministry of Agriculture provides farmers with advice, support and expertise - whether that's in starting a farm, running their business, or succession planning.**
- **Attracting the next generation of farmers and providing supports to set them up for success is vital for the future of agriculture.**
- **That's why the Ministry supports New Entrants through:**
 - **A New Entrant Agrologist who provides support to and develops resources and programs for new entrants.**
 - **A New Entrant Strategy designed to improve New Entrant's access to knowledge, land, and capital.**
 - **The Farm Business Advisory Services program that provides professional business advisory service to new farmers.**
 - **Resources such as The New Farm Start Up workbook, Growing Your Farm workbook, and The Guide for Agriculture Lease Agreements in B.C. guidebook.**
 - **Succession Planning Workshops for exiting producers and their families.**
 - **Food Processing Workshops (2-day sessions) focusing on marketing, cost of production, regulations, food safety, and human resources.**
 - **Agriculture Land Leasing Workshops focusing on assisting land owners and those interested in leasing land.**
- **The success of beginning farmers is often linked to their ability to secure land and to develop their individual business plans. That is why the Ministry continues to invest resources and dollars in farm business management and new entrant programming, including more than \$850,000 in 2015/16.**

Background:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Emma Holmes	Name: Shawn Halter
Date approved by ADM:	Branch: SDB	Branch: SDB
Phone :250 356-1122	Phone: 604 556-3057	Phone: 604 556-3086
Cell:	Cell:	Cell:

ISSUE/PROGRAM: Nutrient Management**RECOMMENDED RESPONSE:**

- **Our government is committed to supporting an environmentally sustainable agriculture sector.**
- **The Ministry continues to invest in research and on the ground efforts to support Environmental Sustainability through improved nutrient management practices.**
- **Ministry staff are implementing an expanded Nutrient Management Program to support increased nutrient management demonstration trials, improved nutrient management calculation tools and targeted funding to the sector to implement beneficial management practices that will promote improved nutrient management.**
- **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 waste.**
- **As part of the Agricultural Waste Control Regulation Review, (AWCR) the Ministry has been supporting the agriculture industry working group, consisting of industry sector representatives, the BC Agriculture Council and the Ministry of Environment. The aim is to ensure that groundwater and surface water quality, air quality and cumulative impacts from agricultural activities are being addressed will allowing the sector to remain competitive. .**
- **Staff are also fully engaged in supporting the recently announced review of the Hullcar Aquifer that aims to ensure agricultural practices are supporting the protection of clean, safe drinking water.**

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Mark Raymond	Name: David Poon
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 604-556-3107	Phone: 604-556-3098
Cell: 250-208-9902	Cell: 604-226-7226	Cell: N/A

ISSUE/PROGRAM: PROPANE CANNONS**RECOMMENDED RESPONSE:**

- **The Ministry of Agriculture acknowledges the problems caused by propane cannons. Farmers have largely made a sincere effort to be good neighbours and utilize cannons in a responsible manner.**
- **The B.C. Blueberry Council (BCBC) has been very effective in responding to noise complaints from neighbours about propane cannons and directly assisting growers to follow the guidelines. Part of BCBC's efforts have included proactive outreach to new growers in sensitive areas.**
- **Farms necessarily 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 practices.**
- **The majority of the highest producing farmland in B.C. is in the same area where most British Columbians live – the Lower Mainland and Okanagan.**
- **We are working with local governments, producers and associations to encourage neighbours to understand and value the benefits farming brings to their communities and public awareness of the farming lifestyle and activities before they move into an agricultural area.**
- **About 20,000 family farms provide healthy local food to B.C. families. The agrifood sector provides stable jobs and revenue, and supports strong and diversified communities.**
- **We need to support B.C. producers, not only for the fresh and healthy foods they provide us, but because the agrifoods industry is a job-creator and an integral part of B.C.'s economy.**
- **People aggrieved by noise or other disturbances resulting from a farm practice may also file a formal complaint with the B.C. Farm Industry Review Board.**

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name	Name: Chris Zabek	Name: Karina Sakalauskas
Date approved by ADM: XXX	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 604-556-3045	Phone:604-556-3056
Cell:	Cell:	Cell:

ISSUE/PROGRAM : Tree Fruit Replant Program**RECOMMENDED RESPONSE:**

- In November 2014, the Province of British Columbia announced an \$8.4M Tree Fruit Replant Program to replant approximately 1,600 acres over 7 years. Subsequent funding of \$1 million has been added to the program.
- The Tree Fruit Replant Program need was identified by government in consultation with B.C. tree fruit growers and industry associations such as the B.C. Fruit Growers Association (BCFGA), B.C. Tree Fruit Cooperative and various independent packers.
- Replanting to high value fruit varieties is critical to the future of the B.C. tree fruit industry. The industry needs to continuously remove less profitable varieties and replant more profitable varieties. Good examples currently are the market acceptance of Ambrosia apples and Summerland created cherry varieties.
- The tree fruit industry in B.C. has enjoyed improved quality and quantity of fruit production over the last number of years. This improvement in the industry has translated to annual increases in tree fruit GDP. Currently tree fruit GDP is as high as it has ever been with more plantings coming on line annually.
- Government has supported the tree fruit industry by providing incentive funding for replant for many years. Under the previous replant program, 170 tree fruit growers were approved to replant 528 acres in 2013 and 2014. The current 7 year program targets encouraging 100 growers/year to remove and replant 200 acres of tree fruits annually.

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Carl Withler	Name: TJ Schur
Date approved by ADM: XXX	Branch: Indsutry Development	Branch: Industry Development
Phone:	Phone:250 861 7229	Phone: 250 387 7183
Cell:	Cell:250 878 9053	Cell:

AGRICULTURE WILDLIFE PROGRAM AND THE WILDLIFE DAMAGE MITIGATION INITIATIVE

RECOMMENDED RESPONSE:

- **The Agriculture Wildlife Program (AWP) has been in place since 2008 to compensate producers for losses due to wildlife and is viewed by farmers and ranchers as an important tool to address issues of wildlife damage to their crops and livestock.**
- **The AWP has historically focused only on compensation but the Ministry is shifting to include prevention and mitigation strategies as well.**
- **The Ministry developed the Wildlife Damage Mitigation Initiative in 2013 as a formative step towards the Ministry's goal of preventing and reducing adverse interactions between wildlife and agriculture in the first place.**
 - **Under this initiative, the Ministry shares the cost of funding mitigation and prevention activities with producers who have persistently large losses in order to reduce the loss and the 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 and cattle producers for non-insurable losses to crops and cattle caused by designated wildlife.
- The AWP is accessed by up to 600 producers each year.
- The AWP allows for payment of up to 80 percent of verified losses caused by designated wildlife (primarily ungulates, waterfowl and predators) to forage, grain crops, and cattle. Program costs are shared by the federal government, under the 2013 Growing Forward 2 Agreement (GF2).
- The AWP was developed with input and support from the BC Cattlemen's Association (BCCA), BC Grain Producers Association, BC Forage Council and the Ministry of Environment.
- 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 GF2 requirements to provide mitigation initiatives in order to gain federal cost-sharing of AWP compensation payments.
- In 2016/17, an inter-ministry team from AGRI, FLNR, and MoE gathered input from producers and other stakeholders on how to improve current programs and policies with regard to the issue of agriculture wildlife conflict. A report summarizing the results and proposed actions has been presented to the Environmental Land Use Committee.
- The Conservation Officer Service verifies predator caused deaths and injuries and provides predator control and mitigation services to farmers.
 - As of 2016/17, the BCCA provides verification, predator control, and mitigation services for problem wolves and coyotes to cattle and sheep producers.

CROSS JURISDICTIONAL COMPARISON:

- Alberta compensates up to 100 percent of verified losses; payments in excess of 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.
- While other jurisdictions compensate for numerous livestock types, B.C. currently compensates only cattle producers for predation. The BC Sheep Federation are advocating for the inclusion of sheep under AWP.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Payments in fiscal 2016/17 are \$3.5 million, mainly due to above average forage replacement costs due to drought.
- \$300,000 is budgeted annually for the WDM initiatives.

Approved by:	Prepared by: <i>(the person who wrote the note)</i>	Alternate Contact:
ADM Arif Lalani	Name: Tim Pigg	Name: Byron Jonson
Date approved by ADM:	Branch: Business Risk Management	Branch: Business Risk Management
Phone: 250 356-1122	Phone: 250 861-7505	Phone: 250 861-7200
Cell:	Cell: 250 826-8477	Cell: 250 826-8533

AGRISTABILITY

RECOMMENDED RESPONSE:

- **AgriStability is a federal/provincial program designed to provide income stability to agricultural producers who experience large margin declines caused by production loss, increased costs or market conditions. It provides a tool to help manage large margin declines at the whole farm level.**
- **AgriStability program payments to B.C. producers totaled \$194 million dollars for the period of 2007 to 2015.**
- **Upon the expiration of the Growing Forward 2 (GF2) agreement, the new agreement, Canadian Agricultural Partnership (CAP), will continue to provide producers an enhanced and robust suite of Business Risk Management programs, of which AgriStability is one.**
- **The AgriStability program enhancements being contemplated under the next risk management policy agreement, CAP, are aimed at addressing concerns expressed about the current design.**

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 loss, and increased costs of production.
 - Short-term large income losses are mitigated by AgriStability while allowing adaptation to 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 currently enabled by the Growing Forward and Growing Forward 2 (GF2) agreements. GF2 expires March 2018. AgriStability will continue under the Canadian Agriculture Partnership (CAP) agreement, 2018-2023.
- Under CAP (AgriStability from 2018 to 2023), AgriStability will have some changes. For example:
 - The Reference Margin Limits (RML) will be buffered to ensure the producers' level of support will be at least 70 percent of their reference margin. (Under GF2, the RML support was limited to either: the lower of their historical reference margin or the average of their allowable expenses).
 - A late participation mechanism has been added that provincial and territorial governments can trigger to allow producers to enter the program late in situations where there is a significant income decline. The mechanism will only be triggered in response to significant events and benefits will be reduced by 20 percent for producers who enroll late, to encourage regular annual enrollment.

CROSS JURISDICTIONAL COMPARISON:

- AgriStability is available Canada-wide. It is delivered by provincial administrations in British Columbia, Alberta, Saskatchewan, Ontario, Quebec and Prince Edward Island. Agriculture and AGRI-Food Canada provide the administration for other provinces.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Annually, approximately 2,100 British Columbia farmers are enrolled in the AgriStability program.
- Program costs are shared 60 percent by Canada, 40 percent by British Columbia.
- Due to many expense and revenue variables beyond a producer's control, payments can significantly vary from year to year.
 - 2016 program year payments are currently being processed and estimated to be \$5 million dollars.
 - 2017 payments are currently forecasted to be over \$5 million dollars.

-
- British Columbia's share of program costs (program payments and administration costs) for the AgriStability program is paid for from the Agriculture Income Stabilization Trust. This trust is specifically designed and is funded adequately enough to handle annual fluctuations in agricultural production.

Approved by:	Prepared by: (the person who wrote the note)	Alternate Contact:
ADM Name: Arif Lalani	Name: Gary Flaten	Name: AJ Gill
Date approved by ADM:	Branch: Business Risk Management	Branch: Business Risk Management
Phone: 250 356-1122	Phone: 250 861-7468	Phone: 250 861-7297
Cell:	Cell:	Cell: 250 215-2589

BC Bred Heifer Association Loan Guarantee Program BC Feeder Association Loan Guarantee Program

RECOMMENDED RESPONSE:

- **The BC Bred Heifer Association Loan Guarantee Program (BHALG) and the BC 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 continues to work with the BC Breeder and Feeder Association (BCBFA) to align the program to current economic realities and member needs. Association loan limits were increased in 2016 from \$54 million to \$68 million to recognize the increased cost of purchasing cattle.**
- **Since 1990 the program has supported sector associations and members to purchase over 650,000 cattle for a total value of over \$276 million.**

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by: <i>(the person who wrote the note)</i>	Alternate Contact:
ADM Name: Arif Lalani	Name: Kevin Schmidt	Name: Byron Jonson
Date approved by ADM:	Branch: Business Risk Management	Branch: Business Risk Management
Phone: 250 356-1122	Phone: 250 861-7537	Phone: 250 861-7200
Cell:	Cell: 778 214-5089	Cell: 250 826-8533

BUSINESS RISK MANAGEMENT OVERVIEW

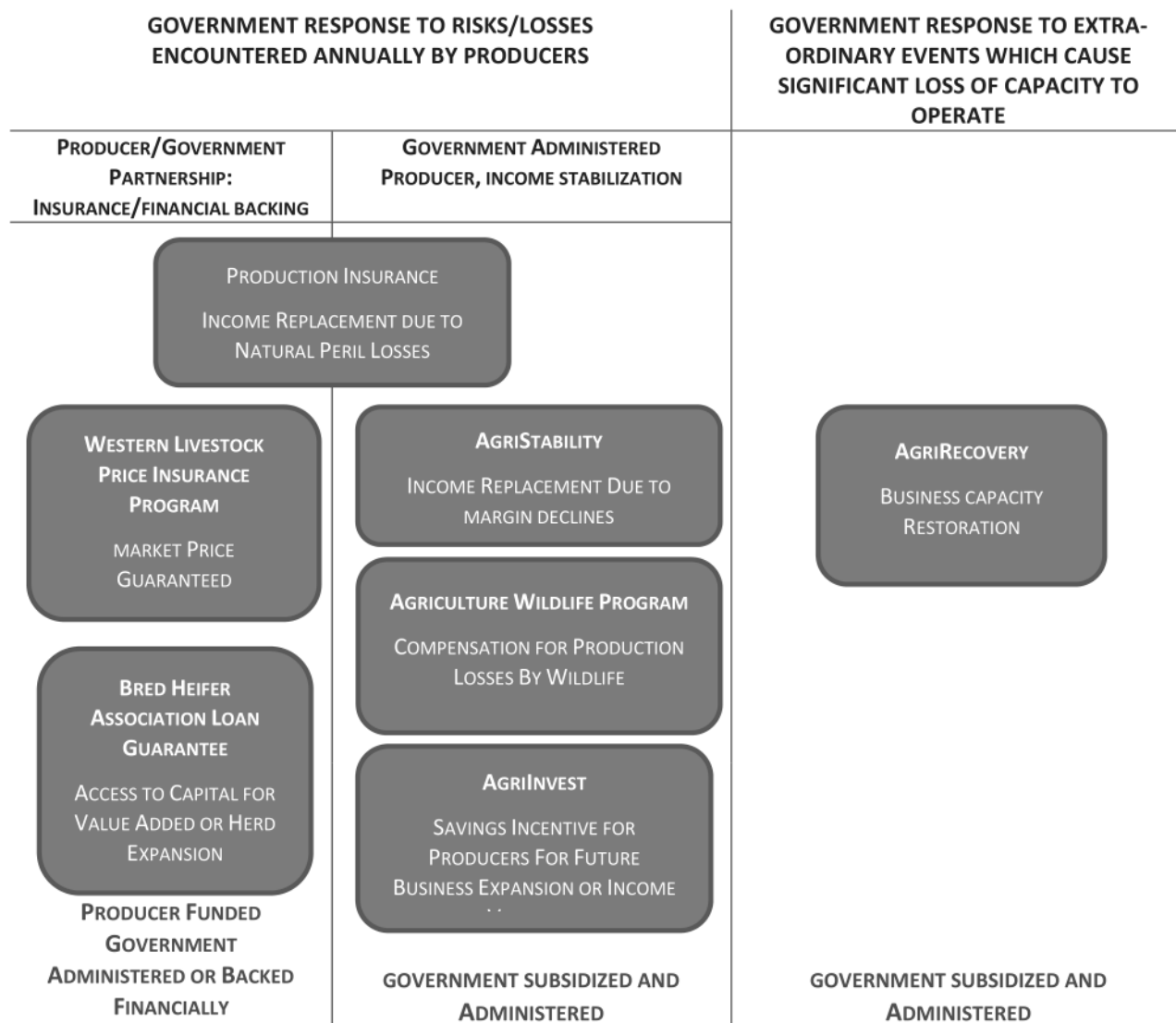
RECOMMENDED RESPONSE:

- **Business Risk Management 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 continues to support these programs through the Growing Forward 2 (GF2) Agreement which shares the costs with Canada. (60 percent Canada / 40 percent British Columbia)**
- **GF2 will end March 31, 2018. The Canadian Agricultural Partnership (CAP) Agreement will replace the Agreement on April 1, 2018.**
- **In 2016, program payments were less than normal due to reasonable growing conditions and relatively stable commodity prices. Payments will increase substantially in 2017 due to wildfires.**

BACKGROUND:

- Business Risk Management (BRM) programs are cost-shared with Canada under the Growing Forward 2 Agreement. Producers contribute some of the costs with the remaining costs covered on an approximately 60 percent Canada / 40 percent British Columbia basis.
- The current Growing Forward Agreement expires March 31, 2018.
 - Negotiations with Canada and the other provinces are almost complete for the next Agreement called the Canadian Agricultural Partnership Agreement.
 - A national review to evaluate program effectiveness of BRM programs will begin under the next Agreement.
- The Business Risk Management Branch (BRMB) is responsible for the development and delivery of Production Insurance, Agriculture Wildlife Program, AgriStability, AgriInvest, AgriRecovery and the Western Livestock Price Insurance (WLPIP) programs
 - WLPIP 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.

	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.
Western 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 enabling farmers to return to full production; support is restricted to extraordinary costs required to return farms to production.
AgriInvest	A savings account program that enables producers to have the flexibility to use the funds to cover small margin declines or for risk mitigation and other investments.

BUSINESS AND FINANCE RISK / LOSS PROGRAMMING**CROSS JURISDICTIONAL COMPARISON:**

- All provinces offer the same suite of Business Risk Management programs to their farmers.
- B.C. delivers programs in a Branch of the Ministry of Agriculture. All other jurisdictions deliver the programs through Crown Corporations, Special Operating Agencies or Commissions.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The total Provincial budget in 2016/17 for the Business Risk Management Branch was \$23.2 million for program expenditures and administration.

BUSINESS RISK MANAGEMENT BRANCH BUDGET ***,000 FISCAL 2017**

	AgriStability	Production Insurance	Wildlife Damage Compensation	Western Livestock Price Insurance	Wildlife Mitigation	Other AgriRisk	TOTAL BRMB BUDGET
FTE (Full Time Equivalents)	39	39	8	1			87
Salaries and Benefits	2,667	2,874	564	81			6,186
Operating Expenses	488	802	402	125		200	2,017
Transfer to Income Stabilization Trust	11,401						11,401
Transfer to Production Insurance Account		8,800					8,800
Wildlife compensation payments			3,150		300		3,450
Expense Recoveries	-3,155	-2,685	-2,562	-134		-120	-8,656
TOTAL	11,401	9,791	1,554	72	300	80	23,198

*Table shows only Provincial share of budget expenditures. Excluded is the Federal and Producer related premium expenditures of the AgriStability (\$6.7M), AgriInvest (\$1.9M), and Production Insurance programs (\$19.5M).

- Production Insurance claims are paid from the Production Insurance Special Account.
- AgriStability and AgriInvest payments and administration costs are paid from the Agriculture Income Stabilization Trust.
- Agriculture Wildlife compensation payments are expensed within the Ministry of Agriculture budget.
- There are 82 full-time equivalents.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Byron Jonson	Name: Lonny Steward
Date approved by ADM:	Branch: Business Risk Management	Branch: Business Risk Management
Phone: 250 356-1122	Phone: 250 861-7200	Phone: 250 861-7204
Cell:	Cell: 250 826-8533	Cell:

PRODUCTION INSURANCE PROGRAM DELIVERY

RECOMMENDED RESPONSE:

- **Production Insurance offers protection against crop losses due to naturally occurring perils such as; hail, spring frost, excessive rain, flood, fire and drought.**
- **Individual production insurance coverage varies depending on the choice of coverage purchased.**
- **Ministry staff work closely with industry representatives through advisory committees to maintain and enhance the program.**
- **Performance measures are in place for a fast turn-around time on claim payments. The average processing time for claims with indemnities payable is 16 days. (Time is defined by the number of days between the receipt date of final grower declaration to the date of cheque requisition.)**
- **The Production Insurance program is strongly supported by producer organizations. Regular consultations occur with the tree fruit, grape, grain and vegetable producer organizations.**

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 2013 Growing Forward 2 Agreement, the national framework that coordinates federal and provincial policy.
- 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. The PISA is maintained as means of providing stability to rates when large events occur. The target balance is two times the expected average annual premium, rates are loaded according to the balance; currently PISA is essential at 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. A national study is underway to identify enhancements for forage products.
- Claims are processed quickly, with growers receiving payment within 30 days of the Branch receiving required information.

CROSS JURISDICTIONAL COMPARISON:

- Comparable PI programs exist in all ten provinces.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13,s.17

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Tim Pigg	Name: Byron Jonson
Date approved by ADM:	Branch: Business Risk Management	Branch: Business Risk Management
Phone: 250 356-1122	Phone: 250 861-7505	Phone: 250 861-7200
Cell:	Cell: 250 826-8477	Cell: 250 826-8533

WESTERN LIVESTOCK PRICE INSURANCE PROGRAM

RECOMMENDED RESPONSE:

- **The Western Livestock Price Insurance Program (WLPIP) protects cattle and hog producers from unanticipated drops in average market prices.**
- **Since the program was launched in 2014, \$123 million in coverage was sold in price protection, including 2017.**
- **Insurance sales on calves in 2017 were strong providing \$34 million of price protection. This represents about 13 percent of the provincial calf crop.**
- **The delivery of WLPIP is unique, and very cost effective for B.C. By collaborating with Alberta as the primary delivery agent, Saskatchewan, Manitoba and Canada are able to offer protection at a fraction of the cost it would take B.C. to develop and deliver ourselves.**

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by: <i>(the person who wrote the note)</i>	Alternate Contact:
ADM Name: Arif Lalani	Name: Lonny Steward	Name: Byron Jonson
Date approved by ADM:	Branch: Business Risk Management	Branch: Business Risk Management
Phone: 250 356-1122	Phone: 250 861-7204	Phone: 250 861-7200
Cell:	Cell:	Cell: 250 826-8533

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture

Date: August 10, 2017

Minister Responsible: Hon. Lana Popham

2017 Sockeye Returns

RECOMMENDED RESPONSE:

- The B.C. government is committed to the socially and ecologically responsible management of B.C. fisheries, including an environmentally and economically sustainable aquaculture industry for the benefit of all British Columbians.
- As forecast, the 2017 sockeye salmon returns are below average, and though annual returns fluctuate greatly, low years like this one are always a serious concern.
- The B.C. government supports sustainable management of wild fisheries by:
 - Participating in international negotiations that result in responsible, science-based fishery allocations.
 - Delivering diagnostic and research support services that improve the understanding of fish populations and the risks they face
 - Operating the provincial veterinary diagnostic laboratory which supports a robust fish health management program for salmon aquaculture including the federal government's fish health auditing and surveillance program

KEY FACTS:

- 2016's Fraser River sockeye salmon run is reported to be the lowest, or among the lowest, ever.
- The original 2016 forecast of 2.3 million is much lower than the last 50 year average, of about 4 million. Returns thus far suggest only ½ of those forecast to return, are doing so. In contrast,
- To preserve stocks, the federal government has closed the Fraser River sockeye fishery to commercial and recreational fisheries. 40,000 sockeye have been allocated to First Nations for food, social and ceremonial purposes.
- The reasons for the low returns are not clear. Some media reports quote scientists suggesting a connection to warmer oceans and rivers and changing habitat. Others note that the salmon that are arriving this year appear to be healthy and there are no reports of wide spread disease.
- 2016 was also a poor year for salmon returns, with returns of X.X million fish much lower than the "last 50 year average" of about 4 million. 2010 was a record year, when 30 million sockeye returned to the Fraser River system.
- In 2012 the Cohen Commission released their report into an enquiry about the very low Fraser River Sockeye Salmon Returns (1.4 million) in 2009. The Commission concluded that declining sockeye returns were likely linked to multiple stressors in rivers and the ocean.
- The report included 75 recommendations regarding the policies, practices and procedures of the federal government's Fisheries and Oceans Canada, eight of which directly or indirectly reference the Province of British Columbia, which the Province has accepted and acted towards responding to. <https://news.gov.bc.ca/stories/bc-responds-to-cohen-commission-recommendationsv>

Confidential Issues Note - ADVICE TO MINISTER

Communications Contact:
Program Area Contact:

Robert Boelens. 250 356 1674
James Mack 250 356-1821

Draft

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 23, 2017 Updated: August 31, 2017 Minister Responsible: Hon. Lana Popham	Atlantic Salmon Escape
---	-------------------------------

RECOMMENDED RESPONSE:

- I was concerned to hear about the escape of the salmon from Washington State.
- DFO is the lead agency in Canada, and as the escape occurred at a U.S. facility subject to U.S. regulation, we trust they will work with their U.S. counterparts to ensure appropriate actions are taken.
- Ministry staff will continue to stay in contact with their federal colleagues to share information and updates.
- British Columbians who catch Atlantic Salmon should report it to the federal government's Atlantic Salmon Watch Program at 1-800-811-6010

If asked about the chances of this happening at a B.C. fish farm:

- No escapes were reported from salmon farms operating in B.C. during this time.
- The federal government requires as a condition of licence, that containment systems (such as net pens) must be able to withstand local weather and ocean conditions, including storms, water currents and other environmental factors, and we respect their jurisdiction and trust their expertise.
- Systems are regularly inspected and maintained to ensure integrity and to control for factors that could contribute to failures of the containment system.
- There were 22 confirmed escaped fish from salmon farms in B.C. in 2016, and three confirmed escaped fish from B.C. salmon farms in 2015.

If asked about the protesters at aquaculture sites near Swanson Island:

- We respect the right of people to engage in peaceful protests. In every situation, we ask people to remain respectful of one another.
- We encourage resolution of issues through discussion wherever possible. We believe negotiation is the best way to resolve issues.
- The licence of occupation was legally issued. The ministry only grants the right to use Crown land foreshore. It is the federal government that provides the licence for the fish.
- Further to a review of aquaculture policy and licensing announced in 2015, the ministry is currently not issuing any licences for new fish farms.

Confidential Issues Note - ADVICE TO MINISTER

BACKGROUND:

- On Saturday, Aug. 19, 2017, media reported about 300,000 salmon escaped a fish farm net in the San Juan Islands. No escapes took place in B.C. waters.
- On Monday, Aug. 28, 2017, protesters from the 'Namgis, Tlowitsis and Mamalilikulla First Nations began occupying the Swanson Island fish farm. The protesters have asked that permits be revoked and are citing health and environmental concerns about the farms after gathering footage of deformed fish, with unknown ailments, and the major Atlantic salmon spill in Washington last week.
- On Tuesday, Aug. 29, 2017 the Shishalh Nations reported Atlantic salmon has been verified in the Sabine Channel, Sechelt, B.C. The Shishalh Nations is the third group, along with Namgis (Swanson Island) and the Musgamagw Dzawada'enuxw to express concerns regarding the escaped Atlantic salmon.
- On Wednesday, Aug. 30, 2017, media reports indicated lumber was delivered to the fish farm on Tuesday, Aug. 29, 2017 and the construction of a house structure is underway by protesters.
- Additional hereditary chiefs from 'Namgis and Mamalilikalla arrived to support the occupation.
- Protesters indicated they plan on remaining long-term at the fish farm until the Province revokes the Swanson Island License of Occupation (LOO). Those involved with Operation Virus Hunter II have identified that B.C. can revoke the LOO if the project is found to be not in the Province's best interest.
- On August 31st, 2017 members of the Dzawada'enuxw and Kwikwasutinuxw Haxwamis First Nation led by Chief Okwilagame (Willie Moon), began occupying Wicklow Fish Farm near Port Hardy.
- Representatives from Operation Virus Hunter II have started collecting information regarding the capture of any Atlantic salmon in Pacific waters.
- British Columbians who catch what they believe to be an Atlantic salmon should keep the fish and report it to the Atlantic Salmon Watch Program hotline.
- Media have reported that experts have offered mixed opinions about the potential impact:
 - The chief biologist of the Pacific Salmon Commission Michael Lapointe, which manages salmon stocks under a treaty between Canada and the United States, said the release is unlikely to harm wild salmon over the long term.
 - John Volpe, an associate professor at the University of Victoria studying the introduction of Atlantic salmon into B.C.'s waters, said there is simply not enough evidence to declare how these escaped fish will affect the region.
- Critics of salmon aquaculture in B.C. have reported that farmed salmon pose health risks, such as disease and sea lice, to wild salmon stocks.
- British Columbians who catch Atlantic Salmon should report it to the federal government's Atlantic Salmon Watch Program @ 1-800-811-6010 or <http://www.pac.dfo-mpo.gc.ca/science/aquaculture/aswp/index-eng.html>

Salmon farming in B.C.

- As of July 2017, there are 65 operating salmon farms in B.C.
- In 2016 there were 4 reported incidents, with 22 confirmed escaped fish.

Confidential Issues Note - ADVICE TO MINISTER

- In 2015, there were 3 reported incidents, with 3 confirmed escaped fish;
- Some factors that could contribute to failures of the fish farm net containment system include:
 - Biofouling (ie: the growth of organisms such as plants, barnacles, algae, etc.)
 - Ice build-up
 - Marine mammal interactions or other factors that could contribute to failures of the containment system.

Communications Contact:
Program Area Contact:

Jillian Milne

Draft

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

Closed Containment Aquaculture**KEY MESSAGES:**

- **In 2016 B.C.'s seafood sector had a wholesale value of \$1.7 billion. Of this total, 45 per cent or \$797 million, was from 93,000 metric tons of farmed salmon grown in net-pens.**
- **"Closed-containment" is a term used to describe a range of aquaculture technologies that minimize interactions with the environment. The current focus is on the development of land-based recirculating aquaculture systems (RAS).**
- **Over the last seven years, the Ministry has contributed \$335,000 to support the development of land-based RAS.**
- **The high capital cost, financing and economic viability remain significant challenges to the development of RAS.**
- **The Ministry continues to support the development of closed-containment technology by providing technical advice and extension services on a number of pilot projects currently underway in B.C., as well as encouraging new projects.**

BACKGROUND:

- Land-based aquaculture has been in development in B.C. for many years. Currently there are several land-based farms using RAS to grow market size fish including salmon, steelhead trout, sturgeon, tilapia as well as several salmon hatcheries that supply smolts for grow-out in net-pens. With the exception of the single salmon farm, these sites are small; catering to niche markets and are economically viable.
- The single land-based salmon farm, the Namgis Kuterra project, has been in operation for four years and has successfully grown and marketed Atlantic salmon grown in an RAS under the Kuterra brand. However, the project has experienced several technical challenges and has yet to demonstrate financial profitability. The company is currently for sale.
- Key approaches to address economic viability include locating farms close to key markets to reduce freight costs and through economies of scale. The most notable project to attempt this is the Atlantic Sapphire project in Florida with a proposed production of 90,000 metric ton and an estimated capital cost of \$850 million over nine years.

CROSS JURISDICTIONAL COMPARISON:

- Outside of B.C., there are notable projects in Nova Scotia (salmon), Ontario (tilapia & shrimp) and Manitoba (rainbow trout). There are several projects in Europe (including Norway and Iceland) and Asia with significant interest in developing projects in South Africa and the US. All projects have required significant investment capital with little publically available information on economic viability.

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

s.13

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:	Alternate Contact:
ADM:	Name: Myron Roth	Name: TJ Schur
Date approved by ADM:	Branch: Sector Development	Branch:
Phone:	Phone: 250-356-1831	Phone:
Cell:	Cell: 250-812-0706	Cell:

COHEN COMMISSION FOLLOW UP**ISSUE: Cohen Commission Recommendations Pertaining to British Columbia****RECOMMENDED RESPONSE:**

- On October 31, 2012, the Federal Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River released its final report.
- The report includes 75 recommendations regarding the policies, practices and procedures of the federal agency, Fisheries and Oceans Canada (DFO), eight of which directly or indirectly reference the Province of British Columbia.
- On March 22, 2013, the B.C. government accepted the intent of each of the eight Cohen Commission, recommendations that directly reference the Province.
- In addition, the Province indicated it will not issue new salmon aquaculture tenures in the Discovery Islands until September 30, 2020.
- The mandate letter for federal fisheries Minister LeBlanc includes acting on recommendations of the Cohen Commission on restoring sockeye salmon stocks in the Fraser River.
- In July 2016, the Province provided to Minister LeBlanc, views on priorities for implementing the recommendation of the Cohen Commission.
- In 2016, the Minister of Agriculture Advisory Council on Finfish Aquaculture was formed to make recommendations to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.'s wild fishery resource. The Council's report is anticipated near the end of 2017.
- The B.C. government is committed to the responsible management of B.C. fisheries, including a sustainable aquaculture industry.
- The Province continues to encourage DFO to move forward with their responses to the Cohen recommendations and present our views on how to prioritize their implementation.
- The Province also continues its work in support of wild Pacific salmon and the Cohen Commission recommendations by coordinating with DFO on the implementation plan for the Wild Salmon Policy.

BACKGROUND:

- The Premier's June 10, 2013, mandate letter asked that the Minister of Agriculture implement Cohen Commission recommendations pertaining to B.C.
- No single cause for Fraser River sockeye decline was identified, although climate change and the cumulative impacts of human activities were found to be significant.
- The report was not critical of B.C. provincial resource management.
- On March 22, 2013, the B.C. government accepted, or accepted the intent of, the following recommendations:
 - **#14:** In the Discovery Islands Area until 2020, DFO should issue: one-year licenses maximum (existing farms); no new salmon farm licenses; no increased production for existing salmon farms.
ACTION: B.C. has not issued any new tenures in the Discovery Islands Area.
 - **#43:** DFO should encourage B.C. to ensure legislation defines "High Water Mark" consistently.
ACTION: The definition of "High Water Mark" in the Riparian Areas Regulation under the *Fish Protection Act* will be maintained under the new *Water Sustainability Act*.
 - **#44:** Encourage B.C. to continue monitoring compliance with and effectiveness of the B.C. Riparian Areas Regulation (RAR) and consider DFO input on variances.
ACTION: FLNR reviews all RAR assessments, conducts annual field audits and reports results publicly, and is implementing an effectiveness monitoring strategy for the RAR. DFO has input via inter-agency committee.
 - **#45:** DFO should work with B.C. to achieve RAR compliance targets.
ACTION: FLNR has ongoing avenues to assess compliance, and to achieve 90 percent compliance with 90 percent confidence levels.
 - **#46:** Amend RAR to require B.C. approval of setback variances.
ACTION: B.C. sent a letter to DFO Minister on January 28, 2014 (Appendix 1) requesting discussion about the recommendation and the roles and responsibilities of the parties involved. Work continues through the recently implemented B.C.-DFO Fish Habitat Committee.
 - **#47:** DFO should encourage B.C. to complete modernization of the *Water Act*.
ACTION: B.C. intends to bring the new Water Sustainability Act into force in early 2016.
 - **#52:** DFO should identify marine spill liaison officer to coordinate marine habitat spill response.
ACTION: DFO has committed to act on the advice from the Expert Panel of Tanker Safety to create a world class tanker safety system.
 - **#54:** DFO should encourage B.C. to require pesticide users to record and report the areas and amounts of pesticides used. The Province should maintain a database.
ACTION: B.C. has a system to monitor, report and disseminate pesticide use (but no database). The Province requires users to report pesticide use, and has the ability to provide information on total use. Standards of use are consistent with Health Canada requirements.

- **#55:** DFO and Environment Canada should work with B.C. and local governments to coordinate environmental monitoring work and on a public education campaign.

ACTION: Letter sent to federal Ministers (DFO, Environment Canada) on January 28, 2014 requesting discussion on monitoring and plan for public education campaign. Work continues through the recently implemented B.C.-DFO Fish Habitat Committee.

- In some instances, implementation of these recommendations will cost additional dollars, but these costs were anticipated and accounted for in ministry budgets.
- Newly appointed DFO Minister Hunter Tootoo's mandate letter includes direction to act on recommendations of the Cohen Commission for restoring sockeye salmon stocks in the Fraser River.
- Despite finding no evidence of impact on Fraser River sockeye from aquaculture, the Commissioner recommended that DFO not issue any new licenses for salmon farms or allow increases in existing farm production in the Discovery Islands until 2020, unless sufficient evidence can be assembled to verify that the disease risk to Fraser River sockeye is minimal.
- Although it did not directly reference the Province, the Provincial Government chose to respond to the recommendation for the Discovery Islands area by announcing that it will not issue any new tenure agreements for net-pen salmon farms in the area until September 30, 2020.
- In August 2016 the Minister of DFO issued a progress report on implementation of the Cohen Commission recommendations. <http://www.dfo-mpo.gc.ca/cohen/report-rapport-eng.htm>
- In brief the progress report stated that:
 - 32 Recommendations were implemented in whole or in part.
 - 22 Recommendations implementation supported in principle but require additional work or resources to implement.
 - 6 Recommendations were out of date.
 - 15 Recommendations directed primarily at others (Government of Canada, Environment and Climate Change Canada, or Province of B.C.).
- With respect to Canada's Wild Salmon Policy, DFO has decided to take a strategic and consultative approach, as they require the co-operation and engagement of many different agencies and stakeholders.
- The goal of the Wild Salmon Policy is to '*restore and maintain healthy and diverse salmon populations and their habitats for the benefit and enjoyment of the people of Canada in perpetuity*', and B.C. is a key participant in this policy implementation.

CROSS JURISDICTIONAL COMPARISON:

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

Approved by:	Prepared by:	Alternate Contact:
ADM Name	Name: Barron Carswell	Name: Larry Neilson
Date approved by ADM: XXX	Branch: CGPL Branch	Branch: CGPL Branch
Phone:	Phone:250-356-1678	Phone:250 387-7172
Cell:	Cell: n/a	Cell:250 889-5054

COMMERCIAL HARVESTING OF AQUATIC PLANTS**RECOMMENDED RESPONSE:**

- **The harvest of aquatic plants is an important economic opportunity in coastal communities.**
- **Government has licensed aquatic plant harvesting coast-wide for the past 40 years to ensure sustainable use of this resource.**
- **Ministry of Forests, Lands, Natural Resource Operations and Rural Development is now responsible for licensing of aquatic plant harvesting under the *Fish and Seafood Act* following recent transfer of authority from Ministry of Agriculture.**
- **This transfer of responsibility makes good sense given the Ministry of Forests, Lands, Natural Resource Operations and Rural Development's resource management mandate.**
- **Ministry of Agriculture will continue to have a role in supporting economic and business development opportunities for aquatic plant harvesting, and for licensing the processing of aquatic plants.**
- **In a typical year, the Province issues about 50 licences for a variety of aquatic plant species that result in a total harvest of approximately 1,500 tonnes of product with an estimated wholesale value of two to three million dollars annually.**
- **Commercial harvesting of aquatic plants that have become detached and washed up on beaches ("beach-cast seaweed") in the Deep Bay, Vancouver Island area is a relatively new activity, sparked by the abundance of an introduced species, *Mazzaella japonica*.**
- **The Ministry continues to take a cautious, adaptive management approach to this potential new opportunity of harvesting beach-cast seaweed.**

BACKGROUND:

- On January 1, 2017 Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) took over administration for management and licensing of aquatic plant harvesting. The formal transfer of authority for aquatic plants under the BC *Fish and Seafood Act* was completed on August 11, 2017.
- Ministry of Agriculture (AGRI) maintains responsibility under the *Fish and Seafood Act* for licensing of aquatic plant processors.
- Some aquatic plants are rich in carrageenan, a natural substance used widely as a thickening agent in processed foods (e.g. ice cream), cosmetics and pharmaceuticals, and is highly prized on the world market.
- Adaptive management is widely used in resource management and intended to reduce uncertainty in decision-making, over time, through an iterative process of monitoring and improvement.
- The Province has licensed aquatic plant harvesting coast-wide for the past 40 years. The first harvesting licence for beach-cast seaweed was issued in 2007. Since then, in collaboration with Fisheries and Oceans Canada (DFO) and using in-house knowledge, and advice from independent researchers (e.g., UVIC, VIU), AGRI has refined conditions of licence for harvesting methods and activities to minimize permanent disruption of the foreshore environment, and to address the concerns of local residents.
- In 2016/17, the Ministry issued three licences for harvesting beach-cast *Mazzaella japonica* in the Deep Bay/Bowser area of Vancouver Island with a total harvest quota of 1,500 tonnes (compared to 5 licences for a total harvest quota of 2,000 tonnes in 2015/16). The actual amount harvested in 2016/17 was approximately 475 tonnes.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Ministry of Agriculture transferred 1.0 FTE in 17/18 and \$38,000 for research in 16/17 to FLNRORD

Approved by:	Prepared by:	Alternate Contact:
ADM Name: James Mack	Name: Diana Edwards	Name: Gavin Last
Date approved by ADM:	Branch: Food Safety & Inspection	Branch: Food Safety & Inspection
Phone: 250-356-1821	Phone: 250-356-1833	Phone: 250-387-3195
Cell:	Cell:	Cell: 250-889-2233

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 24 Minister Responsible: Hon. Lana Popham	Salmon Aquaculture Policy
---	----------------------------------

RECOMMENDED RESPONSE:

- The B.C. government is committed to implementing the recommendations of the Cohen commission and working with the aquaculture industry to move to closed containment where possible.
- We will be working closely with the industry, First Nations and the public to ensure BC's aquaculture industry is environmentally sustainable and respects First Nations rights while supporting good jobs for British Columbians.

IF ASKED ABOUT CURRENT STATUS OF TENURE ISSUING:

- In June 2015, the B.C. government announced it was going to examine the salmon aquaculture application and approval framework to ensure the operations are socially and ecologically sustainable, and could coexist with B.C.'s wild fishery resources.
- The announcement also clarified that while it was being undertaken, the Province would not consider any further approvals for new salmon aquaculture tenures.
- No new tenures have been issued since that time.
- The review included the commitment to form a Minister of Agriculture's Advisory Council on Finfish Aquaculture with members from the aquaculture industry, non-governmental organizations, First Nations and provincial government employees.
- The Council has met and discussed a range of matters related to salmon aquaculture and it is anticipated they will provide their report with recommendations this coming fall or winter .
- I look forward to receiving and reviewing the report and any recommendations it includes.
- The B.C. government is open to hearing from First Nations and stakeholders with their concerns and ideas about aquaculture operations.
- The Federal Department of Fisheries and Oceans (DFO) is responsible for the conservation and management of wild fisheries and has regulatory oversight of aquaculture operations in Canada, and as such, the B.C. government works in collaboration with DFO in all areas involving their jurisdiction.

If Asked About Licences Of Occupation Under The Provincial Land Act – Protesters At Aquaculture Sites Such As Swanson Island On August 24 (FLNRO)

- While we respect the right of people to engage in peaceful protests, we also expect them to follow the law.
- In every situation, we ask people to remain respectful of one another.

Confidential Issues Note - ADVICE TO MINISTER

- We encourage resolution of issues through discussion wherever possible. We believe negotiation is the best way to resolve issues.
- The licence of occupation was legally issued. The ministry only grants the right to use Crown land foreshore. It is the federal government that provides the licence for the fish.
- Further to a review of aquaculture policy and licensing announced in 2015, the ministry is currently not issuing any licences for new fish farms.

If asked about UNDRIP (MIRR):

- We have recognized the need to change how government works with First Nations, and all Indigenous people.
- That is part of why we are committed to adopting the UN Declaration on the Rights of Indigenous Peoples, which has been adopted by 148 nations, including the federal government.
- As part of our commitment to true, lasting reconciliation with First Nations in British Columbia, all ministers' mandate letters include a requirement to review policies, programs and legislation to determine how to bring the principles of the declaration into action in B.C.
- We look forward to working in partnership with First Nations to determine a way forward.
- We have a First Nations Leadership Gathering in Vancouver Sept. 6 and 7 where we hope to respectfully approach those conversations.

BACKGROUND:

- Some First Nations and opponents to salmon aquaculture in open net pens in B.C. waters have urged the B.C. government to revoke and or not reissue tenures as they expire.
- There have been multiple events and announcements attracting media attention and discussion around the future of salmon aquaculture in B.C.
- Critics of salmon aquaculture suggest farmed fish pose a risk to the health of wild fish through disease transfer, with different experts having different views.
- The BC salmon Farmers Association asserts their operations are sustainable and pose little to no risk to wild salmon, which is a view shared by the Ministry's fish pathologist.

Communications Contact:

Program Area Contact:

SHELLFISH INDUSTRY AND FOOD SAFETY

RECOMMENDED RESPONSE:

- **Producing food is a challenging business, with conditions that are often out of a producer's control, as they were for BC's oyster producers in 2015 and 2016.**
- **In both years, consumption of raw oysters from BC resulted in outbreaks of illness linked to two types of viruses found in the marine environment.**
- **Although the outbreaks are a concern from many perspectives, they are not unusual events given the known risks of eating raw or undercooked oysters.**
- **These outbreaks have had a negative effect on sales for BC oyster growers.**
- **The Ministry of Agriculture works with other federal and provincial agencies, shellfish growers, and the seafood and restaurant industries to investigate outbreaks, raise awareness of the importance of food safety and the handling of oysters, and develop recommendations to improve food safety systems.**
- **B.C. oyster growers provide world-class products that are enjoyed locally and around the world, and we want to ensure that continues to happen.**
- **I encourage all British Columbians to enjoy BC seafood products as high quality, sustainably produced choices, and support local food producers year round.**
- **By supporting local producers year round, British Columbians can help build local businesses and local economies, and make them more resilient.**
- **In 2016, BC produced 9,300 metric tonnes of oysters with a landed value to growers of \$14.4 million, making it BC's fourth most valuable shellfish commodity.**

BACKGROUND:

- Oyster processing is federally regulated by the Canadian Food Inspection Agency (CFIA). All shellfish must be processed by a federally registered processor before entering the food system.
- A naturally occurring bacterium *Vibrio parahaemolyticus* (Vibrio) found in marine waters, increases in numbers as waters become warm (>15C). In the summer of 2015, marine water temperatures were warmer than usual resulting in increased levels of Vibrio in the environment and in BC oysters. 81 illnesses were reported in the summer of 2015 due to Vibrio
- In addition to Vibrio, norovirus can also be present in raw oysters. Norovirus is a highly contagious virus that can be contracted from contaminated food or water, including raw oysters.
- The source of norovirus is people; specifically, the feces and vomit of infected individuals. The virus can be present in marine water indirectly through boat discharges, failing septic systems, malfunctioning wastewater treatment plants, or directly from an infected person. Because shellfish are filter feeders, they can concentrate the virus and infect individuals that consume them raw or undercooked.
- In early 2017, illnesses were reported linked to norovirus as a result of people consuming raw oysters from various locations along the BC coast. 344 illnesses in BC, Alberta and Ontario were reported in the winter of 2016/17 due to norovirus. The specific source of the virus remains unknown and the investigation is ongoing.
- Although the norovirus outbreak is a concern from multiple perspectives (public health, economic and environmental), it is not unusual given the known risks of consuming raw shellfish. The number of norovirus outbreaks reported to the BC Center for Disease Control (BCCDC) Public Health Lab this past season is within the historical range.
- The prolonged nature of the current outbreak, uncertainty as to the cause of the outbreak, and the cumulative effect of successive outbreaks has resulted in a greater than normal reduction in consumption and a concurrent negative impact on sales for oyster growers in BC.
- Industry estimates a \$1 million loss due to the Vibrio outbreak in 2015 and another \$8.19 million as a result of the norovirus outbreak. The longer term effects of lost markets are unknown at this time.
- The BCCDC, Regional Health Authorities, CFIA, Fisheries and Oceans Canada, and Public Health Agency of Canada address public health concerns by conducting investigations, initiating recalls, and issuing on-going public health warnings about the increased risk of illness from consuming raw oysters originating from BC waters.
- Ministry of Agriculture has taken the following actions to support the industry:
 - Provided \$200,000 in funding to OASISS (Ocean Acidification Shellfish Industry Seed Supply) for oyster seed development, and to the BC Shellfish Growers' Association to conduct ocean monitoring, improve food safety, and conduct research on new economic opportunities that will support recovery from recent events.

- Provided \$4,500 in funding for a Vibrio workshop that led to the formation of a National Working Group which generated 70 recommendations (13 recommendations pertained to Ministry of Agriculture, all of which have been addressed).
- Provided \$4,200 in funding for speaker events promoting traceability under Growing Forward 2.
- Currently conducting an educational outreach program to licensed seafood processors handling live oysters intended for raw consumption. This program includes a Fisheries Inspector attending each facility to ensure the operator is aware of their food safety responsibilities under the new *Fish and Seafood Act* as it pertains to handling live oysters.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Two Ministry staff continue to support the national Vibrio working group by providing food safety and industry expertise that will assist in identifying management practices and strategies to reduce the likelihood of infections in BC oysters in the future.

Approved by:	Prepared by:	Alternate Contact:
ADM Name James Mack	Name: Diana Edwards	Name: Gavin Last
Date approved by ADM: XXX	Branch: Food Safety & Inspection	Branch: Food Safety & Inspection
Phone:	Phone: 250-356-1833	Phone: 250-387-3195
Cell:	Cell:	Cell: 250-889-2233

WILD SALMON AND MAACFA

ISSUE: Ensure that the salmon farming industry does not endanger wild salmon

RECOMMENDED RESPONSE:

- **The Province is committed to support environmentally and economically sustainable fisheries and aquaculture industries.**
- **The Province has undertaken a significant amount of work through collaboration across ministries and with the federal government to:**
 - **address Cohen Commission recommendations;**
 - **manage existing tenures of aquaculture farms; and,**
 - **undertake science and monitoring of fish farm activities to assess the risk of disease transfer to the wild salmon population.**
- **Since July 2015, B.C.'s potential for growth in the salmon aquaculture sector has been on hold pending a review of the tenures approval process for marine-based salmon aquaculture.**
- **To help guide Provincial actions going forward, a Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA) report is anticipated in the Fall of 2017 and could include recommendations on:**
 - **Considerations and concerns related to marine aquaculture siting;**
 - **Alternative technology, approaches and emerging science that have the potential to improve salmon aquaculture management;**
 - **Continued science, research and monitoring to address information gaps regarding the impact of salmon aquaculture on wild salmon;**
 - **Promoting wild salmon health, including the current management of pathogens and diseases; and,**
 - **First Nations governance considerations related to salmon aquaculture.**
- **In the interim, there are potential actions being reviewed by the Provincial Government that may enhance existing work, reduce risk to wild salmon populations and complement the upcoming MAACFA recommendations.**

Background:

- Aquaculture is one of the fastest growing food sectors in the world and B.C. accounts for half of all aquaculture production in Canada. Globally and in B.C., wild fisheries production has plateaued and increasingly the focus is turning to aquaculture to meet the ever growing demand for seafood.
- Farm-raised salmon is B.C.'s highest valued seafood product (\$545 million in 2016) and number one agricultural export. The BC Salmon Farmers Association reports that their industry has generated 5,000 jobs, paying roughly 30 percent more than the provincial median. Between 20 and 30 percent of salmon farm workers in B.C. are First Nations.
- Salmon fisheries in B.C. are a federal responsibility and are managed by Fisheries and Oceans Canada (DFO). DFO is responsible for regulating most aspects of the aquaculture industry and issues licences for marine finfish, shellfish and freshwater (or land-based) operations. Siting of aquaculture operations is a shared and harmonized process in B.C., requiring provincial crown tenure, a federal navigable waters permit, and a federal aquaculture licence. DFO's review process for siting salmon farms considers:
 - potential impacts to fish, fish habitat and the environment;
 - potential impacts to existing fisheries; and,
 - fish health and wild-farmed interactions, which specifically includes consideration of the proximity to wild salmon migration routes.
- Municipal government zoning can also play a role in directing where aquaculture facilities can be located.
- Governments at all levels are also legally obligated to consult with First Nations on all aquaculture management and development decisions that could impact their rights.
- The Province has undertaken a significant amount of work through collaboration across ministries and with the federal government to address Cohen Commission recommendations, manage existing tenures of aquaculture farms, and undertake science and monitoring of fish farm activities to assess the risk of disease transfer to the wild salmon population.
- Since July 2015, B.C.'s potential for growth in the finfish aquaculture sector has been on hold pending a review of the tenures approval process for marine-based salmon aquaculture, with a "pause" on approvals for new tenures and restrictions on amendments to existing tenures. The "pause" is in place to allow for an examination of the rules and restrictions that guide the application and approval process to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.'s wild fishery resource.
- At the same time, the Province announced MAACFA. MAACFA has a mandate to examine the rules and restrictions that guide the application and approval process to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.'s wild fishery.
- The members of MAACFA include representation from the aquaculture industry, academia, non-governmental organizations, First Nations and senior government officials including the Deputy Ministers of Agriculture (AGRI) and Forests, Lands and Natural Resource Operations. The Regional Director General of DFO participates as an observer in an advisory capacity.

Page 310

Withheld pursuant to/removed as

s.13

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- n/a

Approved by:	Prepared by:	Alternate Contact:
ADM Name	Name: Barron Carswell	Name: Larry Neilson
Date approved by ADM: XXX	Branch: GGPL	Branch:: GGPL
Phone:	Phone:250-356-1678	Phone: 250 387-7172
Cell:	Cell: n/a	Cell: 250 889-5054

SEAFOOD PROCESSING CAPACTIY (E.G. PRINCE RUPERT, UCLUELET)**ISSUE: Off Shore Processing****RECOMMENDED RESPONSE:**

- **My mandate letter tasks me to: “build a strong, sustainable, innovative economy that works for everyone and create good-paying jobs in every corner of the province, and ensure people from every background have the opportunity to reach their full potential.” This includes the fisheries and seafood processing sector.**
- **The Department of Fisheries and Oceans Canada (DFO) is responsible for the conservation and management of wild fisheries in B.C. and for making decisions on licensing for off shore seafood processing.**
- **BC 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.**
- **I have instructed staff to work through the Groundfish Trawl Advisory Committee (GTAC), to find a workable solution that ensures on-shore processing is supported.**
- **This will ensure the discussions are conducted at the table in partnership with DFO, where all hake processors, fishermen, and stakeholders, including coastal communities, can engage.**

BACKGROUND:

- The B.C. seafood processing sector faces a range of challenges which vary by species and abundance and concentration and processing economics.
- Pacific hake are a high volume relatively low unit value fish that must be preserved quickly to maintain flesh quality and value.
- The majority of Pacific hake biomass occurs in United States (U.S.) and typically fish older than four years migrate into Canadian waters.
- Pacific hake stocks are currently near record biomass in B.C. and they are concentrated in traditional harvest areas off Ucluelet.
- The Canadian (B.C.) Total Allowable Catch (TAC) of Pacific hake is negotiated annually under treaty with the U.S. and for 2017 it is 156,067 metric tonnes (MT).
- For comparison, the largest landing of hake in B.C. by the B.C. industry was 87,320 MT in 2005 and the 20 year average is 54,803 MT. The largest ever landing of hake in B.C. was 125,067 MT in 2004, however a joint venture agreement with a foreign processing vessel accounted for 66,175 MT of that total.
- 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.
- Currently hake landings in 2017 are good and exceeding last year's harvest at this time. At this rate it is clear that the catch, if landed, will exceed the processing capacity of both the shore based plants and the B.C. freezer trawler fleet.
- Industry has therefore agreed to a joint venture with a Dutch vessel to land up to 30,000 MT this year.
- 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.
- This history has created concerns for the shore based plants who are asking for a fixed share of the TAC for shore based plants.
- Provincial Government policy has historically limited processing-at-sea in order to protect shore-side processors. B.C. still operates under our formal 1981 policy that historically 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.

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Mike Turner	Name: Larry Neilson
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250-356-1704	Phone: 250 387-7172
Cell:	Cell: 250-886-6318	Cell: 250 889-5054

SHARK FINNING**RECOMMENDED RESPONSE:**

- **The Province recognizes the public concern with harvesting and finning of large pelagic sharks and supports the federal ban on the practice of finning in Canadian waters.**
- **Fisheries and Oceans Canada (DFO) is responsible for regulating what can and cannot be harvested from Canadian waters.**
- **The Canadian Food Inspection Agency is responsible for regulating what foods can and cannot be imported into Canada, including shark fins; however, shark fins are still imported and consumed in Canada.**
- **There has been a commercial fishery in B.C. for the spiny dogfish shark for over 100 years. This fishery received Marine Stewardship Council (MSC) certification as a sustainable fishery from 2011 – 2013, but now has very limited harvest.**
- **B.C. continues to review effective options for addressing concerns and remains supportive of federal actions.**

BACKGROUND:

- Shark fins are used in the preparation of shark fin soup. Growing demand for shark fins in China is endangering global populations of larger sharks.
- The practice of shark finning, where large sharks are harvested, their fins removed and their bodies thrown back into the ocean, has raised ethical and ecosystem concerns around the globe.
- The Government of Canada has banned the practice of finning in domestic waters.
- B.C. has commercially fished a small benthic shark, commonly called the spiny dogfish, for more than 100 years. Currently, dogfish are harvested mainly for their meat which is exported to Europe, although the tails and fins are used for inexpensive versions of shark fin soup in Asia.
- The B.C. spiny dogfish fishery received MSC certification as a sustainable fishery in 2011 to increase access to the European market. Despite MSC certification, concern over the state of shark populations world-wide has sharply reduced demand and impacted the B.C. fishery. Sales have declined from a high of nearly \$12 million in 2003 to \$0.4 million in 2016.
- The MSC certification of this fishery was supported by the David Suzuki Foundation and the World Wildlife Fund; however, other groups dismiss the certification and continue to call for a global ban on all shark-fin products.
- In 2013, B.C. dogfish fishers elected not to renew MSC certification because of poor market conditions.
- In 2010, 17 tonnes of shark fins were imported into B.C. Since then imports have averaged 74 tonnes a year reaching 93 tonnes in 2016.
- The Province could use its powers over commerce to restrict possession, sale, trade and distribution of shark fins in B.C.

FIRST NATIONS CONSIDERATIONS:

- Some First Nations have been employed in fisheries and processing plants that depend on harvest of spiny dogfish.

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- A preliminary estimate is that the salary, travel, and analytical costs for the additional compliance and enforcement work would be approximately \$110,000 per year, but would likely decline over time. (One additional FTE)

Approved by:	Prepared by:	Alternate Contact:
ADM Name: James Mack	Name: Mike Turner	Name: Larry Neilson
Date approved by ADM: Aug 28/17	Branch: CGPL Branch	Branch: CGPL Branch
Phone:	Phone: 250 356-1704	Phone: 250 387-7172
Cell:	Cell: 250 886 6318	Cell: 250 889-5054

ISSUE: BC Hydro Peace Agricultural Compensation Fund for Site C**RECOMMENDED RESPONSE:**

- As part of the Site C approval conditions there will be a \$20 million BC Hydro Peace Agricultural Compensation Fund established to compensate for lost agricultural lands and activities. The Fund is part of the Agricultural Mitigation and Compensation Plan finalized on July 27, 2017.
- BC Hydro has worked with the Ministry of Agriculture and the Ministry of Energy and Mines to establish a governance structure for the fund to support enhancement projects that improve agricultural land, productivity or systems in the Peace region.
- The governance model has been informed by the needs and interests identified during consultation with the industry, indigenous communities, local government and other key stakeholders.
- BC Hydro developed an Agricultural Mitigation and Compensation Plan in consultation with the affected agricultural land owners and tenure holders, and the Ministry of Agriculture. The final plan was submitted to the B.C. Environmental Assessment Office and posted online on July 27, 2017.
- The Agricultural Mitigation and Compensation Plan must comprise inclusion of suitable land in the ALR, consolidation and/or connection of residual agricultural parcels, funding for mitigation actions for disruptions to farmers and provide for minimizing access to farm land by the public and construction workers.
- Site C is now under review by the B.C. Utilities Commission. The timelines and establishment of the Fund may be impacted by the results of the review and government decisions regarding Site C.

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.
- The Plan includes a \$20 million 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 has struck a Consultation Steering Committee (CSC) (comprised of staff from BC Hydro, the Ministry of Agriculture, and the Ministry of Energy and Mines) 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, Peace River Regional District, the District of Hudson's Hope, the Ministry of Agriculture, and the Ministry of Forests, Lands and Natural Resource Operations.
- Three changes were made to the final governance model: prioritization of First Nations for a member at large seat; a distinct process and seat for an agricultural producer living in the Peace Valley; and the addition of another cattle seat at the table to balance out the crop-livestock ratio of the Board. Some crop organizations have indicated dissatisfaction with the additional cattle seat.
- The Ministry of Agriculture and the Ministry of Energy and Mines may wish to provide further commentary on the Plan and or Fund as the EAC submission requirement happened during the government transition.
- Site C is now under B.C. Utilities Commission review. The timelines and establishment of the Fund may be impacted by the results of the review and government decisions regarding Site C.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- There will be ongoing staff engagement in the project, estimated at 0.5 to 1 FTE for the initial three years. Engagement is expected to the completion of the Plan. The Ministry has not committed any resources directly to the Fund.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: TJ Schur	Name: Lori Vickers
Date approved by ADM:	Branch: Sector Development	Branch: Sector Development
Phone: 250 356 1122	Phone: 250-387-7183	Phone: 250-787-3241
Cell:	Cell: 250-812-1214	Cell: 250-219-2715

TEMPORARY FOREIGN WORKER HOUSING**RECOMMENDED RESPONSE:**

- **Temporary Foreign Workers (TFWs) are critical to the B.C. agricultural sector and will become even more important in the coming years due to the gap between the number of workers needed and the number of workers available province wide.**
- **B.C. laws fully cover TFWs who have the same rights and protections as other workers in B.C.**
- **B.C. is committed to working with the federal and provincial governments to ensure the rights and protections of all residents, including TFWs.**
- **The expectation of the Province is that all industries, including the agriculture industry, at minimum meet the provincial health and safety standards including adequate housing for the workers they employ.**
- **The Ministry of Agriculture (AGRI) continues to work with the Ministries of Labour and Health to review and ensure the rights and protections continue to be achieved in the agriculture sector.**

BACKGROUND:

- In 2016, B.C. received 9,692 Temporary Foreign Worker (TFW) positions from all agricultural occupations.
- Over 77 percent were under the Seasonal Agricultural Worker Program (SAWP).
- This is an 8.2 percent increase from 2015.
- The agriculture and seafood sector utilizes the federal Temporary Foreign Worker Program (TFWP), which enables employers to hire foreign workers to fill labour shortages when Canadian workers are not available. The TFWP includes two program streams for the agriculture sector:
 - The SAWP, under which foreign workers from Mexico and Caribbean countries are hired to work in primary agriculture jobs lasting up to eight months.
 - The Primary Agriculture Stream, under which foreign workers from any country are hired to work in primary agriculture jobs lasting up to 24 months.
- Employers are required to meet a variety of federal and provincial employment standards to ensure the workers are treated fairly while working in B.C.
- One of these standards is appropriate housing that is set by the federal government in consultation with the country the workers are coming from.
- There is no one provincial ministry that deals with the issue of housing for temporary foreign workers. AGRI plays a facilitating and coordinating role between the various governments.
- The federal government requires pre-season inspections of TFWP housing in order to receive workers. There is no requirement for mid-season inspections to ensure that TFW housing conditions remain acceptable once workers are on site.
- Agriculture employers are also responsible for meeting requirements for work camp accommodations, administered by the Ministry of Health under the Industrial Camp Regulations, *Public Health Act*; however, provincial health authorities respond only to complaints in work camps and do not receive notice of when and where agriculture work camps are operating.
- The Mexican Consulate has continually raised the issue they believe that there is substandard housing provided to some of their workers through the SAWP program.
- The Mexican Consulate toured 70 farms throughout B.C. during this summer and reported that a third of the houses (22) were substandard. These incidents have been reported to the appropriate agencies (i.e. WorkSafeBC and local fire departments).
- The BC Agriculture Council (BCAC) provides inspections to TFW housing providers. All BCAC inspectors are licensed with Consumer Protection BC.
- Authorized inspectors inspect accommodations as part of the TFW federal program requirement and to increase public trust.
- The Premier's mandate letter to Minister of Labour, the Honourable Harry Bains, has directed the minister to create a Temporary Foreign Worker registry which can help protect vulnerable workers from exploitation and to track the use of temporary workers in the economy.

Approved by:	Prepared by:	Alternate Contact:
ADM James Mack	Name: Heather Anderson	Name: Emily Shaw
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250 356-1687	Phone: 250 387-3232
Cell:	Cell:	Cell:

ISSUE/PROGRAM: Weed Free Forage (WFF) and Straw in Northern BC**RECOMMENDED RESPONSE:**

- **British Columbia does not have a WFF Program. However, it has well-established regional and provincial invasive plant programs and organizations that are coordinated by an inter-ministry invasive species committee led by the Ministry of Forests, Lands, Natural Resources and Regional Development (FLNRO) with representation from the Ministry of Transportation and Infrastructure (MOTI), AGRI, Ministry of Environment (MOE) and others.**
- **In 2011/2012 the Ministry of Agriculture supported a pilot program to develop and test a Weed-Free Forage Program.**
- **In May of 2016 AGRI commissioned a WFF/S market feasibility study.**
- **Within B.C., current use of WFF/S is relatively low. FLNRO, ENV, MOTI, MEM and agencies such as the OGC recommend their contractors use WFF/S products – promoting the use of WFF/S as a best management practice.**
- **For B.C. a voluntary WFF/S program would amount to 244 tons of forage annually, compared to 1,277 tons annually for a regulated program (i.e. mandatory for all Crown land users). This equates to approximately 129 acres of forage production for a voluntary program and 672 acres for a regulated program.**
- **AGRI supports the intention of encouraging good invasive plant management practices and continue to encourage agencies, the public and corporations to employ strategies that reduce the spread of invasive species including using WFF/S.**
- **There are many environmental and ecological benefits to minimizing the spread of invasive plants, particularly in the backcountry. While WFF/S can be used to lower the risk of spreading invasive plants, it is unrealistic to expect that WFF/S will have a major role in remediating areas already impacted by invasive plants.**

s.13,s.17

s.13

CROSS JURISDICTIONAL COMPARISON:

- Four adjacent US states (MT, ID, WA and OR) have established WFF/S programs supported by legislation that regulates the use of certified WFF/S on state and federal public lands. These jurisdictions proactively address invasive plant management through their requirements, enforcement and public awareness activities.
- Alberta is the only province to adopt a program, relying on public awareness and education, to encourage the use of certified WFF/S in the backcountry and parks. Without supportive legislation, uptake of the WFF/S program in Alberta has been limited.
- Establishing a WFF/S program in B.C. will require cross-government cooperation and decision making. All the resource ministries (FLNRO, ENV, MEM) and MOTI are facing increasing pressure from stakeholders to adopt the use of WFF/S on the land bases and tenures they manage. These ministries and related agencies have the mandate to protect environmental and social values on Crown land in the province and will need to determine the relative value of a provincial WFF/S program once they have determined all related program and enforcement costs as well as the potential benefits.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- The contract for the 2016 market feasibility study cost \$55,000.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Lori Vickers	Name: James Street
Date approved by ADM: XXX	Branch: Sector Development	Branch: Sector Development
Phone:	Phone: 250-787-3241	Phone: 250-356-6373
Cell:	Cell: 250-219-2715	Cell:

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 23, 2017 Minister Responsible: Hon. Lana Popham	Emergency Response: General
---	------------------------------------

RECOMMENDED RESPONSE:

- When emergencies occur, Ministry of Agriculture staff work with Emergency Management B.C. and local governments to provide support to the response when agriculture is involved.
- During this summer's wildfires, the ministry is working closely with the BC Cattlemen's Association and providing assistance supporting livestock relocation through the Provincial Regional Operation Centre's.
- The number of livestock within the boundaries of wildfire-affected areas is estimated to be 30,000 animals, I want to be clear, that is a lot of cattle, and this is a large scale emergency response.
- At this stage, we do not have any firm numbers on livestock injuries and losses.
- Income support for ranchers and crop producers will be available through existing federal and provincial government's insurance and income protection programs, but we recognize, given the scope of the fires, more will likely be needed.
- The B.C. government continues to work with the Government of Canada regarding support for B.C. ranchers, and will do our best to ensure ranchers have as efficient access to either existing or new programs.

BACKGROUND:

- British Columbia's wildfires have destroyed a record amount of forest, brush and grassland, surpassing the devastation of nearly 60 years ago.
- Ministry staff have been deployed to Provincial Regional Emergency Operations Centres (PRECOs) around the province to provide aid to Ministry stakeholders.
- Link to federal and provincial government's insurance and income protection programs:
<http://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/insurance-and-income-protection>

Communications Contact:

Program Area Contact:

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 24, 2017 Minister Responsible: Hon. Lana Popham	Emergency Response: Timing of Response/ Accessing Support
---	--

RECOMMENDED RESPONSE:

Timing of Response:

- Recovery from an emergency of this magnitude is not going to be instant and it is not going to be easy. It will take energy, resources and partnership from all involved, and my commitment to the farmers and ranchers of B.C. is the Ministry of Agriculture will contribute all three.
- I want to be clear, we are committed to assisting our farmers and ranchers return to full production as quickly as possible.
- This has been an unprecedented emergency, and we are working with our federal partners to ensure a complete response, including the development of an AgriRecovery program.
- Establishing a program and securing funding for B.C. farmers and ranchers requires processes and steps to ensure the program is both effective for the recipients and that it provides good value.
- There are a number of programs available through both the Emergency Response centres and the Ministry to help support farmers and ranchers by providing feed or helping relocate cattle, or by covering income declines or other losses.
- Other ways, in which the government can support ranchers are being considered, and we are assessing those options with stakeholders and partners.
- The governments of Canada and B.C. are working with producers, local officials and stakeholders to respond to this emergency as efficiently and collaboratively as possible and will keep working until the job is done.

Accessing support:

- I know there have been situations in which ranchers have complaints about the service they have received, and we have reached out to them to offer our support and assistance.
- I'd acknowledge that in an emergency of this scope and length, there are always developing parts of the emergency response that need and deserve our attention, including the ranchers who have expressed their concerns.
- I'd extend the offer of help and assistance to any rancher impacted by the fires in BC and ask them to contact us with their concerns

Confidential Issues Note - **ADVICE TO MINISTER**

- **The B.C. government has been in daily communication with the BC cattlemen and working with them, local governments and stakeholders to provide the best possible response to challenges and problems as they arise**
- **We'd like to hear from ranchers with concerns, so we can do our best to connect them with the support and services they need.**

BACKGROUND:

- The B.C. government is continuing to work with the Government of Canada to ensure B.C. ranchers have access to either existing or new programs as part of the overall response to the devastating wildfires in the province's Interior.
- The potential impact is severe as B.C. ranchers have an estimated 30,000 animals within the boundaries of the wildfire-affected areas. The number of confirmed livestock injuries and losses is not available yet as the ongoing emergency response continues. Once the information is available, the B.C. government will work quickly with industry stakeholders to develop a fair and timely response.
- While recognizing that given the scope of the wildfires, additional programs will likely be needed, the B.C. government is encouraging ranchers and crop producers to look at the existing federal and provincial government insurance and income protection programs that are available today.
- It is estimated more than 500 ranchers have already received support and information through the wildfire emergency response.
- The Ministry of Agriculture continues to be in close contact with the BC Cattlemen's Association, and remains committed to hearing directly from ranchers with their concerns, so the ministry can connect them with the support and services they need.

Communications Contact:
Program Area Contact:

ISSUE/PROGRAM : Funding programs for ranchers and farmers impacted by wildfire

RECOMMENDED RESPONSE:

- **During the emergency events the Ministry of Agriculture worked directly with Emergency Management B.C. and the Regional Districts to provide immediate support to the agriculture sector which included:**
 - **The emergency relocation and feeding of livestock in a safe area. The final cost associated with the relocation and feeding has not been determined.**
 - **\$60 000 was allocated to the B.C. Cattlemen's Association to assist with a range rider program to gather and evacuate livestock.**
 - **\$25 000 was provided to the B.C. Cattlemen's Association for an Agriculture Emergency Liaison to work in the Emergency Operation Centers.**
 - **Over a one million dollars was allocated for emergency feed for ranchers that lost range, pasture and hayfields.**

FINANCIAL RESPONSES TO LOSS:

- **Private commercial insurance is the first source of recovery funding farmers and ranchers should seek. We realize that many farmers and ranchers did not fully insure all of their farm infrastructure.**
- **AgriRecovery will provide meaningful assistance with the extraordinary costs producers must incur to resume farming operations. This will include livestock feeding costs, labour for clean-up and fencing, replacement of breeding animals lost to fire and reseedling costs to re-establish production.**
- **The Ministry of Agriculture is evaluating the impacts of fire on farm income to decide if a response beyond existing Business Risk Management programs is warranted.**

BACKGROUND:**FOLLOWING IS A DESCRIPTION OF THE PRODUCTS AND PROGRAMS AVAILABLE TO PROVIDE FINANCIAL ASSISTANCE TO AGRICULTURAL PRODUCERS.**

Private Insurance – All farms and ranches are expected to carry private insurance against fire. Insurance is available to cover all buildings and equipment. All farm infrastructure, equipment and livestock can be scheduled onto a ranch policy. Virtually no ranches are fully insured. Less than one percent insure livestock and very few fully insure feed, equipment, corrals and fencing.

Losses on Crown Range – The Ministry of Forests, Lands, Natural Resource Operations and Rural Development is responsible for the repair and replacement of losses to Crown infrastructure on Crown land. This includes fences, cattle handling facilities, watering facilities, cabins and any other range infrastructure damaged or destroyed due to fire. There may be issues for individual operations on how fast lost infrastructure is restored.

Production Insurance (PI) – PI (also referred to as crop insurance and AgriInsurance) covers crop losses due to natural perils including fire. The losses will be covered where crops are lost because they cannot be irrigated, harvested or properly managed during a fire. Participation in the forage sector is low and many fields were successfully harvested so PI is not expected to have a significant impact.

AgriStability – AgriStability is intended to cover losses to farm income. This includes losses caused by loss of production, stored crop, livestock inventories or increased expenses. AgriStability is a voluntary, highly individualized program which may provide assistance to affected producers. Approximately half of cattle ranchers participate.

AgriInvest – AgriInvest is a savings program where governments match farmer contributions up to 1 per cent of eligible net sales to a maximum of \$15,000 per year. The accumulated savings can be withdrawn at any time and used for anything. AgriInvest is administered by Canada. Almost all affected producers will have some money available in AgriInvest.

Advance Payments Program (APP) – APP is administered by Canada through cooperating industry organizations. It provides low interest loans to aid farm cash flow in covering expenses or timing markets for optimal returns. The maximum loan is \$400,000 with the first \$100,000 being interest free. All monies must be repaid but may be used if cash flow is an issue for farmers affected by fire.

Special Initiatives

AgriRecovery – AgriRecovery is a framework that facilitates the collaboration between Canada and a province in response to a disaster. The fundamental purpose is to assist farmers with extraordinary costs incurred to return to production. Canada and British Columbia have completed an assessment of the 2017 wildfires and are now seeking authorities to initiate a response.

The program maximum is set at \$20 million with BC responsible for \$8 million. Costs are unlikely to reach \$15 million unless fire losses grow significantly. This can be managed from within the existing Ministry budget.

Enhanced AgriStability – The Ministry of Agriculture is considering re-opening enrollment and providing higher payment rates for 2017 as a further response to income losses due to wildfire and other 2017 events.

CROSS JURISDICTIONAL COMPARISON:

- All provinces have access to the same products and programming
- Each AgriRecovery initiative is developed specifically for each loss event
- BC is considering enhancing AgriStability beyond the national program support.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
ADM: Arif Lalani	Name: Brent Barclay	Name: Lonny Steward
Date approved by ADM:	Branch: Sector Development	Branch: Business Risk Management
Phone:	Phone: 250 614 7450	Phone: 250 861-7204
Cell:	Cell: 250 961 8490	

Confidential Issues Note - ADVICE TO MINISTER

Ministry of Agriculture Date: August 24, 2017 Minister Responsible: Hon. Lana Popham	Emergency Response: Helping ranchers return/ Available Support
---	---

RECOMMENDED RESPONSE:

Helping ranchers return:

- As ranchers and residents return to affected areas, the B.C. government will continue working with ranchers and partners to help identify how many of those cattle were relocated, followed escape routes, or sheltered in place.
- The B.C. government is working with the BC Cattlemen's Association, local government Emergency Operation Centres, and other partners to offer situation specific advice and responses to ranchers seeking help relocating, gathering, sorting or identifying their cattle.
- We don't have precise numbers yet, a rough estimate suggests more than 500 ranchers have received support or information through the emergency response, but that number could be higher.
- That estimate is a broad one, and includes everything from logistical support in relocating cattle, helping ranchers re-access their property, or connecting with them with the right people or agency that can help them.
- For example, about 350 ranchers in the Cariboo have been able to re-access their property, feed has been arranged for more than 20 ranches, and more than 100 ranchers have received varying levels of support from the Kamloops emergency response centre.
- We have programs and people in place to help them relocate cattle, provide feed for their cattle if they need it, and to re-enter and re-access their property.

Available support:

- I'd also like to mention the programs available to help commercial livestock producers impacted by the 2017 wildfires.
- Fence reconstruction along highways and on Crown range will begin soon using a prioritized approach to protect public safety and the welfare of livestock.
- The Province will be spending about \$6 million on these reconstruction efforts.
- The Emergency Management BC Commercial Livestock Relocation program provides resources to commercial livestock producers to help evacuate and relocate livestock in areas under an evacuation alert or evacuation order.

Confidential Issues Note - ADVICE TO MINISTER

- **Emergency livestock feed is available to commercial livestock producers in the Cariboo Regional District that have lost grazing areas as a result of wildfires.**
- **The BC Cattlemen's Association and Range staff from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development have begun working with ranchers throughout the province to locate Crown range and private grazing areas that are available to accommodate wildfire-impacted ranchers who need summer and fall grazing.**

BACKGROUND:

- The B.C. government is continuing to work with the Government of Canada to ensure B.C. ranchers have access to either existing or new programs as part of the overall response to the devastating wildfires in the province's Interior.
- The potential impact is severe as B.C. ranchers have an estimated 30,000 animals within the boundaries of the wildfire-affected areas. The number of confirmed livestock injuries and losses is not available yet as the ongoing emergency response continues. Once the information is available, the B.C. government will work quickly with industry stakeholders to develop a fair and timely response.
- While recognizing that given the scope of the wildfires, additional programs will likely be needed, the B.C. government is encouraging ranchers and crop producers to look at the existing federal and provincial government insurance and income protection programs that are available today.
- It is estimated more than 500 ranchers have already received support and information through the wildfire emergency response.
- The Ministry of Agriculture continues to be in close contact with the BC Cattlemen's Association, and remains committed to hearing directly from ranchers with their concerns, so the ministry can connect them with the support and services they need.

Communications Contact:
Program Area Contact:

ISSUE: Recovery Planning for Wildfires**RECOMMENDED RESPONSE:**

- **Recovery from the wildfires will be a long term process and the Ministry of Agriculture is committed to working with producers throughout it.**
- **The Business Risk Management Branch is delivering the federally/provincially funded AgriRecovery program. This program is a key funding source for impacted agriculture operations.**
- **The goal is not only to assist the agriculture operations that were directly impacted by the wildfires, but recognize and support operations that were indirectly impacted.**
- **Areas that Ministry of Agriculture recovery planning may address include: financial support, short and long term pasture and feed needs, animal welfare, infrastructure needs, water management and long term resiliency for the region.**
- **Regional Agrologists, Industry Specialists, Resource Specialists and Forest Lands and Natural Resource and Regional Development (FLMRORD) Range staff are working collaboratively to address the longer term extension needs of the sector.**

BACKGROUND

- The B.C. Cattlemen's Association is directly communicating with AGRI regarding recovery programming.
- Currently there are two streams of support for recovery from AGRI:
 - Business Risk Management Branch (BRMB) is coordinating the delivery of the AgriRecovery program using internal staff and several contractors to provide financial assistance to producers.
 - Sector Development Branch and Innovation and Adaptation Services Branch are addressing the longer term on the ground recovery needs and coordination with other government recovery programs.
- Livestock feed, pasture and fencing are the most immediate needs identified by the sector; however, all involved recognize the complexity and scope of the challenge. The following are areas of consideration when discussing recovery in the sector:
 - Corral systems reconstruction
 - Water management
 - Weeds
 - Fall and Winter feed supply
 - Industry resiliency
 - Fire Smarting
 - Mortality disposal
 - Livestock movement
 - Critical fence reconstruction
 - Insurance
 - Financial analysis – cash flow and debt structuring
 - Business Continuity/Coaching
 - Mental Health
 - Communication strategy
 - Mass wasting

CROSS JURISDICTIONAL COMPARISON:

- The Ministry of Agriculture works in partnership with Emergency Management B.C. and Range Branch (FLNRORD) to ensure concerns and needs are ranchers are addressed.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- BRMB is coordinating a AGRI-Recovery program with the Government of Canada.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Brent Barclay	Name: Lavona Liggins
Date approved by ADM:	Branch: Sector	Branch: Sector
Phone:	Phone: 1 250 614 7450	Phone: 1 250 614 7438
Cell:	Cell: 1 250 961 8490	Cell:

ISSUE/PROGRAM : Engagement with stakeholders impacted by wildfires**RECOMMENDED RESPONSE:**

- **The Ministry of Agriculture's engagement with the impacted ranchers and farmers is an important part of the recovery process to ensure all aspects of the disaster are considered in the development of an AGRI Recovery program.**
- **The Ministry of Agriculture has actively engaged the B.C. Cattlemen's Association (BCCA) and the B.C. Sheep Federation regarding the associated needs, losses and impacts.**
- **At the beginning of this event, Ministry of Agriculture staff reached out to the BCCA to solicit information on how to best support the sector. Based on these discussions the BCCA were provided:**
 - **\$60 000 to hire riders, rent fence panels and hire cattle haulers to move cattle from the wildfire impacted areas.**
 - **\$15 000 to hire a contractor to represent BCCA at the Cariboo Regional District Regional Emergency Operations Center.**
- **As a result of providing the BCCA with these funds, they were able to rapidly support livestock evacuation needs in the Highway 24 and Clinton area.**
- **Ministry of Agriculture Regional Agrologists and FLNRORD District Range Agrologists continue to engage with stakeholders by participating in public meetings when possible.**

BACKGROUND:

- AGRI continues to engage with the BCCA to determine current and future needs for the sector and how to address those needs.
- AGRI and Emergency Management BC (EMBC) have provided approximately \$75,000 in funding to the BCCA for emergency management response.
- AGRI has worked with Regional Districts to develop livestock evacuation templates and protocols to support local governments.

CROSS JURISDICTIONAL COMPARISON:

- AGRI works in partnership with the Range Branch (FLNRORD) to ensure the concerns and needs are ranchers are addressed.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- EMBC provided BCCA with a \$60 000 expense authorization for riders, panels, and cattle hauling. This is based on a similar request from the 2010 wildfires in the Riske Creek area.
- AGRI provided BCCA with a \$15 000 expense authorization to fund a BCCA Emergency Operations Center representative.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Brent Barclay	Name: Lavona Liggins
Date approved by ADM:	Branch: Sector	Branch: Sector
Phone:	Phone: 1 250 614 7450	Phone: 1 250 614 7438
Cell:	Cell: s.22	Cell:

ISSUE: Lessons Learned from this Year's Wildfires**RECOMMENDED RESPONSE:**

- **When the wildfire season began the Ministry of Agriculture emergency management staff immediately developed a strong working relationship with the Ministry of Forest Lands Natural Resource Operations and Rural Development (FLNR) Range Branch staff and the B.C. Cattlemen's Association (BCCA) to increase capacity to provide timely support to the livestock sector.**
- **The presence of Ministry of Agriculture staff in the Provincial Regional Emergency Operations Centers and Emergency Operations Centers (EOCs) has allowed for adaptive and responsive decisions such as the emergency feed program and use of premises identification for tracking reentry permits.**
- **The fires have resulted in evacuation orders and alerts over massive areas. The Ministry of Agriculture, Regional Districts and BCCA were able to improve the re-entry process through the use of premises identification and geo-spatial mapping.**
- **We now recognize that Emergency Operations Centers can be staffed by external representatives and there is a need to ensure ongoing communication to promote livestock relocation policies as staff cycle through various roles.**

Background:

- Based on the 2003 Filmore Report, the Ministry of Agriculture is to provide technical guidance to Emergency Management B.C. (EMBC) and local governments during an emergency event. This role allows AGRI staff to act as technical specialists within the emergency operation structure.
- The defined structure has allowed AGRI staff to remain within scope to support agribusinesses only. The 2017 wildfires illustrated the need to support hobby farms and horse operations; however, staff would remain focused on agribusiness operations.
- EMBC and the Ministry of Agriculture have developed a policy to support local authorities with livestock relocations under specified conditions. EMBC will reimburse local authorities and First Nations for their response costs related to helping livestock owners move their animals to safety during an emergency. For support with livestock relocation, farm business operators must request assistance directly through their local authority EOC.
- The Emergency Feed program was identified as a need by AGRI staff and was developed for the Cariboo Regional District with a similar program in the Thompson Nicola Regional District. The Cariboo Regional District EOC secured \$940 000 for emergency feed for producers in the Cariboo Region.
- The Ministry of Agriculture has proactively worked with local governments and producer associations to develop emergency response guidebooks for the agriculture sector. i.e. Beef, Dairy, Pork and Small Mixed Farm Emergency Management Guides).

CROSS JURISDICTIONAL COMPARISON:

- NA

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- NA

Approved by:	Prepared by:	Alternate Contact:
ADM Name	Name: Brent Barclay	Name: Lavona Liggins
Date approved by ADM:	Branch: Sector	Branch: Sector
Phone:	Phone: 1 250 614 7450	Phone: 1 250 614 7438
Cell:	Cell: 1 250 961 8490	Cell:

ISSUE/PROGRAM: Livestock carcass disposal options**RECOMMENDED RESPONSE:**

- **Depending on the number of mortalities, location of mortalities and the ability to recover and transport those mortalities, there are a number of recommended disposal options for livestock carcasses.**
- **These include on-farm disposal (burial, composting, natural disposal), Regional District landfills, rendering and newly developed mass carcass disposal sites.**
- **Since 2005, government has provided over \$3.5M through the Livestock Waste Tissue Initiative to support preparedness and response capacity for local governments and the province to respond to a mass carcass event.**
- **Ministry staff are available to provide advice and support producers in identifying the most appropriate disposal options.**
- **Government is doing advanced planning to ensure we have suitable disposal options in place for a livestock mass carcass disposal event.**

BACKGROUND:

- A priority for the Ministry of Agriculture has been to identify suitable centralized burial sites in BC. This allows communities, industry and local governments to improve preparedness for events that may trigger the need to dispose of a large number of animal carcasses (e.g., Foot and Mouth Disease).
- Centralized burial sites are specific to each regional district (RD). Hence, one RD may not automatically use another RD's burial site; negotiations must take place prior to disposal.
- Many local governments have completed plans for mass carcass disposal; however, the majority of plans cite the lack of disposal options for large carcasses (i.e. cattle) as one of the main gaps to achieving emergency preparedness for large scale disasters.
- AGRI provided the Investment Agriculture Foundation with \$5 M in 2005 to deliver the Livestock Waste Tissue Initiative (LWTI) which provides funding opportunities to improve mass carcass disposal preparedness throughout BC. Funding is available to local governments, industry and provincial agencies. Approximately \$1.5 M of this fund is remaining.
- It is expected that the majority of the remaining funds will be allocated towards ground-truthing and permitting identified sites in two RD's previously identified through GIS studies.
- The most suitable mass carcass disposal option for large carcasses in many areas of BC is burial on Crown land although burying on farm may also provide some additional disposal capacity.
- Methods other than burial, such as composting and incineration, have limited potential for large carcass disposal in a large scale emergency.
- Provincial and federal agencies (AGRI, Ministries of Environment and Health & the Canadian Food Inspection Agency) have developed livestock disposal protocols that facilitate a coordinated and approved approach for the disposal of infected and non-infected livestock.
 - Protocol #1 outlines the requirements and procedures for burial of mass mortalities.
- AGRI staff are aware of approximately 40 cows that have died as a result of the 2017 wildfires, the majority of these animals are being disposed of on-farm.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Since 2005, government has provided over \$3.5 M through the LWTI to support preparedness and response capacity for local governments and the province to respond to a mass carcass event.
- There are no expenditure/revenue implications for 2017/18.

Approved by:	Prepared by:	Alternate Contact:
ADM Name: Arif Lalani	Name: Mark Raymond	Name: Jake Turek
Date approved by ADM:	Branch: Innovation and Adaptation Services	Branch: Innovation and Adaptation Services
Phone: 250-356-1122	Phone: 604-556-3107	Phone: 604-556-3102
Cell: 250-208-9902	Cell: 604-226-7226	Cell: N/A

ISSUE/PROGRAM: Replacement of fencing lost from wildfires**RECOMMENDED RESPONSE:**

- **Many ranches and farms have lost corrals and fences; the Ministry of Agriculture recognizes fencing is one the most critical pieces of infrastructure on farms and ranches.**
- **The Ministry of Agriculture's and Government of Canada's AgriRecovery program will be providing financial assistance for the reconstruction of private land fencing and corrals. Staff estimate over 300 km of private land fence has been impacted.**
- **The cost of reconstruction of Crown range fencing is covered by the Province of B.C., with Range Branch within the Ministry of Forest Lands Natural Resource Operations and Rural Development coordinating the reconstruction process. Staff estimate that over 1200 km of fencing on Crown land is located within the fire boundaries with an estimate of 30- 50 per cent impacted.**
- **The Province is proud to partner with the B.C. Cattlemen's Association Highway fencing program for the construction of lost highway fencing. Fencing contractors were on site immediately after the fires and assessing highway fences in July, with reconstruction beginning in early August.**

Background:

- The Ministry of Forest Lands Natural Resource Operations and Rural Development (Range Branch) is coordinating assessment and reconstruction for Crown land and highway fencing.
- The Ministry of Transportation and Infrastructure will provide \$2.2 million in funding to the BCCA for the repair and replacement of livestock fences adjacent to provincial highways destroyed by the wildfires. This is in addition to \$2 million for the existing 2017-18 Provincial Livestock Fencing Program.
- The Ministry of Forests, Lands, Natural Resource Operations and Rural Development will contribute \$4 million toward the repair and replacement of Crown range infrastructure. This includes fences that are not along highways, cattle-handling facilities, watering facilities, cabins and other range infrastructure damaged or destroyed due to fire.
- The Province of B.C. is covering the cost of the fencing with the understanding that 60 per cent of the cost will be recovered from the Government of Canada.
- Ministry of Forest Lands Natural Resource Operations and Rural Development cost estimates for fencing have increased from \$16 000/km to \$20 000/km.
- The burnt fences have resulted in cattle from numerous ranches mixing together and drifting to unburnt areas in search of feed.

Approved by:	Prepared by: <i>(The person who wrote the note)</i>	Alternate Contact:
ADM Name	Name: Brent Barclay	Name: Lavona Liggins
Date approved by ADM:	Branch: Sector	Branch: Sector
Phone:	Phone: 1 250 614 7450	Phone: 1 250 614 7438
Cell:	Cell: 1 250 961 8490	C

ISSUE/PROGRAM Wildlife and Agriculture Conflict Reduction Review

An inter-ministry Wildlife and Agriculture Conflict Reduction Review Committee was struck in October 2015 to review the effectiveness of current provincial policies and programs.

RECOMMENDED RESPONSE:

Policies and programs related to ungulate, waterfowl, predators and wildlife protection were reviewed. Feedback from stakeholders resulted in considerable comments and recommendations that included:

- **Establish clear provincial policy for ungulate population management;**
- **Establish agriculture program compensation rates that are current and regionally adjusted that include ungulate and waterfowl damage as well as livestock mortalities;**
- **Establish a compensation program for sheep predation commensurate as that for cattle;**
- **Review production insurance to have rates that are adjustable when higher frequencies of wildlife losses occur;**
- **Expand funding for fencing and investigate alternative mitigation methods for ungulate, waterfowl and predator management;**
- **Improve the timeliness of the predator verification process by providing more trained verifiers;**
- **Implement the Grey Wolf Management Plan;**
- **Increase hunting access and culling opportunities in regions where ungulate, waterfowl and predator damage is greatest;**
- **Review forest and range management practices with regards to improving forage capacity, habitat and access for natural prey populations;**
- **Improve coordination of all agencies regarding wildlife-livestock disease management including developing up-to-date protocols for managing disease;**
- **Establish protocols for managing wild and domestic sheep populations;**
- **Engage locally with stakeholders on developing habitat and range management objectives;**
- **Revise regulations to all Game Farm producers to access Crown range; and**
- **Increase species specific inventories.**

BACKGROUND:

Over the past several years livestock and crop producers have expressed concern about:

- Damage to crops from ungulates and waterfowl
- Losses due to predation on livestock
- Agriculture impacts on wildlife protection
- Need for more effective policies, stronger compensation programs and better client services

Between October 2015 and the end of March 2016 the Ministries of Agriculture (AGRI), Forests, Lands and Natural Resource Operations (FLNR) and Environment (ENV) conducted a Wildlife and Agriculture Conflict Reduction Review that involved discussion with 24 stakeholder groups and engagement opportunities for more than 200 First Nations in the province. The purpose of the review was to evaluate:

- the effectiveness and efficiency of provincial policies and programs that address wildlife-agriculture conflicts;
- inter-ministry communication and coordination;
- approaches to program delivery and client services; and to
- develop recommendations on further analysis and government actions.

Response themes were grouped into five categories:

- Damage and Compensation
- Wildlife Management and Mitigation
- Habitat Management
- Forest and Range Management Practices
- Communication and Coordination

Recommended outcomes:

s.12,s.13

Approved by:	Prepared by: <i>(The person who wrote the note)</i>	Alternate Contact:
ADM Name: Arif Lalani	Name: Arif Lalani	Name:Sandra Cameron
Date approved by ADM: XXX	Branch:BDD ADMO	Branch: BDD ADMO
Phone: 250-356-1122	Phone:	Phone:250-356-1122
Cell: 250-208-9902	Cell:	Cell:778-678-5037

Wine Appellation Working Group and Wine Plebiscite**RECOMMENDED RESPONSE:**

- **The Ministry of Agriculture (AGRI) is one of several government agencies that support the growth of B.C.'s wine industry.**
- **AGRI is responsible for the Wines of Marked Quality Regulation (WMQR), which establishes programs wine certification programs that are administered by the B.C. Wine Authority (BCWA).**
- **As a former grape farmer, I recognize the value of building a strong B.C. wine industry and ensure truth in advertising of B.C. grape wines.**
- **I welcome the recommendations of the BC Wine Appellation Task Group and the results of the BCWA's spring 2016 plebiscite.**
- **Three recommendations from the plebiscite have already been implemented through amendments to the Wines of Marked Quality Regulation:**
 - **Mandatory conjunctive labelling (#6);**
 - **Grape growers to be included in the ballot for new sub-geographical indications (#11); and,**
 - **Delete the requirement for distinctive characteristics (#12(a)).**
- **The Wine Authority is in the process of finalizing reports that are required to undertake regulatory changes to support the implementation of three more plebiscite recommendations:**
 - **Establishment of new geographical indications (#7);**
 - **Identified sub-regions as the basis for new sub-geographical indications (#8(a)); and,**
 - **Flat membership fee for small wineries (#10).**
- **Ministry of Agriculture staff are currently reviewing the remaining four recommendations in consultation with the BCWA.**
- **I look forward to working with the B.C. wine industry to continue to develop world-class wines.**

BACKGROUND:

- The Ministry of Agriculture (AGRI) is one of several government agencies that support the growth of B.C.'s wine industry. AGRI is responsible for the WMQR, which establishes programs wine certification programs that are administered by the BCWA.
- Approximately 165 wineries currently participate in these programs, accounting for about 90 percent of all the 100 percent B.C. grape wine produced in the province.
- The B.C. Wine Appellation Task Group (BCWATG) was established in March 2015.
- 16 members were selected to represent the various segments of the B.C. wine industry (e.g. BCVQA, commercial wineries, grape growers, wine regions, non-BCWA wineries), as well as the AGRI.
- The BCWATG mandate was: "To work in cooperation with the B.C. Wine Authority (BCWA) to bring forward industry recommendations to propose amendment(s) to the *Wines of Marked Quality Regulation* (WMQR) that represent the interests of all 100% B.C. Wine Producers, to better meet the demands of today's market conditions, and for potential application for other sectors including 100% B.C. fruit wine, ciders and beer."
- The BCWATG released its final report in November 2015, which included 12 recommendations, some of which became the subject of a plebiscite which ran from May 20 to July 1, 2016.
- Some of the recommendations carry broad implications for the entire wine industry; therefore the BCWA invited all producers of 100 percent B.C. grape wine to participate in the plebiscite. 180 wineries participated, including 136 BCWA members and 44 non-members.
- Out of the 11 recommendations in the plebiscite, one recommendation did not receive sufficient support, leaving 10 plebiscite recommendations for government consideration.
- In January 2017, three recommendations were implemented including:
 - Mandatory conjunctive labelling (Recommendation #6);
 - Grape growers to be included in the ballot for new sub-geographical indications (#11); and,
 - Delete Section 29(3)(e) of the WMQR, which requires distinctive characteristics (#12(a)).
- Seven recommendations remain. The BCWA is nearing completion of additional work to support the implementation of three additional recommendations:
 - Establishment of new geographical indications (#7);
 - Identified sub-regions as the basis for new sub-geographical indications (#8(a)); and,
 - Flat fee for small wineries (#10).
- Once the results of this work have been provided to the Ministry, expected in September 2017, the Ministry will make a recommendation to the Minister regarding implementation.
- Ministry staff are reviewing the four remaining recommendations in consultation with BCWA, three of which received low levels of support from non-member wineries:
 - Change Wines of Distinction name to "British Columbia Wine" (#2(a));
 - Prohibition on the use of unregulated geographical indications (GIs) (#4);
 - Mandatory BCWA membership as a condition of winery license (#1); and

- Mandatory qualification as a Wine of B.C. (#5).

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Moderate investment of staff time.

Approved by:	Prepared by:	Alternate Contact:
ADM: James Mack	Name: Jacqueline Cushing	Name: Lorie Hrycuik
Date approved by ADM: XXX	Branch: CGPL	Branch: CGPL
Phone:	Phone: 250-356-7219	Phone: 250 356-8299
Cell:	Cell:	Cell: 250 208-8326

ISSUE: Additional Dwellings in the Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- **Additional dwellings are common on ALR properties, alienating farmland and increasing residential and subdivision pressures in farm areas.**
- **Many of the additional dwellings on ALR properties are justified as being necessary for “farm help”.**
- **Not many ALR farm operations require multiple dwellings for farm activity due to the low intensity of agricultural activity. Furthermore, locations with the most pressure for additional dwellings for farm help are ALR areas where housing pressures are the greatest, ie. Zone 1.**
- **Local governments inconsistently exercise discretion in allowing accommodation for farm help as per section 18 of the *Agricultural Land Commission Act* (ALCA). Some local governments routinely permit second dwellings for farm help on the landowner’s representation, not taking into account parcel size, or agricultural intensity. Other local governments require land owners to make a non-farm use application to the ALC for farm-help accommodation.**
- **The ALC does not have a mechanism to ensure additional dwellings constructed for farm help continue to be used for farm help, if the farm use ceases.**

BACKGROUND:

The ALCA, Section 18(a)(ii) states:

- 18** Unless permitted under this Act,
- (a) a local government, a first nation government or an authority, or a board or other agency established by a local government, a first nation government or an authority, or a person or agency that enters into an agreement under the *Local Services Act* may not
 - (ii) approve more than one residence on a parcel of land unless the additional residences are necessary for farm use

- The ALCA and the Agricultural Land Reserve Use, Subdivision and Procedure Regulation does not set a limit on the number of additional residences for farm help accommodation per parcel, but the residences must be necessary for farm use.
- The ALC is not a building permitting authority. This authority rests with local governments under the *Local Government Act*.

- ALC Policy L-09: Additional Residences for Farm Help Accommodation provides suggestions for how local governments could determine whether farm help accommodation is necessary (farm status, size and type of operation), but does not provide a standard set of criteria local governments should use. The Policy also indicates that if the local government has any doubt with respect to need for farm help accommodation, an application under Section 20 (3) of the ALCA for permission for a non-farm use is required.
- Local governments are not required to notify the ALC when accommodation for farm help is approved. The ALC does not know how many additional dwellings for farm help have been approved by local government across the province.
- Section 20(3) of the ALCA permits a land owner to make a non-farm use application for an additional dwelling that is un-related to farm-help accommodation. Between January 2014 and August 2017, 70 applications for additional dwellings were submitted throughout BC; 26 were approved: 44 were refused.
- The ALC is aware of several local governments whose zoning bylaws allow additional dwellings not for farm help accommodation. The ALC has consistently informed local governments, land owners and stakeholders that zoning bylaws that are not consistent with the ALCA are of no force and effect and allowing additional dwellings could create enforcement issues for land owners.
- In a survey of local governments conducted by the ALC in December 2016, local governments identified the regulation and enforcement of multiple dwellings in the ALR as one of their top three planning and enforcement issues/challenges in the ALR.

CROSS JURISDICTIONAL COMPARISON:

- The Province of Quebec created a “Commission de protection du territoire agricole du Quebec” (Quebec Commission) to secure the preservation of 6.3 million hectares of agricultural land in Quebec.
- No local government may issue a building permit for a lot in the Quebec ALR unless the Quebec Commission has issued authorization.
- Applications to the Commission are required for a new use for residential purposes or for the enlargement of an existing residential use.

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

ISSUE: Agri-Industrial Processing in the Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- **The Agricultural Land Reserve Use, Subdivision and Procedure Regulation (the Regulation) permits industrial processing of farm products on ALR parcels provided at least 50% of the source products for processing come from the farm. The “farm” is defined as multiple parcels making up a farm business unit.**
- **Concerns have been expressed that permitted processing facilities are not in keeping with the host parcel size, are sized inappropriately for production (ie. too large), and may support large, multiple parcel farms where the majority of production is elsewhere.**
- **Wineries and cideries are of particular concern because both processing and retail activities (including restaurant facilities) can be located on a farm parcel with only 2 ha of vineyard/orchard production.**
- **Wineries and cideries are also permitted to use product secured through three year contracts for BC grown grapes to make up their 50% on-farm product inputs, subject to the winery being located to a 2 ha farm. This further disengages processing and retail facilities from on-farm production.**
- **Complaints have been lodged by local government that ancillary agri-tourist activities permitted by regulation, including gathering for an event, further degrade winery properties, alienating large areas for parking and assembly uses – i.e. weddings, special fund raising dinners etc.**
- **The ALC does not have a mechanism to ensure that winery and cidery processing and retail facilities are appropriately sized for their on-farm production.**

BACKGROUND:

The Regulation states that:

(2) *The following activities are designated as farm use for the purposes of the Act:*

(a) *farm retail sales if*

(i) *all of the farm product offered for sale is produced on the farm on which the retail sales are taking place, or*

(ii) *the total area, both indoors and outdoors, used for the retail sales of all products does not exceed 300 m² and if at least 50% of that retail sales area is limited to the sale of farm products produced*

(A) *on the farm on which the retail sales are taking place, or*

(B) *by an association as defined in the Cooperative Association Act to which the owner of the farm on which the retail sales are taking place belongs;*

(b) *Repealed. [B.C. Reg. 117/2015, s. 2 (c).]*

(c) *storing, packing, preparing or processing farm products, if at least 50% of the farm product being stored, packed, prepared or processed is*

(i) *produced on the farm,*

(ii) *produced by an association as defined in the Cooperative Association Act to which the owner of the farm belongs, or*

(iii) *feed required for farm production purposes on the farm;*

(2.1) *A winery or cidery, and ancillary uses, are designated as farm uses for the purposes of the Act if*

(a) *at least 50% of the farm product used to make the wine or cider produced each year is grown on the farm on which the winery or cidery is located, or*

(b) *the farm on which the winery or cidery is located is more than 2 ha in area and at least 50% of the farm product used to make the wine or cider produced each year is grown*

(i) *on the farm, or*

(ii) *both on the farm and on another farm located in British Columbia that provides that farm product to the winery or cidery under a contract having a term of at least 3 years.*

Examples of excessive activities on a winery property:

s.13

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

ISSUE: Agricultural Land Commission (ALC) – Land Included to and Excluded from the Agricultural Land Reserve (ALR) by Fiscal Year

RECOMMENDED RESPONSE:

- The ALC includes and excludes land from the ALR based on the ALC's legislative mandate and the processes established in legislation and regulation.
- Between 2012 and 2017 the ALC has decreased by 7,379 hectares. This figure reflects application and non-application related ALR boundary changes noted in the table below.

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	1,957	-661	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
Total	2,603	9,982	-7,379	

- The majority of the lands, both excluded from and included to the ALR since 2001, were mixed and secondary agriculture capability (Class 4, 5, 6).
- The ALR area, as of the last reporting period ending March 31, 2017, is 4,615,858 hectares.
- There are two non-application related boundary changes of note in the table above. In April 2015, Order in Council No. 148 'permanently' excluded 2,775 hectares and 'temporarily' excluded an additional 941 hectares of land from the ALR for Site C Dam. In addition, in accordance with paragraph 30 of the Lands Chapter of the Tla'amin Final Agreement and section 9 of the *Tla'amin Final Agreement Act*, 935.8 hectares of land was excluded from the ALR effective April 5, 2016.

BACKGROUND:

- These figures reflect data from the ALC database and include changes in the ALR as a result of application decisions of the Commission and changes made by Government.
- The ALR area at designation was calculated using manual methods (Dot Matrix or Electronic Planimeter).
- In 2012, the ALR was digitized using GIS. The change to GIS resulted in a 135,920 ha decrease in the ALR as noted below:
 - ALR reported as of March 31, 2012 was 4,759,938 ha.
 - ALR reported as of April 1, 2012 was 4,623,289 ha.

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

Issue: Agricultural Land Commission (ALC) Application Processing Timelines**RECOMMENDED RESPONSE:**

- On March 3, 2016, by Ministerial Order M072, the Minister of Agriculture prescribed performance indicators for ALC application process timelines, effective April 1, 2016.
- The performance indicators provide expectations for timelines as they relate to acknowledgement of applications, release of decisions, and notification to applicants.
- In 2016/2017, the ALC was close to meeting all of its acknowledgement and notification performance indicators but did not meet the targets for release of decisions.
- Reasons for not meeting the target for release of decisions in 60 business days for 2016/2017:
 - 2016 was the first year for implementation of the performance indicators.
 - Changes in the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (the Regulation) impacted several mid-stream applications (e.g. weddings and special events in the Agricultural Land Reserve (ALR)).
 - The ALC was understaffed for the first six months of implementation and needed time to train new staff.
 - 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 *Agricultural Land Commission Act (ALCA)* and the Regulation.
- To date, in 2017/2018 - 71% of decisions have been released within 60 business days (up from 65% last year).

BACKGROUND:

- On March 3, 2016, by Ministerial Order M072, the Minister of Agriculture provided the ALC with expectations regarding the timelines associated with processing ALC applications and also advised the ALC that it must implement a “money back guarantee” to provide applicants with a refund if they do not receive a decision within 90 business days.
- The 60 business day application process may not be consecutive given the specifics of an application; the ALC may “pause” the 60 business day timeline (e.g. applicant meeting, site visit, request for additional information, at request of the applicant).
- On February 7, 2017, the Minister of Agriculture acknowledged that it is challenging for the ALC to meet the 90 day timeline for applications that the Chair of the ALC deems are of provincial importance under s. 11.2(1)(a) of the ALCA.

2016/2017 APPLICATION PROCESSING TIMELINE STATISTICS:**APPLICATIONS RECEIVED:**

- 324 new applications were received in 2016/2017 fiscal.
- 97% of deficient applications were acknowledged within five business days of receipt of the application (Target: 100%).
- 93% of complete applications were acknowledged within five business days of receipt of application (Target: 100%).

60 BUSINESS DAYS:

- 216 decisions of the 324 new applications were released in 2016/2017 fiscal (*note: the remaining will, or has been released in 2017/2018 fiscal*).
- 65% of the decisions were released within 60 business days of acknowledgement of the application (Target: 90%).
- 100% of decisions were provided to applicants within five business days of a decision being released.

90 BUSINESS DAYS:

- 15 decisions exceeded 90 business days.
- The reasons for applications exceeding 60 and 90 days varies:
 - 2016/2017 saw a change in staff, staff shortage, and training of new staff.
 - 2016 Regulation change affected applications mid-stream (e.g. weddings/special events).
 - Number of complicated applications.

180 BUSINESS DAYS:

- Two decisions were eligible for processing with an extended 180 day timeline (Kinder Morgan Pipeline and Massey Tunnel Replacement).

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

ISSUE: Compliance and Enforcement at the Agriculture Land Commission (ALC)**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 2016, the C&E officer contingent was increased to five officers (from two) plus a program assistant dedicated to the processing of incoming complaints and referrals from local government.

In 2017:

- A permanent Director of Operations was hired to oversee the C&E Program.
- A C&E Framework document that outlines the ALC's C&E approach including the tools such as compliance notices, stop work orders, notice of contravention, remediation orders and CEO orders was developed and published online.
- A number of meetings with industry stakeholders and local governments were held and are planned to promote increased collaborative enforcement in the ALR and to ensure local bylaws are consistent with the *Agricultural Land Commission Act* (ALCA) and the Agricultural Land Reserve Use, Subdivision and Procedure Regulation.
- Implemented the Natural Resource Inspection System was implemented to track complaints (the system is currently used by a number of ministries in the sector).
- Currently there is a backlog of 255 active complaints and referrals. From the beginning of fiscal to date, 49 files have been closed, 18 orders and one penalty (ALC's first ever penalty) have been issued.
- Estimate an increase in costs for appeals and legal fees due to more C&E activities.
- Challenges with legislation makes enforcement at times difficult (e.g. definition of "fill").

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 program assistant dedicated to the processing of incoming complaints from the public and referrals from local government.
- 45% of all new complaints are referrals from government agencies and 55% from the public.
- In fiscal 2016/17, the categories of complaint types included: illegal fill activity (44%); commercial activity (37%); multiple dwellings (11%); extraction (5%); gathering for events (2%); and other (1%).
- Percentage of C&E files by region: 47% South Coast; 20% Okanagan; 19% Island; 6% Kootenay; 6% North; and 2% Interior.
- Onboarding onto the Natural Resource Inspection System (NRIS) to track inspections and related follow-up. The system is used by C&E staff in FLNRO, MOE, MEM, BC Parks, and Environmental Assessment Office. This was one of the initiatives by the sector wide NRS Compliance and Enforcement Harmonization Team which the ALC is a now a member.
- Plans to publish enforcement actions on the Environmental Violations Database. The publication of this information, including the names of businesses, is considered to be an additional deterrence (beyond monetary fines) to ensure better compliance with regulatory requirements.
- Currently there is a backlog of 255 active complaints and referrals. Approximately half of these active files are from 2015 or earlier when there were only two C&E officers.
- From the beginning of fiscal to date, 49 files have been closed, 18 orders issued and one penalty. The penalty of \$7500 dollars was issued for commercial activity.
- Estimate an increase in appeals and legal fees due to more C&E activities.

Approved by: Kim Grout Chief Executive Officer	Prepared by: Avtar Sundher Director of Operations	Alternate Contact: Avtar Sundher Director of Operations
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-7014	Phone: 604 660-7014
Cell: 604 240-0413	Cell: 778 879-1931	Cell: 778 879-1931

ISSUE: Filming in the Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- Farming as the primary use for ALR land, though Agricultural Land Reserve Use, Subdivision and Procedure Regulation (the Regulation) permit a limited number of non-farm uses in the ALR.
- Filming is a non-farm use; however its sporadic nature and low impacts are potentially supportive of farming by providing additional income for the farmer/ALR property owner.
- Filming is a concern to the Agricultural Land Commission (ALC) when it results in displacement of farming activity, such as semi-permanent set construction or film equipment storage facilities.
- The current “*gathering for an event*” regulation (permitting 10 “days” of events per year with up to 150 persons attending) allows for some types of limited filming in the ALR, provided the property has BC Assessment “Farm” status.
- Parcels that are used for filming activities that are not consistent with the “*gathering for an event*” regulation require the submission and approval of an ALC non-farm use application.
- The ALC is working with Creative BC and the Ministry of Agriculture to find a solution that promotes farming as the primary use on ALR land while acknowledging the interests of the film industry and farmers who wish to diversify their incomes through supporting the filming industry.

BACKGROUND:

- Occasional filming of movies, television series and commercials has taken place in the ALR in past decades without reference to the ALC.
- ALC does not typically address/enforce filming activities as they are sporadic in nature.
- ALC requires a non-farm use application and approval for those activities that are outside of the parameters of the "Gathering for Events" regulation.
- The Film Industry believes the ALC application process is too cumbersome and slow to respond to film production timelines.
- In January 2017, the Township of Langley (ToL) asked the ALC whether filming was permitted in the ALR.
- The ALC advised ToL that filming in the ALR was permitted as a "gathering for an event", of section 3(K) the Regulation, subject to the conditions outlined in the Regulation.
- In April 2017, ToL began refusing film permits to film operations which exceed the 10 day annual limit for a gathering for an event.

s.13

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

ISSUE: Gathering for Events in the Agricultural Land Reserve (ALR)**RECOMMENDED RESPONSE:**

- **“Gathering for an Event” was established as a permitted farm use in the ALR on July 29, 2016 and cannot be prohibited by local government (as per Section 3(4)(k) of the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (the Regulation) BC #171/2002 – see background). However, it is to be ancillary and supplemental to primary agricultural production on the farm.**
- **“Gathering for an Event” permits up to 150 persons on a farm property for up to 10 events per year (but no supporting structures). Given the temporary nature of the use, it is very difficult for the Agricultural Land Commission (ALC) to enforce. There have also been concerns expressed by farmers about the negative affects of these events on livestock/poultry (ie. noise).**
- **A number of local governments have expressed concern about their inability to prohibit this use and many have indicated that they are unwilling to regulate or enforce the Regulation.**
- **2017 will be the first full season for “Gathering for an Event” under the Regulation. In 2016/17, 2% of Compliance and Enforcement files were related to “Gathering for Events”. The ALC is planning to survey local governments later this fiscal on their experience with the Regulation.**

BACKGROUND:*AGRI Agri-tourism consultations:*

- In 2014, the BC government consulted with over 100 stakeholder groups on the topic as part of the Regulation. Agri-tourism was one of 12 specific questions the Ministry of Agriculture (the Ministry) asked farmers, local governments and all British Columbians. The feedback asked for greater clarity surrounding agri-tourism activities.
- In response to the calls for clarity, the Ministry developed a draft Minister's Bylaw Standard on Agri-tourism and Farm Retail Sales which was open for comment from September 2015 to January 2016.
- Through the creation of criteria, the proposed standard attempted to improve clarity about conditions of agri-tourism, agri-tourism accommodation and farm retail sales on ALR lands.
- Over 100 local governments, associations and other stakeholders commented on the draft Minister's Bylaw Standard and a broad array of often conflicting opinions and ideas were submitted. A consultation summary document was posted by March 31, 2016.
- The 2016 regulatory changes resulted from that process.
- Weddings and events have been separated from agri-tourism with the "Gathering for events" Regulation in 2016, noted below;
 - (k) Gathering for an event, if all of the following conditions are met:*
 - (i) The farm must be located on land classified as a farm under the Assessment Act;*
 - (ii) Permanent facilities must not be constructed or erected in connection with the event;*
 - (iii) Parking for those attending the event must be available on the farm, but must not be permanent nor interfere with the farm's agricultural productivity;*
 - (iv) no more than 150 people, excluding residents and employees of the farm, may be gathered on the farm at one time for the purpose of attending the event;*
 - (v) the event must be of no more than 24 hours duration;*
 - (vi) no more than 10 gatherings for an event of any type may occur on the farm within a single calendar year.*

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

ISSUE: Agricultural Land Commission (ALC) Approval of Kinder Morgan's Trans Mountain Expansion Project**RECOMMENDED RESPONSE:**

- In 2016 the ALC received an application for a Utility Corridor within the Agricultural Land Reserve (ALR) from Kinder Morgan Canada for the Trans Mountain Expansion Project (TMEP). The TMEP is a federally-approved energy project under the jurisdiction of the National Energy Board.
- The ALC approved the application, subject to reclamation conditions, by Resolution #188/2017 on July 13, 2017. Prior to the ALC's decision, the TMEP had received approval from the Federal Government and an Environmental Assessment Certificate for the project had been issued by the BC Environmental Assessment Office on January 9, 2017.
- The ALC approved 338.5 ha of Right of Way and 530.75 ha of adjacent temporary workspace, (a total of 869.2 ha of ALR) affecting 621 properties within both Zone 1 and Zone 2 for a length of 695 km. The reclamation and mitigation conditions require all affected properties within the ALR to be reclaimed to the same or better agricultural standard following completion of construction.
- Kinder Morgan Canada has been informed that separate Non-Farm use applications are required for any proposed temporary stockpile sites, worker camps, and office use sites that are not immediately adjacent to the TMEP Right of Way.

BACKGROUND:

- The application was referred to the ALC's Executive Committee for review based on its impact to three panel regions (North, Interior, and South Coast) and its provincial importance. The authority for the ALC Chair to refer an application to the Executive Committee is set out in s. 11.2 (1) of the *Agricultural Land Commission Act (ALCA)*.
- The Executive Committee did not find it practical to consider the Zone 1 and Zone 2 portions of the TMEP separately and instead reviewed the application in its entirety through the lens of s. 4.3 of the *ALCA*. Section 4.3 of the *ALCA* applies to land located in Zone 2 and requires the Commission to consider, in descending order of priority: s. 6 of the *ALCA*; economic, cultural and social values; regional and community planning objectives; and other prescribed considerations.
- Of the 338.5 ha of RoW approved, 128.07 ha was already dedicated and in use by Kinder Morgan Canada's existing pipeline. The dedication of an additional 210.379 ha of RoW was approved by the Executive Committee as the proposed pipeline would be located underground and the affected properties could be reclaimed and returned to agricultural use following construction.
- The proposal to utilize 530.7 ha of ALR land for temporary workspace was approved by the Executive Committee as the use of ALR land would be temporary and the affected properties could be reclaimed and returned to agricultural use following construction. All of the approved temporary workspace areas are located directly adjacent to the TMEP RoW.
- The Executive Committee acknowledged that the proposed economic benefits of the TMEP were a factor in its decision, and that the expansion of the energy sector should not be at the detriment of the agricultural sector. The decision requires that Kinder Morgan Canada employ mitigation and reclamation measures both during and after construction to ensure that the affected properties are returned to the same or better agricultural standard. The mitigation and reclamation measures will be monitored by a qualified registered professional with specific knowledge of soils, drainage, fill placement, and land reclamation, to the satisfaction of the ALC for the entire duration of the project and the following 5 years post-construction.

Approved by:	Prepared by:	Alternate Contact:
Kim Grout Chief Executive Officer	Martin Collins Director of Policy and Planning	Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: (604) 660-7028	Phone: (604) 660-2554	Phone: (604) 660-2554
Cell: (604) 240-0413	Cell: (604) 341-5380	Cell: (604) 341-5380

ISSUE: Reconsideration of Panel Decisions Directed by the Agricultural Land Commission (ALC) Chair

RECOMMENDED RESPONSE:

- **The Chair of the ALC may direct the Executive Committee (Chair and six Vice-chairs) to reconsider an application decision made by a Regional Panel if the Chair considers the decision may not fulfill the purposes of the *Agricultural Land Commission Act (ALCA)*, or does not adequately weigh the Zone 2 considerations.**
- **The purposes of the ALC (s. 6 ALCA)**
 - (a) to preserve agricultural land;**
 - (b) to encourage farming on agricultural land in collaboration with other communities of interest;**
 - (c) to 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.**
- **Zone 2 considerations, in descending order of priority:**
 - (a) the purposes of the ALC in s. 6;**
 - (b) economic, cultural and social values;**
 - (c) regional and community planning objectives;**
- **The Chair's oversight of Panel decisions and reconsideration by the Executive Committee ensures agricultural considerations are at the forefront when applications are considered.**
- **The Chair exercised this authority 12 times in 2016/2017. The Executive Committee overturned eight decisions, upheld three decisions, and varied one decision.**

BACKGROUND:

s.13

2016/2017 YEAR STATISTICS:**Overview**

s.13

By Zone & Panel Region:

s.13

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

ISSUE: Agricultural Land Commission (ALC) – Targeted ALR Boundary Reviews**RECOMMENDED RESPONSE:**

- The purpose of targeted Agriculture Land Reserve (ALR) boundary reviews ensures that ALR land is both capable and suitable for agriculture.
- ALR boundary reviews are conducted in accordance with the ALC procedures that were adopted in 2013. They are based on scientific and technical information and engage local governments, agricultural organizations, landowners and the general public.
- Boundary Reviews have been undertaken for 45 years and are consistent with the Auditor General's 2010 recommendation that the ALC ensure that the ALR boundaries include land that is both suitable and capable for agricultural use.
- Bill 25 (May 19, 2016) amended the *Agricultural Land Commission Act* and required the ALC to obtain landowner's consent for the exclusion of their land from the ALR.
- Bill 25 was adopted during the ALR boundary review in the Regional District of East Kootenay (RDEK).
- Bill 25 resulted in approximately ~25% of landowners refusing to endorse exclusion of their land from the ALR in the RDEK, even though their lands had very limited (or no) agricultural capability and were identified by the ALC for exclusion. The resulting ALR boundary is a patchwork which does not reflect ALR suitability or capability.
- The primary reason for landowners not consenting to exclusion was to preserve the ALR property tax benefit (50% of school assessment).

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

- The Province of Quebec created a “Commission de protection du territoire agricole du Quebec” (Quebec Commission) to secure the preservation of 6.3 million hectares of agricultural land in Quebec.
- While the Quebec Commission decides on applications for exclusion, their legislation does not appear to give them express authority to remove land from the ALR but the ALC is working to confirm its understanding directly with the Quebec Commission.

Approved by: Kim Grout Chief Executive Officer	Prepared by: Martin Collins Director of Policy and Planning	Alternate Contact: Martin Collins Director of Policy and Planning
Date approved by CEO: August 29, 2017	Branch: Agricultural Land Commission	Branch: Agricultural Land Commission
Phone: 604 660-7028	Phone: 604 660-2554	Phone: 604 660-2554
Cell: 604 240-0413	Cell: 604 341-5380	Cell: 604 341-5380

BCFIRBS' ROLE IN ANIMAL WELFARE AND BIOSECURITY PROGRAMS**RECOMMENDED RESPONSE:**

- **Effective and strategic management of animal welfare and biosecurity is a key part of a competitive and ethical BC agriculture sector.**
- **BC's commodity boards are expected to adopt and enforce appropriate standards, as well as being prepared to respond to emergencies that threaten the stability of their sectors.**
- **BCFIRB is responsible for ensuring commodity boards fulfill their responsibilities appropriately and in the public interest.**
- **BCFIRB also hears appeals of specific animal seizure and/or 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.

BCFIRB Animal Welfare Role

- Recent animal welfare incidents in dairy and chicken, which have had serious impacts to said industries and their value chains, highlights the importance of effectively managing animal welfare.
- BCFIRB has two roles in animal welfare:
 - Ensuring that the regulated agricultural commodity boards and commissions meet and uphold certain animal welfare responsibilities so that orderly marketing in the public interest is maintained.
 - Hearing appeals of specific animal seizure and/or cost decisions of the BC Society for the Prevention of Cruelty to Animals (BCSPCA) under the *Prevention of Cruelty to Animals Act* (PCAA). BCFIRB's priority under this statutory mandate is the welfare of the animals.
- In both of its animal welfare roles, BCFIRB is accountable to the courts for its decisions and to the Ombudsperson for its practices and procedures.
- Regulated agriculture boards and commissions (commodity boards) have legislated authorities related to biosecurity and animal welfare.
- BCFIRB is responsible for ensuring the commodity boards implement and enforce biosecurity and animal welfare authorities effectively, strategically and accountably 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 that measures are in place to enable them to respond quickly, effectively and appropriately to critical and emerging issues.
- BCFIRB became responsible for hearing appeals under the PCAA in late 2012 in order to increase timeliness and transparency. These appeals were previously heard by the courts.
- Under BCFIRB's appellate role in animal welfare under the PCAA, time can be a critical factor in animal welfare cases. Accordingly, BCFIRB has developed a timely and procedurally fair process for hearing these appeals. All information on timelines and process to submit an appeal to BCFIRB is publically available on its website.
- In 2016/17, BCFIRB had 16 active PCAA appeals, compared to 15 in 15/16, eleven in 14/15 and eight in 13/14.

Biosecurity Programs

- Previous high pathogenic avian influenza (AI) outbreaks have been devastating to BC's poultry industries and associated value chains. It highlighted the importance of biosecurity for all regulated industries, including disease control along with animal welfare.
- As the supervisory body, BCFIRB has responsibility to ensure all of the regulated commodity boards use biosecurity authorities effectively, strategically and accountably to maintain orderly marketing in their sectors.

- Recent amendments to the *Natural Products Marketing (BC) Act* provided the regulated commodity boards with authority to make insurance related to disease loss mandatory, clarified authority over biosecurity programs intended to ensure the safety of regulated products and enabled use of administrative penalties as a compliance tool. The latter authority for administrative penalties has yet to be brought into force.
- Poultry boards are working, with BCFIRB support, to address whether mandatory insurance is the best or only tool for managing AI risk in light of all industry risks, resources, and existing regulatory management tools to ensure effective, strategic outcomes.
- BCFIRB is also working with all of the regulated boards to develop a sound administrative penalty system to reduce biosecurity risks in every sector.
- BCFIRB continues to work with other government authorities e.g. the Provincial Chief Veterinarian and marketing boards on effectively managing industry issues (e.g. disease, food safety or animal welfare) as they arise to minimize impacts on orderly marketing.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Not applicable

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Wanda Gorsuch	Name: Wanda Gorsuch
Date approved: August 25, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-356-2465	Phone: 250-356-2465
Cell: 250-213-3039	Cell: (250) 920-8012	Cell: 250-920-8012

**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 arms length from government.**
- **Over 20 tribunals in BC provide less formal, 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's 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 following a merit-based process to ensure that the board has the necessary variety of skill sets, expertise and background.
- 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.
- As part of the Ministry of Agriculture's annual Service Plan and Service Plan report, BCFIRB reports on service performance annually.
- 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, as outlined in the Taxpayer Accountability Principles (TAPS).
- In 2016/17, a Government Mandate between the Minister of Agriculture and the Chair of BCFIRB was established, which focused on achieving TAPS objectives.
- A new Mandate Letter for 2017/18 may be established.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Not applicable

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Kirsten Pedersen, Executive Director	Name: Wanda Gorsuch, Manager Issues & Planning
Date approved: August 25, 2017	Branch:BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone:250-387-3915	Phone: 250-356-2465
Cell:250-213-3039	Cell: 250-213-3039	Cell: 250-920-8012

BCFIRB – FARM PRACTICES COMPLAINTS**RECOMMENDED RESPONSE:**

- **It is not appropriate for the Minister to comment on any specific complaint that is before BCFIRB.**
- **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 neighbours 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.**
- **Complaints may arise from pressure on a limited land-base that places farming and non-farming communities in close proximity or can be the result of the changing nature of farming or on-farm activities. Conflicts increase as urban encroachment grows.**
- **While the FPPA allows complaints to be filed, BCFIRB encourages or mandates farmers and their neighbours to work together to resolve disputes in the first instance.**

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 bird predation).
- BCFIRB only determines whether the farm practice causing the disturbance is a “normal farm practice”.
- BCFIRB can decide the 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.
- 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. Practices and procedures are reviewable by the Ombudsperson.
- BCFIRB’s complaints role has been defined by the courts as, where possible, balancing the interests of the farming and non-farming communities. As non-farm issues often underlie complaints to BCFIRB regarding farm practices, it is important for all persons involved to work on resolving those issues in the best long term interests of the neighborhood. To achieve this outcome, 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.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- Within budgeted resources, ministry staff support BCFIRB as knowledgeable persons retained to provide advice around “normal farm practices” in various agricultural sectors.

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Kirsten Pedersen	Name: Wanda Gorsuch
Date approved: August 28, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-387-3915	Phone: 250-356-2465
Cell: 250-213-3039	Cell: (250) 213-3039	Cell: 250-920-8012

BCFIRB - FEDERAL PROVINCIAL AGREEMENTS**RECOMMENDED RESPONSE:**

- **Supply management in Canada is based on both federal and provincial legislation and operates under various Federal Provincial Agreements (FPAs).**
- **FPAs enable the cooperative application of legislation in managing the production and marketing of the supply managed commodities.**
- **FPAs ensure BC's interests are included and accounted for in the national system, and that BC shares in production opportunities and benefits.**
- **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 respective signatory roles.**

BACKGROUND:

- 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.
- BCFIRB, the Minister and the four 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.
- BCFIRB representatives, along with the ministry and BC Egg Marketing Board, are currently in discussions with the Egg Farmers of Canada and the FPCC regarding possible amendments to the FPA on Eggs in Canada.
- The BC Milk Board is the only BC signatory to the FPA in the dairy industry, called the National Milk Marketing Agreement. BCFIRB approval is required before the BC Milk Marketing Board may enter into federal or 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):

- Not applicable

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Kirsten Pedersen, Executive Director	Name: Wanda Gorsuch, Manager Issues & Planning
Date approved: August 25, 2017	Branch:BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone:250-387-3915	Phone: 250-356-2465
Cell:250-213-3039	Cell: 250-213-3039	Cell: 250-920-8012

BCFIRB APPEALS AND COMPLAINTS OVERVIEW**RECOMMENDED RESPONSE:**

- **Tribunals, such as 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 as an independent quasi-judicial tribunal, BCFIRB hears appeals and complaints under:
 - **Natural Products Marketing (BC) Act (NPMA)**--Appeals of regulated marketing board and commission orders, decisions and determinations;
 - **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.
- In total, BCFIRB administered 66 cases in 2016/17. Of these, 36 were resolved in the fiscal year, with 15 decided through a hearing. The other 21 cases resolved were either dismissed or withdrawn, including those settled through dispute resolution.
- While there is considerable cost variability from case to case, approximate average cost-per-case estimates are \$11,200, \$1,700 and \$2,600, for PCAA, NPMA and FPPA mandates, respectively. Most costs involve legal services and board and staff member time, with some travel and other hearing expenses. The higher PCAA average cost reflects the fact that most PCAA appeals require a hearing.
- There were also seven Judicial Reviews of BCFIRB decisions to the BC Supreme Court in 2016/17, requiring significant documentation for court and representation of BCFIRB in court proceedings. These cases can range significantly in cost, but averaged about \$10,000 per case in 2016/17.
- BCFIRB is currently refining its method to determine cost of service for its appeals and complaints.
- Case volumes and complexities are challenging to predict as they are driven by outside parties and must be managed in accordance with the law.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- BCFIRB expended \$1.401 million in 2016/17, representing an over-expenditure of \$195,000 (16%). The majority of the over expenditure was due to legal services, resulting from high case volume and complexity in 2016/17.

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen	Name: Kirsten Pedersen	Name: Wanda Gorsuch
Date approved: August 25, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-387-3915	Phone: 250-356-2465
Cell: 250-213-3039	Cell: 250-213-3039	Cell: 250-920-8012

BCFIRB GOVERNANCE**RECOMMENDED RESPONSE:**

- **BCFIRB regularly reports on its service and strategic objectives delivery to the public through the Ministry of Agriculture Service Plan.**
- **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, focusing on cost-consciousness, accountability, appropriate compensation, service, respect and integrity as outlined in the Taxpayer Accountability Principles.**
- **BCFIRB is accountable to the courts for its decisions and the Ombudsperson for its practices and procedures.**

BACKGROUND:

- Use of appropriate governance and fiscal procedures demonstrates accountability for legislative authorities and supports good industry outcomes.
- BCFIRB reported on actions through the annual Service Plan and 2016/17 Service Plan Report.

2016/17 BCFIRB Accomplishments

- Developed a method to determine cost-of-service for appeals and complaints. This work is still in progress and BCFIRB continues to work with the ministry to develop a robust database tool that will accurately track and report case status and cost of service data for BCFIRB in the long term.
- Implemented an updated Code of Conduct for BCFIRB board members.
- Implemented a new user experience survey in March 2017, focusing on areas such as staff response times, transparency and ease of use of using website and finding information.
- Published updated guidelines on procedures for appeals and complaints and enhanced information available about active appeals and complaints.
- Implemented various client service improvements, including new methods of receiving payments by phone and enabling use of debit and credit cards.

Next Steps

- Review performance measures for annual reporting of appropriate BCFIRB governance and fiscal procedures.
- Review methods to increase use of Alternative Dispute Resolution methods to resolve disputes, saving costs and enhancing outcomes for citizens where possible.
- Report on actions taken to address issues identified through BCFIRB's user experience survey, to enhance services where appropriate.

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):

- Implemented new Treasury Board direction in January 2017 to ensure appropriate compensation for Board members.

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Kirsten Pedersen	Name: Wanda Gorsuch
Date approved: August 25, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-387-3915	Phone: 250-356-2465
Cell: 250-213-3039	Cell: 250-213-3039	Cell: 250-920-8012

**BCFIRB Governance - BC's Regulated Marketing Sector
(Commodity Boards and Commissions)**

RECOMMENDED RESPONSE:

- **BC's agricultural commodity boards are created by regulations of Cabinet under provincial legislation and are required to carry out their statutory mandates in a legal, accountable, strategic and transparent way.**
- **Citizens must have confidence that these boards are exercising their powers appropriately. While commodity boards are expected to ensure producers earn a fair return, they must also consider the whole industry value chain (e.g., processors, retailers and consumers) in their decisions and determinations, and operate in the public interest using sound processes.**
- **Public expectations of the regulated agricultural system continue to expand as a result of biosecurity, food safety, animal welfare and other concerns. This reinforces the need for good governance by the commodity boards.**
- **As the Provincial supervisory board, the BC Farm Industry Review Board (BCFIRB) expects commodity boards will fulfill their responsibilities as first instance regulators through strategic and accountable governance using a principles-based approach to regulation.**
- **BCFIRB requires commodity boards to continue to:**
 - **monitor industry challenges and apply principle based regulation;**
 - **implement strategies to address these challenges; and,**
 - **integrate the resulting achievements and lessons learned into reporting.**

BACKGROUND:

- BCFIRB is established under the *Natural Products Marketing (BC) Act*, with the statutory responsibility for evaluating whether board and commission activities and decisions maintain orderly marketing in the public interest, and accord with sound marketing policy.
- 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
- BCFIRB 2016/17 supervisory records demonstrated that expectations were met. All boards and commissions had annual reports, audited financial statements, current election rules and General Orders posted to their websites.
- BCFIRB continues to work with the boards and commissions on the implementation of a principles-based approach to regulation, using a set of guiding principles called SAFETI (Strategic, Accountable, Fair, Effective, Transparent and Inclusive). Use of these principles was evident through decisions and other initiatives, such as new entrant program reviews.

Upcoming Priorities

- Continue supervision and oversight of regulatory issues as needed to ensure sound marketing policy is carried out by the boards and commissions in the public interest.
- Commence a review, including research and consultations with the commodity boards and commissions, to develop updated objective performance measures for their annual reporting of industry accomplishments, governance activities and fiscal procedures to BCFIRB.

2016/17 Highlights

- Concluded a long-term regulated marketing policy review in January 2017 with the Vegetable Marketing Commission to resolve long-standing conflicts impacting orderly marketing.
- Launched the Quota Assessment Tools Review Project in November 2016 with all supply managed boards to evaluate the continued effectiveness of specific 2005 quota transfer assessment and industry related policies and BCFIRB directives.
- Worked with the Milk Marketing Board in February 2017 to ensure a sound policy rationale and process were in place to support the Milk Board moving forward with the implementation of the National Milk Ingredient Strategy.
- Worked with the Chicken Marketing Board to ensure a sound, comprehensive approach and process was used to develop key updates by March 2017 to the Federal-Provincial Agreement for Chicken.

- Ensured distribution of new egg allocations in BC by the Egg Marketing Board were in accord with sound marketing policy, and commenced work on potential amendments to the Egg Federal-Provincial Agreement in 2017/18.

CROSS JURISDICTIONAL COMPARISON:

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

PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Not applicable

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen	Name: Kirsten Pedersen	Name: Wanda Gorsuch
Date approved: August 25, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-387-3915	Phone: 250-356-2465
Cell: 250-213-3039	Cell: 250-213-3039	Cell: 250-920-8012

SUPPLY MANAGEMENT**RECOMMENDED RESPONSE:**

- **Supply management is a national regulatory system established in federal and provincial legislation and agreements, which establish price, production and import controls.**
- **Supply management is intended to help ensure a continuous and stable supply of domestic food and a fair return to efficient producers.**
- **We are continuing to monitor dairy groups from the US and other countries that are lobbying their governments to challenge supply management in Canada.**
- **Should supply management be abolished or changed, a comprehensive study is recommended to determine implications and risks to BC's dairy and poultry food supply and producers.**

BACKGROUND:

- Most countries provide some form of agricultural supports or subsidies to protect against the “boom and bust” cycles that can be associated with agricultural markets.
- Supply management works through production, price and import controls – often referred to as the “3 pillars”. These controls require cooperation between federal and provincial jurisdictions, which is achieved through Federal-Provincial Agreements (FPAs).
- The supply managed industries (broiler hatching eggs, chicken, dairy, eggs, turkey), make a significant contribution to BC’s agri-food sector, accounting for over 50% of BC’s farm gate receipts, making these industries – including their processing and marketing sectors – a significant part of BC’s agri-economy, creating jobs and value chain benefits.
- BC farms accounted for Canada’s third highest supply-managed receipts, valued at nearly \$1.1 billion in 2015, up 7% since 2011.

s.13

s.13

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):

- Not applicable

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Kirsten Pedersen, Executive Director	Name: Wanda Gorsuch, Manager Issues & Planning
Date approved: August 25, 2017	Branch:BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone:250-387-3915	Phone: 250-356-2465
Cell:250-213-3039	Cell: 250-213-3039	Cell: 250-920-8012

QUOTA ASSESSMENT TOOLS EVALUATION PROJECT**RECOMMENDED RESPONSE:**

- **BCFIRB is working with BC's five supply management boards to evaluate the continued effectiveness of certain quota management tools and new entrant policies.**
- **The evaluation project, launched in November 2016, will assess if current policies governing movement of quota and industry entry continue to support sound marketing outcomes and industry entry by new farmers.**
- **Some commodities have seen significant growth in production and diversification since 2005 and the pace of change is accelerating.**
- **The evaluation is needed to determine if desired policy outcomes are still being achieved by current policies, and if there are unintended or adverse consequences that need to be addressed.**

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Wanda Gorsuch, Manager Issues & Planning	Name: Wanda Gorsuch, Manager Issues & Planning
Date approved: August 28, 2017	Branch:BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone:250-356-2465	Phone: 250-356-2465
Cell:250-213-3039	Cell: 250-920-8012	Cell: 250-920-8012

BC DAIRY – SUPPLY MANAGEMENT AND TRADE IMPLICATIONS**RECOMMENDED RESPONSE:**

- **Dairy production is significant contributor to BC agriculture.**
- **Supply management is a trade-compliant system and operates without requiring direct government supports or subsidies.**
- **The Ingredient Strategy did not change Canada's current import rules or policies.**
- **The US is one of the major importers of dairy products to Canada. The Canada dairy trade balance shows a decline in exports and an increase in imports over time.**
- **Supply management continues to buffer dairy farmers and consumers from global market fluctuations in a trade compliant manner.**

BACKGROUND:

- BC dairy production (cow's milk) is supply managed through joint federal-provincial agreements and related legislation.
- With 491 registered producers, BC's dairy industry is an important part of BC agriculture, contributing over 18% to total provincial farm cash receipts.
- Canada has about 12,000 dairy farms with about 950,000 cows. In comparison, the US has about 49,000 dairy farms with approximately 9.3 million cows.
- While Canada restricts imports of specific dairy products (e.g., butter, powdered whey, cheeses, ice cream, dry milk protein) through volume controls and tariffs as part of supply management, these controls comply with all trade agreements.
- If a processor/business can demonstrate that the supply-managed product they need is not available in Canada, they can receive a permit enabling them to import additional product from outside of Canada without paying the higher import tariff.
- Dairy groups from the US and other countries are lobbying their governments to challenge Canada's Ingredient Strategy, and, in some cases, supply management.
- The Ingredient Strategy did not change Canada's current import rules or policies. Implementation of the Ingredient Strategy resulted in a lower domestic price for skim (milk protein). A key goal was to become more price competitive with imported proteins as the Canadian dairy industry was being put at a serious competitive disadvantage.
- US processors are able to export diafiltered milk into Canada in unlimited tariff-free way as diafilter milk was developed post-NAFTA, and not subject to TRQ and related tariff restrictions. Canada has not yet indicated any move to establish tariffs against diafilter milk imported from the US at this time and Canada remains the US's second largest export market.
- The last few years have seen diafilter milk production plants being built along the Canada-US border (e.g., New York and Wisconsin) to service Canadian processor demand and to use exports to help reduce US milk oversupply.
- Global milk surplus over the last several years means farmers and processors are struggling to find markets for their products, driving prices down, putting farmers out of business and increasing pressures on other governments to provide supports.
- Supply management continues to buffer Canadian dairy farmers from the fluctuations in the global market.

CROSS JURISDICTIONAL COMPARISON:

- All provinces participate in the dairy supply management system.

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

- NA

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Wanda Gorsuch	Name: Wanda Gorsuch
Date approved: August 28, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-356-2465	Phone: 250-356-2465
Cell: 250-213-3039	Cell: (250) 920-8012	Cell: 250-920-8012

BC CHICKEN PRICING**RECOMMENDED RESPONSE:**

- **After a fulsome review, the BC Chicken Marketing Board used its provincial statutory authority to update the pricing formula that sets the price BC chicken farmers receive.**
- **A workable pricing formula must result in a price that gives farmers a reasonable return and allows BC processors to be competitive in the Canadian market.**
- **Even with the new pricing formula, the fundamental tension between farmer price and processor competitiveness remains. Currently the Chicken Board is in facilitated discussions with processors.**
- **Under provincial legislation, the BC Farm Industry Review Board (BCFIRB) is responsible for ensuring the BC Chicken Marketing Board decisions accord with sound marketing policy.**

BACKGROUND:

s.13

CROSS JURISDICTIONAL COMPARISON:

s.13

PROGRAM EXPENDITURE / REVENUE IMPLICATION (IF APPLICABLE):

s.13

Approved by:	Prepared by:	Alternate Contact:
Kirsten Pedersen, Executive Director	Name: Katia Gauvin	Name: Wanda Gorsuch
Date approved: August 28, 2017	Branch: BCFIRB	Branch: BCFIRB
Phone: 250-387-3915	Phone: 250-356-7819	Phone: 250-356-2465
Cell: 250-213-3039	Cell: (250) 893-0939	Cell: 250-920-8012

REPRESENTATIVE GROUPS/ASSOCIATIONS

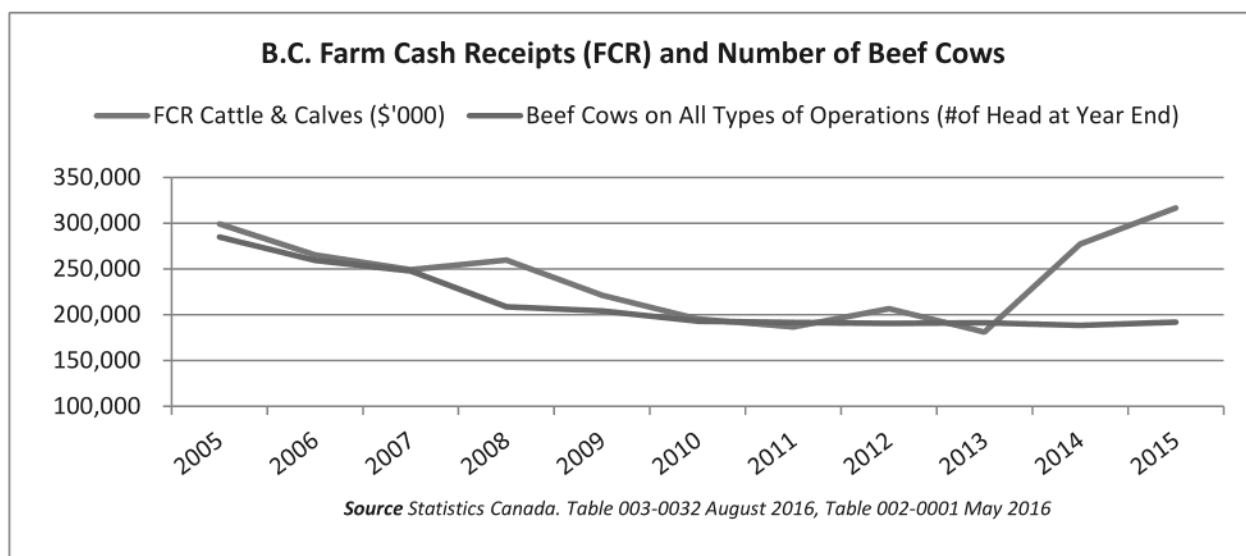
- B.C. Cattlemen's Association, www.cattlemen.bc.ca
- B.C. Breeders and Feeders Association, www.bcbfa.ca
- B.C. Association of Cattle Feeders, www.bcacf.com
- Cattle Industry Development Council (CIDC), www.cattlefund.net
- B.C. Association of Abattoirs, www.bcabattoirs.org

INDUSTRY DESCRIPTION

- BC's beef industry is comprised of three stages of beef production: Cow-calf operations that produce feeder calves; backgrounding or stocker operations that take calves and grow them predominantly through a forage-based ration; and finishing operations (Feedlots) that bring feeders up to slaughter weight.
- As of July 2016, it was estimated that there were 5,330 farms reporting cattle, of which 3,058 farms were cow/calf operations; 389 farms were cow/calf and feeder operations; 220 farms were cow/calf, backgrounders, finishers and stockers; and 98 farms were feedlot operations.
- The B.C. herd represents approximately 4.8% of the Canadian cattle inventory.
- Cow/Calf operations are distributed throughout the province. The Thompson-Okanagan has the largest number of operations, followed by the Cariboo, Peace and Nechako.
- All cull cattle from the dairy industry that are not used in the production of milk products go into the beef chain.
- The Cattle Industry Development Council (CIDC) collects provincial and national levies that fund promotion of Canada Beef, development of international markets, research or education programs, and promotion of the cattle industry in BC. The CIDC received Order in Council support for levy increases both provincially and nationally to fund a National Beef Strategy.
- Beef is BC's 3rd largest agricultural commodity. BC's cattle market is comprised of slaughter, international export (mostly to the USA), and interprovincial trade to finishing operations (primarily in Alberta). For 2015, interprovincial export receipts represented 51% (\$161,715), slaughter 27% (\$86,001) and international exports 22% (\$69,088) of the total Farm Cash Receipts (FCR).
- There are currently 34 provincially licensed Class A and B facilities that slaughter and process cattle for consumption within the province. The number of head of cattle slaughtered has been consistent for the last four years at approximately 23,700. In 2015, provincially licensed slaughter represented approximately 44% of all cattle slaughtered.
- There are currently two small federally licensed slaughter facilities in B.C., KML Meats in Westwold and Lambert Creek Organic Meats in Grindrod. There are two large federal slaughter plants in Alberta, Cargill in High River and JBS in Brooks. There are also two large slaughter plants in Washington, Tyson in Pasco and Agri Beef in Yakima.
- There are 33 federally licensed red meat processors in B.C. which do not slaughter animals.

STATISTICS

- 2015 FCR from the sale of cattle and calves were close to \$317 million, which represented 10% of B.C.'s total farm cash receipts and 21% of B.C.'s livestock farm cash receipts.
- As of July 2016, the livestock estimates showed: 401,500 cattle on B.C. cow-calf operations including 170,810 beef cows; 70,500 cattle on cow/calf and feeder operations including 19,846 beef cows, 38,200 cattle on cow/calf, backgrounders, finishers and stockers including 6,641 beef cows and 7,100 cattle on finishing operations.
- Calf and feeder cattle prices remained strong in 2015. Prices for cattle and calves overall increased 21% in 2015 (\$188.81 per hundred weight) as compared to 2014 (\$155.86 per hundred weight).
- The number of head marketed in 2015 (182,912 head) decreased by 3.9% over 2014 (190,285 head).



MARKETS

- B.C.'s 13th largest agrifood and seafood export commodity is live cattle and bison. B.C. exported \$69.9 million worth of live cattle and live bison in 2015, a 10% increase from 2014. The majority of B.C.'s international live cattle exports are to the US. The North Okanagan and the Lower Mainland/ Vancouver Island are the major exporting regions with slaughter cows making up 39% of the live cattle exports in 2015
- B.C.'s two federally licensed slaughter facilities are approved to ship to Hong Kong, European Union, USA, Ukraine, and Japan. The majority of BC's beef is shipped internationally after being processed in Alberta and the US. In 2015 the top five Canadian beef product export markets were the US (51.6%), Japan (14.6%), China (8.6%), Angola (6.2%) and Hong Kong (4.8%).
- BC provincial slaughter is 13% of total cattle marketed from BC (2015)

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Availability of extensive forage based grazing and access to Crown range.
- The B.C. ranching sector has a generally favorable public image of green pastures, clean air, water and habitat for domestic animals and wildlife. Cattle can use land that is unsuited for most other agriculture products.
- The Western Livestock Price Insurance Program (WLPIP) program is in place to help manage market risk in future years.
- BC has the ability to produce for niche markets.
- The beef sector has developed a national strategic plan, Canada's National Beef Strategy.
- A weak Canadian dollar continues to support prices for Canadian cattle.
- The Livestock Protection Program provides mitigation services to reduce death losses due to predation.

Weaknesses

- 2016 saw a price correction in the market after two strong years in 2014 and 2015.
- The volatility in the market has caused the feeding capacity in Canada to shrink over the past decade.
- Cumulative effects on the land base have reduced the forage available on Crown land, changed ungulate grazing habits, and increased wildlife foraging on private land.
- The ranching sector competes for the use of Crown land with first nations, recreation, forestry, mining and wildlife habitat and other uses, creating uncertainty for the beef industry.
- Poor profitability in the sector from 2002 to 2012 and increasing land values hindered new entrants to the business. As well, aging producers have changed enterprises from beef to cropping systems that are less labour intensive or higher profitability (eg grapes).
- The cattle business is historically an industry of "individualists" which makes it a challenge for them to work as partners in the value chain.
- Low adoption of traceability initiatives such as premises identification.
- There is currently a critical shortage of skilled labor for cattle and processing opportunities.

Opportunities

- Increasing demand for locally branded products. Additional opportunities to expand and support 100% BC Beef. Vancouver Island is a potential area for buy local beef expansion
- Potential for greater producer collaboration and supply chain integration.
- Increasing consumer confidence in B.C. beef through expanding opportunities with initiatives such as the Canadian Round table for Sustainable Beef.
- The sector has an ability to provide a greater number of ecological goods and services to BC constituents as compared to other agricultural sectors.
- The creation and implementation of a provincial forage plan would provide multiple benefits to the beef sector.
- Technical transfer of Agroforestry silvopasture pilot programs would provide additional

Ministry of Agriculture Fact Sheet

BEEF

opportunities and revenue streams for the cattle sector.

- The potential for a federal niche slaughter facility within northern BC would increase jobs and help to secure a larger sector within BC.

Threats

- Canadian price for beef is linked to USA beef production. A recent major expansion in the USA herd has created a large supply of beef in the North American market. The USA's ability to export this extra product will be a factor in determining if prices remain stable in 2017.
- Consumer attitudes and awareness about meat production and consumption are shifting including concerns about animal welfare, wasteful animal production practices and limiting red meat consumption to pursue a healthy lifestyle.
- Herd expansion in the USA and projected declining prices will further hinder BC herd expansion in 2017. Without herd expansion there is potential to lose existing livestock markets such as the 2016 closure of Valley Auction Mart in Vernon and the potential closure of BC livestock Producers Co-op OK Falls yards in 2017.
- Competing fiber uses (e.g. pellet industry) has limited available inputs (shavings) for the feeder sector and is hindering their expansion.
- Regional closures of slaughter facilities in the Cariboo and capacity issues in the Thompson region continue to hinder access and expansion of BC beef products in these major beef producing areas.
- Competing demands for water, uncertainty of water supply due to climate change and a lack of capital infrastructure support for water storage could hinder the sector.

MINISTRY ALLOCATION

Full Time Equivalents 0.5 Industry Specialist as well as engagement from Regional Agrologists, Business Risk Management, Animal Health and Policy staff.

AREAS OF FOCUS FOR 2017

- Identify opportunities where AGRI can assist in implementation of the National Beef Strategy for increasing BC production. (knowledge transfer, access to cost of production information, applied research)
- Contribute to the development of the B.C. Agrifood & Seafood Strategic Growth Plan initiative to develop a provincial forage plan.
- Continue prescribed area initiative and support regional cattle marketing project for the south Okanagan
- Continued involvement in discussions pertaining to the Agriculture Waste Control Regulation and the Livestock surface Water Regulation under the Water Sustainability Act.

Prepared by

Geneve Jasper, Livestock Team Lead and Beef Specialist, 250-398-4504, geneve.jasper@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Seafood Alliance, www.bcseafoodalliance.com Seafood Producers Association of BC, www.bcseafoodalliance.com
- United Fishermen and Allied Workers Union, www.cope378.ca/workplace/united-fishermen-and-allied-workers-union-caw
- CAWBC Association of Professional Fish Harvesters

Individual harvest gear group organizations including:

Deep Sea Trawlers Associations, Groundfish Conservation and Research Society, Pacific Halibut Management Association, Underwater Harvesters Association, Herring Conservation and Research Society, Herring Industry Advisory Board, Pacific Coast Shrimpers' Cooperative Association, Sardine Industry Advisory Board, Pacific Prawn Fisherman's Association, commercial Salmon Advisory Board, Area A Crab Association

INDUSTRY DESCRIPTION

- As fish become property when landed, the province is responsible for post-harvest, or commerce of marine fisheries. The federal government is responsible for the management, conservation and protection of commercial fisheries.
- The commercial fisheries sector catches or takes in finfish, shellfish and marine plants from their natural environments. The sector does not include post-vessel processing or aquaculture harvests. (Some vessels are processing their own catch.
- Given the diversity of fisheries in BC, the fleet and resources are distributed around the coast, often with home ports in small coastal communities. However, a significant number are located in the lower mainland where the fish processing sector is concentrated.
- There is a wide range of ethnic diversity among BC fishermen. From a 2006 study approximately 22% of the fishing industry has been made up of people who have emigrated from other countries such as Europe, Japan, and Vietnam. About 20% of the fleet is also made up of BC First Nations.
- Ownership of the fishing fleet varies widely; from single vessel owner-operators to large corporate-owned fleets.
- The fleet is diverse in terms of harvest species, gear used, vessel size and the scale of the fishing enterprise.
- Over the last few decades the fleet size has reduced significantly in number and the processing industry has consolidated. A number of fisheries have declined significantly over the years as access to stocks and fish prices have eroded since the 1980s. Some fleets have fared slightly better as many vessels have diversified and added several species harvest licences.
- There are approximately 2,500 licensed commercial fishing vessels. With the introduction of Individual Transferrable Quotas (ITQ) in many commercial fisheries the number of vessels actual fishing has declined due to increased consolidation of the fleet.
- BC's top commodities in terms of landed value in 2015 include: crabs, halibut, Pacific

salmon, prawns, geoduck clams, sablefish, rockfish, and chum salmon.

- Salmon, hake, halibut and albacore tuna are managed under international treaties.

FIRST NATIONS

- BC First Nations have a long history and close ties with fisheries resources. BC First Nations have food, social and ceremonial constitutional rights to many species of fish, including salmon, groundfish, herring and shellfish as well as specific treaty allocations which allow them to sell their catch.
- First Nations treaty allocation will result in further increased participation by First Nations in commercial fisheries.

STATISTICS

- Approximately 2,500 vessels harvested 158,900 tonnes of wild fish, shellfish and marine plants in 2015, down slightly from 2014.
- Currently, employment in 2015 estimated at 1, 600 jobs.
- In 2015, BC's commercial capture fisheries generated a landed value of \$370.2 million (down 11% from 2014) representing 43% of the total landed value of all BC seafood from over 100 different species.
- Landed values are highly dependent on the type and abundance of stocks which vary significantly by species and year. The value of the Canadian dollar can also play a significant role in the price paid to fishermen.
- In 2015, BC's commercial fisheries were ranked third in terms of volume and value of harvest in Canada. BC ranked first among the provinces in the sale of wild salmon, halibut, tuna, rockfish, hake, dogfish, squid, sea cucumber, and sea urchin.
- Total estimated gross domestic product (GDP) for commercial fisheries amounted to \$202 million in 2015.
- The Marine Stewardship Council (MSC) is the world-recognised leader in ecological certification. MSC-certified fisheries have been assessed and certified as sustainable.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- World leading precautionary management policies, fisheries monitoring systems, and technology to ensure sustainability.
- BC's groundfish fisheries are integrated, quota based and all bycatch is accounted for, greatly reducing discards.
- BC's trawl industry has reached an agreement with the Department of Fisheries and Oceans (DFO) and environmental groups to confine the fishery to historic fishing areas. This will ensure the bottom habitat in non-fished areas will be protected from fishing damage into the future.
- The three main commercial salmon fisheries of sockeye, pink salmon and chum have achieved MSC certification ensuring critical access to markets. Other MSC certified

fisheries include sablefish, halibut, albacore tuna and hake.

- The sector has a strong focus on food safety, traceability and sustainability practices.
- Marketing programs and increasing quality control to improve product value.

Weaknesses

- An aging workforce and fleets.
- Marketplace competition from other fishing nations which do not have the same management costs or are government subsidized.
- Increasingly variable returns making fishery management and effective marketing difficult.
- The need to reform the management of the wild salmon fishery.
- Traceability of some product can be problematic.
- Most fisheries, except hake, are low volume high value fisheries. Variability in the value of the Canadian dollar can make it difficult to compete on the world market.
- Federal and provincial governments have mixed authority over commercial fisheries. Several provincial agencies have competing policy responsibilities for various aspects of the industry.

Opportunities

- Increasing demand for “wild” and eco-certified fish is supporting higher prices in niche markets.
- Increasing sourcing of salmon from the Alaskan fishery by BC companies and increased participation by first Nations will continue to sustain northern BC processing plants.
- The low value of the Canadian dollar makes our exports more desirable globally.
- ITQ's in many fisheries have resulted in higher quality products increasing demand.

Threats

- Climate change may severely impact the habitat of wild fish species. For example, sockeye salmon are very susceptible to increased water temperatures during freshwater life stages.
- Changing oceanographic conditions is varying the distribution and abundance of a number of species, particularly migratory ones like albacore tuna, Pacific hake and Pacific sardines.
- The wild salmon policy takes a precautionary approach. Managing stocks under this policy could mean that fisheries on abundance salmon species are forgone to protect weak stocks.
- The *Species at Risk Act* (SARA) may further constrain commercial fisheries as SARA-listed species have restricted limits for capture and could potential shut down other directed species fisheries.
- The creation of more Marine Protected Areas could eliminate fisheries from some of the most productive fishing grounds.
- Misinformation on stock status and product wholesomeness.
- Continued downloading of management and assessment costs by DFO make it uneconomical and difficult to compete in the global market place.

MARKETS

- In March 2014, Canada enacted sanctions against Russia. In response, Russia, in August

2014, introduced a one year embargo on the importation of agricultural products, raw materials and food originating from the US, EU, Australia, Norway and Canada. Historically, Russia is a top import market for BC's hake fishery. As a result of the embargo, BC hake exports to Russia dropped from \$21.5 million in 2013 to \$10 million in 2014 down to \$0 in 2015.

- About 70% of commercially harvested seafood is exported.
- The top markets were the US, China, and Japan. The top BC commercial fisheries export in 2015 was crab at \$116 million, a 13.7 % increase from 2014.
- Other top commercial fisheries products were shrimp and prawns (\$49.9 million), hake (\$44.1 million), geoduck clams (\$43.5 million), halibut (\$38.1 million) and herring (\$35.0). The combined export value of the five commercial salmon species was \$145.2 million.
- Participation in international tradeshow is very important for BC's seafood industry, as the majority of production is exported and a large proportion of sales are derived from these market development activities.
- BC seafood is served in approximately two billion meals annually in more than 70 countries.

MINISTRY ALLOCATION

Full-Time Equivalent

1 Marine Fisheries Specialist as well as other supporting Intergovernmental Relations, policy and food safety staff.

AREAS OF FOCUS FOR 2016

- Represent Provincial interests at key international treaties discussion on allocation including the Pacific salmon, hake and halibut Treaties.
- Provide Provincial input into the terms of reference for Modernizing the Commercial Salmon Allocation Framework.
- Support Canadian European Trade Agreement negotiators in pressing for tariff elimination for processed commercial fisheries products.
- Continue to work with DFO and the commercial industry to ensure management strategies maximize economic opportunities while ensuring sustainable fisheries are maintained.

Prepared by:

Industry Development Team with support, 250-387-7183, tj.schur@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Salmon Farmers Association (BCSFA), www.salmonfarmers.org
- Aboriginal Aquaculture Association, www.aboriginalaquaculture.com
- Freshwater Aquaculture Association of BC
- Land Based Aquaculture Association of Western Canada
- Pacific Organic Seafood Association, www.pacificorganicseafood.com

INDUSTRY DESCRIPTION

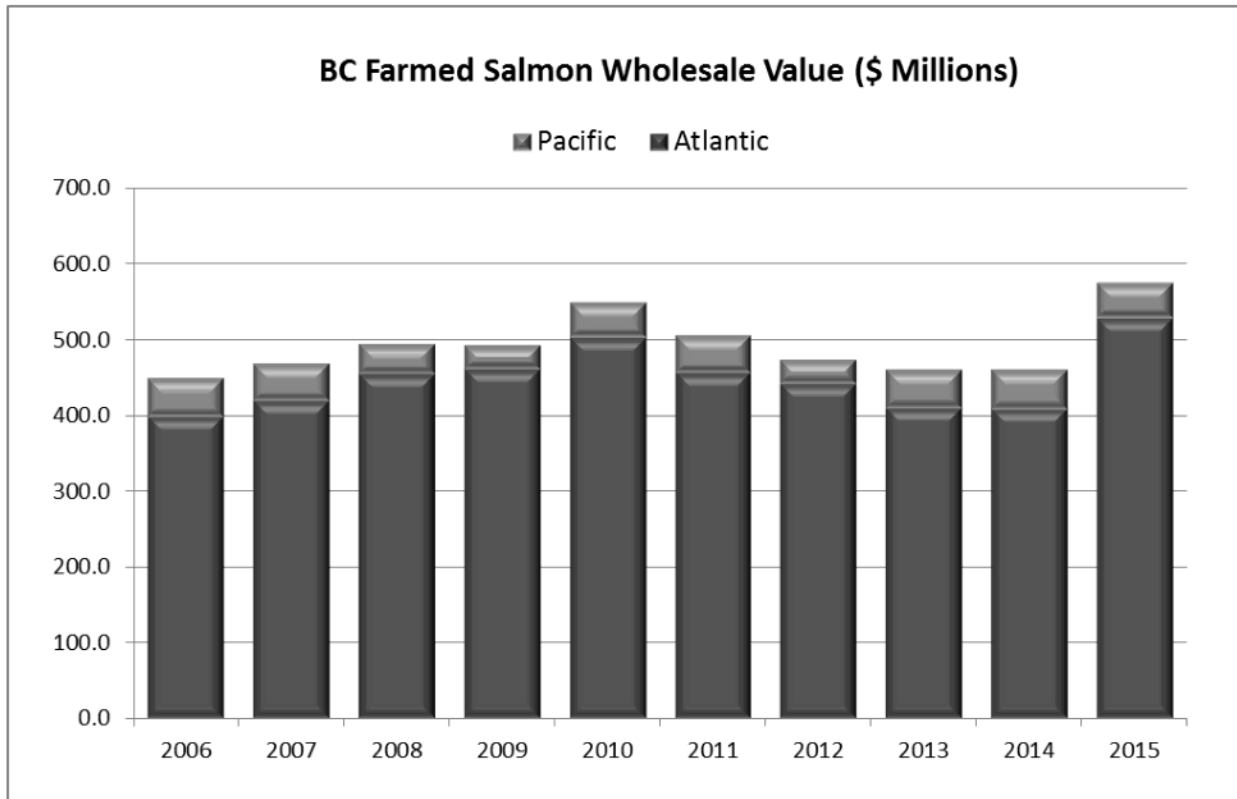
- Many of BC's finfish aquaculture companies are vertically integrated; operating hatcheries, grow-out facilities and processing plants.
- BC is the largest producer of farmed salmon in Canada. Canada is the 4th largest producer of farmed salmon in the world, after Norway, Chile and the UK.
- 95% of finfish aquaculture production is Atlantic salmon farmed in marine net pens. Chinook, coho and sablefish are also grown in sea water whereas; sockeye, trout, sturgeon, Arctic char, tilapia and some coho are grown in freshwater systems.
- Modern ocean-based salmon farms are now designed with a production capacity of 3,000 tonnes per two-year cycle.
- Currently there are 119 salmon licences with an estimated 70-90 are in operation at any one time.
- The typical area of a marine finfish farm lease is 40 hectares. In 2015, a total 4,759 hectares of Crown Land was allocated for production on BC finfish farms, or 0.1 % of available coastal waters within one km of shore.

FIRST NATIONS

- Salmon farms are currently located in the traditional territories of 28 First Nations, with 20 economic and social partnerships in place with BC salmon farmers.
- 78% of BC salmon production comes from areas covered by partnerships with First Nations.
- First Nations communities provide approximately 30% of the workforce on the farms of BC's four largest salmon farming companies.
- Innovations being actively pursued by First Nations include a certification program for Aboriginal Principles for Sustainable Aquaculture and the production of market-size Atlantic salmon in land-based recirculating systems at a commercial scale.

STATISTICS

- In 2015, the wholesale value of farmed salmon was \$574.8 million, amounting to 40% of the total wholesale value of all BC seafood products. Farmed Atlantic salmon is BC's number one agricultural export in terms of value and second to dairy products in overall BC agrifood cash receipts.
- Emerging species, including trout, sablefish, Arctic char, sturgeon (including caviar) and tilapia had a wholesale value of approximately \$26 million in 2015.
- Direct employment in all aquaculture sectors is around 1,161 Full Time Equivalents (FTE), mostly in rural coastal communities, with many jobs being held by women and First Nations.



MARKETS

- The top markets were the US, China, Japan, Taiwan and Hong Kong. The top BC finfish aquaculture export in 2015 was farmed Atlantic salmon at \$411.3 million.
- BC also exported \$17.3 million in farmed chinook salmon, \$3.2 in farmed coho salmon and \$0.6 million in farmed trout in 2015.
- Participation in international tradeshow is very important for BC's finfish aquaculture industry, as the majority of production is exported and a large proportion of sales are derived from these market development activities. BC seafood is served in approximately two billion meals annually in more than 70 countries.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Global demand for farmed finfish aquaculture products, farmed salmon in particular, far exceeds supply. Prices remain strong.
- Excellent growing conditions, clean water and environment.
- Proximity to the US and Asian markets which have a strong demand for finfish products.
- Salmon producers are vertically integrated with globally distributed production centres.
- High degree of involvement with First Nations & associated marketing opportunities.
- Access to research and development resources available locally.

Weaknesses

- Stagnant growth over the last 16 years.
- Complex regulatory framework coupled with a high degree of uncertainty.
- Access to new crown land tenures.
- Moratoriums on new farmed salmon sites on the North Coast & Discovery Islands; Ministerial “pause” for new farmed salmon tenures until the Minister of Agriculture Advisory Council on Finfish Aquaculture (MAACFA) completes its current review.
- Regulatory costs are higher and more complex in BC relative to other regions in Canada.
- The sector has a high media profile fuelled by a highly vocal environmental lobby.

Opportunities

- Export demand to the US continues to be strong due to the weak Canada dollar.
- Commitment by the BCSFA to be regionally certified by the Aquaculture Stewardship Council.
- Production costs are higher than Norway, suggesting there is room to improve competitiveness through innovation.
- Increased access to sites on the North Coast and land-based farms offer growth potential.
- Continued support for First Nations development opportunities will improve social licence.
- Promise of a [new] Federal *Aquaculture Act* would reduce regulatory complexity and uncertainty.
- New species & technology development.
- Expanding domestic and Asian markets offers growth potential.

Threats

- Growing investment deficit relative to other regions (Atlantic Canada, WA (USA), Chile, and Norway).
- Lack of federal funding support relative to the East Coast.
- Little to no access to public funds for industry-based research, development and innovation.
- Recovery of the Canada dollar may affect export demand from the US.
- Negative perceptions on the future of Pacific salmon (sockeye) from the Cohen Commission.
- Perceived & potential risks from pathogens, both exotic and endemic.
- Lack of access to integrated pest management options for sea lice control.
- Uncertainty and potential impacts from climate change.

Ministry of Agriculture Fact Sheet

FINFISH AQUACULTURE

MINISTRY ALLOCATION

Full Time Equivalents

1 FTE Industry Specialist, Aquaculture & Seafood, as well as support from Inter-governmental relations, licencing, and food safety, Processing Specialist, and Regional Agrologist Network.

AREAS FOR FOCUS 2016

- Complete MAACFA review.
- Represent Provincial interests at the Federal level to address regulatory complexity and uncertainties.
- Work with Regional Districts/Local Governments to support finfish aquaculture development.
- Work with other Ministries to address Crown land issues.
- Work directly with industry to promote opportunities and address constraints.
- Support research, development and innovation funding initiatives.
- Continue efforts to develop funding envelopes for industry innovation and capacity building with a view to strengthening the Ministry's industry support role.
- Industry diversification to increase production of new and emerging species (sablefish, trout, sturgeon, land-based aquaculture).

Prepared by

Myron Roth, Industry Specialist, 250-356-1831, Myron.Roth@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Food Processors Association, www.bcfpa.ca
- Small-Scale Food Processor Association, www.ssfpa.net

INDUSTRY DESCRIPTION AND SYSTEM COMPONENTS

- There are 2490 food processing companies in BC producing a diverse offering of highly differentiated products within each sub-sector.
- Subsectors include meat, seafood, dairy, fruit and vegetables, beverages, functional foods, bakery and 'other'.
- Food processing stabilizes the variable cost of agri-products by adding value and durability to primary production. Profit margins are traditionally slim and further subject to erosion due to increasing costs of production and the variable costs of agricultural inputs.
- The most processors within the industry produce baked goods, processed seafood, meat, wine, functional foods, processed fruit & berries, sauces & condiments, beer, and processed vegetables.
- Wine production is located near the grape producing areas of the Okanagan with the highest concentration of wineries in Oliver, BC. Seafood processing plants are found on Vancouver Island and the South Coast with the highest concentration in Richmond, BC, near the airport. The highest concentration of baked goods and beer processing plants are found in Vancouver. The highest concentration of fruit, berry, and poultry processing is found in Abbotsford.
- The competitive advantage of BC's food processing industry comes from its tax rate, shipping infrastructure, dense composition of small flexible enterprises, effective food safety and environmental regulations, geographic location and favorable demographics.
- BC's food processors face a limited ability to compete on scale due to the finite local supply and high import costs and high costs of production, such as land, labour, raw materials and distribution costs.

FOOD SAFETY

- Food Safety is the primary overarching system that regulates food processing activities. It is foundational to the operational systems of a food processing facility.
- Safe Food For Canadians Regulations - With SFCR, all commodities, enterprises preparing food for export or inter-provincial trade, and importers will be regulated and require a license, a food safety plan and a written traceability plan.

STATISTICS

- BC's food and beverage processors produced \$9 billion worth of food last year, representing 70% of total agri-food revenues.
- Since 2010, the BC food and beverage export sales have increased by 8% annually.
- The top revenue generating sub-sector is 'other food manufacturing' which represents 18% of total Agrifood sales and includes snack foods, coffee & tea, flavorings & concentrates,

seasonings & dressings, tofu and prepared foods among others.

- The next highest revenue generating sub-sectors are meat & poultry with 12% of total agri-food revenues, followed by dairy products (10%), breweries & wineries (8%), seafood products (6%), and bakeries (6%).
- Half of all processing firms earn less than thirty thousand dollars a year in revenue.
- Over 85% of processing establishments employ less than twenty staff.
- Half of food processing firms are run by owner/operators and have no regular staff.
- In 2016, there were over 30,000 British Columbians employed in the food and beverage processing industries. Food processing accounts for over 80% of this total.
- In 2013, the average hourly wage was \$17 in food processing and \$23 in beverage processing. Between 2008 and 2013, employment grew in food processing by an average of 2% per year and 5% per year in beverage processing.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- High degree of product differentiation and innovation in convenience trends, health and lifestyle trends, and ethic taste trends
- Responsive to market demand and capturing evolving consumer trends
- Strategic proximity to ports and transportation infrastructure favorable for access to retail markets and imports of agricultural inputs
- Strong locally and globally recognized reputation for high-quality products
- Strong 'buy-local' and 'buy BC' brands and export programs
- Programming support for Food Safety
- Strong processor preference for local inputs, product quality, and adding value through sustainable processes and technologies, following health and lifestyle trends
- A diverse and multicultural population with business networks abroad
- Favorable corporate tax rates
- Strong network of private sector services supporting product development from concept to consumer
- Canada and the US demonstrated confidence in each other's regulatory system by signing an agreement recognizing that their respective food safety control systems provide a similar level of protection
- The proposed SFCR consistently manage risk across all food commodities include licensing requirements for all Canadian importers. This is a significant step toward food safety equality between both domestic and imported products

Weaknesses

- Low margins and increasing profit erosion due to high and increasing costs of production and variable cost of agricultural inputs both domestic and imported.
- Low rates of investment in technology, machinery and equipment due to low margins and high cost of maintenance and upkeep.

- Low rates of investment in new equipment. Small and medium sized companies lacking resources to scale up equipment needs. Situations vary from lack of capital to land availability.
- Productivity is weak due to labour inefficiencies such as inability to retain and attract unskilled and a lack of a suitably skilled labour pool. This affects the adoption of targeted business training supports if foundational skills are not present.
- Restricted ability to negotiate and adjust retail distribution costs, sale prices, and contract terms leading to high production costs
- An aging workforce negatively affects knowledge transfer and adds to labour costs and training needs particularly in the case of meat and seafood industries. In some cases, a low rate of succession planning may result in some firms/ facilities closing
- High real estate costs and urban expansion are barriers to the expansion or procurement of facilities as well as increasing living costs thus making lower earning positions less attractive. This affects the effectiveness of those seeking occupational pluralism in the seafood, vegetable and meat processing sectors.
- Low capacity to commit time and effort to undertake business development activities, perform market research and product innovation, navigate export and labour programs and regulations, build collaborative partnerships, and access the information, training, resources and funding available to them.
- Tariff reduction on 200 imported food ingredients for 2017 will aid in increasing capacity for BC Food Processors

Opportunities

- A large diversity of peoples, cultures, tastes and lifestyles
- Growing demand for ethnic, health conscious and lifestyle foods
- Development of new retail categories
- Growing environmental concern
- Aging population increases demand for products
- Low Canadian dollar positive for competitive export prices
- Strong local and global demand for high quality products
- Favorable international trade agreements providing access to new markets
- Reputation for and diversity of high quality local products and agricultural inputs
- Growing targeted government support for processors
- Level playing field with imports due to effects of Safe Food for Canadians Regulations.
- Increase investment in Food Safety processes and technologies with Post Farm Food Safety Program

Threats

- Changing and non-standardized foreign export requirements and overly complex and restrictive foreign labour programs
- Finite supply of locally produced agricultural products due to geography

- Interior regions have transport and general infrastructure weaknesses
- Low Canadian dollar is negative for imports costs rising production costs and increasing cost of equipment upgrades
- Unfavorable tariffs affecting the price and supply of imports
- Supply chain inefficiencies in some commodities due to varied circumstances, such as changing climates, affect the cost and availability of supply.
- Lack of adequate commercialization and innovation infrastructure for processors.
- Regulatory burdens surrounding export and labour.

MINISTRY ALLOCATION

Full Time Equivalent

1.0 Industry Consultant, Food Processing, as well as internal ministry support from International Marketing, Innovation, Food Safety, Business Knowledge and Strategic Adoption, and Industry Development units.

AREAS OF FOCUS FOR 2017

- Continue the development of the Food Processing Action Plan and implement priorities
- Continue to support the review, development and communication of Food Safety policies and regulations
- Increase collaboration between Ministry, stakeholders and industry
- Map business cycles of each sub-sector to facilitate programming and increase adoption rates
- Create and implement Food Processing Inter-Agency Task Team

Prepared by

James Street, Food Processing Industry Consultant, 250 356-6373, james.street@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Grain Producers Association, www.bcgrain.com
- BC Peace River Grain Industry Development Council, www.bcpeace.com/GIDC
- Peace Region Forage Seed Association www.peaceforageseed.ca
- National groups include: Canadian Seed Growers Association, Canadian Grain Commission, Canola Council of Canada, Grain Growers of Canada and Canola Growers of Canada.

INDUSTRY DESCRIPTION

- There are approximately 1,000 BC producers in this sector, 250 of which are in the BC Peace region and account for over 75% of the acreage and production for export.
- There are approximately 394,000 acres of land in annual field crop production in BC. Of this area, just less than 76% is in the Peace region. The remaining land is distributed in the Nechako, Cariboo and Kootenay Regional Districts.
- The area allocated to BC's main field crops is as follows: wheat 25%, canola 23%, oats 19%, barley 15%, and peas 8%.
 - In the Peace region, these crops are produced on a large scale and mostly for export.
 - The Nechako, Cariboo and Kootenay regions use many of these crops, particularly barley and oats, for local uses such as livestock feed. Very little is harvested for export.
- There are 12,000 acres of timothy produced in the Creston valley yielding both timothy seed and timothy hay, mostly for export to Japan.
- The majority of corn grown in BC is used for livestock forage rather than as a grain crop.

STATISTICS

- BC's grain and oilseed farmers generated nearly \$62 million in farm cash receipts in 2015, a 28% decrease over 2014, and 1.3% below the previous five-year average.
- BC farmers produced more than 331,000 tonnes of grains and oilseeds in 2015 including: 134,900 tonnes of wheat (a 23% increase), 70,800 tonnes of canola (a 2% decrease), 67,500 tonnes of barley (a 58% increase) and 58,000 tonnes of oats (a 12% increase) harvested from about 131,500 hectares (324,932 acres).

MARKETS

- BC exported \$40.7 million in bulk grains and cereals in 2015, a decline of 7.6% from 2014.
- BC exported \$21.9 million in oilseeds in 2015, a decrease from 2014 (-17.3%). The top markets were China, Japan, Mexico and the US
- BC exported \$19.3 million in canola seed in 2015, a decrease of 25%. The top markets were China, Japan, Mexico and the US
- BC exported \$19.6 million in wheat in 2015, a decrease of 18.4% from 2014. The top markets were the US and Indonesia.
- The top importing countries of BC barley are China, the US, and Japan.. Oats are primarily imported by the US.
- The top importing countries of BC peas are the US and China.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- BC Grain Producers Association and BC Peace River Grain Development Council are active industry groups involved in regional, provincial and national issues, with a great understanding and relations with Government.
- Association research program has been running for 25 years, doing variety trials, new crop development and agronomy work in the region.
- Council collects levy for projects and initiatives that benefit the whole industry.
- Production strengths for BC Peace growers include the oil content in BC canola is consistently higher than other regions; a large affordable land base; and absence of many diseases and pests common to other grain producing regions.

Weaknesses

- Limited infrastructure impedes niche market and value added development. As a result, the opportunities to access higher value markets are limited.
- Inconsistent funding for long term research projects.

Opportunities

- There is potential to increase production of some existing crops - for example food grade peas with a market that is expanding and lucrative.
- There is potential to expand the number of species grown to include crops like flax, triticale and camelina to supply new markets (e.g. oilseed and biofuels industry).
- Production Insurance coverage changes to include winter wheat and adjust current seeding deadlines for wheat and canola could support expanded production of these crops.
- A five year proposal has been approved with the Federal Agri Innovation Program for over \$1.3 million for projects by the Peace Region forage seed industry.

Threats

- The BCGPA continue to struggle to secure funding for future research projects.
- There is a voluntary, transitional levy collection in place until 2017.
- Climate change impacts (increased temperature and increased extreme weather events) are creating greater crop production uncertainty and increasing pest risks.
- There are cumulative impacts on crop production from other industries, especially oil and gas in the Peace Region. This impacts both the land base and the producer.

MINISTRY ALLOCATION

Full Time Equivalents

Grains and Oilseed Industry Specialist (0.5FTE is vacant), as well as policy analysts, Regional Agrologists, Plant Health staff, and Business Risk Management Branch staff.

Prepared by

Industry Development Team, 250-387-7183, tj.schur@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Grape Growers Association, www.grapegrowers.bc.ca
- BC Wine Institute, www.winebc.org
- BC Wine Grape Council, www.bcwgc.org
- Wine Island Growers Association, www.wiga.ca

INDUSTRY DESCRIPTION

- The BC grape industry is composed of 929 vineyards. Not all grape growers are members of BC Grape Growers Association.
- There are close to 9,900 acres of wine grapes and 150 acres of fresh market grapes grown in BC. Almost all BC-grown grapes are sold within BC.
- The grape industry has grown rapidly in response to market opportunities and some tree fruit growers have converted to producing wine grapes from apples. Previously uncultivated land has also been planted to grapes.
- Some grapes have been pulled to replant to tree fruits and this trend may continue.
- Industry expansion is slowing as a result of an oversupply of grapes and declining prices.
- Wineries are increasingly looking for high quality grapes. Lower quality grapes are either not accepted or are heavily discounted. Some grapes being grown without a contract do not have a market.

STATISTICS

- BC's grape growers have nearly tripled production since 2000 in concert with the increased demand for high-quality grapes from provincial wineries.
- In 2015, BC produced over 26,300 tonnes of wine and table grapes from 10,000 acres.
- The majority of the production area is located in the Thompson-Okanagan (90%), followed by the Vancouver Island (6%), the Lower Mainland (3%), and the Kootenay region (1%).
- Total farm cash receipts (FCR) in grapes were close to \$50 million in 2015, accounting for over 40% of Canada's grape receipts.

MARKETS

- BC had no reportable exports of fresh grapes in 2015.
- BC exported \$4,744 worth of dried grapes and \$101,407 worth of grape juice in 2015.
- Ice wine creates lots of publicity although, relative to other grapes, ice wine grape production is low.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- BC grape growers with contracts often receive higher prices than growers in many other wine producing regions.
- The industry is well organized and represented through the BC Grape Growers Association, BC Wine Grape Council and the BC Wine Institute.
- Research and development levies are collected and directed by the BC Wine Grape Council.
- Development of a sustainability certification program for wine will bring long term

benefits.

- In contrast to a lot of other grape growing areas, the BC grape industry faces relatively minimal insect and disease pressures.

Weaknesses

- The market has turned from being a grower/seller's market to a wineries/buyer's market and some growers are not well protected by their contracts (or don't have contracts).
- There may be grape quality issues with new growers. There is no field service for new entrants.
- There is always potential for winter injury to grape plants during any cold winter.

Opportunities

- Most grapes grown in BC are sold or processed by BC wineries.
- Gradual increases in production can allow market adjustments for BC wines avoiding drastic pricing changes.
- A study of the future market for BC wines would be very beneficial to industry.

Threats

- Wineries are building inventories of wine which pushed grape prices downward in 2014.
- Growers need to secure contracts with wineries to ensure sales. Un-contracted varieties are unmarketable.
- With the increased supply of grapes, some major wineries are not renewing contracts with independent growers.
- Starlings (birds) tend to be a problem and can create crop production and quality issues.
- Brown marmorated stink bugs have been detected in the Okanagan valley and may impact negatively future grape crops.

MINISTRY RESOURCES

Full-Time Equivalents

0.2 Industry Specialist, as well as support from policy, regional agrologists, plant health, and marketing staff.

AREAS OF FOCUS FOR 2016

- The industry is developing sustainability certification programs for growers which could provide added focus for BC and Alberta consumers and keep them loyal to BC's Vintner's Quality Alliance wines.
- The BC grape industry is looking for funding to research trunk diseases that are of increasing concern.
- Work with BCGGA on starling control programming.
- Deliver conference speaker to WIGA and attend the AGM seeking future opportunities to engage and assist the Island Grape industry.

Prepared by

Carl Withler, Industry Specialist, Tree Fruits and Grapes, Carl.Withler@gov.bc.ca, 250 861 7229

REPRESENTATIVE GROUPS/ASSOCIATIONS

- Flowers Canada Growers, www.flowerscanadagrowers.com
- United Flower Growers Co-operative Association (UFG), www.ufgca.com

INDUSTRY DESCRIPTION

- The floriculture sector is technology and capital intensive and highly competitive.
- Floriculture growers cultivate a wide range of potted foliage and flowering plants, cut flowers, and annual bedding plants. Potted plants accounted for 72% of the 2015 sales, followed by cut flowers at 16%, bedding plants at 8%, and cuttings at 4%.
- The BC floriculture sector accounts for 25% of national farm gate sales in floriculture, ranking second to Ontario.
- Producers in BC enjoy some of the lowest production costs in Canada because of our mild climate, maximum growing season length, and the availability of good quality water. In addition, the sector's strong ties to Europe have permitted the industry to keep abreast of the latest advances in production techniques and new technology.
- Over 90% of the total production area is located in the Lower Mainland and southern Vancouver Island regions.
- The United Flower Growers (UFG) operate a flower auction that provides a "spot" market for locally grown and some imported product. It has annual plant sales in excess of \$47 million. The auction enables growers to focus on production.
- Industry operating expenses increased 4% in 2015. Payroll accounted for 31% of expenses, followed by other operating expenses (25%), plant material purchased for growing on (18%), other crop expenses (11%), plant material purchased for resale (8%), fuel (4%), and electricity (3%).
- The main distribution channels for flowers and plants are mass market chain stores (37%), followed by domestic wholesalers (20%), retail florists (14%) and other greenhouses (10%).

STATISTICS

- The sector underwent considerable growth in the 1990s and then encountered declines in production area and sales. The more current estimates suggest area is more or less stabilizing at around 200 hectares while revenues are increasing.
- Almost 7 hectares of production area was lost between 2008 and 2011, but 2014 estimates suggest about one-third of this area is now back into production.

Table 1. Production area and total sales for the floriculture sector.

YEAR	PRODUCTION AREA		TOTAL FARM CASH RECEIPTS	
	(ha)	Annual % Change	(\$ million)	Annual % Change
2015	197.6	-1.0%	\$298,102	8.8%
2014	199.5	-0.4%	\$274,056	-1.2%
2013	200.3	1.3%	\$277,443	12.7%
2012	197.8	13.4%	\$246,138	2.5%
2011	174.4	-0.7%	\$240,031	4.1%
2010	175.6	11.5%	\$230,596	2.1%
2009	157.4	-6.0%	\$225,769	4.3%

Source Statistics Canada. Table 001-0047, Table 002-0001, December 2016

MARKETS

- B.C. exported \$96.7 million in plants, bulbs and flowers in 2015, an 18% increase over 2014. The vast majority of exports went to the US.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- UFG operates the only flower auction in Western Canada. It is an important market option for local growers. The auction is being modernized to expand markets outside the Lower Mainland and to be more efficient. These changes are enabling the auction to improve their bottom line.

Weaknesses

- A lack of skilled and unskilled workers is a continual issue for the sector. The sector relies on access to temporary farm labour to meet their needs for unskilled workers.
- The sector is challenged by increases in input costs and the cost to comply with government regulations such as the carbon tax. As a result, the current 80% carbon tax rebate is welcomed.
- The sector is also challenged by: declining consumer demand; poor spring weather that discourages home gardening; and the continued downward pressure on prices.
- Canadian dollar fluctuations continue to be a competitiveness issue.
- The decision by BC Hydro to remove high efficiency natural gas-fired cogeneration from the Standing Offer Program has made the technology economically unviable.

Opportunities

- The sector is interested in options to reduce energy costs through on-farm energy production

but opportunities are often limited by economic viability.

- A lack of effective pesticides increases the cost of production and reduces sector competitiveness. The sector needs expanded access to effective pest management tools.
- There are opportunities to increase market share for B.C.-grown floriculture products by sustainability and “B.C. Grown” labelling.
- Adoption of mechanization to reduce production costs.

Threats

- B.C. once produced large volumes of cut roses but imports from Colombia have displaced local production. In the past 10 years, there has been a 93% reduction in the volume of domestic standard roses sold at the flower auction. Today, local production of cut alstroemeria, gerbera and chrysanthemums are also threatened.
- There are a number of pests that could impact trade, should they be identified in the US or Canada. These situations arise quickly, usually cannot be predicted, and can have a catastrophic effect on the impacted operations. For example, Chrysanthemum White Rust (CWR) is a regulated quarantine pest in Canada. If CWR is detected in a crop, federal regulators will order the crop to be destroyed and the producer will receive no compensation.
- Some box stores now require producers to label plants treated with neonicotinoid insecticides over concerns their residues in pollen and nectar are harmful to pollinating insects. It is unknown whether consumers will purchase treated plants. Greenhouses are adjusting their pest management programs but there are few effective replacements to neonicotinoids.

MINISTRY ALLOCATION

Full Time Equivalents

0.2 Greenhouse specialist, as well as other supporting policy analysts, regional agrologists, innovation staff and plant health staff.

AREAS OF FOCUS FOR 2017

- Assist the Innovation and Adaptation Services Branch with the delivery of the 2017 Greenhouse Carbon Tax Relief Program.
- Work with industry to identify pesticide priorities and pursue minor use registrations.
- Assist Flowers Canada to deliver a 2-year GF2 project on the use of biocontrol agents to manage floriculture pests in B.C.
- Manage the final year of the PSP project on sensor-based irrigation control. The technology is applicable to potted nursery and floriculture crops.

Prepared by

David Woodske, Industry Specialist, 604-556-3044, david.woodske@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Vegetable Marketing Commission (BCVMC), www.bcveg.com
- BC Greenhouse Growers' Association, www.bcgreenhouse.ca

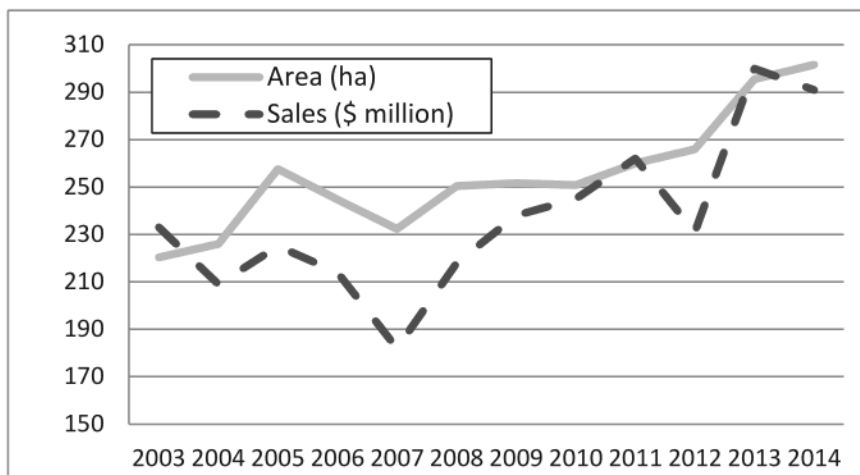
INDUSTRY DESCRIPTION

- The BC greenhouse vegetable sector is a capital-intensive industry that relies on state-of-the-art greenhouses and leading-edge production practices to produce high quality vegetables for the fresh market.
- The sector accounts for 20% of total crop revenues in BC but uses only 0.05% of the land in crop production in BC.
- The BC sector ranks second in Canada, accounting for 20% of the production area and 24% of total sales of greenhouse vegetables.
- More than 90% of the BC production area is located in the Lower Mainland.
- The crops produced include cucumbers, eggplant, lettuce, peppers and tomatoes. Tomatoes and bell peppers represent 84% of total sector sales. To improve profitability, the sector is expanding the production of novel types and varieties of vegetables, such as mini, heirloom and high sugar varieties.
- The production of greenhouse vegetables is regulated in BC and producers must apply to the BC Vegetable Marketing Commission (BCVMC) for production allocation.
- There are 61 commercial operations registered with the BCVMC; 41 are located in the lower Fraser Valley and account for 96% of the production area. The remaining 20 account for 4% of the production area and are located in the Okanagan and on Vancouver Island.

STATISTICS

- The area planted has increased steadily since 2007 (Figure 1). After an 11% increase in production area in 2013, the sector returned to an average growth rate of 2% in 2014.

*Figure 1: Total area planted and sales for the greenhouse vegetable sector.
(Source: BCVMC)*



- Fluctuations in annual sales are due to changes in production area and product prices (Figure 1). Poor prices were the cause of the sharp reduction of sales in 2012.
- Operating costs continue to increase; the two largest cost components are payroll and fuel, which account for 28% and 12%, respectively, of total operating expenses.
- The greenhouse sector continues to benefit from the low cost of natural gas and the Carbon Tax Relief Grant program.

MARKETS

- The sector relies heavily on the export market.
- BC exported \$167 million in greenhouse vegetables in 2015, which represents 54% of total sales. Top exports included peppers (\$89.6 million), tomatoes (\$65.4 million) and cucumbers (\$12.3 million). The US was the top market for greenhouse vegetable exports.
- To help facilitate market diversification, in 2013 the ministry commissioned a study for industry through an international market intelligence provider that analyzed opportunities for greenhouse vegetables in China and Japan.
- In 2016, greenhouse-grown peppers received market access to Japan.
- Regarding imports, Mexico is the largest supplier and accounts for 63% of total greenhouse vegetable imports. The US represents 37% of imports. BC imported \$51.3 million worth of greenhouse vegetables in 2015.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Local growers are very dedicated and innovative, and the industry has strong ties to the Dutch greenhouse sector. These ties assist the sector to keep abreast of the latest research findings from the Netherlands.
- The climate in the Lower Mainland region is conducive to the production of high yields of top quality greenhouse vegetables.
- Regulation of production by the BCVMC leads to stable supply.
- The BC Greenhouse Growers Association (BCGGA) is a strong advocate for the sector and maintains strong ties with other provincial and national greenhouse associations in Canada.

Weaknesses

- The BCGGA is strong but has relatively limited resources. In recent years, the association has eliminated their budgets for marketing and production research.
- Almost 60% of the production area can be heated with wood biomass. Wood supply may become an issue if the price of natural gas increases and growers switch back to biomass.
- The US is the major export market.
- The sector must rely on research conducted in Europe because very little research on greenhouse vegetables is conducted in BC or elsewhere in Canada.

- Short days and poor light levels severely limit the ability to produce a crop in the late fall.

Opportunities

- The sector is working with the Canadian Horticultural Council and the Certified Greenhouse Farmers to establish a definition of greenhouse-grown vegetables. The objective is to differentiate greenhouse and protected cultivated products in the marketplace. While they hope to increase their desirability through this differentiation, it is also possible (in the wake of the new bilateral agreement between the US and Mexico) that consumers will choose cheaper products from Mexico.
- The sector is interested in opportunities to reduce energy costs through on-farm energy production. In 2013, the decision by BC Hydro to remove high-efficiency cogeneration from the Standing Offer Program weakened the economic viability of the technology.
- There are potential economic benefits of improved access to carbon offsets through the Pacific Carbon Trust for early-adopters of technology.
- There are opportunities to reduce export risk by expanding export markets, such as Japan, India and New Zealand.
- Producers can increase market share through promotion and labelling of sustainable production practices.

Threats

- Increased input costs are squeezing industry margins and eroding the sector's competitiveness. The BC carbon tax is a concern and the current 80% rebate is welcomed. Industry contends it directly impacts competitiveness and represents a significant proportion of the profit margin.
- The price of natural gas has crept up this winter due to increased demand and reduced production. The spot price at Kingsgate hub for the first two months of 2017 averaged \$3.19/MBu. By comparison, the average price was \$2.41 and \$1.84 in 2015 and 2016, respectively.
- Mexico now accounts for approximately 60% of total greenhouse vegetable production area in North America. Mexico has increased production during the shoulder seasons when prices are typically the highest during the year. Overall, these changes are putting downward pressure on prices.
- Some greenhouse operations have installed high-intensity light systems to meet customer demand for year-round crop production. High operating costs and public opposition to light emissions has discouraged further expansion in lighting.
- Four greenhouse operations have chosen to expand in the US (160 ha of expansion) because the climate permits year-round production. This is a lost opportunity for job creation and economic growth in the province.
- The detection of regulated pests can negatively impact trade. These situations arise quickly and often cannot be predicted. The US recently banned the importation of peppers and tomatoes from countries for two regulated pests, false codling moth and tomato leafminer.

Ministry of Agriculture Fact Sheet

GREENHOUSE VEGETABLES

MINISTRY ALLOCATION

Full Time Equivalents

0.3 Industry Specialist, as well as support from staff in Plant Health, Environmental Farm Planning, Regional Agrologists, Strengthening Farming, and policy.

AREAS OF FOCUS FOR 2017

- Assist the Innovation and Adaptation Services Branch with the delivery of the 2017 Greenhouse Carbon Tax Relief Program.
- Work with industry on pest management issues, which include minor use pesticide prioritization and registration.
- Work with the BCGGA, AgSafe BC and a private engineer to develop safe work procedures for the pipe rail system and cart that are acceptable to WorkSafeBC.
- Assist the BC Greenhouse Growers' Association to deliver educational events that target key issues impacting the industry (e.g. Lean training, new production methods based on the latest research out of Europe).

Prepared by

David Woodske, Industry Specialist, 604-556-3044, david.woodske@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- Mushroom Growers Society of BC
- Mushrooms Canada

INDUSTRY DESCRIPTION

- BC markets both wild harvested and farmed mushrooms.
- The commercial harvesting of edible wild mushrooms from BC's forests has increased over the years. Three species are particularly popular. The pine mushroom (*Tricholoma magnivelare*) is exported to Japan, while morels (*Morchella elata*) and chanterelles (*Cantharellus cibarius*) are being sent to European countries. Edible wild mushrooms are included as part of Agriforestry commodities.
- The dominantly farmed mushroom is the *Agaricus* consisting of white and brown (crimini and portabella) mushrooms primarily grown in the Fraser Valley.
- A small amount of specialty mushrooms are also produced and sold mainly to local restaurants, processed mushrooms are mainly exported to countries other than US.
- The Canadian *Agaricus* button mushroom industry has a reputation for growing high quality fresh mushrooms. Fresh mushrooms have a short shelf life (7-12 days) requiring careful attention to cold chain maintenance and limiting long distance shipment to best within 24 hours travel time.
- Commercial *Agaricus* mushrooms are grown in enclosed controlled environments that are carefully monitored and controlled. Mushrooms are hand-picked and ship within 24-hours due to their short shelf life.
- Production of specialized growing media (compost) is an integral part to the industry. Compost is produced using straw and dry poultry manure as its major ingredients. It may be purchased in bulk from a centralized composting operation or it may be produced by a grower on the farm.
- Compost technology known as Phase II/III tunnels for pasteurizing and spawning has allowed for 40% increase in production per unit area by shortening the production cycle in a growing room(s) from 10 weeks to 6 weeks. Currently 60% of B.C.'s mushroom production is produced using Phase II/III technology.
- The number of mushroom farms in BC has decreased from 50 to about 20 since the year 2000; the remaining farms have increased production from expansion of production area and from using improved compost technology.
- About 1,460 people are directly employed on farm in the BC mushroom sector. Additionally, composting, processing, packing and distribution contribute significantly to the number of jobs in B.C. These farm and off-farm jobs provide full-time year-round employment.
- In 2016, Temporary Foreign Worker Program (TFWP) underwent a change with the announcement by Immigration, Refugees and Citizenship Canada (IRCC) that the four-year cumulative duration rule would no longer apply to temporary foreign workers in Canada. This has come as a good development for the mushroom sector. More changes for immigration and the TFWP are expected in 2017.

- In 2016 the acquisition of All Seasons Mushrooms Inc., a key mushroom grower in BC, by Ontario-based Highline Produce Ltd. (subsidiary of Fyffes PLC) ensured industry production. Also in 2016, there was investment/construction of a new Phase III compost facility by Farmers Fresh in Abbotsford location.

STATISTICS

- BC accounts for one-third (at 37%) of national production of *Agaricus* mushrooms, ranking the second largest producer in Canada, following Ontario (at 54%).
- BC mushrooms was within the top 10 commodities in terms of provincial farm cash receipts (FCR) in 2015. Mushrooms were the highest value non-greenhouse vegetable crop at nearly \$114.7 million and the 4th largest in vegetable production by volume at 39.3K tonnes.
- BC exported approximately \$156 million in mushrooms in 2016, with 84% going to the US. This was a growth of over 19% from 2015 (\$131 million). Almost all sales are fresh market with very few sales, comparatively, for specialty mushrooms.

MARKETS

- Approximately 50% of BC mushrooms are exported to the United States with remaining sales in the Canadian domestic markets.
- Virtually all of the *Agaricus* mushrooms exports are into the US—predominantly the west. Specialty mushrooms, due to their longer shelf life and appeal to a higher end consumer, are shipped to France, Netherlands, Switzerland and Japan.
- The *Agaricus* mushroom market has grown, with export value of the fresh mushrooms averaging 18% growth annually for the past five years.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- BC mushroom industry has strong infrastructure consisting of compost production, growing, packing and distribution that supports the strong demand for fresh *Agaricus* mushrooms.
- Short shelf life of fresh mushrooms provides a competitive advantage in supplying to the western US over other long distance competitors.
- Food safety programs are in place as required by major wholesale and retail markets.
- In previous years, the exchange rate with US and strengthening Canadian dollar had eroded packer/distribution returns. But for the past couple years a demand for more mushrooms in the US, coupled with a weaker Canadian dollar, has resulted in improved margins.
- Recent investments in new compost and barn technology has increased on-farm production and energy efficiency, reduced pest problems and has eliminated environmental concerns related to leachate runoff from compost piles at the farms. This technology has not yet been widely adopted by the U.S. competitors.

Weaknesses

- Increasing production cost including crop inputs, land, labour, regulation, permits and taxes

(e.g. carbon tax) erode farm profits and are a disadvantage compared to US and other domestic competitors.

- Lack of industry wide unification within BC impedes efforts on industry wide strategic initiatives to address competitiveness challenges.
- Lack of strong support for national organization by many BC growers. This has led to the national organization canvassing support for projects/initiatives that favor those in central Canada.

Opportunities

- Promote health messaging of mushrooms, a natural source of Vitamin D and “Blendability” a current Ontario and United States promotion which combine mushrooms and beef in recipes to bring another serving of vegetables to the plate, enhance taste, decrease calories, lower saturated fat and cholesterol content—as well a reduced cost compared to the beef only alternative.
- Access to carbon credits could enhance energy efficiency.
- Continued demand for mushrooms in the western US states.

Threats

- Waste water management and ability to conform to new Provincial Waste Management Regulation and Federal Fisheries Act. The mushroom farms use large amounts of water for cleaning/ pest management which results in excess wastewater; Disposal can be an issue.
- Increase in labour costs (approximately 15%) in 2016 was attributed mainly due to increase in hourly labour/harvesting costs and shortage of labour.
- Labour shortage. The continuous year-round cropping cycle of mushrooms is not suited to the 8-month seasonal agriculture workers program or the benefits within the program that is provided to other agricultural sectors. Many farm operations have come to rely on the ‘low skilled ‘temporary foreign worker program’ involving the import of people from other countries.

MINISTRY ALLOCATION

Full Time Equivalents

0.3 Industry Specialist, as well as support from policy and other Ministry support as required.

AREAS OF FOCUS FOR 2017

Strengthening relationship and building trust within the sector

Prepared by

Navneet Gill, Food Safety & Industry Specialist, 604-556-3079, Navneet.Gill@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- Canadian Nursery and Landscape Association, www.canadanursery.com
- BC Landscape and Nursery Association (BCLNA), bclna.com

INDUSTRY DESCRIPTION

- The nursery sector in BC is a highly competitive and dynamic sector.
- The sector propagates thousands of different species of perennials, vines, ground covers, shrubs and trees that are used to beautify public and private landscapes and to re-vegetate damaged native ecosystems. The sector also produces berry and tree fruit plants for home gardens and commercial orchards.
- There is increasing awareness of the importance of plants (=green infrastructure) on the health of urban environments.
- Nursery crops are either grown in the field or in containers. Field-grown nursery stock ranges in size from one-year-old whips to mature specimen trees. Container stock is grown in a wood-based soilless media.
- Nursery crops were grown on 3,323 hectares of agricultural land in 2015. Field-grown products account for 69% of the production area and container stock accounts for 31%.
- Climate advantages in BC have helped the sector to become the second largest producer of nursery stock in Canada, accounting for 35% of national sales.
- Production nurseries are present in all regions of BC. The majority of the production area is located in the Lower Mainland (63%), followed by the Okanagan (16%), Vancouver Island (7%), Cariboo (9%) and Kootenay (5%) regions.

STATISTICS

- The sector employed 4,145 workers and generated \$193 million in farm cash receipts in 2015.
- Nursery sector sales rose by 8.9%, while production area declined 5.6% in 2015.
- Recent increases in sales are attributed to poor spring weather, increased competition from US producers and decreased demand. US sales per household on lawn and garden products have declined by 24% since 2003 (National Gardening Association).

MARKETS

- BC exported \$88.6 million worth of nursery products in 2015, up 19% from 2014.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- The industry has access to a good supply of quality irrigation water and a moderate climate.
- The BCLNA is a strong advocate for the sector and maintains strong ties with other provincial, state and national associations in Canada and the US.
- The industry has strong individual leaders that are recognized outside of BC for their innovation in production and marketing.

Ministry of Agriculture Fact Sheet

NURSERY

- The “BC Landscape Standard” provides a reference for normal and acceptable practices for landscape construction and creates a higher level of professionalism within the sector.
- The nursery sector has established a national pest certification program called CleanPlants. The certification program includes annual nursery testing, and mandatory biosecurity, best management and traceability practices. It provides assurance to clients that nurseries in BC are taking steps to minimize the risk of spreading pests.

Weaknesses

- The main industry association is undergoing financial challenges. BCLNA has more than 600 members but a reduction in membership, decreased revenue from industry events and government-funded projects, and poor financial returns on the nursery fund have led them to cut back staffing levels and re-evaluate their services.
- The price of nursery stock continues to be too low. Prices were driven down by the US recession as a result of reduced demand across North America and overproduction in the US. Consolidated purchasing by chain retailers is also placing downward pressure on prices.
- Market opportunities in the US are based on the exchange rate, which is a risky business model. The current depreciation of the Canadian dollar has favoured the export of Canadian-grown nursery stock into the US.
- The agricultural workforce is aging and it is difficult to attract young people to the industry. The nursery sector relies heavily on foreign worker programs because few local workers apply for manual labour positions.

Opportunities

- Urban landscapes provide aesthetic, human health and environmental benefits to communities. There is an opportunity to increase product demand by promoting the many benefits of planting nursery stock to green our cities. The Trudeau government has pledged to boost investment in green infrastructure across Canada by nearly \$1.5 billion per year.
- Consumers are willing to pay more for sustainable products. There is an opportunity to increase product demand by implementing and promoting sustainable production practices.
- Low participation in the industry’s new, national certification program, Clean Plants, is jeopardizing the program. The industry needs to do more to promote the benefits of purchasing certified plants to increase demand for Clean Plants-certified nursery stock.
- Expand the use of “Product of BC” labelling and promotion to take advantage of consumer preference for local products.

Threats

- During the recession in the US, the market for nursery stock softened due to a low rate of new house construction and a high rate of unoccupied residences. The depreciation of the US dollar drove US nurseries to more aggressively market their product in Canada. Today, the situation is improving as the Canadian dollar depreciates and new house construction rates increase.
- The industry has experienced some issues clearing nursery stock at the border in recent

Ministry of Agriculture Fact Sheet

NURSERY

years (e.g. border requests to unload the shipment to permit load inspection). Border issues will be a bigger threat as the amount of product exported to the US increases.

MINISTRY ALLOCATION

Full Time Equivalents

0.3 Industry Specialist, as well as support from program areas across the ministry such as plant health, food safety, regional agrologists, policy analysts and BRM staff.

AREAS OF FOCUS FOR 2017

- Manage the final year of the PSP project that will demonstrate the benefits of wireless sensor networks to control irrigation of containerized crops.
- Participate on a national committee to identify opportunities to reduce pesticide risk associated with the production of outdoor ornamentals.
- Assist the industry to develop management strategies for new and established pests, which includes work on pesticide registration.
- Update pesticide recommendations in the Nursery Production Guide.
- Assist the BC Landscape and Nursery Association to deliver educational events that target key issues impacting the industry.

Prepared by

David Woodske, Industry Specialist, 604-556-3044, david.woodske@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- Certified Organic Associations of BC (COABC), www.certifiedorganic.bc.ca
- Canada Organic Office (COO), www.inspection.gc.ca/english/fssa/orgbio/stainte
- Canadian Organic Trade Association (COTA), www.ota.com/otacanada/programs
- Organic Agriculture Centre of Canada (OACC), www.oacc.info
- Organic Federation of Canada (OFC), www.organicfederation.ca
- Canadian Organic Growers (COG), www.cog.ca/
- Organic Value Chain Roundtable (OVCRT), <http://www.agr.gc.ca/eng/industry-markets-and-trade/value-chain-roundtables/organics/?id=1385666883750>

STATISTICS

- The organic market in Canada is the 4th largest in the world valued at \$3.7 billion per year in sales. BC accounts for 22 % of organic food and beverage sales in Canada (\$662 million in 2012).
- In 2011, there were 470 certified organic farms in BC 70% produced fruit, vegetables and greenhouse products; 26% produced field crops and 22% produced animal or animal products (meat, milk, eggs etc.). (Source: Census of Agriculture 2011).
- For 2011, 113 farms were in transition to organics. 66% produced fruit, vegetables and greenhouse products; 23% produced field crops and 31% produced animal or animal products (meat, milk, eggs etc.). (Census of Agriculture 2011).
- BC's organic dairy sector experienced a growth in milk production of 6% from August 1st 2015 to July 31st 2016. There are 27 organic dairy producers in BC (2016). In 2015/2016, organic milk production grew very slightly by 0.1% to 3.9% of BC's annual milk production. Four more organic producers will start in 2016/2017 to meet the increasing consumer demand.

MARKETS

- 58% of Canadians purchase some organic products every week;
- Strong marketplace, nationally: 66% of British Columbians buy organic groceries weekly.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- COABC delivers programs and transitioning resources including regional seminars, website toolkits, branding campaigns that are critical to new entrants and existing producers interested in certification, marketing resources and business management planning.
- The Canada Organic Standard has recently been amended resulting in better clarity and reflecting the evolution of organics in Canada.
- The BC Certified checkmark logo allows BC certified organic producers who are certified to the national standard to use the words "certified organic" in their labeling. The presence of a regulated program in British Columbia gives reliable, government-backed assurance of the organic claim in the marketplace.

- ISO-certified producers have access to export markets including the US, EU and Japan.
- The evolution of organics in BC has involved collaboration with scientists to develop management tools (such as codling moth control in apples).
- The National Organic Value Chain Roundtable is a national sector stakeholder body including government which provides leadership on critical issues such as ongoing standards maintenance, promotion of organics and research.

Weaknesses

- COABC has limited personnel resources dealing with a large number of issues.
- Identifying market trends and opportunities is difficult due to a lack of market data specific to local production, demand and consumption of organics.
- Due to the current voluntary nature of BC Certified Organic Production (BCCOP), certification for products produced and marketed within BC is not mandatory.
- Certified products compete with marketplace claims such as natural or uncertified organic. This creates significant consumer confusion about “natural” vs. “organic”, and requires development of a cohesive message to consumers on the benefits of certified organic.
- The Canada Organic Regime (national program) prohibits the use of qualifiers in front of the word “organic” (such as “certified”) on labeling, increasing confusion for BC consumers who have been conditioned to look for the phrase “BC Certified Organic”.
- Lack of extension services continues to be identified by the sector as an issue in attracting new farmers.
- There is a lack of resources available for basic research in areas of innovation in production management, IPM and post-harvest handling.
- Seasonality of BC organic products restricts availability and short shelf-life remains an issue.
- Organic livestock infrastructure is in its infancy.
- Production capacity and post-harvest quality improvements are required to make improvements in the organic product value chain.
- Retaining skilled labour is an issue due to the seasonality of the produce industry and characteristically low wages.
- Poorly developed relationships between vendors and suppliers limits the presence of organics in the marketplace.

Opportunities

- Using the currently completed BC Research Needs Survey, there is an opportunity for BC to be represented in the 2018 organic research cluster which OACC is developing.
- The BC government is currently undergoing a regulatory change that will require certification for all products marketed as organic within BC by September 2018.
- AGRI is supporting development of an online certification application tool in partnership with COABC to address increased demand for certification services forecasted in the future.
- AGRI has initiated a market research project of the domestic organic sector in BC which is underway.
- The BC Milk Marketing Board expects continued annual growth in organic dairy.

Ministry of Agriculture Fact Sheet

ORGANICS

- Many current organic producers would expand production if market factors such as competition with imports could be addressed.
- Transitioning existing conventional acreage is a potential source of growth for the sector.
- The demand for organic and local products is relatively strong in BC.

Threats

- Use of the BCCOP checkmark logo by ISO-certified producers is faltering due to resistance to using two logos on packaging (*i.e.* Canada Organic logo and BCCOP checkmark logo).
- “Natural” food products continue to compete for market share with organics.
- Compliance for ISO-certification (COR) adds to the cost and complexity of certifying and may create further resistance to certify.
- Certification is not mandatory when producing and marketing agricultural products as organic within BC. As a result, the certified organic sector faces competition against false organic claims in the marketplace at all levels of retail.
- Imports from the US and Mexico flood the market affecting local pricing due to competing economies of scale, cheaper labour, land and input costs.
- Agriculture and AgriFood Canada (AAFC) has developed a policy model on Low Level Presence (LLP) of Genetically Modified Organisms (GMO). Currently, neither Federal nor Provincial organic programs tolerate GMO. Organic producers could incur the loss of certification status, markets and future growth opportunities due to LLP of GMO.

MINISTRY ALLOCATION

Full-Time Equivalents

0.25 Industry Specialist, as well as support from policy unit, Regional Agrologists, and other sector specialists.

AREAS OF FOCUS FOR 2017

- Support for policy work related to the amendment of the regulation in BC to make certification mandatory includes facilitating organic sector consultation, development of guidance regarding compliance and enforcement and outreach to stakeholders.
- Development and delivery of an outreach strategy to potentially affected stakeholders is critical to ensuring timely transitioning to certification.
- The Change Management Plan has key focus areas: increase capacity for transitioning; increase organic awareness; farm management and value chain enhancement.
- In preparation for the 2018 organic research cluster project, AGRI has an opportunity to assist the organic sector in communicating organic research priorities and facilitating partnership opportunities between the organic sector, BC researchers and OACC.

Prepared by

Susan Smith, Industry Specialist, 604-556-3087, Susan.L.Smith@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Potato & Vegetable Growers Association (BCPVGA)
- BC Vegetable Marketing Commission (BCVMC) - regulatory
- United Potatoes of Canada (UPC)
- BC Fresh Incorporated (Licensed Marketing Agency)
- BC Certified Seed Potato Growers Association (BCCSPGA)
- Canada Food Inspection Agency (CFIA), Seed Potato Certification Section
- Canadian Horticulture Council – Potato Research Committee (CHC-PRC)

INDUSTRY DESCRIPTION

Table:

- Although relatively small from a national standpoint, potatoes are the largest grossing field vegetable crop in BC (see Statistics section).
- The majority of BC's production is located in the lower Fraser Valley where it is the main anchor crop for vegetable crop rotations.
- The majority of production is for fresh market, with some utilized for the fresh cut fry market. Lack of processing (chipping or French fries) is due to lack of production capacity and infrastructure.
- Table potatoes are regulated by the BCVMC to ensure stability in the marketplace.
- BC Fresh Inc. is a licensed marketing agency, handling 90% of potatoes marketed in BC.
- The BC market for russets and whites (with some exceptions) is protected until 2020 from predatory marketing practices in the US by an anti-dumping ruling.

Seed:

- 323 ha of certified seed potatoes are grown by 15 growers, producing 37 varieties.
- BCCSPGA, including the Pemberton Seed Potato Growers Association, is part of the virus-free seed potato program.
- A soil-testing program for quarantine nematodes (*i.e.* PCN) is required for seed to the US.

STATISTICS

- Annual freight on board (FOB) for table potatoes exceeded \$37 million for the 2015/2016 crop (BCVMC 2016).
- 2016 seeded acreage of table potatoes has remained steady at 4784 acres since 2015.
- 4,754 acres of table potatoes were grown in the 2015/16 crop year (June to July).

MARKETS

- Almost all table potatoes in BC are marketed locally with the exception of some interprovincial sales.
- BC exported \$10.6 million of potatoes in 2015 including seed (\$3.5 million), fresh (\$5.2 million) and prepared (\$2.0 million).
- In addition to domestic market sales, BC seed is exported to the US and the prairies.
- Over the last generation, there has been a drastic decline in potato consumption due to a change in Canadian demographics and eating habits.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

Table:

- Protection of the local market has been secured for major categories of russet and white potatoes with continuation of the Potato Anti-Dumping Order until 2020.
- BCPVGA is a partner in the National Potato Research Cluster which includes key research initiatives in pest management and variety development.
- BC is known for the best quality coloured potatoes in Western Canada due to our clay-based soils. Improvements in storage conditions and production have lengthened the storage season to the end of May, reducing marketplace reliance on imports.
- The sector is organized through BCPVGA, providing leadership on issues, gathering and communicating industry data on market trends and opportunities for innovation.
- BC Fresh Inc. provides leadership in quality management and market expansion.

Seed:

- BCCSPGA has a web-based market exchange tool to promote the benefits of BC certified seed potatoes and the importance of the Pemberton Valley to BC seed potato production.
- BCCSPGA provides strong leadership and has a good working relationship with CFIA.
- CFIA's quality assurance program provides audit documentation for seed.

Weaknesses

Table:

- Lack of resources to provide a voice at the table to represent BC and its unique needs is an ongoing issue.
- Competition is difficult due to Lower Mainland BC being a high cost production area relative to the competition.
- There is a need to identify and pursue growth opportunities for the BC potato sector to avoid loss of market share.
- Any decline in crop rotation options will negatively affect competitiveness.
- Food services have undergone a vast amount of consolidation since 2004 in produce distribution and retail, increasing competition among produce suppliers.
- BCPVGA and BCVMC have limited resources dealing with a large number of issues.

Seed:

- Competition is increasing for limited or diminishing markets. Seed potato growers require an adaptive communications and marketing strategy in this business environment.
- CFIA is proposing to shift its seed inspection program to an alternate party inspection model. The lack of supporting infrastructure limits the feasibility of this.
- Oversupply of the table market in recent years has limited opportunities for growth.
- Lack of new entrants and the progressive loss of seed potato growers are of concern.

Opportunities

Table:

- Potatoes have good value in the marketplace compared to other types of produce.
- Increased demand for local product has benefitted BC producers.

- The CHC-PRC Working Group has representation from BC in development of the 2018 National Potato Research Cluster.

Seed:

- The sector would benefit from increased networking on important issues.

Threats

Table:

- BC is disadvantaged by limited access to and high cost of inputs relative to US competitors.
- Availability of labour is a continued threat to productivity.
- Land competition with other valuable crops threatens the viability of annual potato crops.
- Canadian demand for potatoes has flat-lined, combined with increases in production.

Seed:

- The possibility of detection of PCN could severely disrupt the BC potato industry.
- The costs of USDA soil-testing for PCN are negotiated by CFIA. Industry is sensitive to these costs as CFIA continues to phase in fees to growers for PCN soil-testing.

MINISTRY ALLOCATION

Full-Time Equivalents

0.35 Industry Specialist, as well as support from policy, regional agrologists, and plant health.

AREAS OF FOCUS FOR 2016

Table and Seed:

- BCPVGA is looking for efficiencies in Association spending and national partnership opportunities through the CHC-PRC WG and development of the 2018 National Potato Research Cluster to continue funding industry research that benefits BC.

Seed:

- A sustainable source of funding is required to update and provide ongoing maintenance to the BCCSPGA's web-based market exchange tool.
- CFIA and the Potato Task Force need to agree on an alternate seed potato inspection model that is sustainable for producers and acceptable to the USDA and export markets.

Prepared by

Susan Smith, Industry Specialist, 604-556-3087, Susan.L.Smith@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Chicken Growers Association
- BC Turkey Association
- BC Egg Producers Association
- BC Poultry Association
- BC Broiler Hatching Egg Producers Association
- BC Chicken Marketing Board
- BC Broiler Hatching Egg Commission
- BC Egg Marketing Board
- BC Turkey Marketing Board

INDUSTRY DESCRIPTION

Production

- BC produces broiler chickens, turkeys, broiler hatching eggs, and eggs for both consumption and processing, as well as specialty birds including Silkies, Taiwanese chickens, waterfowl, squab and some game birds.
- 80% of the poultry production in BC is located in the Fraser Valley. This high concentration of production is largely driven by economic influences such as access to markets and location of processors, as well as a favourable climate for poultry production.
- Broiler chicken production (BC Chicken Growers) has the largest group of producers, with 334 registered growers in 2015. Broiler production includes quota for specialty products, such as organic chicken, Silkies, Taiwanese and products filling demand by ethnic markets.
- Table egg production is driven by the largest specialty production sector in Canada. 22% of BC's table eggs are categorized as specialty. The remainder is conventional production. There were 135 registered egg producers in the province in 2015.
- Turkey production (BC Turkey Association) includes mainstream and specialty quota (Free Range & Organic). In 2015, there were 64 registered BC producers of turkeys.
- Broiler Hatching Egg producers produce the hatching eggs that provide Canada's broiler chicken supply. There were 55 registered producers in BC in 2015.
- The BC Poultry Association (BCPA) represents producers across the 4 supply managed commodity groups. Funding for the BCPA comes from levies collected by the boards using an agreed-upon contribution model.
- BC has various specialty products to satisfy many niche markets including ducks, geese, squab and game birds. These products are marketed domestically and exported either as whole or value-added product.

Processing

- There are 8 federally inspected BC processing facilities for poultry. 7 of these are located in the Fraser Valley and Greater Vancouver.
- There are 30 provincially registered processing facilities across the province, including mobile abattoirs.

STATISTICS

- 2015 farm cash receipts (FCR) from the sale of poultry and eggs was just over \$529 million, which represented 17.2% of BC's total farm cash receipts and 34.7 % of BC's livestock farm cash receipts. This sector has shown slow steady growth since 2004.
- The hatching sector, excluding interprovincial sales, was almost \$.8 million FCR for 2015. This represents a 53.9 % decrease from 2014.

BC POULTRY AND EGG PRODUCTION

- The amount of broiler chicken marketed in 2015 was 164,237 tonnes, a slight decrease of .02% as compared to 2014.
- Producer prices for chicken decreased slightly from \$2.24/kg in 2014 to \$2.18/kg in 2015.
- Total eggs marketed remained fairly steady in 2015 at 70,026,000 dozen eggs, representing a slight increase of 1.5% as compared to 2014
- Producer prices for eggs overall fell slightly in 2015 from \$1.74 per dozen in 2014 to \$1.73 per dozen in 2015.
- The amount of turkey marketed decreased 1.1% from 21,235 tonnes in 2014 to 21,083 tonnes in 2015.
- Turkey producer prices also decreased slightly from \$2.37/kg in 2014 to \$2.34/kg in 2015.

MARKETS

- BC poultry exports including live chickens totaled \$25.7 million in 2015. Primary export markets were the U.S., the Philippines, Congo, Taiwan, Gabon, and Benin.
- Access by BC poultry products to export markets was moderately impacted by the 2014 Avian Influenza (AI) outbreak and related surveillance requirements.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- The poultry industry is well-established in the Fraser Valley, with ease of access to allied trades, suitable processing capacity, market access, and a favourable climate to support lower production costs for energy than other parts of Canada.
- BC supports strong demand for poultry and poultry products, as well as specialty poultry products, with a strong ethnic population and consistent consumption rates. Increased diversity leads to more stability in the marketplace.
- Stability in the supply management system is provided by federal government assurances vis-à-vis national bodies that the system will remain in place for the foreseeable future.
- The BC poultry sector experiences growth as demand increases and additional quota allocations are available from the respective national bodies.
- Supply managed BC poultry producers are subject to on-farm inspections for biosecurity, animal welfare and standard production practices by their respective marketing board or commission. BC's biosecurity program is more advanced than most jurisdictions and supports a larger industry Emergency Response Framework.

- Producer associations are funded through levies collected by boards that encourage the involvement of all producers creating strong and consistent industry leadership.

Weaknesses

- High costs of quota and related production infrastructure is a major deterrent to many new entrants and producers looking to expand.
- Biosecurity remains a concern, including biosecurity fatigue among producers. The existing density of production in the Fraser Valley also poses challenges when biosecurity is not appropriately exercised and disease pressure may be high.
- During a disease outbreak scenario, processor access to Canadian product can be limited and include limitations on movement, creating gaps in employment and supply issues.
- The industry continues to lack solid surveillance programs for zoonotic pathogens, namely Salmonella and AI. Work is being done, but only minimum requirements are met to appease international standards.
- There is a strong disconnect between small flock owners, the non-supply managed producers, and the regulated sector.

Opportunities

- Increasing demand for locally produced products is driving specialty markets in all poultry commodities.
- Increasing consumer confidence through: industry messaging around minimizing the use of anti-microbials; reassurance of food safety through disease response effort; and new messaging around animal welfare and animal welfare programs in place for all commodities.
- Animal welfare audits are conducted by the respective marketing boards. Third-party audits would contribute to increased consumer confidence and are being discussed.
- Broiler hatching egg supply is limited. There may be opportunities to build in this sector within the confines of the chicken production system.
- The increased demand for specialty poultry products may provide new/niche market opportunities for new entrants as well as new value added or further processing opportunities of existing products.
- The BC Turkey Marketing Board recently completed a strategic planning session. One of the outcomes was to identify opportunities to pursue previously inaccessible ethnic markets.
- Continuing to bridge the connections with small flock owners benefits both the commercial and small flock sectors by increasing awareness and knowledge of permitted production allowances in broilers, turkeys and eggs, as well as the related health and production impacts.

Threats

- Rising costs (such as for fuel and feed) and shifts in demand may lead to reduced profits and eventually limit access to land for industry growth and expansion.
- Ontario has aggressively entered the specialty bird market. They have become competitors in numerous domestic and foreign markets that were largely dominated by BC producers.

- The sector is vulnerable to animal welfare incidents similar to other sectors and other provinces.
- There is no grandparent stock of broilers in Canada. Border closures could severely disrupt national market access to breeder and broiler chicks. Similar circumstances could also impact access to layers and turkeys.
- A disruption in access to feed grains continues to be a threat to the feed suppliers. An environmental disaster along railway corridors or economic shift could lead to another shortage, and mills and producers have limited storage and limited access to extended supplies of grain for feed.
- Small flock owners may not be fully aware of food safety risks presented by home-grown products. Human illnesses caused by products originating beyond/outside of the regulated system can create negative perception of the commercial poultry system among consumers.

MINISTRY ALLOCATION

Full Time Equivalents

1 Industry Specialist (0.9 Poultry and 0.1 Regulated Markets), 1 Avian Pathologist and 1 Poultry Health Pathologist, as well as support from policy, regional agrologists, animal health and BRM staff.

AREAS OF FOCUS FOR 2017

- Continue to support and develop the BC poultry industry Rapid Response, and Emergency Response Programs, hopefully to support an updated FADES Plan.
- Support and lead development of on-farm Standard Operating Procedures for the various poultry commodities and housing systems in collaboration with IAF and industry stakeholders.
- Continue direct outreach to non-supply managed and small flock owners. Promoting and building awareness of biosecurity and food safety practices.
- Explore and support dedicated pathogen surveillance programs in BC poultry.
- Continue to support the BC Egg industry in their transition to cage-free housing.
- Lead a performance study for the turkey industry to identify challenges specific to the turkey sector and identify ways to overcome them.
- Initiate a review of the financial impact of Salmonella Enteritidis on hatching egg producers in BC.
- Support further development of the BC Biosecurity Program based on the 2014 Avian Influenza post-outbreak reports.
- Explore new and niche market opportunities for new entrants in the poultry sector.
- Develop industry resources through Growing Forward 2 initiatives.

Prepared by

Clayton Botkin, Industry Specialist, 604-556-3081, clayton.botkin@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Grape Growers Association, www.grapegrowers.bc.ca
- BC Wine Institute, www.winebc.org
- BC Grape Wine Council, www.bcwgc.org
- Wine Island Growers Association, www.wiga.ca

INDUSTRY DESCRIPTION

- BC is home to 929 vineyards, including 254 licensed wineries
- Over 60 different grape varieties are produced in the province, the top ten of which include Merlot, Pinot Gris, Pinot Noir, Chardonnay, Cabernet Sauvignon, Gewurztraminer, Cabernet Franc, Syrah, Riesling, and Sauvignon Blanc.
- There are just over 4,000 hectares of wine grapes and 60 hectares of fresh market grapes.
- There have been grape plantings removed in 2015 and converted to apples, specifically Ambrosias.
- The BC Vintner's Quality Alliance (VQA) system guarantees and ensures that qualifying wines meet technical specifications. It was originally an industry-operated system, but in 2005, after extensive industry consultations, the Province took over responsibility for administration under the Wines of Marked Quality Regulation. Although VQA wines fetch a higher market price, this market advantage has decreased since 2008.

STATISTICS

- According to the BC Wine Institute's 2012/2013 Annual Report, "the BC wine industry generates \$2 billion in economic impact employing more than 10,000 people and contributing \$222 million in taxes. BC wineries welcome over 800,000 visitors every year through the wine economy and generate \$476 million in tourism and tourism employment related economic impact."

MARKETS

- In 2015, BC exported \$9.3 million worth of wine, up 12% from 2014. China continued to be the top market for BC wine exports in 2015.
- Data is not available on inter-provincial trade of wine.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- The industry has been very successful in producing high quality wines.
- Wineries and growers receive higher prices than many other wine producing regions.
- Currently, the industry is developing sustainable certification programs for growers.
- The industry is well organized. The majority of growers belong to the BC Grape Growers Association.
- The wineries are represented by the BC Wine Institute and the research and development levies are looked after by the BC Wine Grape Council.

Weaknesses

- Producers are aging and there is a shortage of trained viticulture workers.
- Many wineries have building inventories (older vintages) of wine. This oversupply could impact on BC grape pricing in the foreseeable crop future.

Opportunities

- Chinese and South Asian interest in the industry has sparked some winery sales.
- Continued participation in Seasonal Agriculture Worker Program for labour.
- Continue to leverage connections made in 2013 in the Asia-Pacific Region.

Threats

- Rapid expansion of the industry resulted in some wineries locating on marginal lands leading to risk from winter injury and spring frosts.
- Lower cost imported wines are a substituted product for BC produced and cellared wines.

MINISTRY ALLOCATION

Full-Time Equivalents

Staff support across BC Ministry of Agriculture (ministry) including grape industry specialist, policy analysts, agrologists, production insurance and AgriStability staff.

AREAS OF FOCUS FOR 2017

- Encourage industry to participate in environmental farm plan programming and AGRI's suite of risk management programming.
- Work with industry on Buy Local initiatives.
- Re-initiate contact with WIGA and South Fraser valley wine producers.

PREPARED BY

Carl Withler, Industry Specialist, Tree Fruits and Grapes, Carl.Withler@gov.bc.ca, 250 861 7229.

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Fruit Growers Association, www.bcfga.com
- BC Cherry Growers Association, www.bccherry.com
- New Tree Fruit Varieties Development Council, www.ambrosiaapples.com
- BC Tree Fruits Cooperative, www.oktreefruit.com

INDUSTRY DESCRIPTION

- The BC tree fruit industry has about 800 commercial growers, who farm about 15,000 acres of apples, pears, cherries, peaches, nectarines, apricots and plums.
- The industry growing areas are located in the Okanagan Valley (90%) from Salmon Arm in the north to Osoyoos in the south, the Similkameen Valley to the west and the Creston Valley (4%) in the Kootenays to the east. Tree fruits are also produced in the Fraser Valley (2%) and on Vancouver Island and the Gulf Islands (4%).
- Grower farm cash receipts (FCR) for apples were \$47 million in 2015. Apples are the dominant crop by area planted (3,682 hectares, 63% of the total area) and volume of fruit produced (97,000 tonnes or about 78% of the total fruit crop).
- Cherries have a much smaller area (1,442 hectares or 25% of the total area), with nearly \$47 million in FCR. In some years, such as 2009, 2010, and 2015, the farm value of cherries exceeded the farm value of apples in BC.
- BC Tree Fruit Cooperative packs and sells about 75% of the industry's apple crop, but only about 30% of the soft fruits. The remaining fruit is packed by approximately 29 private packing organizations.
- Only 75% of the apples produced in BC are sold within western Canada. BC satisfies about 45% of western Canada's apple demand. The rest of the western Canadian market is met by imports, predominantly from Washington State.
- BC has a negative trade balance with the US in apples and in tree fruits overall.
- The tree fruit market has been improving over the last couple of years for both domestic and exported markets. Of note, is expansion of cherry exports and production of high value apples like Ambrosia.
- Washington State is a formidable competitor as a result of their large size and very competitive fruit prices.

STATISTICS

- BC's tree fruit industry generated farm cash receipts of nearly \$117 million in 2015, accounting for 38% of the total value of tree fruits produced in Canada.
- The industry produced nearly 124,000 tonnes of fruit on nearly 14,400 acres in 2015.

MARKETS

- BC's top tree fruit exports in 2015 were cherries (\$91.7 million) and apples (\$20.5 million).

- The top markets for BC cherries in 2015 were the US, China, Hong Kong, Taiwan and the United Kingdom.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- BC producers have very good access to new varieties through the Summerland Varieties Corporation and the apple and cherry breeding program at the AAFC Summerland Research and Development Centre.
- Western Canadian consumers strongly support locally produced fruit.
- The sector is represented by several strong organizations: BC Fruit Growers' Association, BC Cherry Growers' Association and the new Tree Fruit Varieties Development Council.
- An independent comparison study of Washington State and BC industries provided recommendations on how the BC Industry can address key profitability issues.
- New technology is being incorporated into BC storage facilities.
- A 7 year Tree Fruit Replant Program providing provincial support began in 2015.
- BC Tree fruits has developed a market (cider) for non market apples and some pears
- Cider apple production remains well below demand for cider apples creating opportunity.

Weaknesses

- The apple sector does not have a complete market strategy nor funding to implement the strategy.
- There is limited packing capacity and production support in the Creston Valley.
- Many growers are now selling privately at harvest rather than to the packinghouse. The cooperative is focusing on a more targeted response.
- Some apple varieties such as red delicious, golden delicious, mcIntosh and spartan tend to yield low returns to growers. Replanting to higher value varieties such as ambrosia and Honeycrisp will improve average returns to growers.

Opportunities

- There is a demand for locally grown product.
- Growers are supportive of a long term Tree Fruit Replant Program.
- The Sterile Insect Release program provides area wide control of codling moth. This technique could be used for other insects as well and potentially for new invasive ones such as apple maggot and brown marmorated stink bug.
- The declining value of the Canadian dollar is helping the competitiveness of the BC industry.
- Investment in Ambrosia apples and select cherry varieties has resulted in increased access to markets outside of Canada.

Ministry of Agriculture Fact Sheet

TREE FRUITS

Threats

- Strong competition from nearby Washington State with its lower labour costs; higher packing house productivity; superior crop grades and yields; and better economy of scale associated with larger orchards.
- Lower priced and sometimes better quality fruit imports competing in domestic markets.
- Any economic downturn impacts new varieties and the organic part of the industry as consumers and wholesalers turn to cheaper alternatives.
- Brown Marmarated Stink bugs have been detected in the Okanagan valley. No economic impact assessment has been made, but comparisons to U.S. infestations have industry personnel alert and concerned.
- Some BC growers are beginning to ship their apples to packers in Washington State.
- Apple maggot has been found in the Okanagan valley.
- A lack of reliable labour puts timely harvest schedules at risk.

MINISTRY ALLOCATION

Full Time Equivalents

0.5 Industry Specialist, 0.6 Plant Pathologist, Plant Health Unit, 0.6 Entomologist, 0.2 Resource Stewardship Agrologist with additional support for food safety, innovation, policy and BRM staff.

AREAS OF FOCUS FOR 2017

- Continued focus on administration of the Tree Fruit Replant program with emphasis on approvals, inspection and payment timing improvement.
- Begin development of ready to tender contract documentation for new Replant program contract renewal.
- Improve information flow to growers in the Creston valley area and gather reconnaissance regarding future activities, needs and industry growth. Work with Columbia Basin trust to ensure agriculture is a funding focus.
- Work actively with BC Cherry, California Department of Food and Agriculture and Ministry staff to ensure access to California markets.
- Review production methods in Washington state to bring new technology to BC growers to improve yields.
- Work with Councils and Commissions to confirm mandate, administrative procedures and deliverables.

PREPARED BY

Carl Withler, Industry Specialist, Tree Fruits and Grapes, Carl.Withler@gov.bc.ca, 250 861 7229

REPRESENTATIVE GROUPS/ASSOCIATIONS

- B.C. Cattlemen's Association (BCCA)
- B.C. Sheep Federation

INDUSTRY DESCRIPTION

- Silvopasture is an integrated forage, livestock, and timber management approach, which can increase forage for the livestock sectors, while maintaining timber production on the same land base and improving environmental stewardship.
- Silvopasture is a process-based portfolio similar to organics or food processing, as compared to the commodity-based portfolios such as poultry or beef.
- The Beef sector is the primary industry stakeholder group and BC's 3rd largest agrifood commodity distributed throughout the province.
- Silvopasture in BC is currently focused in the Thompson-Okanagan with emerging interest in other regions.
- BC ranch agri-businesses are the largest agricultural private land holder in BC. The sector further manages 21 million ha of Crown land held under range tenure.
- The Ministry of Agriculture (AGRI) is the lead agency supporting the sector on private land. The Ministry of Forests, Lands and Natural Resource Operations (FLNR) is the lead agency for tenured Crown range.
- Access to Crown forage is essential for the BC beef sector's viability and growth. Crown forage meets ~30% of the sectors annual forage needs. The tenured herd grazes from late spring to early autumn on Crown range. Winter feeding costs make up approximately 60% of direct expenses for BC ranches. Spring and summer grazing account for up to 15% on top of winter feeding.
- BC's Crown range enables BC ranch agri-businesses to sustain larger herd sizes than could be supported solely on private land thereby increasing economic contributions to rural communities.
- In 2016, the BCCA identified a continuous Crown forage supply as a priority topic on the October ADM tour. At the BCCA 2016 AGM, a resolution was passed recommending implementation of a Crown forage supply strategy inclusive of integrated forage and timber approaches.
- As the Crown forage resource represents a significant competitive advantage for the BC beef sector, key considerations include: quantifying Crown forage yield and access; and, developing the integrated Best Management Practices (BMP).

PROGRAM IMPACTS

- GF2 PSP project: Collaborative Crown forage supply project focusing on development of a forage inventory database and user interface. Ten years of data collection achieved within 2 years.
- Four GF2 collaborative integrated forage, livestock and timber management projects (silvopasture) established. One pilot in development (industry led). One in discussion (FLNR led).
- Pathway through current legislation and regulation mapped to enable silvopasture as a practice on Crown land. No changes to legislation and regulation required. Data for management decision and policy support needed.

- Forage Seedbed: Mechanical site preparation is a standard forest industry BMP which can be adapted for agricultural purposes in creating forage seedbed. Survey method developed, BMP evaluated.
- In the Okanagan Shuswap Natural Resource District silvopasture principles (integrated forage and timber management) integrated into District-wide forage supply strategy including 10 Memorandums of Agreement developed among rancher, timber licensee and FLNR outlining responsibilities of each in an integrated management agreement.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Access to Crown range. Increasing interest in FLNR regarding integrated range and timber management approaches as tools that can supplement standard operational practice.
- Integrated approaches embed multiple resource management and environmental stewardship objectives and values, contributing to public trust. Climate change adaptation, clean air, water and habitat for domestic animals and wildlife comprise elements of the stewardship story.
- Cattle can use land that is unsuited for most other agriculture products. Silvopasture adapts an existing system to increase productivity rather than introducing something completely new.
- Silvopasture can be implemented without change to existing legislation.
- BC has the ability to produce for high value niche markets.

Weaknesses

- Crown land is a multiple use land base. Crown forage availability and access have to be balanced with uses of other Crown resources such as timber, water, and wildlife habitat, and with other users such as First Nations, recreation, forestry, mining and conservation, creating uncertainty for the beef industry.
- Increased predation from wolves has led to sub-optimal use of Crown grazing resources.
- Cumulative effects on the land base have reduced the forage available on Crown land, changed ungulate grazing habits, and increased wildlife foraging on private land.
- Lack of management and production information related to integrated use. Data for management, land-use decision making and policy support needed.
- Competing demands for water, uncertainty of water supply and access on Crown range units could hinder the sector.

Opportunities

- Silvopasture embeds timber, forage, and conservation objectives into management, potentially creating synergies with other uses and users.
- Opportunity to increase Crown land forage for both beef cattle use and wildlife foraging. simultaneous with attracting wildlife away from private land forage in the valley bottoms.
- Potential for silvopasture models to help address mid-term fiber supply shortage and fire hazard abatement (interface areas) simultaneous with increasing forage for the beef sector.

- Opportunity to engage with FLNR at corporate level.
- Interest by a small subset of timber licensees regarding potential models for successful integration of both timber and range resources.
- Ability to enhance stewardship and provide a greater number of ecological goods and services to BC constituents. E.g. water quality/riparian stewardship.
- Ranch agri-businesses comprise core elements of rural communities. Enhancing viability strengthens rural economies.
- Creating and implementing a first-stage provincial forage plan for private land, provides the opportunity to engage FLNR at the design stage for Crown range integration.

Threats

- Mid-term fiber supply shortages impact any decisions regarding integrated use.
- Lack of processing facilities limits producer capacity to enter locally branded product markets or other niches such as stewardship branding.
- Climate change effects on Crown grazing lands, potential for water and forage supply impact.
- Herd expansion in the USA and projected declining prices will hinder BC herd expansion in 2017.

MINISTRY ALLOCATION

Full Time Equivalents 1.0 Industry Specialist as well as engagement from Beef Specialist and Regional Agrologists.

AREAS OF FOCUS FOR 2017

- Support the Beef Specialist.
- Engage FLNR at a strategic level to discuss collaborative approaches and frameworks for working together.
- Lead on silvopasture projects and tools development, partnering with FLNR, industry, and others.
- Communicate out on projects to clients and collaborators.
- Partner on externally-driven initiatives. E.g. i) forest-stand commercial thinning pilot with objectives related to increased forage supply and mid-term fiber supply (funding potential through Beef Cattle Research Council); and, ii) enhanced site prep pilot with objectives related to forage productivity and cost benefit analysis.

Prepared by

Lisa Zabek, Agroforestry Specialist - Interior, 250-828-4515, lisa.zabek@gov.bc.ca
David Trotter, Agroforestry Specialist – Coast, 604-556-3148, david.trotter@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Shellfish Growers Association (BCSGA), www.bcsga.ca
- Aboriginal Aquaculture Association, www.aboriginalaquaculture.com

INDUSTRY DESCRIPTION

- Primary species include: oysters, clams, scallops and mussels. Emerging species include: geoduck clams, cockles, sea cucumbers, sea urchins and crayfish.
- There are 266 companies licensed to culture shellfish in BC. The sector is characterized by a few large operators, some of which have processing facilities, and a large number of small traditional family operations.
- There is a large dependence on imported seed stock from Chile (~ half of industry requirement). Grow-out systems vary with species from planting seed on beaches, to the use of suspended long-lines, tubes, and rafts.

FIRST NATIONS

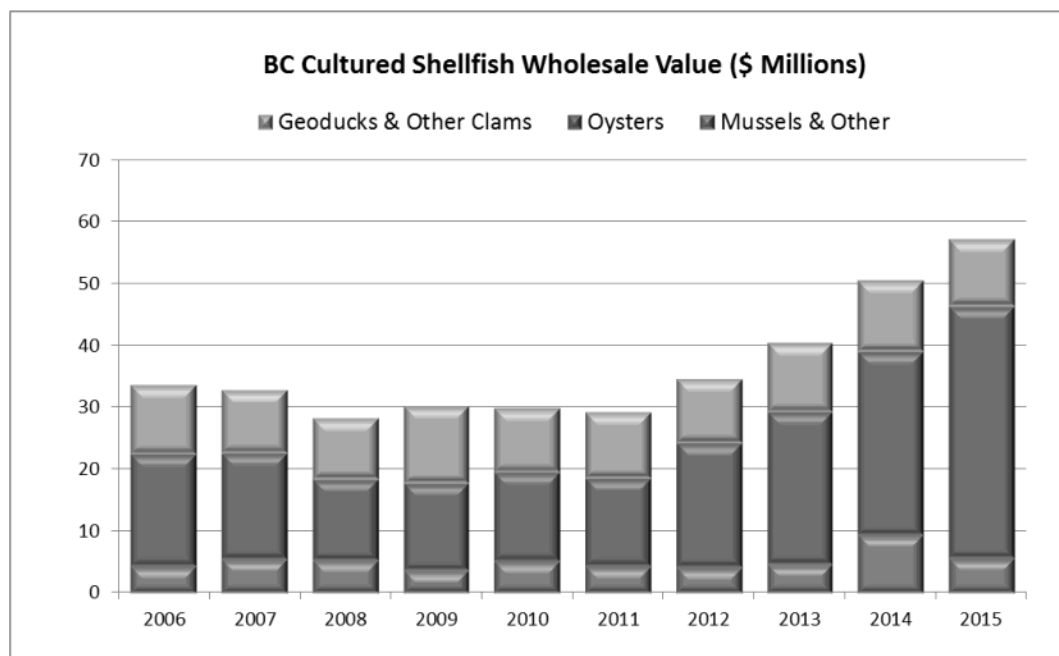
- First Nations are active participants in shellfish aquaculture, farming 8% of the land under shellfish aquaculture tenure in BC. This does not take into account many tenures acquired by First Nations that have not been put into production or have been abandoned.

STATISTICS

- There are currently 460 active shellfish licences with an average size of 10.4 hectares. The industry operates on 4,720 hectares of tenured Crown land which is less than 0.1% of available coastal waters within one km of shore.
- In 2015, the wholesale value of farmed shellfish was \$57.2 million representing 4.0% of the total wholesale value of BC seafood products.
- In 2015, the landed value of farmed shellfish was \$24.6 million representing 2.8% of the total landed value of BC seafood products.
- Since 2014, farmed shellfish production has increased by 7% (10,300 to 11,000 tonnes), landed value by 11% (\$22.1 to \$24.6 million), and wholesale value by 13% (\$50.5 to \$57.2 million).
- Direct employment in all aquaculture sectors is estimated at 1,161 Full Time Equivalents (FTE), which are mostly in rural coastal communities.

MARKETS

- The top markets for farmed shellfish products were the United States (US), and China. The top BC farmed shellfish export in 2015 was oysters at \$16.7 million, an 8.8 % increase from 2014. BC also exported \$10.8 million in clams (wild and farmed combined), a slight decrease (-1.6%) from 2014.
- Participation in international tradeshow is very important for BC's shellfish aquaculture industry, as the majority of production is exported and a large proportion of sales are derived from these market development activities.



STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Global demand for farmed shellfish aquaculture products exceeds supply.
- Excellent growing conditions, clean water and environment.
- Proximity to US and Asian markets.
- Strong market brand and demand for BC shellfish export products.
- Access to research and development resources locally.

Weaknesses

- Stagnant growth over the last 16 years.
- Complex regulatory framework coupled with a high degree of uncertainty.
- Access to new crown land tenures.
- Restrictive local government bylaws.
- Access to local seed stock.
- Lack of clear federal policy for new and emerging shellfish species development, in particular sea cucumber, sea urchin and crayfish.
- Very low capitalization and access to capital which inhibits industry growth.

Opportunities

- Continued support for First Nations development opportunities in the sector will improve social licence and provide additional marketing benefits.
- Promise of a [new] Federal *Aquaculture Act* would reduce regulatory complexity and uncertainty.
- New species & technology development.

Ministry of Agriculture Fact Sheet

SHELLFISH AQUACULTURE

- Increased access to sites in the north coast offers growth potential.
- The recently released Integrated Geoduck Management Framework should facilitate growth in geoduck aquaculture in the short term.
- Species diversification of sea cucumber and sea urchin aquaculture in the long term.
- Putting idle tenures into production.
- Export demand to the US is strong due to the weak Canada dollar.
- Expanding domestic and Asian markets offers growth potential.

Threats

- Global competition and the small size of the industry.
- Changes in ocean conditions due to climate change and in particular, ocean acidification, have been shown to have a direct impact on the industry by negatively affecting seed supply and creates a high degree of uncertainty.
- Recent occurrence of pathogens that cause food borne illness (*Vibrio parahaemolyticus* (2015), Norovirus (2017), should they resurface, will erode the BC brand and impact economic sustainability of the industry due to site closures. Research is need to better understand the causes/sources of recent outbreaks.
- Lack of domestic seed supply and hatchery capacity.
- Little to no public funds for industry-based research, development and innovation.
- Recovery of the Canada dollar may affect export demand from the US.

MINISTRY ALLOCATION

Full Time Equivalent

1.0 Industry Specialist, Aquaculture and Seafood, as well as support from Inter-governmental relations, licencing, and food safety, Processing Specialist, and Regional Agrologists.

AREAS OF FOCUS FOR 2016

- Represent Provincial interests at the Federal level to address regulatory complexity and uncertainties.
- Work with Regional Districts/Local Governments to support shellfish aquaculture development.
- Work with other Ministries to address Crown land issues.
- Work directly with industry to promote opportunities and address constraints.
- Support research, development and innovation funding initiatives.
- Continue efforts to develop funding envelopes for industry innovation and capacity building with a view to strengthening the Ministry's industry support role.
- Industry diversification to increase production of new and minor species (scallops, geoduck, sea cucumbers, crayfish).

Prepared by

Myron Roth, Industry Specialist, 250-356-1831, Myron.Roth@gov.bc.ca

Ministry of Agriculture Fact Sheet

PORK

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Pork Producers Association (BCPPA), bcpork.ca/producers/bc-pork
- BC Hog Marketing Commission (BCHMC), bcpork.ca/producers/bc-hog-marketing-commission
- Canadian Pork Council (CPC), cpc-ccp.com
- Canadian Swine Health Board (CSHB), swinehealth.ca

INDUSTRY DESCRIPTION

- BC's hog industry is concentrated in the Fraser Valley. The average operation manages 375 sows (farrow-to-finish) and markets about 7,500 hogs annually.
- There are 15 licensed pork producers who supply about 8% of all pork consumed in BC and provide processed pork for export.
- The industry has been served for over 30 years by two BC privately owned and operated meatpacking plants:
 - Britco, a federally inspected plant in Langley, with a capacity of 7,000 head per week, sources less than 500 head per week from BC farms and the remainder from Alberta.
 - Johnston's, a provincially inspected plant in Chilliwack, with a capacity of 3,000 head per week, sources about 1,750 head per week from BC farms.
- Two categories of hogs are marketed in BC; round hogs (also known as BBQ hogs, 40 - 45 kg) and market hogs (95 - 110 kg). About 85% of BC hogs are shipped as 'market hogs'.
- Approximately 92% of pork consumed in BC is classified as commodity pork (basic cuts, such as bellies, butts, hams, and loins) while the other 8% is value-added specialty pork.
- On July 1, 2014, federal legislation came into effect that required all hog movements to be recorded and reported to the national PigTrace database within 48 hours.
- As of January 2016, every licensed BC hog operation has been registered and validated under the National Premises Identification Program (PID). This program will help minimize the impacts of a disease outbreak or a food safety crisis by reducing response time.
- In February 2016, the CPC announced the formation of the Canada Pork Excellence program (CPE). CPE brings together the on-farm food safety, biosecurity, animal care and traceability programs under one platform. Food safety will be named PigSAFE, animal care will be called PigCARE, and traceability will remain as PigTRACE.
- CPE will be introduced over three years to allow all Canadian pork producers to join the revised program. CPE will be pilot tested in 2016 on farms across Canada, followed by final revisions, then on-farm implementation in late 2017 via provincial pork organizations.

STATISTICS

- BC farm cash receipts (FCR) in 2015 were almost \$32 million, representing a 12% decrease over 2014. In 2015, the total number of hogs marketed increased by 5% while prices decreased 21% for hogs overall compared to 2014.
- Market prices dropped in early 2015, rallied somewhat from April to September then steadily declined by the end of 2015.

Ministry of Agriculture Fact Sheet

PORK

- Market prices remained low throughout 2016. This trend has continued into 2017 with no signs of recovery. Current market prices and feed costs are leaving BC producers with minimal to negative profit margins.

Table 1. Market Price History for BC Pork

Year	Average Base Price(\$/100 kg)
2009	\$133.09
2010	\$148.90
2011	\$167.34
2012	\$162.44
2013	\$173.03
2014	\$214.00
2015	\$169.79
2016	n/a
2017	n/a

MARKETS

- In 2015, BC exported \$91.9 million in pork products, a 9.7 % increase from 2014. The top markets were Japan, China, Taiwan, Hong Kong and the Philippines.
- BC exported \$58,000 worth of live swine in 2015. The primary market was the US.
- The majority of pork products exported from BC are derived from live hogs that are shipped from Alberta and Saskatchewan and then processed in the Lower Mainland through Britco.
- The majority of the 135,000 or so hogs raised per year in BC in 2016 were processed to satisfy local domestic markets.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- The sector has a strong infrastructure that includes feed industry, slaughter-processing capacity, transportation, herd health, marketing, and financial services.
- Close proximity to a large and growing affluent market (Lower Mainland) offers a wide range of potentially profitable niche markets.
- The industry leveraged government funds to develop an updated BC Pork Strategic Marketing Plan in November 2016 from its previous 2009 version. The updated Strategic Plan focuses on monitoring costs of production and pricing, and establishing benchmarks for costs and returns. In addition, the Plan will engage industry and a private consultant to develop specific marketing initiatives for BC Pork to test pilot.
- The relatively small size of the sector provides an opportunity to change production processes and create value-chains.
- Many producers are long-time family farms who have persisted through difficulties and are committed to changes to remain in business.

- The Canadian swine industry published an updated Code of Practice for the Care and Handling of Pigs in 2014.

Weaknesses

- The sector is highly vulnerable and unable to compete with low domestic market prices and high price volatility inherent in North American commodity pork prices.
- Since the BC Hog Marketing Commission (BCHMC) and BCPPA are financed solely from levies collected on every hog marketed in BC, declining numbers in market and round hogs produced has had an immediate and direct impact on operations.
- Feed costs are greater than the sum of all other operating costs for pork production. Since most feed grains are imported by rail and truck, swine producers are vulnerable to changes in grain prices caused by market conditions, transportation costs and distribution issues.
- Under the current cost-sharing agreement of 1:1, the Hog Industry Development Fund (approximately \$400,000) is inaccessible to many applicants.
- Reference margins have been so low the past several years that Agristability has become ineffective in providing financial relief.
- Succession problems with aging producers where a small majority indicate that the next generation may not be interested in transitioning and taking over the family operation.

Opportunities

- BC producers supply less than 10% of the total amount of pork consumed in BC. The industry could garner support from consumers to create more value-added, specialty pork.
- The family farm concept is an asset in branding and marketing.
- Branded BC pork supported by a strongly developed infrastructure of traceability, food safety, biosecurity, and animal care, demonstrating quality, could be instrumental in attracting and securing new product market opportunities.
- Strategic market analysis and planning may indicate a significant industry benefit to identifying one of BC's two major processors to become the primary supplier of premium priced, value-added, specialty pork products to service potentially profitable niche markets in BC.

Threats

- On-going risk of the introduction of the serious disease known as porcine epidemic diarrhea virus (PEDv). Although other provinces have had cases of PEDv, most notably Quebec, Ontario and some in Western Canada, BC has not yet recorded a case of PEDv.
- PEDv is caused by an aggressive viral strain that results in 95-100% mortality in young piglets within 2-4 days of exposure.
- Using financial support from the BC government, the industry implemented enhanced biosecurity protocols in conjunction with a comprehensive PEDv surveillance program. This has largely prevented PEDv from appearing on BC pork operations.
- Many fast food companies, restaurants and food retailers have announced plans to eliminate

Ministry of Agriculture Fact Sheet

PORK

gestation stalls (crates) from their pork supply chain by 2022. Producers will require significant facility capital investment to change their systems to support group housing for gestating sows in order to maintain market share and stay competitive.

- Producers in the Lower Mainland are vulnerable to the introduction of foreign animal diseases (FAD) like hoof and mouth disease because of close proximity to imports.
- External events such as swine flu, circo virus, PED, currency fluctuations, low market prices, export market embargos, and high feed prices can lead to moderate to high losses throughout the industry.
- US economies of scale make it very difficult for BC's producers to compete in commodity pork markets.
- Sudden disruptions of rail shipments of feed grains into BC would cause an immediate problem.
- If more BC producers exit the industry, it will increase pressure on Johnston's to make operational changes that may include sourcing hogs from outside BC at much higher transportation cost than for locally raised hogs.

MINISTRY ALLOCATION

Full-Time Equivalents

0.15 Industry Specialist, as well as agrologist, food processing, animal health and policy staff.

AREAS OF FOCUS FOR 2016

- The BCHMC and BCPPA are focusing on the sustainability of their operations.
- Continued efforts in following best management practices to dramatically reduce the risk that the PEDv makes its way into the BC swine industry.
- Continued support of industry procedures with respect to recording and reporting animal movement to the national PigTrace database.
- Continued emphasis on marketing and promotions to raise awareness and enhanced recognition of the BC pork brand in the domestic marketplace.
- Implementing components of the new national Code of Practice for the Care and Handling of Pigs, particularly as it relates to researching and determining economical options for group housing systems.
- Renewed emphasis on developing the value-chain concept for the BC pork sector from producer to retailer.
- Assist the industry with implementation of both the 2016 BC Pork Strategic Marketing Plan as well as the CPE program initiative.

Prepared by

Tom Droppo, Industry Specialist, 604-556-3144, Tom.Droppo@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Potato and Vegetable Growers Association
- Fraser Valley Cole Crop Growers Association (FVCCGA)
- Fraser Valley Bush Bean, Pea and Corn Growers Association (FVBBPCGA)
- Processing Vegetable Industry Development (PVID) Advisory Committee
- BC Vegetable Marketing Commission (BCVMC) (regulatory), www.bcveg.com
- BC Fresh Incorporated (Licensed Marketing Agency), www.BCfresh.ca

INDUSTRY DESCRIPTION

Overview

- BC farmers produce over 40 different field vegetables including cucurbits, root crops, brassicae crops, alliums, leafy vegetables, sweet corn and legumes.
- Almost 70 % of production area is located in the Lower Mainland, with 12 % on Vancouver Island, 14 % Interior BC, 3 % in the Kootenays and 2.5 % in the Cariboo and northern regions. Operations range from a few acres to several hundred.
- Since 2001, farm gate sales have risen, however, the total area of field vegetables has been in decline. Key causes of the decline are competitors with economies of scale (particularly with the US and rising input costs (e.g. fuel, labour and land) resulting in a widening disparity with competitors. Additionally, there is increased competition for land with other more profitable forms of agriculture (*i.e.* greenhouse and berries), losses of agricultural land to industrial development in both Delta and farther east in the lower Fraser Valley; and lack of processing.
- Since 2010, two major processors of field vegetables have disappeared.

Regulated and non-regulated vegetables

- Regulated vegetables include processing broccoli, cauliflower and Brussels sprouts, peas and beans; and high volume storage such as rutabagas, carrots, cabbage, parsnips and beets.
- In order to ensure orderly marketing, contracts between processors and regulated processing crops are established annually. Additionally, quota is granted by the BCVMC to grow high volume storage crops.
- Storage crops are marketed through a marketing agency licensed by BCVMC.
- Regulated field vegetables are mainly marketed through relatively large retail.
- Fresh market vegetables including sweet corn, cole crops, cucurbits and most leafy vegetables. Fresh produce is marketed directly to the consumer at farmer's markets and farm stands, or to larger retail outlets either direct or through wholesalers and distributors.

STATISTICS

- BC produced over 57,000 tonnes of field vegetables (not including potatoes or mushrooms) with farm cash receipts of nearly \$72 million in 2015.
- Storage vegetables were valued at \$13.2 million (BCVMC 2015).
- Processing crops amounted to \$10.3 million in farm cash receipts (BCVMC 2014). More current values for processing crops are not available due to confidentiality.

MARKETS

- Field vegetables in BC are grown mainly for domestic markets with the exception of some storage crops.
- BC exported \$21.9 million in field vegetables in 2015 (with the exception of potatoes, mushrooms and all greenhouse vegetables).
- BC export data on field vegetables can be misleading due the inclusion of some field crops and other data.
- The top markets in 2015 were the US, China, and India

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- The BC vegetable sector has a great deal of diversity to withstand market shifts.
- The PVID Fund supports processing field vegetable sector development projects.
- The BCVMC has licensing, allocation and quota processes for orderly marketing.
- The regulated portion of the sector has strong representation through grower associations (BCPVGA, FVCCGA, FVBBPCGA).

Weaknesses

- Processing cole crop acreage has reduced dramatically with the decline in processing resulting in a shift to fresh markets and stiff competition with imports.
- In 2015, Lucerne Foods made a full withdrawal from processing field vegetables.
- BC Frozen, is the only remaining processing option for field vegetables crops in BC. This relatively small processor does not seem to have the capacity to serve the remaining BC processing vegetable sector (primary producers) in BC.
- Lack of organization of small volume crops presents a challenge in pursuing coordinated strategies towards innovation, marketing, food safety *etc.*
- Although the increasing public interest in farmers' markets is beneficial, marketing is labour intensive and has limited appeal or value to the large volume producer.

Opportunities

- New crop opportunities such as okra and eggplant for growing ethnic markets.
- Forecasted population growth near major markets is an opportunity for growth.

- New growth in the regulated vegetable sector can be managed by the existing regulatory structure to match supply with changes in demand.
- Increasing demand for local products is a positive development for local seasonal producers and helps offset the competitive advantage of year-round imports.

Threats

- In August 2016, a major corn pest (Western Corn Rootworm, WCRW) was detected in forage corn and sweet corn in the Fraser Valley. The same management options are not suitable for all growers for various reasons including lack of availability of land and cropping options for adequate rotations and limited acceptance in some markets for transgenic corn hybrids.
- Increasingly, the market demands increased volumes and competitive pricing.
- Consolidation to interests outside of BC creates a business environment that discourages the viability for expansion of new and existing processors to fill the infrastructure need.
- BC vegetable producers have difficulty satisfying the requirements of retailers due to lack of production capacity and uncompetitive production costs.
- Proposed decisions by regulators to discontinue pesticide products decreases the capability of producers to control pests in a cost-effective competitive manner..
- Predatory practices from much larger growing areas have the potential to cause volatility in price and supply.

MINISTRY ALLOCATION

Full-Time Equivalents	0.25 Field Industry Specialist, as well as the support of food processing consultant, policy analysts, regional agrologists, plant health staff and BRM staff.
-----------------------	--

AREAS OF FOCUS FOR 2017

- Industry will focus on carrying out a SWOT analysis of the BC processing vegetables sector including a profile of the industry capacity and outline of risks.
- The ministry is currently working with the BCVMC to improve efficiencies in administering the Processing Vegetables Industry Development Fund.
- The ministry could create and lead a taskforce approach to addressing WCRW enabling sharing of information with stakeholders, facilitating necessary research, and collaborating to develop an action plan of sustainable management options.

Prepared by

Susan Smith, Industry Specialist, 604-556-3087, Susan.L.Smith@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Dairy Association (BCDA), bcdairy.ca
- BC Milk Marketing Board (BCMMB), bcmilkmarketing.worldsecuresystems.com
- BC Dairy Council (BCDC), bcdairycouncil.ca
- Dairy Famers of Canada (DFC), dairyfamers.ca
- BC Centre for Disease Control (BCCDC), bccdc.ca/health-info/food-your-health/dairy/dairy-plants

INDUSTRY DESCRIPTION

Industry overview

- As of July 2016, there were 490 licensed milk producers and 53 licensed dairy processors.
- During July 2016, there were 20 dairy producers managing 31 certified organic dairy farms. The organic industry achieved double-digit annual growth since 2013 and now accounts for about 5.0% of total BC milk production. Organic milk production grew by 11.0% in the 2015/2016 dairy year compared to 2014/2015. Continued growth is anticipated.
- BC's current median herd size is approximately 135 cows. The number of dairies with herds in the 200 to 800 cow sized range has increased over the past ten years. This trend continues.
- BC ranks first in Canada for the highest provincial herd average milk production and the highest milk quality according to annual national summaries and milk quality statistics.
- In 2016, BC was third in Canada behind Quebec and Ontario in total milk production supplying approximately 9% of the Canadian market.
- 68% of producers and 75% of BC's milk comes from the Fraser Valley. The Okanagan-Shuswap and Vancouver Island regions produce 14% and 7% respectively.
- BCDA is active and effective in lobbying, issues management, leadership and promotions.

Supply Management

- BCMMB is a regulatory body which receives its authority under a number of provincial acts and regulations. BC's milk production is sold as part of the Western Milk Pool (WMP), which includes Alberta, Saskatchewan, Manitoba, and BC. The P10 Pool includes all ten provinces.
- Milk prices are based on consumer price and cost of production indices under the WMP and P10 Pool Agreements. Revenues are shared through a monthly reconciliation so that all dairy producers across Canada receive the same value for their milk.
- The Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA) was signed on October 30, 2016. The European Parliament approved CETA in February 2017. A Federal compensation package is being developed for Canadian dairy producers and processors to offset the impacts of reduced tariffs and increased imports of EU dairy products.
- The Trans-Pacific Partnership (TPP) Agreement, which included Canada, was reached among 12 participating countries in late 2015; however, the recent retraction of the US from this Agreement has raised serious uncertainty that an alternate TPP Agreement without the US can be reached. The original TTP Agreement would have seen the Canadian dairy industry giving up approximately 4% of its market share to dairy product imports.

Food Safety

- DFC approved the adoption of its 'proAction Initiative' Canada-wide during its July 2015 Annual General Meeting. This Initiative's objective is to improve dairy program delivery under six pillars: food safety; milk quality; animal welfare; biosecurity; traceability; environment.
- Complete validation programs are in place for the food safety and milk quality pillars of proAction. The animal welfare and traceability components to begin implementation in 2017.
- Under BC's *Milk Industry Act* and Milk Industry Standards Regulation, farm inspections are conducted to ensure dairies operate in an environment that promotes clean milk production and safe handling practices.
- BC Ministry of Agriculture is responsible for oversight of raw milk production through the licensing and inspection of dairy farms and bulk milk tank graders, and milk quality testing.
- Food Protection Services, BC Centre for Disease Control (BCCDC) is responsible for the licensing and inspection of all dairy plants. BCCDC Dairy Plant Specialists provide an integrated program of construction approval, inspection, education and enforcement to ensure the safe operation of dairy plants.

STATISTICS

- With close to 37% of the province's total livestock receipts and 18% of the province's total farm cash receipts, the dairy sector continues to account for the largest share of provincial farm cash receipts at just over \$584 million for the 2015/2016 dairy year.
- An independent 2013 PricewaterhouseCoopers (PwC) study revealed that the BC dairy industry value chain generated approximately \$2.7 billion in economic output in 2011, of which \$782 million could be considered new, or value-added to the economy. BC dairy sector growth since 2011 has very likely pushed total economic output to exceed \$3.0 billion in 2016.
- The dairy industry also generates in excess of \$100 million per year in municipal, provincial and federal taxes directly and indirectly.
- According to the 2013 PwC Study, about 7,850 jobs were supported directly by dairy producers and processors, with a further 7,720 jobs in related industries.
- During the 2015/2016 dairy year, a total of nearly 733 million litres of milk were produced in BC, an increase of almost 24 million litres or 3.4% more than the previous year (2014/2015).
- About 75% of the production increase was due to higher demand for industrial milk products.
- BC gross milk prices varied from \$74.57 to \$82.65 per hectoliter during 2015/2016 dairy year.
- BC quota prices varied from \$42,500 to \$44,000 per kg daily butterfat (BF) during 2015/2016.

MARKETS

- BC exported \$35.0 million in dairy products in 2015, a slight decrease (-1.3%) from 2014.
- In 2015/2016 about 48% of milk production (or about 352 million litres) was utilized for fluid milk sales, an increase of 2.8% (or about 9.6 million litres) compared to 2014/2015..
- In 2015/2016 about 52% of milk production (or about 381 million litres) was utilized for non-fluid industrial product sales, an increase of 3.9% (or about 14.3 million litres) compared to 2014/2015.

- The top export markets were the US, Brazil, China, and Australia. Dairy product exports include natural milk constituents, cheese, butter, buttermilk, milk and cream.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Supply managed commodity with stable prices and revenue streams.
- Very strong, well-developed and integrated service and support sector infrastructure.
- Strong national (i.e., Dairy Farmers' of Canada, Canadian Dairy Commission) and provincial (i.e., BCMMB, BCDA, BCDC) organizations.
- Sound governance, experience and planning on the Boards of BCMMB and BCDA.
- Stable dairy processing capacity, particularly through three major dairy processors that handle more than 90% of BC's milk production.
- Close proximity to a world-class dairy research facility; University of BC's Dairy Education and Research Centre in Agassiz.
- Strong industry mindset with respect to innovative, new dairy technology adoption.

Weaknesses

- The industry is highly dependent on imported feed grains by rail car. If a supply issue arises with rail car deliveries, then local mill feed inventories run at critically low levels. As a result, feed grains are then trucked into BC at higher cost and this cost is passed on to producers.
- There is no comprehensive mass carcass disposal plan for livestock producers should there be a major foreign animal disease (FAD) outbreak. This is particularly concerning for Fraser Valley dairy producers where over 70% of BC's dairy cattle are located.
- There is no comprehensive industry-wide biosecurity program yet; however, a national program will be implemented under DFC's 'proAction Initiative' by 2019.
- Lack of an official association or legal body to act as a common voice for the many artisan cheese makers throughout BC and program training on best management practices and food safety. A cheese recall for an artisan cheese maker can be very devastating for the business as well as the reputation of all cheese producers, large and small, throughout BC.
- Lack of skilled dairy farm workers that are capable of working with new dairy technologies.
- A total of 1,411 kgs BF quota transferred ownership through monthly quota exchanges in 2015/2016 at an average price of about \$43,000 per kg BF. Typically, there are many more producers bidding on the exchange to buy quota than there are producers offering to sell.

Opportunities

- The DFC has developed and approved the 'proAction Initiative' as of July 2015. The industry is actively implementing all six pillars of proAction over a staggered time frame.
- BC maintained a prominent position at the P10 table in negotiating an agreement to increase flexibility to support market growth, ensure adequate milk supply, and to compete with rising imports of tariff-free dairy ingredients. The P10 negotiations resulted in a National Milk Ingredients Strategy, which all provinces began implementing in February 2017.
- Continued access to funding under BC's Environmental Farm Plan Program to facilitate

Ministry of Agriculture Fact Sheet

DAIRY

adoption of innovative new technologies to improve waste and nutrient management.

- Potential for market development and sustained growth of the organic dairy sector.
- Potential for market development and sales growth by the artisan cheesemakers society.
- The adoption of new on-farm manure handling technologies that allow the separation of nutrient rich solids (ie phosphorus) from liquids could provide a significant opportunity to nutrient management planning and new revenue streams for producers selling solids off-farm.
- The majority of the dairy industry is in close proximity to a large population base with diverse ethnic communities providing new, value-added product market opportunities.

Threats

- A sudden rise in interest rates (2 to 3%) would cause a significant cash flow problem for many dairies that have high operating lines of credit at very low interest rates.
- The industry is highly exposed and vulnerable to animal activist groups when there is evidence of animal welfare issues with respect to animal handling and transportation.
- Livestock operations located over large aquifers are vulnerable to public accusations and legal action when suspected or determined to be contributing to water quality contamination.
- Industry is not well prepared to contain the spread of a serious foreign animal disease (FAD).
- Uncertainty remains as to the specifics of proposed amendments to the BC Agricultural Waste Control Regulation (AWCR) despite industry consultations. Depending on the amendments adopted, the dairy industry perceives these as a potential threat to dairy farm operations.
- A major freshet, earthquake or FAD event could cause significant disruptions in feed supplies, milk production and transportation, livestock movement, and retail dairy product supply.

MINISTRY ALLOCATION

Full Time Equivalents

0.85 Dairy Industry Specialist,
2.0 Dairy Farm Inspectors as well as support from policy,
regional agrologists, veterinary and BRM staff.

AREAS OF FOCUS FOR 2017

- Dairy education outreach programs (i.e. seminars; hoof trimming courses; farm tours).
- Renewed focus on promoting the BC Dairy Apprenticeship Training Program.
- Continue to work with BCDA with the implementation of DFC's 'proAction Initiative'.
- Assist BC artisan cheesemakers in the formation of their own non-profit Society or Association and in accessing funding to develop a Strategic Plan and other initiatives to support growth.
- Monitor impacts of CETA agreement implementation and details of Federal compensation.
- Work with stakeholders in resolving feed grain supply issues to BC livestock producers.
- To support the expansion of BC's school milk program.

Prepared by

Tom Droppo, Industry Specialist, M.Sc., P.Ag., 604-556-3144, Tom.Droppo@gov.bc.ca

REPRESENTATIVE GROUPS/ASSOCIATIONS

- BC Blueberry Council, www.bcblueberry.com
- BC Raspberry Industry Development Council, bcraspberries.com
- BC Strawberry Growers Association, bcstrawberries.com
- BC Cranberry Marketing Commission, bccranberries.com
- BC Cranberry Growers Association, www.bccranberrygrowers.com

INDUSTRY DESCRIPTION

- The blueberry, cranberry, raspberry and strawberry industries are primarily based in the Fraser Valley, with some production on Vancouver Island.
- Blueberries are the largest berry crop in BC, with 28,000 acres and 800 growers. Cranberries are second, with 6,500 acres and 72 growers. Raspberries are grown on about 2500 acres by 95 growers. The strawberry industry has approximately 600 acres and 52 growers doing small-scale fresh market production.

Blueberries

- Blueberries are produced for both the fresh and processing markets. There are 29 companies, mostly independently owned, who pack and/or process blueberries.
- The BC Blueberry Council collects levies on fruit produced in BC and works to develop the industry through promotion, research and grower education.
- Many of the growers are small, part-time growers.
- The 2015 harvested crop is estimated at a record 172 million pounds, an increase of approximately 20 million pounds from 2014. Initial 2016 blueberry estimates indicate volumes of 170 million pounds.
- In 2015, fresh market grower price during the peak July period was around \$1.00 per pound. Grower price for frozen fruit averaged \$0.65 per pound.
- With dramatic increases in planted acreage in BC and worldwide, local industry is challenged to find markets for the growing volume of fruit.
- Inventories of blueberries in cold storage in North America have increased annually over the past three years.
- BC gained market access for fresh blueberries to China and Korea in September 2015. Approximately 2,000 pounds were shipped to China to the end of the 2015.

Cranberries

- Most cranberries grown in BC are destined for processing through Ocean Spray.
- The 2015 harvested crop increased above 2014's production to 98 million pounds due to favourable growing conditions and newer varieties coming into production. Initial estimate of the 2016 crop suggests a record crop of 100 million pounds.
- Growers in the A pool with Ocean Spray receive a premium price for cranberries. In 2015, A pool price was around US \$0.45/pound compared to the commodity price

of \$0.12-0.25/pound.

- Inventories of cranberries in cold storage in North America have doubled over the past 10 years, with a large surplus in cranberry concentrate.

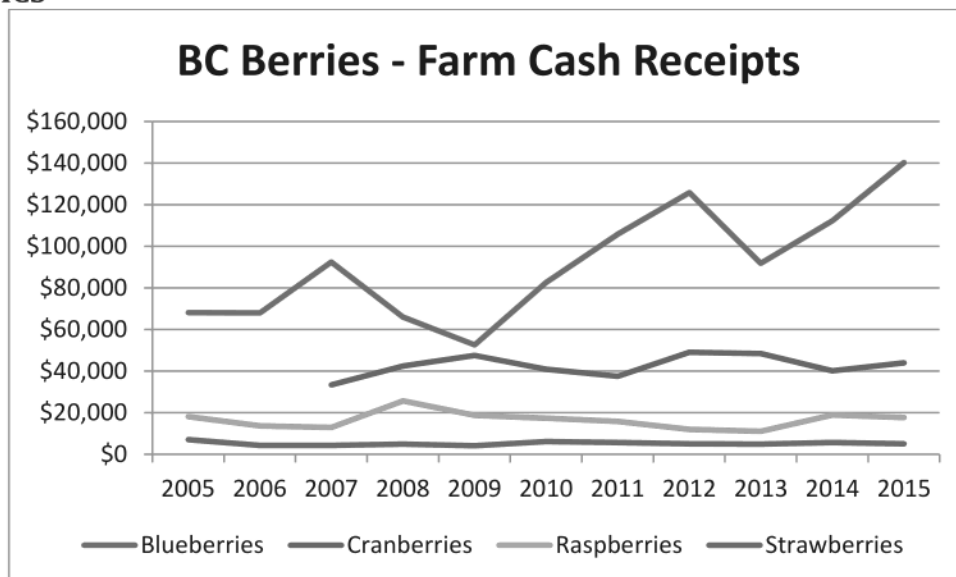
Raspberries

- Most of the raspberry production is destined for the processing market.
- The BC Raspberry Industry Development Council collects levies on fruit produced in BC. A new Order in Council came into effect in February 2016 to increase their levy from 0.5 cents to 1 cent per pound.
- In 2015, growers harvested about 12.4 million pounds of raspberries. Fruit size and quality suffered in 2015 because of the hot, dry weather. Initial 2016 raspberry estimates indicate a rebound to 17 million pounds of raspberries, due to better growing conditions in 2016.
- The market was strong in 2015 and growers received around \$1.25 per pound.

Strawberries

- Most of the strawberry production is direct marketed through on-farm sales, U-picks, farmers markets and produce stores.
- Volume of sales is difficult to track. In 2015, the BC Strawberry Growers Association collected levies on 1.8 million pounds. The value of the crop was estimated at \$5 million. In 2016, levies were collected on approximately 1.9 million pounds.
- Modest growth in the local fresh market continues and local short term oversupplies have put downward pressure on pricing.

STATISTICS



MARKETS

- Blueberries were the top BC fruit export in 2015 at \$218 million, a 29 per cent increase from 2014. The top markets were the United States, Japan, China, and Chile. Other berry exports included cranberries (\$55.5 million), raspberries (\$13.5 million), and strawberries (\$2.1million).
- Canada now has market access to China and Korea for fresh BC blueberries.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths

- Berries are one of the fastest growing fresh and processed produce categories. This growth is strongly linked to many documented health benefits.
- BC's berry industry has a strong infrastructure of growing, packing and a developing value-added sector.
- BC's berry industry has relatively stable industry organizations that, with the exception of strawberries, have the capacity for self-funding.
- The sector has good international linkages and relationships, which provide market intelligence and goodwill which has enhanced market stability and trade.
- The raspberry, blueberry and strawberry industries are unified in their support of a berry breeding program in partnership with AAFC to develop new locally-adapted cultivars.
- The weak Canadian dollar has made BC grown fruit more competitive in international markets.

Weaknesses

- BC berry growers face higher input costs and land costs relative to producers in the US and other areas of the world which impacts competitiveness.
- Average yields per acre lag behind other regions due to lack of suitable cultivars, limited pest control options and other soil and production-related issues.
- For raspberries and blueberries there is heavy reliance on undifferentiated export commodity markets.
- The BC Strawberry Growers Association does not have a reliable mechanism to collect levies on sales of fresh market fruit. They have not taken formal steps to form a council.
- There is a lack of private research and extension to support innovative production practices in the BC berry industry.

Opportunities

- Novel value-added product development could increase the demand for berries.
- Further health research, marketing and promotion of raspberries and blueberries could be funded through the establishment of National Promotion, Marketing and Research Agencies under Farm Products Council of Canada

- Strengthened value chains could increase the price growers receive. Much of the fresh and frozen fruit is sold as generic fruit through brokers with inadequate communication through the supply chain.
- Improved production efficiency could be achieved through mechanization.
- Improved fruit quality and yields could be achieved through better genetics, production research, production technology transfer and extension.
- New markets have recently opened in China and Korea for blueberries and other Asian markets are being pursued.

Threats

- Fresh market blueberry exports to China are limited by high tariffs and inconsistent or low pesticide maximum residue limits.
- There is concern about potential tariffs against berry exports to the USA.
- There are concerns about the continued availability of a stable, efficient workforce.
- There are urban-rural interface pressures on grower's use of pesticides and audible bird scare devices.
- Not all growers are Good Agriculture Practices (GAP) Certified and there is a risk of food borne illness linked to BC berry production.
- Worldwide blueberry and cranberry production continues to increase and supply may surpass demand. There are large inventories in cold storage.
- Abnormal weather patterns can impact yield, quality and profitability.
- Aggressive new insects, diseases and weeds and loss of broad spectrum pesticides increase the costs of production and risk of crop loss.

MINISTRY ALLOCATION

Full Time Equivalents 1.0 Berry Specialist, as well as the support of policy analysts, regional agrologists, plant health staff and BRM staff.

The four berry groups were successful in obtaining a \$2.8 million GF2 grant over five years for research including support for berry variety development.

AREAS OF FOCUS FOR 2017

- Maintain access to and investigate new cost-effective monitoring and crop protection tools for insects, diseases, weeds and vertebrate pests.
- Build extension capacity within the berry industry.
- Maintain programs that enable access to labour sources such as the Seasonal Agriculture Worker Program and Low Skills Program.
- Support the berry breeding program to develop a strategic plan.

Prepared by

Carolyn Teasdale, Industry Specialist, 604-556-3056, carolyn.teasdale@gov.bc.ca